Congressional Record

PROCEEDINGS AND DEBATES

OF THE

SECOND SESSION OF THE SIXTY-SIXTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME LIX—PART 1

DECEMBER 1, 1919, TO JANUARY 5, 1920

(Pages 1-1080)

48039

WASHINGTON
GOVERNMENT PRINTING OFFICE
1920

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U.S. GOVERNMENT
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Congressional Record.

PROCEEDINGS AND DEBATES OF THE SIXTY-SIXTH CONGRESS
SECOND SESSION.

SENATE.

MONDAY, *December 1, 1919.*

THOMAS R. MARSHALL, of Indiana, Vice President of the United States, called the Senate to order at 12 o'clock meridian.

Rev. Ulysses Grant Warren, D. D., of Syracuse, N. Y., offered the following prayer:

Almighty God, our Heavenly Father, again we have assembled in the councils of our Nation for the purpose of carrying forward its mighty program in the affairs of mankind. We pray that Thou wilt guide us with the wisdom with which Thou hast always presided over the affairs of Thy children. Bless us with the integrity of Abraham, the wisdom of Solomon, the spirit of the Master, as we approach these great problems in this age of reconstruction. May we be guided by the divine light from on high, and may the principles of social justice, political freedom, and universal brotherhood be the trinity of worship on the altar of which these Members may pay homage to Him who is King of Kings and Lord of Lords. We pray Thee to bless the Chief Executive of this Nation and every man and woman unto whose hands has been committed an office of trust in a representative form of government. Guide us and save us finally through Jesus Christ, our Lord. Amen.

The VICE PRESIDENT. Senators, the day and the hour provided by the Constitution of the United States and the laws enacted thereunder for the regular annual assembling in session of the Congress of the United States having arrived, the Secretary of the Senate will call the roll of Senators to ascertain if there be a constitutional number present to enable the Senate to transact business.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McKellar	Smoot
Ball	France	Moses	Spencer
Bankhead	Frelinghuysen	Myers	Stanley
Beckham	Gay	Nelson	Sterling
Borah	Gerry	Newberry	Sutherland
Brandegee	Hale	Norris	Swanson
Calder	Harris	Nugent	Thomas
Capper	Hitchcock	Owen	Townsend
Chamberlain	Johnson, Calif.	Page	Wadsworth
Colt	Johnson, S. Dak.	Phipps	Walsh, Mont.
Culberson	Jones, Wash.	Pittman	Warren
Cummins	Kellogg	Pomerene	Watson
Curtis	Keyes	Reed	Williams
Dial	King	Sheppard	
Edge	La Follette	Simmons	
Elkins	Lodge	Smith, Ga.	

Mr. CURTIS. I was requested to announce the absence of the Senator from Iowa [Mr. KENYON] on account of illness.

I was also requested to announce the absence of the Senator from Illinois [Mr. SHERMAN] on account of illness.

The VICE PRESIDENT. Sixty-one Senators have answered to the roll call. There is a constitutional quorum of Senators present.

LIST OF SENATORS.

The list of Senators by States is as follows:

Alabama—John H. Bankhead and Oscar W. Underwood.
Arizona—Henry F. Ashurst and Marcus A. Smith.
Arkansas—Joseph T. Robinson and William F. Kirby.
California—James D. Phelan and Hiram W. Johnson.
Colorado—Charles S. Thomas and Lawrence C. Phipps.
Connecticut—Frank B. Brandegee and George P. McLean.
Delaware—Josiah O. Wolcott and L. Heisler Ball.
Florida—Duncan U. Fletcher and Park Trammell.
Georgia—Hoke Smith and William J. Harris.
Idaho—William E. Borah and John F. Nugent.
Illinois—Lawrence Y. Sherman and Medill McCormick.
Indiana—James E. Watson and Harry S. New.
Iowa—Albert B. Cummins and William S. Kenyon.
Kansas—Charles Curtis and Arthur Capper.
Kentucky—J. C. W. Beckham and Augustus O. Stanley.
Louisiana—Joseph E. Ransdell and Edward James Gay.
Maine—Bert M. Fernald and Frederick Hale.
Maryland—John Walter Smith and Joseph I. France.
Massachusetts—Henry Cabot Lodge and David I. Walsh.
Michigan—Charles E. Townsend and Truman H. Newberry.
Minnesota—Knute Nelson and Frank B. Kellogg.
Mississippi—John Sharp Williams and Pat Harrison.
Missouri—James A. Reed and Selden P. Spencer.
Montana—Henry L. Myers and Thomas J. Walsh.
Nebraska—Gilbert M. Hitchcock and George W. Norris.
Nevada—Key Pittman and Charles B. Henderson.
New Hampshire—George H. Moses and Henry W. Keyes.
New Jersey—Joseph S. Frelinghuysen and Walter E. Edge.
New Mexico—Albert B. Fall and Andrieus A. Jones.
New York—James W. Wadsworth, jr., and William M. Calder.
North Carolina—F. M. Simmons and Lee S. Overman.
North Dakota—Porter J. McCumber and Asle J. Gronna.
Ohio—Atlee Pomerene and Warren G. Harding.
Oklahoma—Thomas P. Gore and Robert L. Owen.
Oregon—George E. Chamberlain and Charles L. McNary.
Pennsylvania—Boies Penrose and Philander C. Knox.
Rhode Island—LeBaron B. Colt and Peter G. Gerry.
South Carolina—Ellison D. Smith and Nathaniel B. Dial.
South Dakota—Thomas Sterling and Edwin S. Johnson.
Tennessee—John K. Shields and Kenneth McKellar.
Texas—Charles A. Culberson and Morris Sheppard.
Utah—Reed Smoot and William H. King.
Vermont—William P. Dillingham and Carroll S. Page.
Virginia—Claude A. Swanson.
Washington—Wesley L. Jones and Miles Poindexter.
West Virginia—Howard Sutherland and David Elkins.
Wisconsin—Robert M. La Follette and Irvine L. Lenroot.
Wyoming—Francis E. Warren and John B. Kendrick.

NOTIFICATION TO THE PRESIDENT.

Mr. LODGE submitted the following resolution (S. Res. 235), which was read, considered by unanimous consent, and agreed to:

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to notify the President of the United States that a quorum of each House is assembled and that Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT appointed Mr. LODGE and Mr. HITCHCOCK as the committee on the part of the Senate.

NOTIFICATION TO THE HOUSE.

Mr. LODGE submitted the following resolution (S. Res. 236), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

HOUR OF MEETING.

Mr. LODGE submitted the following resolution (S. Res. 237), which was read, considered by unanimous consent, and agreed to:

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian until otherwise ordered.

RAILROAD CONTROL—ADJOURNMENT.

Mr. LODGE. Mr. President, pending the report of the committee appointed to notify the President, I move that the Senate do now adjourn.

Mr. CUMMINS. Will the Senator from Massachusetts withhold the motion for a moment?

Mr. LODGE. Certainly.

Mr. CUMMINS. Mr. President, I had supposed that in accordance with the long-established custom the Senate would adjourn until a response could be received from the President of the United States. I desire to give notice that to-morrow, immediately after the close of the morning business, I shall move to take up for consideration the railroad bill, and I hope that the Senate will see its way clear to give its undivided consideration to that measure until we shall have concluded it.

Mr. THOMAS. Mr. President, I do not think there is anything but precedent, which sometimes is "better honored in the breach than in the observance," to justify an adjournment until to-morrow. The present session of the Senate has an enormous docket before it. Every day should count, every day must count, if we are to transact any considerable percentage of the business confronting us. Personally, therefore, I protest against the proposed adjournment.

Mr. CUMMINS. Under the circumstances I do not want to do anything that could be possibly construed as disrespectful to the President, and it is only because I felt that a disregard of a custom of many years might be construed as disrespect to the President that I said what I have.

Mr. CURTIS. Mr. President, I wish to suggest to the Senator from Iowa that the railroad bill is now the unfinished business, and therefore there could be no disrespect to the President if we went on with the unfinished business. I hope the Senate will remain in session for that purpose.

Mr. THOMAS. I wish to add, Mr. President, if I may, that inasmuch as we have had a long extra session of Congress, while this is the first regular session, it does not find us in the position which the Senate would occupy if there had been no such extra session. I think if there had been no extra session it would be perfectly proper—perhaps the proprieties would require—that we should adjourn until we heard from the President. Under the present circumstances I do not see that any disrespect or discourtesy is involved in our proceeding to the discharge of the business that is before us. We are sent here to transact business. We have transacted very little of it since last May. If the present session is to be drawn out in the same way we shall perhaps adjourn some time next September with very little behind us to show for our work.

Mr. CUMMINS. Mr. President, I wish to say, in addition to what I have already said, that I am quite ready to go on at this or any other moment at which the Senate will be willing to take up the bill; and if the Senate feels that it should not adjourn until a later hour in the afternoon, it will be entirely agreeable to me.

Mr. LODGE. I made the motion to adjourn in accordance with, I think, the unbroken custom to take a recess or adjourn on the first day of the session until the committee appointed to notify the President that Congress was ready to do business and receive any communication he might be pleased to make had performed its duty. The House, of course, joins with us in that action. The President is ill. I should be extremely sorry, personally, if anything were done which could be construed into any disrespect to him. For that reason I made the motion. If the Senate sees fit to vote the motion down, of course I shall bow to the will of the Senate.

The VICE PRESIDENT. The Chair understood that the Senator withheld the motion. Does he make it now?

Mr. LODGE. I make the motion.

The VICE PRESIDENT. The question is on the motion of the Senator from Massachusetts that the Senate adjourn.

Mr. THOMAS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JOHNSON of South Dakota (when his name was called). I have a pair with the Senator from Maine [Mr. FERNALD]. In his absence I withhold my vote. If permitted to vote, I should vote "nay."

Mr. STERLING (when his name was called). I have a general pair with the senior Senator from South Carolina [Mr. SMITH]. In his absence I withhold my vote.

Mr. WILLIAMS (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. PENROSE] and am, therefore, compelled to withhold my vote. If I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. MYERS. I understand that the Senator from Connecticut [Mr. MCLEAN], with whom I have a pair, has not voted. I transfer my pair with that Senator to the Senator from Mississippi [Mr. HARRISON] and vote "yea."

Mr. CHAMBERLAIN (after having voted in the affirmative). I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX]. I transfer my pair to the Senator from New Mexico [Mr. JONES] and allow my vote to stand.

Mr. WATSON (after having voted in the affirmative). I have a general pair with the senior Senator from Delaware [Mr. WOLCOTT]. I transfer my pair to my colleague the junior Senator from Indiana [Mr. NEW] and permit my vote to stand.

Mr. CURTIS. I desire to announce that the Senator from Iowa [Mr. KENYON], the Senator from Illinois [Mr. SHERMAN], and the Senator from Pennsylvania [Mr. PENROSE] are absent on account of illness.

I have been requested to announce the following pairs:

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Nevada [Mr. HENDERSON];

The Senator from New Mexico [Mr. FALL] with the Senator from Wyoming [Mr. KENDRICK];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD]; and

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH].

Mr. GAY. I desire to announce that my colleague the senior Senator from Louisiana [Mr. RANSDELL] is necessarily absent from the Senate.

Mr. GERRY. I wish to announce that the Senator from Mississippi [Mr. HARRISON], the Senator from Nevada [Mr. HENDERSON], the Senator from New Mexico [Mr. JONES], the Senator from Wyoming [Mr. KENDRICK], the Senator from Arkansas [Mr. KIRBY], the Senator from North Carolina [Mr. OVERMAN], and the Senator from California [Mr. PHELAN] are necessarily absent from the Senate.

I wish also to announce that the senior Senator from Arkansas [Mr. ROBINSON], the Senator from Tennessee [Mr. SHIELDS], the Senator from Oklahoma [Mr. GORE], the Senator from Arizona [Mr. SMITH], the Senator from Delaware [Mr. WOLCOTT], and the Senator from Massachusetts [Mr. WALSH] are absent on public business.

The result was announced—yeas 44, nays 12, as follows:

YEAS—44.

Ashurst	Elkins	McKellar	Sheppard
Ball	France	Moses	Simmons
Bankhead	Gay	Myers	Smith, Ga.
Beckham	Gerry	Nelson	Smoot
Borah	Hale	Newberry	Spencer
Brandegee	Harris	Norris	Stanley
Calder	Hitchcock	Page	Swanson
Chamberlain	Johnson, Calif.	Phipps	Townsend
Colt	King	Pittman	Walsh, Mont.
Culberson	La Follette	Pomerene	Warren
Dial	Lodge	Reed	Watson

NAYS—12.

Cummins	Fletcher	Kellogg	Sutherland
Curtis	Frelinghuysen	Keyes	Thomas
Edge	Jones, Wash.	Nugent	Wadsworth

NOT VOTING—39.

Capper	Jones, N. Mex.	New	Smith, Ariz.
Dillingham	Kendrick	Overman	Smith, Md.
Fall	Kenyon	Owen	Smith, S. C.
Fernald	Kirby	Penrose	Sterling
Gore	Knox	Phelan	Trammell
Gronna	Lenroot	Poindexter	Underwood
Harding	McCormick	Ransdell	Walsh, Mass.
Harrison	McCumber	Robinson	Williams
Henderson	McLean	Sherman	Wolcott
Johnson, S. Dak.	McNary	Shields	

So the motion was agreed to; and (at 12 o'clock and 22 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 2, 1919, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *December 1, 1919.*

This being the day fixed by the Constitution of the United States for the annual meeting of the Congress of the United States, the House of Representatives of the Sixty-sixth Congress, having been duly organized at the extra session beginning May 19 last, met in its Hall at 12 o'clock m. for the first regular session, and was called to order by the Speaker, Hon. FREDERICK H. GILLETT, a Representative from the State of Massachusetts.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father Almighty, in the swift flight of time Thou hast brought us to the beginning of the first regular session of the Sixty-sixth Congress.

The past has gone save for the results which have been woven into the tissues of our Republic. The future looms large before it, questions of great moment must be solved, hence our hearts turn to Thee for guidance.

Imbue the Speaker of this House and each Representative with wisdom, strength, courage, fortitude, that they may think deeply, act nobly, do justly, and meet the tasks before them with courageous hearts and leave behind them a record worthy of American statesmen, and thus add solidity, strength, and greater achievements to our Government; and all praise we will ascribe to Thee, in the name and spirit of the Master. Amen.

CALL OF THE ROLL.

The roll was called by States, and the following Members answered to their names:

Fred L. Blackmon.
J. Thomas Heflin.

ALABAMA.
William B. Oliver.
William B. Bankhead.

ARIZONA.
Carl Hayden.

ARKANSAS.
William A. Oldfield.
John N. Tillman.
Otis Wingo.

CALIFORNIA.
Clarence F. Lea.
John E. Raker.
Charles F. Curry.
Charles H. Randall.
William Kettner.

COLORADO.
William N. Vaile.
Charles B. Timberlake.
Guy U. Hardy.
Edward T. Taylor.

CONNECTICUT.
Augustine Lonergan.
John Q. Tilson.
James P. Glynn.

DELAWARE.
Caleb R. Layton.

FLORIDA.
Herbert J. Drane.
Frank Clark.

GEORGIA.
Frank Park.
Charles R. Crisp.
William C. Wright.
William D. Upshaw.
William W. Larsen.
Gordon Lee.
Thomas M. Bell.
Carl Vinson.
William C. Lankford.

IDAHO.
Burton L. French.
Addison T. Smith.

ILLINOIS.
Martin B. Madden.
James R. Mann.
William W. Wilson.
John W. Rainey.
Adolph J. Sabath.
James McAndrews.
Niels Juul.
Thomas Gallagher.
Carl R. Chindblom.
Ira C. Copley.
Charles E. Fuller.
John C. McKenzie.
William J. Graham.
Clifford Ireland.
Joseph G. Cannon.
William B. McKinley.
William A. Rodenberg.
Edwin B. Brooks.
Thomas S. Williams.
Richard Yates.

INDIANA.
James W. Dunbar.
John S. Benham.
Richard N. Elliott.
Merrill Moores.
Albert H. Vestal.
Fred S. Purnell.
William R. Wood.
Milton Kraus.

IOWA.
Charles A. Kennedy.
Harry E. Hull.
James W. Good.
Horace M. Towner.
William R. Green.

KANSAS.
Edward C. Little.
Philip P. Campbell.
J. N. Tincher.

KENTUCKY.
David H. Kincheloe.
Robert Y. Thomas, jr.
A. B. Rouse.
James C. Cantrill.
William J. Fields.

LOUISIANA.
John T. Watkins.
Riley J. Wilson.
Ladislas Lazaro.
James B. Aswell.

MAINE.
Wallace H. White, jr.
John A. Peters.
Ira G. Hersey.

MARYLAND.
Charles P. Coady.
J. Charles Linthicum.
Frederick N. Zihlman.

MASSACHUSETTS.
Allen T. Treadway.
Frederick H. Gillett.
Calvin D. Paige.
Willfred W. Lufkin.
Michael F. Phelan.
Frederick W. Dallinger.
Peter F. Tague.
George Holden Tinkham.
James A. Gallivan.
Robert Luce.
William S. Greene.
Joseph Walsh.

MICHIGAN.
Frank E. Doremus.
Earl C. Michener.
Carl E. Mapes.
Patrick H. Kelley.
Louis C. Cramton.
Gilbert A. Currie.

MINNESOTA.
Sydney Anderson.
Charles R. Davis.
Oscar E. Keller.
Walter H. Newton.
William L. Carss.
Halvor Steenerson.
Thomas D. Schall.

MISSISSIPPI.
Hubert D. Stephens.
Percy E. Quin.

MISSOURI.
Milton A. Romjue.
William W. Rucker.
Clement C. Dickinson.
William L. Nelson.
Champ Clark.
Leonidas C. Dyer.
Marion E. Rhodes.
Edw. D. Hays.
Isaac V. McPherson.
Cleveland Newton.

MONTANA.
John M. Evans.
Carl W. Riddick.

NEBRASKA.
Robert E. Evans.
Melvin O. McLaughlin.
William E. Andrews.
Moses P. Kinkaid.

NEVADA.
Charles R. Evans.

NEW HAMPSHIRE.
Sherman E. Burroughs.

NEW JERSEY.
William J. Browning.
Isaac Bacharach.
Elijah C. Hutchinson.
Ernest R. Ackerman.
John R. Ramsey.
Amos H. Radcliffe.
Cornelius A. McGlennon.
Daniel F. Minahan.
Frederick R. Lehlbach.

NEW YORK.
Frederick C. Hicks.
Chas. Pope Caldwell.
John MacCrate.
Thomas H. Cullen.
John B. Johnston.
James P. Maher.
William E. Cleary.
David J. O'Connell.
Reuben L. Haskell.
Daniel J. Riordan.
Henry M. Goldfogle.
Christopher D. Sullivan.
Fiorello H. LaGuardia.
Peter J. Dooling.
Thomas F. Smith.
Herbert C. Pell.
Isaac Siegel.
James V. Ganly.
James W. Husted.
Edmund Platt.
Rollin B. Sanford.
Frank Crowther.
Bertrand H. Snell.
Luther W. Mott.
Walter W. Magee.
Alanson B. Houghton.
Clarence MacGregor.
Daniel A. Reed.

NORTH CAROLINA.
Claude Kitchin.
Samuel M. Brinson.
Edward W. Pou.
Hannibal L. Godwin.
Robert L. Doughton.

NORTH DAKOTA.
John M. Baer.
George M. Young.

OHIO.
Warren Gard.
Benjamin F. Welty.
Simeon D. Fess.
Isaac R. Sherwood.
Israel M. Foster.
Edwin D. Ricketts.
James T. Begg.
William A. Ashbrook.
Charles A. Mooney.
John J. Babka.
Henry I. Emerson.

OKLAHOMA.
Everette B. Howard.
William W. Hastings.
Charles D. Carter.
John W. Harreld.
Dick T. Morgan.

OREGON.
Willis C. Hawley.
Nicholas J. Sinnott.
Clifton N. McArthur.

PENNSYLVANIA.
William S. Vare.
J. Hampton Moore.
George W. Edmonds.
Peter E. Costello.
George P. Darrow.
Henry W. Watson.
W. W. Griest.
Patrick McLane.
John J. Casey.
Arthur G. Dewalt.
Louis T. McFadden.
Edgar R. Kiess.
John M. Rose.
Edward S. Brooks.
Samuel A. Kendall.
Henry W. Temple.
Milton W. Shreve.
Nathan L. Strong.
Willis J. Hulings.
Stephen G. Porter.
M. Clyde Kelly.
Guy E. Campbell.
Thomas S. Crago.
Anderson H. Walters.

RHODE ISLAND.
Walter R. Stiness.

SOUTH CAROLINA.
Richard S. Whaley.
James F. Byrnes.
Fred H. Dominick.
Samuel J. Nicholls.
William F. Stevenson.
Philip H. Stoll.
Edward C. Mann.

SOUTH DAKOTA.
Charles A. Christopherson.
Royal C. Johnson.
Harry L. Gandy.

TENNESSEE.
Sam R. Sells.
John A. Moon.
Cordell Hull.
Ewin L. Davis.
Joseph W. Byrns.
Lemuel P. Padgett.
Thetus W. Sims.
Finis J. Garrett.
Hubert F. Fisher.

TEXAS.
John C. Box.
Sam Rayburn.
James P. Buchanan.
Tom Connally.
Fritz G. Lanham.
Lucian W. Parrish.
John N. Garner.
Thomas L. Blanton.

UTAH.
Milton H. Welling.
James H. Mays.

VERMONT.
Frank L. Greene.

VIRGINIA.
Schuyler Otis Bland.
Edward E. Holland.
Walter A. Watson.
James P. Woods.
R. Walton Moore.
C. Bascom Slemp.
Henry D. Flood.

WASHINGTON.
Albert Johnson.
John W. Summers.

WEST VIRGINIA.
M. M. Neely.
Stuart F. Reed.
Harry C. Woodyard.
Wells Goodykoontz.

WISCONSIN.
Clifford E. Randall.
John C. Kleczka.
Florian Lampert.
Edward E. Browne.
James A. Frear.
Adolphus P. Nelson.

WYOMING.
Frank W. Mondell.

ALASKA.
George B. Grigsby.

HAWAII.

J. Kuhio Kalanianaole.

PHILIPPINE ISLANDS.

Jaime C. De Veyra. Teodoro R. Yangco.

PORTO RICO.

Felix Cordova Davila.

The SPEAKER. The Clerk reports the presence of 269 Members, more than a quorum.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Sanderson, Secretary of the Senate, announced that the Senate had passed the following resolutions:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

Also:

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to notify the President of the United States that a quorum of each House is assembled and that Congress is ready to receive any communication he may be pleased to make.

And that in compliance with the foregoing resolution the Vice President had appointed as said committee Mr. LODGE and Mr. HITCHCOCK.

NOTIFICATION TO THE SENATE.

Mr. GOOD. Mr. Speaker, I offer the following resolution.

The Clerk read as follows:

Resolved, That the Clerk of the House inform the Senate that a quorum of the House of Representatives has appeared and that the House is ready to proceed with business.

The resolution was agreed to.

NOTIFICATION TO THE PRESIDENT.

Mr. MONDELL. Mr. Speaker, I present the following resolution and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That a committee of three Members be appointed by the Speaker on the part of the House of Representatives to join with the committee on the part of the Senate to notify the President of the United States that a quorum of each House is assembled and that Congress is ready to receive any communication that he may be pleased to make.

The question was taken, and the resolution was agreed to.

The SPEAKER. The Chair appoints the gentleman from Wyoming [Mr. MONDELL], the gentleman from Iowa [Mr. GOOD], and the gentleman from North Carolina [Mr. KITCHIN].

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9821) to amend an act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, and for other purposes.

The message also announced that the Senate had passed without amendment the following resolution:

Resolved by the House of Representatives (the Senate concurring), That the time within which the Joint Select Committee on the Pilgrim Tercentenary shall report is hereby further extended to January 10, 1920.

DAILY HOUR OF MEETING.

Mr. CAMPBELL of Kansas. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That until otherwise ordered the hour of daily meeting of the House of Representatives shall be 12 o'clock meridian.

The question was taken, and the resolution was agreed to.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BRIGGS, for one week, on account of important business.

To Mr. STRONG of Kansas, for one week, on account of important business.

To Mr. HOCH, for one week, on account of important business.

To Mr. MCKEOWN, for three days, on account of illness.

To Mr. GRIFFIN, on account of illness.

To Mr. NOLAN, indefinitely, on account of important business.

Mr. WOOD of Indiana. Mr. Speaker, I would like to ask indefinite leave of absence on behalf of my colleague, Mr. FAIRFIELD, on account of illness.

There was no objection.

CALENDAR FOR UNANIMOUS CONSENT.

The SPEAKER. This is Monday, Unanimous Consent Calendar day. The Clerk will call the first bill upon the calendar.

HOMESTEAD ENTRIES WITHIN THE FORMER FORT PECK INDIAN RESERVATION, MONT.

The first business in order on the Calendar for Unanimous Consent was the bill (S. 183) providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Peck Indian Reservation, Mont.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the immediate consideration of the bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, this bill was passed over on one or two previous calls of the calendar.

Mr. EVANS of Montana. Twice at my request.

Mr. WALSH. I should like a little additional information, if somebody is in a position to give it, in addition to that which is contained in the report, as to why this Fort Peck Indian Reservation should be treated a little differently in respect to the time for the payment of the purchase money?

Mr. EVANS of Montana. Mr. Speaker, the situation is this: The Fort Peck Indian Reservation is a strip of territory in northern Montana opened five or six years ago to homestead entry and under the appraised value of the land, ranging, as I understand, from $2 to $10. In other words, the homesteader complies with the homestead law and pays for the land in addition and the payments go to the Indians. Now, for three years they have had an unprecedented drought there and the people have simply not been able to make their payments and comply with the conditions of the homestead law, and this provides for an extension of time in which to make their payments, the people paying interest in advance on their payments for a period of two years.

Mr. WALSH. Of course, the gentleman appreciates that Montana is not the only State in the Union that is subject to droughts, and why pass a special law for special conditions? I did not understand that when we legislated in reference to the payment of purchase price on these reservations for homesteads that we were taking into consideration the weather. It seems to me if these people have been unfortunate enough to locate on reservations where they have unfavorable weather conditions, they ought to try to make the best of it without coming in here and asking Congress to follow the weather.

Mr. EVANS of Montana. Well, I think in a way the gentleman is right, and I would not be captious about the matter, but I recall three or four years ago there was a bad fire in Massachusetts and Congress appropriated money to take care of the people up there for the time being.

Mr. WALSH. Yes; and the gentleman will recollect that the Massachusetts people appropriated a great deal more than they asked from the Federal Congress. There is nothing here to show whether the State has been asked to do anything or any other agency except to say that the weather has prevented them from farming this reservation and making money enough to make their payments.

Mr. EVANS of Montana. It so happens it does. If these people were homesteaders pure and simple it would be different, but they are paying the Indians for the land also. These people are paying for it in advance by giving a two years' extension of time.

Mr. WALSH. If I understand the gentleman correctly, unless these people are given relief what they have there will be lost?

Mr. EVANS of Montana. They will have lost all the improvements of their land and lost everything because they simply can not remain there and live. They can not live upon that barren territory without relief, and they would have to go away and abandon their homesteads.

Mr. FRENCH. May I suggest that a similar case was acted favorably upon in northern Idaho just a few years ago, and then another thing we should bear in mind is that the money that these settlers pay does not go to the Government, but goes to the Indians. It belongs to the Indians, and, more than that——

Mr. WALSH. Of course, the Indians have no money anywhere.

Mr. FRENCH. This will be held in trust for the Indians by the Government, and they will receive a higher rate of interest from the farmers than would be allowed to them from the Government for the trust fund. I think it is to the interest of the Indians that the extension be made as much as to the settlers.

Mr. WALSH. Financially?

Mr. FRENCH. Yes.

Mr. HASTINGS. Will the gentleman permit me to ask why it is this bill went to the Committee on the Public Lands instead

of to the Committee on Indian Affairs, if the Indians are interested in this money?

Mr. EVANS of Montana. I can not say why it went there. It seems to have come from the Committee on Public Lands of the Senate and went to the Committee on the Public Lands of the House.

Mr. HASTINGS. If these are public lands and the Indians are interested in them, it occurs to me that this bill when it came from the Senate should have been referred to the Committee on Indian Affairs rather than to the Committee on the Public Lands.

Mr. EVANS of Montana. I know that a similar bill passed the Senate last session and went to the Public Lands Committee, and was favorably reported in the House.

Mr. HASTINGS. Does this bill provide for payment of interest to the Indians?

Mr. EVANS of Montana. The money is paid into the hands of the Government and is placed to the credit of the Indians, because it was originally Indian land.

Mr. BLANTON. If the gentleman will permit, I want to ask the gentleman from Montana if it is not a fact that in some of these cases the payments are due not only for one year but due for two or three years back?

Mr. EVANS of Montana. I think none of them are due for three years, but possibly some of them are due for two years.

Mr. BLANTON. Now, at the same time there was a drought in the State of Montana there was an unprecedented drought in Colorado and New Mexico and part of Idaho and in the greater portion of Texas, lasting in the last-named State three years, and the people of the State of Texas saw fit, when they could not get help elsewhere, to provide help for the people who needed it themselves. What has Montana done, if anything, in that respect?

Mr. EVANS of Montana. Mr. Speaker, I do not know that Montana has done anything in this particular case. I do know that the Government of the United States provided money with which to take care of the stockmen and people living in the drought-stricken districts of Texas last year.

Mr. BLANTON. Oh, no. All it did was this, that the Treasury placed money on deposit in certain national banks, and the Government was protected for every dollar it placed there. It placed money on deposit in certain national banks in Texas, and the banks themselves loaned money to the cattlemen. The Government did not pay out money itself to the stockmen, but only furnished credit to the banks.

Mr. EVANS of Montana. The Government here is only allowing some people who have made a contract with the Government to pay some money to the Indians. It is just a question now of whether or not you have foreclosed the mortgage under these adverse circumstances.

Mr. BLANTON. If this extension is granted, is there any hope that they will ultimately pay the land out?

Mr. EVANS of Montana. They think so, because they ask for this extension. If they do not get it they will lose their money and the land.

Mr. CRAMTON. Will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Michigan.

Mr. CRAMTON. Is there any time specified in this bill within which these people must avail themselves of the privilege given as to payments now past due?

Mr. EVANS of Montana. It is to extend the payment for a years that is past due, and then give them an opportunity in that time to have a further extension of one year. The payments are due, and the Government says they must make their payments now or take advantage of the extension.

Mr. CRAMTON. There is nothing in the bill fixing the time in which they must pay?

Mr. EVANS of Montana. I think not.

Mr. CRAMTON. Further, I note it appears that while in other extensions the interest shall be paid in advance, in this case even the interest which these parties must pay, according to the bill, does not have to be paid at the time the extension is granted. The Secretary of the Interior is authorized to allow them additional time without limit for the payment of even the interest.

Mr. EVANS of Montana. I think the gentleman is in error.

Mr. CRAMTON. The language of the bill is "by paying interest at the rate of 5 per cent per annum * * * within such time as may be prescribed for that purpose by the Secretary of the Interior." Would the gentleman be agreeable to an amendment that would specify that these people must, within the specified time of 30 or 60 days from the taking effect of this act, take advantage of it, if they desire to do so, and, further, that at the time they make application for such extension of time they make their payment of interest?

Mr. EVANS of Montana. Yes; I would be willing to accept such an amendment.

Mr. CRAMTON. Or something of that kind?

Mr. EVANS of Montana. I am perfectly sure it is the intention of the authors of the bill to provide that the interest shall be paid in advance. No extension is made until interest is paid.

Mr. CRAMTON. The language is quite different. I think from the reading of the language of the bill that the gentleman will admit it reads like the department drew it. That is just the worst thing I can say about it, because they turn out bad pieces of legislation down there. But I would much prefer such an amendment. If the gentleman is agreeable to it I will not object to the consideration of the bill.

Mr. WALSH. Mr. Speaker, further reserving the right to object, what is the necessity for enacting legislation based upon a need arising out of drought conditions there which will render similar legislation in the future unnecessary? In line 16, page 2, the bill says that "any payments so extended may thereafter be extended for a period of one year in like manner." It seems to me this opens wide the door for future extensions of time.

Mr. EVANS of Montana. I think the intention is to make it possible to extend these payments for two years, not for one year, a second extension making it two years.

Mr. ANDERSON. The reason for that is that they are one year behind now.

Mr. EVANS of Montana. Yes; they are one year behind now.

Mr. WALSH. This language permits that now.

Mr. EVANS of Montana. I think not.

Mr. MANN of Illinois. The language permits an extension for a hundred years. And it may be proper, too.

Mr. WALSH. Of course, if the gentleman admits it is proper, the bill should come in here as a general extension bill and not seek to come in here for one year on account of drought conditions.

Mr. MANN of Illinois. That may be true, but here is the actual situation: This bill was introduced before the drought this year was so bad.

Mr. EVANS of Montana. Yes.

Mr. MANN of Illinois. They want an extension of time regardless of this year.

Mr. EVANS of Montana. Yes, sir.

Mr. MANN of Illinois. Now, along comes the drought this year in Montana, which, I suppose from the newspaper reports, is the worst they have ever had out there.

Mr. EVANS of Montana. The worst in 50 years.

Mr. MANN of Illinois. Here is a bill that proposes to extend the time of payment one year upon the payment of interest. But that time would have expired, I think, the first of this year, practically, in most cases. They can not make that payment owing to the drought this year. Now, this other provision would authorize the Secretary of the Interior to extend the time another year.

Mr. EVANS of Montana. Yes.

Mr. MANN of Illinois. And it authorizes him indefinitely. If they have a drought another year they would need that extension. Of course it does leave to the administrative officer of the Government who deals with land the authority to extend the time of payment in this particular case from year to year upon the payment of 5 per cent interest. As a rule, however, the administrative officers of the Government are not very specially tender to the interests of these settlers, and I have no doubt they will be required to pay the money if there is a possible chance to squeeze any juice out of a dry orange. That is what these men are out there now—practically dry oranges.

Mr. EVANS of Montana. Practically that is so.

Mr. MANN of Illinois. After the drought.

Mr. EVANS of Montana. Yes.

Mr. WALSH. Well, the proviso beginning on line 16, as the gentleman will notice, permits an extension for any other reason than a drought.

Mr. MANN of Illinois. Undoubtedly.

Mr. WALSH. And more than one extension.

Mr. MANN of Illinois. Yes.

Mr. WALSH. Now, it seems to me, if this is a bill to take care of drought conditions, we ought not to embark upon general legislation to take care of all sorts of contingencies.

Mr. MANN of Illinois. Of course this only applies to one particular reservation. I am not sure but there ought to be a general provision of law covering this subject. I do not believe that the Government should invite or permit citizens of the United States to go upon these dry lands and then exact the last penalty from them if they fail to make the payments on it. No private individual would do that. We grant extensions of

time all over the United States everywhere to people who have borrowed money from private individuals. If you borrow money from the Farm Loan Board you have—what is it? Forty years——

Mr. PLATT. Thirty-four years——

Mr. MANN of Illinois. In which to pay it back. These people who go upon these lands, it goes without saying, have not a great deal of money or they would not go on the land, and when they go on the land to farm under the very hardest kind of conditions, and along comes nature and makes it impossible for them to meet the payments required by law, what harm is there, instead of taking away what they have put upon the land, thus sending them to the poorhouse, or practically that elsewhere, in giving an extension of time to them upon a rate of interest which is higher than the Government pays to the Indians if they have paid the money into the Federal Treasury?

Mr. RIDDICK. Mr. Speaker, will the gentleman yield?

Mr. WALSH. Yes.

Mr. RIDDICK. There is one point in connection with this bill that ought to be made clear, in my judgment. These settlers went upon this land a few years ago when weather conditions were good, and at that time they thought they could make their payments nicely. Many of them invested their whole life savings in improvements upon these lands, and now if they lose them they lose not only the lands but the improvements on the lands in which they have invested their life savings and which they have placed there. Montana has had three successive years of drought in this community. The banks have made generous loans, and the counties in Montana have made liberal loans and rendered aid in the way of seeds and other things, and the State itself has been generous to these settlers; but in spite of that, after three years of drought, the settlers find themselves unable to make their payments, and under the provisions of the law the Government is bound to take this land away from the settlers and turn it back to the Indians. I do not think the Indians want to see that done, and I do not think Congress wants to do that. I think they ought to have time to work their way out.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. WALSH. Yes.

Mr. CARTER. These lands, as I understand, are on the Fort Peck Indian Reservation?

Mr. EVANS of Montana. Yes, sir.

Mr. CARTER. They have been so ever since the unallotted lands were sold?

Mr. EVANS of Montana. Yes.

Mr. CARTER. How does it happen that the bill goes to the Committee on the Public Lands?

Mr. EVANS of Montana. That question was asked by the gentleman from Oklahoma [Mr. HASTINGS]; I do not know.

Mr. CARTER. Mr. Speaker, it is obvious this bill should have gone to the Committee on Indian Affairs. It has no business with the Committee on the Public Lands. Since it deals with the sale of unallotted Indian lands the Committee on Indian Affairs certainly has jurisdiction.

Mr. MANN of Illinois. Mr. Speaker, of course this bill was referred at the desk. A Member of the House introduces a bill, and it is a common practice for the Member to indicate on the bill the committee to which he thinks it should be referred. That indication is, of course, not binding on the one who makes the reference.

Mr. CARTER. I understand that.

Mr. MANN of Illinois. But this is a Senate bill, and there is no indication as to what committee it should be referred to. On the face of the bill, both the title and the substance of the bill would lead a person not familiar with the particular facts relating to the bill to suppose that it belonged to the Committee on the Public Lands. Now, it is the duty of the Committee on Indian Affairs to keep track of all of these bills that are referred, and it was the duty, theoretically at least, of the gentleman from Oklahoma, the former chairman of the Committee on Indian Affairs, or some one else on that committee, to suggest to the House that this bill belonged to the Committee on Indian Affairs.

Mr. CARTER. I am suggesting that now.

Mr. MANN of Illinois. Such a reference or change of reference would have been made without objection. Of course, the Committee on Indian Affairs does not lose jurisdiction. I think myself that it should have been sent to the Committee on Indian Affairs, but it was not through anybody's fault.

Mr. CARTER. The gentleman from Illinois knows that there are about 20,000 to 35,000 bills introduced during every Congress. When I was chairman of the Committee on Indian Affairs I did undertake to look after the bills that, with proper reference, should have been referred to the Committee on Indian Affairs, but I found it a pretty difficult task to go through all of these bills, as the gentleman knows. I assume that one thing which did happen here was that when this reference was made in the Senate it was referred to the Committee on Public Lands. When it came over to the House the clerk at the desk, having noted that reference in the Senate, naturally referred it to the Committee on the Public Lands in the House. I do not charge anyone with any blame, but I want to say that in the future when these bills come on the floor of the House they must come through the front door, and all bills over which the Indian Committee has jurisdiction must have appropriate consideration by such committee. I understand the urgent necessity for the passage of this bill and shall not object to its consideration at this time, but I want to serve notice that hereafter bills belonging to committees of which I am a member must be reported properly from those committees or I shall feel obliged to object to consideration by unanimous consent.

Mr. STEENERSON. Mr. Speaker, in regard to the jurisdiction, I desire to call attention to the fact that a great many of these bills have gone to the Committee on the Public Lands.

Mr. CARTER. That does not make it right.

Mr. STEENERSON. Bills for the payment of money out of the ceded Indian lands have been referred to the Committee on the Public Lands.

Mr. CARTER. They should not be.

Mr. STEENERSON. Yes, they should, for the reason that the Committee on Indian Affairs has no jurisdiction in these matters when the act is proposed to cede the land to the United States——

Mr. CARTER. The gentleman is mistaken about this bill; there is no land ceded to the United States; the land was sold for the Indians by the Interior Department and the money paid into the Treasury of the United States to the credit of the Indian tribe.

Mr. STEENERSON. The act is analogous to the cession of land in other States where lands are opened to homestead entry upon a certain amount due the Indians, and that is administered by the Committee on the Public Lands.

Mr. CARTER. That may be true; but these were Indian lands and have been ever since they were set aside for a reservation. It is true that the homestead procedure was made to apply, but the lands were sold by the Government for the Indians, the money when collected goes to the credit of the Indians, it is administered on by the Indian Bureau, and must eventually be distributed among the Indians or used for their benefit. These Indians may be in more destitute straits than the homesteaders, they may need these very payments even worse than the settlers. Now, who can best give that information, the Public Lands Committee or the Committee on Indian Affairs? There is no reason on earth why this bill should ever have gone to the Committee on the Public Lands.

Mr. STEENERSON. In Minnesota and the public-land States the ceded Indian lands are administered by the General Land Office.

Mr. CARTER. Certainly; but the only thing in question here is the payment of the funds, and to whom do the funds belong when paid? They are due the Indians; they do not go into the Treasury fund but are paid into the Treasury as an Indian fund, to be distributed among the Indians. The Committee on the Public Lands does not have anything to do with Indian affairs, and they could not know what the Indians need. They could not tell the House whether the Indians need the money. If this had been looked into by the proper committee, it might have been demonstrated that the Indians need the money right now.

Mr. STEENERSON. They would not get it.

Mr. JUUL. Will the gentleman yield?

Mr. CARTER. Yes.

Mr. JUUL. A short while ago we were debating a bill on the floor that provided that the settlers might lease lands, and they had to go out and do day's labor in order to make repayment. The crops were a failure, and we have this situation which has been disclosed here to-day.

Now, these men are not interested as to whether this bill should go to the Committee on the Public Lands or the Committee on Indian Affairs.

Mr. CARTER. But Members of Congress are interested in it.

Mr. JUUL. They are sitting out there in a drought-stricken piece of territory.

Mr. CARTER. I think I can cut this conversation short by repeating that I am not going to object to this bill, but I expect in the future to object to all such irregular and unsafe procedure.

Mr. BANKHEAD. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Alabama demands the regular order. Is there objection to the immediate consideration of this bill? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. EVANS of Montana. Mr. Speaker, I ask that the bill be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc, That any person who has made homestead entry under the provisions of the act of Congress approved May 30, 1908 (35 Stat. L., 558), entitled "An act for the survey and allotment of lands now embraced within the limits of the Fort Peck Indian Reservation, in the State of Montana, and the sale and disposal of all the surplus lands after allotment," may obtain an extension of time for one year from the anniversary of the date of entry last preceding the passage of this act within which to pay the one-half of the installment then due or such part of any preceding installment, where payment has not yet been made and where an extension of time therefor is not authorized by the act of Congress approved March 2, 1917 (39 Stat. L., 994), by paying interest at the rate of 5 per cent per annum on the sums to be extended from the maturity of the unpaid installments to the expiration of the period of extension, the interest to be paid to the receiver of the land office for the district in which the lands are situated, within such time as may be prescribed for that purpose by the Secretary of the Interior: *Provided,* That the one-half of any installment which becomes due within one year from the passage of this act and for which an extension of time for payment is not authorized by the said act of March 2, 1917, may also be extended for a period of one year by paying interest thereon in advance at the said rate: *Provided further,* That any payment so extended may thereafter be extended for a period of one year in like manner: *And provided further,* That if commutation proof is submitted, all the unpaid payments must be made at that time.

Mr. CRAMTON. Mr. Speaker, I offer an amendment to section 1.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Mr. CRAMTON moves to strike out in lines 9 and 10, page 2, the words "within such time as may be prescribed for that purpose by the Secretary of the Interior: *Provided,*" and insert in lieu thereof "*Provided,* That in order to secure such extension application therefor must be made within 90 days from the time this act takes effect and the said interest shall be tendered with the application: *Provided further.*"

Mr. EVANS of Montana. Mr. Speaker, I am opposed to the amendment. This amendment provides that these people shall make this payment within 90 days from the passage of this act. It is now midwinter with those people and probably a good many of them are off the land. They have been driven off by stress of weather conditions. They may not know this act has been passed or have opportunity to know anything about the proposition. It appears to me that if an amendment should be offered it should be within 90 days after the receipt of notice about the matter, that the Secretary should notify them in some way or other. It would be manifestly——

Mr. JUUL. Will the gentleman yield for a question?

Mr. EVANS of Montana. I will.

Mr. JUUL. What would happen if the notice came and they did not have any money?

Mr. EVANS of Montana. They simply could not make the payment, of course.

Mr. CRAMTON. Mr. Speaker, of course the gentleman will recall this matter has been called to his attention before unanimous consent was granted, and I felt that in some form the gentleman should accept an amendment. It would seem to me hardly reasonable to put the matter in the form in which the gentleman has suggested, placing the burden of notice upon the Interior Department. If the gentleman would prefer to have it six months—I take it that these people are in no danger of losing their rights, they are interested in this legislation, they have Representatives in Congress who are interested in looking after their affairs, and certainly they will have notice as to the passage of the legislation. Now, if the gentleman thinks six months is better for the people than three months, I have no objection.

Mr. EVANS of Montana. I should prefer it be left as it is.

Mr. CRAMTON. It seems to me there should be some time limit, and that when they do make application the interest charge should accompany it.

Mr. EVANS of Montana. Personally I think it ought to be left to the Secretary of the Interior to notify these people, within 30, 60, 90 days, or whatever it is, depending upon the conditions and circumstances at the time existing.

Mr. CRAMTON. This legislation, even with the gentleman's support, will probably not become a law before some time in the winter, and a period of six months will carry it well into next year. If I may have unanimous consent I will ask unanimous consent to vary my amendment and make it a period of six months instead of three months.

The SPEAKER. The gentleman from Michigan asks unanimous consent to modify his amendment so as to make it six months instead of three months. Is there objection?

Mr. CURRY of California. Mr. Speaker, I object. This is a Senate bill, and it passed the Senate, and I object to any amendment——

Mr. CRAMTON. I will ask, then, that the amendment be defeated, and I will offer a different amendment.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. CRAMTON. Mr. Speaker, I offer the same amendment changing the 90 days to 6 months.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, lines 9 and 10, amend by striking out the words "within such time as may be prescribed for that purpose by the Secretary of the Interior: *Provided,*" and insert in lieu thereof the following: "*Provided,* That in order to secure such extension application therefor must be made within six months from the time this act takes effect and the said interest shall be tendered with the application: *Provided further.*"

Mr. CRAMTON. Mr. Speaker, in connection with this amendment I only want to say that I have no interest in the matter, but it would seem to me desirable that this should be put in a definite form. When the bill came before the House and before unanimous consent was granted I called the matter to the attention of the House and interrogated the gentleman from Montana having charge of the bill, and he expressed his willingness to accept some form of amendment, and by reason of that fact I withheld any objection which I otherwise would have made to the consideration of the bill. Now, this being a Senate bill, the adoption of this amendment will not endanger the bill or materially delay it. It will go to the Senate, and I have no doubt that the amendment will be promptly accepted and the matter disposed of. Hence I feel I am warranted in offering the amendment and asking for its adoption.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. SUMMERS of Washington. What gain is there to come from this amendment? What are we to expect, what benefit, and to whom?

Mr. CRAMTON. In the first place, the bill is so obscurely drawn that it would seem very difficult for the department to know what course they should take in enforcing it. There is no time limit. These men may in 10 years from now make this application and may be entitled to a hearing. There is nothing in the bill to limit the time within which they shall make this application. If the gentleman will permit, if a definite time is fixed, then the department will wait the running of that time before they take any steps to disturb these people in the possession of the property, and in six months, as the amendment suggests, they are secured from any difficulty whatever. So it is, in the first place, for the aid of the department, in order that they may know how to handle the matter, and next it is for the aid of the people on the land, because without some such definite provision the department might feel that after 30 days the parties had had enough time and might proceed to dispossess them. It is to the interest of the people as well to have a period within which they are protected. Furthermore, you are denying the Indians the payment of the principal to which they are entitled, and then you have a provision in the bill here that says that the Secretary of the Interior may postpone for 10 years, if he chooses, the time within which that interest shall be paid. And I feel those things should be fixed in the bill.

Mr. SUMMERS of Washington. If there is anybody on earth that has a hard time it is the homesteader in a dry country. He may not feel the need of making an application at this time, or within 30 days, or 60 days, or 90 days, or even 6 months, but in 7 months the times may change, and you are going to limit it so that the Secretary of the Interior can not take care of his case.

Mr. CRAMTON. The gentleman knows that the only people who will be limited to the six months are those who are already in arrears. If they do not know yet that they need the extension they can not need it very badly. As to the further extensions, then the Secretary is authorized to grant them, and there is nothing in my amendment to affect those.

Mr. MANN of Illinois. The effect of your amendment would strike out the further extension entirely.

Mr. CRAMTON. That is not the intention.

Mr. MANN of Illinois. But that is the effect.

Mr. CRAMTON. I do not agree with the gentleman, because the bill, down to line 10 on page 2, has to do entirely with pay-

ments that are now past due, and it stipulates the payment of interest, and so forth, and then goes on to say that that interest, which it has been discussing in the first part of page 2, shall be paid "within such time as may be prescribed for that purpose by the Secretary of the Interior." Then we go on and have the proviso:

That the one-half of any installment which becomes due within one year from the passage of this act, and for which an extension of time for payment is not authorized by the said act of March 2, 1917, may also be extended for a period of one year—

And so forth. None of that is stricken out. It remains in the bill.

Mr. MANN of Illinois. I know that the provision—

Provided further, That any payment so extended may thereafter be extended for a period of one year in like manner.

Would include with it the amendment of the gentleman, which would mean, although you wanted application to extend for another year, you have got to make the application to pay the interest within six months of the passage of this act, which, of course, would be impossible, as the time would not exist.

Now, I would like to say a word about the gentleman's amendment. Mr. Speaker, this bill was originally introduced in the last Congress, and the favorable report was made upon it April 27, 1918. That is nearly two years ago. At that time the department believed it was desirable to extend the time of payment to these homestead settlers. Nearly two years have passed away since that time, and two of the hardest years probably that have ever been known in this part of Montana. These settlers have not recuperated within this two years' time. They will not be able to make the payment promptly, if this bill passes, within one year's time. They will need a further extension. Nobody will be injured by the Government granting them the further extension of time. The Indians will not get any more money by taking this land away from these homesteaders and giving it to somebody else. The Government will not benefit by taking the land away from these homesteaders. The interest of everybody is conserved and benefited by having these people keep these lands, if it be possible to do so.

Now, this bill, which was drawn two years ago, authorizes, in the first instance, the extension of one year. That is direct. The gentleman from Michigan [Mr. CRAMTON], who is very careful about these land bills and who deserves commendation for his care concerning them, offers an amendment which will require application for the extension to be accompanied by the interest and to be presented within six months of the passage of the act. That will not authorize an extension next year. The Secretary is only authorized to grant an extension for one year at a time, and if, under the amendment of the gentleman from Michigan, a man makes an application now for extension and pays his interest, then he can not get a further extension, because he can not make his application and pay the interest for the next extension within six months from the passage of the act. Nor do I see any occasion for Congress endeavoring to specify exactly when the interest shall be paid. The legislation is to give these men an opportunity to extend their rights upon these lands if they pay 5 per cent interest. They make the application and the Secretary determines when they shall pay the interest. I do not see why we should undertake to say just when they will pay it. One man may be able to pay it to-day and another man may be able to borrow money and pay it six months from now.

Mr. GARD. Will the gentleman yield?

Mr. MANN of Illinois. I yield.

Mr. GARD. Is not the provision which the gentleman has referred to, on lines 16 and 17, extending payment for an additional year, the provision referred to by the Secretary when he says that this bill makes similiar legislation unnecessary? Is not that a proper provision, and would it not be affected seriously by the amendment of the gentleman from Michigan?

Mr. MANN of Illinois. I think it would be affected very seriously by the amendment of the gentleman from Michigan, and I think it is a highly desirable provision in the bill.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. CRAMTON. Is not this the procedure? Certain settlers are in arrears; this bill is intended to give them the right to get from the Secretary of the Interior an extension of one year for the payment of certain sums. We will say that that sum became due the 1st of November last. This would enable the Interior Department to extend that time one year from the 1st of November. Now, I do not seek to change that, but I do seek to fix a time limit within which these settlers must move; that is, six months from the time this becomes a law, and that would be about the 1st of June or July. They make application, then, to the Interior Department for an extension of time, and thereupon the Secretary gives them an extension of time from the 1st of November, running then until the next November. Then later the proviso in line 16 follows, that such payments having been extended, they may be extended afterwards for another year. That is a matter that would come up the 1st of November next year.

Mr. MANN of Illinois. But it says "in like manner."

Mr. CRAMTON. Yes; in like manner; but in order to remove any question I would be glad to put this in as an amendment:

Insert after the word "extension," in the second line, the words "for payments now past due."

Mr. MANN of Illinois. I do not think the gentleman's amendment ought to go into the bill at all. I am perfectly frank about that.

Mr. CRAMTON. Let us remove this one difficulty that the gentleman calls attention to. In order to remove the objection I would be glad to put those words in.

Mr. MANN of Illinois. I have no objection to having them inserted.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to insert the words "for payments now past due" in my amendment.

The SPEAKER. The gentleman from Michigan asks unanimous consent to modify his amendment as indicated. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amend the amendment of Mr. CRAMTON by inserting after the word "extension" in the second line the words "for payments now past due."

The SPEAKER. The Clerk will report the amendment as it will read when modified.

The Clerk read as follows:

Strike out, on line 9 and 10, page 2, the words "within such time as may be prescribed for that purpose by the Secretary of the Interior: *Provided*," and insert in lieu thereof "*Provided*, That in order to secure such extension for payments now past due application therefor must be made within 90 days from the time this act takes effect, and the said interest shall be tendered with the application: *Provided further*."

The SPEAKER. The question is on agreeing to the amendment as modified.

The question was taken, and the amendment was rejected.

Mr. WALSH. Mr. Speaker, I move to strike out the language on page 2, lines 16 and 17.

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 2, beginning with line 16, strike out the words:

"*Provided further*, That any payments so extended may thereafter be extended for a period of one year in like manner."

Mr. WALSH. Mr. Speaker, this bill was introduced to cover an emergency arising out of drought conditions in this particular section of Montana. The language here would permit further extensions, not because of drought or emergency conditions of similar nature but for any reason whatever, and you are writing permanent legislation with reference to the time of payment for this particular Fort Peck Indian Reservation and giving them the privilege of having their time extended, which request was based upon drought conditions, and giving them the privilege of having the time extended for any reason whatever. To that extent you are giving them preference and rights not possessed by other homesteaders in other sections who may have perfectly good reasons for asking for an extension of time. They may not have experienced drought, but they may have had misfortunes which resulted in their not being able to realize on their crops. They may have had illness in their families, and there may be other reasons which prevent them from making payments, and yet they can not come under any sort of legislation and get an extension of time unless they come in and get a separate bill passed.

Now, I think if we grant these people an extension of time under this bill, as it is framed, we are doing all that is required under the circumstances, and I do not believe that under special legislation, depending upon special conditions, we should write a bill which, as the Assistant Secretary of the Interior says, will by its language take care not only of this situation but will render similar legislation in the future unnecessary, so far as these lands are concerned. I do not believe we ought to enact legislation, so far as these lands are concerned, granting the right of extension of time of payment; a right that is not possessed by any of the other Indian reservations which have been thrown open to homestead settlement, and for that reason I believe we would be justified, even upon the representation made here in the report of the committee and in the statements of those who have spoken in behalf of this bill, in eliminating

this language. If we are going to extend the time of these homesteaders let us enact a general law and provide for an extension of time and give the Secretary of the Interior or the parties having jurisdiction the discretion to grant general extensions.

Mr. SUMMERS of Washington. Mr. Speaker, will the gentleman yield?

Mr. WALSH. Yes.

Mr. SUMMERS of Washington. Does not the gentleman from Massachusetts recognize that these homesteaders are having a very serious time of it? Does he not realize that they have not in the last three years grown enough on these homesteads to feed their families?

Mr. WALSH. That is true. I have listened to the testimony, and if we are to legislate in this manner let us turn this matter over to the Weather Bureau, so that when they have a drought payments will be made easy, and when they have a good season the terms of payment will be made harsh.

Mr. SUMMERS of Washington. This is a very serious matter. This is a life-and-death matter with these people. This is not a joke for the homesteader.

Mr. WALSH. Will the gentleman answer me and say why we should treat these people any different because they have had a drought—and we are going to remedy that situation—why we should open the door to further extentions of time, not on account of drought conditions, but for any cause which they may present to the Secretary?

Mr. SUMMERS of Washington. That would be discretionary with the Secretary.

Mr. WALSH. Then why yield him the power to do it? If he is not going to do it, why pass the law? This was a special bill introduced in the Senate and passed there, based upon the fact that this drought had overtaken these settlers. We are all willing to pass this legislation to remedy that situation, but you are going far beyond that. You are granting this authority to extend the time for periods of one year, without limit, in such a manner as to make unnecessary any future legislation with reference to the extension of the time of payment. If you are going to grant that privilege of extension to the Fort Peck Indian Reservation on account of the drought and not on account of any other misfortune which this is particularly intended to cover, why not write a general law?

Mr. MONDELL. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. MONDELL. Mr. Speaker, there is no doubt about a very trying situation in Montana, and I presume that under the circumstances we are fully justified in extending the time of payments on the Fort Peck Reservation for another year. They had a drought last summer, the most severe in all the history of that section. In answer to the suggestion of the gentleman from Massachusetts, I want to say that whatever the House may do——

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. MONDELL. Mr. Speaker, I ask that the time of the gentleman from Massachusetts may be extended five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MONDELL. I want to say that whatever the House may do in regard to this bill I should certainly regret to have the policy proposed extended generally, and for this reason, that under this extraordinary policy we might develop a situation where very great areas of land would be permanently reserved from the payment of taxes. So long as the title to these lands remains in the Government—and it will remain in the Government until the payments are all made, I assume, although there is nothing in the bill to guard that—a condition may easily be created in which there would be a very considerable area of country in which there would never be any taxes paid.

Just how gentlemen expect they are going to be able to maintain schools, build roads, and care for the institutions of the Government under these conditions I do not know. In the country to which this law applies 5 per cent is a very low rate of interest. The average settler pays nearer 10 per cent on his ordinary loans. If he can secure a delay of payment indefinitely of the sums due on his land and pay only 5 per cent interest on the deferred payments, and thereby avoid the payment of taxes, he will continue that condition just as long as it is possible to do it. This kind of legislation may be satisfactory to the gentleman from Montana. I am somewhat surprised that the Committee on Public Lands has indorsed it. To me it seems the worst sort of legislation in connection with a situation like this, if it is to be followed generally or extensively, because it would create a condition under which we would have areas which never could be self-supporting, because the land would not be subject to taxation. It seems to me that the present conditions of drought could be easily taken care of without legislation like this.

Mr. WALSH. Mr. Speaker, has the gentleman from Wyoming consumed all of my time?

The SPEAKER. No; the gentleman from Massachusetts has two minutes remaining.

Mr. WALSH. Mr. Speaker, in further support of this amendment I desire to say that, it seems to me, if we are going to extend the time beyond the period necessary to enable these men to make up the payments which have been defaulted because of the drought, it might have been done by so framing the language as to permit the extension because of drought conditions and the repetition of drought conditions which occasioned the default in payments. If it is unwise, as the gentleman from Wyoming states, to extend the time generally by a general law, I think it unwise to pick out one particular reservation because of a drought in that State and say that you can have an extension of one year on making such a showing as the public official may require, and say to other reservations that we can not extend your time because we are not authorized to extend the time of payment. Therefore I submit that this does not affect the remedial effect of the legislation at all by striking out this language. We permit them to take care of these settlers who have made default of payment because of the severe drought, and if you strike out the language I have indicated you simply say that Congress does not desire to embark on a policy of extension in the future for any reason that the settlers may set up.

Mr. MANN of Illinois. Mr. Speaker, I hope the amendment of the gentleman from Massachusetts will not be agreed to. It would practically destroy the bill. After all, we are loaning, it is said, a great many million dollars to people over in Europe who need assistance. We are every day being asked to contribute funds for the purpose of putting up buildings, restoring villages and farms in territory which was devastated over there.

Now, here is a proposition to permit some man or woman who went into the dry territory of the country and endeavored to establish a home, under a homestead claim, for which they paid, or were to pay, but who met with conditions of nature beyond belief almost at the time. Here is a proposition for the Government to do what? To give them the land, to build them homes, to buy stock for them? Not at all. Not to give them anything except time, and that for money; not to give them anything but an extension of time of payment, with 5 per cent interest. There is nothing very wicked about it. Why, this morning I received a check from a man to pay last year's interest upon a mortgage on property which I sold to him 10 or 13 years ago, the mortgage being due probably 10 years ago. I am glad to extend the time personally from year to year, although the interest has never been kept up to date, and there never has been the maximum interest charged as allowed by the contract or by law.

Why should the Government of the United States, seeking to help these people and people its territory, be meaner than the individual would be? I claim no special grace for my leniency; it is common practice. It is what everybody knows. Give these people endeavoring to settle the dry West under adverse conditions—and most of them will fail probably at the best—give them every opportunity at least which the Government can afford. [Applause.]

Mr. TAYLOR of Colorado. Mr. Speaker, I want to thank the gentleman from Illinois [Mr. MANN] on behalf of the West in general, and especially on behalf of the struggling homesteaders throughout the Western States, for his magnificent, eloquent, splendid, and just appeal for the settlers on the public domain. I want to say further that if this House during the past 10 or 15 years had exhibited the same spirit of generosity, humanity, patriotism, fair dealing, and ordinary common sense and common justice toward the western people that is indicated by the remarks just delivered by the gentleman from Illinois we would have twice as many inhabitants in the Western States as we have to-day. It has been because of this harsh and utterly unwarranted policy shown here to-day; this critical and microscopic examination, picayunish interference, and narrow-minded, begrudging statesmanship toward the development of our country; this constant harrassing of everybody who tries to get a home upon the public domain or who tries to open up or improve any of the resources on the public domain; it is very largely because of that policy, so-called conservation, that hostile manner of treatment by Congress and the Interior Department and the Agricultural Department, that the West has not been settled up the way it ought to have been and is not now being developed as it should. When a man goes on the public domain to-day to make a home on the character of land that is now left open to

settlement he has got to wear out his life on that piece of ground to make a home that will support himself and family.

It is a fight of a generation, with nearly everything against him. He has to heroically brave and endure a thousand hardships, privations, and heartbreaking disappointments that none of you gentlemen from the older States can ever realize or appreciate, and what inducement is there for a new settler to go out when he reads the records of Congress, reads the proceedings of our unanimous-consent days in this House for the past 10 years, and sees the nagging, picayunish criticism and aggravating obstruction of everything that is absolutely and imperatively necessary for the development of that country? What is the sense or reason or excuse for this attitude? Why should the West be penalized this way? Who can blame people for being skeptical and hesitating about going out there to try to make a home and endeavor to develop that country and people up the great West, when a large per cent of Congress, who know nothing whatever about the public-land legislation or the conditions that obtain out there, are constantly obstructing and preventing every just appeal they make? I have sat here every hour constantly on every unanimous-consent Monday after Monday for nearly 11 years trying, with the other western Members, to obtain imperative legislation for our country, measures so plain and self-evidently just that no one, it would seem, could have the heart to object to them, matters in which there was no politics and for which all the western Members have been united for the development of that country. And yet this is a fair example to-day. We have now sat here and spent an hour and a half haggling and heckling on a little bill that ought to be passed in two minutes. I have no personal concern about this particular bill. I am complaining about this time-killing, harassing, obstructive attitude of some Members of the House toward western measures. I say, What encouragement is there for anybody to try to develop our western country out there? With Members of the House in this frame of mind, what inducement is there for a man to spend all of his life on a piece of worthless land trying to help Uncle Sam and at the same time to get a home in response to the noblest instinct of the human race, that of trying to build a home for himself and his family? If there ever was a class of people on earth that deserve the good will and kind consideration of Congress, it is the public-land settlers of the arid West. And yet they always get this petty, narrow, harping, carping, picayunish, harassing, technical disputes and dissection, and drastic and impractical restrictions of all these western bills whenever we try to help the people out in that country to get a home or do anything toward developing that country. It does seem to me, if there is any one sentiment or habit in Congress that ought to be condemned, it is this most unjust and unkind spirit of distrust and incredulity and cruel infliction of untold and useless hardships upon these poor people simply because they can not help themselves. We of the West have got only about 8 per cent of the membership on the floor of this House. If we only had the membership in numbers to compel fair treatment, we would not have all this nagging that we are compelled to endure in order to get through a few little bills on the Unanimous Consent Calendar. Under the rules of the House, practically speaking, the only way we ever can get our bills considered is on this calendar. Every one of these bills on this calendar ought to be passed, and passed within an hour, and without objections, unless some one who knows about the conditions knows some reason for objecting to or amending them. No western Member ever sets himself up as the special guardian of the whole country or of any portion of it that he knows nothing about.

Mr. GARD. Mr. Speaker, I move to strike out the last word. I regret very much that the gentleman from Colorado has assumed to scold the Members of the House because of the interest they take in the bills on the Unanimous Consent Calendar. When one looks at the Calendar for Unanimous Consent as it appears to-day we find that practically nine-tenths of the bills thereon come from the Committee on the Public Lands. Now, I think Members of the Congress and Members of the House of Representatives are disposed to be very fair, but we know, those of us who examine the Calendar for Unanimous Consent, that practically the whole Calendar is an assemblage of bills reported from the Committee on the Public Lands. Now, if those of us who are not members of the Committee on the Public Lands, those who come from States where public lands are no longer available, if we are to sit here and take everything which the Committee on the Public Lands prescribes, then we are due to swallow some awful doses, and I think it is entirely to the credit of the membership of this House and those Members who do not come from those public-land States to take an interest in these things, because the Calendar for Unanimous Consent is properly a calendar for the consideration of bills to which there is little or no opposition and where no new principles of legislation are laid down, and I am sure that the Committee on the Public Lands has as much consideration in this House, if not more consideration, than any committee that comes before it. What I immediately rose for was to say that it seems to me that the legal aspect of this amendment which is proposed by the gentleman from Massachusetts eliminates a very necessary feature of this bill. I think this is an emergency bill, and an emergency does not mean that every time a particular condition exists that the law must be renewed, therefore the emergency applies to this particular bill. This is territory in the Fort Peck Indian Reservation which is intended to be covered by legislation so that an emergency might be met. Now, what is the emergency? As the gentleman from Illinois said, this bill has been pending here for two years or more. It may be that an emergency will exist next year. It does exist this year because of the failure of crop conditions. It may be so unfortunate that the emergency may exist next year, but it is necessary that this second proviso extending payment for a period of one year thereafter should be contained therein; otherwise we are met with the necessity of bringing this bill back again in practically the same form in six months, or less than six months, for the purpose of Congress meeting the emergency.

Now, this bill applies, I am told, to about 200 people out there who are struggling along with this development of Indian land. I believe they should be encouraged. I think the language contained in the second proviso is absolutely necessary if this is to be regarded as emergency legislation. To strike it out would simply offer to take care of one branch of the dilemma and not take care of another situation which is equally bad, and would result immediately, or within a short time at least, in another bill being brought in here to take care of practically the same situation. This bill takes care of an emergency in a limited territory for a particular purpose. It is not laying down a general proposition. It is ready to protect this one emergency, these few people who are there endeavoring to make homesteads for themselves. And I trust the amendment of the gentleman from Massachusetts [Mr. WALSH] will not be adopted.

The SPEAKER pro tempore (Mr. TILSON). The question is on agreeing to the amendment of the gentleman from Massachusetts [Mr. WALSH].

The question was taken, and the amendment was rejected.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

SEC. 2. That moneys paid as interest provided for herein shall be deposited in the Treasury to the credit of the Fort Peck Indians, the same as moneys realized from the sale of the lands.

Mr. WALSH. Mr. Speaker, I move to strike out the last word.

It is pleasing to know that the gentleman from Colorado [Mr. TAYLOR] has joined hands with the distinguished gentleman from Illinois [Mr. MANN] in furthering the passage of this so-called emergency legislation. I suppose some Members who seek to keep informed on the passage of legislation in the House ought to feel utterly crushed at the legislative scolding of the gentleman from Colorado. But, Mr. Speaker, the attitude of these same western Members, comprising about 8 per cent of the membership of the House, in seeking to further legislation for the benefit of and protection of these poor homesteaders who make up a respectable portion of the population of these States, is not such as to warrant Members in giving the Committee on the Public Lands free scope in reporting legislation. They come in here with measures which upon their face say that these homesteaders are charity patients of Uncle Sam, and Uncle Sam must put his hands into the Treasury and help them out upon all occasions when they seek to appeal to him for aid. Now, the Congress has been favorably disposed toward these homesteaders, and the men who have gone in to develop mines and mineral lands, and so forth, particularly during the war emergency. But we find it does not make any difference whether the department which is appointed for the purpose of supervising public-land affairs, or Indian affairs, or forest-reservation affairs, and various other matters relating to the interests of the Government, recommend these measures or not, we find that these western Members are sufficiently influential upon committees to have reports brought in here favoring projects which the department, in many instances, are very bitterly opposed to.

I want to assure the gentleman from Colorado, as far as I am personally concerned, that I have never attempted to indulge in any nagging or any picayunish criticism or any petty politics upon any of these measures, and he knows well that I have voted for a great many of them. But I do believe that it is within the province of any single Member of this House, whether

he comes from a public-land State or the more thickly settled portion of the country, to ask questions about any bill, particularly when it is sought to put it through here by unanimous consent, and that he is entitled to a reply if people are able to give the information, and that unless somebody indulges in obstructive tactics it comes with rather poor grace from the gentleman from Colorado, who is an expert upon these matters and who knows these things right off the bat, to indulge in scolding rather than seeking to give information.

Many of us would like to know what these measures mean or what the effect of them is going to be, and I think we are entitled to an answer. But I have not seen upon this measure any nagging or microscopic, picayunish criticism, or anything of that sort. I offered an amendment, which I think ought to be adopted, and I think without that amendment having been adopted we pass legislation general in scope as applied to this particular reservation, and giving them a preference that is not given to the other reservations under similar conditions.

Now, the gentleman from Ohio [Mr. GARD] has called attention to the fact that the Committee on Public Lands has several measures upon the calendar. It always has, and it necessarily must have. But I think the gentleman from Colorado [Mr. TAYLOR] will seek to impart information when gentlemen arise to offer amendments or ask questions which they try to make intelligent—and sometimes it is difficult to make questions intelligent to some gentlemen here—that they are entitled to a respectful answer, and not have a statement made as a statement of fact here on the floor, glorifying the poor homesteader—and he is entitled to all the glory he can get—but condemning the man who is seeking to get information in order that he may vote intelligently.

There have been measures that have gone through the House by unanimous consent, relating not only to public-land matters but to other matters, that Members have lived to regret that they did not ask a few questions about before they permitted action upon them. So I trust the gentleman from Colorado will find when this splendid measure has become a law that it is possible to meet the problems arising from the Unanimous Consent Calendar, notwithstanding the glorious defense of the gentleman from Illinois, in a little smoother spirit and with a little more tolerance for Members who seek information before bills are enacted that are of great importance.

The SPEAKER pro tempore. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk concluded the reading of the bill.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read a third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. MONDELL. Mr. Speaker, just one moment.

I did not object to the taking up of this bill. I do not make a practice ordinarily of objecting to the consideration of bills by unanimous consent, but I do hope that the Committee on Public Lands does not contemplate the extension of the policy laid down in this bill. It is revolutionary. Yet it really amounts to the establishment of a leasing system covering Indian lands, a system under which, if the Secretary of the Interior is complacent—and in a majority of cases he will be, because he will be so constantly urged in the matter—a settler buying Indian lands may retain those lands indefinitely without paying for them upon the payment of 5 per cent per annum on a purchase price of a few dollars per acre. It establishes a system under which lands may be so held indefinitely and pay no taxes. I can think of nothing more pernicious than the policy which this bill inaugurates, and I hope it will be limited to the Fort Peck Agency, although I shall expect——

Mr. TAYLOR of Colorado. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. The gentleman from Colorado is generally sound in his views on public lands, and I am surprised that he favors this legislation. I shall expect that there will follow this legislation in the course of time a bill authorizing the issuance of patents without full payment, and following that, some further legislation relieving ultimately from any payment. It is a dangerous road we have entered upon under this legislation, whether we shall go further in the direction I have suggested or shall continue under the policy laid down in the bill.

Mr. TAYLOR of Colorado. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes; I yield.

Mr. TAYLOR of Colorado. I will say to the gentleman from Wyoming that I do not think there is any ground for his fear about the Committee on the Public Lands bringing in any policy that would tend to anything in the nature of a leasing policy, or anything of that kind. But does not the gentleman know just as well as I do that it is the ambition and the earnest hope of every man in the West to obtain a patent just as soon as he can?

Mr. MONDELL. I think that is generally the case with the right kind of settlers.

Mr. TAYLOR of Colorado. Is it not generally so?

Mr. MONDELL. Every man who so desires will question this legislation, which would authorize his neighbor, after he had paid the sums due and received his patent and began to pay taxes—would authorize his neighbor to escape the payment of taxes indefinitely by appealing to the Secretary and by paying the small sum of 5 per cent of the balance due on his land. This is the first legislation I can recall in which we have contemplated a system under which public lands, Indian or otherwise, can be held indefinitely without patenting, and therefore without the payment of taxes, the only requirement being that the settler shall pay annually 5 per cent on a nominal purchase price.

Mr. HICKS. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HICKS. My point of order is that we are discussing the bill when the time has come to vote on the bill. The gentleman did not ask unanimous consent, and therefore he is out of order.

The SPEAKER pro tempore. The gentleman had already yielded the floor. The previous question had not been ordered; and if there is anything before the House, the gentleman has the right to discuss it. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER pro tempore. A division is asked for.

The House divided; and there were—ayes 40, noes 1.

So the bill was passed.

On motion of Mr. RIDDICK, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

PUBLIC LAND FOR NATIONAL SANITARIUMS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 1125) to authorize the Secretary having jurisdiction of the same to set aside certain public lands to be used as national sanitariums by fraternal or benevolent organizations, and for other purposes.

The title of the bill was read.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I would like to call to the attention of the House one or two things in connection with this bill, even at the risk of falling within the large number of disreputable classifications which the gentleman from Colorado [Mr. TAYLOR] has enumerated. In connection with that I want to suggest this to the House. That I believe it is desirable not that fewer Members of the House from the East should give some attention to these public-land bills, but that more of us should do so. There are a few gentlemen in the House from the public-land States who know exactly what they want. They represent constituencies that make very serious demands upon them, and at times it becomes very embarrassing to those gentlemen to restrain the omnivorous desires of their constituents in trying to annex all of the public land that is possible.

Now, in that situation it is very desirable that some of us who do not have to face that sentiment from home should be on guard, to take part in the deliberations upon these bills which affect not only the interests of the public-land States but the interests of the United States as well.

Now, the difficulty that we face in connection with that, as the gentleman from Massachusetts [Mr. WALSH] has suggested, is that we Members from the Eastern States are novices in these matters, while gentlemen like the gentleman from Colorado [Mr. TAYLOR] are experts. As for myself, I have tried to learn something of these matters, but my effort has been almost a total failure, and I had come to the point where I had desired to put my faith in the judgment of those experts employed by the Federal Government in the Department of the Interior, depending upon them to safeguard the public interests and desiring to cooperate with them. Since the gentleman from Colorado has brought up this subject I want to suggest, however, that I have now reached the point where I do not feel that I can blindly follow the advice of the appointed officers of the Government in these matters. I can not follow the advice

of the Interior Department, because it has become apparent that the Interior Department can neither draft legislation in proper language, so that it can intelligently present a program, nor can we depend upon them always to give us the information in the possession of the Government that we are entitled to.

I will not now discuss, as I shall discuss at some other time, a bill upon this calendar where the ground is taken from under suits brought in a court of the United States at the request of the Department of the Interior, where parties in direct fraud have secured or tried to secure title to the public land, and that iniquity having come to the attention of the Department of the Interior, that department very accommodatingly has O. K.'d legislation now pending before this House that will put an end to those suits and vest this land probably in the hands of these fraudulent claimants.

Mr. RUCKER. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RUCKER. What question is pending?

The SPEAKER pro tempore. The question is, Is there objection to the consideration of this bill?

Mr. RUCKER. The question was not submitted by the Speaker.

The SPEAKER pro tempore. Is the regular order demanded?

Mr. RUCKER. I want the regular order.

Mr. CRAMTON. The regular order is, Is there objection to this bill? I will object, Mr. Speaker.

The SPEAKER pro tempore. Objection is made.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill just objected to may remain on the calendar.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the bill remain and go to the foot of the calendar.

Mr. CRAMTON. Reserving the right to object, I feel that sufficient time ought to elapse so that when the bill comes up again the House may be in a mood to give it consideration, and therefore I object.

Mr. RAKER. It would not come up to-day.

Mr. CRAMTON. I understand that.

LANDS FOR SCHOOLHOUSE SITE AND GROUNDS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 1124) to authorize entering of the public lands by school districts for schoolhouse site and ground.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. ANDERSON. Mr. Speaker, reserving the right to object, I want to call the attention of the gentleman from California who wrote the report on this bill to the fact that on page 5 it indicates that the bill has the approval of the Secretary of Agriculture. I notice on reading the letter of the Secretary that he distinctly objects to the inclusion of the national forests under the bill. If the gentleman from California insists on carrying out his program, I shall have to object.

Mr. CRAMTON. And with the permission of the gentleman I wish to call attention to the fact that it expressly provides that the Secretary of the Interior shall have the right to fix the rules and regulations as to the disposition of lands under the jurisdiction of the Secretary of Agriculture.

Mr. ANDERSON. That is true.

Mr. CRAMTON. And furthermore the selection of the land to be given to the school districts is entirely in the hands of the school district and the Interior Department can have no discretion.

Mr. MANN of Illinois. Mr. Speaker, may I read the language referred to by the gentleman from Minnesota on page 5 of the report made by the gentleman from California?—

> The committee after full consideration is of the same opinion as the Secretary of Agriculture, that lands within national forests should not be eliminated from the provisions of the bill, and that there should be no possible objections to the building of schoolhouses with the necessary playground, recreation park, etc., in connection therewith in a forest reserve.

Mr. RAKER. That is a misprint.

Mr. MANN of Illinois. When did the gentleman discover that it was a misprint?

Mr. RAKER. Just now.

Mr. MANN of Illinois. The gentleman ought to read the printed report. It is easy to say that it is a misprint, but it was not a misprint of the Printing Office.

Mr. RAKER. It is a typographical error.

Mr. MANN of Illinois. It is clearly a statement that is not true.

Mr. ANDERSON. In the preceding paragraph it says—

> The suggestion of the Secretary of the Interior that the bill, if enacted, be made applicable only to unreserved public lands was adopted by the committee and included in amendment No. 2.

That is not true.

Mr. RAKER. The committee took up each amendment separately——

Mr. MANN of Illinois. That statement in the report is not true and is not borne out by the facts.

Mr. RAKER. Will the gentleman read the quotation from the report again? I did not catch it.

Mr. ANDERSON (reading)—

> The suggestion of the Secretary of the Interior of having the time limit in which the school district shall construct suitable and a permanent school building thereon, and construct and maintain permanent wagon and automobile roads, is provided for in amendment No. 3.

Mr. MANN of Illinois. I have a notation opposite that "not true." Does the gentleman say that is a typographical error?

Mr. RAKER. The suggestion was made and an amendment was offered by the chairman of the committee. The committee believed that that covers the amendments offered by the Secretary of Agriculture and the Secretary of the Interior. That is the view the committee took of it.

Mr. MANN of Illinois. The committee evidently never looked at the bill. No sensible man could read and examine the bill and believe anything of the kind. You might as well say you believe black is white when it is right before you.

Mr. RAKER. The amendment was suggested and offered by the chairman of the committee and it was believed that it covered both points made by the Secretary of the department, so that there could be no question about it. You will find it on lines 7 and 8 of the bill.

Mr. MANN of Illinois. What is the use?

Mr. RAKER. That was the intention.

Mr. MANN of Illinois. I do not know what the intention was, but the intention of the report was to make people who read it believe that the committee had adopted the recommendations of the Secretary of Agriculture——

Mr. RAKER. Not at all. The report says:

> The Committee on the Public Lands fully considered the reports of the two Secretaries. The suggestion of the Secretary of the Interior that the bill, if enacted, be made applicable only to unreserved public lands was adopted by the committee and included in amendment No. 2.

Mr. MANN of Illinois. That is directly the reverse of the fact. The committee directly adopted the reservation to make this bill applicable to forest reserves.

Mr. RAKER. That is not the question. The question is not with reference to forest reserves, and the Secretary did not refer to them.

Mr. MANN of Illinois. The Secretary of the Interior expressly referred to the question of forest reserves and suggested that they be left out of the bill.

Mr. RAKER. The Secretary refers to the reserved land. Public reserved lands and forest reserves are different.

The committee adopted the amendment of the Agricultural Department eliminating reserved lands, including in the bill forest reserves, and the committee report is identically as it is stated and as the committee intended and as by a special vote in the committee it was placed in the bill.

Mr. MANN of Illinois. I do not know how obtuse the committee may be, but here is the language of the Secretary of the Interior in the report upon this bill. The Secretary says:

> The Secretary of Agriculture, under date of April 12, 1917, has reported that no legislation along this line is needed for national forest reserve lands, the situation being taken care of by existing laws applicable to such reservations. I therefore suggest that the bill for enactment be made applicable only to unreserved public land.

Now, the meaning of that right on the face was that national forest reserve land should not be included, and thereupon the committee says it agreed to the recommendation and expressly inserts an amendment to include forest lands, directly the reverse of the fact.

Mr. RAKER. No; the gentleman is mistaken.

Mr. MANN of Illinois. I frequently have been mistaken, but I do not believe I am now.

Mr. GOLDFOGLE. Mr. Speaker, a parliamentary inquiry.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

Mr. MANN of Illinois. Anybody can demand the regular order.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. If the gentleman will yield for that purpose.

Mr. MANN of Illinois. Nobody has the floor except by unanimous consent.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GOLDFOGLE. The parliamentary inquiry was, What is the status now? I understood that the bill was objected to. I hope, however, that objection was not made.

The SPEAKER pro tempore. The gentleman was under misapprehension. The question now is whether the bill shall be considered or not.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GARD. My impression was that the gentleman from Minnesota [Mr. ANDERSON] objected to the bill.

Mr. ANDERSON. No; I reserve the right to object.

The SPEAKER pro tempore. The proceeding is by unanimous consent under the reservation of the right to object.

Mr. RAKER. So that the House may fully understand, I just want a few moments in which to say this: This bill came before the committee, and a report of the Secretary of the Interior and a report of the Secretary of Agriculture were before the committee. The committee took up seriatim the suggested amendments by the Secretary of the Interior and the Secretary of Agriculture. They adopted a couple of the amendments suggested by the Secretary of the Interior and possibly one by the Secretary of Agriculture, but the rest were not adopted. They ordered a report made. Upon the amendment in regard to which the suggestion was made, as read by the gentleman from Illinois [Mr. MANN], in regard to the statement that the report of the committee and the report of the department are not in accordance I desire to say with due deference that the facts are that upon this first amendment the question was whether or not it included reserved public lands. There are public lands, reserved lands, and forest lands. Now, to eliminate and avoid that question the committee used the language that was adopted, as suggested by the chairman of the committee, upon an amendment which covered the Secretary's report and which reads as follows, so there can be no question. I read from page 1 of the bill, lines 7 and 8:

One-sixteenth quarter section of public lands not reserved for public use, other than a forest reserve.

They struck that out, and after the word "public" they inserted as follows:

Lands, or lands within a forest reserve, not otherwise reserved for public use.

In other words it allowed an entry upon public lands otherwise not reserved for public use, and second, in the forest reserves, and the three kinds of lands have been maintained before the committee and by the lawyers of the committee and by the Supreme Court. There is no question as to the committee's intention, and the language is clear that it permitted the filing only upon public lands that are not otherwise reserved, and second, upon lands in the forest reserves. The committee, I think unanimously—I will not say as to the number—voted down the recommendation of the Secretary of Agriculture that it do not include forest reserves, because they believe from the presentation of the matter, from the report of the Secretary of Agriculture himself, and the fact that there could be no objection to authorizing a sufficient amount of lands for school grounds and a park in connection therewith that it might go to the Government and title issue, to the end that school districts might build large schoolhouses, and the title might be in them and might not be at the discretion of the Secretary of Agriculture to revoke it at his discretion. Now, that is what the facts are. It is now presented to the House for its action, and there is no intention to the contrary. It covers the question clearly, and I trust the House will permit the legislation to come before it for its consideration, and if the House by its vote determines that the forest land shall not be included, why we will have to abide by its judgment.

Let me call the attention of the House to this, that there can not be any higher use of the land within the Government forest reserves in the West or elsewhere than to allow 10 acres of that land to be selected by a school district, fenced in for a playground, and get substantial schoolhouses and outbuildings, to the end that the community will develop and that the rising generation will have an opportunity to have all the beauties of nature surround them instead of being hampered and tied. There can be no question about it. Another question is the Secretary says that he has granted many permits for school purposes, but they are only temporary and they are subject to his revocation. Now, if that is the fact, it is a fact there can not be any objection to permitting this department to select, or rather the party to select, and then the department determine whether or not it shall be approved after it has been selected. It is in line with development, with progress——

Mr. MANN of Illinois. Oh, well, that is old. Get down to bedrock.

Mr. RAKER. I am.

Mr. MANN of Illinois. Mr. Speaker, here is a bill that was introduced in the first place to give school districts authority to purchase school sites in public lands, and there may have been some question under the language of the bill as introduced whether it was applicable to lands in forest reserves. The bill was referred to the Secretary of the Interior, who made a report upon it. The bill was also referred to the Secretary of Agriculture, who made a report upon it. The Secretary of the Interior reported that the Secretary of Agriculture objected to having the bill include forest lands, and therefore suggested it be made to mean to include only unreserved public lands. The Secretary of Agriculture objected to having the forest reserve lands included in that bill, because it was not essential or necessary, he having authority now. Thereupon we find a report from the Committee on Public Lands stating in one place that the suggestion of the Secretary of the Interior that the bill, if enacted, be applicable only to unreserved public lands was adopted by the committee and included in amendment No. 2, and in another place the statement that the committee, after full consideration, is of the same opinion as the Secretary of Agriculture, that lands within national forests should not be eliminated from the provisions of the bill. Now, the gentleman suggests that that is a typographical error. That is nonsense. It is not possible for that to be a typographical error.

Mr. RAKER. Will the gentleman yield?

Mr. MANN of Illinois. It is not possible for it to be a typographical error.

Mr. RAKER. Now, I want to say in regard to my statement of a moment ago that it was a typographical error that I was mistaken. It is not. It is identically as the committee agreed upon it and read it, and the statement of the gentleman from Illinois [Mr. MANN] in criticizing the report is not a fact as the report reads.

Mr. MANN of Illinois. I have read the report word for word absolutely as it reads. I read the report as it reads, that both the Secretary of the Interior and the Secretary of Agriculture reported in favor of leaving out forest reserves.

Mr. RAKER. That is not what the report says. There is not a word of that, and the gentleman knows it.

Mr. MANN of Illinois. I will read the statement again. The Secretary of the Interior, on page 3 of the report, under date of June 16, 1917, in the second paragraph of the report, says:

The Secretary of Agriculture, under date of April 12, 1917, has reported that no legislation along this line is needed for national-forest lands, the situation being taken care of by existing laws applicable to such reservations. I therefore suggest that the bill, if enacted, be made applicable only to unreserved public lands.

Now, if that is not a statement that the Secretary of Agriculture wanted forest lands left out of this bill, and that the Secretary of the Interior suggested that they be left out of the bill, I can not tell A from B. That is what he says.

Mr. RAKER. Just a moment.

Mr. MANN of Illinois. That is not all. The Secretary of Agriculture makes the same recommendation in a letter. Thereupon the committee adopts an amendment specifically naming forest reserves to be included in the bill, there being some doubt whether they were included or excluded by the language of the bill before, I suppose, and then report that they have agreed to the recommendation, when the amendment is directly the reverse of the recommendation. It is a fraud upon the House.

Mr. RAKER. So that the House may fully understand it, and I will take but a moment, I will say that on page 5 of this report—and I want to call your attention particularly to it, because I am sure I am right—the Committee on the Public Lands fully considered the reports of the two Secretaries. Now, there is a period. Then we took up the report of the Secretary of the Interior and disposed of it. We then took up the report of the Secretary of Agriculture and disposed of it as follows:

The committee after full consideration is of the same opinion as the Secretary of Agriculture, that lands within national forests should not be eliminated from the provisions of the bill.

It says that the judgment of the committee is that it should not be elimnated, not what the Secretary stated. It is in his report. It is clear, distinct, and positive that the committee recommends, as to the Secretary of Agriculture's report, that they—forest-reserve lands—should not be eliminated from the bill.

Mr. ANDERSON. Why does the committee say, then, that they are of the same opinion, and use the language "of the same opinion as the Secretary of Agriculture"?

Mr. RAKER. They do not say that.

Mr. ANDERSON. I beg the gentleman's pardon.

Mr. TAYLOR of Colorado. Mr. Chairman, I have not read this report, but it is a fact that the Agricultural Department did report that it was not in favor of the provision of this bill granting title to land for schoolhouses on the forest reserves. And we discussed it in the committee, and the majority of the committee was in favor of that provision. We thought schoolhouse grounds ought not to be limited to a mere permit, because sometimes it costs a lot of money to build a schoolhouse, and a majority of the committee, as I recall it now, was in favor of reporting the bill to the House disregarding that pro-

vision of the Secretary of Agriculture's report, because we did believe there could be no higher use of a 10-acre piece of land than to put a schoolhouse on it. If the House is in favor of supporting the Agricultural Department by cutting that provision out, all well and good, but that is the fact about that recommendation. Now, we believe they ought to allow a schoolhouse on the forest reserve or on any other kind of public land and give a title to it to the school district. If the House does not think so, but wants to restrict the schoolhouses to private land or land outside of the forest reserve, all well and good. That is all there is about this business.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. MANN of Illinois. Does not the General Government make a grant to all of the States that would be affected by this of two sections in every township for school purposes?

Mr. TAYLOR of Colorado. Yes; but, my dear sir——

Mr. MANN of Illinois. Is not that a fact?

Mr. TAYLOR of Colorado. Yes; but that does not apply to mountainous districts.

Mr. MANN of Illinois. If they did get the land they would pay them for it.

Mr. TAYLOR of Colorado. In one way of looking at it, that is true.

Mr. MANN of Illinois. Now, then, having given them two sections in every township, and they having wasted that, they want us to give them more land for schoolhouses in places where they might be very dangerous.

Mr. TAYLOR of Colorado. Let me answer that. In the mountainous portions of the West—and all forest reserves are in the mountainous portion of the West—these townships do not get sections 16 and 36. We select large compact bodies of public land in lieu of those sections, and consequently there are no school sections or school lands or sites in those mountainous portions of the Western States available for schoolhouses.

Mr. MANN of Illinois. And you have very little use for school lands in forest reserves.

Mr. TAYLOR of Colorado. I do not suppose there would be a dozen schoolhouse sites taken in all the United States in these forest reserves. But in forest reserves, where the boundaries are zigzag or very irregular in shape, sometimes a schoolhouse in a forest reserve would be handy to the settlers living adjoining and on both sides.

Mr. MANN of Illinois. As I understand, the committee was not of the same opinion as the Secretary of Agriculture.

Mr. TAYLOR of Colorado. No; not as to whether the Secretary might grant a permit or the Government grant a title to the land. The Secretary of Agriculture has already granted several permits of this kind for sites for schoolhouses, I understand. People have undoubtedly been compelled to build on a forest reserve because there was no other place and they could only get a permit.

Mr. MANN of Illinois. But the committee and the Secretary of Agriculture are not of the same opinion?

Mr. TAYLOR of Colorado. Not on this point.

Mr. MANN of Illinois. I mean on this point.

Mr. TAYLOR of Colorado. No. The committee thought that inasmuch as the Secretary several times had given a permit for schoolhouses that showed that there were places where a schoolhouse could be advantageously located in a forest reserve, and if that was so the Government ought not to confine them to a mere permit but ought to give title to the ground. We did not want to compel a school district to build schoolhouses on temporary permits that might be revoked at any time. That was the thought of the committee. If the House wants us to compel the people to build schoolhouses on temporary permits, or if you do not want us to have a schoolhouse on any forest reserve, then strike it out and let us go on with the rest of the bill. That is not a very important or vital part of the bill.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. CRAMTON. Did the committee give consideration to the question of whether the Interior Department ought to have some discretion as to the particular location of the site which they would grant?

Mr. TAYLOR of Colorado. The Interior Department is the department that always grants the title to the public land. The Agricultural Department does not grant title to public land. That department only gives permits to run during their good will.

Mr. CRAMTON. Leaving the Department of Agriculture out of it, considering only the granting of sites on the public lands, did the committee give consideration to the question as to whether the department should retain any discretion as to the particular site where the location should be made?

Mr. TAYLOR of Colorado. Yes.

Mr. CRAMTON. The bill provides that school districts shall have the "right" to purchase so-and-so.

Mr. TAYLOR of Colorado. Yes; but does not the bill provide that the Secretary of the Interior shall investigate or exercise his discretion?

Mr. CRAMTON. I do not find anything that leaves any discretion to the Secretary as to the site, where it is to be located. If a school district picks out a certain piece of land and asks for it, regardless of conditions——

Mr. TAYLOR of Colorado. I have no objection to the Secretary of the Interior being discretionary authority to grant or refuse a site in the sparsely settled portions of the West, but we want to encourage the building of schoolhouses. Are you not in favor of doing that?

Mr. CRAMTON. I want to say to the gentleman that the House is entitled to information. The bill not only must have a good purpose, but it must have such language in it as will subserve that purpose. The bill should be put in proper shape. The gentleman should not be sensitive as to the terminology suggested.

Mr. TAYLOR of Colorado. I am not a particle sensitive as to terminology. On the contrary, I am saying that if the bill is not correct, let us amend it. Let us not kill a good bill because one provision in it is objectionable to somebody. I had a little bill here myself once, to try to get 5 acres of public land set aside for a schoolhouse, and I had to worry around here for a long time, and the people got tired of waiting and went and bought some private land and built on it, as I recollect. Here is a general bill providing for schools on the public land. A bill of this kind ought to have passed 50 years ago.

Mr. MANN of Illinois. If the gentleman had that experience, it seems to me it would be wise to pass a bill, without any objection, to let the Secretary of the Interior issue title for schoolhouse sites on the public lands, and not endeavor to steal a march on the forest reserves and locate school buildings nobody knows where in a timbered country and nobody knows for what purpose. Why not take the easy road instead of climbing up a rocky mountain?

Mr. TAYLOR of Colorado. They are not going to locate a schoolhouse on the top of a mountain where nobody could go to it.

Mr. MANN of Illinois. Well, I do not know about that.

Mr. TAYLOR of Colorado. They do not spend money for nothing.

Mr. MANN of Illinois. I do not know about that.

Mr. TAYLOR of Colorado. They might without any justification be accused of various things, but no one would ever charge them with throwing their money away in that manner.

Mr. MANN of Illinois. Well, they will beg somebody for the money. [Laughter.]

Mr. TAYLOR of Colorado. No one should blame people for trying to build schoolhouses wherever there are any children, and fortunately there are children everywhere where there are any people all through the mountains. There can be no objection to authorizing the Secretary to grant a title to a small piece of public land for a schoolhouse. But the only question was as to whether or not we should have a school site of 10 acres of worthless ground on the forest reserve, and we decided that we should. We resolved the doubt in favor of the school, where anybody wants to build one, and we were in favor of giving the school district the land to build on and not make them take a license and occupy the land only during good behavior. There will be very few schoolhouses built on that kind of a foundation.

Mr. GARD. Mr. Speaker, I call for the regular order.

The SPEAKER pro tempore. The regular order is, Is there objection?

Mr. MANN of Illinois. I object.

The SPEAKER pro tempore. The gentleman from Illinois objects.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill remain on the calendar, at the foot.

Mr. MANN of Illinois. I object. I think this bill ought to go back to the committee and have a proper report.

The SPEAKER pro tempore. The Clerk will report the next one.

LIBRARY INFORMATION SERVICE, BUREAU OF EDUCATION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 6870) to provide for a library information service in the Bureau of Education.

The title of the bill was read.

The SPEAKER pro tempore. This bill is on the Union Calendar.

Mr. BLANTON. I reserve the right to object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Reserving the right to object, I doubt very seriously whether this bill ought to be taken up and considered and passed by the 30 or 40 Members that we now have present and which we usually have present under such circumstances. This is an important measure, to my mind. This bill is based almost entirely upon a suggestion made by Miss Edith Guerrier, of the Boston Public Library. I doubt very seriously whether her suggestion is good and should be acted upon. At least it should be thoroughly considered by the House. This bill is going right against the policy suggested by the distinguished floor leader on the other side [Mr. MONDELL], as indicated in the public press, that we were going to begin the process of retrenchment. This measure provides a director at $4,000 a year, and an assistant at $3,000, and a chief clerk at $2,000, and a stenographer at $1,600, and such other employees, not exceeding $8,100 per annum, as the director may want. To my mind the possible good that may be accomplished by this legislation hardly justifies this expenditure and the creation of such new offices.

Mr. BANKHEAD. Mr. Speaker, is it the gentleman's purpose to object to the consideration of this bill?

Mr. BLANTON. I was suggesting the propriety——

Mr. BANKHEAD. I demand the regular order.

Mr. BLANTON. If the gentleman demands the regular order, which stops all discussion, I object.

The SPEAKER. The gentleman from Texas objects. The Clerk will report the next one.

BRIDGE ACROSS THE SUSQUEHANNA RIVER AT LACEYVILLE, PA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8992) for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct within the Commonwealth of Pennsylvania a bridge, with approaches thereto, across the Susquehanna River at Laceyville, Wyoming County, Pa., at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The question was taken; and there were 33 ayes and no noes.

So the bill was passed.

On motion of Mr. WATSON of Pennsylvania, a motion to reconsider the vote whereby the bill was passed was laid on the table.

OCHOCO NATIONAL FOREST, OREG.

The next bill on the Calendar for Unanimous Consent was the bill (H. R. 348) to add certain land to the Ochoco National Forest, Oreg.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. GARD. Reserving the right to object, I ask that those who have charge of the bill or made the report advise us as to the necessity for the inclusion of this land in the Ochoco National Forest of Oregon.

Mr. SINNOTT. Mr. Speaker, one of the main reasons is that the land in question has upon it some springs which command a grazing area of some 6,000 acres in this Ochoco National Forest. A further reason is that about 1,200 acres of the land is practically a part of the forest reserve now, for the reason that that area is embraced in a stock-driveway withdrawal for the purpose of giving stock a passageway into the forest reserves. If this land is added to the forest reserves, drift fences will be placed on the land, which will prevent stock grazing on the forest reserves from escaping and preventing other loose stock from encroaching on the forest reserves.

Mr. GARD. What is meant by the expression in line 5, page 1, of this bill, "subject to all prior valid adverse rights"? What adverse rights to the incorporation of a national forest reserve are there?

Mr. SINNOTT. Adverse rights would be a homestead application heretofore allowed by the Secretary of the Interior.

Mr. GARD. What adverse rights are there involved here?

Mr. SINNOTT. As a matter of fact, there are none, as I understand. The Secretary of the Interior refers to applications which are suspended, and of course no rights accrue by virtue of a suspended application.

Mr. GARD. The report of the Secretary of the Interior says that some 1,581 acres are enterable under the 320-acre enlarged-homestead law and 480 acres are embraced in the suspended homestead applications, and so forth. These lands have not as yet been classified under said act. Would these reservations be included in prior adverse rights?

Mr. SINNOTT. If any applications had not been allowed by the Secretary of the Interior, it would not be a prior adverse right. If they had been allowed, they would be a prior adverse right.

Mr. BANKHEAD. Will the gentleman yield?

Mr SINNOTT. Yes.

Mr. BANKHEAD. What is the character of the lands—are they susceptible to cultivation?

Mr. SINNOTT. The report of the Department of Agriculture states that only about 12 acres of this land is susceptible of cultivation. The rest is wild, broken, and contains some timber which is suitable for forest purposes. The Secretary of Agriculture stated that the main object for taking this land is the springs, to be used in connection with the grazing on the forest reserve.

Mr. BANKHEAD. I understood the gentleman to say that only a small area would be susceptible of cultivation?

Mr. SINNOTT. I think the report states about 10 or 12 acres.

The Clerk read the bill, as follows:

A bill (H. R. 348) to add certain lands to the Ochoco National Forest, Oreg.

Be it enacted, etc., That the following described lands be, and the same are, included in and made a part of the Ochoco National Forest, Oreg., subject to all prior valid adverse rights, and that said lands shall hereafter be subject to all laws affecting national forests: Sections 27 and 34, township 17 south, range 21 east, sections 3 and 10 and the east half of section 9, township 18 south, range 21 east, all of Willamette meridian and base.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 31 ayes and no noes.

So the bill was passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CLAIMS OF SIOUX TRIBE OF INDIANS.

The next business on the Calendar for Unanimous Consent was the bill (S. 1018) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. GARD. Reserving the right to object, the bill authorizes the Sioux Tribe of Indians to submit claims to the Court of Claims. Is there anyone representing the bill or anyone from the Committee on Indian Affairs to explain the contents of the bill? It seems to be a comprehensive statement of a new procedure, and I would suggest, in the absence of anyone interested in the bill, that it be passed.

Mr. EVANS of Montana. Mr. Chairman, I ask unanimous consent that the bill be passed over.

The SPEAKER pro tempore. Is there objection?

Mr. DYER. Would the bill go to the foot of the calendar?

The SPEAKER pro tempore. The Chair does not so understand.

Mr. DYER. Mr. Speaker, I ask to modify the request for unanimous consent that the bill be passed without prejudice and go to the foot of the calendar.

Mr. EVANS of Montana. I accept that suggestion.

The SPEAKER pro tempore. Is there objection to the request as modified?

There was no objection.

RIGHTS OF WAY THROUGH PUBLIC LANDS.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 2946) to amend acts to permit the use of rights of way through the public lands for tramroads, canals, and reservoirs, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman who made the report on this bill what is the necessity for setting aside such a large amount of land for such purposes?

Mr. SMITH of Idaho. It only proposes to set aside five acres. These canal attendants use horses in connection with their work, and it is necessary that they have a space of ground in which to feed and exercise them and to erect a house and barn and other outbuildings and upon which to store hay.

Mr. WALSH. Where do they exercise them now, and where do they get their hay stored?

Mr. SMITH of Idaho. I suppose they get some exercise from riding up and down the canals.

Mr. WALSH. Well, it looks to me too much like an attempt to hitch up some grazing proposition with an irrigation project. I do not understand——

Mr. SMITH of Idaho. There is no irrigation. It is not possible to irrigate any of this land which is desired. It is located on the desert, and the only way to get the water to irrigate five acres would be by pumping from the canal, and that would not be possible without a great deal more expense than would be warranted.

Mr. WALSH. Would it not be possible, if they got five acres adjoining one of these ditches or laterals, for them to swing that ditch around into that land?

Mr. SMITH of Idaho. It might be possible, but not practicable.

Mr. WALSH. Then if he can not grow anything on the land, how can the horses graze on it? Of course the gentleman would not contend——

Mr. SMITH of Idaho. The gentleman is the one who said that they wanted to graze the horses; I have not said so.

Mr. WALSH. The gentleman said nothing can grow on it, as I understood.

Mr. SMITH of Idaho. It will not without water for irrigation purposes.

Mr. WALSH. And it can not be irrigated?

Mr. SMITH of Idaho. It can not be irrigated advantageously because of the expense involved in getting the water to it.

Mr. WALSH. And therefore if they can not grow anything there, and it would be so expensive to get water on it, it could not be used very advantageously for grazing for those four or five horses?

Mr. SMITH of Idaho. No; not for grazing.

Mr. WALSH. If that is so, why do they need 5 acres?

Mr. SMITH of Idaho. For the simple reason they will probably have a half dozen horses which they use in going up and down the canals, and 5 acres would not be too much on which to exercise five or six horses and give space in which to roam about.

Mr. WALSH. This also permits the erection of dwellings and other buildings. Where are those buildings located now?

Mr. SMITH of Idaho. The buildings used by the men now are very cheap wooden shacks. The company desires to have this law enacted in order that they may have a permanent site on which to erect comfortable homes costing probably two or three thousand dollars for these ditch riders. Under existing conditions they do not feel warranted in going to such a large expense, and for that reason they desire to have this law enacted.

Mr. WALSH. Does the gentleman know how many of these ditch riders there are who are affected by this legislation?

Mr. SMITH of Idaho. I suppose there are probably 50 people who will be accommodated on the particular project I have in mind in Idaho.

Mr. WALSH. But this applies to all irrigation projects?

Mr. SMITH of Idaho. For all irrigation projects, but the land can not be used for any other purpose than the purpose for which it is intended under the proposed law. The bill passed both the House and Senate in the last Congress, but came back from the Senate with a slight amendment, which has been incorporated in the present bill, but it was received too late to receive the Speaker's attention before adjournment.

Mr. WALSH. In view of the gentleman's representations, Mr. Speaker, I will withdraw the reservation of the right to object.

Mr. GARD. Mr. Speaker, further reserving the right to object, I want to direct the attention of the gentleman from Idaho to this language in line 2 of the bill, as to what, in his opinion, is the difference between "permits or easements," and whether there is any advantage in retaining the word "respectively" as asked to be inserted by the Secretary of the Interior on page 2 of the report in which it states that the bill be amended so as to authorize the Secretary of the Interior to grant "permits or easements, respectively, embracing not to exceed 5 acres," and so forth. Is there any difference in the application that this should be made not to exceed 5 acres in what is called a permit and what is called an easement?

Mr. SMITH of Idaho. No; they are practically synonymous terms. A permit is simply an easement, a revocable authority to use the land.

Mr. GARD. A permit may permit the use of the land, the entire use of the land, and an easement, I suspect, may be limited to some access to and from the land.

Mr. SMITH of Idaho. Well, they are synonymous terms.

Mr. GARD. Not necessarily.

Mr. SMITH of Idaho. They are in this instance. The word "permit" really could be eliminated because it adds nothing and usually applies to lands in the forest reserve, while an easement applies to land on the public domain.

Mr. GARD. This is, of course, an application for land in the public domain?

Mr. SMITH of Idaho. Yes. Although, as the bill is drawn, it applies to the forest reserves, I intend to offer an amendment that was suggested by the Secretary of Agriculture after this report was made.

Mr. GARD. What is the amendment?

Mr. SMITH of Idaho. I propose to offer an amendment at the end of the bill inserting the words:

Provided, That this act shall not apply to lands within national forests.

This was suggested in a letter from the Secretary of Agriculture after the report was made and was entirely gratuitous, but we have no objection to the limitation of the act to the public domain.

Mr. GARD. Does the gentleman believe that the word "permits," as contained in line 3, should be stricken out?

Mr. SMITH of Idaho. I do not think it makes any difference whether it is stricken out or left in.

Mr. GARD. I am asking that because I am unfamiliar with the application of the word "permits" or "easements" to these 5 acres of ground that may be granted adjoining rights of way.

Mr. SMITH of Idaho. I have no objection to eliminating the word "permits." I do not think it makes any difference at all.

Mr. GARD. As suggested by the gentleman from Pennsylvania [Mr. DEWALT], there is a very great distinction in the understanding of the law, as we of the States that are not public-land States do not consider that a permit is an easement.

Mr. SMITH of Idaho. They are synonymous terms so far as they affect public lands.

The SPEAKER pro tempore. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. The bill is on the Union Calendar.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Idaho asks unanimous consent that the bill be considered in the House as in the Committee of the Whole. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 2946) to amend acts to permit the use of the right of way through the public lands for tramroads, canals, and reservoirs, and for other purposes.

Be it enacted, etc., That in addition to the rights of way granted by sections 18, 19, 20, and 21 of the act of Congress entitled "An act to repeal timber-culture laws, and for other purposes," approved March 3, 1891 (26 Stats., p. 1095), as amended by the act of Congress entitled "An act to amend the irrigation act of March 3, 1891 (26 Stats., p. 1095, sec. 18), and to amend section 2 of the act of May 11, 1898 (30 Stats., p. 404)," approved March 4, 1917 (39 Stats., p. 1197), and, subject to the conditions and restrictions therein contained, the Secretary of the Interior is authorized to grant permits or easements for not to exceed 5 acres of ground adjoining the right of way at each of the locations, to be determined by the Secretary of the

Interior, to be used for the erection thereon of dwellings or other buildings or corrals for the convenience of those engaged in the care and management of the works provided for by said acts.

Mr. GARD. Mr. Speaker, I offer the following amendment, page 2, line 3, strike out the words "permits or."

The SPEAKER pro tempore. The gentleman from Ohio offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. GARD: Page 2, line 3, strike out the words "permits or."

Mr. SMITH of Idaho. Mr. Speaker, as the gentleman from Ohio seems to be anxious to follow the recommendations of the Secretary of the Interior in matters of legislation of this character, I suggest that the Secretary use the term "grants, permits, or easements," and it seems to me that unless there is some good reason for opposing the recommendation of the Secretary of the Interior in the matter——

Mr. GARD. I am not following the Secretary of the Interior or anybody else. I am asking a question of the gentleman, who I suspect knows all about these public-land bills. I am sure that he knows more than I do, because he is from a State where he has grown familiar with them. The bill itself is an act to permit the use of the right of way through public lands for tramroads, canals, and reservoirs, and so forth, and it refers all along to rights of way, and an easement in the ordinary acceptation of legal phrases is recognized as a right of way, while a permit may be an absolute grant to use the land, not for access or not for a particular purpose or any purpose at all. The word "permit" is so broad that I suggest, in the interest of the real meaning of the legislation, which is an act to grant the use of the right of way through public lands, it be confined to the right of way, if that is what it means.

Mr. SMITH of Idaho. I have no objection to the amendment.

Mr. DEWALT. I would suggest to the gentleman from Ohio that an easement is actually a right in property, and is really a hereditament and has a permanency of character which could not be taken from the grantee by the act of the grantor, and could not be taken except by the acts of both being willing to do so after it was granted, whereas a permit is revokable at the option of the party who grants the provision. "Easement" is a much stronger word than "permit," and it may be that it is the idea of the Secretary of the Interior to grant only a limited permit, which may be revoked at any time by the department, whereas if the easement is granted it becomes permanent in its nature; it becomes a hereditament under the law.

Mr. GARD. It was for that that I was asking questions from the gentleman from Idaho, because I wanted to understand as to what the law was to carry. I do not know what the understanding of those who have charge of this legislation is. It does not seem to me to be very material, but if it is I want it amended.

Mr. SINNOTT. I am inclined to agree with the gentleman's first interpretation of the word "permit" and the distinction between a permit and an easement, and it seems to me that the word "permit" should be retained there and not eliminated. I agree with the gentleman's first interpretation. For that reason I prefer to see the amendment withdrawn.

Mr. GARD. Does the gentleman, from his understanding of the language in the bill and the circumstances to which the bill applies, believe that the word "permit" is a word proper to use in connection with this grant? If it is, I have no objection to its being used.

Mr. SINNOTT. Yes; I think so.

Mr. GARD. Mr. Speaker, then I withdraw the proposed amendment.

The SPEAKER pro tempore. The gentleman from Ohio withdraws the amendment.

Mr. SMITH of Idaho. Mr. Chairman, on the recommendation of the Secretary of Agriculture, who has volunteered the suggestion, I offer an amendment at the end of the bill:

Provided, That this act shall not apply to lands within national forests.

The SPEAKER pro tempore. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. SMITH of Idaho moves to amend by inserting at the end of the bill the following proviso: "*Provided*, That this act shall not apply to lands within national forests."

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Idaho.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 38, noes 0.

So the bill was passed.

On motion of Mr. SMITH of Idaho, a motion to reconsider the vote by which the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

WATER SUPPLY ON RECLAMATION PROJECTS.

The next business on the Calendar for Unanimous Consent was the bill (S. 796) for furnishing water supply for miscellaneous purposes in connection with reclamation projects.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. I object.

The SPEAKER pro tempore. The gentleman from Massachusetts objects.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that the bill go to the foot of the calendar.

The SPEAKER pro tempore. The gentleman from Colorado asks unanimous consent that the bill go to the foot of the calendar. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

TRANSFER OF EMPLOYEES IN CLASSIFIED CIVIL SERVICE.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 7404) to repeal section 7 of the act of October 7, 1917, entitled "An act making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and for other purposes."

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from Idaho [Mr. SMITH] if the passage of this measure, repealing this section of the deficiency bill, would not materially interfere with the reduction of the number of employees now here in the city of Washington?

Mr. SMITH of Idaho. No; I do not think so. I know of no reason why it should.

Mr. WALSH. It certainly would not aid in that direction, would it?

Mr. SMITH of Idaho. I do not know that it would have any particular effect.

Mr. WALSH. That being so, Mr. Speaker, rather than pass any legislation affecting these vast numbers, running up into many thousands of employees now in Washington, who came here as the result of the war emergency——

Mr. BLANTON. Mr. Speaker, will the gentleman yield right there for a question?

Mr. WALSH. I yield to the gentleman.

Mr. BLANTON. I am glad to see that the gentleman is so careful about that point, but rather than refrain from passing legislation that will permit them to stay here, would it not be better, I will ask the gentleman from Massachusetts, that we should pass some legislation that would eliminate them from the Government pay roll and send them home? There are about 40,000 of them, and they ought to be sent home.

Mr. WALSH. The gentleman from Texas has introduced a bill to that effect, but I notice it has not reached the Unanimous Consent Calendar.

Mr. BLANTON. I will say to the gentleman that I am going to watch the appropriation bills when they come in.

Mr. SMITH of Idaho. Mr. Speaker, I have no personal interest in this legislation, but it has been recommended by the president of the Civil Service Commission and also by the Secretary of the Treasury and the Secretary of War, and I understand that other Cabinet officers believe that the enactment of this legislation would be helpful in the conduct of the public business. It seems to me that unless there is some reason which has not yet been advanced why the legislation should not be enacted, it should be allowed to be taken up for consideration.

Mr. WALSH. This measure will permit the transfer of employees from one department to another department at an increased rate of compensation?

Mr. SMITH of Idaho. Yes.

Mr. WALSH. If paid from lump-sum appropriations; and the gentleman appreciates the fact that there are a large number of departments that are still operating upon lump-sum appropriations, and will continue to operate for some little time under them, probably beyond the end of this fiscal year. Now, this was enacted, it is true, as emergency legislation, but even though the emergency is over, these lump-sum appropriations

are still available. Does the gentleman think we ought to permit, and by passing this legislation even encourage, these transfers in lieu of promotions?

Mr. SMITH of Idaho. We should encourage transfers where it is shown that the public service would be benefited.

Mr. BANKHEAD. Mr. Speaker, I demand the regular order.

Mr. WALSH. I object, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Massachusetts objects, and the Clerk will report the next bill.

ADDITIONS TO THE CARIBOU NATIONAL FOREST.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 4311) to authorize the addition of certain land to the Caribou National Forest.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the consideration of this bill?

Mr. GARD. Reserving the right to object, this is another bill authorizing an addition of certain lands to the national forest reserves, seemingly for a very large amount of land. I would be very glad to have some information as to the necessity for the enactment of this law.

Mr. SMITH of Idaho. Mr. Speaker, the strip of land which it is proposed to add to the Caribou National Forest in Idaho is near the top of a mountain range and lies between two national forests, one in Wyoming and the other in the State of Idaho. The land can not be utilized for agricultural purposes, but is used to some extent for grazing purposes. This legislation is simply following out the policy of the Agricultural Department to place within national forest reserves such public lands as are only valuable for timber or for the conservation of stream supply.

Mr. GARD. Can I interrupt the gentleman a moment?

Mr. SMITH of Idaho. Yes.

Mr. GARD. I notice in the letter of Mr. Ousley, the Acting Secretary of the Department of Agriculture, that he suggests that the present bill should be amended by adding at the end of line 5, on page 1, the words "or regulation and improvement of the grazing thereon."

Mr. SMITH of Idaho. There is no objection to the amendment; but it is not really necessary, because after the land is once taken into the national forest grazing is regulated by the department.

Mr. ANDERSON. The trouble with that is that the Secretary could not embrace within the forest reserve, under this authorization, lands that might be contiguous and desirable from the standpoint of grazing for regulation, because the language is not broad enough to cover in the reservation grazing land.

Mr. GARD. Does the gentleman think that this language should be added, "or regulation and improvement of the grazing thereon"?

Mr. ANDERSON. I think so.

Mr. SMITH of Idaho. I will accept the amendment.

Mr. GARD. Is there a proposition to amend the bill in any other way?

Mr. SMITH of Idaho. No; except as shown in the bill. The committee amendments are printed in italics.

Mr. GARD. The gentleman has no objection to the amendment I have suggested being adopted?

Mr. SMITH of Idaho. No.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any lands within the following-described areas, found by the Secretary of Agriculture to be chiefly valuable for the production of timber or the protection of stream flow, may be included within and made a part of the Caribou National Forest by proclamation of the President, said lands to be thereafter subject to all laws affecting national forests: Sections 26 and 27, township 9 south, range 46 east, Boise meridian; northwest quarter of section 1, all of section 2, east half of section 12, all of sections 13, 23, 24, 25, 26, 35, and 36, township 10 south, range 45 east, Boise meridian; all of sections 6, 7, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, township 10 south, range 46 east, Boise meridian, unsurveyed; all of sections 1, 2, 11, 12, 13, 14, east half of section 23, all of 24, 25, and 36, township 11 south, range 45 east, Boise meridian; all of unsurveyed township 11 south, range 46 east, Boise meridian; all of section 36, township 12 south, range 45 east, Boise meridian; all of sections 2, 3, 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 29, 30, 31, 32, of township 12 south, range 46 east, Boise meridian, partly unsurveyed; all of sections 5 and 6, and north half of section 7, and north half of section 8, township 13 south, range 46 east, Boise meridian.

With the following committee amendments:

Page 1, line 6, after the word "may," insert the words "with the approval of the Secretary of the Interior."

Page 1, line 7, after the word "forest," insert a comma and the word "Idaho" followed by a comma.

Page 2, line 18, change the period, after the word "meridian," to a semicolon and add: "*Provided*, That all lands embraced in any lawful application or entry pending at the date of the approval of this act be, and the same are hereby, excluded from the provisions of this act."

The committee amendments were agreed to.

Mr. GARD. Mr. Speaker, I offer the following amendment at the end of line 5, page 1: Add the words "or regulation for improvement in the grazing thereon."

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 1, line 5, at the end of the line insert the words "or regulation for improvement of the grazing thereon."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a demand for a division by Mr. BLANTON there were 38 ayes and 1 no.

So the bill was passed.

On motion of Mr. SMITH of Idaho, a motion to reconsider the vote whereby the bill was passed was laid on the table.

READJUSTMENT OF CONTRACT FOR SALE OF OLD POST-OFFICE PROPERTY IN NEW HAVEN, CONN.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9183) authorizing the Secretary of the Treasury to adjust the terms of the contract for the sale of the old post-office property in New Haven, Conn.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. CONNALLY. Reserving the right to object, may I ask the gentleman what is the trouble with the contract that it needs adjusting?

Mr. ANDREWS of Nebraska. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Speaker, as shown in the report accompanying this bill filed by the gentleman from Nebraska [Mr. ANDREWS], Congress authorized in 1910 the construction of a new Federal building in New Haven. In February, 1917, the new building was so nearly completed that it was believed to be in the interest of the United States to make a contract of sale of the old property. At that time it appeared that the new building would be ready for occupancy within a year. In fact, it was thought that there would be no difficulty in finishing the new building in time to give possession of the old property within a year.

A contract of sale was made by which an advance cash payment was to be made and the balance in yearly installments, with interest on the installments; but bear in mind that delivery of possession was expected to be made within one year.

The war came to us in April, 1917. Soon thereafter, with the consent of the Treasury Department, work was suspended on the new building, so that it was not completed and ready for occupancy until August, 1919. Therefore delivery of possession of the old property could not be made in March, 1918, as it was originally expected by both the purchasers and the Government. Therefore there is a loss of interest on the advance payment for almost a year and a half, besides interest paid by purchasers on deferred installments. It might be stated the other way around, too—the loss of the use of the property by the purchasers for a year and a half. The Secretary of the Treasury very properly proposes to measure that use by the interest, and the purchasers are entirely willing. There seems to be entire agreement between the Secretary of the Treasury and the purchasers as to what will be a fair adjustment of the contract.

Mr. CONNALLY. In other words, the Government will not lose anything except to offset the rent against the interest.

Mr. TILSON. The gentleman is correct. It would be done by private parties without any difficulty, but it seems that the Government can not do it without additional legislation. The sole purpose of this bill is to authorize the Secretary of the Treasury to make a fair and equitable adjustment of a contract which has become unfair and inequitable by reason of circumstances over which the purchasers, at any rate, had no control.

Mr. CONNALLY. I do not make any objection.

Mr. GARD. Reserving the right to object, how much is the amount of interest involved?

Mr. TILSON. As shown in the report, $25,519.29.

Mr. GARD. That is what is described as the net credit to the purchaser's account?

Mr. TILSON. Yes.

Mr. GARD. The possession of the building was given to the purchaser on August 12, 1919. When was it proposed to be given under the agreement.

Mr. TILSON. The contract was made February 27, 1917, and it was expected that possession would be delivered on March 21, 1918, as I now recall the dates. The war came on and disarranged matters.

Mr. GARD. Does this readjustment meet with the approval of the Secretary of the Treasury?

Mr. TILSON. It does. The gentleman will note in the report that Secretary Glass sends a letter and recommends this as a fair adjustment of the contract.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ANDREWS of Nebraska. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized, in his discretion and with the consent of the contractors, to modify and readjust the terms of the contract for the sale of the old post-office property in New Haven, Conn., entered into March 13, 1917, in such manner as he may deem equitable and just, if he shall determine that said contract has become inequitable and unjust on account of the unforeseen conditions arising since its execution, with respect to the Government's failure to deliver the property as soon as expected.

The bill was ordered to be engrossed and read a third time, and was read a third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 32, noes 0.

So the bill was passed.

On motion of Mr. ANDREWS of Nebraska, a motion to reconsider the vote by which the bill was passed was laid on the table.

STANDARD OF WEIGHTS AND MEASURES.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 9755) to establish a standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

Mr. VESTAL. Mr. Speaker, I ask unanimous consent that the bill be placed at the foot of the calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

AUTHORIZING DISPOSITION OF CERTAIN GRAZING LANDS IN THE STATE OF UTAH.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent that this bill be passed without prejudice.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

CONFERRING CITIZENSHIP UPON INDIANS, ETC.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 288) for the purpose of conferring citizenship upon Indians, segregation of Indian tribal property, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. Mr. Speaker, at the request of the gentleman from Oklahoma [Mr. CARTER] I ask unanimous consent that this bill may be passed without prejudice.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

HOMESTEAD ENTRY OF PUBLIC LANDS FOR MINORS.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 1729) permitting minors of the age of 18 years or over to make homestead entry upon the public lands of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WALSH. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. TAYLOR of Colorado. Will the gentleman permit it to go to the foot of the calendar?

The SPEAKER. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears none.

SALARIES OF UNITED STATES MARSHAL AND OTHERS IN LOUISIANA.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 597) providing for an increase of salary for the United States marshal and district attorney for the western district and for the United States district attorney for the eastern district of Louisiana.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. ANDERSON. Mr. Speaker, I object.

Mr. WATKINS. Will the gentleman please reserve his objection?

Mr. ANDERSON. I think not; I am going to object in any event.

Mr. WATKINS. I will be glad of an opportunity to explain the reason why it should be considered.

The SPEAKER. Objection is heard.

ADDITIONS TO OREGON, SIUSLAW, AND CRATER NATIONAL FORESTS, OREG.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8028) to reserve as parts of the Oregon, Siuslaw, and Crater National Forests in Oregon certain lands that were revested in the United States pursuant to the decision of the Supreme Court of the United States in the case of the Oregon & California Railroad Co. against the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, the bill seems to be a very comprehensive one. I have not been able to read the report very closely. I would be glad to have those interested explain the bill, if there is necessity for its enactment at this time.

Mr. HAWLEY. Mr. Speaker, this bill is practically the same as the one pending during the last Congress. There has been added to it the provision for the protection of the water supply of the city of Ashland. These lands are those that were recovered from the Oregon & California Railroad Co., and they are essential to the protection of the water supply of the several cities named. The four towns named have no source of water supply other than the sources now used by them. If the lands are logged over and the areas burnt thereafter, as they undoubtedly would be sooner or later, and the forest cover destroyed, the waters falling on those mountain ranges will quickly run off and not be absorbed by the soil and by the forest cover, and for a considerable period every summer these towns will be without a sufficient water supply. The land is not transferred out of the possession of the United States. It is transferred from the Department of the Interior to the Department of Agriculture. The Secretary of the Interior sees no objection to the transfer and thinks that the timber, where it will not injure the water supply and its preservation, can be cut and removed under the jurisdiction of the Forest Service, and the Secretary of Agriculture approves that recommendation. The amount transferred in comparison to the total grant is not large; something like 8,400 acres.

Mr. GARD. Is it intended to use this additional forest reserve for the new water supply for Oregon City, Dallas, Corvallis, and Ashland?

Mr. HAWLEY. These four towns have already constructed their pipe lines to the localities where these lands lie. They are part of the areas from which they are now deriving their water supply.

Mr. GARD. What relation do these lands revested in the United States have to the water supply of those four towns?

Mr. HAWLEY. The towns are already getting their water in part from these lands. The pipe lines run out to other lands just adjoining. If these lands are reserved they will, with others now used by the cities, make an area which will be probably sufficient to provide the necessary water supplies the year around.

Mr. GARD. Is there at this time a failure of the water supply of those cities?

Mr. HAWLEY. The city of Corvallis had to limit its citizens in the domestic use of water for the last two seasons, and they could not be used for irrigation purposes at all during part of the summer seasons.

Mr. GARD. There was a bill before the House, I recall, providing for the relief of Corvallis.

Mr. HAWLEY. This is the same bill, with the addition of the town of Ashland, which was before the last Congress.

Mr. GARD. Was not a bill providing for a water supply for Corvallis passed by the Congress?

Mr. HAWLEY. No; it did not pass. A bill relating to the water supply of McMinnville was passed by the House, but not for the cities named in this bill. There has never been any relief granted to them.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none?

The Clerk read as follows:

Be it enacted, etc., That such portions of the lands hereinafter described as shall be deemed necessary by the Secretary of the Interior and the Secretary of Agriculture for the conservation and protection of the water supplies of the cities of Oregon City, Dallas, Corvallis, and Ashland, Oreg., and which are within the limits of the grant by the United States to the Oregon & California Railroad Co., that were revested in the United States pursuant to the decision of the Supreme Court of the United States in the case of the Oregon & California Railroad Co. *v.* The United States (238 U. S. Stats., p. 393), and an act of Congress approved June 9, 1916, be, and the same are hereby, reserved and set aside as parts of the Oregon, Siuslaw, and Crater National Forests, as follows:

As part of the Oregon National Forest, south and east of the Willamette meridian, Oregon:

Township 5 south, range 4 east, section 1, all; section 11, all; section 13, all; section 15, north half southeast quarter, southwest quarter and north half; section 23, all; section 25, all; township 4 south, range 5 east, section 19, all; section 27, northeast quarter; section 29, northwest quarter northwest quarter; south half northwest quarter; and south half northeast quarter; section 31, all; section 35, east half, for the protection of the water supply of Oregon City, Oreg.

As part of the Siuslaw National Forest, south and west of the Willamette meridian, Oregon:

Township 7 south, range 6 west, section 21, northeast quarter southeast quarter, west half southeast quarter, and southwest quarter; section 29, northeast quarter and south one-half; section 33, north half northeast quarter, northwest quarter and southeast quarter, for the protection of the water supply of Dallas, Oreg.

Township 12 south, range 7 west, section 15, south half southwest quarter, northwest quarter southwest quarter, and southwest quarter southeast quarter; section 21, southeast quarter and north half; section 23, southwest quarter northwest quarter, and west half southwest quarter; section 27, all; section 35, north half, for the protection of the water supply of Corvallis, Oreg.

As part of the Crater National Forest, south and east of the Willamette meridian in Oregon:

Township 39 south, range 1 east, section 19, east one-half; section 21, east one-half of west one-half and east one-half, for the protection of the water supply of Ashland, Oreg.

SEC. 2. That when the Forest Service, Department of Agriculture, finds that merchantable timber may be sold from the above-described lands without detriment to the purity of or depletion of the water supply, said Forest Service is hereby authorized to sell and dispose of to the highest bidder such merchantable timber on the lands added to said national forests by section 1 hereof in accordance with the regulations of the Secretary of Agriculture for the national forests and the entire proceeds of any sale thereof shall be deposited in the Treasury of the United States in a special fund designated as "The Oregon and California land-grant fund," referred to in section 10 of the said act of June 9, 1916, and be disposed of in the manner therein designated: *Provided*, That in the event any of said lands are eliminated from said forests as not necessary for the purposes for which this reservation is made they shall be disposed of in the manner provided for by said act of June 9, 1916.

The committee amendments were read; as follows:

Page 2, line 8, after the word "Forests," insert "subject to all laws affecting national forests."

The question was taken, and the amendment was agreed to.

Page 3, line 19, strike out the words "Forest Service, Department" and insert "Secretary."

The question was taken, and the amendment was agreed to.

Page 3, line 21, strike out the word "sold" and insert the word "cut."

The question was taken, and the amendment was agreed to.

Page 3, line 22, strike out the words "Forest Service" and insert the word "Secretary."

The question was taken, and the amendment was agreed to.

Page 3, line 23, strike out the words "sell and."

The question was taken, and the amendment was agreed to.

Page 3, line 24, strike out the words "to the highest bidder."

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time; was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 37, noes 3.

So the bill was passed.

The title of the bill was amended so as to read: "A bill to add to the Oregon, Siuslaw, and Crater National Forests in Oregon certain lands that were revested in the United States pursuant to the decision of the Supreme Court of the United States in the case of the Oregon & California Railroad Co. *v.* The United States, and for other purposes."

On motion of Mr. HAWLEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

FEDERAL OFFICE BUILDING AT ST. LOUIS, MO.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 484) to provide for the erection of a Federal office building on the site acquired for the Subtreasury in St. Louis, Mo.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WALSH. Reserving the right to object——

Mr. GARD. I object.

Mr. DYER. Does the gentleman from Ohio [Mr. GARD] intend to object finally after any statement is made that may clear up any doubt?

Mr. GARD. The reason I object is that I do not see any submission to the Treasury Department for any recommendation as to the proposed measure.

Mr. DYER. That has been done. Will the gentleman withhold his objection?

Mr. BLANTON. Mr. Speaker, if we are going to waste any time on it, I object.

Mr. ANDREWS of Nebraska. I hope the gentleman will reserve his objection. I want to offer an explanation in regard to it.

Mr. BLANTON. Are we not withdrawing the Subtreasuries rather than extending them? I thought the policy of our Government was to draw them in.

Mr. ANDREWS of Nebraska. This does draw in. If the gentleman will reserve his objection and let me explain——

Mr. BLANTON. I think there are as many as seven men on the floor who will object, and what is the use of wasting time?

Mr. ANDREWS of Nebraska. I think they will not object when they see that there is no appropriation required, and when we are obliged now to furnish space at $28,000 a year.

Mr. BLANTON. Mr. Speaker, in order to save time, I object.

ARMY MEDICAL SUPPLIES FOR AMERICAN RED CROSS.

The next business on the Calendar for Unanimous Consent was House joint resolution 176, providing for placing certain surplus Army medical supplies at the disposal of the American Red Cross.

The SPEAKER. Is there objection to the consideration of the joint resolution?

Mr. WALSH. Mr. Speaker, I shall have to object.

REPAYMENT OF COMMISSIONS, ETC., UNDER PUBLIC-LAND LAWS.

The next business on the Calendar for Unanimous Consent was the bill (S. 2129) to amend an act approved March 26, 1908, entitled "An act to provide for the repayment of certain commissions, excess payments, and purchase moneys paid under the public-land laws."

Mr. GARD. Mr. Speaker, I object.

Mr. SINNOTT. Will the gentleman withhold objection for a moment, so that I can make a very brief explanation?

Mr. GARD. I will.

Mr. SINNOTT. Mr. Speaker, this bill was introduced at the request of the Secretary of the Interior. The only change it makes in the present law is to require an applicant to file his application within two years for a return of any excess payment or payment on rejection of entry or proof. Sections 1 and 2 of the bill look quite formidable, but they are merely a reenactment of the present law, with the addition of the provisos. Now, section 1, down to line 8, on page 2—down to the proviso on that page—is the present law. And the proviso puts on a statute of limitations requiring the applicant to present his application for a repayment within two years. At the present time he has the right under the first part of section 1 of this bill, which is the present law, to put in his application for a return payment, with no time limit. They are putting in applications in the Interior Department to-day for payments that were made 30 years ago. Attorneys are gleaning over the records of the Interior Department and ascertaining what excess payments were made 30 and 40 years ago, and are presenting applications for repayment and for a refund to the Secretary of the Interior; and all that this bill does is to put a statute of limitations to require applicants within two years to present their applications, and not let them have 50 or 100 years. It seems to me this is a bill that should be enacted into law for the protection of the Treasury. Otherwise, these men can have 50 years to demand these repayments. And bear in mind that the first part of section 1, down to the proviso, and the first part of section 2, down to the proviso, are merely the present law,

and the proviso adds on the statute of limitation, and that is the only difference between the bill and the present law, with the exception of section 4, which authorizes the Secretary to make the rules and regulations. This bill was introduced by the chairman of the Senate committee at the request of the Secretary of the Interior. The Secretary of the Interior sent to me a similar request. I introduced the bill, but the Senate bill having been first acted upon, the House committee took up the Senate bill.

Mr. GARD. Would not the bill meet the purpose of the gentleman if he would strike out the proviso and leave this section 4?

Mr. SINNOTT. Oh, no. Then, you would not have any statute of limitations. They would still have eternity in which to present claims.

Mr. GARD. The Secretary of the Interior is authorized to make rules to carry out the provisions of the act.

Mr. SINNOTT. To carry out the provisions of the act, and the act gives them for all time to present their claims to the Secretary of the Interior. The Secretary of the Interior could not enact legislation limiting the period within which they could put in their claims.

Mr. GARD. I would like to know whether the matter before the department might not be so continuous that the limitation of two years would be too narrow a limitation?

Mr. SINNOTT. No; I think that is an ample limitation. It is the same limitation as is placed upon the Government in issuing a patent. The Government has to issue a patent within two years unless there is some adverse proceeding taken. I certainly can see no objection. It is a protection to the Treasury.

Mr. GARD. I withdraw the objection.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The bill is on the Union Calendar.

Mr. SINNOTT. I ask unanimous consent, Mr. Speaker, that the bill may be considered in the House as in the Committee of the Whole.

The motion was agreed to.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That an act approved March 26, 1908 (35 Stat. L., p. 48), entitled "An act to provide for the repayment of certain commissions, excess payments, and purchase moneys paid under the public land laws," be amended to read as follows:

"SEC. 1. That where purchase moneys and commissions paid under any public land law have been or shall hereafter be covered into the Treasury of the United States under any application to make any filing, location, selection, entry, or proof, such purchase moneys and commissions shall be repaid to the person who made such application, entry, or proof, or to his legal representatives, in all cases where such application, entry, or proof has been or shall hereafter be rejected, and neither such applicant nor his legal representatives shall have been guilty of any fraud or attempted fraud in connection with such application: *Provided*, That such person or his legal representatives shall file a request for the repayment of such purchase moneys and commissions within two years from the rejection of such application, entry, or proof, or within two years from the passage of this act as to such applications, proofs, or entries, as have been heretofore rejected.

"SEC. 2. That in all cases where it shall appear to the satisfaction of the Secretary of the Interior that any person has heretofore or shall hereafter make any payments to the United States under the public land laws in excess of the amount he was lawfully required to pay under such laws, such excess shall be repaid to such person or to his legal representatives: *Provided*, That such person or his legal representatives shall file a request for the repayment of such excess within two years after the patent has issued for the land embraced in such payment, or within two years from the passage of this act as to such excess payments as have heretofore been made.

"SEC. 3. That when the Commissioner of the General Land Office shall ascertain the amount of any excess moneys, purchase moneys, or commissions in any case where repayment is authorized by this statute, the Secretary of the Interior shall at once certify such amounts to the Secretary of the Treasury, who is hereby authorized and directed to make repayment of all amounts so certified out of any moneys not otherwise appropriated and issue his warrant in settlement thereof.

"SEC. 4. That the Secretary of the Interior is hereby authorized to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect."

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Texas asks for a division.

The House divided; and there were—ayes 33, noes 3.

So the bill was passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title:

H. R. 9821. An act to amend an act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, and for other purposes.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 2961. An act authorizing the Chincoteague Toll Road & Bridge Co. (Inc.) a corporation created by, and existing under, the laws of the Commonwealth of Virginia, to construct certain bridges to connect Chincoteague Island and the mainland.

REPORT OF COMMITTEE TO WAIT ON THE PRESIDENT.

Mr. MONDELL. Mr. Speaker, your committee, consisting of Messrs. JAMES W. GOOD, CLAUDE KITCHIN, and FRANK W. MONDELL, appointed by the House to join a like committee on the part of the Senate to notify the President that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make, begs leave to report that the joint committee has performed its duty and that the President has notified us that he will have pleasure in sending a message in writing to the Congress to-morrow, December 2.

QUORUM.

Mr. WALSH rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. WALSH. To make a point of order.

The SPEAKER. The gentleman will state it.

Mr. WALSH. There is no quorum present.

Mr. CALDWELL. Mr. Speaker, will the gentleman withhold his point for a moment?

Mr. WALSH. I will withhold it for a moment.

Mr. CALDWELL. Mr. Speaker, I desire to make a unanimous-consent request that we take up for immediate consideration the House joint resolution 136, which is the Red Cross business.

Mr. WALSH. I did not withhold my point of order for that purpose.

Mr. DYER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 484) for the erection of a Federal office building on a site acquired for the Subtreasury at St. Louis, Mo.

Mr. GARD. Mr. Speaker, I renew the point of order that there is no quorum present.

The SPEAKER. The gentleman from Ohio makes the point of order that there is no quorum present.

Mr. BAER. Mr. Speaker, will the gentleman allow me to make a request for unanimous consent?

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 2, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the president of the United States Civil Service Commission, transmitting statement showing expenses for travel of officers and employees of the Civil Service Commission from Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1919 (H. Doc. No. 305); to the Committee on Appropriations and ordered to be printed.

2. A letter from the president of the Commissioners of the District of Columbia, transmitting a report of the official operations of that Government for the fiscal year ended June 30, 1919 (H. Doc. No. 423); to the Committee on the District of Columbia and ordered to be printed.

3. A letter from the president of the Commissioners of the District of Columbia, transmitting report showing for the first four months of the fiscal year 1920 the average number of employees in each department receiving the increased compensation provided in section 7 of the legislative, executive, and judicial act approved March 1, 1919 (H. Doc. No. 306); to the Committee on Appropriations and ordered to be printed.

4. A letter from the president of the Commissioners of the District of Columbia, transmitting report of the contingent expenses of the District of Columbia, fiscal year ended June 30,

1919 (H. Doc. No. 307); to the Committee on the District of Columbia and ordered to be printed.

5. A letter from the president of the United States Civil Service Commission, transmitting statement required by section 7, legislative act of March 1, 1919 (H. Doc. No. 308); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of War, transmitting data relative to exchange of typewriters and adding machines in part payment for new machines used for the same purposes as those exchanged by the Panama Canal for the period July 1, 1918, to June 30, 1919, such data having been furnished the Washington office of the Panama Canal (H. Doc. No. 309); to the Committee on Appropriations and ordered to be printed.

7. A letter from the Secretary of War, transmitting data relative to the number of employees of the Washington office of the Panama Canal receiving increased compensation at the rate of $240 per annum, and the average number by grades receiving the same at each other rate, during the first four months of the present fiscal year (H. Doc. No. 310); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Public Printer, transmitting report of the average number of employees of the Government Printing Office to receive increased compensation at the rate of $240 per annum and the average number by grades receiving the same at other rates (H. Doc. No. 311); to the Committee on Appropriations and ordered to be printed.

9. A letter from the Secretary of the Navy, transmitting detailed statement of expenditures under the contingent appropriations for the Navy Department for the fiscal year ended June 30, 1919 (H. Doc. No. 312); to the Committee on Expenditures in the Navy Department and ordered to be printed.

10. A letter from the Secretary of the Navy, transmitting tentative draft of a bill entitled "An act to provide for the reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost or destroyed in such service (H. Doc. No. 313); to the Committee on Naval Affairs and ordered to be printed.

11. A letter from the president of the United States Civil Service Commission, transmitting a statement showing the typewriters, adding machines, and other labor-saving devices exchanged in part payment for new machines during the fiscal year 1919 (H. Doc. No. 314); to the Committee on Appropriations and ordered to be printed.

12. A letter from the Acting Secretary of War, transmitting statement showing in detail what officers and employees of the War Department have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1919 (H. Doc. No. 315); to the Committee on Expenditures in the War Department and ordered to be printed.

13. A letter from the Assistant Secretary of Labor, transmitting detailed statement of the expenditures made from the appropriation "Contingent expenses, Department of Labor, 1917," from November 8, 1918, to October 31, 1919 (H. Doc. No. 316); to the Committee on Expenditures in the Department of Labor and ordered to be printed.

14. A letter from the Acting Secretary of Labor, transmitting statement showing number of arrests and causes therefor, the number of deportations effected and the causes therefor, the number of cases in which deportation was defeated, and the causes or grounds upon which deportation proceedings were undertaken (H. Doc. No. 317); to the Committee on Immigration and Naturalization and ordered to be printed.

15. A letter from the Postmaster General, transmitting statement of allowances authorized during the fiscal year 1919 payable from the appropriation for unusual conditions (H. Doc. No. 318); to the Committee on Expenditures in the Post Office Department and ordered to be printed.

16. A letter from the Acting Chairman of the United States Tariff Commission, transmitting a copy of the third annual report of the United States Tariff Commission (H. Doc. No. 319); to the Committee on Ways and Means and ordered to be printed.

17. A letter from the Superintendent of the United States Botanic Garden, transmitting statement regarding increased compensation paid employees under said office (H. Doc. No. 320); to the Committee on Appropriations and ordered to be printed.

18. A letter from the Secretary of the Treasury, transmitting copy of a communication from the president of the National Forest Reservation Commission submitting an estimate of appropriation required by that department for the fiscal years 1921 to 1925, inclusive, together with a proposed draft of a bill (H. Doc. No. 321); to the Committee on Agriculture and ordered to be printed.

19. A letter from the Secretary of the Treasury, transmitting a report showing each exchange of typewriters, adding machines, and other similar labor-saving devices during the fiscal year ended June 30, 1919 (H. Doc. No. 322); to the Committee on Appropriations and ordered to be printed.

20. A letter from the Acting Secretary of Labor, transmitting statement of expenditures for the appropriation "Miscellaneous expenses, Bureau of Naturalization, 1917," during the fiscal year July 1, 1917, to June 30, 1918 (H. Doc. No. 323); to the Committee on Expenditures in the Department of Labor and ordered to be printed.

21. A letter from the Secretary of the Treasury, transmitting a statement of the proceeds of all sales of old material, condemned stores, supplies, and other public property for the fiscal year ending June 30, 1919 (H. Doc. No. 324); to the Committee on Appropriations and ordered to be printed.

22. A letter from the superintendent of State, War, and Navy Buildings, transmitting report concerning employees of his office receiving increase of compensation (H. Doc. No. 325); to the Committee on Appropriations and ordered to be printed.

23. A letter from the chairman of the Interstate Commerce Commission, transmitting statement of labor-saving devices exchanged in part payment for new machines during the fiscal year ending June 30, 1919 (H. Doc. No. 326); to the Committee on Appropriations and ordered to be printed.

24. A letter from the chairman of the Interstate Commerce Commission, transmitting statement showing the travel of all officials and employees (other than special agents, inspectors, or employees who, in the discharge of their regular duties, are required to constantly travel) who have traveled on official business from Washington to points outside the District of Columbia during the fiscal year ended June 30, 1919 (H. Doc. No. 327); to the Committee on Appropriations and ordered to be printed.

25. A letter from the chairman of the Interstate Commerce Commission, transmitting a report showing the number of persons employed by the commission who received increased compensation for the months of July, August, September, and October, 1919 (H. Doc. No. 328); to the Committee on Appropriations and ordered to be printed.

26. A letter from the chairman of the Interstate Commerce Commission, transmitting a statement of moneys appropriated for the valuation of carriers, and expenditures thereunder, to December 1, 1919, for the fiscal years 1913 to 1919, inclusive (H. Doc. No. 329); to the Committee on Appropriations and ordered to be printed.

27. A letter from the Secretary of the Treasury, transmitting a combined statement of the receipts and disbursements, balances, etc., of the Government during the fiscal year ended June 30, 1919 (H. Doc. No. 330); to the Committee on Appropriations and ordered to be printed.

28. A letter from the Secretary of the Treasury, transmitting a deficiency estimate of appropriations required by the United States Public Health Service for urgent emergency expenditures (H. Doc. No. 331); to the Committee on Appropriations and ordered to be printed.

29. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required for postage for the Treasury Department, fiscal year 1920, additional to the sum provided in the legislative appropriation act of March 1, 1919 (H. Doc. No. 332); to the Committee on Appropriations and ordered to be printed.

30. A letter from the Secretary of the Treasury, transmitting a communication from the Surgeon General, Public Health Service, submitting a report of expenditures from the appropriation "Preventing the spread of epidemic diseases" (H. Doc. No. 333); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

31. A letter from the Secretary of the Treasury, transmitting a communication from the Acting Secretary of War, furnishing statement of all moneys arising from proceeds of public property received by the War Department during the fiscal year ended June 30, 1919 (H. Doc. No. 334); to the Committee on Expenditures in the War Department and ordered to be printed.

32. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required for additional clerical force for the office of the Auditor for the Treasury Department, fiscal year 1920 (H. Doc. No. 335); to the Committee on Appropriations and ordered to be printed.

33. A letter from the Secretary of the Treasury, transmitting copy of communication from the president of the Civil Service Commission, submitting a supplemental estimate of appropriation required by the commission for printing and binding, fiscal year 1920 (H. Doc. No. 336); to the Committee on Appropriations and ordered to be printed.

34. A letter from the Secretary of the Treasury, transmitting a deficiency estimate of an appropriation required by the United States Public Health Service for an expenditure during the period from February 1 to July 1, 1920 (H. Doc. No. 337); to the Committee on Appropriations and ordered to be printed.

35. A letter from the Secretary of the Treasury, transmitting a communication from the Surgeon General, Public Health Service, submitting a paragraph of legislation for inclusion in the next deficiency bill to be reported to Congress (H. Doc. No. 338); to the Committee on Appropriations and ordered to be printed.

36. A letter from the Secretary of the Treasury, transmitting a deficiency estimate of appropriation required by the Public Health Service for the fiscal year ending June 30, 1920 (H. Doc. No. 339); to the Committee on Appropriations and ordered to be printed.

37. A letter from the Postmaster General, transmitting required information regarding typewriting machines purchased and exchanged by the Post Office Department during the period from July 1, 1918, to June 30, 1919 (H. Doc. No. 340); to the Committee on Appropriations and ordered to be printed.

38. A letter from the Postmaster General, transmitting statement of the appropriations, expenditures, and balances unexpended on account of the Postal Service for the fiscal year ended June 30, 1919 (H. Doc. No. 341); to the Committee on Expenditures in the Post Office Department and ordered to be printed.

39. A letter from the Public Printer, transmitting statement of typewriting machines purchased, exchanged, and repaired covering the period from July 1, 1918, to June 30, 1919 (H. Doc. No. 342); to the Committee on Appropriations and ordered to be printed.

40. A letter from the Secretary of the Smithsonian Institution, transmitting International Exchanges, Smithsonian Institution, 1919 (H. Doc. No. 343); to the Committee on Appropriations and ordered to be printed.

41. A letter from the Attorney General, transmitting report showing the average number of employees receiving the increased compensation at the rate of $240 per annum and the average number by grades receiving the same at each other rate (H. Doc. No. 344); to the Committee on Appropriations and ordered to be printed.

42. A letter from the Secretary of the Smithsonian Institution, transmitting information regarding typewriting machines in which exchanges were made in part payment by the Government during the fiscal year ended June 30, 1919 (H. Doc. No. 345); to the Committee on Appropriations and ordered to be printed.

43. A letter from the Secretary of the Smithsonian Institution, transmitting statement of travel on official business for Smithsonian branches during fiscal year ended June 30, 1919 (H. Doc. No. 346); to the Committee on Appropriations and ordered to be printed.

44. A letter from the Secretary of the Smithsonian Institution, transmitting list of the employees who received the increased compensation at the rate of $240 per annum, and the average number, by grades, who received the same at each other rate (H. Doc. No. 347); to the Committee on Appropriations and ordered to be printed.

45. A letter from the Secretary of the Treasury, transmitting communication from the Surgeon General, Public Health Service, submitting a statement of the activities of the Public Health Service for the fiscal year 1919, and of expenditures therefor (H. Doc. No. 348); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

46. A letter from the Secretary of the Treasury, transmitting estimates of receipts of Indian tribal funds, expenditures recommended therefrom by the Secretary of the Interior for the benefit of Indians, and estimates of the amounts required to be expended under treaty stipulations and agreements, fiscal year ending June 30, 1921 (H. Doc. No. 349); to the Committee on Indian Affairs and ordered to be printed.

47. A letter from the Secretary of the Treasury, transmitting statement, as prepared by the Secretary of Agriculture, of number of persons employed in meat inspection, salary per diem, contingent expenses, etc., for the fiscal year ending June 30, 1919 (H. Doc. No. 350); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

48. A letter from the Postmaster General, transmitting list of claims on account of loss by fire, burglary, etc., acted upon by the Postmaster General, from July 1, 1918, to June 30, 1919 (H. Doc. No. 351); to the Committee on Expenditures in the Post Office Department and ordered to be printed.

49. A letter from the Postmaster General, transmitting statement showing in detail what officers or employees (other than special agents, inspectors, or employees who in the discharge of their regular duties are required to constantly travel) traveled on official business from Washington to points outside of the District of Columbia (H. Doc. No. 352); to the Committee on Expenditures in the Post Office Department and ordered to be printed.

50. A letter from the Secretary of Agriculture, transmitting statement of refund to depositors on account of excess deposits, National Forest fund, fiscal year 1919 (H. Doc. No. 353); to the Committee on Agriculture and ordered to be printed.

51. A letter from the Secretary of Agriculture, transmitting a statement showing for the first four months of current fiscal year the average number of employees in the Department of Agriculture receiving increased compensation at the rate of $240 per annum, and the average number by grades receiving the same at each other rate (H. Doc. No. 354); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

52. A letter from the Secretary of Agriculture, transmitting statement showing sums paid from the appropriations of the Bureau of Chemistry during the fiscal year 1919 for the compensation of, or payment of expenses of, officers or other persons employed by State, county, or municipal governments (H. Doc. No. 355); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

53. A letter from the Secretary of Agriculture, transmitting detailed report showing names of persons employed, their designations, rates of pay, etc., in the Bureau of Animal Industry, for the suppression of contagious diseases of domestic animals during the fiscal year ended June 30, 1919 (H. Doc. No. 356); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

54. A letter from the Secretary of Agriculture, transmitting statement of activities and expenditures in the department pertaining to the public health (H. Doc. No. 357); to the Committee on Appropriations and ordered to be printed.

55. A letter from the Secretary of Agriculture, transmitting detailed statement showing places, quantity, and price of seeds purchased and the dates of purchase, 1919 (H. Doc. No. 358); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

56. A letter from the Secretary of Agriculture, transmitting annual report of appropriations under the Federal aid road act for the fiscal year ended June 30, 1919 (H. Doc. No. 359); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

57. A letter from the Secretary of the Treasury, transmitting statement from the various offices and bureaus of the Treasury Department showing what officers and employees performed travel on official business from Washington to points outside the District of Columbia, fiscal year ended June 30, 1919 (H. Doc. No. 360); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

58. A letter from the assistant clerk, United States Court of Claims, transmitting statement of all judgments rendered by the Court of Claims for the year ended November 29, 1919 (H. Doc. No. 361); to the Committee on Claims and ordered to be printed.

59. A letter from the Secretary of Agriculture, transmitting statement of expenditures of the Department of Agriculture for the fiscal year ended June 30, 1919 (H. Doc. No. 362); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

60. A letter from the Secretary of Agriculture, transmitting detailed report showing the publications received and distributed by the Department of Agriculture during the fiscal year ended June 30, 1919 (H. Doc. No. 363); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

61. A letter from the Acting Secretary of War, transmitting report to Congress of claims adjusted under act of Congress approved March 2, 1919 (H. Doc. No. 364); to the Committee on Expenditures in the War Department and ordered to be printed.

62. A letter from the Board of Managers of the National Home for Disabled Volunteer Soldiers, transmitting annual report (H. Doc. No. 365); to the Committee on Appropriations and ordered to be printed.

63. A letter from the Clerk of the House of Representatives, transmitting a list of reports to be made to Congress by public officers during the Sixty-sixth Congress (H. Doc. No. 366); to the Committee on Accounts and ordered to be printed.

64. A letter from the Clerk of the House of Representatives, transmitting report for the period from July 1, 1918, to June 30, 1919, inclusive (H. Doc. No. 417); to the Committee on Accounts and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KELLEY of Michigan: A bill (H. R. 10736) defining the crime of criminal syndicalism and prescribing punishment therefor; to provide for the deportation of aliens and certain naturalized citizens upon conviction thereof; to prohibit the use of the mails for the promotion of criminal syndicalism; and for other purposes; to the Committee on the Judiciary.

By Mr. SABATH: A bill (H. R. 10737) prohibiting the manipulation of the prices of the necessaries of life; to the Committee on the Judiciary.

By Mr. KELLY of Pennsylvania: A bill (H. R. 10738) to provide for collective bargaining between employers and employees in all industries engaged in interstate commerce; to the Committee on the Judiciary.

By Mr. HAWLEY: A bill (H. R. 10739) to provide for the purchase of a site and the erection of a building thereon at Oregon City, in the State of Oregon; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10740) to provide for the purchase of a site and the erection of a building thereon at Marshfield, in the State of Oregon; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10741) to provide for the purchase of a site and the erection of a building thereon at Astoria, in the State of Oregon; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10742) to provide for the purchase of a site and the erection of a building thereon at Ashland, in the State of Oregon; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10743) to provide for the purchase of a site and the erection of a building thereon at Grants Pass, in the State of Oregon; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10744) to provide for the purchase of a site and the erection of a building thereon at Corvallis, in the State of Oregon; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10745) providing for the addition to the Federal building in Eugene, Oreg.; to the Committee on Public Buildings and Grounds.

By Mr. GRIGSBY: A bill (H. R. 10746) to authorize the incorporated town of Wrangell, Alaska, to issue bonds for the construction, enlargement, and equipment of schools, the acquisition and construction of a water-supply system, the construction of a sewer system, the construction of a city dock and a floating dock, and to levy and collect a special tax therefor; to the Committee on the Territories.

By Mr. DYER: A bill (H. R. 10747) to promote the efficiency of the permanent Military Establishment, and for the retirement of certain enlisted men who served as temporary officers during the war between United States and Germany; to the Committee on Military Affairs.

By Mr. KENDALL: A bill (H. R. 10748) providing for the removal of the remains of certain soldiers, sailors, and marines to the United States; to the Committee on Military Affairs.

By Mr. RHODES: Resolution (H. Res. 398) requesting the Secretary of State to furnish the House of Representatives certain information concerning the Siberian situation; to the Committee on Foreign Affairs.

By Mr. KENDALL: Joint resolution (H. J. Res. 250) declaring November 11 of each year to be a national holiday; to the Committee on the Judiciary.

By Mr. O'CONNELL: Joint resolution (H. J. Res. 251) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10749) granting a pension to Mary A. Moessner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10750) granting an increase of pension to John Schoonnover; to the Committee on Invalid Pensions.

By Mr. BEGG: A bill (H. R. 10751) granting a pension to Daniel Burkey; to the Committee on Pensions.

Also, a bill (H. R. 10752) granting a pension to Jennie O. Reed; to the Committee on Pensions.

Also, a bill (H. R. 10753) granting an increase of pension to Lewis K. Allen; to the Committee on Pensions.

By Mr. BRUMBAUGH: A bill (H. R. 10754) granting a pension to James S. Haggard; to the Committee on Pensions.

Also, a bill (H. R. 10755) granting a pension to Joseph Tewell; to the Committee on Pensions.

By Mr. CRAMTON: A bill (H. R. 10756) granting a pension to Frank H. Howell; to the Committee on Pensions.

By Mr. DEWALT: A bill (H. R. 10757) granting a pension to George Birch; to the Committee on Pensions.

Also, a bill (H. R. 10758) granting a pension to Sarah E. Maurer; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 10759) for the relief of Lizzie Askel; to the Committee on Claims.

By Mr. HULINGS: A bill (H. R. 10760) granting an increase of pension to Joseph A. Kashner; to the Committee on Invalid Pensions.

By Mr. HULL of Iowa: A bill (H. R. 10761) for the relief of Oliver Lewis; to the Committee on Military Affairs.

Also, a bill (H. R. 10762) for the relief of Robert W. Vail; to the Committee on Claims.

Also, a bill (H. R. 10763) for the relief of George A. Cummings; to the Committee on Claims.

Also, a bill (H. R. 10764) for the relief of E. C. Adams; to the Committee on Claims.

Also, a bill (H. R. 10765) for the relief of Katherine Abel; to the Committee on Claims.

By Mr. IRELAND: A bill (H. R. 10766) granting a pension to Ivar A. Amell; to the Committee on Pensions.

Also, a bill (H. R. 10767) granting a pension to Jean B. Kopf; to the Committee on Pensions.

Also, a bill (H. R. 10768) granting a pension to Robert Hand; to the Committee on Pensions.

Also, a bill (H. R. 10769) granting a pension to David O. Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10770) granting a pension to Luella Covert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10771) granting an increase of pension to Perry Harris; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 10772) granting a pension to Frank Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10773) granting a pension to Catherine Weber; to the Committee on Invalid Pensions.

By Mr. KELLEY of Michigan: A bill (H. R. 10774) granting a pension to Diana Lucas; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 10775) granting an increase of pension to Peter T. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10776) granting an increase of pension to Solomon J. Grine; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Rhode Island: A bill (H. R. 10777) granting a pension to John B. A. Richard; to the Committee on Pensions.

By Mr. KING: A bill (H. R. 10778) granting a pension to James M. Winston; to the Committee on Invalid Pensions.

By Mr. NEWTON of Missouri: A bill (H. R. 10779) to correct the military record of William Kern; to the Committee on Military Affairs.

By Mr. OSBORNE: A bill (H. R. 10780) granting a pension to Jane Fine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10781) granting a pension to John R. Garstang; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10782) granting a pension to Robert M. Linton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10783) granting a pension to W. H. Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10784) granting an increase of pension to Charles S. Humphrey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10785) granting an increase of pension to Nancy F. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10786) granting a pension to Eugene F. Boyer; to the Committee on Pensions.

Also, a bill (H. R. 10787) for the relief of the Citizens' National Bank, of Los Angeles, Calif.; to the Committee on Claims.

Also, a bill (H. R. 10788) for the relief of Austin G. Tainter; to the Committee on Claims.

By Mr. PADGETT: A bill (H. R. 10789) granting an increase of pension to Annie Belle Guant; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 10790) granting an increase of pension to Armstead Shain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10791) granting a pension to Alvis F. Ritter; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 10792) granting an increase of pension to James P. Ritchie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10793) granting a pension to Arthur M. Rogers; to the Committee on Pensions.

By Mr. TAGUE: A bill (H. R. 10794) granting an increase of pension to Murray V. Livingstone; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10795) granting a pension to James J. Barratt; to the Committee on Pensions.

Also, a bill (H. R. 10796) granting a pension to George J. Malloy; to the Committee on Pensions.

By Mr. TOWNER: A bill (H. R. 10797) granting an increase of pension to John Sowers; to the Committee on Invalid Pensions.

By Mr. WARD: A bill (H. R. 10798) granting a pension to Isabelle Monroe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10799) granting an increase of pension to Elizabeth Beach; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 10800) granting a pension to Mary F. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10801) granting a pension to Mary Phillips; to the Committee on Invalid Pensions.

By Mr. WILSON of Illinois; A bill (H. R. 10802) granting a pension to Louisa J. V. Vaughn; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of American Jewish Veterans' League of Pennsylvania, urging Congress to use the great moral influence of the United States of America in behalf of their unfortunate brethren of certain European countries, and more especially of Ukraine; to bring about a cessation of maltreatment, redress, and justice and punishment of the guilty, so that the great principle of freedom and democracy they so freely offered and gave their lives for may be truly vindicated; to the Committee on Foreign Affairs.

Also, petition of members of the Jewish Community of Springfield, Mass., entreating and requesting the United States Government that it may use its good offices and intercede in behalf of the Jews in Ukraine, that it may investigate the conditions existing there and subsequently censure the chief offenders before the tribunal of public opinion; to the Committee on Foreign Affairs.

Also (by request), petition of pastor and congregation of the Trinitarian Congregational Church of Northfield, Mass., urging support of the Williams resolution; to the Committee on Foreign Affairs.

Also (by request), petition of Rotary Club, Nowata, Okla., petitioning Congress to grant to all American Indians full rights of American citizenship and the abolishment of the Indian Bureau; to the Committee on Indian Affairs.

Also (by request), petition of members of Plymouth Brotherhood, of Worcester, Mass., respectfully but earnestly urging Congress to immediate action in extending to Armenia the leadership of our American Government; to the Committee on Foreign Affairs.

Also (by request), petition of Woodstock Presbyterian Church, of New York City, urging Congress to amend the preamble of the national Constitution to read, in substance, as follows: We, the people of the United States, devoutly recognizing the authority and law of Jesus Christ, the Savior and King of nations, and desiring to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America; to the Committee on the Judiciary.

By Mr. BEGG: Petition of Perry Post, No. 83, American Legion, of Erie County, Ohio, urging enactment of laws curbing the activities of organizations and individuals which are un-American and seek to destroy the fundamentals of this Nation; to the Committee on Immigration and Naturalization.

By Mr. CRAMTON: Memorial of the board of supervisors of the county of Tuscola, Mich., for a tariff of 4 cents per pound upon Japanese or Manchurian beans; to the Committee on Ways and Means.

Also, petitions of Hugh J. Clark and 25 other farmers, of the township of Dwight, Huron County, and of William D. Gamblyn and 186 other farmers, of the township of Meade, Huron County, Mich., for an increased tariff on foreign beans; to the Committee on Ways and Means.

Also, petition of A. A. Smith and 15 other veterans of the Civil War for passage of the Fuller pension bill; to the Committee on Invalid Pensions.

Also, memorial of Ninth Division of Railway Mail Association, for increase of salary for railway mail clerks; to the Committee on the Post Office and Post Roads.

By Mr. CULLEN: Petition of Tara Club, of Brooklyn, N. Y., favoring rejection of the league of nations as now framed; to the Committee on Foreign Affairs.

Also, petition of sundry citizens of New York, favoring six months' pay for soldiers and sailors who participated in the World War; to the Committee on Military Affairs.

Also, petition of Brooklyn Chamber of Commerce, indorsing the principle of the Edge bill; to the Committee on Banking and Currency.

By Mr. CURRY of California: Resolutions of the Sacramento Valley Development Association, urging the maintenance of viticultural equipment stations in California to ascertain what, if anything, can be done with wine grapes other than the manufacture of wine; to the Committee on Agriculture.

Also, petition of Colona Parlor, No. 212, Native Daughters of the Golden West, of Sacramento, Calif., opposing oriental immigration; to the Committee on Immigration and Naturalization.

Also, resolutions of Sacramento (Calif.) Post, No. 61, American Legion, against oriental, Japanese, and "picture brides" immigration; to the Committee on Immigration and Naturalization.

By Mr. DARROW: Resolutions of Post 390, American Legion, Philadelphia, Pa., favoring legislation for the establishment of branch offices of the Bureau of War Risk Insurance; also to authorize the Government to lend service men $4,000 for the purchase of homes; to the Committee on Interstate and Foreign Commerce.

By Mr. DYER: Petition of Missouri Aeronautical Society of St. Louis, Mo., voicing sentiments regarding Senate bill 2693; to the Committee on Military Affairs.

Also, petition of Hebrew Veterans of the Wars of the Republic, protesting against treatment being received by the Jewish population in Ukraine; to the Committee on Foreign Affairs.

Also, petition of National Federation of Postal Clerks, Local No. 8; Bridge and Structural Iron Workers, Local No. 18, of St. Louis, Mo.; Glass Bottle Blowers' Association, of St. Louis; National Association of Letter Carriers, Branch 243; Amalgamated Association of Iron, Steel, and Tin Workers, Local No. 6; St. Louis Label Trades Section; Railway Express Drivers, Chauffeurs, and Helpers; St. Louis Bookbinders' Union No. 18, all of St. Louis, Mo., opposing legislation and propaganda against the use of tobacco; to the Committee on the Judiciary.

Also, petition of Overall, Shirt, and White Goods Workers, Local 238, United Garment Workers of America, of St. Louis, Mo., opposing Cummins antistrike bill; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER of Illinois: Resolutions adopted by the surviving Federal soldiers of Dekalb County, Tenn., for an increase of Civil War pensions; to the Committee on Invalid Pensions.

Also, petition of American citizens of Lithuanian origin of Chicago, Ill., for recognition by the United States of the independence of Lithuania; to the Committee on Foreign Affairs.

Also, petition of the Black & White Lime Co., of Quincy, Ill., for the loan or sale of Army equipment to the Boy Scouts of America; to the Committee on Military Affairs.

Also, petition of the Western Central Association of Stove Manufacturers, opposing Government ownership of railroads; to the Committee on Interstate and Foreign Commerce.

Also, petition of United Mine Workers of America, District No. 17, Charleston, W. Va., asking appointment of a Federal commission to investigate conditions in southern West Virginia; to the Committee on Labor.

Also, petition of the Illinois Valley Manufacturers' Club, for the adoption of the metric system of weights and measures; to the Committee on Coinage, Weights, and Measures.

Also, petition of the Rockford Real Estate Board, of Illinois, favoring House bill 8080; to the Committee on Ways and Means.

By Mr. GREENE of Massachusetts: Petition of Jewish residents of Fall River, Mass., protesting against the treatment being received by the Jewish population of Ukraine; to the Committee on Foreign Affairs.

By Mr. KENDALL (by request): Petition of Somerset Post, No. 181, American Legion, Somerset, Pa., urging legislation which will deny the right of citizenship to all persons who are members of organizations requiring their members to refrain from military service; to the Committee on the Judiciary.

By Mr. O'CONNELL: Petition of the district executive board of district 17, of the United Mine Workers of America, appealing to Congress to immediately take steps to protect the citizens of West Virginia in the part known as the Guyan field; to the Committee on Labor.

Also, petition of Brooklyn Chamber of Commerce, indorsing the Edge bill; to the Committee on Banking and Currency.

Also, petition of International Association of Railroad Supervisors of Mechanics, opposing the Esch bill and also the Cum-

mins bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of Alabama State Federation of Labor, opposing the Cummins bill, the Esch-Pomerene bill, and urging support of the Sims bill, No. 10367; to the Committee on Interstate and Foreign Commerce.

Also, petition of Metal Polishers' Local Union No. 6, of Chicago, Ill., urging Congress to grant a complete amnesty to all political and industrial prisoners convicted under the espionage act and the repeal of all such laws as interfere with the moral exercise of the American liberties guaranteed under the Constitution; to the Committee on the Judiciary.

Also, petition of Hebrew Veterans of the Wars of the Republic, condemning the atrocities inflicted on the Jewish peoples in Ukraine; to the Committee on Foreign Affairs.

Also, petition of members of the Tara Club, of Brooklyn, N. Y., congratulating the United States Senate on its action with the peace treaty, because it tends to guarantee the territorial integrity to Great Britain at the expense of America's sovereignty; to the Committee on Foreign Affairs.

Also, petition of citizens of the Commonwealth of Massachusetts assembled in Tremont Temple and Faneuil Hall, Boston, on armistice day, November 11, 1919, urging relief to the suffering peoples of Russia; to the Committee on Foreign Affairs.

Also, petition of the real estate board of New York City, urging support of House bill 8080; to the Committee on Ways and Means.

Also, petition of Federal Retirement Association of New York City, urging the passage of the Lehlbach bill, providing for the retirement of superannuated Federal employees; to the Committee on Reform in the Civil Service.

Also, petition of Adolph Lewisohn, of New York City, urging a standing army of not more than 250,000 men, a national militia made up of voluntary enlistments and no conscriptions, and nonmilitary athletic exercises in the schools and colleges; to the Committee on Military Affairs.

Also, petition of Union of Technical Men, of New York City, opposing the Cummins bill or the enactment of any legislation which would destroy or impair the rights and freedom of the wage earners, whether they are railroad workers or others; to the Committee on Interstate and Foreign Commerce.

Also, petition of the board of directors of the Brooklyn Coal Exchange, urging the Interstate Commerce Commission to give the matter consideration and grant whatever relief may be possible in the case of the repudiation by the Railroad Administration of the agreement made last March with committees of the National Retail Coal Merchants' Association and other branches of the coal industry; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHN W. RAINEY: Petition of the First Division Auxiliary, No. 1, American Expeditionary Forces, of Chicago, Ill., favoring bonus of $360 to soldiers who served with the American Expeditionary Forces; to the Committee on Military Affairs.

By Mr. SINCLAIR: Petition of International Association of Railroad Supervisors of Mechanics, asking for creation of a special board or tribunal to hear industrial grievances of minor officials in railroad service; to the Committee on Interstate and Foreign Commerce.

Also, petition of executive board of district No. 17, United Mine Workers of America, appealing, on behalf of 40,000 organized miners, that Congress immediately send a special commission into the Guyan coal field in southern West Virginia to investigate and report upon alleged numerous acts of violence by private guards and gunmen against coal miners and their wives and children; also the denial of civil and industrial rights to the coal miners by coal operators in this field; to the Committee on Mines and Mining.

Also, petition of Brotherhood of Railway Carmen of America, at Portal, N. Dak., protesting against proposed legislation against strikes, declaring that "organized labor refuses to go back to the days of involuntary servitude," and urging retention for at least two more years of Government control, asserting that "private corporations could not run the roads for one cent cheaper, and in fact we know that corporation officials to a large extent have not exerted themselves to make a success of the administration"; to the Committee on Interstate and Foreign Commerce.

By Mr. VARE: Petition of Presbyterian Ministerial Association of Philadelphia, asking the continuation of the moral safety zones in the vicinity of navy yards in time of peace; to the Committee on the Judiciary.

Also, petition of Grand Lodge, Order of Elks, asking passage of House bill 1412; to the Committee on the Public Lands.

Also, petition of Pennsylvania State Federation of Labor, protesting against passage of the Cummins bill with the antistrike clause; to the Committee on Interstate and Foreign Commerce.

Also, petition of Pennsylvania State Federation of Labor, protesting against the arrest of Hindus coming to this country; to the Committee on Interstate and Foreign Commerce.

SENATE.

TUESDAY, *December 2, 1919.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thy servants have been called together in the Senate to give direction to the public policy of this great Nation. The problems that confront us challenge the wisest statesmanship of all the ages. The world is in the remaking. The forces of civilization lie plastic in our hands. We pause at the beginning of the great work committed to our hands to invoke the divine blessing. Lord God of Hosts, be with us yet, lest we forget; lest we forget. May wisdom preside over our councils. May brotherly love prevail. May the unity of purpose and spirit of this body be to us the prophecy of the successful issue of our great spiritual enterprise. For Christ's sake. Amen.

OSCAR W. UNDERWOOD, a Senator from the State of Alabama; DAVID I. WALSH, a Senator from the State of Massachusetts; JOSIAH O. WOLCOTT, a Senator from the State of Delaware; LEE S. OVERMAN, a Senator from the State of North Carolina; JOHN WALTER SMITH, a Senator from the State of Maryland; and ALBERT B. FALL, a Senator from the State of New Mexico, appeared in their seats to-day.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

LETTER FROM MISS LUCY DAY MARTIN.

The VICE PRESIDENT. The Chair lays before the Senate the following letter from Miss Lucy Day Martin, which will be read.

The Secretary read as follows:

UNIVERSITY, VA.

Hon. THOMAS R. MARSHALL,
United States Senate, Washington, D. C.

DEAR MR. PRESIDENT: I wish personally to express to you and the Members of the Senate the deep gratitude of the family of the late Senator MARTIN for your recent very profound manifestation of affection and esteem for my father.

We shall ever hold this tribute and the expression of sympathy for the family in most grateful remembrance.

Very sincerely, yours,

LUCY DAY MARTIN.

NOTIFICATION TO THE PRESIDENT.

Mr. LODGE and Mr. HITCHCOCK, the committee appointed on the part of the Senate, appeared, and Mr. LODGE said:

Mr. President, the committee which was appointed yesterday to notify the President that the Senate was organized and prepared to receive any communication he might be pleased to make presented the notification at the White House, and I send the following reply to the desk to be read.

The VICE PRESIDENT. The Secretary will read.

The Secretary read as follows:

THE WHITE HOUSE,
Washington, December 1, 1919.

GENTLEMEN: The President has asked me to thank you for the courtesy of your letter of December 1, notifying him that a quorum of each House is assembled and that Congress is ready to receive any communication which he may be pleased to make. The President will have pleasure in sending a message in writing to the Congress to-morrow, December 2.

Sincerely, yours,

JOSEPH P. TUMULTY,
Secretary to the President.

Hon. H. C. LODGE,
Hon. G. M. HITCHCOCK,
Hon. F. W. MONDELL,
Hon. JAMES W. GOOD, and
Hon. CLAUDE KITCHIN,
Washington, D. C.

SENATOR FROM VIRGINIA.

The VICE PRESIDENT. The Chair lays before the Senate the following credentials, which will be read.

The credentials were read and ordered to be placed on file, as follows:

COMMONWEALTH OF VIRGINIA,
Executive Department.

To the President of the Senate of the United States:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Virginia I, Westmoreland Davis, the governor of the State of Virginia, do hereby appoint CARTER GLASS a Senator from the State of Virginia to represent said State in the Senate of the United States until the vacancy therein caused by the death of Hon. THOMAS S. MARTIN is filled by election, as provided by law.

Witness: His excellency, our governor, Westmoreland Davis, and our seal, hereto affixed at Richmond this the 18th day of November, in the year of our Lord 1919.

WESTMORELAND DAVIS,
Governor.

[SEAL.]

B. O. JAMES,
Secretary of the Commonwealth.

MESSAGE OF THE PRESIDENT.

Mr. Sharkey, one of the secretaries of the President of the United States, appeared and said:

Mr. President, the President of the United States directs me to deliver to the Senate a message in writing.

The message was received by the Secretary of the Senate and handed to the Vice President.

The VICE PRESIDENT. The Chair lays before the Senate the following message from the President of the United States.

The Assistant Secretary (Henry M. Rose) read the message, as follows:

To the Senate and House of Representatives:

I sincerely regret that I cannot be present at the opening of this session of the Congress. I am thus prevented from presenting in as direct a way as I could wish the many questions that are pressing for solution at this time. Happily, I have had the advantage of the advice of the heads of the several executive departments who have kept in close touch with affairs in their detail and whose thoughtful recommendations I earnestly second.

In the matter of the railroads and the readjustment of their affairs growing out of federal control, I shall take the liberty at a later date of addressing you.

I hope that Congress will bring to a conclusion at this session legislation looking to the establishment of a budget system. That there should be one single authority responsible for the making of all appropriations and that appropriations should be made not independently of each other, but with reference to one single comprehensive plan of expenditure properly related to the nation's income, there can be no doubt. I believe the burden of preparing the budget must, in the nature of the case, if the work is to be properly done and responsibility concentrated instead of divided, rest upon the executive. The budget so prepared should be submitted to and approved or amended by a single committee of each House of Congress and no single appropriation should be made by the Congress, except such as may have been included in the budget prepared by the executive or added by the particular committee of Congress charged with the budget legislation.

Another and not less important aspect of the problem is the ascertainment of the economy and efficiency with which the moneys appropriated are expended. Under existing law the only audit is for the purpose of ascertaining whether expenditures have been lawfully made within the appropriations. No one is authorized or equipped to ascertain whether the money has been spent wisely, economically and effectively. The auditors should be highly trained officials with permanent tenure in the Treasury Department, free of obligations to or motives of consideration for this or any subsequent administration, and authorized and empowered to examine into and make report upon the methods employed and the results obtained by the executive departments of the Government. Their reports should be made to the Congress and to the Secretary of the Treasury.

I trust that the Congress will give its immediate consideration to the problem of future taxation. Simplification of the income and profits taxes has become an immediate necessity. These taxes performed indispensable service during the war. They must, however, be simplified, not only to save the taxpayer inconvenience and expense, but in order that his liability may be made certain and definite.

With reference to the details of the Revenue Law, the Secretary of the Treasury and the Commissioner of Internal Revenue will lay before you for your consideration certain amendments necessary or desirable in connection with the administration of the law—recommendations which have my approval and support. It is of the utmost importance that in dealing with this matter the present law should not be disturbed so far as regards taxes for the calendar year 1920, payable in the calendar year 1921. The Congress might well consider whether the higher rates of income and profits taxes can in peace times be effectively productive of revenue, and whether they may not, on the contrary, be destructive of business activity and productive of waste and inefficiency. There is a point at which in peace times high rates of income and profits taxes discourage energy, remove the incentive to new enterprise, encourage extravagant expenditures and produce industrial stagnation with consequent unemployment and other attendant evils.

The problem is not an easy one. A fundamental change has taken place with reference to the position of America in the world's affairs. The prejudice and passions engendered by decades of controversy between two schools of political and economic thought,—the one believers in protection of American industries, the other believers in tariff for revenue only,—must be subordinated to the single consideration of the public interest in the light of utterly changed conditions. Before the war America was heavily the debtor of the rest of the world and the interest payments she had to make to foreign countries on American securities held abroad, the expenditures of American travelers abroad and the ocean freight charges she had to pay to others, about balanced the value of her pre-war favorable balance of trade. During the war America's exports have been greatly stimulated, and increased prices have increased their value. On the other hand, she has purchased a large proportion of the American securities previously held abroad, has loaned some $9,000,000,000 to foreign governments, and has built her own ships. Our favorable balance of trade has thus been greatly increased and Europe has been deprived of the means of meeting it heretofore existing. Europe can have only three ways of meeting the favorable balance of trade in peace times: by imports into this country of gold or of goods, or by establishing new credits. Europe is in no position at the present time to ship gold to us nor could we contemplate large further imports of gold into this country without concern. The time has nearly passed for international governmental loans and it will take time to develop in this country a market for foreign securities. Anything, therefore, which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore of preventing the exports from being made. The productivity of the country greatly stimulated by the war must find an outlet by exports to foreign countries and any measures taken to prevent imports will inevitably curtail exports, force curtailment of production, load the banking machinery of the country with credits to carry unsold products and produce industrial stagnation and unemployment. If we want to sell, we must be prepared to buy. Whatever, therefore, may have been our views during the period of growth of American business concerning tariff legislation, we must now adjust our own economic life to a changed condition growing out of the fact that American business is full grown and that America is the greatest capitalist in the world.

No policy of isolation will satisfy the growing needs and opportunities of America. The provincial standards and policies of the past, which have held American business as if in a strait-jacket, must yield and give way to the needs and exigencies of the new day in which we live, a day full of hope and promise for American business, if we will but take advantage of the opportunities that are ours for the asking. The recent war has ended our isolation and thrown upon us a great duty and responsibility. The United States must share the expanding world market. The United States desires for itself only equal opportunity with the other nations of the world, and that through the process of friendly cooperation and fair competition the legitimate interests of the nations concerned may be successfully and equitably adjusted.

There are other matters of importance upon which I urged action at the last session of Congress which are still pressing for solution. I am sure it is not necessary for me again to remind you that there is one immediate and very practicable question resulting from the war which we should meet in the most liberal spirit. It is a matter of recognition and relief to our soldiers. I can do no better than to quote from my last message urging this very action:

"We must see to it that our returning soldiers are assisted in every practicable way to find the places for which they are fitted in the daily work of the country. This can be done by developing and maintaining upon an adequate scale the admirable organization created by the Department of Labor for placing men seeking work; and it can also be done, in at least one very great field, by creating new opportunities for individual enterprise. The Secretary of the Interior has pointed out the way by which returning soldiers may be helped to find and take up land in the hitherto undeveloped regions of the country which

the Federal Government has already prepared or can readily prepare for cultivation and also on many of the cutover or neglected areas which lie within the limits of the older states; and I once more take the liberty of recommending very urgently that his plans shall receive the immediate and substantial support of the Congress."

In the matter of tariff legislation, I beg to call your attention to the statements contained in my last message urging legislation with reference to the establishment of the chemical and dyestuffs industry in America:

"Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war made the interruption of trade a cause of exceptional economic disturbance. The close relation between the manufacture of dyestuffs, on the one hand, and of explosives and poisonous gases, on the other, moreover, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in the programme of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well-equipped chemical plants. The German chemical industry, with which we will be brought into competition, was and may well be again, a thoroughly knit monopoly capable of exercising a competition of a peculiarly insidious and dangerous kind."

During the war the farmer performed a vital and willing service to the nation. By materially increasing the production of his land, he supplied America and the Allies with the increased amounts of food necessary to keep their immense armies in the field. He indispensably helped to win the war. But there is now scarcely less need of increasing the production in food and the necessaries of life. I ask the Congress to consider means of encouraging effort along these lines. The importance of doing everything possible to promote production along economical lines, to improve marketing, and to make rural life more attractive and healthful, is obvious. I would urge approval of the plans already proposed to the Congress by the Secretary of Agriculture, to secure the essential facts required for the proper study of this question, through the proposed enlarged programmes for farm management studies and crop estimates. I would urge, also, the continuance of federal participation in the building of good roads, under the terms of existing law and under the direction of present agencies; the need of further action on the part of the States and the Federal Government to preserve and develop our forest resources, especially through the practice of better forestry methods on private holdings and the extension of the publicly owned forests; better support for country schools and the more definite direction of their courses of study along lines related to rural problems; and fuller provision for sanitation in rural districts and the building up of needed hospital and medical facilities in these localities. Perhaps the way might be cleared for many of these desirable reforms by a fresh, comprehensive survey made of rural conditions by a conference composed of representatives of the farmers and of the agricultural agencies responsible for leadership.

I would call your attention to the widespread condition of political restlessness in our body politic. The causes of this unrest, while various and complicated, are superficial rather than deep seated. Broadly, they arise from or are connected with the failure on the part of our Government to arrive speedily at a just and permanent peace permitting return to normal conditions, from the transfusion of radical theories from seething European centers pending such delay, from heartless profiteering resulting in the increase of the cost of living, and lastly from the machinations of passionate and malevolent agitators. With the return to normal conditions, this unrest will rapidly disappear. In the meantime, it does much evil. It seems to me that in dealing with this situation Congress should not be impatient or drastic but should seek rather to remove the causes. It should endeavor to bring our country back speedily to a peace basis, with ameliorated living conditions under the minimum of restrictions upon personal liberty that is consistent with our reconstruction problems. And it should arm the Federal Government with power to deal in its criminal courts with those persons who by violent methods would abrogate our time-tested institutions. With the free expression of opinion and with the advocacy of orderly political change, however fundamental, there must be no interference, but towards passion and malevolence tending to incite crime and insurrection under guise of political evolution there should be no leniency. Legislation to this end has been recommended by the Attorney General and should be enacted. In this direct connection, I would call your attention to my recommendations on August 8th, pointing out legislative measures which would be effective in controlling and bringing down the present cost of living, which contributes so largely to this unrest. On only one of these recommendations has the Congress acted. If the Government's campaign is to be effective, it is necessary that the other steps suggested should be acted on at once.

I renew and strongly urge the necessity of the extension of the present Food Control Act as to the period of time in which it shall remain in operation. The Attorney General has submitted a bill providing for an extension of this Act for a period of six months. As it now stands it is limited in operation to the period of the war and becomes inoperative upon the formal proclamation of peace. It is imperative that it should be extended at once. The Department of Justice has built up extensive machinery for the purpose of enforcing its provisions; all of which must be abandoned upon the conclusion of peace unless the provisions of this Act are extended.

During this period the Congress will have an opportunity to make similar, permanent provisions and regulations with regard to all goods destined for interstate commerce and to exclude them from interstate shipment, if the requirements of the law are not complied with. Some such regulation is imperatively necessary. The abuses that have grown up in the manipulation of prices by the withholding of foodstuffs and other necessaries of life cannot otherwise be effectively prevented. There can be no doubt of either the necessity or the legitimacy of such measures.

As I pointed out in my last message, publicity can accomplish a great deal in this campaign. The aims of the Government must be clearly brought to the attention of the consuming public, civic organizations and state officials, who are in a position to lend their assistance to our efforts. You have made available funds with which to carry on this campaign, but there is no provision in the law authorizing their expenditure for the purpose of making the public fully informed about the efforts of the Government. Specific recommendation has been made by the Attorney General in this regard. I would strongly urge upon you its immediate adoption, as it constitutes one of the preliminary steps to this campaign.

I also renew my recommendation that the Congress pass a law regulating cold storage as it is regulated, for example, by the laws of the State of New Jersey, which limit the time during which goods may be kept in storage, prescribe the method of disposing of them if kept beyond the permitted period, and require that goods released from storage shall in all cases bear the date of their receipt. It would materially add to the serviceability of the law, for the purpose we now have in view, if it were also prescribed that all goods released from storage for interstate shipment should have plainly marked upon each package the selling or market price at which they went into storage. By this means the purchaser would always be able to learn what profits stood between him and the producer or the wholesale dealer.

I would also renew my recommendation that all goods destined for interstate commerce should in every case, where their form or package makes it possible, be plainly marked with the price at which they left the hands of the producer.

We should formulate a law requiring a federal license of all corporations engaged in interstate commerce and embodying in the license, or in the conditions under which it is to be issued, specific regulations designed to secure competitive selling and prevent unconscionable profits in the method of marketing. Such a law would afford a welcome opportunity to effect other much needed reforms in the business of interstate shipment and in the methods of corporations which are engaged in it; but for the moment I confine my recommendations to the object immediately in hand, which is to lower the cost of living.

No one who has observed the march of events in the last year can fail to note the absolute need of a definite programme to bring about an improvement in the conditions of labor. There can be no settled conditions leading to increased production and a reduction in the cost of living if labor and capital are to be antagonists instead of partners. Sound thinking and an honest desire to serve the interests of the whole nation, as distinguished from the interests of a class, must be applied to the solution of this great and pressing problem. The failure of other nations to consider this matter in a vigorous way has produced bitterness and jealousies and antagonisms, the food of radicalism. The only way to keep men from agitating against grievances is to remove the grievances. An unwillingness even to discuss these matters produces only dissatisfaction and gives comfort to the extreme elements in our country which endeavor to stir up disturbances in order to provoke governments to embark upon a course of retaliation and repression. The seed of revolution is repression. The remedy for these things must

not be negative in character. It must be constructive. It must comprehend the general interest. The real antidote for the unrest which manifests itself is not suppression, but a deep consideration of the wrongs that beset our national life and the application of a remedy.

Congress has already shown its willingness to deal with these industrial wrongs by establishing the eight-hour day as the standard in every field of labor. It has sought to find a way to prevent child labor. It has served the whole country by leading the way in developing the means of preserving and safeguarding lives and health in dangerous industries. It must now help in the difficult task of finding a method that will bring about a genuine democratization of industry, based upon the full recognition of the right of those who work, in whatever rank, to participate in some organic way in every decision which directly affects their welfare. It is with this purpose in mind that I called a conference to meet in Washington on December 1st, to consider these problems in all their broad aspects, with the idea of bringing about a better understanding between these two interests.

The great unrest throughout the world, out of which has emerged a demand for an immediate consideration of the difficulties between capital and labor, bids us put our own house in order. Frankly, there can be no permanent and lasting settlements between capital and labor which do not recognize the fundamental concepts for which labor has been struggling through the years. The whole world gave its recognition and endorsement to these fundamental purposes in the League of Nations. The statesmen gathered at Versailles recognized the fact that world stability could not be had by reverting to industrial standards and conditions against which the average workman of the world had revolted. It is, therefore, the task of the statesmen of this new day of change and readjustment to recognize world conditions and to seek to bring about, through legislation, conditions that will mean the ending of age-long antagonisms between capital and labor and that will hopefully lead to the building up of a comradeship which will result not only in greater contentment among the mass of workmen but also bring about a greater production and a greater prosperity to business itself.

To analyze the particulars in the demands of labor is to admit the justice of their complaint in many matters that lie at their basis. The workman demands an adequate wage, sufficient to permit him to live in comfort, unhampered by the fear of poverty and want in his old age. He demands the right to live and the right to work amidst sanitary surroundings, both in home and in workshop, surroundings that develop and do not retard his own health and well-being; and the right to provide for his children's wants in the matter of health and education. In other words, it is his desire to make the conditions of his life and the lives of those dear to him tolerable and easy to bear.

The establishment of the principles regarding labor laid down in the covenant of the League of Nations offers us the way to industrial peace and conciliation. No other road lies open to us. Not to pursue this one is longer to invite enmities, bitterness, and antagonisms which in the end only lead to industrial and social disaster. The unwilling workman is not a profitable servant. An employee whose industrial life is hedged about by hard and unjust conditions, which he did not create and over which he has no control, lacks that fine spirit of enthusiasm and volunteer effort which are the necessary ingredients of a great producing entity. Let us be frank about this solemn matter. The evidences of world-wide unrest which manifest themselves in violence throughout the world bid us pause and consider the means to be found to stop the spread of this contagious thing before it saps the very vitality of the nation itself. Do we gain strength by withholding the remedy? Or is it not the business of statesmen to treat these manifestations of unrest which meet us on every hand as evidences of an economic disorder and to apply constructive remedies wherever necessary, being sure that in the application of the remedy we touch not the vital tissues of our industrial and economic life? There can be no recession of the tide of unrest until constructive instrumentalities are set up to stem that tide.

Governments must recognize the right of men collectively to bargain for humane objects that have at their base the mutual protection and welfare of those engaged in all industries. Labor must not be longer treated as a commodity. It must be regarded as the activity of human beings, possessed of deep yearnings and desires. The business man gives his best thought to the repair and replenishment of his machinery, so that its usefulness will not be impaired and its power to produce may always be at its height and kept in full vigor and motion. No less regard ought to be paid to the human machine, which after all propels the machinery of the world and is the great dynamic force that lies back of all industry and progress. Return to the old standards of wage and industry in employment is unthinkable. The terrible tragedy of war which has just ended and which has brought the world to the verge of chaos and disaster would be in vain if there should ensue a return to the conditions of the past. Europe itself, whence has come the unrest which now holds the world at bay, is an example of standpatism in these vital human matters which America might well accept as an example, not to be followed but studiously to be avoided. Europe made labor the differential, and the price of it all is enmity and antagonism and prostrated industry. The right of labor to live in peace and comfort must be recognized by governments and America should be the first to lay the foundation stones upon which industrial peace shall be built.

Labor not only is entitled to an adequate wage, but capital should receive a reasonable return upon its investment and is entitled to protection at the hands of the government in every emergency. No government worthy of the name can "play" these elements against each other, for there is a mutuality of interest between them which the government must seek to express and to safeguard at all cost.

The right of individuals to strike is inviolate and ought not to be interfered with by any process of government, but there is a predominant right and that is the right of the government to protect all of its people and to assert its power and majesty against the challenge of any class. The government, when it asserts that right, seeks not to antagonize a class but simply to defend the right of the whole people as against the irreparable harm and injury that might be done by the attempt by any class to usurp a power that only government itself has a right to exercise as a protection to all.

In the matter of international disputes which have led to war, statesmen have sought to set up as a remedy arbitration for war. Does this not point the way for the settlement of industrial disputes, by the establishment of a tribunal, fair and just alike to all, which will settle industrial disputes which in the past have led to war and disaster? America, witnessing the evil consequences which have followed out of such disputes between these contending forces, must not admit itself impotent to deal with these matters by means of peaceful processes. Surely, there must be some method of bringing together in a council of peace and amity these two great interests, out of which will come a happier day of peace and cooperation, a day that will make men more hopeful and enthusiastic in their various tasks, that will make for more comfort and happiness in living and a more tolerable condition among all classes of men. Certainly human intelligence can devise some acceptable tribunal for adjusting the differences between capital and labor.

This is the hour of test and trial for America. By her prowess and strength, and the indomitable courage of her soldiers, she demonstrated her power to vindicate on foreign battlefields her conceptions of liberty and justice. Let not her influence as a mediator between capital and labor be weakened and her own failure to settle matters of purely domestic concern be proclaimed to the world. There are those in this country who threaten direct action to force their will upon a majority. Russia today, with its blood and terror, is a painful object lesson of the power of minorities. It makes little difference what minority it is; whether capital or labor, or any other class; no sort of privilege will ever be permitted to dominate this country. We are a partnership or nothing that is worth while. We are a democracy, where the majority are the masters, or all the hopes and purposes of the men who founded this government have been defeated and forgotten. In America there is but one way by which great reforms can be accomplished and the relief sought by classes obtained, and that is through the orderly processes of representative government. Those who would propose any other method of reform are enemies of this country. America will not be daunted by threats nor lose her composure or calmness in these distressing times. We can afford, in the midst of this day of passion and unrest, to be self-contained and sure. The instrument of all reform in America is the ballot. The road to economic and social reform in America is the straight road of justice to all classes and conditions of men. Men have but to follow this road to realize the full fruition of their objects and purposes. Let those beware who would take the shorter road of disorder and revolution. The right road is the road of justice and orderly process.

WOODROW WILSON.

THE WHITE HOUSE,
2 December, 1919.

REPORTS OF SECRETARY OF THE SENATE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Senate, transmitting, pursuant to law, a statement of all property belonging to the United States in his possession on December 1, 1919, which, with the accompanying paper, was ordered to lie on the table and be printed.

He also laid before the Senate a communication from the Secretary of the Senate, transmitting, pursuant to law, a statement of the receipts and expenditures of the Senate for the month of June, 1919, which, with the accompanying paper, was ordered to lie on the table and be printed.

MESSAGE FROM THE HOUSE.

Mr. Hempstead, the enrolling clerk of the House of Representatives, appeared and delivered the following message:

Mr. President, I am directed by the House of Representatives to inform the Senate that a quorum of the House of Representatives has appeared and that the House is ready to proceed to business.

Also, that a committee of three members were appointed by the Speaker on the part of the House to join the committee on the part of the Senate to notify the President of the United States that a quorum of the two Houses has assembled, and that Congress is ready to receive any communication he may be pleased to make, and that Mr. MONDELL, Mr. GOOD, and Mr. KITCHIN were appointed as a committee on the part of the House.

Also, that the House had passed the following bills:

S. 183. An act providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Peck Indian Reservation, Mont.; and

S. 2129. An act to amend an act approved March 26, 1908, entitled "An act to provide for the repayment of certain commissions, excess payments, and purchase moneys paid under the public-land laws."

Also, that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 348. An act to add certain lands to the Ochoco National Forest, Oreg.;

H. R. 2946. An act to amend acts to permit the use of the right of way through the public lands for tramroads, canals, and reservoirs, and for other purposes;

H. R. 4311. An act to authorize the addition of certain lands to the Caribou National Forest;

H. R. 8028. An act to add to the Oregon, Siuslaw, and Crater National Forests in Oregon certain lands that were revested in the United States pursuant to the decision of the Supreme Court of the United States in the case of the Oregon & California Railroad Co. against the United States, and for other purposes;

H. R. 8992. An act for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa.; and

H. R. 9183. An act authorizing the Secretary of the Treasury to adjust the terms of the contract for the sale of the old post-office property in New Haven, Conn.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House has signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 2961. An act authorizing the Chincoteague Toll Road & Bridge Co. (Inc.), a corporation created by, and existing under, the laws of the Commonwealth of Virginia, to construct certain bridges to connect Chincoteague Island and the mainland; and

H. R. 9821. An act to amend an act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, and for other purposes.

PETITIONS AND MEMORIALS.

Mr. PHIPPS. I send to the desk a telegram which I have received from the Colorado and New Mexico Coal Operators' Association, which I ask may be read.

There being no objection, the telegram was read, as follows:

DENVER, COLO., *November 25, 1919.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

We are much surprised at statement made by McAdoo concerning excess profits of coal operators, first, because it leads the public to believe the profits of operators through the whole country were as he states them; second, because we have believed data in the Internal-Revenue Department was confidential and that no officer or employee or ex-officer or employee, under his oath, is permitted to make such information public, either for public purposes or for his own private advantage. Are we correct in the latter assumption? And, if so, by what means can McAdoo justify his action? We wish to say that so far as Colorado is concerned McAdoo's statement wholly misrepresents that fact. Coal mining in Colorado statement showed a profit of 20 cents a ton in 1918, out of which income taxes and excess profits, if any, had to be paid, and for the first six months of 1919 coal-mine operators in Colorado showed a loss of 4 cents per ton. In justice to the operators of this State we are warranted in asking that this statement have the widest publicity you are in position to give it.

COLORADO AND NEW MEXICO COAL OPERATORS' ASSOCIATION,
By F. R. WOOD, *President.*

Mr. SMITH of Georgia. I present resolutions adopted by the board of directors of the Atlanta Chamber of Commerce of Georgia; of the board of directors of the Brunswick Board of Trade, of Georgia; and of the Commercial Club, of Savannah, Ga., relative to our merchant marine. I move that the resolutions be referred to the Committee on Commerce.

The motion was agreed to.

Mr. CHAMBERLAIN. I present resolutions adopted by the chamber of commerce of Astoria, Oreg., favoring an appropriation for the erection of a suitable post office and Federal building at that city. I ask that the resolutions be printed in the RECORD and referred to the Committee on Public Buildings and Grounds.

There being no objection, the resolutions were referred to the Committee on Public Buildings and Grounds and ordered to be printed in the RECORD, as follows:

ASTORIA, OREG., *November 18, 1919.*

To the honorable Senate and House of Representatives of the United States in Congress assembled:

Your memorialist, the Astoria Chamber of Commerce, of the city of Astoria, most respectfully represents that within the past few years there has been erected in the city of Astoria, in Clatsop County, Oreg., a modern courthouse, at a cost of $250,000, and by the school district within the city a high-school building, at a cost of $126,000, and a large grammar school, at a cost of $100,000, and the city of Astoria has erected a modern city hall, at a cost of $50,000, and has reclaimed and filled the first, second, and third units of a reclamation project in the city at a cost of $675,000, involving the raising of buildings to grades, at a cost of $200,000, and construction of hard-surfaced streets and paving costing $1,000,000, with work on the fourth unit of the reclamation project about to commence, which will involve an additional expenditure of $75,000, and the port of Astoria has constructed public docks, grain elevators, flour mill, and belt line railway, at an expenditure of $3,000,000, and is now proposing further similar expenditures for additional docks, dry docks, and marine railway; and

Whereas the Astoria post office was rated first class on July 1, 1917, and handled a total business during the fiscal year ending June 30, 1919, amounting to more than $1,000,000, with postal deposits aggregating $315,000, and further is used as a distributing center for mail to and from the entire county of Clatsop, Oreg., and the southwestern portion of Wahkiakum County and the western portion of Pacific County, Wash. The present combined post office and customhouse, which was built a half century ago, when Astoria had less than one-tenth of its present population, is so old, so insanitary, and so small as to be a disgrace to the community and is inadequate and unsuited for the purpose and not in harmony with other public buildings and civic improvements of the city, the dimensions of the workroom, in which 22 employees of the Post Office Department are obliged to work and through which this heavy volume of business must be handled, being only 31 by 45 feet, and the dimensions of the lobby used by the public approximately only 10 by 40 feet, or so small as to cause continual congestion and to prevent proper service being afforded the public. Further, the accommodations afforded in the present building for the customhouse are entirely inadequate, seriously restricted and congested, and the present Federal building is so small as to afford no room for such other Federal departments, as the office of the Immigration Service and quarantine station, which departments are now located in separate office buildings in different parts of the city, the United States Government paying substantial rents therefor. Under these circumstances the citizens of Astoria feel that they are justly entitled to an adequate and modern post office and Federal building commensurate with its importance for the present and future growth of the city.

Therefore we most respectfully urge your honorable body to pass a bill making an appropriation for at least $500,000 for the erection of a suitable post office and Federal building, because this seaport, with its shipping facilities, shipbuilding plants, salmon canneries, sawmills, and other numerous industries, will have approximately 50,000 people by the time the building is completed; and we furthermore urge that prompt action be taken that the emergency conditions set forth may be alleviated at the earliest possible date consistent with favorable action on the part of your honorable body.

It is hereby directed that a copy of this memorial, duly signed by the president and secretary of the chamber of commerce, be forwarded to the Senators and Representatives of the State of Oregon in Congress, the Postmaster General, and the Secretary of the Treasury at Washington, D. C.

FRANK H. SANLOM, *President,*
C. I. BASS, *Secretary,*
Chamber of Commerce of the City of Astoria, Oreg.

Mr. McKELLAR. I present a telegram, which I ask may be printed in the RECORD.

There being no objections, the telegram was ordered to be printed in the RECORD, as follows:

BOSTON, MASS., *Nov. 30, 1919.*

Senator K. MCKELLAR,
Washington, D. C.:

Mass meeting Symphony Hall, Boston, to-night, twenty-seven hundred people present, adopted the following resolution, presented by Mayor Peters, without a single dissenting vote:

Resolved, That the national welfare requires a speedy ratification of the treaty of Versailles and the league of nations, and we call upon the President and the Senate of the United States to adjust their differences by mutual concessions to the end that we may have peace and an enduring peace.

GEN. CHARLES H. COLE, *Presiding.*

Mr. FLETCHER. I present communications and telegrams in the nature of petitions, which I ask to have printed in the RECORD.

There being no objection, the communications and telegrams were ordered to be printed in the RECORD, as follows:

Resolutions adopted by Claude L. Sauls Post, No. 13, American Legion, Tallahassee, Fla., November 25, 1919.

Whereas on November 11, at Centralia, Wash., four members of the American Legion were assassinated by persons belonging to an organization known as the Industrial Workers of the World; and

Whereas there are at large in the United States large numbers of persons, including members of the Industrial Workers of the World, certain reds or radicals, and believers in Bolshevik doctrines, who are spreading propaganda and political theories tending to undermine and destroy our system of free government, and the ideals for which the American Legion stands: Therefore be it

Resolved by the members of Claude L. Sauls Post No. 13, That we, the members of this post, do most severely condemn the activities of those organizations and individuals hereinabove mentioned, and that we deplore the murdering of members of the American Legion by the said organizations; and be it further

Resolved, That we urge upon our representatives in the Congress of the United States that most effective and stringent measures be taken to suppress and stamp out this evil, and to send elsewhere those who are dissatisfied with our form of government; and be it further

Resolved, That a copy of these resolutions be forwarded to our Representatives and Senators in Congress, to the national and State headquarters of this organization, and copies be furnished the newspapers for publication.

Adopted by Claude L. Sauls Post No. 13, American Legion, at Tallahassee, Fla., this 25th day of November, 1919.

W. E. GRISSETT,
Commander above-named post.

Attest:
R. S. APPLEYARD,
Adjutant, above-named post.

—

ST. AUGUSTINE, FLA., *December 1, 1919.*

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.:

Destructive radicalism, which seems uncontrollable under present laws, should no longer be permitted to flourish in this country. Adequate restrictive measures should be passed without delay.

J. D. RAHNER.

—

PLANT CITY, FLA., *December 1, 1919.*

Hon. DUNCAN U. FLETCHER,
Washington, D. C.:

The Norman McLeod Post, No. 26, American Legion, Plant City, Fla., demands that you and each of your associates in Congress and the Senate do all within their power to wipe out the murder of four of our comrades at Centralia on Liberty Day and other un-American depredations by introducing and supporting legislation to rid our country of I. W. W.'s, Bolsheviks, anarchists, and all other un-American organizations and all alien slackers.

J. W. ALSOBROOK,
Post Commander.

—

Resolution.

The Harrison-Hunter Post, No. 32, American Legion, Winter Park, Fla., takes action in favor of exporting all I. W. W. people in the United States. The murdering of four American soldiers at Centralia, Wash., we consider an outrage, and believe Congress should act on this matter at once. It is time for a real house cleaning in America, and a thorough one, cost what it may. If it will take the Army and the Navy to wipe them out, we stand ready; if the Department of Justice can do it, let us have vigorous action; if vigilance committees are needed, let us have them appointed at once. There is no room on American soil for such specimens of humanity. Their presence is an insult. The American Legion stands for 100 per cent Americanism and believes that the United States is no place for anyone who has less than 100 per cent Americanism.

Should congressional action be sought on individuals and organizations un-American, we, the members of the Harrison-Hunter Post, No. 32, most respectfully and earnestly request your absolute support on the passing of such a measure.

RAYMOND W. GREENE,
Post Commander.
R. H. GALT,
Post Adjutant.

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DAYTONA, FLA., *November 25, 1919.*

Hon. DUNCAN U. FLETCHER,
Washington, D. C.

DEAR SIR: The following resolution was unanimously adopted at a meeting of the Russell C. Warner Post of the American Legion held last night:

"Whereas very serious industrial and social outbreaks have occurred in various parts of our country, causing the loss of life and the threatened extinction of our cherished American institutions;

"Whereas the continuation and spread of these outbreaks and seditious influences threaten the very foundations of our national life: Therefore be it

"*Resolved*, That we oppose any act on the part of any individual or organization that is unpatriotic and un-American; that we hold ourselves in readiness to defend with our lives the safety of Americans, our homes, and our democratic institutions against any individual or organized force that seeks their destruction or threatens the complete enjoyment of the liberties and privileges bought by the blood of our forefathers: Therefore be it

"*Resolved*, That we petition the National Congress, through our elected Representatives, to take positive and definite steps to immediately purge our country of all individuals and organizations un-American and to carry on an extensive educational and publicity campaign on Americanism."

RUSSELL C. WARNER POST, AMERICAN LEGION,
J. L. PEPPER, *Adjutant.*

THE JOHN G. SALLEY POST, No 43,
THE AMERICAN LEGION,
Homestead, Fla., November 26, 1919.

Whereas we consider the murder of our brothers in arms of the Grant Hodge Post, No. 17, Centralia, Wash., by the I. W. W.'s an act of downright, premediated murder, treachery, and anarchy against our Government; and

Whereas the society of the I. W. W. is a serious menace to our country and are admitted to be enemies of law and order; and

Whereas there appears to be an organized and prepared campaign by the society of the I. W. W. and others to create a state of lawlessness and crime throughout our entire country: Therefore be it

Resolved, That the John G. Salley Post, No. 43, of the American Legion, State of Florida, condemns the actions of the I. W. W.'s not only in Centralia, Wash., but throughout the country at large.

That congressional action on individuals and organizations un-American be demanded and that all undesirable citizens be deported at once.

That Americanism must be the big issue now and be required from every citizen.

That the John G. Salley Post, No. 43, assist in any campaign carried on against the persons or societies un-American and that they will be responsible for conditions in their district.

That a copy of these resolutions be mailed to our Congressman and Senators, and to urge upon them the necessity of their attention to the formation of such laws as will forever stamp out these traitors to law and order from our country.

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The officers of the Church Peace Union issue the following statement with regard to the failure of the United States Senate to ratify the treaty of Versailles with its covenant of the league of nations:

We view with concern and indignation the lamentable lack of statesmanship that has led to the failure of the treaty in the Senate. On so weighty a matter, fraught with incalculable consequences to humanity, it ought to be possible for patriotic and fair-minded men, regardless of partisan or personal prejudice, to get together in working out a safe and full cooperation of this country in a real international order. Political partisanship on such an issue is shameful and inexcusable.

Especially do we deprecate certain motives which have conspicuously played a large part in the defeat of the covenant—distrust of other nations, unwillingness to join with them in a common effort to minimize war by organizing the moral forces of mankind and by furthering international cooperation, a disposition to demand special exemption and consideration for our own country, and a reluctance to let America bear her due share of the burden of common human need. We covet for this country the true greatness of unlimited service. We long to see America first in helpfulness, in courage, in eagerness for a new and better order, in largeness of soul. More than any other danger we fear the danger of losing, through reactions of selfishness and timidity, the unequaled opportunities the present hour offers our country.

We urge the Members of the United States Senate, regardless of party or of past position, to unite in speedy ratification of the treaty, with such reservations only as may leave unimpaired the covenant of the league of nations and provide for America's entrance on just and equal terms, without special privileges or exemptions.

And we urge all in this country who have faith in God and love for their fellow men to exert at once all the influence they possess in word, in prayer, and in act, to avert from our beloved country the deep disgrace of abandoning the ideals for which we fought and the shame of putting safety first in this hour of the world's deep and dreadful need.

Rev. HENRY A. ATKINSON.
Rev. ARTHUR JUDSON BROWN.
Rev. FREDERICK LYNCH.
Rev. WILLIAM PIERSON MERRILL.
Rev. CHARLES S. MACFARLAND.
Mr. GEORGE A. PLIMPTON.

—

MILTON, MASS., *December 1, 1919.*

DUNCAN U. FLETCHER,
Washington, D. C.:

I earnestly urge you to use your great influence in ratifying the peace treaty immediately. Both Republicans and Democrats must be willing to compromise on reservations for the sake of the world's safety and peace as well as of national honor.

Mrs. J. MALCOM FORBES.

Mr. EDGE. I present a memorial referring to outrages in Ukrainia, which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the memorial was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

At a meeting held this 24th day of November, 1919, in the borough of Woodbine, County of Cape May, and State of New Jersey, the following resolutions were unanimously adopted:

"Whereas authentic information has been obtained to the effect that 100,000 Jews of all ages, sexes, and conditions have already been killed outright in the cities, towns, and villages of Ukrainia by military forces and civilian bands who were let loose upon the defenseless Jewish people, destroying their homes and reducing hundreds of thousands to utter starvation and despair: Be it therefore

"*Resolved*, That we solemnly protest against the perpetration of these inhuman and barbaric practices and most earnestly appeal to the American people and our Government, as well as to the whole civilized world, in the name of humanity, to intercede in behalf of the unfortunate Jews of Ukrainia to the end that the hand of the assassin may be stayed and that life, liberty, and the pursuit of happiness for the Jewish people of those regions may be secure; and be it further

"*Resolved*, That a committee to be duly selected shall, with all due dispatch, proceed to Washington and respectfully submit this resolution, together with all available data appertaining to these matters, to the Senators of our State and the Congressman of our District."

Dr. J. JOFFE,
M. GLAZER,
A. ZUCHORITZ,
Resolution Committee.
L. LIFSHUS,
Mass Meeting Chairman.

Mr. LODGE presented petitions from citizens of Boston, Cambridge, Wayland, and Worcester, all in the State of Massachusetts, praying for the ratification of the treaty of peace with Germany by the adoption of compromise reservations, which were ordered to lie on the table.

Mr. JONES of Washington presented a petition of Capitol Lodge, No. 186, B. P. O. E., of Olympia, Wash., praying for the enactment of legislation providing for the suppression of the I. W. W. and similar organizations, and the deportation of aliens who are members of such organization, which was referred to the Committee on the Judiciary.

Mr. MOSES presented a resolution adopted by the congregation of the village church of Franklin, N. H., favoring action by Congress in order to relieve the danger now threatening the Armenian people, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by sundry citizens of Wolfeboro, N. H., favoring prompt action by Congress in maintaining peace in Armenia, which was referred to the Committee on Foreign Relations.

He also presented a memorial of Manchester Council, No. 92, Knights of Columbus, of Manchester, N. H., relative to the proposed change of the War Department in the matter of welfare work for the enlisted men of the Army, which was referred to the Committee on Military Affairs.

He also presented a memorial from the Society of Friends of Gonic, N. H., remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

He also presented a memorial of the Hebrew Veterans of the Wars of the Republics, of New York, remonstrating against the massacre of Jews in Ukrainia, which was referred to the Committee on Foreign Relations.

Mr. STERLING presented memorials from sundry citizens of South Dakota, remonstrating against compulsory universal military training, which were referred to the Committee on Military Affairs.

He also presented a petition from sundry citizens of Sioux Falls, S. Dak., praying for the enactment of legislation providing for a two-year extension of Government control of railroads, which was referred to the Committee on Interstate Commerce.

Mr. KEYES presented resolutions adopted by the New Hampshire Conference of Social Work, favoring action toward the relief of suffering Armenians, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Philadelphia (Pa.) Chamber of Commerce, favoring the enactment of legislation providing for the protection of watersheds of navigable streams, etc., which was referred to the Committee on Commerce.

Mr. NELSON presented petitions of the District of Columbia Sons of the American Revolution, and of the Red Wing Minnesota Lodge, No. 845, Benevolent and Protective Order of Elks, praying for the enactment of legislation providing for the suppression of seditious and disloyal acts, which were referred to the Committee on the Judiciary.

Mr. CURTIS presented resolutions adopted by Early W. Taylor Post, No. 1, American Legion, of Seneca, Kans., and of Washington Post, No. 12, Grand Army of the Republic, of Lawrence, Kans., favoring more stringent laws to suppress radicalism, which were referred to the Committee on Immigration.

He also presented a petition of the Woman's Literary Club, of Syracuse, Kans., praying for the enactment of legislation providing for higher rank for Army nurses, which was referred to the Committee on Military Affairs.

He also presented a petition of sundry telegraphers of the Atchison, Topeka & Santa Fe Railroad, of Topeka, Kans., praying for the enactment of legislation providing for a two-year extension of Government control of railroads, which was referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by sundry lodges of the Benevolent and Protective Order of Elks in the State of Kansas, favoring the deportation of certain aliens, which were referred to the Committee on Immigration.

Mr. TOWNSEND presented a memorial of Local Lodge No. 191, International Association of Machinists, of Grand Rapids, Mich., remonstrating against the so-called Cummins railroad bill and praying for the adoption of the so-called Plumb plan, which was ordered to lie on the table.

He also presented a petition of the Rotary Club, of Marquette, Mich., praying for universal military training, which was referred to the Committee on Military Affairs.

He also presented a memorial of Local Lodge No. 788, Brotherhood of Railway Clerks, of St. Ignace, Mich., remonstrating against the passage of the so-called Cummins bill, relating to Federal control of railroads, which was ordered to lie on the table.

He also presented a memorial of Local Lodge No. 8, Brotherhood of Railway and Steamship Clerks, of Grand Rapids, Mich., remonstrating against the enactment of legislation providing for a termination of Federal control of railroads, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of Local Lodge No. 1159, Brotherhood of Railway Carmen of America, of Bay City, Mich., protesting against the passage of the so-called Cummins-Esch railway bills, which was referred to the Committee on Interstate Commerce.

He also submitted a petition of Local Lodge No. 677, Boilermakers and Helpers of the Detroit & Mechanic Railway, of Michigan, praying for a two years' extension of Government control of railroads, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of Mineral King Lodge, No. 129, Brotherhood of Locomotive Firemen and Enginemen, of Escanaba, Mich., remonstrating against the passage of the so-called Cummins railway bill, which was ordered to lie on the table.

He also presented a petition of Local Lodge No. 279, International Longshoremen Association, of Escanaba, Mich., protesting against the enactment of the so-called Cummins bill, which was ordered to lie on the table.

He also presented a petition of the Rotary Club of Detroit, Mich., praying for the enactment of legislation providing for the punishment of individuals and the suppression of organizations inimical to the Constitution of the United States, which was referred to the Committee on Education and Labor.

He also presented a petition of the Women's University Club, of Grand Rapids, Mich., praying for the enactment of legislation providing for the appointment of a minister of education in the President's Cabinet and for the adoption of an enlarged educational program, which was referred to the Committee on Education and Labor.

He also presented a memorial of sundry railroad workers of Sault Ste. Marie, Mich., remonstrating against the so-called Cummins-Esch-Pomerene bills and praying for the enactment of legislation providing for a two-year extension of Government control of railroads, which was referred to the Committee on Interstate Commerce.

Mr. HALE presented a memorial of the Brotherhood of Railway Carmen of the Maine Central Railroad, of Portland, Me., remonstrating against the passage of the so-called Cummins bill relating to Federal control of railroads, which was ordered to lie on the table.

He also presented a memorial of Casco Bay Lodge, No. 397, Brotherhood of Railway Carmen of America, of Portland, Me., remonstrating against the passage of the so-called Cummins bill, relating to Federal control of railroads, which was ordered to lie on the table.

Mr. CAPPER presented memorials from Caney Lodge, No. 1215, Benevolent and Protective Order of Elks, of Caney, Kans., and of Independence Lodge, No. 780, Benevolent and Protective Order of Elks, of Independence, Kans., remonstrating against seditious activities on the part of certain organizations and praying for the enactment of legislation providing for the deportation of disloyal aliens from the United States, which was referred to the Committee on Education and Labor.

He also presented a memorial of sundry citizens of Albuquerque, N. Mex., remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

Mr. SIMMONS presented petitions of the Chamber of Commerce of Charlotte, N. C., and of the Chamber of Commerce of Wilmington, N. C., praying for the enactment of legislation providing for the retention and operation of the United States fleet of merchant ships by the United States Shipping Board, which were referred to the Committee on Commerce.

He also presented a resolution, in the nature of a petition, adopted at a mass meeting held in Symphony Hall, Boston, Mass., on November 30, 1919, praying that the President and the Senate of the United States adjust their so-called differences and that the treaty of peace with Germany be ratified, which was ordered to lie on the table.

Mr. MYERS presented a memorial of sundry citizens of Park County, Mont., remonstrating against the enactment of legislation to establish game sanctuaries in the national forests, and other purposes, which was referred to the Committee on Forest Reservations and the Protection of Game.

REPORTS OF COMMITTEES.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 3066) to provide for the incorporation of cooperative associations in the District of Columbia, reported it without amendments and submitted a report (No. 310) thereon.

Mr. NEWBERRY, from the Committee on Naval Affairs, to which was referred the bill (S. 1661) for the relief of Maj. Ellis B. Miller, reported it without amendment and submitted a report (No. 311) thereon.

DETROIT RIVER BRIDGE.

Mr. CALDER. I am instructed by the Committee on Commerce, to which was referred the bill (S. 3452) granting the consent of Congress to the city of Detroit, Mich., a municipal corporation, to construct, maintain, and operate a bridge across the American Channel of the Detroit River at Belle Isle, to report it favorably with an amendment, and I submit a report (No. 312) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was, in line 3, after the word "That," to strike out "the consent of Congress" and insert "authority," so as to make the bill read:

Be it enacted, etc., That authority is hereby granted to the city of Detroit, a municipal corporation of the State of Michigan, and its successors, to construct, maintain, and operate a bridge and approaches thereto across the American Channel of the Detroit River, to Belle Isle, in said city, at or near Grand Boulevard East, and at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the city of Detroit, Mich., a municipal corporation, to construct, maintain, and operate a bridge across the American Channel of the Detroit River to Belle Isle."

ALLOWANCES TO NAVAL OFFICERS.

Mr. PAGE. I report back, with an amendment, from the Committee on Naval Affairs, the joint resolution (H. J. Res. 213) continuing temporarily certain allowances to officers of the Navy, and I submit a report (No. 313) thereon.

This is a joint resolution similar to a resolution which heretofore passed the Senate, but with a slight clerical error. It has gone to the other House, and that body has passed it and returned it to the Senate. The vote has been practically unanimous in both Houses in favor of the joint resolution, but in order to correct a clerical error the House committee requests that we amend the joint resolution and return it, as that will relieve it from certain parliamentary conditions which are unfavorable. I ask that the report of the committee may be read, and I also ask unanimous consent for the present consideration of the joint resolution.

The VICE PRESIDENT. The Secretary will read the report of the Committee on Naval Affairs.

The Secretary read the report, as follows:

The Committee on Naval Affairs, to whom was referred the joint resolution (H. J. Res. 213) continuing temporarily certain allowances to officers of the Navy, having considered the same, report favorably thereon with the recommendation that the resolution do pass with amendments.

After the word "repealed," line 5 of page 2, add:

"*Provided*, That officers of the Navy and Marine Corps shall be entitled to all the rights and benefits under said act of April 16, 1918 (Public, No. 129), from and after October 1, 1919, and during the present emergency."

Change the title of the resolution by striking out the period after the word "Navy" and adding the words "and Marine Corps."

Amend the preamble, first line, by striking out the word "will" and inserting in lieu thereof the word "has," and strike out the word "have"; fifth line, strike out the period after the parenthesis, insert in lieu thereof a comma, and add the word "and."

Allowances for officers of the Navy are the same according to statute law, act of March 3, 1899, as for officers of corresponding rank in the Army. The repeal of the section referred to is simply to continue for officers of the Navy and Marine Corps the same commutation as is being paid to officers of the Army, and inasmuch as the provision limits this commutation to October 1, 1919, the committee earnestly requests that early action be taken.

Mr. WALSH of Montana. Mr. President, I desire to inquire of the chairman of the committee as to whether the joint resolution has had the consideration of the Naval Affairs Committee?

Mr. PAGE. It has had such consideration, and has also had the consideration of the Naval Affairs Committee of the House of Representatives. It is for the purpose of correcting an error which is purely clerical. It was the intention to have the legislation effective from October 1, but by mistake of the printer it only reaches back to October 14.

Mr. WALSH of Montana. I was simply inquiring as to the consideration of the joint resolution by the Naval Affairs Committee.

Mr. PAGE. It has been considered by that committee.

Mr. WALSH of Montana. When was it considered in committee?

Mr. LODGE. I will say to the Senator that it has been considered very elaborately by both the Naval Affairs Committee of the House and the Naval Affairs Committee of the Senate, and has been passed by both Houses of Congress.

Mr. SWANSON. Mr. President, I desire to say that a similar resolution passed the Senate early in the last session, and it was also passed by the House. All the joint resolution does is to continue the allowance for commutation of quarters to naval officers who are in active service at sea. Under the old law if an officer was on land he received commutation of quarters, but if he were at sea fighting he received no allowance for commutation of quarters. We changed that a year ago during the pendency of the war. At the last session of Congress, on the naval appropriation bill, the Senate enacted a provision allowing commutation of quarters to naval officers at sea. Such a provision was not contained in the House bill, but in conference we continued it until the 1st of October. The 1st of October has now passed, so that commutation of quarters will not be allowed to naval officers who are at sea in Asiatic, European, or Pacific coast waters. I understand this measure simply continues the allowance for commutation of quarters for the next year as it was allowed up until the 1st of last October.

Mr. LODGE. That is all.

Mr. WALSH of Montana. Mr. President, I recall some discussion of this general subject before the Naval Affairs Committee a year ago. All I was inquiring about, however, was when this particular measure had been given the consideration of the Naval Affairs Committee.

Mr. SWANSON. I was present when it was considered.

Mr. LODGE. So was I.

Mr. SWANSON. It was not a very full meeting of the committee, perhaps, although a quorum was present.

Mr. LODGE. A quorum was present; I was present, and the measure was fully discussed. I repeat, it also passed the Senate.

Mr. SWANSON. It was considered by the Naval Affairs Committee at the last session of Congress.

Mr. LODGE. Yes; it was considered at the last session.

Mr. WALSH of Montana. That is not at all unlikely; but I take this occasion to advise the chairman of the committee that the clerk of the committee seems to have forgotten I am a member of the committee, for I no longer receive any notices of the meetings. I do not know how it is as to others, but some very important business has been transacted by the committee in recent times of which I have had no notice whatever.

Mr. SWANSON. This measure was under consideration at the last session, but, as I understand, Congress adjourned without having acted finally on it. The cloture rule precluded any possibility of its passage.

Mr. WALSH of Montana. I am merely asserting that it was considered at some meeting of the committee at which I was not present and of which, apparently, I had no notice.

Mr. LODGE. It passed the Senate on October 14.

Mr. PAGE. I am quite certain, Mr. President, that the Senator had notice of the meeting at which the measure was considered, as he has had notice of every meeting since the session commenced last May. I take a great deal of pains to send notices to the homes of Senators, as well as to their offices, and I am very certain that the Senator had the usual notice.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Naval Affairs with an amendment.

The amendment was, on page 2, line 5, after the word "repealed," to insert:

Provided, That officers of the Navy and Marine Corps shall be entitled to all the rights and benefits under said act of April 16, 1918 (Public, No. 129), from and after October 1, 1919, and during the present emergency.

So as to make the joint resolution read:

Resolved, etc., That the paragraph in the act of July 11, 1919 (public, No. 8), which reads as follows:

"The act of April 16, 1918 (public, No. 129), granting under certain conditions to every commissioned officer of the Army the right to quarters in kind for their dependents or the authorized commutation therefor, including the allowances for heat and light, shall hereafter be construed to apply to officers of the Navy and Marine Corps only during the period of the war and in no event beyond October 1, 1919," be, and the same is hereby, repealed: *Provided*, That officers of the Navy and Marine Corps shall be entitled to all the rights and benefits under said act of April 16, 1918 (public, No. 129), from and after October 1, 1919, and during the present emergency.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The preamble was amended so as to read:

Whereas since it now appears that peace has not been declared by October 1, 1919, on which date officers of the Navy, by operation of law, will cease to receive the benefits prescribed in the act of April 16, 1918 (public, No. 129); and.

The title was amended so as to read: "A joint resolution continuing temporarily certain allowances to officers of the Navy and the Marine Corps."

INCOME-TAX REPORT OF COAL OPERATORS.

The VICE PRESIDENT. The introduction of bills and joint resolutions is in order.

Mr. JOHNSON of South Dakota. Mr. President, I desire to submit a Senate resolution, and, on account of the importance of the subject matter, I shall ask, after it has been read, unanimous consent for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the resolution as requested.

The Secretary proceeded to read the resolution.

Mr. LODGE. Mr. President, I rise to a question of order. Does not this matter properly come under the next order—Senate resolutions?

The VICE PRESIDENT. It does, if there is any objection. The Senator, however, asked unanimous consent, and the Chair was trying to find out if there was objection.

Mr. LODGE. I did not hear the Senator's request.

The VICE PRESIDENT. The resolution will be first read.

The Secretary resumed and concluded the reading of the resolution, which is as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, requested to send to the Senate such facts or data as may be in his possession, or available, showing the percentage and amount of individual net earnings of the various operators of bituminous coal-mine properties within the United States for the years 1916, 1917, and 1918, as disclosed by the income-tax returns of such operators for said years.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. SMOOT. Mr. President, does the resolution ask for information as to the amount of taxes paid by the concerns indicated?

Mr. JOHNSON of South Dakota. The resolution asks for information as to the percentage of profits on coal received by the operators as shown by their income-tax reports.

Mr. SMOOT. Is it a Senate resolution?

Mr. JOHNSON of South Dakota. It is a Senate resolution.

Mr. SMOOT. I doubt, Mr. President, whether the Senate can pass a resolution of that kind and expect an answer when it is in violation of a statute of Congress. I think the Senator, after consideration, will have to change it to a joint resolution rather than a Senate resolution.

Mr. JOHNSON of South Dakota. My understanding is that the President may permit such information to be given out at any time. Perhaps I am not thoroughly informed as to the law, but I can not see why a resolution calling for such information should be a joint resolution. It only asks for certain information which the country now certainly is interested in having.

Mr. SMOOT. Mr. President, there is no objection, so far as I know, to securing the information if it is obtained in the proper way; but, as I remember the law, the information can not be obtained unless the law itself is modified.

Mr. NORRIS. Mr. President, will the Senator from South Dakota yield to me for a moment?

Mr. JOHNSON of South Dakota. I yield.

Mr. NORRIS. I should like to say to the Senator from Utah that, as I remember the law, the President has authority to permit such information to be given out, and he could give it without a request if he desired so to do. I presume the Secretary of the Treasury will refuse to give the information unless the President under the law directed the information to be given. I do not see anything wrong in the Senate making the request, and if the President declines to accede to it of course the information can not be given.

Mr. SMOOT. I will say to the Senator that I have not a copy of the law before me, and therefore I can not say just what it does provide.

Mr. NORRIS. I do not think there is any doubt about the law being as I have stated.

Mr. SMOOT. If the Senator from South Dakota will allow the resolution to go over for a few moments——

Mr. NORRIS. I hope the Senator will not object to it.

Mr. SMOOT. If the Senator will allow it to go over for a few moments I will look up the law, and if the resolution is not in conflict with the law then I shall have no objection to its passage. Temporarily, however, I ask the Senator to allow the resolution to go over.

Mr. JOHNSON of South Dakota. I would prefer, if that course is satisfactory to the Senator, to adopt the resolution, and then if the Senator finds that it has not been passed according to the law I will withdraw it.

Mr. SMOOT. Mr. President, I would very much prefer to have it go over than to make any arrangement of that kind, because I could not carry it out if I wanted to.

The VICE PRESIDENT. The Chair understands there is objection.

Mr. JOHNSON of South Dakota. Do I understand the Senator from Utah objects to the immediate consideration of the resolution?

Mr. SMOOT. Yes; I object to its immediate consideration; but I will say to the Senator that if it develops that the resolution can be passed in accordance with the law I will be glad to withdraw the objection.

The VICE PRESIDENT. Objection being made, the resolution goes over.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MYERS:

A bill (S. 3459) for the relief of Peter S. Kelly; to the Committee on Military Affairs.

Mr. FLETCHER. Mr. President, on an examination of the bill introduced by the Senator from Tennessee [Mr. MCKELLAR], being Senate bill 3297, it occurred to me that certain amendments were very desirable. I endeavored to frame amendments, but they were quite numerous and brought about so many changs in the bill that I decided to offer another bill on the same subject following very much the lines of the bill introduced by the Senator from Tennessee. It is a bill to punish conspiracy against organized government. I introduce the bill and ask that it be referred to the Committee on the Judiciary.

The bill (S. 3460) to punish conspiracy against organized government was read twice by its title and referred to the Committee on the Judiciary.

By Mr. WADSWORTH:

A bill (S. 3461) to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii; to the Committee on Military Affairs.

By Mr. STERLING:

A bill (S. 3462) for the relief of Levi L. Conright (with accompanying paper); to the Committee on Military Affairs.

By Mr. SPENCER:

A bill (S. 3463) to reimburse officers, soldiers, and civilian employees of the Army and their families and dependents and military organizations for losses sustained as a result of the hurricane which occurred in Texas on August 16, 17, and 18, 1915; to the Committee on Claims.

By Mr. THOMAS:

A bill (S. 3464) granting a pension to John Walden; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 3465) to permit transportation of limited numbers of passengers on cargo vessels; and

A bill (S. 3466) permitting the master of a ship to assert his claim against the vessel for wages and disbursements under certain circumstances; to the Committee on Commerce.

By Mr. POMERENE:

A bill (S. 3467) regulating the issuance of checks, drafts, and orders for the payment of money within the District of Columbia; to the Committee on the District of Columbia.

By Mr. NELSON:

A bill (S. 3468) granting an increase of pension to Giles A. Woolsey; to the Committee on Pensions.

By Mr. KING:

A bill (S. 3469) to transfer to the Attorney General of the United States the power and duty to deport certain aliens, and for other purposes; to the Committee on Immigration.

By Mr. TOWNSEND:

A bill (S. 3470) granting an increase of pension to Wesley H. Dick (with accompanying papers); and

A bill (S. 3471) granting an increase of pension to Ann Lenora Sayre (with accompanying papers); to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 3472) for the relief of the owner of a drill boat known as *Drill Boat No. 3* and a dredge known as *Dredge No. 9*; to the Committee on Claims.

By Mr. CURTIS:

A bill (S. 3473) granting an increase of pension to Henry Miller (with accompanying papers);

A bill (S. 3474) granting an increase of pension to Elizabeth Brannon (with accompanying papers); and

A bill (S. 3475) granting a pension to Adah E. Allen (with accompanying papers); to the Committee on Pensions.

By Mr. KEYES (for Mr. McCORMICK):

A bill (S. 3476) to provide for the establishment of a national budget system, and for other purposes; to the Committee on Consideration of a National Budget System.

By Mr. WADSWORTH:

A joint resolution (S. J. Res. 128) relating to schools and libraries at Army posts; to the Committee on Military Affairs.

LAWS GOVERNING ELECTIONS.

Mr. MOSES. I introduce a joint resolution, which I ask may be read and referred to the Committee on Privileges and Elections.

The joint resolution (S. J. Res. 129) to provide for an inquiry into the laws governing elections in the several States of the Union was read the first time by its title and the second time at length as follows:

Joint resolution (S. J. Res. 129) to provide for an inquiry into the laws governing elections in the several States of the Union.

Resolved, etc., That a joint congressional committee is hereby created, consisting of five Senators, to be appointed by the President of the Senate, and five Representatives in Congress, to be appointed by the Speaker of the House of Representatives, whose duty it shall be to make thorough inquiry into the laws governing the elections in the several States of the Union with a view to ascertaining whether in any State the right of citizens of the United States to vote is denied or abridged in violation of the terms of the fourteenth amendment to the Constitution; and if it shall be found that representation in the Electoral College and the National House of Representatives is enlarged through such denial or abridgement, the committee shall then recommend to Congress such legislation as will reduce the representation in said State or States, as provided by the fourteenth amendment. Said joint committee shall also take into consideration all conditions under which the suffrage is exercised, denied, or abridged, no less than the laws themselves under which it is done, and it shall report its conclusions to the Congress not later than July 1, 1920.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on the Judiciary.

Mr. POMERENE. May I ask what disposition has been made of the joint resolution?

The VICE PRESIDENT. It was referred to the Committee on the Judiciary.

Mr. MOSES. I asked that it might be sent to the Committee on Privileges and Elections.

The VICE PRESIDENT. Yes; but the Chair has referred it to the Committee on the Judiciary.

Mr. MOSES. I submit to the Chair.

THE MERCHANT MARINE.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENTS TO RAILROAD-CONTROL BILL.

Mr. KING submitted two amendments intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which were ordered to lie on the table and be printed.

GOLD CERTIFICATES.

Mr. SMOOT. I introduce a bill, which I ask to have read.

The bill (S. 3458) to make gold certificates of the United States payable to bearer on demand legal tender was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That gold certificates of the United States, payable to bearer on demand, shall be, and are hereby, made legal tender in payment of all debts and dues, public and private.

SEC. 2. That all acts or parts of acts which are inconsistent with this act are hereby repealed.

Mr. SMOOT. Mr. President, on account of the urgency of this legislation, I ask unanimous consent to make a statement in regard to it at this time. The chairman of the Committee on Banking and Currency is not present, but I should like and I will state also that the department would like immediate action on this proposed legislation, if possible.

Mr. THOMAS. Mr. President, before the Senator makes his statement, I want to ask him if he is not aware that at present the gold dollar is the short-legged dollar in the United States; and how can we comply with the old sound-money position and argument by paying the public creditors in unsound money, in 95-cent money? If the Senator will change his bill and make silver certificates legal tender, silver now representing the regnant metal, I will vote for it.

Mr. SMOOT. Mr. President, I have an explanation for the bill, which will not take very long, and if the Senate will give permission, I will proceed.

The business interests of the country are in such shape to-day that they are unable to do the business that is required of them on account of the lack of one and two dollar bills. Every part of this country is calling upon the Government for one and two dollar currency. I want to say in passing that what has brought about the shortage of one and two dollar bills at this time is the withdrawal from circulation of all silver certificates. I say "all." Of course, that is a sweeping statement, but practically all silver certificates have been withdrawn from circulation. The reason for that, of course, is apparent to all. As soon as silver advances beyond $1.29 the silver certificate that can draw silver from our Treasury on presentation is at a premium; or, in other words, they can take the silver dollar to-day and sell it as bullion for more than the dollar is worth as a circulating medium.

That is the situation we find the Government in to-day, and therefore we must provide some way to meet the demands of the business of the country by issuing paper currency of some kind and in smaller denominations.

Now, Mr. President, I want to state briefly just what this bill is and how it will meet the present situation.

Mr. WALSH of Montana. Mr. President, I inquire of the Senator how these silver certificates get out of circulation? Does the speculator pick them up?

Mr. SMOOT. The speculator gathers them up and is no doubt holding for advanced value.

Mr. WALSH of Montana. And he goes to the Treasury and actually gets the silver on them?

Mr. SMOOT. He can go to the Treasury and get silver dollars.

Mr. WALSH of Montana. Can the Senator tell us how much actual coin has been thus withdrawn from the Treasury?

Mr. SMOOT. I will state to the Senator before I get through just what silver has been exported from the United States since the passage of the so-called Pittman Act; and really, I want to say in passing, I had no idea that there had been so much exported.

Mr. THOMAS. Mr. President, I hope the Senator will give the country assurance that we are not going on the silver basis. We know what that means, if the arguments that we have heard in this Chamber for so many years be sound.

Mr. SMOOT. Mr. President, I am not going to be drawn into a question of "16 to 1" at this particular time.

Mr. THOMAS. "Sixteen to one" no longer exists. It is about 15 to 1 or 14½ to 1.

Mr. SMOOT. Mr. President, I call attention now to the classification of $1 and $2 bills as they exist to-day in the Treasury of the United States and in circulation throughout the country:

United States notes (legal tenders)	$152,560,518
Treasury notes of 1890	525,832
Federal reserve bank notes	220,865,800
National-bank notes	505,464
Silver certificates	121,869,917
Total	496,327,531

The act of April 23, 1918, commonly known as the "Pittman Act," authorizes the Secretary of the Treasury to melt or break up silver dollars, and section 5 of that act provides "that in order to prevent contraction of the currency the Federal reserve banks may be either permitted or required by the Federal Reserve Board, at the request of the Secretary of the Treasury, to issue Federal reserve bank notes, in any denominations—including denominations of $1 and $2—authorized by the Federal Reserve Board, in an aggregate amount not exceeding the amount of standard silver dollars melted or broken up and sold

as bullion under the authority of this act, upon deposit as provided by law with the Treasurer of the United States as security therefor, of United States certificates of indebtedness, or of United States one-year gold notes."

With the exception of about $9,000,000 of Federal reserve bank notes which had been issued previously under authority of section 4 of the Federal reserve act, the Federal reserve bank notes outstanding at present have been issued under authority of the Pittman Act, under which act alone is any provision made for the issue of Federal reserve bank notes in $1 and $2 denominations.

During the past two years there has been a heavy demand for silver, principally from oriental countries, which resulted in an exportation of silver from April 23 to December 31, 1918, amounting to $258,209,000.

From January 1 to October 31, 1919, exports of silver from this country amounted to $167,335,000, being total exports of $425,544,000 since the Pittman Act became a law on April 23, 1918. To this amount, of course, should be added the figures for November, which are not yet available.

The demand for silver has resulted in a marked increase in the price of silver bullion, and quotations during the past week have ranged between $1.29 and $1.37½ per ounce, and the average maintained was considerably above $1.2929, which is the coinage value. In consequence of the enhancement in the value of silver metal, silver dollars can now be exported at a profit, and silver certificates, which are redeemable in silver dollars, have practically disappeared from circulation.

Mr. THOMAS. Mr. President——

Mr. SMOOT. I yield to the Senator.

Mr. THOMAS. May I ask the Senator whether this melting process under the Pittman Act still continues?

Mr. SMOOT. Not as far as our Government is concerned; but I want to say to the Senator that silver dollars have been exported from the United States outside of what the Government has exported.

Mr. THOMAS. The Pittman Act, as of course the Senator knows, was an emergency war measure.

Mr. SMOOT. Yes; and I will say to the Senator that the Government has lived strictly within the terms of the so-called Pittman Act. I was going to advise the Senator just exactly the number of silver dollars that have been sold for exportation under the Pittman Act, but I am quite sure I covered that in my statement.

Mr. THOMAS. I think the Senator did cover it.

Mr. SMOOT. As Federal reserve bank notes in denominations of $1 and $2 can not be issued in sums exceeding the amount of silver dollars broken up and exported, and as the silver certificates, for the reason above stated, are no longer available for purposes of circulation, there has developed an unprecedented shortage in paper currency of the denominations of $1 and $2.

Mr. WALSH of Montana. Mr. President, before the Senator goes further and leaves the other branch of the matter, I desire to inquire of him if his figures show just exactly how much silver was sold under the Pittman Act, and how much was actually drawn from the Treasury by the surrender of silver certificates?

Mr. SMOOT. Mr. President, I did not get that information from the department, and really, I will say to the Senator, I did not think of asking for it. The last report I saw from the department showed about $152,000,000——

Mr. WALSH of Montana. Of what?

Mr. SMOOT. Of silver dollars that had been withdrawn from the Treasury for exportation.

Mr. WALSH of Montana. Upon the surrender of silver certificates?

Mr. SMOOT. Upon the issuing of Federal reserve bank notes. That silver has been exported to Japan and China principally, and some to India.

Mr. WALSH of Montana. I may be confused about this matter, but my understanding is that silver certificates are issued upon the deposit of silver in the Treasury.

Mr. SMOOT. The Senator will remember that under the Pittman Act Federal reserve bank notes in denominations of $1 and $2 can not be issued in sums exceeding the amount of the silver dollars broken up and exported. In other words, the Pittman Act authorized the taking of silver dollars from the Treasury of the United States, breaking them up, and exporting them, and issuing for the amount taken out Federal reserve bank notes.

Mr. WALSH of Montana. Exactly; I understand that perfectly well.

Mr. SMOOT. I will say to the Senator that I think there are about 152,000,000 dollars so broken up and exported.

Mr. WALSH of Montana. That is all right. I appreciate perfectly that the Pittman Act authorized the disposition of so much silver in the Treasury; that was authorized by Congress, and we must assume whatever responsibility there is in that. But I am not concerned about that. What I would like to know is to what extent the other process has gone on, namely, the picking up of silver certificates and the withdrawal of silver from the Treasury by the deposit of silver certificates, because if that were going on to any considerable extent I am surprised that the Director of the Mint did not communicate with Congress and apprise us of the fact.

Mr. SMOOT. I can say this to the Senator, that in the Treasury of the United States on November 1, 1918, there were silver certificates amounting to $315,732,826.

Mr. WALSH of Montana. Not silver certificates, but silver?

Mr. SMOOT. Silver certificates. I am speaking of silver certificates now, but for every silver certificate issued there was silver deposited in the Treasury to cover the same.

Mr. WALSH of Montana. The Senator means silver certificates out?

Mr. SMOOT. On November 1, 1919, those silver certificates had decreased from $315,732,826 to $156,135,714. So at least within that year there was the difference between the $315,000,000 and the $156,000,000 that had been withdrawn.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Nevada?

Mr. SMOOT. I yield to the Senator.

Mr. PITTMAN. Is it not a fact, however, that when the silver certificates, which were represented by the silver dollars that were melted up, came in, they were canceled, and then the securities of the Federal reserve notes were reduced to that extent? Was not that the process?

Mr. SMOOT. Yes; that is as the act provides. A large and immediate additional supply of these bills is absolutely necessary for industrial and commercial purposes. The Treasury has on hand an adequate supply of United States notes, or legal tenders, of the denominations of $1 and $2, but can issue them only in exchange for unfit notes or for notes of larger denominations. There are outstanding United States notes, or legal tenders, of denominations above $2, $175,453,466, which are held in large part by the banks because of their legal-tender quality.

The bill that I have just introduced provides that the United States gold certificates payable to bearer on demand, which are and must always be secured 100 per cent by gold coin or bullion held in the Treasury or Subtreasuries of the United States, be made legal tender for all dues, public and private. The Federal Reserve Board has given its hearty indorsement to this proposition, and the Secretary of the Treasury strongly favors action of this kind.

The passage of the bill would not change in any way the present reserve situation, for section 19 of the Federal reserve act provides that all lawful reserves of member banks must be carried not in cash in their own vaults but exclusively in the shape of collected balances with the Federal reserve banks. The bill does not propose to give the legal-tender quality to $10,000 gold certificates, which are payable to order, and of which there are $654,670,000.

Remember, the bill only gives a legal tender to the gold certificates that are payable to bearer on demand, or those of denominations under $10,000.

Mr. THOMAS. May I not ask the Senator whether those certificates have not the legal-tender quality? The gold certificates were very common in our circulation prior to the war.

Mr. SMOOT. The gold certificates are not a legal tender.

Mr. THOMAS. Neither is the silver certificate, but everybody takes it.

Mr. SMOOT. In ordinary business transactions, yes; but there is this about it, I will say to the Senator. It has occurred time and time again, where a contract has been made between a bank and an individual, or between individuals, the payment to be in legal tender, those contracts have failed on account of the party offering checks; many times they have failed on account of the party offering silver or gold certificates, and if the party who made the contract desired to get out of it, of course he could then immediately say that his contract had not been fulfilled, the party not having offered legal tender.

Mr. THOMAS. I, of course, accept the Senator's statement.

Mr. SMOOT. I assure the Senator they are not legal tender.

Mr. THOMAS. I think that may be true; in fact, I accept the Senator's statement that it is true; but in all my experience

I never before heard of a refusal to accept a gold certificate in payment of a debt or the cancellation of an obligation.

Mr. SMOOT. I will say to the Senator that the Treasury Department assures me, and I have always understood it to be the case, that wherever there is a contract, and one of the parties to the contract desires to get out of it, unless legal tender is offered in full payment for the contract the party desiring to get out of it has the right under the law to do so.

Mr. President, the gold certificates, I wish to say here in passing, amount to $1,463,972,069 to-day. There are $800,284,057 of them held in the Treasury, and there are $239,248,280 held by Federal reserve agents. As I stated before, there are $654,670,000 that are payable to order. The balance of them are payable to bearer on demand.

The net amount of gold certificates in circulation is $424,439,732, the denominations of which range from $10 to $5,000. As these certificates are receipts of the Government for gold deposited with it, and as each certificate must be redeemed in gold on demand, there seems to be no good reason why a gold certificate payable to bearer on demand and which can command the actual gold at any time should not be made a legal tender for all public and private dues.

Should the bill become a law, the banks would no longer have any object in holding the United States legal-tender notes, and would, without doubt, immediately release them to the Treasury in exchange for $1 and $2 notes. The supply of gold certificates would be more than ample for the needs of those desiring to make legal tenders on contracts or debts, and the gold certificates would be found much more convenient for this purpose than gold coin itself.

I would like to see a prompt passage of the bill, for, as already stated, the need for additional currency of $1 and $2 denominations is most imperative, and the business and industry of the country will be seriously hampered if this need is not supplied at once.

I may say, in conclusion, that while the present price of silver makes the circulation of silver certificates and silver dollars impossible, the advance has not been sufficiently great as to interfere with the subsidiary silver coinage, for the relative silver content of a half dollar and smaller coins is less than that of the dollar. The price of silver would have to advance to above $1.38 an ounce in order to make the melting of subsidiary coins profitable.

Mr. President, I have taken a little longer in making this statement than I had anticipated.

Mr. THOMAS. Do I understand the Senator to ask unanimous consent for the consideration of the bill?

Mr. SMOOT. No; I ask that it be referred to the Committee on Banking and Currency, and I hope the Committee on Banking and Currency will immediately report the bill to the Senate and ask unanimous consent for its consideration.

Mr. THOMAS. Mr. President, if they consider the sound-money sentiment of the Nation, and its insistence upon the use only of gold in payment of debts as long as gold is worth more than silver, I trust that the committee, when the bill is reported back, will have stricken out the word "gold" in the proposed bill and inserted the word "silver," because we can not afford, Mr. President, under any circumstances, to even seem to authorize the payment of either public or private debts in a depreciated currency.

The VICE PRESIDENT. The bill will be referred to the Committee on Banking and Currency.

SENATE PAGES.

Mr. LODGE submitted the following resolution (S. Res. 239), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms of the Senate be, and he hereby is, authorized and directed to employ five additional pages for the Senate Chamber at $3 per day each during the second session of the Sixty-sixth Congress, to be paid from the miscellaneous items of the contingent fund of the Senate.

MRS. FANNY M'FALL.

Mr. McKELLAR submitted the following resolution (S. Res. 240), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Mrs. Fanny McFall, widow of John McFall, late a policeman in the employ of the United States Senate, a sum equal to six months' compensation at the rate he was receiving by law at the time of his last illness, said sum to be considered as including funeral expenses and all other allowances.

PROHIBITION AMENDMENT.

Mr. JONES of Washington. I offer a Senate resolution and ask for its immediate consideration. It is a resolution asking for information from one of the departments.

The resolution (S. Res. 241) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of State is hereby directed to transmit to the Senate at his earliest convenience a statement showing the States which have ratified the eighteenth amendment to the Federal Constitution and the dates of such ratifications, according to official documents on file in the Department of State.

DOCUMENT ON BOLSHEVISM.

Mr. JONES of Washington. I offer a concurrent resolution, which I ask to have read.

The concurrent resolution (S. Con. Res. 19) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That that part of Senate Document No. 61, first session, Sixty-sixth Congress, under the heading "Bolshevism" and found from page 27 to the close of the first paragraph on page 43 of said document, be printed as a public document, and that 12,000,000 copies thereof be printed, 4,000,000 copies for the use of the Senate and 8,000,000 copies for the use of the House of Representatives, to be paid for one-half from the contingent fund of the Senate and one-half from the contingent fund of the House.

Mr. JONES of Washington. Just a word, Mr. President. I believe that one of the most effective methods of meeting Bolshevism is to let the people know clearly what Bolshevism is. In the last Congress a committee of the Senate made a full and thorough investigation of the subject, under the chairmanship of the Senator from North Carolina [Mr. OVERMAN]. This committee stated fully, clearly, and concisely the fundamental principles of Bolshevism, and what it is. I believe that if the people of the country could have access to that part of that report, it would go a long way to do away with the teaching of Bolshevism in this country. One of the leading attorneys of my State, Judge Howard, got a copy of this report a short time ago and is now organizing his county in the State of Washington and holding meetings and using this document as the basis of his addresses, and he states that the impression it creates is something wonderful. The people do not really know what Bolshevism is. This report shows it clearly; and I think we could not spend a little money better than to have that part of the report printed as a public document in such numbers as to make it available all over the country.

For that reason I have offered this resolution, and I ask that it may be referred to the Committee on Printing.

Mr. WILLIAMS. Mr. President, I understand that the Senator is not making a request for unanimous consent to have this concurrent resolution considered at this time.

Mr. JONES of Washington. Oh, no.

Mr. WILLIAMS. The Senator is merely asking that it be referred to the Committee on Printing?

Mr. JONES of Washington. Yes.

Mr. WILLIAMS. I have no objection to that; but in that connection, Mr. President, it strikes me that when you come to a matter of this sort, it has been published in the newspapers of the United States substantially, nearly all that is worth publishing, the salient points at any rate, and to convert the United States Government into a gigantic printing machine for the dissemination of information as to what constitutes Bolshevism seems to me just to help the Bolshevists spread their own propaganda. I hope that the Printing Committee will bring in an unfavorable report. I agree precisely with one of the great statesmen of America; I am never afraid of error as long as reason is left free to combat it; but I would rather that error would publish its own errors and that the Government should have nothing to do with it.

Mr. JONES of Washington. The Senator certainly misapprehends the purpose of this concurrent resolution and misapprehends the character of the report that the committee made. The Senator from North Carolina did not print in that report what the Bolshevist could use to his advantage—not at all.

Mr. WILLIAMS. I understood the Senator from Washington to say that the object of the introduction of his concurrent resolution was to expose what Bolshevism really is from the utterances of the Bolshevist and from the standpoint of the Bolshevist.

Mr. JONES of Washington. Oh, no; the Senator is mistaken in that. It is to show what it is from the report of this committee, headed, as I say, by the Senator from North Carolina [Mr. OVERMAN]. They pointed out in about 10 or 12 pages clearly what it is, what the effect of it is, and what it leads to.

Mr. WILLIAMS. I simply misunderstood the Senator, partially, at any rate, and that was not his fault. It was not, in a higher sense, my fault, either. It was physically unavoidable with my deafness, coupled with the noise in the Chamber.

The VICE PRESIDENT. The concurrent resolution will be referred to the Committee on Printing.

CHILDREN OF FOREIGN PARENTAGE.

Mr. JONES of Washington submitted the following concurrent resolution (S. Con. Res. 18), which was referred to the Committee on the Judiciary:

Resolved by the Senate (the House of Representatives concurring), That the following article is hereby proposed to the several States as an amendment to the Constitution, which shall become valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE 19.

"SECTION 1. No child hereafter born in the United States of foreign parentage shall be eligible to citizenship in the United States unless both parents are eligible to become citizens of the United States."

AMENDMENT OF THE RULES.

Mr. CURTIS. I send to the desk a notice which I ask may be read.

The VICE PRESIDENT. The notice will be read.

The Secretary read as follows:

I hereby give notice that on Thursday, December 4, 1919, I shall propose the following amendment to the Standing Rules of the Senate:

"*Resolved*, That Rule XIX of the Standing Rules for Conducting Business in the Senate of the United States be amended by adding the following proviso at the end of the first paragraph of said rule, to wit:

"*Provided*, That after any question has been considered upon 5 separate calendar days, or when any question has been debated for 10 consecutive hours, it shall be in order for any Senator to rise to a question of privilege and move to close all debate and vote at a fixed time upon the pending question before the Senate after 3 hours' additional consideration. Said motion shall be submitted to the Senate and shall be determined by a yea-and-nay vote. If a majority of the Senators present vote in favor of the motion, it shall be declared carried, debate shall close, and a vote taken upon the question as provided in the motion. If less than a majority vote for the motion, the same shall be declared lost."

Mr. KELLOGG. I give the notice in writing which I send to the desk and ask to have read.

The VICE PRESIDENT. The notice will be read.

The Secretary read as follows:

I hereby give notice that on Thursday, the 4th day of December, 1919, I shall propose the following amendment to the Standing Rules of the Senate:

"*Resolved*, That Rule XIX of the Standing Rules for Conducting Business in the Senate of the United States be amended by adding the following proviso at the end of the first paragraph of said rule, to wit: '*Provided*, That after any measure has been considered upon three separate calendar days, or has been debated for six consecutive hours, no Senator shall speak more than one hour in the aggregate upon any such measure and any amendment thereto and any motion affecting the same.'"

TREATY OF PEACE WITH GERMANY.

Mr. CUMMINS. I offer a Senate resolution, which I ask to have read and lie over under the rule.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 242) was read, as follows:

Resolved, That the President be requested to furnish to the Senate, if compatible with the public interest, copies of all written communications, if any, and the substance of all verbal communications, if any, between the United States and either Great Britain, France, Italy, or Japan respecting the conditions and reservations adopted by the Senate and contained in the resolution of ratification of the treaty of peace with Germany concluded at Versailles on the 28th day of June, 1919, and voted upon in the Senate on the 19th day of November, 1919.

Mr. WILLIAMS. The resolution goes to the Committee on Foreign Relations, does it not?

Mr. CUMMINS. I asked that it lie over until to-morrow.

Mr. WILLIAMS. Very well.

The VICE PRESIDENT. The resolution will lie over under the rule and be printed.

THE LABOR SITUATION.

Mr. THOMAS. Mr. President, on the 22d day of November I received a communication from Mr. Samuel Gompers, president of the American Federation of Labor, inclosing a typewritten document which he requested me to make some comments upon, and also to make it a part of the CONGRESSIONAL RECORD, in view of the fact that I had previously read into the RECORD certain correspondence with the Attorney General of the United States relating to comments upon an alleged construction of the law known as the Lever Act. I have complied in part with Mr. Gompers's request by making some comments upon this document, and I now ask unanimous consent to have inserted in the RECORD some communications, together with my comments thereupon, and also that they be printed in the larger type.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

WASHINGTON, D. C., *November 22, 1919.*

Hon. CHARLES S. THOMAS,
Senate Office Building, Washington, D. C.

SIR: Inclosed you will find a typewritten document which I have prepared and expect to read this evening at an open meeting in this city, with some brief introductory remarks and some comments at the conclusion of the reading. Your name or your activities are mentioned or referred to in the document.

The whole of the matter refers to the Lever Act for food control, when that act was in the making. I think it will interest you, and I shall be pleased if you can not only read it carefully but give me your comments thereon.

The statements contained in the document are called forth by the action of the Department of Justice in the case brought against the miners.

You read into the RECORD correspondence with the Attorney General, Mr. Palmer. I ask if you will pursue the course of justice in having the inclosed statement also made part of the RECORD.

Very truly, yours,

SAML. GOMPERS,
President American Federation of Labor.

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PAPER PREPARED AND READ BY SAMUEL GOMPERS AS PART OF HIS ADDRESS AT A PUBLIC MASS MEETING HELD UNDER THE AUSPICES OF THE CENTRAL LABOR UNION AT TYPOGRAPHICAL TEMPLE SATURDAY EVENING, NOVEMBER 22, 1919, WASHINGTON, D. C.

(Released November 22, at 8 p. m.)

"November 9, 1919, the executive council of the American Federation of Labor issued a statement concerning the injunction granted by Judge Anderson ordering the officers of the United Mine Workers to call off a strike of miners. In that statement appears the following:

"'Both the restraining order and the injunction, in so far as its prohibitory features are concerned, are predicated upon the Lever Act, a law enacted by Congress for the purpose of preventing speculation and profiteering of the food and fuel supplies of the country. There never was in the minds of Congress in enacting that law, or in the mind of the President when he signed it, that the Lever Act would be applied to workers in case of strikes or lockouts.

"'The food controller, Mr. Hoover, specifically so states.

"'Members of the committee having the bill in charge have in writing declared that it was not in the minds of the committee, and the then Attorney General, Mr. Gregory, gave assurance that the Government would not apply that law to the workers' efforts to obtain improved working conditions. Every assurance from the highest authority of our Government was given that the law would not be so applied.'

"November 12, former Attorney General Gregory was quoted in the press as having made denial that he had given Secretary Morrison and me the assurances referred to. The press report is as follows:

"'Former Attorney General Gregory denied in a statement here to-day that he had given assurances to labor leaders that the Lever Act would not be enforced against their organizations in attempts to better working conditions, as asserted by officers of the American Federation of Labor.

"'While Attorney General I did not at any time give assurances to anyone that any law would not be enforced against any class of citizens,' he said. 'I gave no assurances that the Government would not seek to enforce the Lever Act.'

"WHAT OCCURRED DURING THE PASSAGE OF THE BILL.

"When the food bill was introduced in the House it was thus explained by Representative Lever, its author, in an interview in the New York Times of May 20, 1917:

"'Never was such a drastic bill drawn. The President has given his word that it is only a war measure and that it ceases to be in effect when the war is over. It is framed simply to safeguard the Nation's food supply for its own use and for whatever we can do for our allies while we are fighting the war out.'

"When the bill came up for action, Representative Keating, on behalf of labor, urged an amendment providing that nothing in section 4 should be construed as repealing sections 6 and 20 of the Clayton Act.

"June 22, 1917, this debate was held in the House between Represenatives Lever and Keating, as reported by the CONGRESSIONAL RECORD, page 4396:

"'Mr. LEVER. * * * We do not believe—and the matter was thoroughly discussed in the Committee on Agriculture—that this section in any wise serves to repeal or amend in the least particular either the Clayton Antitrust Act or any other act which deals with the right of men to strike for purposes of increasing their wages or bettering their living conditions. We do not believe that this affects that in the least.

"'Mr. KEATING. Let us get the issue cleared up. Let us get a concrete case. Suppose that men engaged in work on the railroads of the country—we will say the telegraph operators on a particular line in this country—decided to strike. Is it the object of the gentlemen, and is it the object of this bill, that

the power shall be vested in some one to compel those men to go back to work? Let us face the issue squarely, and if this is not your purpose why not adopt this amendment?

"'Mr. LEVER. I am glad to face the issue squarely. If there were such a combination to strike for the purpose of bettering living conditions or increasing wages, there is no purpose in this bill, and there is no authority in this bill, to prevent it.'

"The following day this statement was made by Representative Keating and a letter read from Food Administrator Hoover: (CONGRESSIONAL RECORD, June 23, 1917, p. 4515.)

"'Mr. KEATING. Mr. Chairman, this amendment is the one I offered the other day to section 4 of this bill. At that time I made it apply exclusively to section 4. In its present form it applies to the entire bill. When my amendment was before the House the other day, the contention was made that I was seeking to have farmers' organizations and labor organizations exempted from the operation of this bill. I want to impress on the Members of the House that I am not seeking any exemption for any class. Neither the farmers nor the members of labor organizations, so far as this amendment is concerned, are granted exemption from the provisions of the bill. The sole object of this amendment is to clarify the bill. The chairman of the Committee on Agriculture has assured us that it was not the purpose of the framers of the bill to interfere in any way with section 6 and section 20 of the Clayton antitrust law. Mr. Hoover, who will be called upon to administer this act, in a conference held a week or two ago with representatives of all the great labor organizations of the country, confirmed this view and suggested the amendment which I have offered.' On that point the chairman of the Committee on Agriculture, Mr. Lever, has requested me to read the following memorandum which he has received from Mr. Hoover:

"'MR. HOOVER'S MEMORANDUM FOR MR. LEVER.

"'WASHINGTON, D. C., *June 22, 1917.*

"'The labor representatives are very much exercised over the possible reading of the food-control bill to stretch to control of wages, and they suggest that an amendment may be made providing that the labor provisions of the Clayton Act should not be affected by the proposed bill. I understand that Mr. Keating proposed this amendment and it was defeated.

"'It appears to me that there is no intention in the bill to interfere, and I believe it might silence a great deal of criticism and opposition which might be raised in the Senate if this amendment could be undertaken. I do not wish to impose my views upon you, but simply to suggest that as it is not the intention of the bill to regulate wages it might do no harm to satisfy this element in the community that they are immune from attack.

"'Yours, faithfully,

"'HERBERT HOOVER.'

"During the meeting of the executive council of the American Federation of Labor, June 25–27. I called the attention of the members to the efforts made to have the Lever bill passed. A circular had been sent to all affiliated organizations urging them to appeal to Members of Congress. I herewith submit a copy of that portion of the minutes of the executive council pertaining to the subject:

"'President Gompers informed the executive council relative to the action taken by the officers of the American Federation of Labor to secure the enactment of the Lever bill before the 1st of July, 1917. He said in going over the bill there is a clause which might be construed to be conspiracy if a strike occurred.

"'President Gompers informed the members of the executive council that an amendment offered by Representative Keating, providing that no part of the Lever bill should annul sections 6 and 20 of the Clayton law, was defeated. President Gompers stated he believes that the amendment could be adopted in the Senate. It was decided that President Gompers draft a statement upon the amendment to be used to secure its adoption by the Senate.'

"A letter was sent to all Senators and Representatives urging that this amendment be adopted:

"'*Provided*, That nothing in this act shall be construed to repeal, modify, or affect either section 6 or 20 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914.'

"Senator Hollis presented this amendment in the Senate, and it was adopted. When the bill went to conference it was stricken out. August 6, 1917, Senator Hollis called the attention of the Senate to the danger of eliminating the amendment. He read the amendment, and then this colloquy took place (CONGRESSIONAL RECORD, Aug. 6, 1917, p. 6401):

"'Mr. SHEPPARD. Does not the Senator think that, if necessary, such an amendment can be enacted subsequently as substantive and independent legislations?

"'Mr. HOLLIS. I think it might, but I should dislike to undertake the contract of getting it through both Houses at this time. I think the situation may be so serious that the administration will have to take hold and insist on having it passed. If so, it will go through; otherwise I doubt if it could be put through.'

"On Monday, August 6, 1917, this statement regarding the right of labor to strike was made in the Senate (CONGRESSIONAL RECORD, Monday, Aug. 6, 1917, p. 6403):

"'Mr. CHAMBERLAIN (Senator in charge of the bill). * * * Mr. President, there is not anything in the act, it seems to me, that would prevent labor organizations from peaceful picketing or the peaceful strike if they see fit to indulge in it; and, while, as I said, I did not vote against the Senator's amendment, and I do not recall having been with the conferees when it was receded from, I would not have hesitated to do so in conference, because I think it unnecessary. It was insisted upon by the Senate conferees for quite a while, and finally went out. I really do not know how many days it had been in conference before the Senate conferees finally receded. But, Mr. President, I have not any fear that in the administration of the food law anything would be attempted by the President or by the agencies which he has power to create under the act to prevent any labor or other organization from doing in a peaceful way all that they can now do under the Clayton law to protect themselves and their rights without any saving clause in the bill under consideration. It is not necessary in this bill in order to protect rights.'

"The defeat of the amendment caused me to call the matter to the attention of the joint meeting of the advisory commission and the Council of National Defense held August 6, 1917. Those present at the meeting were Secretary of Navy Daniels, Secretary of Commerce Redfield, Secretary of Labor Wilson, Mr. Willard, Dr. Martin, Mr. Godfrey, Mr. Rosenwald, Mr. Coffin, and Mr. Gompers. The minutes of the meeting show:

"'Commissioner Gompers expressed concern over statements that had come to his attention in connection with the pending food bill, indicating that it was the intention of certain elements influential in its framing to prevent all strikes, and that it was intended that the enactment of the law should have that effect. Mr. Gompers stated that he brought the matter to the council for its very serious consideration. On motion of Secretary Redfield it was agreed that the matter should be brought by the acting chairman to the attention of the President.'

"After returning to my office, August 6, 1917, I dictated to my secretary, among other things, this memoranda of the meeting:

"'I stated that I had within a few minutes of the meeting been informed that the amendment, offered by Senator Hollis to the food-administration bill, providing that nothing in the bill should be construed to be a repeal or modification of sections 6 and 20 (labor provisions of the Clayton Act), was defeated.

"'The Council of National Defense and advisory commission adopted a motion that the acting chairman, Mr. Daniels, be empowered and requested to present the matter—that is, the Hollis amendment and the Lever statement—to the President at the Cabinet meeting to-morrow, Tuesday. Each member of the council expressed the hope and confidence that I need have no apprehension on that score. Mr. Willard arose and stated he was in hearty accord with me on my position upon the subject of the unwisdom of trying to make strikes unlawful.

"'I should add that when I made my protest I also said: "Gentlemen, I am not going to embellish what I am going to present to you or say an unnecessary word, nor am I going to argue it. I am merely presenting to you my protest, my apprehension, in as concise and plain a manner as I possibly can."'

"The same day—August 6, 1917—I had a telephone conversation with Secretary of Agriculture Houston. My stenographer took down my part of the talk with the Secretary, as follows:

"'Mr. GOMPERS. This morning while I was in attendance at the meeting of the advisory commission Assistant Secretary of Labor, Mr. Post, called me up and he stated that a Senator, whose name he did not mention, had made a similar statement to him in regard to the amendment of Senator Hollis—that is, that the labor provisions of the Clayton antitrust law should in no wise be repealed by reason of the enactment of the food bill, and the Senator wanted to know my understanding and judgment upon the question.

"'I answered in two parts: One, that in my judgment it was not in good taste for either the Senate or the House to refuse to adopt just that proviso in order to safeguard the interests

of the rights of the working people, and that there will be some considerable feeling on account of it. However, that since the Supreme Court of the United States, in a recent decision, had declared that no private individual or corporation could bring suit under the Sherman antitrust law, that it would devolve upon the Government if the Senator would make some such utterance in the Senate and base it upon the decision of the Supreme Court. I think it would be all right. In my judgment, of course, the needs of the country at the time require that the food bill be passed and I shall not say a word about it.'

"The next day, August 7, 1917, I had two telephone talks with Secretary of Labor Wilson, who called me up, one of them giving in detail a conference with President Wilson. Afterwards, on that same day, I dictated this memoranda to my secretary:

"'Secretary of Labor, Mr. Wilson, called me up saying he was going to have a special interview with the President right away on the Lever bill. He said that after his examination of the provisions of the bill to which I called the attention of the Council of National Defense yesterday he was fully convinced that the interpretation which I placed upon the language was justified; that is, that it would make strikes unlawful and punishable by imprisonment for two years. He said he had made up his mind to try and present the matter direct to the President early this morning, and he had made arrangements for that purpose; that he would call me up after the conference with the President. At 1.15 this afternoon Secretary Wilson called me up and stated that he had had the interview with the President and brought the matter to his attention. The President said that perhaps the language of the bill might be so construed as I stated to the Secretary of Labor, Mr. Wilson, and believed by him, but that yet it was with those who were handling products rather than those who were engaged in their production or distribution in the form of labor; that the situation with food products of the country was such that millions were being taken from the people every day unnecessarily and improperly, although there is not now a law to prevent it or to regulate it; that the need for the food administration law is imperative, and that any effort now to have the bill recommitted to conference committee for the insertion of the amendment coming to be known as the Hollis amendment would delay the enactment of this, play into the hands of the speculators and exploiters, that after all the prosecution under the bill when it becomes law will depend upon the district attorneys, and that instructions could go forward and would from the Attorney General's office to the various district attorneys, instructing them not to bring cases against workmen in contravention to the provisions of the Clayton law; that he believed it would be a wise thing to have the Hollis amendment presented and passed by the Congress as a separate measure after the food administration bill has been passed and become law.

"'I asked the Secretary whether we can count upon the assistance of the President in furtherance of such a bill. He said that the President would assist. Secretary Wilson then asked me whether I would help under these circumstances to remove any obstacle in the way of the enactment of the food-administration bill, and I said that I would.

"'At 1.45 the Secretary called me up over the phone and stated that he was called up by Senator Husting in regard to the provisions of the food bill and the provisions in the bill which would make strikes unlawful. The Secretary stated he had talked with me and he had an interview with the President, and the Senator expressed the view that he did not believe that the bill, when enacted, could be interpreted to apply to strikes of workmen, but that in any event the situation was such that the speculators had gotten ahead of the Government; that he believed it would be best for the bill to be enacted as it now stands and immediately pushed for passage, consisting of Senator Hollis's amendment. The Secretary told Senator Husting of the result of the talk with the President and with me, and that he believed that all objections would be removed to the passage of the bill, and he said he had already told him I would place no obstacle in the way of the passage of the bill with that assurance. He asked me whether that statement was correct, as he had made to Senator Husting, and I informed him that it was.'

"A conference held with Attorney General Gregory by Secretary Morrison and me brought forth the same information. The Attorney General said that he would write the district attorneys not to construe section 4 as interfering in any way with the normal activities of labor.

"The telephone talks between Secretary of Labor Wilson and me were corroborated effectively August 8 when Senator Husting, with whom the Secretary had conversed, told of the statement made by the latter. Senator Husting's statement later in the Senate August 8 also clinches the fact that the President of the United States was quoted correctly when the claim was made that he had indorsed the statement of Attorney General Gregory by saying:

"'That after all prosecution under the bill when it becomes law will depend upon the district attorneys, and that instructions could go forward and would from the Attorney General's office to the various district attorneys, instructing them not to bring cases against workmen in contravention to the provisions of the Clayton law.'

"During the debate in the Senate August 8 the following dialogue took place (CONGRESSIONAL RECORD, p. 6481):

"'Mr. HUSTING. * * * I voted for the Hollis amendment to the bill, which provided that the provisions of the bill should not be construed to prevent strikes or peaceful picketing or in any way amend or repeal the provisions of the Clayton Act. I would not favor the clause striking out this amendment if I thought it had that effect. I do not think it has that effect.

* * * * * * *

"'I was sufficiently interested, however, in the argument made by the Senator from New Hampshire and by arguments already made upon the legal effect of striking out the Hollis amendment to inquire from those who will have the administration of this law in their hands as to what construction would be placed upon it by them in the event that it became a law in its present form.

"'I am authorized by the Secretary of Labor, Mr. Wilson, to say that the administration does not construe this bill as prohibiting strikes and peaceful picketing and will not so construe the bill and that the Department of Justice does not so construe the bill and will not so construe the bill.'

* * * * * * *

"'Mr. REED. Will the Senator then say to us why the amendment, which would have removed any necessity for construction or any doubt, was stricken out?

"'Mr. HUSTING. I can not answer that question with authority, but I understand it was stricken out because it was not thought necessary or essential; that it had no effect whatever. I think it would have been wiser to have left it in, but it was stricken out. I understand, upon the argument that it could not legally be construed in that way and that it was surplusage or redundancy.

"'Mr. REED. Has the Senator talked with the Attorney General?

"'Mr. HUSTING. I will say that I have not. I have not talked with the Attorney General. However, I can say that the Secretary of Labor advised me that this was the opinion of the administration and the Department of Justice. He did not give it merely as a matter of belief on his part, but said that he was authorized to so state.

"'Mr. REED. Now, may I ask one further question? Suppose that a complaint should be filed in a court of the United States charging a violation of this act and that the case was lodged in court and the judge of the court should hold that under the charge made a violation of the law had occurred, is the Senator prepared to say to the country that the Attorney General has stated that under such circumstances as that he would nullify the law and undertake to control the court?

"'Mr. HUSTING. Mr. President, I can not say anything further than what I have already said. I do not presume any United States district attorney will prosecute any person under this law contrary to the interpretation placed upon the law itself by a superior officer.

"'Mr. LEWIS. * * * I am advised * * * that the provisions we placed in the Federal Trade Commission act in the closing days of its consideration * * * to the effect that there shall not be prosecution of farmers' organizations or members thereof or of labor organizations or members thereof for any of the acts to which we particularly addressed ourselves as criminal concerning commercial bodies, would exclude the prosecutions of which the Senator from New Hampshire had such a sincere fear.

"'Mr. HUSTING. Mr. President, that is my belief, I will say to the distinguished Senator from Illinois; that is my view of it; and not only is it my view but, as I said before, it is the view of the administration, and I am advised is also the view of the Department of Justice and of every eminent and able attorney on the floor.'

"That a promise had been made that a separate bill embodying the amendment that the law should not 'modify or amend or repeal the Clayton Act' is established in the following statement made in the Senate August 8 (p. 6482, CONGRESSIONAL RECORD):

"'Mr. HUSTING. * * * But it appears here from the debate that many Senators have taken the view that this measure does not modify or amend or repeal the Clayton Act. So the

action of many Senators and their votes will be based upon the assumption that it does not so modify, amend, or repeal that act, and the fact that others do think so will have no other effect than to put their opinion against the opinion of those who believe otherwise. * * * If there is any division of opinion here upon the question of what effect this proposed legislation will have on the antitrust laws, let a bill be introduced embodying the Hollis amendment, and let it go through both Houses, as I think it will without much opposition. Then all uncertainty will be swept away. But notwithstanding that this bill is not exactly as I would have it if I had the writing of it, it is necessary to pass this bill at once.'

"While the discussion over the Hollis amendment was at its height the Supreme Court gave an opinion in the case of the Paine Lumber Co. against Neal. It was held by the court that private individuals could not institute legal proceedings under antitrust legislation. This encouraged the officials of labor in the belief that the striking out of the Hollis amendment would not work to the injury of labor, as only the Government could institute prosecutions, and the Government had given assurance it would not. And, as the President and the Attorney General of the United States had said there would be no prosecutions by the Department of Justice, labor felt safe. This feeling was expressed by me in a telegram to Ernest Bohm, secretary of the Central Federated Union of New York, who had asked for information regarding the antistrike clause. The telegram said:

"'WASHINGTON, D. C., *August 9, 1917.*

"'American Federation of Labor did not delay passage of Food Administration measure for following reasons: Under the interpretation of United States Supreme Court in the case of the Paine Lumber Co. against United Brotherhood of Carpenters it was held that private individuals could not institute legal proceedings under antitrust legislation. Only the Government could take action. Sundry civil appropriation laws contain provisions that no appropriation for judiciary can be used to prosecute labor organizations under antitrust legislation. High authority has given assurance that section 4 of Food Administration act would not be interpreted to apply to normal and necessary activities of trade-unions. The proviso suggested by American Federation of Labor that section 4 should not be interpreted to repeal labor sections of the Clayton Antitrust Act will be introduced in Senate as a separate measure. This course has the approval of President Wilson, who will assist toward the enactment of proposed measure.'

"It thus will be seen that every avenue of information gave most emphatic assurances that trade-union normal activities would not be a violation of section 4. The promise to present a separate measure in the Senate providing that section 4 did not repeal the labor sections of the Clayton Act also had great influence in the decision of the labor officials to cease efforts for the amendment and give their whole attention to urging the passage of the Lever food-control bill.

"Besides, letters from Congressmen were being received daily. These were all favorable to the contention of labor. One of the many that were significant was from Representative SYDNEY ANDERSON, member of the Committee on Agriculture, which prepared the bill. He said:

"'It was, of course, never intended that any provision in the Lever bill should so operate as to repeal any part of the Clayton Act, and it was the opinion of those who drew the bill that it would not so operate.'

"Representative JOSHUA W. ALEXANDER, chairman of the Committee on the Merchant Marine and Fisheries, in answer said:

"'As I read the bill there is nothing in it which is in conflict with the provision mentioned in your letter. That was the opinion of the House at the time the bill was under consideration, and for that reason the Keating amendment was defeated.'

"The assurances of the President of the United States through Secretary of Labor Wilson, Attorney General Gregory, the Council of National Defense, Food Administrator Hoover, Representative Lever, and others were accepted as conclusive. They had all been corroborated in Senate speeches by Senators Husting, CHAMBERLAIN, Hollis, and others. Labor ceased to insist that the bill should be amended and worked whole heartedly for the passage of the measure. Not a doubt existed that the assurances of the Government officials would be carried out.

"On Sunday afternoon, September 22, 1918, I delivered an address before the Trades Council of London, England. During the course of that address, referring to the strike of the London policemen which was then on, I said:

"'I am not criticizing the strikes. I am merely calling attention to the fact that here you have a law making such strikes illegal. In the United States we have defeated every proposition to make strikes illegal, and yet we are getting results for our people, and we are giving voluntary service.'

"A few weeks after the enactment of the Lever bill, in the convention of the American Federation of Labor held at Buffalo, N. Y., in November, 1917, the convention which the President of the United States addressed, the executive council of our federation, in submitting its report upon the question of the high cost of living and the Lever Act, among other things, said:

"'At the Baltimore convention of the American Federation of Labor, 1916, there were several resolutions introduced and adopted by the convention, directing that efforts be made by the officers of the federation to secure the passage of legislation which would insure relief from the high cost of living. These resolutions specifically demanded the creation of a Federal commission empowered to investigate all phases of the subject and recommend to Congress measures designed to remedy the abnormal conditions brought about since the inauguration of the World War, and also to prevent a recurrence of similar conditions in the future.

"'Other resolutions were passed the intent of which was to secure legislation authorizing an embargo upon the exportation of foodstuffs with a view to lessening prices in this country. The executive council at its January meeting had these resolutions under consideration and directed President Gompers to carry into effect, so far as possible, the purport of the convention action.

"'In accordance with the adoption of the resolution directing the executive committee of the American Federation of Labor to secure a Federal commission to investigate all phases of the subject, our efforts were directed in assisting to secure the passage of H. R. 4188, known as the food-survey bill, which passed Congress and became a law August 10, 1917.'

"'Upon the designation by the President of Herbert C. Hoover as Food Administrator, a conference was called at the American Federation of Labor Building of representatives of the labor organizations having their headquarters in Washington, together with the representatives of the railroad brotherhoods and members of the labor group in Congress, as well as a number of sympathetic Congressmen. Mr. Hoover was invited to attend. At this meeting Mr. Hoover outlined his plans to meet the situation and urged that the American Federation of Labor give its support to the Lever bill, H. R. 4961, known as the food-control bill.

"'The federation gave its full support to the principles involved in this legislation, but suggested that the provision which said "That any person who conspires, combines, agrees, or arranges with any other person to limit the facilities for transporting, producing, manufacturing, supplying, storing, or dealing in any necessaries; to restrict the supply of any necessaries; to restrict the distribution of any necessaries; to prevent, limit, or lessen the manufacture or production of any necessaries in order to enhance the price thereof, shall upon conviction thereof be fined not exceeding $10,000, or be imprisoned not more than two years, or both," be added to by the incorporation of an amendment declaring that the intent of this section was not to repeal any of the labor provisions of the Clayton law. It was feared that the language of this section might be construed to make it unlawful for workmen engaged in food transportation and production to strike.

"'An amendment was introduced for the purpose of safeguarding labor's interests in accordance with the above suggestion, and while Mr. Hoover stated that the section was not intended to prevent workmen from ceasing work, yet acquiesced in the amendment proposed and rendered valuable assistance in an effort to secure its adoption. Upon our failure to secure the adoption of this amendment, the matter was taken up through the advisory commission of the Council of National Defense. The Attorney General concurred in the view that the section was not intended to restrict the right of workmen to strike. As a further precaution, an arrangement was made whereby the Attorney General was to communicate with all of the attorneys representing the Government, informing them of his opinion and directing that no action be instituted against workmen engaged in the industries referred to for ceasing to perform labor.

"'During the period that the food-control bill was being considered by the administration the United States Supreme Court rendered its decision in the case of the Paine Lumber Co. against United Brotherhood of Carpenters and Joiners, in which the court decided that the conspiracy clauses of the Sherman law could not be made operative by a private party suing for an injunction against another private party or by one corporation against another corporation. The remedy for such a person or corporation is to apply to the Attorney General of the

United States and have him institute a suit for injunction or restraining order.

"'Therefore, also in view of our successes since the first session of the Sixty-third Congress in having enacted and reenacted at each recurring session of Congress the prohibitory section of the appropriation provision in the antitrust section of the sundry civil act, whereby none of the money so appropriated can be used by Government officials to prosecute workers in their endeavors to increase wages, decrease hours, or improve working conditions under the general charge of conspiracy or restraint of trade under the Sherman Act, we felt that our position was sufficiently safe not to press further for similar legislation in the food-control bill.'

"At that same convention the President of the United States delivered an address in which he said:

"'While we are fighting for freedom we must see, among other things, that labor is free, and that means a number of interesting things. It means not only that we must do what we have declared our purpose to do, see that the conditions of labor are not rendered more onerous by the war, but also that we shall see to it that the instrumentalities by which the conditions of labor are improved are not blocked or checked. That we must do.'"

—

"DECEMBER 1, 1919.

"MY DEAR SIR: Your letter of November 23 to me was accompanied by a 'typewritten document' referring 'to the Lever act for food control when that act was in the making.' This you have requested me to carefully read and to give you my comments thereon, a request with which I feel bound to comply.

"I have read the document with care and with interest. I have no doubt that the extracts from the CONGRESSIONAL RECORD, the statement of the executive council of the Federation of Labor, the minutes of the executive council, the letter to the Members of Congress urging the adoption of your proposed amendment to the Lever bill, the meeting of the advisory commission and the Council of National Defense, telephone talks and memoranda which you made of them, telegrams, speeches, etc., are correctly set forth therein. Nor do I for a moment question that the conflicting announcements of yourself and former Attorney General Gregory are the sincere statements of two perfectly earnest and candid men, each of whom is acquainting the public with his recollection of an important fact. It is also equally evident to me that you acquiesced in the rejection of your proposed amendment to the Lever bill because of the incidents you have recited, supplemented by the decision of the Supreme Court in the Paine Lumber case. But it is equally true that the comments of Senators HOLLIS and CHAMBERLAIN, which I quoted a few days since, indicated a clear division of opinion regarding the effect of the bill upon existing laws.

"Your very ripe experience with legislation, both actual and prospective, must long since have impressed you with the fact that the opinions and even the purposes of legislators regarding bills for statutes are neither infallible nor controlling. Where ambiguities in a statute are patent the courts will sometimes consider them in the effort to ascertain the legislative intent, but as permanent guides they are more apt to lead one into divergent paths. The legislative intent being always important, contemporaneous legislative construction is a proper subject of judicial inquiry when that is in doubt, but not otherwise. But when, as with the Lever bill, this intent is clearly revealed by the language of the act there is no room for misapprehension. When that is true the phraseology of the lawmaker governs whatever he may have said about it before and when the law was enacted. Yet it must be said that the assurances given you regarding this law, while not binding upon the judiciary or even upon the Executive, have been respected until the coal strike carried that policy beyond the bounds of endurance. For if the Monthly Labor Review be a reliable authority, it may be stated that between the beginning of the war and the signing of the armistice there were 6,408 strikes, legal interferences with any of which was purely negligible. The President did on one occasion order strikers to resume work, they being in the employ of the Government. Unless my memory be at fault you did not object to this. In 4,201 of these the number of strikers aggregated 2,386,285. Our Expeditionary Forces comprised a grand total of 2,053,347, or 332,938 less than the number involved in about two-thirds of the strikes carried on at a time when the Nation's existence was in the balance and when every man on duty at home should have been as active at his task as were his brothers at the front.

"These workmen, many of whom were detailed for home work because of their skill in handicraft, and protected by privileged exemptions from general laws, were thus given immunity from responsibility during these terrible 18 months, although the need for their service was dire and the scale of their wage was the highest ever known. You may recall that in the summer of 1918 I sought by amendment to the second draft bill to suspend the exemption of the striker and send him to the front. But you opposed it, and with the vast influences behind you the doom of the amendment was sealed. Exempt from the laws and exempt from military duty, the Government bore with them and contrived to get along, thanks to that vaster body of faithful workingmen, who with their families now face a long, hard winter, with no reserves of coal, largely because you have indorsed a strike which your Government had condemned as 'unlawful.'

"I may be prejudiced. If so, it is unconscious; yet I have never been able to construe sections 6 and 20 of the Clayton Antitrust Act as much more than declaratory of existing law. Each confines immunity to legitimate acts and conduct, while section 20 merely recites the equity law of injunctions as it has existed for centuries. But in practice they have operated in harmony with your contentions until now. It is not surprising, therefore, that the experiences of five eventful years have convinced you of the exemption of organized wage earners and farmers from legal responsibility, and clothed them with privileges to be exercised on any scale whatever, and unmindful of consequences to society and to Government. Vested interests enjoyed similar immunity for many years, and with similar consequences. They finally confronted a long-suffering and aroused public opinion, which brought them to terms.

"You helped, and very greatly so, to make them realize in some degree their subjection to the governmental authority and their obligations to the people of this great country. If the coal strike shall prove to be the culmination of an equally despotic and oppressive tendency in the other direction, it will not have been a wholly unmixed evil.

"It can be defended under no provision of the Clayton Antitrust Act. It is the lawful carrying out of no legitimate object. The miners' organization is not in itself a conspiracy in restraint of trade. No one will so contend. But if the strike itself and its declared purpose is not such a conspiracy, then words have ceased to mean anything and human conduct must be measured by other standards than human experience. It proposes to force a general wage scale, accompanied by diminution of hours, without regard to consequences either to operator, consumer, or Government. Because of it men, women, and children may freeze, the lines of communication suspended, production paralyzed, and insurrection become rampant, but the leaders of 400,000 men, engaged in a basic industry and contending for immunity from all law, will have their way whatever the consequences to the remaining 110,000,000 of free Americans. And if other men shall dare to take their places in the coal mines, that coal may be dug and be distributed, war is to be waged upon them and upon their wives and children. This is a strike in name only. It is a vast upheaval, threatening alike the people and their institutions, a conspiracy depending for its success upon predetermined concert of action by a great organization.

"If the farmers of America similarly organized and claiming similar immunity should, in order to force the establishment of arbitrary prices for their products, refuse to till the soil, raise cattle and cotton, and war upon those who would do so in their stead, I am sure that you would think twice before giving their action the prestige of your benediction. Yet they have the same right, if right it is, now asserted by the united miners and defended by yourself. For one, I do not believe that 10 per cent of the miners of America have their hearts in this enterprise, or who do not know that it and similar ones can succeed only at the expense of free government, and of all that makes this country a fit place for freemen to live.

"The President therefore very properly declared on October 26 last that 'It is time for plain speaking. These matters with which we now deal touch not only the welfare of a class but vitally concern the well-being, the comfort, and the very life of all the people. I feel it my duty in the public interest to declare that any attempt to carry out the purposes of this strike and thus to paralyze the industry of the country with the consequent suffering and distress of all our people must be considered a grave moral and legal wrong against the Government and the people of the United States.'

"The gravity of the impending situation made it his imperative duty to add this solemn warning to his pronouncement: 'I can do nothing less than to say that the law will be enforced, and means will be found to protect the interests of the Nation in any emergency that may arise out of this unhappy business.'

"The vast majority of his countrymen realize the truth of his pronouncement, appreciate the need of the law's enforce-

ment, and will support his efforts at protection with all their hearts and by every means in their power. This includes a vast preponderance of the wage earners of America.

"Let me here assert that *had your proposed amendment to the Lever bill been incorporated into it, and thus made a part of it, the power and the duty of the administration to meet and overcome this emergency would not have been at all affected by it.* This should be apparent from a moment's reflection.

"In the first place the coal strike finds no immunity in the Clayton Antitrust Act, as I have said. Hence the amendment could not have reached the difficulty. Moreover it could only have done so by placing a limitation upon the essential and constitutional powers of the Executive, which Congress can not do. And finally the Government possesses at all times the inherent power of self-preservation. When its sovereignty is assailed, either from without or within, when the people need its protection against assailants, external or internal, when its authority is defied, when law and order are disregarded, it would indeed be a contemptible government which could not or would not meet such emergencies with every power essential to its vindication and to the protection of its people. Whatever the consequence, said Lloyd-George three weeks ago, the Government is first and its authority must always be paramount.

"I am expressing no opinion as to the recent action of the United States district court of Indianapolis, for I have had no time to study the record. But as to the general proposition above stated, I have no doubt whatever. I could not entertain one and continue to respect and confide in the majesty of that Government to which we owe a common allegiance. It was once contended with much force by the people of an entire section of the country that the Government was powerless to preserve itself by coercing sovereign States back into the Union. They appealed to the debates of the Constitutional Convention and quoted the views of many illustrious statesmen of that era. But the issue was settled, let us hope, once and for all by the contest of 1861.

"The one serious challenge to this assertion is that it denies by destroying the right to strike, thus depriving the wage earner of his most efficient weapon for the enforcement of his just demands. This contention has been made so constantly and accepted so widely that it has become an axiom with organized labor, and naturally confuses the existence of a right with its improper exercise. But in common with the right of free speech, freedom of conscience, liberty, and even of life itself, its essential limitations exist and must be respected. Only so can the right survive.

"What is the right of strike? If it means the right of men to quit private employment individually or collectively, every one will concede it. No man can be made to work against his will in free America, except he becomes a vagrant or a convict. But the right to quit work essentially involves the corresponding right to continue at work, and one is just as sacred as the other. Government should not deny or diminish either. It should, if need be, sustain men in the exercise of both. Upon this proposition I think we agree.

"But beyond this point the divergence begins. The mere right to quit working does not define the organized wage earner's conception of a strike. That is purely negative and accomplishes nothing. What he understands and what he has been taught to understand by his leaders, by political parties, and candidates anxious for his vote, is that the strike is a weapon which he has the right to wield offensively or defensively in order to effectuate the purpose for which he invokes it. He may, in pursuance of it, disregard contracts, compel others to strike, prevent others from taking his place and continuing operations; he may destroy property and terrorize communities if by doing these things or any of them he may accomplish his object, even though it may rise to the dignity of a conspiracy against trade.

"He does not, it is true, openly avow his right to go so far as this, but in practice they feature every prolonged strike of any magnitude.

"The word itself implies force; violence lurks within it. Aggression is its synonym. Henry George, himself a trade-unionist than whom labor had no better friend nor abler champion, thus characterized the strike in a letter to Pope Leo XIII: 'Aiming at the restriction of competition—the limitation of the right to labor—its methods are like those of the army, which even in a righteous cause are subversive of liberty and liable to abuse while its weapon, the strike, is destructive in its nature both to combatants and noncombatants.' * * * 'Labor associations can do nothing to raise wages but by force. It may be force applied passively or force applied actively or force held in reserve, but it must be force. They must coerce or hold the power to coerce employers; they must coerce those among their own members disposed to straggle; they must do their best to get into their hands the whole field of labor they seek to occupy, and to force other workmen either to join them or to starve.' * * *

"We judge the strike by what we know it to be in practice. There it is war against competition. Woe to the man or the men who would take the place of the strikers. Quoting again from Henry George: 'They must do their best to starve workmen who do not join them; they must by all means in their power force back the scab as a soldier in battle must shoot down his mother's son, if in the opposing ranks, a fellow creature seeking work, a fellow creature, in all probability more pressed and starved than those who bitterly denounce him and often with the hungry, pleading faces of wife and child behind him. And in so far as they succeed, what is it that trades guilds and unions do but to impose more restriction on natural rights; to create "trusts" in labor to add to privileged classes other somewhat privileged classes; to press the weaker to the wall.' Mr. Foster says they must be 'exterminated like vermin.' We must not too severely denounce this policy, for it is the inexorable consequence of the denial to the citizen of the right to work when and as he will whether he affiliates with his fellows or not. The source of our present difficulties is the failure of Government to recognize and to vindicate this fundamental right, which no man of intelligence has ever publicly challenged, but to which all men have long been callously indifferent.

"This is the real menace of the coal strike, and is the element which invokes the interference of the Government. The miners may refuse to work and be within their constitutional rights; but while they so refuse, few men dare to continue mining and fewer to enter that field, however dire the necessity for fuel, because of the certain danger involved. They are sure to encounter the power of the national organization, to be expressed in terms of boycott, violence, assault, and murder. Without the protection of their Government, the industry is suspended. It is a basic one, and that spells the ultimate suspension of all dependent industries. Idleness, nonproduction, food and fuel scarcity, suffering, starvation, riot, lawlessness, and demoralization Nation wide in extent are the inevitable consequence. These affect us all, everywhere. It has become the Nation's business. It is its most insistent business. It will be effectually attended to whatever the cost and however we may differ regarding congressional discussions and departmental assurances.

"Meantime all, I trust, will perceive in the pending strike the futility of industrial warfare. It is expensive, destructive, estranging. Only by recognizing our reciprocal rights, duties, and obligations, and the essential of every element of society and economics to the whole, by the acknowledgment of our mutual dependence and its resulting sympathy, by the humane and cordial cooperation of employer, employee, manager, farmer, capitalist, and ruler for the common good can we solve the unhappy and deep-seated problems now surrounding us and maintain our high position in the civilized world. When passion, class antagonisms, and selfishness give way to the conviction that industrial war, whatever the immediate result, means mutual disaster, the sober common sense and enlightened judgment of the common people will peacefully but effectually solve our difficulties and tide us over all domestic crises. Civilization is not a creation but an evolution. It is the fruit of spontaneous cooperation continuing through centuries. Violence can destroy but can not promote it. Thrift and production are its corner stones. I trust the minds and consciences of all men may swiftly perceive these fundamental truths, compose their differences, and begin the old life anew.

"Very respectfully, etc.,

"C. S. THOMAS.

"Hon. SAMUEL GOMPERS,
"President American Federation of Labor,
"Washington, D. C."

LETTER FROM HON. WILLIAM A. CLARK.

Mr. MYERS. Mr. President, I have a letter from Hon. William A. Clark, of Montana, a former Member of this body, written in reply to some charges made against some copper companies with which he is connected and other copper companies, growing out of certain transactions during the war with Germany. These charges were made by a subcommittee of a committee of the House of Representatives, and publicity has been given them by a report of the subcommittee. I am satisfied there is nothing to the charges and that they are unfounded. Senator Clark's letter completely refutes them, and, as he is a former Member of this body, I ask as a courtesy to him that his letter, herewith presented, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, *November 20, 1919.*

Hon. HENRY L. MYERS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: There was recently filed a report by the House Committee on Expenditures in the War Department, of which the following statement was published with reference to the matter:

"Evidence indicating fraud involving millions of dollars in settlement of eight big war contracts of the War Department have been found by the House Committee on Expenditures in the War Department," etc.

Also, in the same dispatch, reference was made to the United Metals Selling Co., in which it was charged that salvage values were fixed by Government agents and Army officers on special facilities furnished by the Government, sometimes buildings and sometimes machinery and equipment, which were, in the opinion of the committee, insufficient and unjust to the Government.

It states also that in the case of the United Metals Selling Co. immense profits were made by the producers of copper by virtue of a combination of the low-price copper producers, which combination was aided and encouraged by the Government, although in violation of law.

The report states that in some of the cases cited the committee was of the opinion that constructive, if not actual, fraud occurred, and that millions of dollars were involved in the settlements made which the Government should recover if a proper investigation should be made.

It was not the United Metals Selling Co. alone that was interested, but all of the large copper producers, including the companies which I control, which were parties to the discussion with the Government agents as to the best manner to pursue in getting rid of the Government excess of copper, which was estimated to be about 200,000,000 pounds.

If the Government had contracted to sell this copper on the market, it would have resulted in a great depression in prices. Therefore an arrangement by all of the copper producers with the Government agents was consummated, to the effect that the copper producers would absorb the Government surplus at the rate of 5,000,000 pounds per month for a period of 10 months and 10,000,000 pounds per month for the subsequent 5 months.

The price to be paid the Government was to be the average price at which copper was sold during each month, when a settlement should be made. In this way the Government received the average price of copper and thereby avoided a great loss, which would have certainly resulted if they had attempted to sell the copper in any other manner. There was no profit whatever to the producers of copper, but they were willing to render assistance to the Government in helping it dispose of its stock without injury to the parties engaged in this great industry.

At the solicitation of both the Government and the copper producers, the United Metals Selling Co. undertook to represent both parties to the contract in attending to all of the details connected with the sales and payment to the Government, and this was done without any compensation or profit to the United Metals Selling Co.

You will thus observe that an injustice has been done to this company, and in case the matter should be further discussed in Congress I would be very glad if you would endeavor to set the matter right.

Yours, sincerely,

W. A. CLARK.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed the following acts:

On November 19, 1919:

S. 681. An act to amend an act approved March 4, 1913, entitled "An act to increase the limit of cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the erection and completion of public buildings, to authorize the purchase of sites for public buildings, and for other purposes";

S. 1373. An act to amend the Articles of War;

S. 2494. An act to transfer the tract of land known as the lighthouse reservation, at North Point, Md., from the jurisdiction of the Department of Commerce to the jurisdiction of the War Department;

S. 2495. An act transferring the tract of land known as Craney Island from the jurisdiction of the War Department to the jurisdiction of the Treasury Department, and transferring the tract of land known as Fishermans Island from the jurisdiction of the Treasury Department to the jurisdiction of the War Department;

S. 3159. An act to authorize the State road department of the State of Florida to construct and maintain a bridge across the Choctawhatchee River, near Caryville, Fla., approximately 170 feet south of the Louisville & Nashville Railroad bridge;

S. 425. An act to establish the Zion National Park in the State of Utah;

S. 3319. An act to provide for the reimbursement of the United States for motive power, cars, and other equipment ordered for railroads and systems of transportation under Federal control, and for other purposes; and

S. 3332. An act authorizing the board of county commissioners of the county of Hartford, in the State of Connecticut, to construct a bridge across the Connecticut River, between Windsor Locks and East Windsor, at Warehouse Point, in said county and State.

BILL BECOMES A LAW.

Bill of the following number and title, having been presented to the President of the United States for his approval, and not having been returned by him to the House of Congress in which it originated within the time prescribed by the Constitution of the United States, has become a law without his approval:

On November 6, 1919:

S. 2883. An act authorizing the Meridian Highway Bridge Co., a corporation, to construct and maintain a bridge or bridges and approaches thereto across the Missouri River between Yankton County, S. Dak., and Cedar County, Nebr.

HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Public Lands:

H. R. 348. An act to add certain lands to the Ochoco National Forest, Oreg.;

H. R. 2946. An act to amend acts to permit the use of the right of way through the public lands for tramroads, canals, and reservoirs, and for other purposes;

H. R. 4311. An act to authorize the addition of certain lands to the Caribou National Forest; and

H. R. 8028. An act to add to the Oregon, Siuslaw, and Crater National Forests, in Oregon, certain lands that were revested in the United States pursuant to the decision of the Supreme Court of the United States in the case of the Oregon & California Railroad Co. against the United States, and for other purposes.

H. R. 8992. An act for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa., was read twice by its title and referred to the Committee on Commerce.

H. R. 9183. An act authorizing the Secretary of the Treasury to adjust the terms of the contract for the sale of the old post-office property in New Haven, Conn., was read twice by its title and referred to the Committee on Public Buildings and Grounds.

SEDITIOUS ACTS AND UTTERANCES.

Mr. STERLING. I ask unanimous consent that the Senate proceed to the consideration of Senate bill 3317.

The VICE PRESIDENT. Is there any objection?

Mr. NORRIS. Mr. President, I desire to reserve the right to object. I would like to know what the bill is.

Mr. STERLING. The bill is entitled "An act to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts."

Mr. JONES of Washington. Will the Senator withhold that just a moment that I may submit a report from the Committee on Commerce on H. R. 6857, to authorize the change of name of a steamer?

Mr. STERLING. If it will lead to no discussion, I will yield.

Mr. JONES of Washington. I want to ask unanimous consent to pass the bill, but I think it will lead to no discussion. It is recommended by the department.

Mr. STERLING. I yield for that purpose.

CHANGE OF NAME OF STEAMER.

Mr. JONES of Washington. I report back favorably without amendment from the Committee on Commerce the bill (H. R. 6857) to authorize the change of the name of the steamer *Charlotte Graveraet Breitung* to "T. K. Maher;" and I submit a report thereon (Rept. 314). I ask unanimous consent for its present consideration.

The PRESIDING OFFICER (Mr. SWANSON in the chair). Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Commissioner of Navigation is hereby authorized and directed, upon the application of the owner, the Morrow Steamship Co., of Mentor, Lake County, Ohio, to change the name of the steamer *Charlotte Graveraet Breitung*, official number 27,665, to the "T. K. Maher."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SEDITIOUS ACTS AND UTTERANCES.

Mr. STERLING. Mr. President, I now ask that the Senate proceed to the consideration of Senate bill 3317.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill (S. 3317) to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts, which had been reported from the Committee on the Judiciary without amendment.

The PRESIDING OFFICER. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That it shall be unlawful for any person to advocate or advise the overthrow, or to write, or knowingly to print, publish, utter, sell, or distribute any document, book, circular, paper, jour-

nal, or other written or printed communication, in or by which there is advised the overthrow, by force or violence, or by physical injury to person or property of the Government of the United States or of all government, or to advise or advocate a change in the form of government or the Constitution of the United States or resistance to the authority thereof by force or violence or by physical injury to person or property, or by force or violence to prevent, hinder, or delay or attempt to prevent, hinder, or delay the execution of any law of the United States.

SEC. 2. That the display or exhibition at any meeting, gathering, or parade, public or private, of any flag, banner, or emblem intended by the person or persons displaying or exhibiting the same to symbolize or indicate a purpose to overthrow by force or violence or by physical injury to person or property, the Government of the United States or all government, is hereby declared to be unlawful.

SEC. 3. That every document, book, circular, paper, journal, or other written or printed communication in or by which there is advocated or advised the overthrow by force or violence or by physical injury to person or property of the Government of the United States or of all government, or in or by which there is advocated or advised the use of force or violence or physical injury to or the seizure or destruction of persons or property as a means toward the accomplishment of economic, industrial, or political changes, is hereby declared to be nonmailable and the same shall not be conveyed in the mails or delivered from any post office or by any letter carrier: *Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office duly authorized thereto or other person upon a search warrant authorized by law to open any letter not addressed to himself.

SEC. 4. That it shall be unlawful to import or cause to be imported into the United States or any place subject to its jurisdiction any matter declared by section 3 of this act to be nonmailable or to transport or cause to be transported any such matter from one State to another or into any place subject to the jurisdiction of the United States.

SEC. 5. That whoever shall use or attempt to use the mails or the Postal Service of the United States for the transmission of any matter declared by section 3 of this act to be nonmailable or who shall violate any other of the provisions of this act shall be fined not more than $5,000 or imprisoned not more than five years, or both, and if an alien shall be, upon the expiration of his sentence, deported from the United States and forever barred from reentering the United States or any Territory under its jurisdiction.

Mr. STERLING. I desire to offer one slight amendment. In line 8, on the first page of the bill, after the word "property," I move to insert a comma.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

Mr. NORRIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beckham	Hale	Nelson	Sterling
Borah	Harris	Newberry	Sutherland
Calder	Johnson, Calif.	Norris	Swanson
Capper	Johnson, S. Dak.	Nugent	Thomas
Cummins	Jones, Wash.	Overman	Townsend
Curtis	Kellogg	Phipps	Underwood
Dial	Keyes	Pittman	Walsh, Mass.
Edge	King	Pomerene	Walsh, Mont.
Elkins	La Follette	Reed	Williams
Fletcher	Lodge	Sheppard	Wolcott
France	McKellar	Smith, Md.	
Frelinghuysen	Moses	Smoot	
Gay	Myers	Spencer	

The PRESIDING OFFICER. Forty-nine Senators having answered to their names, a quorum is present.

Mr. BORAH. Mr. President, as I understand, the subject matter before the Senate is Calendar No. 236, Senate bill 3317.

The PRESIDING OFFICER. That bill has been considered in Committee of the Whole, amended, and reported to the Senate.

Mr. BORAH. May I ask the Secretary to state the amendment?

The SECRETARY. On page 1, line 8, after the word "property," insert a comma.

Mr. BORAH. That is a very vital amendment. Section 3 of the bill reads as follows:

That every document, book, circular, paper, journal, or other written or printed communication in or by which there is advocated or advised the overthrow by force or violence or by physical injury to person or property of the Government of the United States or of all government, or in or by which there is advocated or advised the use of force or violence or physical injury to or the seizure or destruction of persons or property as a means toward the accomplishment of economic, industrial, or political changes is hereby declared to be nonmailable and the same shall not be conveyed in the mails or delivered from any post office or by any letter carrier: *Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office duly authorized thereto or other person upon a search warrant authorized by law to open any letter not addressed to himself.

Mr. President, we have been authorizing the Postmaster General to exclude from the mails certain printed material from time to time until we have established a complete consorship in the Post Office Department. Of course, what I have to say in objection to such a program has no reference to the person who holds the position of Postmaster General or who may hold that office in the future. It is based upon a principle that has nothing to do with individuals. It puts the party in the position of having his material, his printed matter, passed upon without any opportunity of being heard at all, and it places the Postmaster General, or his solicitor, I might say, because the solicitor runs the department so far as this matter is concerned and my experience goes, in a position of deciding what shall be mailable or nonmailable and how the party desiring to mail certain material shall obtain his right to do so; that is to say, how he shall conform any printed matter to the ideas of the Postmaster General. Now, I want to see some method provided by which there can be an open public hearing, where facts can be submitted and passed upon by an impartial tribunal. This bureaucratic system is intolerable.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (S. 3288) to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield the floor?

Mr. BORAH. I do not desire to take further time if the Senator from Iowa [Mr. CUMMINS] wishes to proceed with the consideration of the railroad bill. I am not in position, however, to consent to the passage of the particular measure which has been under consideration without some further discussion.

The PRESIDING OFFICER. The measure goes to the calendar, the hour of 2 o'clock having arrived, when the unfinished business was laid before the Senate.

Mr. CUMMINS. May I inquire who has the floor?

Mr. BORAH. I have yielded the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. STERLING. Mr. President——

Mr. CUMMINS. I yield to the Senator from South Dakota.

Mr. STERLING. Mr. President, I wish to ask if the Senator from Iowa is disposed now to take up the unfinished business to the exclusion of the further consideration of the bill which has been under discussion? I agree with the Senator from Iowa that that is his right, and I stated I would not press Senate bill 3317 beyond the hour of 2 o'clock, but considering the stage at which we have arrived now I did not know but that he might consent to go ahead with the consideration of the measure which has been under discussion. I should be glad to hear the Senator from Idaho [Mr. BORAH] complete any statement he has to make in regard to it, and to hear any other Senator as well.

Mr. CUMMINS. It is quite evident that the bill which has just been under consideration will involve some discussion, and I feel compelled to insist upon the consideration of the railroad bill.

Mr. STERLING. Then if the Senator will permit me——

Mr. CUMMINS. I yield again.

Mr. STERLING. I should like to ask what will be the status of the bill which has been under discussion? Will it be in the Senate?

The PRESIDING OFFICER. The bill has reached the Senate and the amendment has been concurred in. It goes to the calendar and when called up again will be in the Senate exactly as it was when the unfinished business was laid before the Senate.

Mr. BORAH. I understand it is amendable in the Senate?

The PRESIDING OFFICER. Amendments may be made in the Senate.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3288) to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. CUMMINS addressed the Senate. After having spoken for a few minutes,

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield to the Senator.

Mr. KELLOGG. It seems to me a bill of the importance of this one should be considered when more than 8 or 10 Senators are present. I doubt if Senators knew that the chairman of the committee was going to discuss the bill. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Frelinghuysen	Moses	Stanley
Borah	Hale	Newberry	Sterling
Calder	Harris	Norris	Swanson
Capper	Johnson, Calif.	Nugent	Thomas
Chamberlain	Jones, Wash.	Page	Townsend
Colt	Kellogg	Phipps	Wadsworth
Cummins	Keyes	Reed	Walsh, Mont.
Curtis	King	Sheppard	Watson
Dial	La Follette	Simmons	Williams
Edge	Lodge	Smith, Md.	Wolcott
France	McKellar	Smoot	

The PRESIDING OFFICER. Forty-three Senators are present—not a quorum. The Secretary will call the roll of the absentees.

The Secretary called the names of the absent Senators, and Mr. BALL, Mr. FALL, Mr. FLETCHER, Mr. GAY, Mr. PITTMAN, Mr. SUTHERLAND, Mr. UNDERWOOD, and Mr. WALSH of Massachusetts answered to their names when called.

Mr. POMERENE, Mr. HITCHCOCK, Mr. JOHNSON of South Dakota, Mr. OVERMAN, Mr. FRANCE, Mr. ELKINS, Mr. WARREN, and Mr. CULBERSON entered the Chamber and responded to their names.

Mr. CURTIS. I desire to announce the absence, on account of illness, of the Senator from Iowa [Mr. KENYON]; the Senator from Illinois [Mr. SHERMAN]; and the Senator from Pennsylvania [Mr. PENROSE].

I also desire to announce the absence of the Senator from North Dakota [Mr. MCCUMBER] on account of illness in his family. I ask that these announcements may stand for the day.

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. A quorum is present. The Senator from Iowa [Mr. CUMMINS] will proceed.

[Mr. CUMMINS resumed his speech. After having spoken, with interruptions, for nearly three hours he ended for the day.]

Mr. CUMMINS. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, December 3, 1919, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 2, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father in heaven, ever the same, increase our faith in Thee and strengthen our confidence in human nature, that amid the wild chaos which exists in the business, social and political life of our Nation, patience, perseverance, fortitude shall at last establish the normal, when we learn the difference between freedom and license, liberty and justice, truth and error.

Comfort the sorrowing, strengthen the weak, forgive the erring and hold us close to Thee in righteousness, truth, justice, mercy. In His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

IMMIGRATION AND NATURALIZATION.

Mr. JOHNSON of Washington. Mr. Speaker, at the request of the Committee on Immigration and Naturalization I ask unanimous consent that H. R. 10404 and the report thereon be recommitted to the Committee on Immigration and Naturalization.

The SPEAKER. The gentleman from Washington asks unanimous consent that the bill H. R. 10404 be recommitted to the Committee on Immigration and Naturalization. Is there objection?

Mr. GARD. Reserving the right to object, will the gentleman state what it is?

Mr. JOHNSON of Washington. The bill is to amend sections 4, 8, and 10 of the act of June 29, 1906, as amended, relating to naturalization, to provide for a division of patrol guard in the Bureau of Immigration, and for other purposes.

Mr. GARRETT. Reserving the right to object, for what purpose does the committee desire to have it recommitted?

Mr. JOHNSON of Washington. The number of this bill is 10404. It is 148 on the Union Calendar, and the report on it is No. 457. It deals largely with matters of naturalization. As a result of inquiries made by the committee during the recess it is possible that the committee may want to change one or two of the naturalization paragraphs in the bill.

The bill has also one section attached to it relating to immigration matters—that is, a section providing for a border patrol—which carries with it no civil-service requirement, and there are other objections to it, so that the committee thought it would be better to look it over.

Mr. GARRETT. Was the original bill unanimously reported?

Mr. JOHNSON of Washington. I think it was.

Mr. RAKER. I will say to the gentleman that it was.

Mr. SABATH. There was no minority report on the bill.

Mr. RAKER. When the vote was taken on reporting the bill there was no vote against reporting it. It was a unanimous vote.

Mr. JOHNSON of Washington. The request for recommitting the bill is unanimous except for 1 vote. We hope the bill may be back on the calendar within a very few days.

Mr. GARRETT. Who is objecting to it?

Mr. JOHNSON of Washington. The only objection comes from the gentleman from Texas [Mr. BOX], and I am sure he has no objection to my so stating.

Mr. GARRETT. For the present, I object.

FEDERAL RESERVE ACT.

Mr. PLATT. Mr. Speaker, I desire to call up the conference report on the bill (S. 2472) to amend the Federal reserve act.

The SPEAKER. The gentleman from New York calls up a conference report. Does the gentleman desire to have the conference report read?

Mr. PLATT. I ask to have the statement read in lieu of the report.

The SPEAKER. The gentleman asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. MANN of Illinois. Let the report be read.

The SPEAKER. Objection is made. The Clerk will read the report.

The Clerk read the conference report and statement, as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill S. 2472, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 1, 4, and 17.

That the Senate recede from its disagreement to the amendments of the House numbered 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 20, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, and agree to the same.

Amendment numbered 14: That the Senate recede from its disagreement to the amendment of the House numbered 14, and agree to the same with amendments as follows: After the word "such" in said amendment insert the words "general conditions as to security and such"; and the House agree to the same.

Amendment numbered 15: That the Senate recede from its disagreement to the amendment of the House numbered 15, and agree to the same with an amendment as follows: After the word "herein" insert a new sentence as follows: "Nothing contained in this section shall be construed to prohibit the Federal Reserve Board, under its power to prescribe rules and regulations, from limiting the aggregate amount of liabilities of any or all classes incurred by the corporation and outstanding at any one time"; and the House agree to the same.

Amendment numbered 16: That the Senate recede from its disagreement to the amendment of the House numbered 16, and agree to the same with an amendment as follows: After the words "United States" insert the words "authorized by this section"; also strike out the figure "5" and insert "10"; and the House agree to the same.

Amendment numbered 19: That the Senate recede from its disagreement to the amendment of the House numbered 19, and agree to the same with an amendment as follows: Strike out all of the amendment except the word "but" and insert the following: "not engaged in the general business of buying or selling goods, wares, merchandise or commodities in the United States, and not"; also after the word "transacting" insert the word "any" and strike out the comma after the words "United States" and before the word "except"; and the House agree to the same.

Amendment numbered 21: That the Senate recede from its disagreement to the amendment of the House numbered 21, and agree to the same with an amendment as follows: The words "except in a corporation engaged in the business of banking, when 15 per cent of its capital and surplus may be invested," stricken out by the House, to be retained in the bill; and the House agree to the same.

Amendment numbered 22: That the Senate recede from its disagreement to the amendment of the House numbered 22, and agree to the same with an amendment as follows: Strike out the word "they" and insert in lieu thereof the words "it either directly or indirectly"; and the House agree to the same.

Amendment numbered 36: That the Senate recede from its disagreement to the amendment of the House numbered 36, and agree to the same with amendments as follows: Strike out the proviso at the end of the first paragraph, and insert a period after the word "corporations"; in the first line of the third paragraph insert after the word "institution" the words "principally engaged in foreign business"; and the House agree to the same.

EDMUND PLATT,
L. T. MCFADDEN,
PORTER H. DALE,
MICHAEL F. PHELAN,
OTIS WINGO,
Managers on the part of the House.
GEORGE P. MCLEAN,
CARROLL S. PAGE,
ROBERT L. OWEN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2472) to amend the act approved December 23, 1913, known as the Federal reserve act, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

To nearly all of the restrictions and limitations placed in the bill by the House the Senate conferees readily agreed, but in agreeing with some of them further amendments were submitted and agreed to by the House conferees, as follows:

On No. 14: The right to issue debentures, undoubtedly included in the power to borrow, was clearly set forth and limited in this amendment, which is further safeguarded by the insertion of the words "general conditions as to security and such," so that the amendment as agreed to will read: "to issue debentures, bonds, and promissory notes under such general conditions as to security and under such limitations as the Federal Reserve Board may prescribe, but in no case having liabilities outstanding thereon exceeding 10 times its capital stock and surplus."

On No. 15: To this amendment was added a sentence further referring to the limiting of liabilities "of any and all classes" by the Federal Reserve Board.

On No. 16: The addition of the words "authorized by this section" in this amendment was made to conform with the restrictions upon deposits made above in the same paragraph, and the reserve required is raised from 5 to 10 per cent.

On No. 19: Most of the amendment inserted by the House is stricken out as unnecessary and possibly hampering to the successful operation of the financial corporations in competition with similar foreign institutions and with the great private banking firms. In certain South American countries control of trading companies through ownership of stocks is declared to be necessary, and there are certain other countries where American goods, raw materials, or machinery can not be safely sold on long-time credit unless a voice in the management of the properties during the period of the credit can be obtained. In receding from most of this amendment a further amendment was agreed to making certain that none of these subsidiary corporations should engage in the general business of buying and selling goods in the United States.

On No. 22: This amendment further strengthens the safeguards against attempting to control prices of commodities.

On No. 36: The proviso in the taxation paragraph is stricken out. This has reference to the taxation of shares owned by nonresidents.

In the third paragraph, first line, after the word "institution," the words "principally engaged in foreign business" are inserted to prevent a national or State bank of discount and deposit from being converted into an international banking or financial institution under the terms of this section.

EDMUND PLATT,
L. T. MCFADDEN,
PORTER H. DALE,
OTIS WINGO,
MICHAEL F. PHELAN,
Managers on the part of the House.

Mr. PLATT. Mr. Speaker, I do not desire to take any great amount of time in presenting this conference report. The bill has already been thoroughly discussed. I will, however, point out that the Senate conferees had pretty complete confidence in the House committee and in the action of the House. Of course the House committee gave the bill very full and complete study and consideration, adding many amendments, and it was fully discussed in the House. The Senate has receded on 26 amendments, while the House has receded on only 3. On seven amendments the Senate receded with further amendments.

The House receded on amendment No. 1. The word "principally" in line 9, page 1, comes out. It is not a matter of any consequence whether it is in or not, as far as I can make out, and we yielded on that, inasmuch as the Senate conferees wished us to do so.

Amendment No. 4 is with regard to the use of the word "federal," and the prohibition of the use of the word in the title of any other financial corporation of any kind, under penalty. We receded on that amendment, because of certain objections in the Senate, and also because of some objections that were made to it in the House during the debate. I am rather sorry that amendment went out, because it seems to me that the word "federal" was a good word to put into the titles of the corporations authorized by this act, and that it ought not to be used in the title of any financial corporation unless such corporation is organized under an act passed by Congress. Our attention was called to the fact that an insurance company had the words "Federal Reserve" in its title, and that they were apparently used for the purpose of creating the impression that it had some connection with the Federal Government or was organized under a Federal act. I do not know that that would deceive many people. The word "federal" is used by corporations now more or less. At any rate that amendment prohibiting the use of the word by outside corporations has been stricken from the bill.

We also struck out amendment 17. It has reference to establishing agencies but not branches in the United States. There was a good deal of discussion as to whether an agency and a branch were the same thing, and we finally struck it out, although personally I think institutions of this kind should be allowed not only agencies but branches, because they are to deal with people all over the country, and there is no reason why all of them should be located in New York City or some other seaport without branches or some means of doing business easily with people in other parts of the country. They are not national banks in the sense of banks of deposit. They do not compete with other national banks. Other national banks will take stock in them and cooperate with them. Consequently I can see no objection to having such agencies wherever they are needed. I think they would accommodate many people. But the matter seemed not of great enough importance to insist upon, and we yielded.

Mr. HICKS. Will the gentleman permit an inquiry?

Mr. PLATT. Yes; I yield to my colleague from Long Island.

Mr. HICKS. By striking out this amendment will these corporations be permitted to have correspondents outside of their home cities?

Mr. PLATT. It will put them on the same basis with national banks. National banks do have correspondents, and I suppose the law would be construed in the same way, probably.

Mr. HICKS. That will give them practically agencies to do whatever business they want to do outside of their own cities, will it not?

Mr. PLATT. Very likely. We have simply stricken out all reference to it, on account of the disagreement as to the terms that were used. I will refer to only one further amendment, the amendment numbered 22, which is to be considered in connection with No. 19.

Amendment numbered 19 has reference to the holding of stock of other corporations, and has been so amended in conference as to permit a finance corporation organized under this section to own stock in other corporations which may be engaged in buying and selling commodities outside of the United States, as well as stock in banking or finance corporations outside of the United States. In view of this extended power the committee decided to strengthen the paragraph prohibiting attempted monopoly or the control or fixing of prices by inserting the words "directly or indirectly," so that no corporation organized under this act could control or fix prices through stock ownership in any other corporation, or exercise any monopolistic control. This, of course, has reference to the United States.

Probably the words "United States" ought to be in the amendment, as we are not particularly concerned as to what these cor-

porations may do in other countries so long as they comply with the laws of those countries. It seemed necessary to give them the right to hold stock in corporations doing a trade business in certain South American countries. It has been found unsafe to loan money to trading corporations in some places without some voice in their management. We have been told also that in certain European countries it is unsafe at present to loan money unless there was some element of control in the operations carried on. We do not want to hamper the institutions to be incorporated under this section so that they will be unable to compete with great private banks like J. P. Morgan & Co., Lee, Higginson & Co., who are not hampered. Everything we have permitted is under the regulation of the Federal Reserve Board. We have put in restrictions against monopoly and any practice that could be deemed against good banking and good finance.

The danger is, as I said when the bill was under debate, that we may have put in too many restrictions rather than too few. A question has been raised, I understand, by a national bank interested in export-trade financing, whether in prohibiting financial institutions organized under this section from dealing in commodities we have not made it impossible for them to make loans on commodities secured by shipping documents or warehouse receipts, since the ownership of the commodities might fall to the institution through failure to pay the loans. Of course, we have not so intended, and I do not see how anything in amendment 22 or in any part of the bill can be so construed. We have safeguarded the people, we have safeguarded the investor to the best of our ability, and we have endeavored to give the institutions every necessary power for financing and furthering our foreign trade. We see no reason why the bill should not speedily become a law.

I may say that since the adjournment of the last session of Congress it has been reported that one or two new corporations of this kind have been organized under State laws. As I said in debate before, there are eight or nine corporations doing principally a banking business that have been in existence for several years, in which national banks are subscribers under the amendment of the Federal reserve act passed in 1916, and some of them have become institutions of considerable size. But they are not engaged principally in financing exports on long-term paper. They are not organized to do anything but a banking business on short-term paper, mostly on acceptances, whereas the export finance corporations which we hope will be organized in considerable numbers under the bill when it becomes a law will take mortgages, bonds, or securities of that kind that will not mature for a number of years. It is only by taking such long-term paper that we can hope or expect to keep our export trade. Since the last session of Congress demand sterling exchange has fallen below $4, so that the English pound sterling, which we used to estimate roughly as worth $5, is worth only $4. Exactly what holds it there I do not know. England is beginning to manufacture for export, however, and her credit is good. With some other European countries the rates of exchange have gone very much lower, and are getting worse all the time. Apparently they have not reached a point where they can produce enough for their own people, to say nothing of a surplus for export. We do not claim that this bill, when it becomes a law, will immediately stabilize rates of exchange or that it will work any other miracles. It simply furnishes what we believe to be useful machinery for financing foreign trade, a trade more essential to our own prosperity than ever before, and more essential also to the war-worn countries of Europe.

Mr. Speaker, I reserve the balance of my time, and I yield 15 minutes to the gentleman from Massachusetts [Mr. PHELAN].

Mr. PHELAN. Mr. Speaker, I yield five minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Speaker, this measure has gone through all of the stages of legislation up to the last. I think that the conferees on the part of the House have demonstrated their capacity to take care of the views of the House in the report that is before us. Out of 36 amendments I believe the House has yielded absolutely on 3, and the amendments upon which it yielded were amendments of no great material importance, with the exception of the one fixing the names of the corporations organized under this act.

Now, we have a regulation as to names as to all national banks belonging to the Federal Reserve System, and it seems to me desirable that there should be some regulation as to all of the banks organized under this Federal system, to wit, the national foreign exchange banks. However, the conferees have yielded on that, and I have no doubt but that the Federal Reserve Board, under the power conferred, will fix the names as they are authorized to fix them by regulation. But it should be uniform, and the term "Federal" is being used so much by corporations that are floating stocks of all kinds and is being abused to such an extent that there ought to be some legislation to exclude them from using it except by the consent of Congress. This measure is needed if it will accomplish what we desire. People who are purchasing products of this country and shipping them abroad are at a tremendous disadvantage at the present time.

The most common instance of that with which we are familiar in the South is the tobacco industry. We say cotton also, but cotton is purchased by people and held by people who are able to make the purchaser come here and buy it in dollars, and, while the price is shaded by conditions of exchange to-day, it is not as much affected as the exportation of tobacco. The tobacco man who buys tobacco on the markets of the Carolinas to-day for export, independent of the Tobacco Trust, purchases in competition with everybody. When he sells, he ships usually to London or Liverpool. Those are the common markets. He ships, and it is sold there by a commission merchant for pounds, shillings, and pence. The account is rendered, and the report is made to the man whose property is being sold that there are £10,000, we will say, to his credit on account of the sale of his cargo of tobacco, and he is told that he is authorized to draw at 60 days. Until recent years when he drew for £10,000 he got on the New York market immediately for that exchange around $4.84. To-day he gets $3.97 under the quotations this morning. On a £10,000 proposition he loses eighty-odd cents on every pound, or over $8,000 on the transaction. That, of course, is reflected in the price which he is able to pay at the warehouses of this country for tobacco, and if the provisions of this measure are followed up by organizations which are able to handle the exchange situations so as to give dollar credits in this country for people who are going to buy over there, and so as to handle the exchange of men in this country who are entitled to draw upon foreign institutions, and thus reestablish the ordinary exchange values, a tremendous advance in the price which the purchaser can pay for the products which he buys here for export will be brought about.

The same thing applies to wheat, and it applies in tremendous extent to the price that could be paid for the wheat of the western farmer if it can be bought and sold on exchange, which will again bring its normal value in this country. For that reason we of the Banking and Currency Committee have been very persistent and diligent in endeavoring to get this measure into operation at the very earliest practical moment, and I think that the bill is in as good shape as it is possible with the ordinary process of legislation to prepare a bill of this kind.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. PHELAN. Mr. Speaker, I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. MADDEN. Mr. Speaker, before the gentleman from Arkansas begins, will he yield for just one question?

Mr. WINGO. Yes.

Mr. MADDEN. I would like to know why the word "principally" was used in the ninth line on the first page. Is it intended to imply by that that this is not to be exclusively a foreign corporation, but that it is a domestic corporation as well?

Mr. WINGO. No; the truth of the matter is—and the gentleman asks a question that naturally occurs to anyone—that by the use of the word "principally" corporations would be given more latitude than if we do not use that word. The House recedes on that amendment, and I think we were wise in doing that. Receding on that amendment makes the act read that these "corporations are to be organized for the purpose of engaging in international or foreign banking or other international or foreign financial operations." We receded on the word "principally," because with that word stricken out we restrict the corporations to that class of business.

Mr. MADDEN. Oh, the gentleman will excuse me, but I thought it was a word that was left in.

Mr. WINGO. No; the House receded. That brings me to a discussion of the philosophy of the House amendments. As the bill originally passed the Senate and came to the House there was a great deal of objection to it which I think was well founded. The principal fear was that these corporations might be engaged not entirely in purely foreign financial transactions, but that they might be developed as great trading corporations that would constitute a monopoly, which would affect injuriously the price of raw materials, such as the surplus farm products of the country or the surplus manufactured articles of the country, because these financial corporations controlling foreign credits might to a certain extent have some monopoly of the credits, and if we permitted them to become trading corporations, then, furnishing the credits to the European purchasers, they might restrict the financial aid they extend, the credits, by

saying, "We will give you this credit provided you will purchase your copper, your corn, your cotton, your wheat, your manufactured articles through us."

The philosophy of the House committee was that we would restrict those corporations to purely financial transactions, and the House took up what was called the Gronna amendment, which is found on page 8 of the bill, and instead of the Gronna amendment the House wrote in a provision, and the Senate receded from its disagreement with an amendment, and I shall read the text of it as we agreed to it in conference:

No corporation organized under this section shall engage in commerce or trade in commodities except as specifically provided in this section, nor shall it directly or indirectly control or fix or attempt to control or fix the price of any such commodities. The charter of any corporation violating this provision shall be subject to forfeiture in the manner hereinafter provided in this section. It shall be unlawful for any director, officer, agent, or employee of any such corporation to use or to conspire to use the credit, the funds, or the power of the corporation to fix or control the price of any such commodities, and any such person violating this provision shall be liable to a fine of not less than $1,000 and not exceeding $5,000 or imprisonment not less than one year and not exceeding five years, or both, in the discretion of the court.

With those and other restrictions and others appearing elsewhere in the bill we think we have removed the fears and the objections. I agreed to this bill, and I think it is necessary, because we are confronted with this sort of situation. It will serve no useful purpose to retail the conditions that exist in Europe. They have not the short current credits that before the war they used in paying for the surplus farm and manufactured products of the United States. They have long-term credits that the American exporter can not use, except the great corporations who could absorb and handle long-term paper, but which the producers of cotton, corn, wheat, and the small manufacturers could not accept in payment, so this act authorizes the creation of private corporations using private capital, which can issue its bonds that will be bought by the American investor, and thereby procure funds that are liquid and current and that will be acceptable to the producers of these surplus products in the United States. What was the alternative? Members will recall that there were a great many persons in this country—chief of whom was Mr. Wickersham, and he has a right to his opinion and I criticize only his judgment—who suggested that the foreign Governments of England, France, and Germany should undertake to guarantee the long-term paper of their people who desired to purchase their raw materials in the United States, and that our Government in turn should take this paper or guarantee it. In other words, that the United States Government go on extending financial aid not only to the Governments of Europe for the purpose of prosecuting the war but for the purpose of purchasing raw material for their industries to rehabilitate those countries.

Mr. Speaker, I am opposed to that proposition. I think the judgment of the country is against it. I think, further, the judgment of the country is that this Government has gone as far as it should go and as far as the allied Governments should ask us to go in aiding them by loans out of our Treasury. I am not only opposed to any further loans by our Government to our allies, but I am opposed to the proposition of extending the time of the payment of interest on the loans we have heretofore made them. For some time a propaganda has been going on, supported by certain men in the allied countries and seconded by certain gentlemen and newspapers in this country, for the purpose of having us to not only cancel the debt of our allies to us, but that we go further and join in a pooling of the war debts of the allied Governments, each nation to pay its proportionate share, based on its wealth and population, which would mean that we would not only lose the money we have already loaned, but that we would be compelled to assume the payment of billions of the war debt of our allies.

The SPEAKER. The time of the gentleman has expired.

Mr. WINGO. Can the gentleman give me some more time?

Mr. PLATT. I yield the gentleman five minutes.

Mr. WINGO. Mr. Speaker, I want to be fair to the English, the French, and the Belgian Governments. I do not believe they have advanced any such proposal, and neither do I believe that they will. I think they are too fair and, if you please, too proud to make any such unreasonable demand upon the taxpayers of this Nation. However, I think it is time for us to serve notice upon the demagogues of those countries who are urging them to make such a demand, and upon the misguided individuals and newspapers of this country supporting the proposal, that Congress, backed by the American people, will not stand for any such proposition, but, to the contrary, the American people and Congress are going to not only oppose the pooling of the allied war debt, but we are opposed to extending the time of paying the interest upon the debts that they owe us. [Applause.]

But I repeat, Mr. Speaker, I want to be fair to these Governments, and for that reason I reaffirm my belief that they will not, and certainly Great Britain will not, ask us to extend the time of payment. The debt they owe us is a debt of honor, made in good faith, with a solemn promise to repay it according to the terms of the loan, and any failure upon the part of the allied Governments to scrupulously meet these obligations would be unfortunate, to say the least of it.

Congress, by the enactment of this foreign finance bill, serves notice upon the world that whatever aid America gives to the peoples of the allied countries in the future will not come from the United States Treasury, but such aid must come alone through the private corporations authorized to be created by this bill, which provides a machinery for meeting all the legitimate demands of Europe for financial aid upon business terms for the rehabilitation of her devastated lands and her destroyed industries. While the machinery is authorized by the Federal Government, the Government will not be responsible, and European industries, if they wish to procure financial aid from this country, must depend upon these private financial agencies and not upon the United States Treasury. I think it is time that the peoples of the allied countries understand that we expect them to put their own houses in order and go to work and, instead of asking us to release them from the debts they owe us and to assume the payments of a part of their debts, that they say to us, "We appreciate the aid you gave, we appreciate the charity of the Red Cross and the Young Men's Christian Association, but we do not expect any charity from the taxpayers of the United States."

If the peoples of the allied countries will give up the foolish and misguided idea that the United States Treasury is open to them, and instead will look only for credits upon business terms to the private corporations that are to be organized under this act, they will get every financial aid, viewed from a business standpoint, to which they are entitled and which will enable them, if they go to work, to rebuild their country and to make the money to pay us what they already owe us. If they are not willing to do this, then it is time for us to serve notice on them that we expect them to pay every dollar they owe us and the interest when due. [Applause.]

Mr. FESS. Will the gentleman yield?

Mr. WINGO. I will.

Mr. FESS. The gentleman recalls the statement made by a member of the Chamber of Deputies about two months ago, in which he claimed the United States would be required to pay its share of the war debt, that we have made money during the war, and that we would be under obligation to pay our share. Does that signify anything to the gentleman?

Mr. WINGO. I have not found in the debates, either of the Chamber of Deputies or in the House of Commons, a single man who occupied a responsible position in the Government who has made such suggestions. Now, the opponents of Lloyd-George's Government and the opponents of the Clemenceau Government are trying to play politics at home by urging and insisting that we join in a pooling of allied war debts. The gentleman will recall that at one time during the peace conference this question was discussed in the newspapers, and it was stated that neither of the allied Governments had made any such request or demand upon the representatives of the United States. I do not know how the executive officers of the Government feel on this question, and what I have said is not made by any authority of anyone connected with the executive branch, but it is made upon my own responsibility after consulting with Members on both sides of the aisle who agree with me that it is time to say to the demagogues of France and England and the misguided individuals in this country that their proposal for this Government to cancel our loans to our allies will not be given serious consideration by Congress.

Mr. FESS. Will the gentleman yield further?

Mr. WINGO. To a question.

Mr. FESS. The gentleman will recall that the member of the Chamber who made the statement was Jacques Stern. Now, let me ask the gentleman if there was any significance in the statement of Clemenceau that he desired to internationalize the war debt?

Mr. WINGO. I think that he is too shrewd a man to expect us to join in any such plan. I think he faces the verities of life, stripped of all its illusions, and recognizes that it is foolish to expect the taxpayers of the United States to pay one single dollar more toward the burden of the war than that which we ourselves have expended and which we ourselves owe.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. MASON. May I ask the gentleman a question?

Mr. WINGO. My time has expired.

Mr. PLATT. Mr. Speaker, I yield two minutes to the gentleman.

Mr. MASON. I quite agree with the gentleman. I just wanted to know whether he had any information in regard to a statement which we read, that the Secretary of the Treasury is about to extend the interest due upon securities whereby the Government of the United States pays the interest and waits the convenience of those with whom we are associated?

Mr. WINGO. I will state to the gentleman that I have not discussed this matter with any of the executive officers of the Government. I have discussed it only with my colleagues on both sides of the House. I do not know what request has been made on our Government, nor do I know what the policy of the Secretary of the Treasury is on this matter. I personally admire Secretary Glass and have great respect for his judgment, but if he were to favor extending the time of the payment of interest on the debt of the Allies to us I should oppose it just as firmly as I would if he agreed with me. I simply speak for myself and those of my colleagues with whom I have discussed the matter.

Mr. MADDEN. Will the gentleman yield?

Mr. WINGO. I will.

Mr. MADDEN. Does the gentleman know whether or not it has been the policy—in fact, the practice—of the administration to advance the money in the form of new loans with which to meet the interest obligations due from those countries?

Mr. WINGO. I am not discussing what our Government has done during the war; but we are getting out of the war now, and by this act we are setting up machinery ample to meet the future financial needs of the allied countries, and I am opposed to any further loans out of the Treasury to the allied Governments. I do not criticize the administration for doing what the gentleman suggested, because it had to meet the necessities of the war which required us to loan them the money to pay for war supplies bought in this country. If you did not approve it, you did not have the courage to stand on the floor and criticize the administration for doing the necessary obvious thing which Congress authorized the administration to do—that is, to extend loans to the allied Governments for that purpose to the extent of $10,000,000,000. But that is behind us, and the point I wish to make is, that this act is a reconstruction measure. By it we bring to an end the aid of the United States Treasury to the peoples of Europe and say that in the future we propose to meet their needs on a business basis, divorced from the United States Treasury. The bill specifically provides that the United States Government shall not be liable for any of the bonds or debentures that these corporations may issue, and provides a criminal penalty for anyone who represents, for the purpose of selling these bonds, that the Government is liable. I repeat that by this act Congress serves notice on the world that in the future our relations with the peoples of Europe will be on a business basis, and whatever aid they get from this country must be through these private agencies, and that henceforth the Treasury of the taxpayers will not be called upon for any further aid. [Applause.]

Mr. PHELAN. Mr. Speaker, this is a very important measure, and I have no desire to delay its passage in any way. Therefore I shall speak for only a minute or two. The bill as brought back from conference is substantially the bill as passed by the House. The changes are few, and, with one exception, I think, are not essential. There has been one change made which is somewhat important. I refer to the changes in the provisions which permit corporations organized under this bill, when it becomes a law, to hold stock in other corporations. We have given broader and more liberal powers to corporations in this respect. We have given the corporations to be organized hereunder certain greater latitude in their dealings abroad, but have endeavored to provide proper safeguards. As the bill came from the Senate originally there were very few safeguards in it, in my opinion. The House committee put numerous safeguards in, and was especially careful to avoid any opportunity for monopoly.

Again, as the bill comes from conference we have taken every reasonable means to avoid monopoly in the corporations organized under this bill. If I were writing the bill, I would make a change in one or two particulars; but every man has his own opinions or ideas as to legislation, and I am frank to say, in spite of one or two changes that I would like to see made in the bill, the bill is a good one; that it is well framed and well designed to accomplish its purpose. It is legislation that is of extreme importance. It ought to pass, and I expect it will pass in a few moments.

Mr. HICKS. Will the gentleman allow one suggestion?

Mr. PHELAN. Gladly.

Mr. HICKS. It seems to me that on page 7, line 6, the word "not" in the beginning of the line is superfluous, and that in order to make that line conform to the amendment agreed to by the conferees the word should be stricken out.

Mr. PHELAN. It has been noticed and will be corrected at the proper time.

Mr. PLATT. I think the mistake is in the word "not." It occurs twice. It is printed in the amendment and ought not to be there.

Mr. HICKS. It repeats the word "not."

Mr. PHELAN. That has been taken note of and will be attended to.

Mr. PLATT. Mr. Speaker, I would like to yield five minutes to the gentleman from Massachusetts [Mr. LUCE].

The SPEAKER. The gentleman from Massachusetts is recognized for five minutes.

Mr. LUCE. Mr. Speaker, the gravity of the question behind this bill would alone justify me in trespassing upon the time of the House when it is quite apparent that the measure is likely to receive approval. Yet some of the words spoken by the gentleman from Arkansas [Mr. WINGO] prompt me to ask your indulgence long enough to point out that this measure goes beyond a simple business transaction and may help to meet the basic situation to which he has referred.

He has, I think, with wisdom, voiced the common opinion that as a Government it will be unwise for us further to make loans to foreign nations. But I should regret if we did not recognize the fact that Europe to-day is confronted by bankruptcy and that it may not be the part alone of charity but the part also of prudence for us to furnish some way of putting at the command of the starving, struggling peoples of Europe, with nerves wrecked by the war, with the best of their manhood hastened to early graves, in this hour of their crisis, the overflow, at least, of our resources. It is not necessary to put our facilities and products at their command in the method used during the war, but it is wise and prudent for humanitarian reasons, if for no others, to make it possible for those resources of ours to accrue to the salvation of lands in such perilous plight.

As a member of this committee, I confess that I viewed with some reluctance and misgiving the prospect of placing at the disposal of foreign nations, in our own time of stress, more of our resources. In matters of detail the bill has been safeguarded by most patient work on the part of the committee. Its administration has been put under complete control by the Federal Reserve Board, and on that score there can be no hesitation. But this broader question, the underlying question of extending our help to foreign lands, the gravest question perhaps that will immediately confront us in our foreign relations, might well give any Member of Congress pause, and he might well hesitate. Here we have attempted to bring to the solution of this momentous question the help of the wisest financiers of the land, those who will organize these corporations, and if we may not rely upon their judgment, their prudence, and their foresight, where shall we turn in time of perplexity? And because the measure intrusts the solution of this problem to these our wisest financiers, for one I think reluctance may be swept aside, and we may proceed in confidence that the interests of the people will be safeguarded; that the welfare of the country will be advanced; and that at the same time we shall meet the obligation common to-day to all humanity, the obligation of helping the struggling nations to survive. [Applause and cries of "Vote!"]

Mr. PLATT. Mr. Speaker, I do not care to take further time in conclusion, except to say that I am glad the discussion has brought out to some extent the fact that the only alternative to such a measure as this is direct Government loans, which I believe we all think ought to be stopped.

This bill provides for a businesslike arrangement for corporations to be financed by private capital to do business on business principles. There is good security in European countries as well as in South America, and, of course, these corporations are not to do business exclusively with Europe, although there is where the crisis is. They are to do business all over the world. There are securities in the European countries, wartorn as they are, which are good if we can organize these corporations to use them and convert them into cash, to be used to pay wages in our factories and on our farms.

Mr. Speaker, the bill has been thoroughly discussed, not only now, but when it was before the House heretofore, and I now ask for a vote on the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

Sundry messages in writing from the President of the United States were communicated to the House of Representatives by Mr. Latta, one of his secretaries.

PRESIDENT'S MESSAGE—RECEIPTS AND EXPENDITURES.

The SPEAKER laid before the House the following message from the President, which was read and, with the accompanying documents, referred to the Committee on Appropriations and ordered to be printed:

To the Senate and House of Representatives:

As required by the act of Congress approved February 25, 1919, I transmit herewith a preliminary report on the receipts and expenditures made under appropriation of that act.

WOODROW WILSON.

THE WHITE HOUSE,
2 December, 1919.

PRESIDENT'S MESSAGE—REPORT OF THE CIVIL SERVICE COMMISSION.

The SPEAKER also laid before the House the following message from the President, which was read and, with the accompanying documents, referred to the Committee on Reform in the Civil Service and ordered to be printed:

To the Senate and House of Representatives:

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the thirty-sixth annual report of the United States Civil Service Commission for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE,
2 December, 1919.

ANNUAL MESSAGE OF THE PRESIDENT.

The SPEAKER also laid before the House the annual message from the President of the United States, which was read by the Clerk of the House, William Tyler Page, as follows:

To the Senate and House of Representatives:

I sincerely regret that I cannot be present at the opening of this session of the Congress. I am thus prevented from presenting in as direct a way as I could wish the many questions that are pressing for solution at this time. Happily, I have had the advantage of the advice of the heads of the several executive departments who have kept in close touch with affairs in their detail and whose thoughtful recommendations I earnestly second.

In the matter of the railroads and the readjustments of their affairs growing out of Federal control, I shall take the liberty at a later date of addressing you.

I hope that Congress will bring to a conclusion at this session legislation looking to the establishment of a budget system. That there should be one single authority responsible for the making of all appropriations and that appropriations should be made not independently of each other, but with reference to one single comprehensive plan of expenditure properly related to the nation's income, there can be no doubt. I believe the burden of preparing the budget must, in the nature of the case, if the work is to be properly done and responsibility concentrated instead of divided, rest upon the executive. The budget so prepared should be submitted to and approved or amended by a single committee of each House of Congress and no single appropriation should be made by the Congress, except such as may have been included in the budget prepared by the executive or added by the particular committee of Congress charged with the budget legislation.

Another and not less important aspect of the problem is the ascertainment of the economy and efficiency with which the moneys appropriated are expended. Under existing law the only audit is for the purpose of ascertaining whether expenditures have been lawfully made within the appropriations. No one is authorized or equipped to ascertain whether the money has been spent wisely, economically and effectively. The auditors should be highly trained officials with permanent tenure in the Treasury Department, free of obligations to or motives of consideration for this or any subsequent administration, and authorized and empowered to examine into and make report upon the methods employed and the results obtained by the executive departments of the Government. Their reports should be made to the Congress and to the Secretary of the Treasury.

I trust that the Congress will give its immediate consideration to the problem of future taxation. Simplification of the income and profits taxes has become an immediate necessity. These taxes performed indispensable service during the war. They must, however, be simplified, not only to save the taxpayer inconvenience and expense, but in order that his liability may be made certain and definite.

With reference to the details of the Revenue Law, the Secretary of the Treasury and the Commissioner of Internal Revenue will lay before you for your consideration certain amendments necessary or desirable in connection with the administration of the law—recommendations which have my approval and support. It is of the utmost importance that in dealing with this matter the present law should not be disturbed so far as regards taxes for the calendar year 1920, payable in the calendar year 1921. The Congress might well consider whether the higher rates of income and profits taxes can in peace times be effectively productive of revenue, and whether they may not, on the contrary, be destructive of business activity and productive of waste and inefficiency. There is a point at which in peace times high rates of income and profits taxes discourage energy, remove the incentive to new enterprise, encourage extravagant expenditures and produce industrial stagnation with consequent unemployment and other attendant evils.

The problem is not an easy one. A fundamental change has taken place with reference to the position of America in the world's affairs. The prejudice and passions engendered by decades of controversy between two schools of political and economic thought,—the one believers in protection of American industries, the other believers in tariff for revenue only,—must be subordinated to the single consideration of the public interest in the light of utterly changed conditions. Before the war America was heavily the debtor of the rest of the world and the interest payments she had to make to foreign countries on American securities held abroad, the expenditures of American travelers abroad and the ocean freight charges she had to pay to others, about balanced the value of her pre-war favorable balance of trade. During the war America's exports have been greatly stimulated, and increased prices have increased their value. On the other hand, she has purchased a large proportion of the American securities previously held abroad, has loaned some $9,000,000,000 to foreign governments, and has built her own ships. Our favorable balance of trade has thus been greatly increased and Europe has been deprived of the means of meeting it heretofore existing. Europe can have only three ways of meeting the favorable balance of trade in peace times: by imports into this country of gold or of goods, or by establishing new credits. Europe is in no position at the present time to ship gold to us nor could we contemplate large further imports of gold into this country without concern. The time has nearly passed for international governmental loans and it will take time to develop in this country a market for foreign securities. Anything, therefore, which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore of preventing the exports from being made. The productivity of the country greatly stimulated by the war must find an outlet by exports to foreign countries and any measures taken to prevent imports will inevitably curtail exports, force curtailment of production, load the banking machinery of the country with credits to carry unsold products and produce industrial stagnation and unemployment. If we want to sell, we must be prepared to buy. Whatever, therefore, may have been our views during the period of growth of American business concerning tariff legislation, we must now adjust our own economic life to a changed condition growing out of the fact that American business is full grown and that America is the greatest capitalist in the world.

No policy of isolation will satisfy the growing needs and opportunities of America. The provincial standards and policies of the past, which have held American business as if in a strait-jacket, must yield and give way to the needs and exigencies of the new day in which we live, a day full of hope and promise for American business, if we will but take advantage of the opportunities that are ours for the asking. The recent war has ended our isolation and thrown upon us a great duty and responsibility. The United States must share the expanding world market. The United States desires for itself only equal opportunity with the other nations of the world, and that through the process of friendly cooperation and fair competition the legitimate interests of the nations concerned may be successfully and equitably adjusted.

There are other matters of importance upon which I urged action at the last session of Congress which are still pressing for solution. I am sure it is not necessary for me again to remind you that there is one immediate and very practicable question resulting from the war which we should meet in the most liberal

spirit. It is a matter of recognition and relief to our soldiers. I can do no better than to quote from my last message urging this very action:

"We must see to it that our returning soldiers are assisted in every practicable way to find the places for which they are fitted in the daily work of the country. This can be done by developing and maintaining upon an adequate scale the admirable organization created by the Department of Labor for placing men seeking work; and it can also be done, in at least one very great field, by creating new opportunities for individual enterprise. The Secretary of the Interior has pointed out the way by which returning soldiers may be helped to find and take up land in the hitherto undeveloped regions of the country which the Federal Government has already prepared or can readily prepare for cultivation and also on many of the cutover or neglected areas which lie within the limits of the older states; and I once more take the liberty of recommending very urgently that his plans shall receive the immediate and substantial support of the Congress."

In the matter of tariff legislation, I beg to call your attention to the statements contained in my last message urging legislation with reference to the establishment of the chemical and dyestuffs industry in America:

"Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war made the interruption of trade a cause of exceptional economic disturbance. The close relation between the manufacture of dyestuffs, on the one hand, and of explosives and poisonous gases, on the other, moreover, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in the programme of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well-equipped chemical plants. The German chemical industry, with which we will be brought into competition, was and may well be again, a thoroughly knit monopoly capable of exercising a competition of a peculiarly insiduous and dangerous kind."

During the war the farmer performed a vital and willing service to the nation. By materially increasing the production of his land, he supplied America and the Allies with the increased amounts of food necessary to keep their immense armies in the field. He indispensably helped to win the war. But there is now scarcely less need of increasing the production in food and the necessaries of life. I ask the Congress to consider means of encouraging effort along these lines. The importance of doing everything possible to promote production along economical lines, to improve marketing, and to make rural life more attractive and healthful, is obvious. I would urge approval of the plans already proposed to the Congress by the Secretary of Agriculture, to secure the essential facts required for the proper study of this question, through the proposed enlarged programmes for farm management studies and crop estimates. I would urge, also, the continuance of federal participation in the building of good roads, under the terms of existing law and under the direction of present agencies; the need of further action on the part of the States and the Federal Government to preserve and develop our forest resources, especially through the practice of better forestry methods on private holdings and the extension of the publicly owned forests; better support for country schools and the more definite direction of their courses of study along lines related to rural problems; and fuller provision for sanitation in rural districts and the building up of needed hospital and medical facilities in these localities. Perhaps the way might be cleared for many of these desirable reforms by a fresh, comprehensive survey made of rural conditions by a conference composed of representatives of the farmers and of the agricultural agencies responsible for leadership.

I would call your attention to the widespread condition of political restlessness in our body politic. The causes of this unrest, while various and complicated, are superficial rather than deep seated. Broadly, they arise from or are connected with the failure on the part of our Government to arrive speedily at a just and permanent peace permitting return to normal conditions, from the transfusion of radical theories from seething European centers pending such delay, from heartless profiteering resulting in the increase of the cost of living, and lastly from the machinations of passionate and malevolent agitators. With the return to normal conditions, this unrest will rapidly disappear. In the meantime, it does much evil. It seems to me that in dealing with this situation Congress should not be impatient or drastic but should seek rather to remove the causes. It should endeavor to bring our country back speedily to a peace basis, with ameliorated living conditions under the minimum of restrictions upon personal liberty that is consistent with our reconstruction problems. And it should arm the Federal Government with power to deal in its criminal courts with those persons who by violent methods would abrogate our time-tested institutions. With the free expression of opinion and with the advocacy of orderly political change, however fundamental, there must be no interference, but towards passion and malevolence tending to incite crime and insurrection under guise of political evolution there should be no leniency. Legislation to this end has been recommended by the Attorney General and should be enacted. In this direct connection, I would call your attention to my recommendations on August 8th, pointing out legislative measures which would be effective in controlling and bringing down the present cost of living, which contributes so largely to this unrest. On only one of these recommendations has the Congress acted. If the Government's campaign is to be effective, it is necessary that the other steps suggested should be acted on at once.

I renew and strongly urge the necessity of the extension of the present Food Control Act as to the period of time in which it shall remain in operation. The Attorney General has submitted a bill providing for an extension of this Act for a period of six months. As it now stands it is limited in operation to the period of the war and becomes inoperative upon the formal proclamation of peace. It is imperative that it should be extended at once. The Department of Justice has built up extensive machinery for the purpose of enforcing its provisions; all of which must be abandoned upon the conclusion of peace unless the provisions of this Act are extended.

During this period the Congress will have an opportunity to make similar, permanent provisions and regulations with regard to all goods destined for interstate commerce and to exclude them from interstate shipment, if the requirements of the law are not complied with. Some such regulation is imperatively necessary. The abuses that have grown up in the manipulation of prices by the withholding of foodstuffs and other necessaries of life cannot otherwise be effectively prevented. There can be no doubt of either the necessity or the legitimacy of such measures.

As I pointed out in my last message, publicity can accomplish a great deal in this campaign. The aims of the Government must be clearly brought to the attention of the consuming public, civic organizations and state officials, who are in a position to lend their assistance to our efforts. You have made available funds with which to carry on this campaign, but there is no provision in the law authorizing their expenditure for the purpose of making the public fully informed about the efforts of the Government. Specific recommendation has been made by the Attorney General in this regard. I would strongly urge upon you its immediate adoption, as it constitutes one of the preliminary steps to this campaign.

I also renew my recommendation that the Congress pass a law regulating cold storage as it is regulated, for example, by the laws of the State of New Jersey, which limit the time during which goods may be kept in storage, prescribe the method of disposing of them if kept beyond the permitted period, and require that goods released from storage shall in all cases bear the date of their receipt. It would materially add to the serviceability of the law, for the purpose we now have in view, if it were also prescribed that all goods released from storage for interstate shipment should have plainly marked upon each package the selling or market price at which they went into storage. By this means the purchaser would always be able to learn what profits stood between him and the producer or the wholesale dealer.

I would also renew my recommendation that all goods destined for interstate commerce should in every case, where their form or package makes it possible, be plainly marked with the price at which they left the hands of the producer.

We should formulate a law requiring a federal license of all corporations engaged in interstate commerce and embodying in the license, or in the conditions under which it is to be issued, specific regulations designed to secure competitive selling and prevent unconscionable profits in the method of marketing. Such a law would afford a welcome opportunity to effect other much needed reforms in the business of interstate shipment and in the methods of corporations which are engaged in it; but for the moment I confine my recommendations to the object immediately in hand, which is to lower the cost of living.

No one who has observed the march of events in the last year can fail to note the absolute need of a definite programme to bring about an improvement in the conditions of labor. There can be no settled conditions leading to increased production and a reduction in the cost of living if labor and capital are to be

antagonists instead of partners. Sound thinking and an honest desire to serve the interests of the whole nation, as distinguished from the interests of a class, must be applied to the solution of this great and pressing problem. The failure of other nations to consider this matter in a vigorous way has produced bitterness and jealousies and antagonisms, the food of radicalism. The only way to keep men from agitating against grievances is to remove the grievances. An unwillingness even to discuss these matters produces only dissatisfaction and gives comfort to the extreme elements in our country which endeavor to stir up disturbances in order to provoke governments to embark upon a course of retaliation and repression. The seed of revolution is repression. The remedy for these things must not be negative in character. It must be constructive. It must comprehend the general interest. The real antidote for the unrest which manifests itself is not suppression, but a deep consideration of the wrongs that beset our national life and the application of a remedy.

Congress has already shown its willingness to deal with these industrial wrongs by establishing the eight-hour day as the standard in every field of labor. It has sought to find a way to prevent child labor. It has served the whole country by leading the way in developing the means of preserving and safeguarding lives and health in dangerous industries. It must now help in the difficult task of finding a method that will bring about a genuine democratization of industry, based upon the full recognition of the right of those who work, in whatever rank, to participate in some organic way in every decision which directly affects their welfare. It is with this purpose in mind that I called a conference to meet in Washington on December 1st, to consider these problems in all their broad aspects, with the idea of bringing about a better understanding between these two interests.

The great unrest throughout the world, out of which has emerged a demand for an immediate consideration of the difficulties between capital and labor, bids us put our own house in order. Frankly, there can be no permanent and lasting settlements between capital and labor which do not recognize the fundamental concepts for which labor has been struggling through the years. The whole world gave its recognition and endorsement to these fundamental purposes in the League of Nations. The statesmen gathered at Versailles recognized the fact that world stability could not be had by reverting to industrial standards and conditions against which the average workman of the world had revolted. It is, therefore, the task of the statesmen of this new day of change and readjustment to recognize world conditions and to seek to bring about, through legislation, conditions that will mean the ending of age-long antagonisms between capital and labor and that will hopefully lead to the building up of a comradeship which will result not only in greater contentment among the mass of workmen but also bring about a greater production and a greater prosperity to business itself.

To analyze the particulars in the demands of labor is to admit the justice of their complaint in many matters that lie at their basis. The workman demands an adequate wage, sufficient to permit him to live in comfort, unhampered by the fear of poverty and want in his old age. He demands the right to live and the right to work amidst sanitary surroundings, both in home and in workshop, surroundings that develop and do not retard his own health and well-being; and the right to provide for his children's wants in the matter of health and education. In other words, it is his desire to make the conditions of his life and the lives of those dear to him tolerable and easy to bear.

The establishment of the principles regarding labor laid down in the covenant of the League of Nations offers us the way to industrial peace and conciliation. No other road lies open to us. Not to pursue this one is longer to invite enmities, bitterness, and antagonisms which in the end only lead to industrial and social disaster. The unwilling workman is not a profitable servant. An employee whose industrial life is hedged about by hard and unjust conditions, which he did not create and over which he has no control, lacks that fine spirit of enthusiasm and volunteer effort which are the necessary ingredients of a great producing entity. Let us be frank about this solemn matter. The evidences of world-wide unrest which manifest themselves in violence throughout the world bid us pause and consider the means to be found to stop the spread of this contagious thing before it saps the very vitality of the nation itself. Do we gain strength by withholding the remedy? Or is it not the business of statesmen to treat these manifestations of unrest which meet us on every hand as evidences of an economic disorder and to apply constructive remedies wherever necessary, being sure that in the application of the remedy we touch not the vital tissues of our industrial and economic life? There can be no recession of the tide of unrest until constructive instrumentalities are set up to stem that tide.

Governments must recognize the right of men collectively to bargain for humane objects that have at their base the mutual protection and welfare of those engaged in all industries. Labor must not be longer treated as a commodity. It must be regarded as the activity of human beings, possessed of deep yearnings and desires. The business man gives his best thought to the repair and replenishment of his machinery, so that its usefulness will not be impaired and its power to produce may always be at its height and kept in full vigor and motion. No less regard ought to be paid to the human machine, which after all propels the machinery of the world and is the great dynamic force that lies back of all industry and progress. Return to the old standards of wage and industry in employment are unthinkable. The terrible tragedy of war which has just ended and which has brought the world to the verge of chaos and disaster would be vain if there should ensue a return to the conditions of the past. Europe itself, whence has come the unrest which now holds the world at bay, is an example of standpatism in these vital human matters which America might well accept as an example, not to be followed but studiously to be avoided. Europe made labor the differential, and the price of it all is enmity and antagonism and prostrated industry. The right of labor to live in peace and comfort must be recognized by governments and America should be the first to lay the foundation stones upon which industrial peace shall be built.

Labor not only is entitled to an adequate wage, but capital should receive a reasonable return upon its investment and is entitled to protection at the hands of the government in every emergency. No government worthy of the name can "play" these elements against each other, for there is a mutuality of interest between them which the government must seek to express and to safeguard at all cost.

The right of individuals to strike is inviolate and ought not to be interfered with by any process of government, but there is a predominant right and that is the right of the government to protect all of its people and to assert its power and majesty against the challenge of any class. The government, when it asserts that right, seeks not to antagonize a class but simply to defend the right of the whole people as against the irreparable harm and injury that might be done by the attempt by any class to usurp a power that only government itself has a right to exercise as a protection to all.

In the matter of international disputes which have led to war, statesmen have sought to set up as a remedy arbitration for war. Does this not point the way for the settlement of industrial disputes, by the establishment of a tribunal, fair and just alike to all, which will settle industrial disputes which in the past have led to war and disaster? America, witnessing the evil consequences which have followed out of such disputes between these contending forces, must not admit itself impotent to deal with these matters by means of peaceful processes. Surely, there must be some method of bringing together in a council of peace and amity these two great interests, out of which will come a happier day of peace and cooperation, a day that will make men more hopeful and enthusiastic in their various tasks, that will make for more comfort and happiness in living and a more tolerable condition among all classes of men. Certainly human intelligence can devise some acceptable tribunal for adjusting the differences between capital and labor.

This is the hour of test and trial for America. By her prowess and strength, and the indomitable courage of her soldiers, she demonstrated her power to vindicate on foreign battlefields her conceptions of liberty and justice. Let not her influence as a mediator between capital and labor be weakened and her own failure to settle matters of purely domestic concern be proclaimed to the world. There are those in this country who threaten direct action to force their will upon a majority. Russia today, with its blood and terror, is a painful object lesson of the power of minorities. It makes little difference what minority it is; whether capital or labor, or any other class; no sort of privilege will ever be permitted to dominate this country. We are a partnership or nothing that is worth while. We are a democracy, where the majority are the masters, or all the hopes and purposes of the men who founded this government have been defeated and forgotten. In America there is but one way by which great reforms can be accomplished and the relief sought by classes obtained, and that is through the orderly processes of representative government. Those who would propose any other method of reform are enemies of this country. America will not be daunted by threats nor lose her composure

or calmness in these distressing times. We can afford, in the midst of this day of passion and unrest, to be self-contained and sure. The instrument of all reform in America is the ballot. The road to economic and social reform in America is the straight road of justice to all classes and conditions of men. Men have but to follow this road to realize the full fruition of their objects and purposes. Let those beware who would take the shorter road of disorder and revolution. The right road is the road of justice and orderly process.

WOODROW WILSON.

THE WHITE HOUSE,
2 December, 1919.

The message was received with applause.

Mr. MONDELL. Mr. Speaker, I move the reference of the President's message to the Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman from Wyoming moves the reference of the message to the Committee of the Whole House on the state of the Union.

The motion was agreed to.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 39 minutes p. m.) the House adjourned until Wednesday, December 3, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of the Interior, transmitting statement of receipts and expenditures of Government Hospital for the Insane, fiscal year ended June 30, 1918 (H. Doc. No. 367); to the Committee on Expenditures in the Interior Department and ordered to be printed.

2. A letter from the Acting Secretary of the Interior, transmitting report of diversions or expenditures in department for fiscal year ended June 30, 1919 (H. Doc. No. 368); to the Committee on Indian Affairs and ordered to be printed.

3. A letter from the Acting Secretary of the Interior, transmitting statement of money carried on books by department under the caption "Indian moneys, proceeds of labor" (H. Doc. No. 369); to the Committee on Indian Affairs and ordered to be printed.

4. A letter from the Acting Secretary of the Interior, transmitting statement of expenditures from the tribal fund of the Blackfeet Indians of Montana, fiscal year ended June 30, 1919 (H. Doc. No. 370); to the Committee on Indian Affairs and ordered to be printed.

5. A letter from the Acting Secretary of the Interior, transmitting report of expenditures made from tribal funds of the Confederated Bands of Utes during the fiscal year ended June 30, 1919 (H. Doc. No. 371); to the Committee on Indian Affairs and ordered to be printed.

6. A letter from the Acting Secretary of the Interior, transmitting detailed report of expenditures made in per capita payments to the Apache, Kiowa, and Comanche Indians during the fiscal year ended June 30, 1919 (H. Doc. No. 372); to the Committee on Indian Affairs and ordered to be printed.

7. A letter from the Acting Secretary of the Interior, transmitting report of expenditures made for the purchase of cattle for the benefit of Indians on the Standing Rock Reservation, in North Dakota, fiscal year ended June 30, 1919 (H. Doc. No. 373); to the Committee on Indian Affairs and ordered to be printed.

8. A letter from the Acting Secretary of the Interior, transmitting report of expenditures made for the purpose of encouraging industry and support among the Indians on the Tongue River Reservation, Mont., during the fiscal year ended June 30, 1919 (H. Doc. No. 374); to the Committee on Indian Affairs and ordered to be printed.

9. A letter from the Acting Secretary of the Interior, transmitting report of all moneys collected and deposited during the fiscal year ended June 30, 1919, under the appropriation "Determining heirs of deceased Indian allottees, 1919" (H. Doc. No. 375); to the Committee on Indian Affairs and ordered to be printed.

10. A letter from the Acting Secretary of the Interior, transmitting report of no expenditures during the fiscal year ended June 30, 1919, for the construction of hospitals from the appropriation "Relieving distress and prevention, etc., of disease among Indians, 1919" (H. Doc. No. 376); to the Committee on Indian Affairs and ordered to be printed.

11. A letter from the Acting Secretary of the Interior, transmitting detailed report of expenditures made for the purchase of cattle for the Northern Cheyenne Indians on the Tongue River Reservation, Mont., for the fiscal year ended June 30, 1919 (H. Doc. No. 377); to the Committee on Indian Affairs and ordered to be printed.

12. A letter from the Acting Secretary of the Interior, transmitting report of diversion of appropriation for the pay of specified employees in the Indian Service for the fiscal year ended June 30, 1919 (H. Doc. No. 378); to the Committee on Indian Affairs and ordered to be printed.

13. A letter from the Acting Secretary of the Interior, transmitting report regarding treaty stipulations and acts of hostilities with tribes of Indians since the preceding report (H. Doc. No. 379); to the Committee on Indian Affairs and ordered to be printed.

14. A letter from the Acting Secretary of the Interior, transmitting report of expenditures from the permanent fund of the Sioux Indians during the fiscal year ended June 30, 1919 (H. Doc. No. 380); to the Committee on Indian Affairs and ordered to be printed.

15. A letter from the Acting Secretary of the Interior, transmitting a statement of the cost of all survey and allotment work on Indian reservations for the fiscal year ended June 30, 1919 (H. Doc. No. 381); to the Committee on Indian Affairs and ordered to be printed.

16. A letter from the Acting Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1919, from the appropriation "Indian school and agency buildings, 1919" (H. Doc. No. 382); to the Committee on Indian Affairs and ordered to be printed.

17. A letter from the Acting Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1919 from the appropriation "Indian schools, support, 1919" (H. Doc. No. 383); to the Committee on Indian Affairs and ordered to be printed.

18. A letter from the Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1919 from the tribal funds of the Chippewa Indians of Minnesota (H. Doc. No. 384); to the Committee on Indian Affairs and ordered to be printed.

19. A letter from the Acting Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1919 for the appropriation "Industrial work and care of timber, 1919" (H. Doc. No. 385); to the Committee on Indian Affairs and ordered to be printed.

20. A letter from the Acting Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1919 from the appropriation "Industry among Indians (reimbursable)" (H. Doc. No. 386); to the Committee on Indian Affairs and ordered to be printed.

21. A letter from the Acting Secretary of the Interior, transmitting two tables showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year 1919 (H. Doc. No. 387); to the Committee on Indian Affairs and ordered to be printed.

22. A letter from the Acting Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1919 from the appropriation "Industry among Indians, 1918–19" (H. Doc. No. 388); to the Committee on Indian Affairs and ordered to be printed.

23. A letter from the Acting Secretary of the Interior, transmitting statement of the fiscal affairs of the Indian tribes for the fiscal year ended June 30, 1919 (H. Doc. No. 389); to the Committee on Indian Affairs and ordered to be printed.

24. A letter from the Secretary of the Federal Trade Commission, transmitting statement showing number of typewriters, adding machines, and other similar labor-saving devices exchanged by the Federal Trade Commission during the fiscal year ended June 30, 1919 (H. Doc. No. 390); to the Committee on Appropriations and ordered to be printed.

25. A letter from the Librarian of Congress, transmitting report of the average number of employees of the Library of Congress receiving extra compensation at the rate of $240 per annum, together with the total amount so paid in extra compensation (H. Doc. No. 391); to the Committee on Appropriations and ordered to be printed.

26. A letter from the Assistant Secretary of Labor, transmitting report of the number of employees of that department receiving increased compensation at the rate of $240 per annum, together with list of grades and position of those who received increased compensation at a rate other than $240 per annum (H. Doc. No. 392); to the Committee on Appropriations and ordered to be printed.

27. A letter from the Secretary of the Treasury, transmitting statement regarding each purchase of bonds, the date of pur-

chase, the par amount paid therefor, and the amount of accrued interest paid (H. Doc. No. 393); to the Committee on Ways and Means and ordered to be printed.

28. A letter from the Secretary of the Treasury, transmitting statement of expenditures under the act of April 24, 1917, on account of expenses of loans (H. Doc. No. 394); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

29. A letter from the Attorney General, transmitting statement of the expenditures of the appropriations for the United States Court of Customs Appeals for the fiscal year ended June 30, 1919 (H. Doc. No. 395); to the Committee on Expenditures in the Department of Justice and ordered to be printed.

30. A letter from the Acting Secretary of the Interior, transmitting copy of a letter from Dr. W. A. Warfield, surgeon in chief of the Freedmen's Hospital, transmitting detailed statement of receipts and expenditures on account of pay patients therein (H. Doc. No. 396); to the Committee on Expenditures in the Interior Department and ordered to be printed.

31. A letter from the Acting Secretary of the Interior, transmitting copy of a letter from the surgeon in chief of Freedmen's Hospital, transmitting detailed statement of expenditures for professional and other services in accordance with the act requiring said statement (H. Doc. No. 397); to the Committee on Expenditures in the Interior Department and ordered to be printed.

32. A letter from the Superintendent of Library Building and Grounds, transmitting certain information relative to travel from Washington, D. C., in connection with official business of the office during the fiscal year 1919 (H. Doc. No. 398); to the Committee on Appropriations and ordered to be printed.

33. A letter from the Superintendent of Library Building and Grounds, transmitting statement regarding increased compensation paid to employees (H. Doc. No. 439); to the Committee on Appropriations and ordered to be printed.

34. A letter from the Superintendent of Library Building and Grounds, transmitting required information concerning purchases of typewriters and exchanges thereof by the Library of Congress during the fiscal year 1919 (H. Doc. No. 440); to the Committee on Appropriations and ordered to be printed.

35. A letter from the Librarian of Congress, transmitting detailed statement showing what officers or employees of the Library of Congress traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1919 (H. Doc. No. 441); to the Committee on Appropriations and ordered to be printed.

36. A letter from the Acting Secretary of the Interior, transmitting detailed statement of officers or employees (other than special agents, inspectors, or other employees whose duties necessitate constant travel) of the Interior Department who have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1919 (H. Doc. No. 442); to the Committee on Expenditures in the Interior Department and ordered to be printed.

37. A letter from the Acting Secretary of the Interior, transmitting itemized statement of expenditures made by this department and charged to the appropriation "Contingent expenses, Department of the Interior, 1919," fiscal year ended June 30, 1919 (H. Doc. No. 443); to the Committee on Expenditures in the Interior Department and ordered to be printed.

38. A letter from the Acting Secretary of the Interior, transmitting itemized statement of expenditures charged to the appropriation "Repairs of buildings, Department of the Interior, 1919," for the fiscal year ended June 30, 1919 (H. Doc. No. 444); to the Committee on Expenditures in the Interior Department and ordered to be printed.

39. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to enable vessels wherever built, purchased from the United States Navy, to be documented as vessels of the United States (H. Doc. No. 445); to the Committee on the Merchant Marine and Fisheries and ordered to be printed.

40. A letter from the Acting Secretary of the Treasury, transmitting report of sales of surplus supplies, War Department (H. Doc. No. 446); to the Committee on Expenditures in the War Department and ordered to be printed.

41. A letter from the Postmaster General, transmitting report of the public property in the Post Office Department on December 1, 1919 (H. Doc. No. 447); to the Committee on Expenditures in the Post Office Department and ordered to be printed.

42. A letter from the Acting Secretary of War, transmitting report of expenditures on account of appropriation "Contingencies of the Army" during the fiscal year ending June 30, 1919 (H. Doc. No. 448); to the Committee on Expenditures in the War Department and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 6598) granting a pension to Cynthia Ann Mitchell; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 7062) granting a pension to Joseph Willms; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10465) granting an increase of pension to Roy W. Turner; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10568) granting a pension to Charles B. Crawford; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10633) granting a pension to Christ L. Einkopf; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SIMS: A bill (H. R. 10803) to amend an act entitled "An act to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes," approved March 21, 1918; to the Committee on Interstate and Foreign Commerce.

By Mr. TIMBERLAKE: A bill (H. R. 10804) for the purchase of a site for a public building at Longmont, Boulder County, Colo.; to the Committee on Public Buildings and Grounds.

By Mr. LONERGAN: A bill (H. R. 10805) for acquiring a site and erecting a public building thereon in Hartford, Conn., for the use and accommodation of the post office and for other Government offices; to the Committee on Public Buildings and Grounds.

By Mr. GRIGSBY: A bill (H. R. 10806) to provide for the abolition of the 80-rod reserved shore spaces between claims on shore waters in Alaska; to the Committee on the Public Lands.

By Mr. LAMPERT: A bill (H. R. 10807) providing for the purchase of a site and the erection thereon of a public building at Oshkosh, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. HAYDEN: A bill (H. R. 10808) to pension soldiers and Army nurses of the War with Spain, the Philippine insurrection, and the China relief expedition; to the Committee on Pensions.

By Mr. ELLIOTT: Resolution (H. Res. 402) to allow the chairman of the Committee on Expenditures in the State Department to appoint a clerk to the said committee; to the Committee on Accounts.

By Mr. MASON: Resolution (H. Res. 403) asking for information from the Treasury Department; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CALDWELL: A bill (H. R. 10809) granting a pension to Minnie A. Kiernan; to the Committee on Invalid Pensions.

By Mr. CRISP: A bill (H. R. 10810) for the relief of Mrs. M. E. Tison; to the Committee on Claims.

By Mr. FORDNEY: A bill (H. R. 10811) granting an increase of pension to Charles A. Button; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10812) granting a pension to Ella I. B. Faust; to the Committee on Pensions.

By Mr. GARD: A bill (H. R. 10813) granting a pension to Callie Oberer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10814) granting a pension to Harvey L. Williams; to the Committee on Pensions.

By Mr. KRAUS: A bill (H. R. 10815) granting a pension to Simeon H. Johnston; to the Committee on Pensions.

By Mr. LAMPERT: A bill (H. R. 10816) granting an increase of pension to La Barron T. Marshall; to the Committee on Pensions.

Also, a bill (H. R. 10817) granting a pension to Julius A. Nemitz; to the Committee on Pensions.

By Mr. LITTLE: A bill (H. R. 10818) granting an increase of pension to William C. Schofield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10819) granting a pension to Myra Scranton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10820) to correct the military record of Levi Mott; to the Committee on Military Affairs.

Also, a bill (H. R. 10821) to correct the military record of Samuel D. Jarman; to the Committee on Military Affairs.

By Mr. McKINLEY: A bill (H. R. 10822) granting a pension to Robert Zink; to the Committee on Invalid Pensions.

By Mr. MAGEE: A bill (H. R. 10823) granting an increase of pension to Nicola Depompa; to the Committee on Pensions.

By Mr. PURNELL: A bill (H. R. 10824) granting a pension to Laura Kellison; to the Committee on Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 10825) granting an increase of pension to Sarah Cain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10826) to correct the military record of John C. Cummins; to the Committee on Military Affairs.

By Mr. TREADWAY: A bill (H. R. 10827) granting an increase of pension to Simon Hoafmyre; to the Committee on Invalid Pensions.

By Mr. WATSON of Pennsylvania: A bill (H. R. 10828) granting an increase of pension to Helena Garges; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 10829) granting an increase of pension to John Horn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10830) granting an increase of pension to Nancy H. Jones; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1. By Mr. CULLEN: Petition of Bring Home the Soldier Dead League, of Pittsburgh, Pa., favoring bringing home the soldiers who were killed or died in France; to the Committee on Military Affairs.

2. Also, petition of Bronx Board of Trade, of New York, pledging support to the Government in suppressing radical elements; to the Committee on the Judiciary.

3. By Mr. FULLER of Illinois: Petition of the Big Bend Veteran Reunion Association, favoring the Fuller pension bill, House bill 9369; to the Committee on Invalid Pensions.

4. Also, petition of the Associated Rifle Clubs of New York and New Jersey, favoring House bill 7708; to the Committee on Military Affairs.

5. Also, petition of the Mississippi Valley Waterways Association, favoring the Newton bill; to the Committee on Rivers and Harbors.

6. Also, petition of Local Union No. 52, United Brick and Clay Workers of America, of Streator, Ill., opposing Cummins railroad bill; to the Committee on Interstate and Foreign Commerce.

7. Also, petition of Bring Home the Soldier Dead League, favoring bringing home the soldier dead from France; to the Committee on Military Affairs.

8. Also, petition of Civil War veterans of Rushsylvania, Ohio, petitioning Congress for the early enactment of the Fuller pension bill, House bill 9369; to the Committee on Invalid Pensions.

9. By Mr. KINKAID: Petition of Lieut. Sullivan and 20 other veterans of the late war from Elyria, Nebr., asking for a bonus of $500 to be paid to each soldier; to the Committee on Military Affairs.

10. By Mr. LINTHICUM: Petition of the Women's Club of Forest Park and the Child Welfare Circle of Baltimore, Md., favoring Smith-Towner bill; to the Committee on Education.

11. Also, petition of Denton Journal, of Denton, Md., favoring retention of the present zone postage rate law on the statute book; to the Committee on the Post Office and Post Roads.

12. Also, petition of J. Lee Adams, of Washington, D. C., urging increasing the power of the Public Health Service; to the Committee on Agriculture.

13. Also, petition of S. S. Kresge Co., of Baltimore, Md., opposing Senate bill 2904 and House bill 8315; to the Committee on Interstate and Foreign Commerce.

14. Also, petition of Hagerstown Lodge, No. 281, Brotherhood of Railway Clerks, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

15. Also, petition of Carroll Post, No. 31, of the Maryland Branch of the American Legion, favoring deportation of aliens found plotting against our institutions; to the Committee on the Judiciary.

16. Also, petition of International Brotherhood of Electrical Workers, Local 865, opposing any antistrike legislation; to the Committee on Interstate and Foreign Commerce.

17. Also, petition of sundry members of the Monumental Lodge, No. 567, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Baltimore, Md., opposing the Cummins bill; to the Committee on Interstate and Foreign Commerce.

18. By Mr. MOORE of Pennsylvania: Petition of Keystone Lodge, No. 221, of the United Brotherhood of Maintenance of Way Employees and Railway Shop Laborers, favoring a two-year national control of railroads; to the Committee on Interstate and Foreign Commerce.

19. Also, petition of Post 390, American Legion, of Philadelphia, favoring amendment to war-risk insurance act establishing branch offices; also urging passage of bill to lend soldiers money for the purchase of homes; to the Committee on Interstate and Foreign Commerce.

20. By Mr. O'CONNELL: Petition of Bronx Board of Trade, of New York, pledging aid to the Government in suppressing radical elements in this country; to the Committee on the Judiciary.

21. Also, petition of Bring Home the Soldier Dead League, of Pittsburgh, Pa., favoring bringing home the soldier dead from France; to the Committee on Military Affairs.

22. By Mr. RAKER: Petition of Rosenthal's, of San Francisco, Calif., protesting against the setting of price on shoes by the manufacturers; to the Committee on Interstate and Foreign Commerce.

23. Also, petition of Riverside Chamber of Commerce, of Riverside, Calif., urging the stimulation of travel between the national parks of the United States; to the Committee on Interstate and Foreign Commerce.

24. Also, petition of California Wool Growers' Association, Red Bluff, Calif., opposing Kenyon and Kendrick bills; to the Committee on Agriculture.

25. Also, petition of North British Mercantile & Insurance Co., of San Francisco, Calif., regarding Senate bill 2906; to the Committee on Interstate and Foreign Commerce.

26. By Mr. ROUSE: Petition of Boone Post, No. 4, American Legion, of Kentucky, indorsing Sweet bill amending war-risk insurance act; also indorsing bill for deportation of aliens and naturalized citizens convicted under espionage act; to the Committee on Interstate and Foreign Commerce.

27. By Mr. ROWAN: Petition of International Association of Railroad Supervisors of Mechanics, of St. Louis, Mo., concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

28. Also, petition of Metal Polishers, Buffers, and Platers' Union, Local No. 6, of Chicago, Ill., urging complete amnesty to all prisoners convicted under the espionage act; to the Committee on the Judiciary.

29. Also, petition of Cook County Board, Ladies' Auxiliary, Ancient Order of Hibernians, opposing ratification of the proposed league of nations; to the Committee on Foreign Affairs.

30. Also, petition of Federal Retirement Association of New York, favoring Lehlbach retirement bill; to the Committee on Reform in the Civil Service.

31. Also, petition of United States Smelting, Refining & Mining Co., of New York, protesting against charges made by the Committee on Expenditures in the War Department; to the Committee on Expenditures in the War Department.

32. Also, petition of the City Club of New York, approving extension of waterway across the State of New Jersey; to the Committee on Rivers and Harbors.

33. Also, petition of the Turlock Board of Trade, Turlock, Calif., opposing Japanese immigration; to the Committee on Immigration and Naturalization.

34. Also, petition of Engineers, Architects, and Constructors' Conference on National Public Works, favoring the Jones-Reavis bill; to the Committee on Military Affairs.

35. Also, petition of citizens of Massachusetts, urging relief for starving Russia; to the Committee on Foreign Affairs.

36. Also, petition of Union of Technical Men, of New York, opposing legislation which would impair the freedom of the laboring men; to the Committee on Interstate and Foreign Commerce.

37. Also, petition of Adolph Lewisohn, of New York, giving views as to the make-up of the standing Army; to the Committee on Military Affairs.

38. Also, petition of Bronx Board of Trade, of New York, pledging aid to the Government for the suppression of radical elements; to the Committee on the Judiciary.

39. Also, petition of Bring Home the Soldier Dead League, of Pittsburgh, Pa., favoring bringing home the soldier dead from France; to the Committee on Military Affairs.

40. Also, petition of Brooklyn Coal Exchange, of Brooklyn, N. Y., protesting against present method of settlement of loss for damages incurred in the transportation of coal; to the Committee on Interstate and Foreign Commerce.

41. Also, petition of Hebrew Veterans of the Wars of the Republic, protesting against the treatment of the Jewish population in Ukraine; to the Committee on Foreign Affairs.

42. By Mr. SIEGEL: Petition of Hebrew Veterans of the Wars of the Republic, protesting against pogroms in Ukraine; to the Committee on Foreign Affairs.

43. By Mr. SINCLAIR: Petition of James A. McCulloch and other citizens of Jessie, N. Dak., protesting against the return of the railroads to private control for a period of at least three years; to the Committee on Interstate and Foreign Commerce.

44. By Mr. VARE: Petition of Post 390, American Legion, of Philadelphia, asking passage of a bill providing branch offices for Bureau of War Risk and the Government loan bill; to the Committee on Interstate and Foreign Commerce.

45. Also, petition of Philadelphia Board of Trade, urging passage of House bill 9204; to the Committee on Military Affairs.

46. By Mr. WATSON of Virginia: Petition of Post No. 2, American Legion, Petersburg, Va., relative to the suppression of anti-American activities among certain classes of our population; to the Committee on the Judiciary.

47. By Mr. YATES: Petition of R. H. Graham Post, No. 312, Grand Army of the Republic, Moline, Ill., urging the passage of the Fuller bill; to the Committee on Invalid Pensions.

48. Also, petition of W. H. L. Wallace Post, No. 56, Grand Army of the Republic, Centralia, Ill., by J. T. Cunningham, post commander, urging the immediate passage of the Fuller bill; to the Committee on Invalid Pensions.

49. Also, petition of National Association for the Advancement of the Colored People, urging the passage of Senate resolution 189; to the Committee on the Judiciary.

50. Also, petition of Chicago Live Stock Exchange, Chicago, Ill., protesting against House bill 10130; to the Committee on Agriculture.

51. Also, petition of ex-Gov. Edward F. Dunne, Chicago, Ill., urging the passage of bill for reasonable increase in pay of enlisted men and officers of the Army; to the Committee on Military Affairs.

52. Also, petition of the Whig Co., Quincy, Ill., favoring the present zone system; to the Committee on the Post Office and Post Roads.

53. Also, petition of National Association of United States Civil Service Employees at Navy Yards and Stations, Branch 15, Lake Bluff, Ill., urging increased compensation for this organization; to the Committee on Reform in the Civil Service.

54. Also, petition of Royal Insurance Co. (Ltd.), Chicago, Ill., urging that the railroads have a return of not less than 6 per cent upon the value of the railroad properties of all the roads in a given rate district; also that provisions of the bill for confiscation of excess earnings should be eliminated; to the Committee on Interstate and Foreign Commerce.

55. Also, petition of Leaton Irwin, Quincy, Ill., favoring the legislation to loan the Boy Scouts Army equipment; to the Committee on Military Affairs.

56. Also, petition of Prosperity Lodge, No. 781, Brotherhood of Railway Conductors, of Chicago, Ill., opposing Esch bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

WEDNESDAY, *December 3, 1919.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we stand before Thee to give an account of our stewardship. Thou hast called us to a place of great responsibility, and Thou hast equipped us with the marvelous resources of this great land of ours and the spiritual and moral power to fulfill the commission that Thou hast given to us. Grant us this day to live as in Thy sight and perform our duties as men who are committed to the great principles of Thy holy word, and so to live that we may have Thy smile and Thy approval upon us. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CUMMINS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

HARRY S. NEW, a Senator from the State of Indiana, and JOHN K. SHIELDS, a Senator from the State of Tennessee, appeared in their seats to-day.

AMENDMENT OF EXPLOSIVES REGULATION ACT.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the President of the United States, which will be read.

The Secretary read as follows:

THE WHITE HOUSE,
Washington, 22 November, 1919.

Hon. THOMAS R. MARSHALL,
The Vice President.

MY DEAR MR. VICE PRESIDENT: I am transmitting herewith a letter from the Secretary of the Interior, under date of November 10, 1919, recommending an amendment to the explosives regulation act that would provide for the enforcement of this act during the remainder of the present fiscal year. The recommendation of the Secretary of the Interior has my approval.

Cordially, yours,

WOODROW WILSON.

The VICE PRESIDENT. The communication and accompanying papers will be printed and referred to the Committee on Appropriations.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2472) to amend the act approved December 23, 1913, known as the Federal reserve act.

SMITHSONIAN INSTITUTION REGENT.

The VICE PRESIDENT. There being a vacancy in the Board of Regents of the Smithsonian Institution to be filled by the appointment of a Senator of the United States, and authority to make such appointment being vested in the presiding officer, the Chair yesterday announced the appointment of Hon. MEDILL MCCORMICK, Senator from the State of Illinois, to fill the vacancy. The Chair is informed that it does not appear in the RECORD. Let it appear to-day.

CALLING OF THE ROLL.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fall	McKellar	Smith, Ga.
Ball	Fletcher	Moses	Smoot
Bankhead	France	Myers	Spencer
Beckham	Frelinghuysen	New	Sterling
Borah	Gay	Newberry	Sutherland
Calder	Hale	Norris	Swanson
Capper	Harris	Nugent	Thomas
Chamberlain	Hitchcock	Overman	Townsend
Colt	Johnson, S. Dak.	Page	Wadsworth
Culberson	Jones, Wash.	Phipps	Walsh, Mont.
Cummins	Kellogg	Pittman	Watson
Curtis	Keyes	Pomerene	Williams
Dial	King	Sheppard	Wolcott
Edge	La Follette	Shields	
Elkins	Lodge	Simmons	

Mr. GAY. The senior Senator from Louisiana [Mr. RANSDELL] is necessarily absent. I will let this announcement stand for the day.

Mr. CURTIS. I desire to announce the absence, on account of illness, of the Senator from Iowa [Mr. KENYON], the Senator from Illinois [Mr. SHERMAN], and the Senator from Pennsylvania [Mr. PENROSE].

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present.

PETITIONS AND MEMORIALS.

Mr. CUMMINS. Mr. President, I send to the desk two telegrams in the nature of memorials which I have received from the Davenport Post of the American Legion, of Iowa. I ask that they may be read.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary read as follows:

DAVENPORT, IOWA, *December 2, 1919.*

Senator ALBERT B. CUMMINS,
Washington, D. C.:

Following resolutions unanimously adopted at regular meeting of Davenport Post, No. 26, last evening. Please reply:

Whereas four members of the American Legion of Centralia, Wash., were wantonly murdered by representatives of a lawless and un-American element on November 11, 1919; and

Whereas it is evident that the sentiment which promoted this appalling crime exists and is propagated at large, and that we must expect other demonstrations against the Government and its defenders; and

Whereas, further, it is possible now for radical leaders to impress with their doctrines many who are true at heart, but whose minds are restless as a result of postwar reaction and the unsettled condition of affairs: Therefore be it

Resolved, That Davenport Post, No. 26, American Legion, supporting its desire to uphold the Government in any emergency and to make this country a better place in which to live, demands that the Congress

of the United States enact legislation to encourage unalloyed Americanism and to fittingly punish any individual or organization whose tenets endanger the welfare of the many law-abiding citizens of this country and the futnre of these United States.

Resolved further, That these resolutions be transmitted by telegram to Senators CUMMINS and KENYON and to Congressman HULL, urging them to prompt and fearless action in this connection, and asking them to reply as to their attitude, and that a copy of these resolutions be sent to National and State headquarters, to Grant Hodge Post, No. 17, Centralia, Wash., and to the Davenport newspapers for publication.

DAVENPORT POST, NO. 26, THE AMERICAN LEGION.

DAVENPORT, IOWA, *December 2, 1919.*

Hon. ALBERT B. CUMMINS,
United States Senate, Washington, D. C.:

The following resolution was adopted by Davenport Post, American Legion, at its regular meeting, Monday, December 1:

Whereas the United States Government has reached a decision in the coal situation; and

Whereas the comfort, health, and life of our families and all other people of the United States is being imperiled due to the lack of coal: Now, therefore, be it

Resolved, First, that this post is not primarily concerned with the disputes between capital and labor; that its concern is mainly in the upholding of the Constitution of the United States and the constituted authority of the Government as set forth in the persons who represent that authority, either State or National; second, that this post tenders to the State of Iowa and to the United States of America its unqualified support and cooperation in the existing emergency, whether it may be threatened either by the operators or by the miners, and in maintaining and preserving the essential principles of American institutions based upon and contained in the Constitution and laws of the United States of America; third, that if the operators immediately open their mines and the miners return to work at once this post will use its every influence to see that a governmental investigation is made of operators' profits, miners' wages, and the cost of coal to the public, and that a speedy and fair readjustment of the entire coal situation be effected; fourth, that a copy of this resolution be sent to the governor of the Commonwealth of Iowa, our Senators and Representatives, and the interested national officers at Washington. The State headquarters of the American Legion further request that the State headquarters be requested to notify the naional headquarters and all Iowa posts of the action taken by this post and ask that they take similar action.

DAVENPORT POST, AMERICAN LEGION.

Mr. BECKHAM. I present resolutions adopted by the American Legion of Louisville, Ky. I ask that they be read.

There being no objection, the resolutions were read as follows:

AMERICAN LEGION OF KENTUCKY (INC.),
Louisville, Ky., November 26, 1919.

Hon. J. C. W. BECKHAM,
Washington, D. C.

DEAR SIR: The inclosed resolution, adopted by the State executive committee of the American Legion of Kentucky, is transmitted to you by direction of that committee, urging your most serious consideration of the matters referred to therein.

Respectfully,
D. A. SACHS, Jr.,
Department Adjutant.

Resolved, That the American Legion of Kentucky sees clearly the destructive agencies at work on our soil to bring about the downfall of our Government, our institutions, and our civilization, with the determination that they shall not succeed; and as a measure in aid of contravention, our Senators and Members of the House of Representatives are now urged to realize that Americanization is now the one great issue, to stand steadfastly by the principles of the fathers, and to support by their influence, advocacy, and votes proposed legislation to give the utmost power to the Department of Justice in dealing with propagandists, I. W. W. individuals and organizations, Bolshevists, and aliens.

Mr. FLETCHER. I present a telegram in the nature of a memorial from St. Johns Post, American Legion, St. Augustine, Fla., and I ask that it be printed in the RECORD.

The VICE PRESIDENT. Does the Senator desire the telegram read?

Mr. FLETCHER. It is very brief, and it might as well be read.

There being no objection, the telegram was read, as follows:

ST. AUGUSTINE, FLA., *December 2, 1919.*

Senator DUNCAN U. FLETCHER,
Washington, D. C.:

St. Johns Post, American Legion, demands that adequate legislation be passed to cope with the present wave of radicalism and treason which seems to be sweeping over our country.

O'BRIEN, *Post Commander.*

Mr. JONES of Washington presented a petition of sundry citizens of Seattle, Wash., praying for the enactment of legislation providing for the restriction of immigration, which was referred to the Committee on Immigration.

Mr. CAPPER presented a memorial of sundry citizens of Republic County, Kans., remonstrating against the adoption of a system of compulsory military training in the United States, which was referred to the Committee on Military Affairs.

Mr. KEYES presented a resolution adopted by the Portsmouth Lodge, No. 97, Benevolent and Protective Order of Elks, of Portsmouth, N. H., favoring the summary deportation of certain aliens, which was referred to the Committee on Immigration.

Mr. ELKINS presented petitions of Local Union No. 452, Amalgamated Sheet Metal Workers' International Alliance, of Huntington, W. Va., and of sundry citizens of Parkersburg, W. Va., remonstrating against the passage of the so-called Cummins railroad bill, which were ordered to lie on the table.

He also presented a petition of the congregation of the First Congregational Church of Huntington, W. Va., praying for the protection of the Armenians, which was referred to the Committee on Foreign Relations.

He also presented petitions of Wheeling Lodge, No. 28, Benevolent and Protective Order of Elks, of Wheeling, W. Va.; of the Building Construction Employers' Association of Wheeling, W. Va.; and of the Kiwanis Club, of Wheeling, W. Va., praying for the enactment of legislation to suppress strikes, riots, etc., agitated by so-called Bolshevists, which were referred to the Committee on Immigration.

He also presented resolutions adopted by the Trans-Allegheny Good Roads Association at a meeting held at White Sulphur Springs, W. Va., November 1, 1919, favoring the enactment of legislation providing for the distribution of surplus war material for use in good roads construction, which were referred to the Committee on Military Affairs.

Mr. TOWNSEND presented a resolution adopted by the International Ministerial Association at Laurium, Mich., favoring the adoption of the league of nations covenant without reservations, which was ordered to lie on the table.

He also presented a memorial of Local Union No. 1805, United Brotherhood of Carpenters and Joiners of America, of Detroit, Mich., remonstrating against the passage of the so-called Cummins railroad bill, which was referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by O'Brien J. Atkinson Branch, Friends of Irish Freedom, of Port Huron, Mich., favoring the attitude taken by this country in behalf of Ireland's self-determination, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by Local Lodge No. 974, Benevolent and Protective Order of Elks, of Big Rapids, Mich., favoring the enactment of legislation providing for the deportation of all disloyal citizens or aliens, which was referred to the Committee on Immigration.

THE LABOR PROBLEM.

Mr. THOMAS. Mr. President, I have here a letter from former Gov. Leslie M. Shaw, afterwards Secretary of the Treasury, making some suggestions regarding certain of our problems of labor legislation, which I deem of sufficient importance to have inserted in the RECORD. I therefore ask unanimous consent that that may be done.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 24, 1919.

Senator CHARLES S. THOMAS,
Washington, D. C.

MY DEAR SENATOR THOMAS: I have noted with great satisfaction and admiration your independence in crises and am disposed to send you the major thoughts of a speech I recently made in Baltimore. I have since seen the same ideas expressed by others, and am constrained to believe them worthy of legislative consideration.

We both recognize, I think, that Americanism is face to face with the most dangerous foe it has ever encountered. Shall an organized minority dictate to an unorganized majority? That is the issue of the hour, and, but for the resiliency of the American people under pressure, there would be slight hope for the future. More than once an organized minority has wrecked a State, but never before has the issue been directly presented to the American people.

The ranks of organized labor seem to be divided, but the division is only seeming. The two factions are working for identically the same end—absolute control of America. The conservatives, led by the president of the American Federation of Labor, seek victory through kind words, diplomacy, and stealth. The radicals, more honest and more brave, prefer an open fight, with its attendant bloodshed. Grant what either element of organizer labor demands and there will be little left beneath the flag which the fathers called liberty. Allow the same men to control iron and steel workers, coal miners, railway operatives, not to mention the thousand other industries, and less than 100 ambitious labor leaders can and will starve and freeze 100,000,000 liberty-loving, but liberty-forsaking, Americans into abject obedience. Put the radical element of labor unionism in control and it will confiscate all property. The conservative element will content themselves with the confiscation of earnings. The one will kill the goose; the other will appropriate only her eggs.

I am disposed to believe it will be better for America if the reds and their deluded sympathizers control the American Fed-

eration of Labor. Then, and then only, will the American people appreciate the situation as it actually exists. Nothing less will awaken them, and it seems to me better to settle the issue now, when all the world is similarly tormented, than to defer it until other nations are prepared to monopolize the industries of the world while we welter.

Fundamental justice is the basis of liberty, and the maintenance of liberty is the only justification for organized society. Liberty implies that each shall have the right, and also the chance, to work when he pleases, as many hours a day as he pleases, and for anyone with whom he can make an acceptable engagement. Aptitude, industry, and efficiency should each be recognized as an element for reward.

No man must be forbidden to associate himself with others engaged in the same enterprise, nor required so to do in order to secure employment. No one must be either a victim of or a participant in violence, threats, blacklists, or boycotts. Each must have the right to quit temporarily or permanently, and his employer must have the reciprocal right to suspend or discharge.

Liberty also implies that each may have an agent to represent him, especially if he considers himself incompetent to sell his own services. And it follows that he must either fulfill his contracts or respond in damages. It no more implies that every man who contributes labor in diversified industries and enterprises may have the same representative than that every man who contributes capital to diversified enterprises may have the same representative. Either would spell monopoly. Permit all corporations and copartnerships to be represented by a single agency and our priceless liberties would vanish. Permit all labor unions to be represented by the offices of a single federation of labor and the same result follows.

The foregoing is elementary and relates primarily to employer and employed. But the public have rights second to none in importance, and therefore the public must be heard, and the public must bear responsibility.

What are these public rights and responsibilities, and how shall they be safeguarded and exercised? Under normal conditions the public have the right to demand that established industries shall be operated continuously. Exceptions arise only when the continuance will work irreparable damage or impose undue hardships upon some essential factor in its prosecution. This brings us to the difficult but not impossible task of providing a method by which public interests may be conserved without prejudicing individual rights.

If a tribunal of national jurisdiction were created, or if some one of the many commissions now in existence were given powers as broad and analogous to those possessed by the league of nations—that is to say, with authority to initiate inquiries—and subject to be invoked by either party to an existing or threatened labor dispute, and, pending investigation and reports, strikes and lockouts were forbidden, I think no one could justly claim that his liberties had been encroached.

But how can the findings, the recommendations, and decisions of such a tribunal be enforced? Frankly, let me say, I do not believe they can be enforced without encroaching fundamental liberty—individual sovereignty, if you please—any more than war can be prohibited without encroaching national sovereignty. Thus the decisions and recommendations of this suggested tribunal would be on an exact par with those of the league of nations. Therefore strikes and lockouts would be permissible following a decision of the commission, with a fixed but brief period intervening, exactly as war is permitted after a definite period following a recommendation of the league of nations.

You and I agree that the men who contribute labor are in no degree superior and, before the law, in no respect inferior to those who contribute capital. Those who contribute capital are permitted to combine, and such combinations we call corporations and copartnerships. Those who contribute labor must be permitted also to combine. These combinations we call unions. But exactly as corporations and copartnerships are forbidden to confederate, so labor unions should be similarly restricted. The one safeguards the public by prohibiting conspiracies in restraint of trade. The other would safeguard the public by prohibiting conspiracies in restraint of production and transportation. It would effectually avert industrial paralysis by circumventing cumulative and sympathetic strikes. It would, in short, preclude conspiracies to levy tribute upon the public as the price of their liberties. Liberty can not be purchased with gold. Our liberties were purchased with blood, and, though it may be remotely necessary to defend them in the same way, it always will be unwise to attempt to purchase them of or to compromise them with an organized minority, be that minority composed of bankers or manufacturers or railroad owners or farmers or laborers.

Think of it, Mr. Senator! The labor unions only claim a total membership of four millions—relatively an insignificant per cent of the men whose hands show honest toil. You and I know that fully one-half of these have been urged or coerced into joining. Their better judgment told them they could do better for themselves than any representative would be likely to do for them so long as the representative insisted that no one should do more or better work or receive a higher wage than the poorest and most inefficient. They chafe not a little with the knowledge that they have no voice unless they echo that of their leaders. Many of them recognize that their officers are simply ambitious of power and therefore seek to establish a labor caste from which there shall be no escape either for themselves or their children. Their leaders oppose every method of profit sharing, home owning, all welfare work, and seldom, if ever, assist a member to individual advancement. The efforts of their officers and leaders are solely in behalf of the class. Collectivism is their creed, individualism their pet detestation.

Give the membership of the labor unions a chance and they will hurl their self-appointed leaders overboard and reorganize with a purpose to encourage individual efficiency and to secure for each member the greatest possible advancement with only the sky to limit his hope and his aspiration. A very large per cent of the membership must recognize that the settled policy of the unions, as now officered, to restrict production leads only to disaster. They are not fools. They are simply misled. They are patriotic, like other men, and under proper leadership will recognize freedom to toil for an adequate reward as among the great blessings and will welcome the opportunity to rear their children in an atmosphere of hopefulness.

The courts have held that labor is not a commodity. Neither is capital a commodity. Labor can not be hoarded; capital can be; and both are at all times subject to the inexorable law of supply and demand. Your dollars have the right to combine with my dollars in the manufacture of steel through a corporation known as the United States Steel, for instance, and we may do anything short of a breach of the peace to advance the earnings of our dollars. But the public good demands that our combined dollars must not confederate with associated dollars similarly working in the Bethlehem Steel. Likewise, you and I, when employed by either of these big concerns, must have the right to combine and form a union and do anything we can to advance the price of our labor. But we have no just cause to complain if forbidden to confederate or conspire with men similarly employed by the other big concern or with men engaged in other industries.

No organized minority, by threats of starvation, freezing, or otherwise, can coerce an unorganized majority so long as their activities are restricted to the one concern or corporation where employed, any more than an organized minority of men who contribute capital for a corporation can coerce the public when similarly restricted. Those who contribute capital for the New York Central Railroad are not permitted to confederate with those who contribute capital for the Pennsylvania road, and both are expressly prohibited by statute from engaging in the production of commodities like coal and from confederating with any producers of freight. Those who contribute labor in the operation of these railroads are in no degree better nor a whit worse, and are entitled to no less and to no greater rights and privileges.

Americans who furnish labor and voluntarily cooperate with other Americans who furnish capital are entitled to demand and are bound to concede an exact parity of responsibility to the public. In bankruptcy proceedings, as in popular sympathy, labor can have and does have preference, but within the realm of responsibility and at all times before the law, in peace no less than in war, there can be no preferred class. Any special demand upon or exemption to those who contribute labor or to those who contribute capital is un-American, and, if practiced, will undermine the most priceless boon of organized society—Anglican liberty.

Sincerely, yours, LESLIE M. SHAW.

DEPARTMENTAL EMPLOYEES.

Mr. KING. Mr. President, upon a number of occasions my attention has been called to alleged activities of employees or persons in various departments of the Government in behalf of the American Federation of Labor, and to efforts being made to secure the adherence of employees of the Government to that organization. I am in receipt of a letter from a young man who was a lieutenant in the Army and who after leaving the Army took employment in the War Department. He invites my at-

tention to this condition; and I should like the permission of the Senate to read a few sentences from his letter. He states:

When I was honorably discharged from the Army, where I held a commission as a first lieutenant, on account of financial reasons I took the very first place offered me, which was a temporary clerk in one of the numerous War Department offices.

Now, I am a Bostonian and a former member of the Boston Stock Exchange, and occupied a rather unique position in that before I entered the Army I had practically always been in business for myself.

I had hardly got seated at my desk, and before I could be taught what my duties were, a person came over to me and asked me if I belonged to the union.

I asked him to explain, when he said that the Government clerks had a union affiliated with the Federation of Labor.

I told him I did not approve of labor unions, that I could not belong to anything where "strike" was a weapon, when he said the strike clause was eliminated.

I told him I would not join, when he said, "If you wish to get ahead, you must join the union."

I told him I did not think so, and if I could not get ahead I would get out, which I did in a few weeks.

I do not make any claim that they made it unpleasant, but I do think that if you wish any slight favors the union person gets them.

My whole reason for not joining was that no person can have two masters. I could not reconcile my mind that while in the Government service that it was necessary for me to belong to any union.

Then he discusses the matter further, and says:

My wife is now with the Government and refused to join the union, although some pressure is brought to bear, but not enough really to make a complaint.

But you can rest assured that if a subhead is a member of the union and he has a few persons under him, that when the time comes he gets the worst of it, when any favors are passed around, for not belonging to the union.

Mr. President, I refrain from expressing any opinion at this time as to whether or not Federal employees should be permitted to affiliate with any organization other than such as may be formed by themselves for proper and legitimate purposes. There is a well-grounded feeling in the United States that police officers and others who may be engaged in preserving peace and enforcing the law ought not to be permitted to join labor organizations or other organizations which in any manner might interfere with the discharge of their duty to the municipality or to the State. It is very clear in my mind that police officers should not become affiliated with outside organizations. The unwisdom of such a policy was clearly demonstrated in Boston.

And I do assert that it is highly improper for the departments of the Government to permit Government employees or third persons to engage in efforts during office hours and within the Federal buildings to secure the adherence of employees to any organization. I understand that employees of the Government have their own organizations. It is quite likely these organizations serve useful and beneficial purposes, but it would be inimical to the public service if promotion or advancement of employees depended upon their joining or failing to join such organizations. It manifestly is improper for employees of the Government to promote the growth of such organizations during office hours or to infringe on the time which they should give to the Government to engage in activity to increase the membership thereof. And the impropriety would be greater of the department heads permitting persons not employees of the Government to visit the departments for the purpose of soliciting employees to become members of any organization. It is inconceivable that the heads of departments would allow employees to make statements such as those which the writer of the letter just read attributes to the person who visited him. If promotion or advancement in the Government service is dependent upon membership in some organization, then some course will be taken to prohibit employees of the Government from becoming members of such organization. The heads of the various departments and bureaus and agencies of the Government should examine into this matter and take such steps as are necessary to protect those in the employ of the Government and to secure efficient and proper service by Government employees.

TREATY OF PEACE.

Mr. SMITH of Georgia. Mr. President, while at home last week I prepared and published two interviews supporting reservations to the peace treaty and the league of nations. I ask unanimous consent that they may be printed in the RECORD.

There being no objection, the interviews were ordered to be printed in the RECORD, as follows:

[From the Atlanta Journal.]

INTERVIEW WITH SENATOR SMITH OF GEORGIA ON THE PEACE PACT AND ITS EARLY RATIFICATION.

RESERVATIONS REQUIRED

to Americanize the treaty, to preserve the constitutional power of Congress to pass upon important questions growing out of the treaty, rather than leave their decision to one man in Switzerland.

OUR BOYS MUST NOT BE DRAFTED

to execute mandates or for the wars of the world unless Congress from time to time approves.

RATIFICATION URGED WITH RESERVATIONS.

"I have had many expressions of appreciation for my interview of last Monday on the treaty of peace and league of nations, and requests for a more detailed discussion of proposed reservations.

"I would greatly enjoy presenting them face to face to my constituents, but the Senate meets on Monday, and I must be in Washington to urge prompt action.

"The treaty of peace with Germany, including, as it does, the league covenant and the provision for an international labor organization, fills a book of 192 pages. It can hardly be expected that many out of public life have had time to study it thoroughly.

"In any study of the league covenant, it should be borne in mind that the original draft prepared by President Wilson was not used, but the draft by Gen. Smuts, a British subject from South Africa, was made the basis of the covenant.

"At the hearing before the Foreign Relations Committee a copy of the original plan of President Wilson for a league covenant was introduced. He had with him in Paris two specialists on international law, Messrs. Miller and Auchincloss, of New York. Their comments upon the President's plan are also printed in the reports of the Foreign Relations Committee.

"Let me say, at the outset, that I regard the original plan prepared by President Wilson as vastly better than the Smuts plan, and the original plan of the President, with the changes suggested by Messrs. Miller and Auchincloss, would have been far more in accord with our institutions than the Smuts plan, which has been attached to the German treaty.

MAKE WAY TO WITHDRAW CLEAR.

"I call attention now to reservations that should be adopted:

"First. The covenant provides that any nation, upon giving two years' notice, can withdraw from the league, if the nation has fulfilled all its 'international obligations and obligations under the covenant.' The covenant fails to say who shall determine whether the nation desiring to retire has fulfilled all its obligations. If this question is to be passed upon by the council or the assembly, then, under the provisions of the covenant, it would require unanimous approval by the council or the assembly. This would be awkward and might become the cause of dispute.

"We in the United States must still remember that a dispute over the right of secession can produce war. It produced four years of war among the States of the Union.

"In the interest of peace to prevent future disputes and complications we insist upon a reservation declaring that the United States will be the sole judge of whether it has performed all its obligations under the covenant, in case it gives notice for withdrawal.

RESERVE DOMESTIC QUESTIONS AND IMMIGRATION FROM CONTROL BY THE LEAGUE.

"2. Under the terms of the covenant, it is not at all clear that the council of the league can not pass upon domestic problems. The covenant is very broad in its provisions placing within control of the council all matters of dispute. It is true that in article 15 it is provided if one of the parties claims that the dispute arises out of a matter, which by international law is solely within the domestic jurisdiction of the party, and the council so finds, then the council will take no action with reference to the dispute. There is no clear rule of international law distinguishing domestic from international problems.

"Mr. Wells, the English writer, has insisted that the league should pass upon the treatment of 'Armenians in Turkey and negroes in Georgia.'

"The problem which confronts the United States, most likely to involve our country in a serious war, is Asiatic and Japanese immigration. The covenant almost invites the Japanese to raise this issue with us before the council. If no reservation is made it creates a serious and threatening menace, making peace doubtful and war probable.

"I shall never forget the power with which Senator Bacon impressed this question upon the Senate during the winter of 1912, when he urged to our treaty with Great Britain a reservation excluding from arbitration domestic questions and naming immigration and the treatment of emigrants specifically as domestic questions, which we would not submit under any circumstances to arbitration.

"A reservation should be attached to ratification expressly providing that domestic problems will not be submitted to the

league, and that immigration is a domestic problem which we will retain exclusively for our own control.

RESERVE TO CONGRESS THE RIGHT TO ACCEPT MANDATORIES.

"3. The league covenant provides that members of the league shall assume supervision of other countries or peoples, the control to be conducted under what is termed 'mandatories.' The plan is for the country accepting a mandatory over another country to police the country, preserve order, establish a system of government, and gradually help the country to a state of progress where self-government may be possible. A mandatory can not be forced upon a member of the league, but must be accepted by it. The question arises, Who can accept a mandatory for the United States? Remembering again that it is the Smut's plan for the league covenant that has been attached to the German treaty, the language may fairly be construed in connection with the English form of government.

"In Great Britain the ministry conducts all foreign relations without submission to Parliament. They are, however, immediately under the control of Parliament at all times on account of the fact that if Parliament ceases to sustain the ministry the ministry retires and a new ministry is appointed.

"Under the covenant our representative in the council, who will sit in Switzerland 3,000 miles away from the United States, may have authority to accept for the United States a mandatory, and place upon the United States the burden of handling and policing a foreign country.

"The mandatory suggested for us is the Turkish Empire. We are advised by telegraphic reports that our Army officers who investigated conditions in Turkey reached the conclusion that it would require an army of 250,000 of our soldiers in Turkey.

"There are about 15,000,000 Turks. They are Mohammedans. There are about 70,000,000 Mohammedans in Asia and Africa. They have an established record for courage and ability to fight. I certainly would be unwilling to see a smaller army than 250,000 men undertake the task. To put in a smaller army would invite their slaughter. It would probably take 10 years to establish a permanent condition of law and order in the Turkish Empire. The cost would approximate a billion dollars a year. Are the people of the United States ready to assume such a responsibility? Do the mothers and fathers wish their boys drafted to be sent on such an errand?

AGAINST ONE-MAN POWER.

"I do not undertake to pass upon the question, but I do insist that no such power should be given to one man in Switzerland, and that no doubt should be left about the fact as to what can and what can not be done by our representatives in the council.

"I favor reservations limiting the authority of our representative in the league council by congressional direction, and I urge a reservation expressly declaring that no mandate shall be placed upon the United States, or accepted for the United States, unless Congress, by joint resolution, approved by the President, accepts the mandate. Indeed, as to all of the reservations which I am supporting, the main purpose is to preserve in Congress the powers which the Constitution meant Congress to perform and to prevent those powers from being transferred to a council 3,000 miles away, with only one citizen of the United States and eight foreigners making up the council. Surely no one can claim that either of the three reservations so far suggested would lessen the effective work of the league.

GUARD OUR EXPORTS FROM INTERFERENCE.

"4. The German treaty provides for a reparation commission of five, from Great Britain, France, Italy, Japan, and the United States, to supervise German financial conditions. This commission can control exports to and from Germany.

AS TO EXPORTS.

"A number of us insist that a reservation should declare that the reparation commission shall have no power to interfere with exports from the United States to Germany or imports from Germany to the United States.

"Ours is a great raw-material producing country. Our associates on the reparation commission are buyers of raw material. It would simply be stupid for our country to agree that the raw-material buying nations should have the privilege of shutting off the export trade of the United States to middle Europe. Bringing the question down to the immediate interest of the people of this section, it would be stupid to permit the cotton-buying nations represented on the reparation commission to stop our export of cotton into middle Europe. As drawn without reservation, it would be a constant menace, with power to cut off a 3,000,000 bales market annually from our cotton.

"My special interest in this reservation is the protection of the raw-material producers of the United States against unfair treatment by the reparation commission, and I cordially favor a reservation declaring that this reparation commission shall not interfere with the business of the United States without the consent of our Government.

"Surely this reservation does not lessen the value of the league.

RESERVATION TO PROTECT UNITED STATES AGAINST ENGLAND'S 6 VOTES TO OUR 1.

"5. Under the league covenant Great Britain and her colonies have 6 votes in the assembly while the United States has only 1. It has been claimed that the assembly has no authority. Article 3 of the covenant provides: 'The assembly may deal at its meetings with any matter within the sphere of action of the league or affecting the peace of the world.' The assembly passes upon the admission of additional nations to the league. The league began with nine members, five of whom are permanent and four temporary. Article 4 provides with reference to the temporary members of the council: 'These four members of the league shall be selected by the assembly from time to time, in its own discretion.' Article 15 provides: 'That any dispute brought before the council may be transferred to the assembly at the instance of either party to the dispute.'

"I do not mean to question the importance of the council. I only cite the above to show the importance of the assembly. I believe it only fair to our country that a reservation should be adopted declaring that the United States assumes no obligation to be bound by action in the assembly, in which a member of the league and its self-governing dominions or colonies cast more votes than those cast by the United States.

"The United States has a larger white population than any other member of the league. It has greater wealth, and it will be called upon to contribute more to the league than Great Britain and her colonies. Can anyone object to a reservation that at least places the United States upon a basis of equality with Great Britain, where the interests of the United States may be involved?

INTERNATIONAL LABOR ORGANIZATION.

"6. Part 13 of the treaty provides for an international labor organization. It would require more space than one communication should occupy to discuss in detail the intricate provisions of the plan for this organization.

"It is reliably stated that the scheme originated with the Berne conference of European labor leaders, many of whom were Socialists. It has also been shown that they even insisted that action by this international labor council should have the force of legislation, binding upon the nations parties to the league. As it is, vast powers are given to the body of delegates who are to assemble under the provisions creating the labor organization. They have the right to cite a nation to appear and defend itself if it fails to comply with action by their organization. Part 13 provides for the publication of a paper by the international organization, to be printed in various languages and distributed through the nations members of the league, and the expense to be borne by the nations members of the league.

"The labor leaders of Europe teach doctrine antagonistic to our form of government. In their original scheme for equality of conditions for labor throughout the world they would pull down the condition of the laboring man in the United States to equalize it with labor far less favorably situated.

"I voted for a reservation declaring that the United States declined to participate in the organization provided for in part 13, unless Congress should hereafter determine that the United States should enter the organization. I believe this reservation to be wise. It may be we will find less danger later on from becoming a part of this organization. At present it offers no benefits to any citizen of the United States, and much probable injury.

RESERVATION: LEAVES ARTICLE 10 AS INTERNATIONAL LAWYERS AIDING PRESIDENT LEFT IT.

"7. I come now to article 10. Article 10 reads as follows:

The members of the league undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the league. In case of any such aggression or in case of any threat or danger of such aggression the council shall advise upon the means by which this obligation shall be fulfilled.

"It is interesting to note how the present article 10 abandons the great principle of justice contained in the original provision presented by the President. In the President's original covenant contained in the testimony before the Foreign Relations Committee article 10 was article 3, and reads as follows:

"'The contracting powers unite in guaranteeing to each other political independence and territorial integrity; but it is understood between them that such territorial readjustments, if any, as may in the future become necessary by reason of changes in

present racial conditions and aspirations or present social and political relationships, pursuant to the principle of self-determination, and also such territorial readjustments as may in the judgment of three-fourths of the delegates be demanded by the welfare and manifest interest of the peoples concerned, may be effected if agreeable to those peoples; and that territorial changes may in equity involve material compensation. The contracting powers accept without reservation the principle that the peace of the world is superior in importance to every question of political jurisdiction or boundary.'

"It will be observed at once that in the plan of President Wilson, while the members of the league were to guarantee to each other political independence and territorial integrity, it was with the express understanding that territorial readjustments were to be made, pursuant to the principle of self-determination. Members of the league were to accept, without reservation, the principle that the peace of the world was more important than political jurisdiction and boundaries. This simply meant that our four great allies, England, France, Italy, and Japan, ruling, as they do, more than one-fourth of the peoples of the world, held by them as subjects, were to concede to these peoples the right of self-determination, and yield their political jurisdiction for the peace of the world.

THE PRESIDENT QUOTED.

"On January 25, at a session of the peace conference in Paris, the President declared:

> We are here to see that every people in the world shall choose its own masters and govern its own destinies, not as we wish but as they wish. We are to see, in short, that the very foundations of this war are swept away. * * * Those foundations were the holding together of the empires of unwilling subjects by the duress of arms, and nothing less than the emancipation of the world from these things will accomplish peace.

"Instead of carrying out through section 10 the principle laid down by the President in his original article 3 and in this address, article 10 practically binds the subject nations to servitude, and we have the assurance of President Wilson that this will bring war and not peace. Article 10 without a reservation obligates the United States to furnish our boys to practically every war throughout the world, and the military bill submitted by the department for the approval of Congress revives all the draft laws of the last war in case the United States becomes involved in another war.

"Our country may obligate itself to respect the rights and independence of all members of the league. We should not assume now an obligation to preserve them; that is to say, successfully defend them against external aggressions.

"The aggression might be partly external and partly internal, still we must furnish our boys for the struggles all over the world. In case of any threat or danger of such aggression the council is to advise us of the number of men, the battleships, and the financial contribution which our country must make.

MUST NOT PLEDGE OUR BOYS TO THE WARS OF THE WORLD.

"We should not create any obligation binding upon future Congresses to enter all the wars provided for in article 10 without any knowledge of the circumstances with which they may be surrounded or the principles which may be involved.

"It is claimed that article 10 will prevent war in the future. A hundred years ago we had an alliance of England, France, Germany, Austria, and Russia. It was called a league for peace. It was so powerful that it was believed war would be brought to an end, but it was not long before the members of the league quarreled among themselves and war followed.

"Press dispatches show that war is now going on in Arabia. Hedjaz is a member of the league. Press dispatches advise us that a number of Arabian tribes have invaded Hedjaz and are threatening the holy city of Mecca. Under article 10, if we were in the league, the council would advise us what troops we must send to Arabia to help drive the Arabian tribes out of Hedjaz. From what I can learn of the strength of the Arabians probably 50,000 men would be our quota. Ought the Senate of the United States agree to mortgage our boys for all the wars that may come?

THE SENATE RESERVATION.

"We will preserve the provision of article 10 which requires each nation to respect the rights of other countries, and the council will advise us of conditions from time to time, but the Congress of the United States must be left free to enter or decline to enter the wars of the world, and the reservation which the Senate adopted upon this subject is as follows:

"'The United States assumes no obligation to preserve the territorial integrity or political independence of any other country or to interfere in controversies between nations—whether members of the league or not—under the provisions of article 10, or to employ the military or naval forces of the United States under any article of the treaty for any purpose, unless in any particular case the Congress, which under the Constitution has the sole power to declare war or authorize the employment of the military or naval forces of the United States, shall by act or joint resolution so provide.'

RESERVATION AS PERFECTED BY THE PRESIDENT'S INTERNATIONAL LAWYERS.

"In complete answer to the claim that this reservation seriously affects the value of the league I call attention to the fact that Messrs. Miller and Auchincloss advised President Wilson to make the article just what it will be with the proposed reservation. Their suggested substitute for the President's article 10 was in the following language:

> "Each contracting power severally covenants and guarantees that it will not violate the territorial or impair the political independence of any other contracting power.

"They advised that the respective nations should obligate themselves to respect but not to preserve the territorial and political integrity of members of the league.

OTHER RESERVATIONS.

"There are other reservations intended to retain in Congress control of the conduct of our representatives in the league 3,000 miles away, in Switzerland. They in no way affect the authority of the league, and no serious objection has been urged to them.

"There is a reservation with reference to the Monroe doctrine and one with reference to Shantung the language of which ought to be modified, and I believe an agreement can be made for their modification.

"The introductory resolution of ratification of the Lodge resolutions is objectionable for the reason that our resolution of ratification should bring the war with Germany to an end, and there is no necessity for formal acceptance by other nations.

TREATY'S VALUE PRESERVED—ONLY DANGER REMOVED.

"The resolutions which I have urged do not in any way affect the covenant, except to preserve in Congress the responsibility placed by the Constitution. The change in article 10 is only to leave Congress entirely free to act when we are called upon to send our boys to the wars of the world.

"Ample provisions in the covenant for the investigation of disputes, for arbitration, for agreement to delay wars, and even for economic boycotts are unchanged.

"The President has declared that article 11 was his favorite in the treaty. That article is untouched. The President declared when he received the degree conferred by the University of Paris that the power of the league of nations was to be its 'moral force.'

"No reservations I support will in any way lessen this power.

"I urge an immediate ratification of the treaty with reservations, because I hope that the league may be instrumental in helping quiet the disturbed condition of Europe, and because I deem it of great importance to close our treaty of peace with Germany under the terms embodied in the present instrument.

"It will not be necessary with the reservations I have discussed to send the treaty back to Germany, and no formal approval by our associates in the war against Germany is necessary.

"The League for Peace, of which ex-President Taft is president, has issued an address urging ratification with substantially these reservations. It is inexcusable to seek from it partisan political advantage, and such an effort can not succeed."

NIAGARA RIVER BRIDGE.

Mr. JONES of Washington. From the Committee on Commerce I report back favorably with an amendment the bill (S. 3427) to establish a commission to report to Congress on the practicability, feasibility, and place, and to devise plans for the construction of a public bridge over the Niagara River from some point in the city of Buffalo, N. Y., to some point in the Dominion of Canada, and for other purposes.

I will state that I am reporting the bill on a poll of the committee. The bill expressly provides that the Government shall be at no expense, and it creates no obligation upon the part of the Government. I can see no objection to its passage, and I ask unanimous consent for its present consideration, together with the amendment suggested in the body of the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. The amendment was, on page 1, line 4, before the words "Public Bridge Commission" to insert "Buffalo," so as to make the bill read:

> *Be it enacted, etc.*, That a commission be, and hereby is, created to be called the Buffalo Public Bridge Commission.
>
> SEC. 2. That such commission shall consist of the following-named persons: Frank B. Baird, Edward J. Barcalo, Marcus Barmon, Frederick G. Bagley, Emanuel Boasberg, Col. Charles Clifton, John W. Cowper,

William A. Eckert, Louis A. Fischer, Carmelo Gugino, Charles M. Heald, Edward B. Holmes, Allan I. Holloway, Edgar E. Joralemon, Charles B. Kane, Edward Kener, John A. Kloepfer, Stanislaus Lipowicz, Edward P. Lupfer, James H. McNulty, Jacob J. Siegrist, John W. Van Allen, John G. Wickser, Floyd M. Wills, and Frank Winsch.

SEC. 3. That the commission shall inquire into the practicability, feasibility, and estimated expense of the construction of a public bridge, from some point in the city of Buffalo, N. Y., over the Niagara River, to some point in the Dominion of Canada, and devise a plan for the construction of such bridge and the manner of financing its construction.

SEC. 4. That the commission is authorized as a whole, or by subcommittees of the commission duly appointed, to hold sittings and public hearings and to take testimony of experts and others, but without creating any expense or obligations to the United States thereby.

SEC. 5. That said commission may report to Congress its findings and recommendations and submit any testimony taken from time to time, and shall make a final report, accompanied by any testimony not previously submitted, not later than two years after the approval of this act, at which time the term of this commission shall expire, unless it shall have previously made its final report, and in the latter case the term of the commission shall terminate with the making of its final report.

SEC. 6. That such commission be, and it hereby is, empowered to adopt rules and regulations for the conduct of the business of the commission.

SEC. 7. That this act shall take effect on the day following its approval.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SENATE PAGES.

Mr. CALDER. I am directed by the Committee to Audit and Control the Contingent Expenses of the Senate to report back favorably without amendment Senate resolution 239, providing for the continuance of the five additional pages employed during the last session and most of the last Congress. I ask unanimous consent for the present consideration of the resolution.

The VICE PRESIDENT. The Secretary will read the resolution.

The Secretary read the resolution, as follows:

Resolved, That the Sergeant at Arms of the Senate be, and he hereby is, authorized and directed to employ five additional pages for the Senate Chamber at $3 per day each during the second session of the Sixty-sixth Congress, to be paid from the miscellaneous items of the contingent fund of the Senate.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. KING. Reserving the right to object, I should like to ask the Senator from New York whether the resolution proposes to increase the number of pages which heretofore have been employed?

Mr. CALDER. It does not.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

SENATOR FROM MICHIGAN.

Mr. CALDER. I am directed by the Committee to Audit and Control the Contingent Expenses of the Senate to report back favorably Senate resolution 11, submitted by the Senator from Ohio [Mr. POMERENE], having reference to the Michigan election case. I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be read.

The Secretary read the resolution, as follows:

Whereas charges and countercharges of excessive and illegal expenditures of money and of unlawful practices have been made in connection with the election of a Senator from the State of Michigan, which election was held on the 5th day of November, 1918: Therefore be it

Resolved, That the Committee on Privileges and Elections, or any subcommittee thereof, be, and it is hereby, authorized and directed to investigate the said charges and countercharges of excessive and illegal expenditures of money and of unlawful practices in connection with the said election of a Senator from the State of Michigan, and to take possession of the ballots, poll books, tally sheets, and all other documents and records relating to the said election; and the Sergeant at Arms of the Senate, and his deputies and assistants, be, and they are hereby, instructed to carry out the directions of the said Committee on Privileges and Elections, or any subcommittee thereof, in that behalf; and that the said Committee on Privileges and Elections, or any subcommittee thereof, be, and it is hereby, directed to proceed with all convenient speed to take all necessary steps for the preservation of the said ballots, poll books, tally sheets, and other documents, and to recount the said ballots, and to take and preserve all evidence as to the various matters alleged in the said charges and countercharges, and of any alleged fraud, irregularity, and excessive and illegal expenditures of money, and of any unlawful practices in the said election and primary, and as to the intimidation of voters, or other facts affecting the result of said election.

Resolved further, That the Committee on Privileges and Elections, or any subcommittee thereof, be authorized to sit during the sessions of the Senate and during any recess of the Senate, or of the Congress, and to hold its sessions at such place or places as it shall deem most convenient for the purposes of the investigation; and to have full power to subpœna parties and witnesses, and to require the production of all papers, books, and documents, and other evidence relating to the said investigation; and to employ clerks and stenographers, at a cost not to exceed $1 per printed page, to take and make a record of all evidence taken and received by the committee; and to keep a record of its proceedings; and to have such evidence, records, and other matter required by the committee printed.

Resolved further, That the Sergeant at Arms of the Senate and his deputies and assistants are hereby required to attend the said Committee on Privileges and Elections, or any subcommittee thereof, and to execute its directions; that the chairman or any member of the committee be, and is hereby, empowered to administer oaths; that each of the parties to the said contest be entitled to representatives and attorneys at the recount and the taking of evidence; that all disputed ballots and records be preserved so that final action may be had thereon by the full committee and the Senate; that the committee may appoint subcommittees of one or more members to represent the committee at the various places in the making of the recount and the taking of evidence, and the committee may appoint such supervisors of the recount as it may deem best; and that the committee may adopt and enforce such rules and regulations for the conduct of the recount and the taking of evidence as it may deem wise, not inconsistent with this resolution; and that the committee shall report to the Senate as early as may be, and from time to time, if it deems best, submit all the testimony and the result of the recount and of the investigation.

Resolved further, That the expenses incurred in the carrying out of these resolutions shall be paid from the contingent fund of the Senate upon vouchers ordered by the committee, or any subcommittee thereof, and approved by the chairman of the committee.

The VICE PRESIDENT. Is there any objection to the present consideration of the resolution?

The Senate, by unanimous consent, proceeded to consider the resolution.

Mr. WALSH of Montana. Mr. President, I inquire whether the resolution has been considered by the Committee on Privileges and Elections?

Mr. POMERENE. Some time during the early part of last session this resolution was considered by the committee on Privileges and Elections and favorably reported, and it was then referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WALSH of Montana. I knew, of course, that the general subject had been under consideration by the committee, but I was desirous of inquiring about this particular resolution.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. POMERENE subsequently said: Mr. President, if I may have the attention of the Senator from New York [Mr. CALDER] and the Senator from Michigan [Mr. TOWNSEND], a few months ago the Senate had before it for consideration the resolution to investigate the Michigan senatorial election. It seems that the Committee on Privileges and Elections had proposed certain minor amendments to that resolution, and these amendments should have been printed in italics under the rules of the Senate. As a matter of fact they were printed in roman letters, so that these amendments were not called to the attention of the Secretary. The resolution as it was in fact adopted included all of the amendments which were proposed by the Committee on Privileges and Elections, but there is a parliamentary irregularity in that those amendments were not formally passed upon by the Senate, and it seems to me that under the circumstances these irregularities ought to be corrected. To that end I move to reconsider the vote whereby the resolution was agreed to for the purpose of having these amendments adopted.

Mr. LODGE. Mr. President, may I ask the Senator a question? Were those amendments agreed to when the resolution was reported out from the Committee on Privileges and Elections?

Mr. POMERENE. They were agreed to in the committee, but I think not in the Senate.

Mr. LODGE. That is what I want to know—whether they were agreed to in the Senate.

Mr. POMERENE. I think not.

Mr. LODGE. Then they certainly ought to be agreed to at some point.

Mr. POMERENE. I think so. I therefore move the reconsideration of the resolution.

Mr. CALDER. I have no objection to that.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Without objection, the vote whereby the resolution was agreed to will be reconsidered. The Secretary will state the amendments proposed by the committee.

The SECRETARY. On page 1, line 6, after the word "Michigan" and the comma, insert "including the proceedings for the nomination of candidates at the primary theretofore held." On the same page, line 8, before the word "election," insert the words "primary nomination and." On page 2, line 10, after the word "countercharges" and before the comma, insert "and any answers hereafter filed." On the same page, line 11, strike out

"and" and insert "or." On the same page, line 23, following the word "clerks," insert "and other necessary assistants."

The amendments were agreed to.

The resolution as amended was agreed to, as follows:

Whereas charges and countercharges of excessive and illegal expenditures of money and of unlawful practices have been made in connection with the primary nomination and election of a Senator from the State of Michigan, which election was held on the 5th day of November, 1918: Therefore be it

Resolved, That the Committee on Privileges and Elections, or any subcommittee thereof, be, and it is hereby, authorized and directed to investigate the said charges and countercharges of excessive and illegal expenditures of money and of unlawful practices in connection with the said election of a Senator from the State of Michigan, including the proceedings for the nomination of candidates at the primary heretofore held, and to take possession of the ballots, poll books, tally sheets, and all other documents and records relating to the said primary nomination and election; and the Sergeant at Arms of the Senate, and his deputies and assistants, be, and they are hereby, instructed to carry out the directions of the said Committee on Privileges and Elections, or any subcommittee thereof, in that behalf; and that the said Committee on Privileges and Elections, or any subcommittee thereof, be, and it is hereby, directed to proceed with all convenient speed to take all necessary steps for the preservation of the said ballots, poll books, tally sheets, and other documents, and to recount the said ballots, and to take and preserve all evidence as to the various matters alleged in the said charges and countercharges and any answers hereafter filed, and of any alleged fraud, irregularity, and excessive or illegal expenditures of money, and of any unlawful practices in the said election and primary, and as to the intimidation of voters, or other facts affecting the result of said election.

Resolved further, That the Committee on Privileges and Elections, or any subcommittee thereof, be authorized to sit during the sessions of the Senate and during any recess of the Senate, or of the Congress, and to hold its sessions at such place or places as it shall deem most convenient for the purposes of the investigation; and to have full power to subpœna parties and witnesses, and to require the production of all papers, books, and documents, and other evidence relating to the said investigation; and to employ clerks and other necessary assistants, and stenographers, at a cost not to exceed $1 per printed page, to take and make a record of all evidence taken and received by the committee; and to keep a record of its proceedings; and to have such evidence, records, and other matter required by the committee printed.

Resolved further, That the Sergeant at Arms of the Senate and his deputies and assistants are hereby required to attend the said Committee on Privileges and Elections, or any subcommittee thereof, and to execute its directions; that the chairman or any member of the committee be, and is hereby, empowered to administer oaths; that each of the parties to the said contest be entitled to representatives and attorneys at the recount and the taking of evidence; that all disputed ballots and records be preserved so that final action may be had thereon by the full committee and the Senate; that the committee may appoint subcommittees of one or more members to represent the committee at the various places in the making of the recount and the taking of evidence, and the committee may appoint such supervisors of the recount as it may deem best; and that the committee may adopt and enforce such rules and regulations for the conduct of the recount and the taking of evidence as it may deem wise, not inconsistent with this resolution; and that the committee shall report to the Senate as early as may be, and from time to time, if it deems best, submit all the testimony and the result of the recount and of the investigation.

Resolved further, That the expenses incurred in the carrying out of these resolutions shall be paid from the contingent fund of the Senate upon vouchers ordered by the committee, or any subcommittee thereof, and approved by the chairman of the committee.

The preamble was amended so as to read:

Whereas charges and countercharges of excessive and illegal expenditures of money and of unlawful practices have been made in connection with the primary nomination and election of a Senator from the State of Michigan, which election was held on the 5th day of November, 1918: Therefore be it.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 3478) granting an increase of pension to John C. Cleveland; and

A bill (S. 3479) granting an increase of pension to Scott M. Miller; to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 3480) granting an increase of pension to Edmund W. Hunt (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 3481) to carry out the findings of the Court of Claims in the case of Edward W. Larrabee, administrator of Stephen Larrabee, deceased, and Charles H. Greenleaf, administrator of Amos L. Allen, deceased, against the United States (with accompanying papers); to the Committee on Claims.

By Mr. WOLCOTT:

A bill (S. 3482) for the relief of the Delaware Transportation Co., of Wilmington, Del.; and

A bill (S. 3483) for the relief of George T. Hamilton; to the Committee on Claims.

By Mr. PITTMAN:

A bill (S. 3484) authorizing certain railroad companies, or their successors in interest, to convey for public road or park purposes certain parts of their rights of way; to the Committee on Public Lands.

By Mr. WALSH of Montana:

A bill (S. 3485) to provide for building and furnishing a building at Custer Battle Field National Cemetery for use as an office for the custodian and for the convenience and comfort of the public (with accompanying papers); to the Committee on Military Affairs.

AMENDMENT TO RAILROAD-CONTROL BILL.

Mr. CURTIS submitted an amendment intended to be proposed by him to the bill (S. 3288) to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which was ordered to lie on the table and be printed.

FEDERAL TRADE COMMISSION.

Mr. CALDER. I am directed by the Committee to Audit and Control the Contingent Expenses of the Senate to report back favorably Senate resolution 217, submitted by the Senator from Indiana [Mr. WATSON], and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 217) submitted by Mr. WATSON on October 20, 1919, was read as follows:

Whereas there is reason to believe that a number of the employees of the Federal Trade Commission have been and now are engaged in socialistic propaganda and in furthering the organization and growth of socialistic organizations; and

Whereas if Bolshevism, with all that it implies, is to be met and overcome in our country it must be done by first ousting all its adherents and advocates from public office: Therefore be it

Resolved, That the Committee on Interstate Commerce of the Senate is hereby authorized and directed, by subcommittee or otherwise, to inquire into and report to the Senate at the earliest practical date upon the truthfulness of these charges; that said committee may conduct such inquiry by subcommittee or otherwise; and shall be empowered to hold sessions during the recess of the Senate; and for this purpose the committee or any subcommittee thereof is empowered to send for persons and papers, to employ whatever assistance, either clerical or legal, they deem necessary to aid in conducting the investigation, to administer oaths, to summon and compel the attendance of witnesses, to conduct hearings and have reports of the same printed for use; and any expense in connection with such inquiry shall be paid out of the contingent fund of the Senate upon vouchers to be approved by the chairman of the committee.

Mr. CUMMINS. Mr. President, I understand that the Senator from New York has asked for the immediate consideration of the resolution.

Mr. CALDER. Yes, sir.

Mr. CUMMINS. I do not rise to object to its immediate consideration, but I do want to offer an amendment to the resolution, if it is to be considered at this time.

The VICE PRESIDENT. Is there any objection to the present consideration of the resolution?

The Senate, by unanimous consent, proceeded to consider the resolution.

Mr. CUMMINS. I offer an amendment to the resolution, to be inserted at the proper place, immediately before the concluding paragraph.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to amend the resolution by adding the following:

The committee is further directed to inquire generally into the work of the commission, the procedure it has adopted, the authority it has exercised, its attitude toward the business of the country, and make report respecting the value of the commission as a governmental agency.

Mr. CUMMINS. Mr. President, just a word with regard to the amendment.

Mr. WALSH of Montana. Mr. President, if the Senator will pardon me, my attention was diverted and I did not hear the reading of the original resolution. May we have it read again?

Mr. CUMMINS. Very well; I have no objection to that.

The VICE PRESIDENT. The Secretary will again state the resolution.

The Secretary again read the resolution.

Mr. CUMMINS. Mr. President, I know nothing about the allegations that are suggested in the resolution. I express no opinion whatever upon the truth of these suggestions; but I believe that there has been for some time past an organized movement to discredit the Federal Trade Commission, and if it has merited the displeasure and the criticisms of the business public generally it ought to be known.

My amendment is simply to broaden the scope of the resolution so that the committee may inquire into all of the activities of the commission and advise the Senate with regard to the value of the commission as a governmental agency or function. I do not think the work we would do in that regard would be without value to the community generally.

Mr. HARRIS. Mr. President, about 15 years ago President Roosevelt recommended to Congress the passage of the meat-inspection bill; and I want to read from the CONGRESSIONAL

RECORD a short statement by the Senator from Massachusetts [Mr. LODGE], who was President Roosevelt's spokesman on the floor of this Chamber at that time. It was in reply to statements we are hearing now about socialists and anarchists from the packers in their propaganda and I shall take the time of the Senate to read it.

The Senator from Massachusetts said, on June 30, 1906—I quote from the CONGRESSIONAL RECORD:

> What has been the history of that group of men who run those packing establishments? It has been a history of utter defiance of law and of public opinion.

In the same speech the Senator from Massachusetts said:

> But I say, Mr. President, and I say it in all seriousness, that those packers in Chicago * * * have done more to advance socialism and anarchism and unrest and agitation than all the socialistic agitators who stand to-day between the oceans.

At that time, when Commissioner Garfield, of the Bureau of Corporations—now the Federal Trade Commission—investigated the packers, their books showed that they had $92,148,000, I believe. Now they have $479,055,000. During the 15 years $87,930,000 new capital has been added and they have paid in dividends $105,938,000. At that time they claimed, just as they are claiming now, that their profits were such that they could hardly live; and what the Senator from Massachusetts said 15 years ago is doubly true at this time.

When the resolution was first introduced I stated that if the Federal Trade Commission was discredited and the consuming public had no protection from the high cost of living caused by the packers' monopoly it would do a thousand times more to encourage socialism and anarchism than a few employees of the commission.

The packers' tremendous organization could be of great assistance to cattle and hog raisers and in reducing the high cost of living, and it would be a great mistake to pass legislation that would destroy them, but their record the past 15 or more years shows they are trying to gouge the public, make exorbitant profits, increase the high cost of living, destroy competition, and it is absolutely necessary to pass legislation to curb them and protect the consuming public and the cattle and hog raisers.

The VICE PRESIDENT. The question is on the amendment of the Senator from Iowa [Mr. CUMMINS].

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, I know no reason why the Senate should go upon record as declaring that "there is reason to believe that a number of the employees of the Federal Trade Commission have been and now are engaged in socialistic propaganda and in furthering the organization and growth of socialistic organizations." That may be true. Whether it is true or not I have no information on the subject. The Senator from Indiana [Mr. WATSON] addressed the Senate on this subject some time ago and submitted some considerations which evidently impelled him to that belief; but, speaking for myself, I do not desire to pass any judgment upon this matter upon an ex parte showing.

Inasmuch as the resolution is not in any wise affected by the recitals of the preamble, I move that the preamble be stricken from the resolution. I apprehend that probably there will be no objection on the part of the Senator from Indiana.

Mr. WATSON. Mr. President, I care nothing about the preamble. All I want is the investigation. Of course the preamble is not essential to the strength or the validity of the resolution. I based the preamble on my own remarks concerning the situation, and I had such information as led me to believe, of course, that what I had to say about specific individuals connected with and employed by the Federal Trade Commission was true, and, of course, I based my resolution on the preamble, and my preamble on what I thought was my own knowledge of the situation. Of course, I do not care to bind the Senator from Montana, but my understanding is that the preamble does not bind anybody who votes for a resolution of this character. It is only the basis upon which the resolution rests, and is not in any way binding upon the conscience of any Member of the Senate as declaratory of the alleged facts.

Mr. WILLIAMS. Why not, then, consent to strike out the preamble and pass the resolution?

Mr. WATSON. That is entirely satisfactory to me.

Mr. WALSH of Montana. That disposes of that, Mr. President.

Mr. WATSON. If the Senator will pardon me, while I am on my feet I desire to say that so far as I have the right to do so I am entirely willing to accept the amendment of the Senator from Iowa, which he and I have previously discussed.

Mr. WALSH of Montana. Mr. President, I want to say to the Senator from Indiana that if the preamble is stricken out I imagine it will be necessary to make some brief changes in the body of the resolution. I suggest that he make inquiry about that.

Mr. WATSON. Will the Senator pardon me? I did not hear him.

The VICE PRESIDENT. If the preamble goes out, there is nothing left of the resolution.

Mr. POMERENE. Mr. President, if I may call the attention of the Senator from Indiana to the text of the resolution, on lines 4 and 5 it refers to "the truthfulness of these charges," which are evidently the charges referred to in the preamble. It is necessary to make some modification.

Mr. WALSH of Montana. It simply charges that employees are "engaged in socialistic propaganda and in furthering the organization and growth of socialistic organizations."

Mr. WATSON. That is precisely the thing I want to inquire into.

Mr. WALSH of Montana. I suggest to the Senator that perhaps he had better incorporate that in the body of the resolution.

In view of what I have said about this matter, I desire to add that so far as I am concerned I can see no reason why the Senate of the United States should take notice of the employment by the Federal Trade Commission of a man who professes the doctrines of socialism. If he is otherwise competent and able to discharge the duties of the office, what is the difference what his political opinions are so far as socialism is concerned? Suppose, Mr. President, we should discover, as a result of this investigation, that there are, indeed, a number of employees of the Federal Trade Commission who profess the theory of socialism, and who on occasions preach the doctrines of socialism, what should we do about it?

Mr. BORAH. I suppose, under the practice we are adopting now, we should deport them. The method seems to be now, if we disagree with anybody, to suppress, imprison, or deport them.

Mr. WALSH of Montana. I leave that statement with the Senator from Idaho. I had not observed that we were deporting any socialists merely because they were socialists, but perhaps the Senator from Idaho has more definite information on that subject. The point I was making, Mr. President, is that so far as I have yet been able to discover it is not a crime to be a socialist. I am not one.

I do not indorse that theory of economics or that theory of politics. But I am at a loss to understand how in this country, where free speech is guaranteed by the Constitution of the United States, we can deny to a man the right to embrace or to teach the doctrines of socialism, nor can I understand how you can deny him an opportunity to seek employment in the public service because he is a socialist.

Mr. WATSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Indiana?

Mr. WALSH of Montana. I will be very glad to yield.

Mr. WATSON. Does the Senator place any limitation on the right of free speech in the United States?

Mr. WALSH of Montana. I discussed that matter at some considerable length, as the Senator may recall, in an effort to secure legislation which would punish and suppress the preaching of the overthrow of the Government of the United States by force. That is the distinction I made between the right of free speech and the abuse of free speech.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. WALSH of Montana. I will be glad to yield to the Senator.

Mr. KING. I am advised, from various publications which I have, that there is one wing of the Socialist Party of the United States which has accepted in all of its implications the most extreme Bolshevik doctrines and is advocating the overthrow of the United States Government by force. They class themselves as socialists of the left wing. Does the Senator think that it would be proper for the Government of the United States to install voluntarily in positions of trust and responsibility men who are advocating the overthrow of the United States Government by force and violence?

Mr. WALSH of Montana. By no means.

Mr. KING. They are socialists, or they allege that they are socialists.

Mr. WALSH of Montana. They may be; but there are many other socialists who do not advocate that doctrine. If the resolution were an inquiry into the employment of men who, claiming to be socialists or anything else, preach the doctrine of the overthrow of the Government of the United States by force or violence, I should, of course, have no word of criticism of the resolution, but I call your attention to the fact that that is not the resolution.

Mr. BORAH. Mr. President, may I ask the Senator if there is any line of demarcation as to what constitutes preaching the overthrow of the Government by violence and what does not? Some of the tracts and documents which are now accepted among men as teaching proper constitutional theories were once condemned under the very rule which the Senator now states. Take, for instance, Tom Paine's Rights of Man. He was prosecuted for that, and upon the theory that he proposed to destroy the English Government by force and violence.

Mr. WALSH of Montana. Of course, if he did, he was properly punished.

Mr. BORAH. At that time they thought he was preaching that doctrine. At this time his doctrine is quite orthodox.

Mr. WALSH of Montana. I see no difficulty in the situation at all. The preaching of crime, the incital to the commission of crime, ought always to be made a crime. It is a crime to overthrow the Government of the United States or any other government by violence.

Mr. BORAH. If you get down to the concrete proposition of defining a certain act as a crime and punishing it as such, you have some standard by which to go; but bills now on the calendar of the Senate do not establish that rule at all, in my judgment.

Mr. WALSH of Montana. Of course, we can canvass that when we come to it.

Mr. THOMAS. Mr. President, I do not understand that the Government is, or that it has been, engaged in the attempt to deport individuals now in the United States because they have expressed sentiments which challenge those of the majority. I think that my friend, the Senator from Idaho [Mr. BORAH], was merely facetious when he suggested that proposition. Unless I am very badly misinformed, all the proceedings having in view the deportation of people from the United States are based upon the provisions of section 19 of the immigration act of 1917, which affect aliens, and aliens only.

It is very difficult to draw a well-defined line of division between what is and what is not preaching treason against the Government and the use of violent means for its overthrow, but it is not at all difficult in individual cases to so determine. Thomas Paine never preached or advocated bloodshed, violence, disorder, the destruction of property, and universal chaos.

Mr. BORAH. Mr. President, I agree with the Senator that Tom Paine did not, but, nevertheless, that was the theory upon which they proceeded against Mr. Paine.

Mr. THOMAS. I was about to say that he lived in an age when anyone who questioned the divine origin of Christianity proclaimed himself to be an enemy of mankind, because it was assumed, and perhaps rightly, that the religious sentiment was the cement of society, and that opposition to its acceptance would lead to its dissolution.

Mr. BORAH. I am not referring now to Paine's Age of Reason. I am referring to his book on the Rights of Man.

Mr. THOMAS. I think I know what the Senator is referring to.

Mr. BORAH. That did not deal with the subject of Christianity at all.

Mr. THOMAS. That is true; but Mr. Paine's unpopularity was the outgrowth of his Age of Reason.

Mr. BORAH. Mr. Paine, if I remember correctly, had not written his Age of Reason at that time.

Mr. THOMAS. The Senator is probably correct. Paine's contributions to the literature of the American Revolution were one of the strongest supports of that cause, and while his doctrines were aimed at the overthrow of monarchy, and therefore unusual, they were received with plaudits and a spirit of gratitude that was in strong contrast with the treatment which he subsequently received at the hands of those whom he had so greatly benefited.

His contributions to the literature of the French Revolution, and written at a time when that revolution was rampant, were associated with a condition which at that time prevailed, and which he was supporting. Revolution was rife against the French Government, and British sentiment naturally inflamed and took alarm at his doctrines and condemned them. But his political tracts are not to be compared, in my judgment, with those which are justly considered to-day as an abuse of the right of free speech and of the right of agitation against the Government. While the construction placed upon them in that period of excitement may have been identical, the construction here placed upon the so-called "red" literature of to-day must largely be that contemplated by the immigration act. I do not understand that a citizen of the United States engaged in the dissemination of these destructive doctrines is subject to deportation. If he is, I hope the Senator will enlighten me.

Mr. BORAH. Mr. President, I do not know exactly where they draw the line. I want to say frankly, although it may be a little shocking, that I am entirely opposed to the principle of deportation for any reason. If we admit aliens into this country, it is our business to take care of them and to deal with them ourselves from that time on. That is one part of the white man's burden which it seems to me we should assume. I look upon deportation as ineffective and more or less shirking responsibility. If we once admit people to this country, we should take upon ourselves the burden of teaching them the worth of our institutions and of making them good citizens. If they are incorrigible criminals, then we have penitentiaries, insane asylums, and electric chairs of our own. I have never been able to accept the theory that it is just the brave and manly thing to do to ship those whom we have once admitted to our shores off to other peoples.

Mr. THOMAS. The Senator doubtless has the best of reasons for his opinion, as he always has. But I contend, Mr. President, that when the immigration act, deliberately passed by the Congress of the United States over the veto of the President, designed to meet new conditions, among which are those we are now discussing, provides for deportation, when its terms are violated it is the duty of the immigration authorities to see to its rigid enforcement. A man comes here as an alien, under the provisions of the law permitting him to do so. So long as he is an alien he must observe the conditions under which he is permitted to remain in the United States.

Mr. BORAH. I am not criticizing any particular officer.

Mr. THOMAS. I am not only not criticizing them; I commend them for carrying out and effectuating the provisions of the law to which I refer. Whether the Senator voted for that bill when it was enacted I do not know. I voted for it, and I voted to sustain it over the President's veto. I assert that public safety, in my judgment, requires that if an alien who is permitted to come to the United States abuses his asylum by preaching the doctrines of anarchy, violence, and the overthrow of the Government in deliberate violation of our laws, he ought to be deported, and he ought to be deported as incontinently as possible.

Mr. BORAH. Mr. President, that doctrine is not confined to aliens.

Mr. THOMAS. I think the Senator is mistaken.

Mr. BORAH. I know that I am not mistaken. I know some of the most pronounced advocates of I. W. W.ism in this country were born in America, their parents were born in America, and their families have been in America for generations. The most pronounced leaders of that cause are of that class.

Mr. THOMAS. Have any of them been deported?

Mr. BORAH. No; none of them have been deported that I know of.

Mr. THOMAS. Then, my contention is correct, Mr. President.

Mr. NORRIS. Where would you take them?

Mr. THOMAS. We can not deport a citizen of the United States, whatever his offense; and I do not think that any attempt has been made to do so.

I quite agree that many of the members of the I. W. W. organization are native-born Americans, men who ought to know better. Men who are engaged in the carrying on of this propaganda find its most fertile soil in the minds of the very men we are discussing.

Coming to this resolution, I agree with the sentiment expressed by the Senator from Montana [Mr. WALSH]. I do not think that because a man is a socialist he should be condemned, even in the abstract. I am acquainted with a great many socialists, high-minded men and women, conscientious men and women, who believe as firmly and sincerely in their doctrines of socialism as I believe in the ancient doctrines of the Democratic Party.

Mr. BORAH. Ancient?

Mr. THOMAS. Yes.

The socialists to whom I refer are just as law-abiding citizens as I profess to be. They have no intention of proceeding against the institutions of the American Government except as the provisions of the law permit. They represent a constitutional movement. Their purpose is to introduce socialism through the machinery that has been provided for changes in the Government, and to which they have a perfect right to resort.

Some of the socialists of the United States are among our most patriotic citizens, and many of our laws, our most popular laws, are merely the expression of socialistic conditions, of which the protective tariff is one. But if there be in any department—and my real criticism of the resolution of the Senator from Indiana is that it is confined to but one bureau—individuals who, calling themselves socialists, utilize their positions for the dissemination of what we call Bolshevist propaganda or are using their appellation as socialists as a cloak

for unlawful conduct, the Government ought at least be informed of it. All this resolution does, as I understand, is to ascertain the facts and lay them before the Senate.

I want to assure the Senator from Idaho [Mr. BORAH] that I will stand with him at all times and under all circumstances for the right of any individual to be employed in the Government service, I do not care what his beliefs are, political or religious, so long as he is competent, does his duty, and obeys the law.

Mr. BORAH. I quite agree with the Senator from Colorado that it does not make any difference whether a man is a socialist or whether he is a Democrat or Republican, so far as his employment is concerned, if he performs the services which devolve upon him as an employee of the Government. I am not at all disagreeing with the Senator upon that proposition. I do not know of any advantage which would be derived by this information if we had it.

Mr. THOMAS. Of course, that is another consideration. It may be entirely useless. We have reached the point where we are prone to investigate everything that is brought to our attention, and this investigation, like scores of those which have preceded it, may merely result in the expenditure of money.

Mr. BORAH. If we keep on at the rate we are going, in the next 25 years the Government will be run by socialists.

Mr. THOMAS. It will be run by investigations. There is a tendency to socialism in the Democratic Party. There is a tendency to socialism in the Republican Party. There is a tendency to socialism in both parties, because both parties want the socialist vote. We become more and more lenient about all forms of propaganda as we prefer our seats to the performance of our duties.

Mr. CUMMINS. In just what sense does the Senator from Colorado use the word "socialist"?

Mr. THOMAS. I use the word "socialism," or I did use it when interrupted, to designate that class of individuals who profess what they call socialism as a political faith and which they use as the basis of a political organization. I presume it is that sort of socialism to which my distinguished friend the Senator from Idaho referred in his discussion.

But I shall not detain the Senate so long as to defeat the object of the Senator from Indiana [Mr. WATSON], who I suppose wants action upon his resolution. I shall vote for it because, among other things, of the attack that has been made upon the Senator from Indiana by the commission, who merely assumed to exercise his unquestioned right as a Senator of the United States to present it.

Mr. FLETCHER. May I interrupt the Senator a moment?

Mr. THOMAS. I yield to the Senator from Florida.

Mr. FLETCHER. The Senator from Idaho referred to the fact that there are a number of people in this country who were native born, whose parents lived here, who are American citizens, and who have adopted the doctrines of the I. W. W. He put the question to the Senator from Colorado as to whether or not those could be deported, and I understood the Senator from Colorado to say they could not; that they were American citizens.

Mr. THOMAS. Yes; I could not have said anything else.

Mr. FLETCHER. I do not quite understand that. I must differ a little with it. If an American citizen is convicted of what is declared to be a crime by Congress under proper legislation, why can not that American citizen be imprisoned on the island of Guam or somewhere else, and deported in that way and detained in that way as well as an alien, notwithstanding he may be an American citizen?

Mr. THOMAS. That is not deportation as we understand the term. That would be the imposition of a sentence as the result of conviction, and the sentence would be executed in accordance with its terms. Guam is a part of the United States of America. You can not make a Botany Bay out of it. Congress may, if it sees fit, of course, provide exile to that place for the punishment of those who have been convicted of violation of the criminal laws, but no such procedure is necessary, nor indeed is it possible to resort to it for the enforcement of the immigration laws concerning alien deportation.

Mr. FLETCHER. I understand the Senator's position then to be that these people could not be deported to other countries?

Mr. THOMAS. An American citizen must first be indicted by proper procedure; he must then be tried by a jury of his peers, and convicted——

Mr. FLETCHER. Precisely.

Mr. THOMAS. Then he must suffer whatever sentence may be lawfully imposed upon him as a result of that conviction.

Mr. FLETCHER. As a result of that he can be deported——

Mr. THOMAS. No; he can not.

Mr. FLETCHER. From the United States proper to some such place, as I have suggested.

Mr. THOMAS. No; he can not, because there is no law that I know of which would enable the Government to do that.

Mr. FLETCHER. We might pass a law.

Mr. THOMAS. That is a different proposition. What we may do in the future is one thing. What the status of such an individual is now is another.

Mr. FLETCHER. I quite agree with the Senator's remarks regarding the immigration law. I am not making any issue on that.

Mr. MYERS. Mr. President, the matter intended to be investigated by the resolution is set forth in the preamble. The preamble is divided into two paragraphs. The first paragraph refers to those reputed to be in the employ of the Federal Trade Commission who are engaged in socialistic propaganda, and evidently refers to Socialists. The second paragraph, however, refers to Bolshevism, and says:

> Whereas if Bolshevism, with all that it implies, is to be met and overcome in our country it must be done by first ousting all its adherents and advocates from public office.

I believe, taking these two paragraphs together and construing them in pari materia, the sense of them is that the resolution is aimed at socialists who may be in the employ of the Federal Trade Commission, if there be any, who hold, teach, or preach those extreme radical views of socialism which are synonymous with Bolshevism. I believe that is a reasonable construction of the preamble.

Whatever may be our views about the advisability of having socialists in the employ of the Federal Government, I do not believe the Senate would want to go on record as opposing a resolution to investigate the employment, in any branch of the Federal Government, of socialists who hold the extreme socialistic views which are synonymous with Bolshevism and who teach or preach them, as Bolshevism is understood in this country.

I call the attention of the Senator from Indiana [Mr. WATSON] to the fact that if the preamble is stricken out he will have to redraft his resolution so as to give something to investigate. I further call the attention of the Senator from Indiana to the fact that if he would strike out of the first line of the first paragraph of the preamble the words "there is reason to believe" and insert in lieu thereof the words "it is charged" the preamble would then read, "Whereas it is charged that a number of the employees," and so forth; and that is true, because a few weeks ago the Senator from Indiana [Mr. WATSON] made upon the floor of the Senate the charge that is embodied in the preamble.

I merely wish to call attention to the fact that the preamble of the resolution should be amended in some such way, if there is to be anything to investigate, and, when amended in that way, I do not believe the Senate will object to the resolution. If there be people in the employ of the Federal Trade Commission who are of those extreme socialists whose views are synonymous with Bolshevism, and who believe, teach, or preach Bolshevism in this country while employed in a department of the Federal Government, I think it should be known, so Congress may take such action as it may see fit.

Mr. KING. Mr. President, it is rather difficult to define socialism. There are nearly as many forms of socialism as there are views as to what is evolution or what causes contribute to biological development. There are persons denominated as socialists whose views are very enlightening and whose devotion to good government and the cause of liberty and civilization no one can question. Some of the most brilliant writers and thinkers of the age class themselves as socialists. Some of the ablest of our university teachers and writers would probably be called socialists. I agree with the Senator from Montana [Mr. WALSH] that no person should be excluded from the Government service because he may entertain the views expressed by some branches of socialism. In my opinion, there have been great contributions to the cause of humanity brought about by socialists. Hard political creeds have been modified by the views of those who claim to be socialists, and industrial and political policies, fraught with injustice, have been changed and softened owing to the zealous efforts of some so-called socialists. There are thousands who are denominated socialists who believe that changes should be made in some branches of our Government and that the power of the State governments and the Federal Government should be increased, and many of the industries and activities now carried on by individuals should pass under the control and ownership of the governments of either the States or the National Government, but they do not advocate revolution or violence or the overthrow of our Government by force. They claim that their views, if carried into legislation, would effectuate needed reforms, and they seek to bring about such reforms by fair and

earnest propaganda. Men of this class, while we may not always agree with them, are not to be denounced or condemned. They have a right to participate in the Government and to hold positions of trust and responsibility. There must not be any discrimination against them. But it is known that there are revolutionary socialists, those who support revolution in this and in other lands. They are not content to advocate their views and seek to convert the people to their industrial and political policies. They propose violence, bloodshed, revolution.

Men who belong to the revolutionary group of socialists and who are seeking by force and violence to destroy this Republic should not be employed in any department of governmental service. Their activities and propaganda constitute a form of treason against the Republic; and I can see but little difference in principle between a military force which lands upon our shore with the avowed purpose of overthrowing the Government and subjecting the American people to a foreign rule, and the efforts of organizations within our midst, the members of which are in large part aliens, to destroy the entire industrial, economic, and political system under which we live, and to set up a tyrannous and oppressive class government which would rule as the Bolshevists have ruled in Russia. There are those in our midst who entertain the same views as the Spartacides and Bolshevists and who seek the overthrow of this Republic.

I desire to briefly call the attention of the Senate to a manifesto recently issued by one branch of the Socialist Party. I think it is called "the left wing" of the Socialist Party. In a convention held in February of this year this socialist group adopted rules of organization and issued a manifesto, which it distributed throughout the country. It authorized publication of a paper known as the Revolutionary Age, and indorsed it as the official organ of the group. John Reed, who at one time was in Russia and supported while there Lenin and Trotski, was selected as the New York editor of this paper. I understand that Mr. Reed is now in Russia or en route to Russia, where doubtless he will confer with the Bolshevik leaders and return to the United States, either with an abundance of money to carry on Bolshevist propaganda in the United States or, as the representative of the Bolsheviki, will be authorized to seek the establishment of a dictatorship of the proletariat in this Republic. This branch of the socialist organization, in its April issue, 1919, of the Revolutionary Age, states the following:

> There has been no revolutionary group in America who possessed the whole of the theory and practice of the Bolshevik-Spartacan revolution. And most of these groups still cling to their old concepts. There is now only one revolutionary group in complete accord, in its manifesto and program, with Bolshevism, and that is the left wing of the American Socialist Party. And our task is the unity and concentration of the revolutionary forces of the American proletariat on a Bolshevik-Spartacan basis.

Let me read one or two of the planks in their platform:

> We stand for a uniform declaration of principles in all party platforms, both local and national, and the abolition of all social reform planks now contained in them.
>
> The party must teach—

That is, the Socialist Party—

> propagate, and agitate exclusively for the overthrow of capitalism, and the establishment of socialism through a proletarian dictatorship.
>
> The Socialist candidates elected to office shall adhere strictly to the above provisions.
>
> * * * * * * *
>
> We believe it is the mission of the socialist movement to encourage and assist the proletariat to adopt newer and more effective forms of organization and to stir it into newer and more revolutionary modes of action.
>
> We demand that the official party press be party owned and controlled—

That is, the Socialist Party, this party which is revolutionary in character, this party which seeks the dictatorship of the proletariat, declares that the press shall be owned and controlled by it—

> We demand that the Socialist Party—

I am omitting a large number of these planks—

> shall elect delegates to the international congress proposed by the Communist Party of Russia [Bolsheviki]—

They put in brackets "Bolsheviki"; they call the Bolsheviki Party the Communist Party of Russia. They demand that this socialist organization which is seeking control of the socialists of the United States elect representatives to the Bolshevik international congress—

> that our party shall participate only in a new international with which are affiliated the Communist Party of Russia [Bolsheviki], the Communist Labor Party of Germany [Spartacans], and all other left-wing parties and groups.

Mr. President, if there are individuals who belong to this group within the Government service, they should be promptly dismissed, and if there are those who now fill positions of responsibility in the Government service who openly or secretly advocate the violation of law or a violent change in our form of government or the principles for which the Bolsheviki stand, or who seek to undermine the faith of the people in this Republic, they should be immediately removed from office. As I understand, it is to individuals who come within this class that the resolution of the Senator from Indiana refers. In supporting the resolution I am assuming that there is no purpose to remove from the service of the Government persons who belong to the class of Socialists to whom I first referred. I am heartily in favor, however, of the discharge from the service of the Government of any persons who entertain views that lie at the base of Bolshevism or the left-wing revolutionary group of Socialists now active in the United States.

There is just one further word that I wish to submit, and that relates to the statement just made by the Senator from Colorado [Mr. THOMAS]. He spoke in commendatory terms of the work of the officials of the Department of Labor in deporting aliens who come within the terms of existing law relating to deportation. I regret that I can not approve of the views expressed by the Senator. The number of aliens deported during the past two years has been wholly unimportant. Hundreds, if not thousands, should have been deported if the Department of Labor had energetically and faithfully performed its duty and lived up to the provisions of the law. I am of opinion that some of the officials in the Labor Department who were charged with the duty of deporting aliens have been derelict. I feel that there have been those who did not sympathize with the laws requiring the deportation of certain aliens, and they have failed to act and to drive from our shores many whose activities were pernicious and who have contributed to industrial anarchy and who have sought the overthrow of this Republic. In this criticism I do not include Mr. Caminetti, the Commissioner of Immigration. It is my opinion that he has earnestly attempted the discharge of the duties resting upon him, but I believe there have been influences at work in the department, and perhaps outside of the department, which have circumvented his purpose and interposed obstacles to the accomplishment of his desires. It is to be hoped that a change will be made and that the laws relating to the deportation of aliens will be vigorously enforced.

Mr. SHEPPARD. Mr. President, I want to ask a question of the Senator from Utah. Is there any bill pending having for its object the prevention of the circulation of propaganda like that contained in the paper from which the Senator has made quotations?

Mr. KING. There are a number of bills pending before the Judiciary Committee which make it an offense to circulate seditious literature, and I think the bill which will be called up for consideration within a few moments by the Senator from South Dakota [Mr. STERLING] relates to seditious literature and to its circulation and dissemination through the mails of the Government.

Mr. SHEPPARD. Does that bill have for its object the prevention also of utterances such as those to which the Senator from Utah has referred?

Mr. KING. There are a number of bills now pending before the Judiciary Committee dealing with this subject, but the committee has been so far unable to agree as to them.

Mr. SHEPPARD. Does the Senator from Utah think that we are likely to have legislation along these lines?

Mr. KING. I think that the Judiciary Committee will report a bill in a short time that will prevent the dissemination, through the mails, at least, and the publication of literature aimed at the destruction of the Government by force and violence. Indeed, I think the bill now on the calendar will reach some of the matters the Senator has in mind.

Mr. SHEPPARD. Or the utterance of such revolutionary doctrines?

Mr. KING. Or the advocacy of such revolutionary doctrines?

Mr. WALSH of Montana. If the Senator from Utah will pardon me, I desire to say to the Senator from Texas that my understanding of the bill of which the Senator from South Dakota [Mr. STERLING] has charge is that it is addressed to oral utterances as well as to written declarations.

Mr. FALL. Mr. President, I might call the attention of the Senator from Texas to the fact that to-day literature of this kind is going in dress-suit cases, carried on trains, into his own State, and literature of a much more alarming character is being transmitted through the same source.

Mr. SHEPPARD. I hope that we will have legislation of such character as will terminate that practice.

Mr. FALL. I hope we will have some action which will at least tend to prevent it.

Mr. ASHURST. Mr. President——

The VICE PRESIDENT. The Senator from Arizona.

Mr. ASHURST. Mr. President, I desire to submit a resolution, but I fancy I am not in order at this time during a discussion of the pending measure.

The VICE PRESIDENT. That would not be in order at this time.

Mr. WALSH of Montana. Mr. President, with the permission of the Senate I withdraw the motion submitted by me to strike out the preamble, and I adopt the suggestion of my colleague to substitute for the words "there is reason to believe," in the first line of the first paragraph of the preamble, the words "it is charged"; and to strike out the second paragraph of the preamble, which reads:

Whereas if Bolshevism, with all it implies, is to be met and overcome in our country it must be done by first ousting all its adherents and advocates from public office.

I do that because it is not recited in the first part of the preamble that there are any Bolshevists in the employ of the Federal Trade Commission, but only socialists and those advocating socialistic propaganda.

I understand that the Senator from Indiana contends that the two words signify the same thing, or at least they shade into each other by imperceptible gradations. However that may be, we can not overlook the fact that the strongest political party in the Republic of France is the Socialist Party, and that the Socialist Party is probably the dominant party in every country in Europe. It would be utterly wrong in the Senate of the United States to denounce all those people, who are undoubtedly desirous of accomplishing their ends by constitutional means in accordance with the institutions of their respective countries, as being supporters of the doctrine of Bolshevism. The effect of the resolution will not be in any way influenced by eliminating the second paragraph, and if that is accepted I shall not press further the motion.

Mr. MYERS. Mr. President, I am glad my colleague has seen fit to adopt my suggestion in regard to striking out several words in the first line of the first paragraph of the preamble and inserting other words; but I would be sorry to see the reference to Bolshevism stricken out, because if there is to be any investigation it seems to me Bolshevism ought to be investigated even more than socialism.

Mr. WALSH of Montana. Then I suggest to the Senator that he ought to amend the first paragraph by so declaring. That would be entirely satisfactory to me. If the first paragraph is amended to read that employees have been and now are engaged in Bolshevik propaganda and in furthering the organization of Bolshevik associations, I should have no objection to it at all; but that is not the resolution.

Mr. MYERS. Mr. President, it is not my resolution, and I leave that to the author of the resolution, of course.

Mr. WILLIAMS. Mr. President, I think it goes without saying that no Government which holds its own life sacred ought to employ those whose avowed or concealed aim it is to destroy that Government. In that far I am in sympathy with what has been proposed, with the modifications which have been suggested by the Senator from Montana; but, outside of that, I wish to utter a word of warning. What I have said applies to the employees of the Government itself. The Government's first duty is self-preservation. But I wish to impress upon the Senate the fact that always and everywhere repression has been the mother of revolution, and that those who want to fight the Government are very much less strong when they are forced into the open than they are when confined to private and secret machinations.

If I had my way I would make every fool in the United States who advances a fool doctrine utter them "out loud," so that the people who have common sense may hear and combat them. I share with Mr. Jefferson the idea that error has no dangers so long as reason is left free to combat it. If I did not share that opinion, then I would lose my confidence in democracy, because I would lose my confidence in "the common sense of most," which, as Tennyson says, is held to be the hope upon which we may rely to "hold fretful realms in awe." Of course, if a man has no confidence in the common sense of most, has no confidence in humanity and his fellow men's reasoning capacity, their common sense and their common conscience, then his first idea is to repress every error, but we have learned—and learned long ago, I hope—that the best way to combat error is to let it show its head and then hit to combat it.

Why, Mr. President, not only political errors but religious errors of every sort exist. There never yet was a faith so infernally absurd that it could not find a martyr, whether that faith were religious or political. But it is the part of wisdom to leave it as free as possible, partially because it has a right to be free, and still more because that is the best way of overcoming it.

The revolutions that have occurred in Russia grew out of repression. Had there been the opportunity for the last hundred years for Russians to discuss matters in public and for fools to make fool utterances where they could be heard and answered by wise men, or at least by men having more sense than they, whether wise or not, the Russian revolution never would have taken place. The same thing is absolutely true of the extremes of the French Revolution. It is true to a certain though to a less extent than in Russia of the Spartacan movement in Germany. The best way to strengthen a lot of conspirators who are at the same time more or less asses, absolutely ignorant of the economic laws of the world, is to force them to private meetings of every malign and murderous description, and to keep their propaganda amongst themselves, instead of giving an opportunity for men who do know something—although most men do not know much, ourselves included—about the laws of nature and economics to combat and defeat their doctrines.

So I wanted to utter a word of warning here, that we might not make the mistake that nearly everybody makes at times when the pendulum of the clock has gone too far in one direction, and that mistake is to make the pendulum of the clock not only go as far as natural reaction would carry it, but by artificial acceleration go still farther in the opposite direction. After all is said and done, the best thing, not for the utterer, not for the publisher alone of false and dangerous misborn doctrines, but for the world, is to let opinion be free for utterance, and let counteraction be equally free for utterance.

Of course, when the opinion takes the shape of absolute license and the encouragement of violence against the Government itself instead of resorting to the ballot box, a different principle comes into operation, and that is the principle of curbing violence, and not only curbing violence but curbing incitation to violence. That ought to be the only limit to the freedom of utterance, to wit, to curb violence itself and active incitation to violence. You do that on behalf of the public peace, not because you are afraid of the error, not because you distrust humanity's common sense and common conscience, not because you are afraid that that sort of thing will gain a sufficient number of adherents to govern your country, but because it leads immediately to disturbance of the peace, and it is the duty of every government to stop that. Further than that government ought not, in peace times at any rate, to go. In war times it is sometimes important to treat certain elements as if they were "friends of the enemy," or as if they were spies, as they very frequently virtually are.

While we are counteracting things that are wrong, we must not ourselves go too far in the opposite direction, and ourselves perpetrate wrong. In that case while suppressing *new* things we might in the *mêlée* ineffectually fight against and postpone some *true* things.

This immediate proposition, however, involves a different principle. The Government itself ought not to support and pay men and employ men who want to destroy the Government. That is a different proposition. Leaving a man free to say what he pleases, no matter how foolish or false it is, is one thing; but furnishing him an easy berth and a salary whereby he may be encouraged to continue it, and furnishing that berth in the Government service and at the expense of the people, is totally another thing. That last-mentioned thing ought to be stopped if it exists, which I doubt, and until and unless proof is made, deny.

Mr. WATSON. Mr. President, I do not care to make a speech on this subject, because everybody is familiar with the resolution and what is intended to be accomplished by it. What I want is action and not speech. Speech is easy but action seems to be somewhat difficult.

I have talked with the Senator from Montana [Mr. WALSH], and I think he is in agreement with me that if we modify the first section of the preamble so as to read:

Whereas it is charged that a number of the employees of the Federal Trade Commission have been and now are engaged in socialistic and bolshevistic propaganda—

and then permit the second section of the preamble to remain as it is, that will be satisfactory to him.

Mr. WALSH of Montana. I suggest to the Senator that the word "bolshevistic" ought to come in the last line of the first paragraph also.

Mr. WATSON. Yes; "and in furthering the organization and growth of socialistic and bolshevistic organizations." With that I am in entire sympathy, and have no objection to that modification.

The first question, I think, is on the amendment that I offered. Then the second amendment is the one suggested by the Senator from Iowa [Mr. CUMMINS], and if that be agreeable I can assure the Senate I have no objection.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). The Chair declared the amendment of the Senator from Iowa agreed to. The question should be on the resolution, and then,

after that, the preamble should be disposed of. The question is upon agreeing to the resolution.

Mr. HITCHCOCK. Mr. President, as I understand, the amendment of the Senator from Iowa [Mr. CUMMINS] has not been passed upon.

The PRESIDING OFFICER. That has been agreed to. The question is upon agreeing to the resolution as amended.

The resolution as amended was agreed to.

The PRESIDING OFFICER. The Senator from Indiana offers certain amendments to the preamble, which will be stated.

The SECRETARY. In line 1, strike out the words "there is reason to believe" and insert "it is charged," so that the preamble will read:

Whereas it is charged that a number of the employees of the Federal Trade Commission—

And so forth.

Also, in the last line of the first paragraph of the preamble, after the word "socialistic," insert the word "bolshevistic," so that it will read:

The organization and growth of socialistic and bolshevistic organizations.

Mr. WATSON. And in the first part, I suggest to the Chair, it should read:

That a number of the employees of the Federal Trade Commission have been and now are engaged in socialistic and bolshevistic propaganda, and in furthering the organization and growth of socialistic and bolshevistic organizations.

The SECRETARY. It is proposed to insert the same words on line 3, following the word "socialistic."

The PRESIDING OFFICER. The question is on agreeing to the amendments to the preamble.

The amendments were agreed to.

The preamble as amended was agreed to.

CONDITIONS ON MEXICAN BORDER.

Mr. ASHURST. Mr. President, I offer a concurrent resolution and ask that it may be read at the desk.

The PRESIDING OFFICER. The Secretary will read the resolution.

The concurrent resolution (S. Con. Res. 20) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of War be, and he is hereby, authorized and directed to employ the military forces of the United States in protecting the lives of American citizens in the United States, but whose safety, nevertheless, is imperiled by the threats and obviously hostile attitude toward citizens of the United States on the part of the armed Mexican bandits, murderous outlaws, and the various belligerent factions now assembling in Mexico adjacent to the international boundary line separating the United States and the Republic of Mexico.

Mr. ASHURST. Mr. President, I assume that the concurrent resolution should go to the Committee on Military Affairs, but I earnestly hope that to whatever committee this concurrent resolution may be sent that such committee will report the same favorably. I am prepared to lay before that committee information showing the necessity for the immediate passage of the concurrent resolution. During the past two months I have been constantly in receipt of letters and telegrams from Arizona detailing a situation on the Mexican border which I do not feel at liberty, nor do I feel that it would serve any useful purpose, to include in the RECORD just now, but which I am willing to lay before the Senate in executive session or to a committee of the Senate at the appropriate time. Were I to make the information public I fear the safety of a large number of our citizens would further be jeopardized, as the situation now is perilous.

When my colleague and I entered the Senate on the 2d day of April, 1912, I think, if not the first, certainly one of the first official acts on our part was to call at the War Department and urge that a sufficient number of troops be kept on the Mexican border to protect American citizens in the United States who were peaceably residing within the United States, and we have never ceased our activity in that regard. It has been, however, a discouraging task. It seems beyond the domain of possibility to impress the War Department with the fact that American citizens in the United States have been and are now in peril from the aggressions and raids of outlaws and murderous bandits that assemble below the international line, and, in hope of obtaining plunder and booty, ride across the line, murder our citizens, and then return to their rendezvous in Mexico. It has become tiresome for us to visit the War Department and to be told the same story, namely, that "your request will have consideration," and then see the officials of the War Department motor out to play golf or tennis instead of considering these questions.

I know as well as any man can know the future that unless judgment, courage, prudence, and preparedness are employed on the Mexican border there will be repetitions of the Columbus bloody outrages; and I for one want the Senate and the country to know that my colleague and I and Mr. HAYDEN, the Member of the House of Representatives from Arizona, have for eight and a half years constantly—inveterately—urged and pleaded with the War Department at least to protect the lives of citizens of the United States in the United States but adjacent to the border.

Mr. President, my resolution, stripped of its parliamentary verbiage, means that the Government of the United States, through the War Department, should assemble, at various points along the Mexican border, troops in sufficient numbers and in sufficient force to repel the aggressions of these murderous outlaws who take the lives of our citizens and destroy their property. Surely, I do not need to argue to the Senate of the United States that in a Republic such as ours an unlawful assault upon, or an unwarranted act of violence addressed toward, a citizen of the United States is an insult to the Government, because under our plan of government the people do or should constitute the Government. We have no entailed estates that constitute the Government. The people are the Government and the officers are the agents and servants of the Government. So, I repeat, an act of outlawry by the nationals of one nation directed toward our citizens on their own soil is an act of war.

And do I need to state that those who are honest are bound to confess that the Mexican question has been miserably and shamefully handled or mishandled? Is there one who will assert that the policy pursued for the past nine years has been a success? Let us then try a new course. Let us now begin to protect the rights of American citizens. Let us again begin to say that American citizens, in the United States at least, shall be safe from the aggressions of bandits who make their raid from Mexico.

There is no regret so keen, so poignant, that can come to a public official as to reflect that by his cowardice, by his supineness and his inaction, he has failed to protect the citizens of his own country from aggressions of bandits from an adjoining country. There is nothing that will wound the honor of a nation so deeply, that will stain its flag so indelibly, as to yield supinely to the aggressions of outlaws. "Yield nothing to the criminal aggressor" is a famous phrase, and I employ it here.

I want the Senate and the country to know that I believe the citizens of my State along the Mexican border are not only in peril but in imminent peril, that I have laid the facts before the War Department with tiresome repetition, and that I believe not only are the citizens along the border in my own State but that people in other States along that 1,400 miles of international line are in constant peril from Mexican outlaws, who I have reason to believe are assembling now with a view of devastating American ranches and plundering American homes, because, forsooth, the policy of the War Department for the past nine years has emboldened and encouraged the various contending factions in Mexico to believe that American lives may be sacrificed with impunity and that the only punishment they will receive will be to be "slapped on the wrist."

Mr. FALL. Mr. President——

Mr. ASHURST. I yield the floor.

Mr. FALL. I simply wanted to ask the Senator whether he had his attention called to the case of the State of Texas *v.* Arce (202 Southwestern Reporter)?

Mr. ASHURST. No, I will say to the Senator. If I have read the case I have forgotten the substance of it.

Mr. FALL. In that case the Court of Criminal Appeals of Texas decided during these outrages against which the Senator himself, as well as others, are protesting, that, as a matter of fact, Carranza was waging war upon the United States, and they turned the murderers loose after they had been convicted of the murder of our citizens.

Mr. ASHURST. I have the highest respect for that court.

Before I conclude let me say something for the benefit of Democratic Senators. The Democratic platform is an excellent guide; it is my pole star; and in 1912 the Democratic national platform said this:

The constitutional rights of American citizens should protect them on our borders and go with them throughout the world, and every American citizen residing or having property in any foreign country is entitled to and must be given the full protection of the United States Government, both for himself and his property.

Mr. President, upon that declaration we secured many votes from the American electorate, and any expression that is good enough upon which to get votes is good enough to live by.

Mr. SHIELDS. Mr. President, the Senator from Arizona has made a very forcible statement of the conditions existing between the United States and the Republic of Mexico for the last five years. As he has stated, he has not set forth the facts as he could, for they are much stronger. He has a great deal more information than I have upon the subject, representing a State upon the border, as he does.

There is no question but what he is right, that our relations with Mexico constitute the most discreditable and humiliating chapter of our foreign-relations history, and that there ought to be some action to protect the citizens of the United States within

her own borders, who, he says, are being murdered and robbed constantly, as others will be in the course of events, if there is not more vigorous action upon the part of our Government.

From statements made upon this floor by other Senators, representing border States, hundreds of our citizens have been murdered, women have been outraged, and their property, worth millions of dollars, taken and destroyed, in the Republic of Mexico, where they were invited and encouraged to go. I think the resolution of the Senator is far from meeting the situation.

Mr. ASHURST. Will the Senator yield to me?

Mr. SHIELDS. Let me finish this sentence. It is far from meeting the situation. I do not believe in sticking in the bark in this business. We have had ample cause for war with Mexico for five years, and the resolution ought to be one declaring war against Mexico. The safety of our people in the border States and the honor of our country demand it. There have been administrations in this country which under conditions stated by the Senators would long since have had Carranza and his associates hung as murderers.

Mr. ASHURST. Mr. President, it will be perceived from a glance at my resolution that I have specifically confined it to the protection of citizens within the United States. I am even doubtful, Mr. President, if I can get this resolution passed through Congress. Much more do I doubt whether I could get a resolution passed providing that American citizens who go to Mexico shall not be obliged to seek shelter under the flag of Haiti, Panama, and Liberia when an offense is threatened against them. If I had any idea that the Senate and the House would pass a resolution requiring the executive arm of this Government to protect the rights of our citizens in Mexico I would certainly introduce it. All I hope to do—and I would like to do more—is to try to induce the Senate and the House to direct the War Department at least to protect those American citizens who are in the United States. If I do that I will have at least punctured the lethargy of the departments who have so grievously mishandled this question. It is a regret for me to say this, because these men belong to my own party; but the truth must not longer be withheld. No man in America can rise and expect to have an audience of intelligent people agree with him when he says the departments have made a creditable record in handling the Mexican situation. All people except babes in their cradles know we have been weak, vacillating, negligent, and cowardly in regard to our duty toward Mexico, and I for one Senator will stand it no longer.

The PRESIDING OFFICER (Mr. HARRIS in the chair). Without objection, the resolution of the Senator from Arizona [Mr. ASHURST] will be referred to the Committee on Military Affairs.

THE MEXICAN SITUATION.

Mr. FALL. Mr. President, I send to the desk a concurrent resolution, which I ask to have read.

The Secretary read the concurrent resolution (S. Con. Res. 21), as follows:

Resolved by the Senate (the House of Representatives concurring), That the action taken by the Department of State in reference to the pending controversy between this Government and the Government of Mexico should be approved; and, further, that the President of the United States be, and he is hereby, requested to withdraw from Venustiano Carranza the recognition heretofore accorded him by the United States as President of the Republic of Mexico and to sever all diplomatic relations now existing between this Government and the pretended government of Carranza.

Mr. FALL. Mr. President, of course one who offers a resolution of this character must be prepared to make some statement concerning it. The morning hour, however, has nearly expired, and I shall only say that this resolution is offered after the most mature consideration, on evidence which will, in my judgment, astound the people of the United States when it is produced.

I have listened to the discussion with reference to revolutionary doctrines being preached in this country as that discussion has proceeded this morning, and I may say to you that it is because of the fact that the condition is more serious than you realize it is, in my judgment, in our own country, and because it is being fostered by the Mexican Government directly, that this resolution is now offered.

I charge that the Mexican Embassy in Washington, that the Mexican consul generalship in New York, the Mexican consul generalship in San Francisco, and the consuls along the border and in other portions of the United States are deliberately stirring revolutionary troubles, that they are engaged in Bolshevik propaganda, and that their action is indorsed by Venustiano Carranza himself, and that the evidence can not be controverted, although my statement will doubtless be denied by those who are assisting in the Carranza propaganda.

I ask that the resolution be referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it will be so referred.

PAYMENT FOR COAL DIVERTED IN TRANSIT.

Mr. SUTHERLAND. Mr. President, I offer the following resolution and ask unanimous consent for its immediate consideration.

The resolution (S. Res. 243) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Director General of Railroads be directed to report to the Senate at the earliest practicable moment what arrangements have been made, or will be made, for the prompt payment for coal diverted in transit from the original consignees, presumably in the public interest, in order that those mines still producing coal can continue to meet their pay rolls and continue the production of coal.

POLL ON LEAGUE AND TREATY.

Mr. SMITH of Maryland. Mr. President, I hold in my hand a statement of the result of a vote cast by the readers of the Sun, one of the leading papers of Baltimore, with regard to the peace treaty and the league of nations. I ask that the letter and statement may be printed in the RECORD. They are very short.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

BALTIMORE, MD., *December 2, 1919.*

Hon. JOHN WALTER SMITH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: You will find inclosed a statement of the result of a vote cast by the readers of the Sun with regard to the peace treaty and the league of nations.

This vote was taken by the Sun in a serious attempt to secure an expression of opinion on this most important subject from the people in the territory in which this paper circulates. The ballots were printed in the Sun for a week and a day. They were returned from all sections of the city of Baltimore and from all parts of Maryland. They demonstrate, we believe, a sincere interest in the question on the part of the voters, for each individual who voted was put to the trouble of clipping the ballot from the paper, marking and signing it, and then either bringing it to the Sun office or stamping and mailing it.

All of the four questions asked are self-explanatory, but of the fourth it may be said that it was framed to secure an expression of opinion on the one point which more than any other seems to stand in the way of a compromise settlement—whether the American people should or should not assume a moral obligation to support the provisions of article 10.

We believe that no Senator of the United States can be indifferent to the sentiment of his constituents on this subject, and these figures are therefore submitted to you for your candid consideration.

Very sincerely, yours, A. S. ABELL CO.,
Publishers of the Sun.

LEAGUE OF NATIONS POLL (CONDUCTED BY THE SUN FROM NOV. 23 TO DEC. 1).

Total vote cast	11,646
In favor of peace treaty with league of nations	11,014
Opposed	558
In favor of treaty without reservations that require acceptance by other powers	10,717
Opposed	689
In favor of reservations adopted by majority of Senate which require acceptance by other powers	795
Opposed	10,120
Believe that the United States should assume the moral obligations required by article 10 as urged by the President	10,612
Do not so believe	717

VOTE OF WOMEN.

Question 1:	
For	3,436
Against	93
Question 2:	
For	3,383
Against	99
Question 3:	
For	141
Against	3,196
Question 4:	
For	3,346
Against	113

11,646 VOTED ON TREATY—FINAL COUNT SHOWS 11,014 FOR AND 558 AGAINST LEAGUE—RESULTS GOING TO SENATORS—POLLS OF THE SUN CLOSE AFTER SUBMITTING THE QUESTION TO THE PEOPLE.

"That the people of Maryland, in fact those of all the territory in which the Sun and the Evening Sun circulate, are overwhelmingly in favor of the treaty of Versailles and the league of nations covenant embodied in it, and without the Lodge reservations, was indicated by the poll on this subject which was concluded last night.

"The poll began on Monday morning, November 23. The ballot box was taken out of the Sun counting room at 8 o'clock last night, and the ballots which had come in during the course of the day through the mails and which had been deposited in the ballot box were counted and tabulated. The result of this

tabulation will be sent to-day to United States Senators JOHN WALTER SMITH and JOSEPH IRWIN FRANCE as being as accurate a showing of the sentiment of their constituents as could possibly be secured.

20-TO-1 VOTE FOR THE LEAGUE.

"The total vote received up to 12 o'clock last night was 11,646.

"Of these 11,014 were in favor of the treaty and the league of nations and 558 were against them, or nearly 20 to 1.

"There were 10,717 in favor of the treaty without reservations that require the acceptance of other powers to 689 against.

"Those in favor of the Lodge reservations which require acceptance of other powers numbered 795 to 10,120 against.

"Those who were in favor of the United States assuming the moral obligations required by article 10 of the league covenant numbered 10,612 to 717 against.

QUESTION SUBMITTED TO ALL.

"In view of the fact that the Sun and the Evening Sun made special appeals to those opposed to the treaty and the league to cast their ballots and show how they felt, the result of the poll is considered remarkable, and truly representative of the opinion in this section of the country.

"The closing day of the poll brought out a very heavy vote, there having been 2,673 votes cast in the course of the day."

RURAL HOMES.

Mr. SMOOT. Mr. President, I introduce a bill.

The bill (S. 3477) to increase without expenditure of Federal funds the opportunities of the people to acquire rural homes, and for other purposes, was read twice by its title.

Mr. SMOOT. Mr. President, I desired at this time to make a short statement in relation to the bill, but I see that the hour of 2 o'clock has nearly arrived, and I shall not do so, because I understand that other Senators have business to present. I shall take an opportunity later to submit what I wish to say on the bill. I ask that it may be referred to the Committee on Public Lands.

The PRESIDING OFFICER. Without objection, it is so ordered.

UINTA RESERVATION LANDS.

Mr. KING. Mr. President, I ask for immediate consideration of the following resolution.

The PRESIDING OFFICER. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 244), as follows:

Whereas the Government, through the Secretary of the Interior, leased to a number of white citizens lands lying within the Uinta Indian Reservation, in the State of Utah, and agreed by the terms of the leases made and entered into to furnish water for the irrigation of said lands; and

Whereas it is claimed by said lessees that the Government failed in the years 1916–1919 to furnish an adequate supply of water for the irrigation of said lands and the crops growing thereon, as a result of which said lessees claimed to have sustained damages and injuries; and

Whereas said lessees have been unable, though demands have been made, to secure compensation for said damages and injuries, and the representatives of the Government claim that there is no fund available to meet said demands or any of like character: Therefore be it

Resolved, That the Secretary of the Interior is hereby directed to furnish to the Senate information upon the following matters, to wit:

1. The number of leases or contracts entered into between the Government and citizens who have entered upon said Uinta Indian Reservation, and the terms and conditions of the same, together with the number of acres involved therein.

2. The claims made by the Government as to water and the resources of water supply for said lands, and whether the Government claimed sufficient water for the irrigation of said lands so leased to said citizens.

3. What statements and representations were made by the Government and its representatives when said leases and contracts were entered into for the lease of said lands, as to the ownership of water by the Government for the same, and what, if any, steps would be taken by the Government to supply water for the irrigation of said lands.

4. The quantity of water furnished to said lessees by the Government for the irrigation of said lands so leased, and whether the amount furnished was sufficient for the proper irrigation of said lands, in order to mature the crops thereon.

5. If the quantity of water supplied said lessees was insufficient for said purposes of irrigation, what reason is assigned for the same.

6. The total amount of claims presented to the Interior Department or its representatives by said lessees for damages sustained during above-mentioned years.

7. What, if any, investigation has been made by the Government to ascertain the damages sustained by said lessees because of the alleged failure of the Government to furnish water for the irrigation of said lands.

8. What, if any, funds are available to meet valid claims for damages sustained by settlers upon or lessees of any portion of said Indian reservation; and, if no funds are available for said purpose, in what manner may valid claims for damages for the failure of the Government to comply with the terms of said lessees be met and discharged.

Mr. KING. The resolution merely asks for certain information based upon demands for about $80,000 alleged to be due as damages to certain lessees of Indian lands in Utah, so that we may deal with the question intelligently and determine what course should be taken by Congress.

Mr. CURTIS. Is it the same matter that was presented to the committee a few weeks ago?

Mr. KING. No; it is a different matter. It asks for certain information in relation to contracts between the Government and certain persons who leased Indian lands and claim that the Government is in default.

Mr. CURTIS. It is on the Uinta Reservation?

Mr. KING. Yes.

Mr. CURTIS. In Uinta County?

Mr. KING. In Uinta County.

Mr. CURTIS. As the resolution merely asks for information, I have no objection to it.

The resolution was considered by unanimous consent and agreed to.

CALLING OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	France	New	Smoot
Ball	Frelinghuysen	Newberry	Spencer
Bankhead	Gay	Norris	Sterling
Calder	Hale	Nugent	Sutherland
Capper	Jones, Wash.	Overman	Swanson
Chamberlain	Kellogg	Page	Thomas
Culberson	Keyes	Phipps	Townsend
Cummins	King	Pomerene	Walsh, Mass.
Curtis	La Follette	Reed	Walsh, Mont.
Dial	Lodge	Sheppard	Wolcott
Fall	McKellar	Shields	
Fletcher	Myers	Smith, Md.	

Mr. MCKELLAR. The Senator from Kentucky [Mr. BECKHAM], the Senator from South Dakota [Mr. JOHNSON], the senator from Nevada [Mr. PITTMAN], the Senator from North Carolina [Mr. SIMMONS], the Senator from Georgia [Mr. SMITH], the junior Senator from Kentucky [Mr. STANLEY], and the Senator from Mississippi [Mr. WILLIAMS] are absent from the Senate on official business.

The PRESIDING OFFICER. Forty-six Senators have answered to their names. A quorum is not present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators.

Mr. HARRIS, Mr. HITCHCOCK, Mr. MOSES, Mr. EDGE, Mr. WADSWORTH, and Mr. UNDERWOOD entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. A quorum is present.

The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 3288.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. CUMMINS, after having spoken, with interruptions, for nearly three hours and a half, said:

Mr. President, I had in the beginning very great hope that I would be able to finish what I had to say upon this subject to-night; but the hour is getting late, and I have been on my feet now for nearly three hours and a half. With the promise to Senators that I will finish very quickly to-morrow, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Thursday, December 4, 1919, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *December 3, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God Almighty, Father of all that we hold dear—life, liberty, truth, purity, justice, mercy, faith, hope, love, the sanctity of home with all its precious relationships, the dearest spot on earth.

Home! home! sweet, sweet home!
Be it ever so humble, there's no place like home.

From which sprang patriotism, for which millions down through the ages have died. We thank Thee for American patriotism which has brought thousands to the colors in every emergency.

Arouse that patriotism now, that our Constitution with all its sacred institutions may be upheld, maintained, amid the unrest and unwarranted speculations rife in our land. In the name of Him who taught us peace, brotherly love, tranquillity. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. DUPRÉ (at the request of Mr. O'CONNOR), for seven days, on account of important business.

To Mr. BARBOUR, until December 15.

To Mr. STEELE (at the request of Mr. DEWALT), indefinitely, on account of serious illness in his family.

Mr. CLARK of Missouri. Mr. Speaker, I have received a letter from the gentleman from Mississippi, Mr. CANDLER, requesting indefinite leave of absence on account of illness in his family.

The SPEAKER. Without objection, the leave of absence will be granted.

There was no objection.

DESIGNATION OF SPEAKER PRO TEMPORE FOR TO-MORROW.

The SPEAKER. The Chair designates as Speaker pro tempore for to-morrow the gentleman from Massachusetts [Mr. WALSH].

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that on December 2 they had presented to the President of the United States for his approval the following bill:

H. R. 9821. An act to amend an act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, and for other purposes.

CALENDAR WEDNESDAY.

The SPEAKER. To-day is Calendar Wednesday, and the call rests with the Committee on Naval Affairs.

Mr. BUTLER. Mr. Speaker, I understand that the call rests with the Committee on Naval Affairs, and will ask permission to address the House for one minute and then make a request for unanimous consent.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUTLER. Mr. Speaker, the Naval Affairs Committee is unable to present any work in the House to-day by reason of the great volume of work it has had to do for the past three or four months. I ask unanimous consent that the opportunity which the Naval Affairs Committee has to-day may be postponed for one week so that it will not lose its chance entirely, when we think we will be ready to report legislative matters that should be considered. I will supplement that by asking unanimous consent that the Military Affairs Committee which has some important matters on the calendar may have another day.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the Military Affairs Committee may be allowed one more day and that the Naval Affairs Committee have the call on next Wednesday. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, as the request is made, what does it mean, that the Military Affairs Committee have another day?

The SPEAKER. The Military Affairs Committee has had the last two Wednesdays and the Chair understands that the request is that they shall have a third day.

Mr. MANN of Illinois. Does that mean that they shall have to-day?

Mr. BUTLER. Yes; I made the request in exactly the language that I thought would bring the Military Affairs Committee in to-day.

Mr. CLARK of Missouri. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Wyoming what bills the Military Affairs Committee intends to bring up?

Mr. MONDELL. The gentleman from Kansas [Mr. ANTHONY], ranking member of the Military Committee, can inform the gentleman.

Mr. ANTHONY. There are a number of small bills, several of which are important. One of them restores the payment of six months' pay to the widows and children of officers who died in the service. That was inadvertently repealed when we adopted the war-risk insurance act. It is desired to restore that act.

Another bill provides for decoration devices or insignia and medals of honor awarded to discharged soldiers. There are several bills of that character.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman a question. It having been the expressed policy of the chairman of the Military Affairs Committee [Mr. KAHN] for a large standing Army of about 500,000 men—I think that is the number he was in favor of—and a policy of a different kind having been indicated by Gen. Pershing and other distinguished military men of the country, I would like to ask the gentleman from Kansas what the House may expect in the way of legislation in the near future as to the size of the standing Army being reduced in accordance with the suggestions made by Gen. Pershing and other men of military genius?

Mr. ANTHONY. I will say that the Committee on Military Affairs intends to go to work at once and prepare a reorganization bill which it is hoped will get before the House at a not far-distant day, and which will authorize a Regular Army of a much less number than stated by the gentleman from Texas.

Mr. BLANTON. The Military Affairs Committee does not feel bound in any way by the policy expressed by the chairman of the committee?

Mr. ANTHONY. That was not the policy of the chairman of the committee but of the Secretary of War.

Mr. BLANTON. Oh, yes; when the gentleman from California came back from Europe he gave out an interview——

Mr. ANTHONY. The gentleman from California [Mr. KAHN] has stated on the floor that he was not in favor of an Army of 500,000 men.

Mr. BLANTON. I have newspaper statements of an interview that he gave out when he first came back from Europe that he was in favor of an Army of that size.

Mr. ANTHONY. He was in favor of an Army of a much smaller size.

Mr. BLANTON. Mr. Speaker, reserving further the right to object, in reply to the gentleman from Kansas I would state that the gentleman from California [Mr. KAHN] resisted with all of his might the effort on the part of the gentleman from New York [Mr. LAGUARDIA] to reduce the number of the standing Army, which is a fact well known to every Member who was then on the floor of the House. He fought with all of the vigor of his ability the effort of the gentleman from New York.

Mr. CLARK of Florida. Mr. Speaker, reserving the right to object, I would ask the gentleman from Kansas how many bills the Military Committee intend to dispose of to-day.

Mr. ANTHONY. We have five bills that we would like to dispose of to-day.

Mr. CLARK of Florida. Then the gentleman will want the entire day? Will the gentleman mind naming the bills?

Mr. ANTHONY. I have named two of them.

Mr. CLARK of Florida. Well, give us the other three.

Mr. ANTHONY. Another bill authorizes the Secretary of War to give aircraft engines and aeronautical equipment to schools and colleges for instruction purposes.

Mr. CLARK of Florida. That is three.

Mr. ANTHONY. Another is a joint resolution relating to the induction of registrants who applied and were accepted for induction and assigned to educational institutions for special and technical training, but whose induction, without fault of their own, was not completed. This is to give those men the rights of enlisted men, to which they are entitled.

Mr. CLARK of Florida. What is the fifth bill?

Mr. ANTHONY. Another is a joint resolution authorizing the giving of credit for service in junior and senior divisions of the Reserve Officers' Training Corps. It gives certain men who have taken that instruction their proper status.

Mr. CLARK of Florida. And the gentleman thinks that it will take practically all of the day to dispose of those bills?

Mr. ANTHONY. Of course that would depend entirely upon the amount of debate.

Mr. CLARK of Florida. Mr. Speaker, I want to state that the Committee on Public Buildings and Grounds has a bill which has been pending here for months. The committee this morning instructed the acting chairman to call that bill up on the call of committees when that committee was reached.

The Committee on Military Affairs has already had two days. It has been utterly impossible for us to get that bill up, although it means the saving of many thousands of dollars to the Government. I shall have to object to this unanimous consent.

Mr. MONDELL. Mr. Speaker, I trust the gentleman will reserve that objection. I do not think the legislation to which the gentleman refers will be delayed any by the action that has been requested. I think that legislation should be taken up without waiting for Calendar Wednesday.

Mr. CLARK of Florida. I am very glad to hear the gentleman say that, but why is it that we can not get any rule to consider that bill?

Mr. MONDELL. I think we will be able to do that. There are quite a number of bills on the calendar that ought to be considered quite soon, and that is one of them.

Mr. CLARK of Florida. Would the gentleman object to our committee asking unanimous consent to-morrow or any day this week to take up that bill?

Mr. MONDELL. I doubt if it can be taken up by unanimous consent, but I think an arrangement can be made to take it up in the near future.

Mr. CLARK of Florida. What is the "near future"?

Mr. MONDELL. It is my expectation to have that bill taken up in the no distant future, at least before the holiday recess.

Mr. CLARK of Florida. At least before that?

Mr. MONDELL. Yes.

Mr. CLARK of Florida. Then I shall not object.

Mr. GARRETT. Mr. Speaker, reserving the right to object, do I understand that these five bills mentioned by the gentleman from Kansas [Mr. ANTHONY] include all of the bills that have been reported by the Committee on Military Affairs and that are now on the calendar?

Mr. ANTHONY. It is my understanding that there are other bills perhaps on the calendar, but these five are those that we have thought of sufficient importance to take up the time of the House now.

Mr. MONDELL. These have not been objected to by anyone and are unanimously reported.

Mr. ANTHONY. It is not our intention to call up any other.

The SPEAKER. Is there objection?

Mr. GARRETT. I think I ought to be perfectly frank with the gentleman. There is the bill reported from the Committee on Military Affairs that would be in order to call up to-day, if the House desires to consider it, concerning which gentlemen have been before the Committee on Rules. I do not see any reason why the Committee on Rules should have pressure turned upon it when the Committee on Military Affairs has the right under the calendar to call the bill up now. I am not going to object to this unanimous consent, but I suggest to the gentleman that he may very well consider whether he should confine himself to these five bills, or whether or not, when the opportunity is presented to get certain measures up under the general rules of the House, it is fair to withhold them and then insist on a special rule for their consideration?

Mr. ANTHONY. I would say to the gentleman that if we can dispose of these five bills I would have no objection, for one member of the committee, to taking up any other military bills that are on the calendar.

Mr. WINGO. Mr. Speaker, does the gentleman intend to take up these bills in the order named?

Mr. ANTHONY. Yes.

Mr. CLARK of Missouri. There is one thing that we would like to know. Is the gentleman going to confine this day to these five bills mentioned or are you going to take snap judgment and bring up some others?

Mr. ANTHONY. I would imagine that if we do not consume the entire day it would be in order to take up any other bill on the calendar.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, I think we should have a definite understanding in reference to the Crowder bill. If the Committee on Military Affairs is going to come before the Committee on Rules for a rule to consider that bill, I think they must consider it important. If they are going to do that, why would it not be right at the proper time to call it up during that time rather than come before the Committee on Rules for a special rule?

Mr. ANTHONY. I will say to the gentleman personally I do not favor calling up the bill mentioned. There may be other members of the committee who do——

Mr. SNELL. I think it is proper at this time to have an understanding in regard to this bill. There has been considerable pressure put on the Committee on Rules for a rule for the consideration of that bill.

Mr. GREENE of Vermont. If the gentleman will permit me to call his attention to the parliamentary status of that bill, I think he will agree that it will dispose of the question in his mind. The bill to promote Gen. Crowder on the retired list is on the Private Calendar and can not be called up at this time.

The SPEAKER. Is there objection to the request? [After a pause.] The Chair hears none.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. As I understand it the Committee on Military Affairs have simply been granted another day, and that on next Wednesday the call will rest with the Committee on Naval Affairs?

The SPEAKER. Exactly.

Mr. BUTLER. I thank the gentleman; my request was that we should have the right of way next Wednesday.

SIX MONTHS' PAY TO DEPENDENTS OF DECEASED ARMY MEN.

Mr. ANTHONY. Mr. Speaker, by direction of the Committee on Military Affairs I call up the bill S. 2497.

The SPEAKER. This bill is on the Union Calendar. Automatically the House resolves itself into the Committee of the Whole House on the state of the Union, and the Chair appoints the gentleman from Iowa [Mr. GOOD] to take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill S. 2497, with Mr. GOOD in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill S. 2497, which the Clerk will report.

The Clerk read as follows:

S. 2497. An act to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct.

Be it enacted, etc., That hereafter, immediately upon official notification of the death from wounds or disease, not the result of his own misconduct, of any officer or enlisted man on the active list of the Regular Army or on the retired list when on active duty, from and after October 6, 1917, the Quartermaster General of the Army shall cause to be paid to the widow, and if there be no widow to the child or children, and if there be no widow or child to any other dependent relative of such officer or enlisted man previously designated by him, an amount equal to six months' pay at the rate received by such officer or enlisted man at the date of his death. The Secretary of War shall establish regulations requiring each officer and enlisted man having no wife or child to designate the proper dependent relative to whom this amount shall be paid in case of his death. Said amount shall be paid from funds appropriated for the pay of the Army.

SEC. 2. That nothing in this act or in other existing legislation shall be construed as making the provisions of this act applicable to officers or enlisted men of any forces or troops of the Army of the United States other than those of the Regular Army, and nothing in this act shall be construed to apply in commissioned grades to any officers except those holding permanent or provisional appointments in the Regular Army.

SEC. 3. That the sum received hereunder shall be deducted from any amount that may be, or may become, due and payable to any such widow, child, children, or dependent relative of such officer or enlisted man under the act entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," approved October 6, 1917, or any act or acts amendatory thereof.

The committee amendments were read, as follows:

Page 1, line 3, strike out the word "hereafter" and insert the words "from and after October 6, 1917."

Page 1, line 7, after the word "duty," strike out "from and after October 6, 1917."

Page 2, line 19, strike out all of section 3.

Mr. ANTHONY. Mr. Chairman, previous to October 6, 1917, there was a law on the statute books that authorized and permitted the widows and dependent children of officers of the Army a gratuity of six months' pay in case of death of such officer not caused by his own misconduct. When we passed the war-risk insurance act this provision was repealed. The War Department is strongly of the opinion, and the Committee on Military Affairs is also of the opinion, that in justice to the officers and soldiers of the Regular Army this gratuity of six months' pay on the death of such officer or enlisted man should be again authorized. It covers both branches of the personnel, commissioned and enlisted. The amendment which was made by the Senate providing that such payment should be deducted from any insurance which the officer may have carried was considered by the committee to have been an injustice because of the fact that it penalizes the man who paid the Government for insurance in favor of the man who did not carry Government insurance. So the committee believes section 3 should be stricken out.

Mr. DUNBAR. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. DUNBAR. According to section 2, page 2, the provisions of this act apply only to those of the Regular Army?

Mr. ANTHONY. That is correct.

Mr. DUNBAR. Why does it not apply to all officers and soldiers?

Mr. ANTHONY. This legislation is intended to cover officers of the regular service who devote their entire lives to their military work for the country. It is a well-known fact that officers of the Army are not always provident, and frequently when they die in the service their families are not cared for.

Mr. DUNBAR. This act will not apply to officers or soldiers engaged in the late war?

Mr. ANTHONY. It will not; it is intended to cover the Regular Army.

Mr. DUNBAR. Is there any provision intended to be made for officers and soldier of the late war?

Mr. ANTHONY. The war-risk insurance act was passed to cover that.

Mr. HULINGS. Will the gentleman yield for a question?

Mr. ANTHONY. I will yield to the gentleman from Pennsylvania.

Mr. HULINGS. I have in mind a case where a young officer who was on duty with his battalion at target practice after the target practice was over got into his automobile to go back to his house, and the automobile overturned and he was killed. Would this bill cover such a case as that?

Mr. ANTHONY. Was the officer referred to an officer of the Regular Army?

Mr. HULINGS. He was.

Mr. ANTHONY. I would say, in my opinion, it would cover such a case where the officer was being transported to and from his official duty.

Mr. HULINGS. He was going back and forth in his own automobile. His duty for the day was over.

Mr. MANN of Illinois. It would cover every case where it is not his own misconduct.

Mr. HULINGS. Well, I do not read it so, exactly.

Mr. MANN of Illinois. That is the fact.

Mr. HULINGS. This says from "wounds received not the result of his own misconduct."

Mr. ANTHONY. I think heretofore the law has been so construed as to cover cases like that which the gentleman has mentioned.

Mr. HULINGS. Why do you make a discrimination between a man who was killed who happens to be in the Regular Army and one who has been in the National Guard or a drafted man?

Mr. ANTHONY. I just made the statement that the law is intended to cover officers and enlisted men of the Regular Army who have been devoting their entire lives to the service of the Government, many of whom are not always provident in making provision for their families.

Mr. HULINGS. Suppose a National Guard officer has not been provident, either?

Mr. ANTHONY. A National Guard officer is supposed to be engaged in a gainful occupation.

Mr. HULINGS. Suppose the fact is that he has not been, and he leaves his family in destitute circumstances. He has given up his life, and that is all the Regular Army man has done.

Mr. ANTHONY. He has given up his life after a few days each year devoted to military duty, but he is not in the same circumstances as the Regular officer who devotes his entire time to military duty.

Mr. GREENE of Vermont. Will the gentleman permit a suggestion?

Mr. ANTHONY. I will.

Mr. GREENE of Vermont. I think the purpose of giving this to the officer and enlisted man of the Regular Establishment is a part of the regular policy on which the retirement law is based. These men, as the gentleman from Kansas has said, give their entire life to military duty and have no other gainful occupation, and in the meantime their families reside at the posts with them. As soon as an officer or enlisted man has died or is disabled or is retired from the service his family have no claim on the garrison and they have to move, and this has served as a temporary allowance to the family to prepare them to return to such station as they may take up in civil life.

Mr. BANKHEAD. Will the gentleman from Kansas yield?

Mr. ANTHONY. I will yield.

Mr. BANKHEAD. I want to ask the acting chairman of the committee the reason of the limitation expressed here on the first page, of "from and after October 1, 1917." I know there is reason for it.

Mr. ANTHONY. October 1, 1917, was the date of the passage of the war-risk act, which repealed this law. Between that date and this there have been a number of very deserving cases, where the applications of the widows for payment of this gratuity are pending, and which the committee felt should be taken care of.

Mr. ANDERSON. Will the gentleman from Kansas yield?

Mr. ANTHONY. I yield.

Mr. ANDERSON. Let me ask the gentleman if this gratuity is in addition to the compensation under the war-risk act as to an officer who died during the continuance of the war?

Mr. ANTHONY. My understanding is that if the officer carried insurance under that act his family would be entitled to the full amount of the insurance.

Mr. ANDERSON. I am speaking about the compensation.

Mr. ANTHONY. Would the family be entitled to the compensation?

Mr. ANDERSON. Yes.

Mr. ANTHONY. The widow would be entitled to compensation or a pension in addition to this six months' pay, in my judgment.

Mr. GANLY. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. GANLY. Do you not think the nurses who volunteered their services ought to be included in this bill also?

Mr. ANTHONY. You mean those who served during the war?

Mr. GANLY. Yes.

Mr. ANTHONY. I explained this legislation is intended to cover the Regular Army only, and not to go into the question of rewards for service during the late war.

Mr. GANLY. These women were practically a part of the Regular Army and were taking care of the men who were injured in the war, and I think ought to be provided for in this bill.

Mr. ANTHONY. And they are covered by the war-risk insurance, I will say to the gentleman.

Mr. GANLY. I think they ought to be provided for in this bill.

Mr. MANN of Illinois. As I understand this matter—and I ask for information—this bill is designed to restore what might be called a permanent policy of the Government and make these provisions for officers and enlisted men in the Regular Army?

Mr. ANTHONY. Yes.

Mr. MANN of Illinois. And as to volunteer officers and enlisted men in the recent war, as I understand, Congress endeavored to make provisions for them in the war-risk insurance act?

Mr. ANTHONY. That is correct.

Mr. MANN of Illinois. And this, so far as it is concerned, would only restore what was the policy before?

Mr. ANTHONY. And which the war-risk act took away from the officers and enlisted men.

Mr. MANN of Illinois. And permit Army officers, most of whom will not carry insurance in the future, at least under the war risk, because it is not possible for them to do it—and they would be foolish if they did it—to have this gratuity for their families if they die under the circumstances mentioned?

Mr. ANTHONY. That is a very clear statement.

Mr. MANN of Illinois. There is no lack of provision for the care of the officers and men who have been in the Army during the war—the volunteers. That has been provided for, supposedly, by the war-risk insurance act. Now, if the gentleman will yield a little further.

Mr. ANTHONY. I yield to the gentleman.

Mr. MANN of Illinois. I say this bill provides that this act shall take effect from the date the war-risk insurance act became a law. So far as the time between that date and the present is concerned, this bill makes a pure gift to the Regular Army officers who might have been protected under the war-risk insurance act, and those who were so protected get a double gift from the Government. I do not know how much that amounts to. While I believe this is the permanent policy of the Government, I have some doubt about whether it should be duplicated together with the war-risk insurance benefits to the families of those who died between the date of October, 1917, and the present date. They get a double gratuity, practically.

Mr. ANTHONY. The committee felt if we deducted this sum from any amount they received under the war-risk act, that we would put a premium upon officers not taking out insurance under the war-risk act.

Mr. MANN of Illinois. I quite agree with the action of the committee in striking out section 3 as to the future, because under section 3 of the Senate bill, if an Army officer carried insurance he was penalized by the Government for carrying the insurance. I do not think very many of them are going to carry much insurance in the War Risk Insurance Bureau, and I think we ought to go out of that business so far as the Regular Army officers are concerned; but I do not believe in penalizing them. But between October, 1917, and up to date we double the gift. If they get the benefits of the war-risk insurance, then you give them the six months' pay in addition.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Will the gentleman yield right there?

Mr. ANTHONY. I will yield to the gentleman from Kansas.

Mr. LITTLE. Mr. Chairman, the point made by the gentleman from Illinois [Mr. MANN] and the gentleman from Minnesota [Mr. ANDERSON] is the same point that I have been trying to express for some time. Unless the committee has some excellent reason as to why the officers in the Regular Army and the men of the Regular Army should receive gifts during the war in addition to what is given them in common with all other soldiers, I should favor the amendment of this legislation so as to make it begin with the close of the war. I can see the good sense of restoring the law as it was before. To that I would

make no violent objection. But I am not familiar with any code of equity or of good sense which would give to the people in the Regular Army a fund additional to that which was given by this war legislation to the people who went into the Army solely for the purpose of fighting.

Mr. ANTHONY. Will my colleague let me put the matter to him in this light? Far be it from me to minimize the service of those outside of the Regular Army during the last war. But assuming that the officer or soldier of the Regular Army and the soldier from civil life went into the war on the same footing exactly, many of the Regular officers in addition to that war service have given to the country from 15 to 20 and 25 years of previous service, and it is for that service that we are giving them this recognition.

Mr. LITTLE. Then I am against the proposition. Does the gentleman mean to say that the Government, after giving them thousands and thousands of dollars to sit around and go through the motions of getting ready for war, should now add to what it has been giving them? They have been paid for all these services in advance for many years. In time of peace they did not have much to do. We were maintaining the Regular Army, Mr. Chairman, so that its members would be ready for war when war came. Now, they come around and say, "You have been getting us ready for years, and we want extra pay for the service we have rendered." Along comes another man who went into the war when the time of war actually came, not as a life profession, not with the idea of getting a gratuity all his life and being paid off and continuing to be paid until he dies, but a man acting purely out of patriotism, who makes the same sacrifice, though not as a professional soldier, and you are going to penalize him by discriminating against him in favor of the professional soldier. That is not an equitable proposition, in my opinion.

There is a great difference, gentlemen, between the professional soldier who has a life job at a regular salary and permanent employment, with retired pay, and a man that simply goes into the war to fight for his country. He ruins his business when he goes out, and for a time after he comes back again, and if there ought to be any difference it ought to be made in favor of the temporary soldier who goes out through patriotism and not of the professional soldier who has a life job. I am opposed to this legislation on that principle.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. SNELL. I understand this is simply a return to what was the original law?

Mr. ANTHONY. Yes. It is not a gratuity for war service at all. It is a gratuity to the officer's family in consideration of years of devotion previously to the Government on the part of the officer.

Mr. SNELL. How did this happen to be repealed?

Mr. ANTHONY. It was repealed in the war-risk insurance act, which repealed all laws in conflict with it.

Mr. SNELL. Then we are simply reenacting the old law?

Mr. ANTHONY. Yes; we are simply reenacting the old law.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. RAYBURN. I might say that the passage of this law will not have anything to do with the war-risk insurance. It is not the intention of the committee that it shall have any effect on the war-risk insurance act.

Mr. ANTHONY. Not at all.

Mr. RAYBURN. This was not repealed inadvertently. The Committee on Interstate and Foreign Commerce brought into this House a bill that applied to officers and enlisted men, and an amendment was offered here by my colleague [Mr. BLACK], from Texas, which was voted for by everybody in the House except the gentleman from Missouri [Mr. ALEXANDER] and myself, on the plea that this was a democratic Army that we were raising, and that a private in it ought to be paid the same compensation as a major general, and it went out on the floor. It was not done through inadvertence at all.

Mr. SNELL. That is what I was trying to ascertain, whether or not it was done through inadvertence?

Mr. MANN of Illinois. It was done through ignorance.

Mr. McKENZIE. Mr. Chairman, if the gentleman from Kansas will yield just for a moment, I do not think the statement of the gentleman from Texas [Mr. RAYBURN] ought to go absolutely unchallenged. The proposition in the war-risk insurance bill went much farther than this proposition. It provided that the widows of officers should continue to draw a very much larger portion from the United States Treasury than the widows of enlisted men, and it was graduated from second lieutenant on up, and the higher the grade of the officer the more his widow would get; and I remember very distinctly that this House took the position that we could not discriminate between American citizens, and I think the judgment of the House at that time was very wise. But it has no connection whatever with this proposition.

Mr. RAYBURN. It does have, for the simple reason that the war-risk insurance act provided that the man shall not draw compensation if he is drawing service pay and retirement pay. It comes in place of the compensation from the war-risk insurance.

Mr. McKENZIE. That would be discretionary. If the gentleman from Kansas will yield further, I may say that this is simply a proposition to enable the widow or children of an Army officer who may be stationed a long way from home to get back home and get located after the death of the officer. For instance, the home of an officer's wife may be somewhere in Connecticut, and she may have been stationed at Fort D. A. Russell, in Wyoming; and this is, you might say, a death benefit, to enable the widow or children to tide over an exigency temporarily. The war-risk proposition meant that they should continue to draw from the Treasury of the United States without limit these much larger sums.

Mr. RAYBURN. How much will the widow of a major general draw under this, if it passes?

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes; I yield to the gentleman from Ohio.

Mr. BEGG. I should like to ask the chairman of the committee if it is not a fact that there were thousands of men who volunteered at the opening of the war and went, not into the National Army or the National Guard, but into the Regular Army, for the period of three or four years?

Mr. ANTHONY. They volunteered for service in the Regular Army.

Mr. BEGG. There were thousands of them?

Mr. ANTHONY. Yes.

Mr. BEGG. And every one of those men who went into the Regular Army would be benefited under this law, even though he had volunteered for the emergency, would he not?

Mr. ANTHONY. If he was a part of the Regular Establishment he would benefit by this.

Mr. BEGG. Then he would have decidedly the best of it as against a volunteer in the National Army or the National Guard?

Mr. ANTHONY. Yes; but the man who enlisted in the regular service bound himself for three years, and he is in the Army to-day.

Mr. BEGG. If he had not died or been killed he would have been bound for the term of his enlistment?

Mr. ANTHONY. Yes.

Mr. BEGG. Then, in other words, you are willing to give his dependents a bonus of six months' pay over the boy who volunteered in the National Army just because one of them enlisted for three years as against the other who enlisted for the limit of the war?

Mr. ANTHONY. The idea is to give encouragement to men to enlist in the regular service.

Mr. BEGG. Then really if it is an encouragement——

Mr. ANTHONY. Not a discrimination, but to hold out an inducement to men to enlist in the regular service.

Mr. BEGG. Then it is really an inducement for men to enlist in the Regular Army?

Mr. ANTHONY. That is what properly it should be considered.

Mr. WALSH. Will the gentleman yield for a question?

Mr. ANTHONY. I yield to the gentleman from Massachusetts.

Mr. WALSH. Can the gentleman inform the committee what is going to be the cost of this legislation to the Treasury of the United States?

Mr. ANTHONY. I do not recollect that we had the figures upon that before us. I do not believe it will run very high.

Mr. WALSH. I appreciate that it is apparently a very unimportant detail in passing legislation what the draft upon the Treasury of the United States is going to amount to, but I did think that this great Committee on Military Affairs might have some statistics upon that subject.

Mr. GREENE of Vermont. What would those statistics relate to? They would have to relate to an actuary's table of expectation of life for those who enlist in the Regular Army.

Mr. WALSH. I am talking about the men who have already died up to the present time.

Mr. ANTHONY. I do not think it runs into any large amount.

Mr. HUSTED. Will the gentleman yield for a question?

Mr. ANTHONY. Yes.

Mr. HUSTED. If the bill is designed to encourage enlistments in the regular service, why is it made retroactive?

Mr. ANTHONY. It is made retroactive as a matter of justice——

Mr. HUSTED. I understood it was to induce men to enter the Regular Army.

Mr. ANTHONY. Not entirely that. It undoubtedly will be an inducement to them to know that their families will be taken care of to the extent of six months' pay; but the reason this is made retroactive is to take care of a number of very deserving cases that have come up, which the committee felt should be taken care of.

Mr. HUSTED. Does not the gentleman imagine that there are as many deserving cases, if not more, among those not in the regular service than there are among those who were actually in the regular service?

Mr. ANTHONY. They may be just as deserving, but they are not on the same plane.

Mr. HICKS. Will the gentleman yield for a question?

Mr. ANTHONY. Yes.

Mr. HICKS. There has been a little confusion in regard to this bill, and I should like to ask the gentleman if this is the correct line of thought which we may have upon it: If this proposed bill is passed, will it not reduce these men to the same status, so far as the gratuity is concerned, as they would have been if the act of November 17 had not been passed?

Mr. ANTHONY. The gentleman is correct. It gives them the same status which they had before the war.

Mr. WALSH. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. WALSH. Does the gentleman from Kansas mean that they can not collect any insurance?

Mr. ANTHONY. No.

Mr. WALSH. Then, of course, they are not upon the same footing at all.

Mr. HICKS. In so far as the gratuity is concerned, they are on the same footing. The gentleman's answer to that was "yes," was it not?

Mr. ANTHONY. Yes.

Mr. KREIDER. I should like to get this matter clear. Our Army was divided into three groups. We had a group of divisions known as the Regular Army group. Then we had a group of divisions known as the National Guard group, and we had the National Army group. Now, I understand that in the process of demobilization the National Army divisions have all been demobilized and the National Guard divisions have all been demobilized——

Mr. McKENZIE. There are still some units which remain.

Mr. KREIDER. But the Regular Army group has been retained, to a certain extent at least.

Mr. ANTHONY. What the gentleman says is true in a general way. As the gentleman from Illinois [Mr. MASON] says, there are some units which still remain, in some of the other groups.

Mr. KREIDER. But that is the general proposition?

Mr. ANTHONY. Yes.

Mr. KREIDER. Now, this bill would apply only to officers in the Regular Army?

Mr. ANTHONY. Officers and enlisted men.

Mr. KREIDER. What about officers of the Regular Army who are assigned to commands in the National Army?

Mr. ANTHONY. They do not lose their status as Regular Army officers no matter what divisions they have been assigned to. If they were commanding National Army troops or National Guard troops, they still maintain their original status in the Regular Army.

Mr. GOODYKOONTZ. Will the gentleman yield for a question?

Mr. ANTHONY. Yes.

Mr. GOODYKOONTZ. I simply want to enter a protest against what apparently is a discrimination as against the volunteers and the National Guard in favor of the Regular Army men.

For the life of me, I can not see that there is any rational reason why that discrimination should be made here. The volunteer is entitled to the same treatment as is the man who entered the Regular Army.

Mr. ANTHONY. This is intended to cover the Regular Establishment in time of peace.

Mr. GOODYKOONTZ. Is it anticipated that any further legislation will be had on the subject of treating the cases of these men in the other two divisions who lost their lives?

Mr. ANTHONY. I hope that Congress will make the most liberal provision for such cases.

Mr. GOODYKOONTZ. I want to say that I was in conference with an officer at the Walter Reed Hospital. He was in the Volunteer Army. He informed me that the War Department had practically ordered him out of the camp, that they could not do anything more for him, and he would have to get out. He could not be put on the retired list, and he would not be entitled to the pay that the Regular Army officer would be entitled to. That aroused the feeling in my mind that there is a discrimination and has been in the legislation of this country, and now in this legislation you propose a discrimination in favor of the Regular Army man as against the men in other divisions, and against that action I protest as seriously as I know how.

Mr. GARD. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. GARD. Will the gentleman kindly advise us how many cases are affected by this retroactive provision?

Mr. ANTHONY. We have not that definite information.

Mr. GARD. Are there any?

Mr. ANTHONY. Yes; but not a large number.

Mr. GARD. Can the gentleman give us the information approximately?

Mr. ANTHONY. No; I can not. The only way we could reach it would be to compare the number of cases that have happened in the Regular Army in time of peace with the number of officers serving during the war. I will say that the total amount will not be large. Personally I do not believe that this retroactive feature will take more than a few hundred thousand dollars out of the Treasury, but that is merely my opinion.

Mr. CONNALLY. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. CONNALLY. I would like to ask the gentleman about this feature of the bill. This applies both to officers and enlisted men in the Regular Army. In all Regular divisions there were a great many replacements from the National Army and from the National Guard, and I would like to ask the gentleman if these men would get the benefit of this provision?

Mr. ANTHONY. No; they would not. They were serving under different enlistments. They were serving for the period of war, while the Regular Army men were serving for a full period of three years.

Mr. CONNALLY. Under the retroactive feature of the bill the family of the Regular Army officer who died would get not only the compensation under the war-risk insurance act but the compensation provided for the Reserve and National Army.

Mr. ANTHONY. That is correct.

Mr. BLANTON. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. BLANTON. I would like to ask the gentleman a question. In passing the Black amendment to the war-risk insurance act, which passed the House by an overwhelming vote, the House thereby announced its policy that it recognized when a man gave his life to his country, whether on the battle field or not, whether he was a private or an officer, he gave everything on earth of value that he had; that in giving his life, the private gave as much as the officer, and that his wife should be remunerated in the same amount. If that is the announced policy of this House and of this Congress, because the Senate approved of that provision, why should this discrimination now be made in this bill. In other words, why should we announce a policy in one piece of legislation that an officer's widow and children should not receive any more than the widow and children of a private, based on the death of the husband, and then in this proposed legislation announce a new and different policy that an officer's widow should receive in some cases twenty times more for the death of her husband than the widow of a private did for the death of hers?

Mr. ANTHONY. For the same reason that an officer receives more salary than the private. The gentleman would not propose to level all salaries.

Mr. BLANTON. But salaries are for services rendered in the lifetime. When a man gives his life to the service of his country and the flag of his country, he is giving everything he possesses, and the private gives just as much as the officer. Death is a leveler of all persons and of all positions.

Mr. ANTHONY. According to the gentleman's argument, he would give the wife of a Member of Congress who died no more than he would give the wife of a Doorkeeper of the House.

Mr. BLANTON. I know that Congress pays the widow of a Congressman $7,500, but I am not in favor of it; I am against that policy. But even under that pernicious custom, Congress does not pay the widow of the most prominent member of the great Ways and Means Committee one single cent more than the widow of the obscurest member. But we have already announced the policy that we would not give the widow and children of an officer more than the widow and children of a pri-

vate. I say to be consistent we ought to continue that policy in this legislation. Would the gentleman have any objection to an amendment to that effect?

Mr. ANTHONY. I think it would be objectionable.

Mr. BLANTON. If my colleague, Mr. BLACK, who succeeded in getting passed that splendid piece of legislation in relation to the war-risk insurance act, does not offer the amendment, I will do so.

Mr. KINCHELOE. Will the gentleman yield?

Mr. ANTHONY. I will yield to the gentleman from Kentucky.

Mr. KINCHELOE. As far as I am concerned, I am in favor of restoring the permanent law to the Regular Army that was repealed by the act of October 6, 1917, but it is very apparent, under this bill, that this retroactive feature is a mere gratuity to the officers and privates of the Regular Army, because they were beneficiaries under the war-risk insurance act the same as the National Army.

In view of that fact, would not the gentleman agree to strike out the words "October 6, 1917," and insert "November 11, 1918," and in that way put them all on the same basis?

Mr. ANTHONY. I would say that would not be advisable, in my judgment. We are not trying to reward war service at all. I think it is better not to take into consideration any war service. The idea of this gratuity is to take care of the officer or the man for his long period of service in the Army outside of the war.

Mr. KINCHELOE. But when he goes into the Regular Army he goes in gratuitously, and takes up the life as a matter of living or profession.

Mr. ANTHONY. Yes.

Mr. KINCHELOE. And now you propose to give this gratuity to them and distinguish between them and the men who were conscripted and who voluntarily went in to save this country.

Mr. ANTHONY. Not at all.

Mr. KINCHELOE. It is nothing but a gratuity.

Mr. ANTHONY. If there are no more questions, I desire to yield 20 minutes now to the gentleman from Pennsylvania [Mr. CRAGO]. How much time have I remaining?

The CHAIRMAN. Twenty-five minutes.

Mr. ANTHONY. I yield 20 minutes to the gentleman from Pennsylvania [Mr. CRAGO].

Mr. CRAGO. Mr. Chairman, I ask unanimous consent to proceed out of order for 20 minutes.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed out of order for 20 minutes. Is there objection?

Mr. CONNALLY. On what subject?

Mr. CRAGO. On the subject of Camp Benning. I am asking for this much time of the House to discuss briefly a matter that will come before the House in the next few days.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CRAGO. Mr. Chairman, I hold no brief in defense of the administration of our war endeavors of the past few years other than the inclination and desire which should guide any loyal American, namely, to uphold what is right, condemning only that which has been proven not only to be wrong but fundamentally wrong, and which could have been avoided. I am satisfied that much money has been needlessly wasted because of demands made by different political interests, principally in southern sections, where nearly every small city demanded that some money should be expended with them; and it must have taxed the ingenuity of the department at times to find some excuse for locating some of our activities at points where we find them. Because of this fact, however, I am not willing to utter a general denouncement. On the other hand, I believe a wonderful work has been done, and the war brought to a more speedy conclusion by reason of the fact that the Central Powers knew we were willing to go the limit; and even the fact that we were wasting much money but were doing it willingly in order that nothing might be left undone, had its impress on our enemy, who knew what we were doing, and who knew our vast resources which we were determined to use against them. The fact that even after the armistice we did go ahead with many projects, which some people think should have been immediately abandoned, had its psychological effect, and compelled our enemies to agree to conditions they would not have agreed to had they known we had stopped preparation entirely.

I want to retrench in our expenditures and lessen the burdensome taxes, but I think we will be shortsighted if we do not take advantage of what we have learned in this war, and I believe we can justify from an economic standpoint the finishing of many of our projects, even though they were begun as war measures and uncompleted when the war closed.

A subcommittee of the Committee on Military Affairs has been making a careful study at first-hand of many of these uncompleted projects, and you will hear later from all of these.

The Artillery School at Camp Bragg, near Fayetteville, N. C., is one of the uncompleted projects which, in my judgment, should be continued. At this place, where we have taken over vast areas of land, and blotted out the local life of the community and have not paid for land which we contracted to buy, questions involving good faith on the part of the Government should be determined at once. The facts in detail as to this project will be given by others. The retention of some of our aviation fields and supply depots I hope to speak of later.

There is before Congress a bill carrying authority to appropriate certain unexpended balances of expenditures heretofore made to complete certain of these projects started as war projects by the Secretary of War before the date of the armistice, but which now, in the opinion of the War Department, should be completed for our peace-time establishment under the national defense act. One of the most important of all of these projects, in my opinion, is the Camp Benning project, carrying an appropriation of $2,328,000, in round numbers, for the completion of the Infantry school located there. This amount, in my judgment, can be materially reduced, and we will still be able to carry out the project.

No other single appropriation in the conduct of the War Department has called forth such virulent criticism on the head of the Secretary of War as the handling of this project, and no other project has come to us with the real facts so distorted. The data which I give has been furnished by officers of the Army who are familiar with the project, but a careful personal study of the location and plan convinces me of the wisdom not only of the location but of our retaining what we have and of finishing a part, at least, of the construction program.

No one after listening to Gen. Malone, who commanded infantry so ably in actual battle in France, can fail to realize the necessity for this training field, and I give him full credit for the presentation of the necessity for intensive training of this important arm of the service.

Conceived as a perfectly legitimate plan for locating a cantonment of approximately 30,000 troops in the southeastern part of the United States, a site was selected by Gen. Wood near Columbus, Ga., in June, 1917. There was no question then of the willingness of America to pour out her billions with lavish hand to vindicate her ideals on the battle fields of Europe. No matter what might have been asked, the amount would have been given. But a year passed and no action was taken. Several boards seeking sites for various activities had in the meantime reported favorably upon the Columbus site, and in July, 1918, Majs. Solomon and Gibbs proceeded to Columbus, Ga., to select a building site for a cantonment for about 30,000 officers and men, which would be suitable for any one of the many uses for which Columbus had been recommended. On September 12 the Chief of Staff approved the project of placing the "Infantry School of Arms" at Columbus, Ga., and removing thereto the "Infantry School of Arms" at Fort Sill, forced out of that location because of the demand of the Artillery for all of the space available. At the same time the Small Arms Firing School from Camp Perry, Ohio, and the Machine Gun School from Augusta, Ga., were transferred to Columbus, thus bringing together in a single place the means of instructing the infantry soldier in the use of his principal arms, a result accomplished in France under the direction of Gen. Pershing as one of the very first acts of his creative genius after establishing his headquarters overseas.

Inexplicable as it may seem, the actual condemnation proceedings to acquire this all-important tract for the training of infantry soldiers on a plan commensurate with our share of the World War were not entered until November 2, 1918, so late that the plan was caught in its infancy by the declaration of the armistice nine days later.

Up to this time the War Department had exhibited an incomprehensible lack of appreciation of the fundamental needs in infantry training.

The armistice should have found this project a completed and highly developed school of training, turning out leaders of the subordinate units whose knowledge would have helped to win battles, not to lead butcheries. Instead, we find fairly good installation for the training of all arms except the infantry, the one great arm on which victory ultimately depends.

Possibly, appreciating the error that had been made by the delay, the Secretary allowed the work to progress, and finally appealed to the Military Affairs Committee of the House and Senate for advice and counsel. Congress is familiar with the

controversy which has arisen over the action which he subsequently took. The project was pushed until June, 1919—further construction and purchase of land were arrested by resolution of Congress.

The project stands to-day 60 to 65 per cent complete.

Roughly, 77,000 acres of land out of a total project of 97,000 acres have been bought and paid for, and the remaining land is under contract or condemnation proceedings, and no matter what happens the Nation must pay for the remaining 20,000 acres. Buildings have been planned or erected for a garrison and for student personnel, numbering about 6,000, this to meet the needs for infantry instruction of the Regular Army, the National Guard, and the Reserve Corps under the national defense act.

A total of $6,870,000 has been expended, and the War Department comes before us with a request that the unexpended balance of the appropriation already made to the sum of $2,329,000 be made available for the completion of this project.

Now, granted that the project, and all others associated with it, were handled unwisely, admitted that there may have been bad faith and even positive deception in the management of the project, yet the question is squarely up to Congress, which is charged with final decision on questions of national defense. Shall this question be decided in a spirit of small revenge, political retribution, and partisan politics or shall it be decided strictly on its merits as a national issue?

To this question there can be but one answer. Our duty to the people demands that we settle it squarely on its merits, leaving the question of political retribution to be settled elsewhere by appropriate methods. The one and only question before the House is this: What are the merits of this case?

To determine that question a subcommittee of the Committee on Military Affairs was designated and made a complete personal inspection of projects, including Camp Benning, where the major portion of one day was spent going over the site and examining the buildings erected upon it or in course of construction. The committee was accompanied by a number of Army officers, whose relations to the committee were as nearly those of brother members thereof as it was possible to make them. The outstanding characteristic of this meeting was candor, first, last, and always. The cards were all upon the table, faces up, and these officers not only willingly but eagerly placed before the committee every bit of information it sought, with a completeness of detail, and left nothing to be desired.

Upon completion of this inspection, and after mature thought upon this project, the members of this subcommittee are, I believe, a unit in the opinion that on its merits as a training project the Camp Benning project can not be rejected. Of all the projects contemplated for the Army in this bill before Congress, the Camp Benning project is by far the most important, the most necessary, the most vital to the people whom we represent. Why? Because it is a project for the training of infantry officers and noncommissioned officers of the Regular Army, the National Guard, and the Reserve Corps, and by such training to produce leaders of infantry units who will insure victory for America on the field of battle without sacrificial losses in human lives.

And how does this affect you and me, and the fathers and mothers of the communities from which we came?

Vitally and to this startling extent. Of all the dead who fell on the battle fields of France, and won for America a place in the esteem of the world never held before in the history of our great Nation, 89 per cent were infantrymen, while the remaining 11 per cent may be distributed among the other 11 branches of the service. The gross losses of the Infantry were eighteen and eight-tenths times those of the Field Artillery, twenty-seven and eight-tenths times as great as those of the Engineers, and thirty-four and seven-tenths times as great as those of all other arms combined.

Translated into language common to you and to me, the story of losses in the American Expeditionary Forces carries this message to the people: Of every 100 men called to the colors, 66 must be trained for and serve in the Infantry, and of every 100 infantrymen so serving in battle for a period equal to that covered by the operations of the American Expeditionary Forces and against an enemy equal in efficiency to the German soldier, 31 will be killed or wounded, unless by adequate training we secure victory on the field of battle at a less cost in human lives.

The Camp Benning project provides this training for the officers and noncommissioned officers of two-thirds of the entire Military Establishment, while 11 other projects are provided by this and by the predecessors of this Congress, with but slight question as to the advisability of expenditures involved. Yet, because this project for the Infantry, the very backbone of the Army—the arm on which victory or defeat inevitably depends—because this project has been badly handled by a temporary civilian official, we are actually confronted with a proposal to salvage it in order to punish him. Yet he escapes all the penalties involved while we visit the punishment on the people whom we represent, on the present and future infantrymen, who, like their predecessors, must bear the brunt of every battle and wring victory from the enemy by their very life's blood.

The 4,000,000 men, 77 per cent of whom were drafted for this war from our very ranks, and the 2,000,000 who served in France, but more especially that great army of infantrymen who in the gray dawn of a September morn went over the top in the Argonne Forest to meet in mortal combat the arch enemy of the civilized world—these men know the merits of this case and they and their posterity surely have a right to demand that this question be decided with impartial justice.

There can be no justice in a decision, no matter by what sophistry or political expediency supported, which denies to two-thirds of the Army the chance to train in the arts of leadership which save human lives and confers 11 training projects on the remaining third of the Army. There might be forced into this the external appearance of justice, but not the substance thereof if victory on the field of battle depends upon any 1 of the 11 arms which cooperate with Infantry on the field of battle; but such is not the case. That day on which the knight in armor had his helmet drilled through and his skull crushed by a rifle ball speeding through a distance which placed the rifleman beyond the reach of the horseman's lance—that day ushered in the supremacy of the rifle, and every new development in modern science has fortified its supremacy until to-day the tactics of Infantry may be accurately defined as the art of taking and holding ground, the tactics of any other arm the art of supporting Infantry. The proposal to take from the Infantry the single project by which it can teach under modern conditions the art of taking and holding in cooperation with its supporting arms must be rejected as a piece of folly of which this Congress should not be found guilty, no matter what just grievance may be entertained against the officials who were charged with its management. We are dealing not in the satisfaction of personal spite but in the lives of human beings—the lives of our children and our children's children, for the wars of the future as well as those of the recent past will call for the deployment of the full man power of the Nation.

It may be asked, Why this particular site? Why not Fort Sill or a dozen others that may be mentioned? The time of the House can not be taken up in a detailed discussion of each of these projects. There have been distributed through the House a number of pamphlets covering this very subject, and each Member can satisfy himself as to the particular project he had in mind. Suffice it to say that the subcommittee has actually inspected the majority of the projects that could possibly be considered in this connection and can assure the House that none can be accepted; that, in the language of Gen. Bullard, "I doubt that another piece of ground equal to Camp Benning for the location of an Infantry School of Arms could be found within the limits of the United States," and to repeat the substance of his testimony before the Military Affairs Committee of the Senate, "If you take the Infantry school away from Camp Benning, you might as well have no Infantry school at all."

This is the testimony of one of the most candid and convincing characters it has ever been the pleasure of the committee to meet; the testimony of a man who had nothing to do with the selection of the site; the testimony of an Infantry expert who rose in succession through the various grades to that of lieutenant general and commander of the Second American Army in France; the testimony of a man whose period of active service is drawing to a close, and who speaks not in the interest of the passing moment but for those who are to take up the burden and carry it when he shall have given over the reins to those who are to follow in his illustrious footsteps. To his testimony is added that of Lieut. Gen. Hunter Liggett, the distinguished commander of the First American Army. His testimony is given not, like Gen. Bullard's, as a result of his personal inspection, but as a set of specifications for an Infantry school to meet the requirements of modern training. Camp Benning meets requirements, and no other project in America does. Both from practical and the academic point of view the project is thus vindicated by two of our most distinguished officers in the American service.

Among the most practical features which confront Congress to-day is one of finance. In this connection we must concern ourselves with the facts and disassociate ourselves from passion

and prejudice. The facts before the House establish that $6,890,000 have actually been expended and that $2,329,000 is now asked to complete the project. From this amount we can deduct $515,252 and not purchase certain high-priced land, which it is not really necessary to acquire, and we can reduce the amount further by completing only such buildings as are necessary for the school at this time. An appropriation now of $765,252 would meet present purposes. And let me say that this money has already been appropriated, but is simply tied up by reason of reservations placed in the last Army appropriation bill.

A project so near completion as this can not be abandoned without tremendous financial loss. In view of its absolute necessity to the Infantry arm, both now and in the future, no matter what the size of the Army may be, this loss can not be justified before the people of the United States on the ground that it was incurred to avenge the wounded sensibilities of the Members of Congress. If we abandon this project, we write off the books a dead loss of about $5,000,000 and leave two-thirds of the Army without a training school, while giving to the remaining one-third 11 training projects. Disregarding the unspeakable injustice of such a course, the unwisdom and unsoundness of it from a financial and economical point of view, common sense demands the rejection of any proposition to abandon the plan or the curtailment of the plan to meet at once the requirements for training under the national-defense act. Moreover, the Secretary of War has called attention to the fact that heavy loss is being incurred through the deterioration of uncompleted buildings and materials now upon the ground, especially emphasizing the fact that this deterioration and consequent financial loss will be especially great during the winter months now approaching. The National Guard is urging the preparation of courses for its infantry personnel which the War Department can not guarantee until we act. This course has already been arranged and quite a number of National Guard officers have already been ordered to Camp Benning, notwithstanding the unfinished condition of the buildings there, and every day of delay adds to the embarrassment of the Infantry and the financial loss which the Government incurs.

In addition the people whose property has been taken and whose accounts have not been settled have a claim upon us for immediate action which we can not ignore. No matter how the situation may have changed since the date on which the War Department took over this project, a war measure, it is not fair to the property owners to delay for a week further a decision upon their cases. The winter, with its decisions with regard to coming crops, fuel, and the other complexities of life, is now almost upon them and we must hearken to their demand to settle and settle at once.

Maj. Gen. Farnsworth, one of the most careful, conscientious officers of the Army, is now in command at this camp, and among the difficulties which confront Gen. Farnswertl, because of the restriction upon expenditures for construction and the acquisition of land, may be mentioned the following:

(a) The garrison at Camp Benning numbers 301 officers and 1,472 enlisted men. Although the winter is approaching practically none of the buildings have the heating facilities completely installed. This applies also to the infirmary. The degree of completion in some cases is 98 per cent, but to complete the connections a small expenditure of money is necessary. This expenditure can not be made. If another month is allowed to pass without authority to proceed Gen. Farnsworth will be compelled to move the troops into tent camps and erect Sibley stoves in order to provide the necessary heat.

(b) The sewage system is complete except as to a few minor details which prevent its use at certain places, resulting in much inconvenience which could be avoided by the expenditure of a small sum.

(c) The bakery now established is so small that three shifts are necessary to produce the proper quantity of bread. The material is on hand to erect a bakery of the proper size for the needs of the garrison, merely by sending to Camp Benning the necessary trained personnel. A small expenditure is connected therewith, but neither the personnel can be sent nor the expenditure made until authority is secured for going ahead with the project.

I strongly favor the retention of this one of the most important projects that have been placed before the House in many years, and unless Members of this House are ready to go on record as placing petty spite above the lives of men, this project must meet with our approval.

I have here also the unqualified approval of Gen. Pershing in a letter to the Senate Military Committee, in which he goes into this project in detail and urges the completion and retention of this camp. [Applause.]

Mr. CONNALLY. I would like to ask the gentleman a question. What is the legislative status of this matter? Has any bill or resolution been reported?

Mr. CRAGO. A bill will be reported and will be considered in the House within the next few days.

Mr. CONNALLY. It is not on the committee's calendar.

Mr. CRAGO. No.

Mr. ANTHONY. Mr. Chairman, I yield now to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD upon this bill and the other bills from the Committee on Military Affairs.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD on this bill and on other bills reported by the Committee on Military Affairs. Is there objection?

There was no objection.

Mr. CALDWELL rose.

Mr. ANTHONY. Mr. Chairman, under the rule of recognition I think time should be extended now to some Member who is opposed to the bill.

The CHAIRMAN. Is the gentleman from New York [Mr. CALDWELL] opposed to the bill?

Mr. CALDWELL. No.

The CHAIRMAN. Is any member of the committee opposed to the bill?

Mr. CALDWELL. But I am a member of the committee.

The CHAIRMAN. The rule provides that the time shall be equally divided between those in favor and those opposed to the bill. Is any member of the committee opposed to the bill demanding recognition? If not, the Chair will recognize the gentleman from New York.

Mr. MANN of Illinois. Mr. Chairman, I do not desire to obtain recognition as against the gentleman from New York. I am opposed to the bill as it stands, but if the gentleman from New York is recognized, may I have a few minutes' time?

Mr. CALDWELL. Oh, yes; the gentleman may have as much of the hour except 20 minutes as he desires.

Mr. LITTLE. I will ask the gentleman to let me have 10 minutes.

Mr. CALDWELL. How much time does the gentleman from Illinois want? Fifteen minutes?

Mr. MANN of Illinois. I do not want that much time.

Mr. CALDWELL. Then I yield so much of 15 minutes as the gentleman desires.

Mr. MANN of Illinois. Mr. Chairman, I have the very highest opinion of the officers of the Regular Army. I think they are a wonderful set of men. I have a great deal of confidence in them both in respect to military matters and in regard to the ordinary transactions of life. No one, however, during my experience has ever undertaken to take away from the Army or the Navy anything to their advantage which they were receiving. The war-risk insurance act covered the officers and men of the Regular Army. Before that act was passed it was the law that when an Army officer died his family received a gratuity of six months' pay. We do the same thing with an employee of the House. Where an employee dies the Committee on Accounts brings in a resolution giving to the family of the deceased a sum equal to six months of his pay. There are many reasons why such practice is legitimate, and probably it is wise to have that sort of thing the permanent policy of the Government. Most of the Army officers are not disposed to save a great deal. The Army officer knows that as long as he is in the service he receives his pay, and if he reaches the age of retirement his pay continues, and if he dies, well there you take the chance. The Government, therefore, has provided in the past that it will pay to the widow or children of the deceased Army officer a sum equal to six months of his pay, so that they will have some cash in hand at least.

Now, the war-risk insurance act was intended to take the place of all other gratuities paid by the Government to Army officers in the Regular Establishment or in the Volunteer Establishment and all enlisted men both in the Army and in the Navy. Here was a new principle that came up. Instead of giving gratuities in other ways, as pensions according to the law theretofore, there was a new provision provided of giving gratuities by the Government in the way of compensation or whatever you may call it. Army officers were given the benefit of this, both in the Regular Establishment and in the National Army itself, both officers and enlisted men, and they went through the war without making a single objection, as far as I have been able to learn, that they were not well cared for under the war-risk act. But after the war is over the families of those who had died received the benefit of the war-risk in-

surance act, both officers and men, and after they have received the benefit which Congress concluded the Government should give them some bright officer remembers that they used to get a gratuity of six months' pay. Therefore this bill is sent by the War Department to Congress suggesting that that six months' pay or gratuity be restored, it having been repealed by accident, or incident, or ignorance, or whatever it was.

It is just the case of where if a man has enjoyed a particular thing and you give him something which is better, he wants both. These Army officers have enjoyed the benefit of the war-risk insurance act and now want the benefit of the old custom of the Government giving their families a gratuity. There is no reason in the world why so far as the war deaths are concerned there should be any distinction between the Regular Army and the National Army, or whatever it is called. [Applause.] And there is no reason for giving any of them this gratuity now, because they are taken care of by the war-risk insurance act. [Applause.] And if the Congress should undertake to give them all a bonus of some kind they all ought to get the benefit of it on equal terms. [Applause.] Now, the first two sections of this bill, drafted by the War Department, were sent to Congress to be enacted into law. The Senate could not see the justice of giving these officers who have died in the service the benefit of the war-risk insurance act, and then, in addition, an entire gratuity, and inserted an amendment in the bill, which is section 3 of the bill, providing that if the war-risk insurance was paid at least the six months' gratuity to be paid should be deducted from that. Well, as to the past, nobody could object to that. As to the future, it may be that it would not work very well. The Army says it draws a distinction between those who take insurance and those who do not and it is a penalty on those who do take insurance. Now, the committee recommends striking out the provision inserted by the Senate to deduct the amount of the six months' gratuity from the war-risk compensation paid, and then provides in addition that we go back to October 6, 1917. I think this House is disposed to do one thing which will improve this bill decidedly. Section 1 of the bill reads that hereafter, and so forth, this gratuity shall be granted; that is in line 3. In line 7 they put in, "from and after October 6, 1917." The House committee have proposed two amendments to rearrange the phraseology, and if this committee will just disagree to the first amendment—the first amendment proposes to strike out the word "hereafter" and insert the words "from and after October 6, 1917"—if this committee will just disagree to that amendment and leave the bill to read, "that hereafter," and then will agree to the amendment suggested by the committee in line 7, to strike out "from and after October 6, 1917," it will restore the law to what it was before the war, with the one exception that the officer in the Regular Establishment hereafter may take insurance under the war-risk insurance act, and if he does he receives compensation in that way and also will get the benefit of the six months' gratuity.

Mr. ROWE. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. ROWE. In the war-risk insurance act the soldier pays a premium. What proportion of the actual cost of carrying that insurance is the premium?

Mr. MANN of Illinois. I do not quite understand the question.

Mr. ROWE. How much does the Government pay in proportion to what the soldier pays to carry the insurance?

Mr. MANN of Illinois. Well, nobody knows and nobody ever will know in our lifetime how much it is going to cost the Government to pay the insurance that is being carried by the Government. The actuaries may guess at it, but nobody knows.

Mr. ROWE. Was not the estimate something like 7 to 1?

Mr. MANN of Illinois. I could not state; I do not know.

Mr. ROWE. Seven to the Government and one to the soldier?

Mr. MANN of Illinois. I do not know what the estimate was. I am perfectly frank to say I am not very familiar with the war-risk insurance act. I was not here when it was passed. Whatever the estimate is, no one knows, because no such insurance was ever carried before by any establishment in the world.

Mr. SNYDER. But it is a fact, is it not, that the officer who took out insurance under the war-risk insurance act believed that he was paying a reasonable premium on his policy?

Mr. MANN of Illinois. I do not know what he believes, I am sure.

Mr. ROWE. That is the fact.

Mr. MANN of Illinois. I think probably he believes he is paying an unreasonably low premium on his policy.

Mr. SNYDER. Well, he is paying something, and he is entitled to consideration for that at least.

Mr. MANN of Illinois. Yes.

Mr. DEWALT. The testimony before the subcommittee of the Committee on Interstate and Foreign Commerce developed the fact that the cost of insurance under the war-risk provision is about 20 per cent less than any insurance company of the old-line style.

Mr. MANN of Illinois. Very likely that is the case.

Mr. SNYDER. I believe that——

Mr. MANN of Illinois. The cost is less and the risk is more. No old-line insurance company in the world could ever have afforded to insure as many people as were insured by the Government of the United States under the war-risk act. And no one can tell what it may cost the Government in the end. Everyone who takes the insurance knows that under no conditions will the payment of the insurance when earned be repudiated by the Government of the United States, no matter how much it takes out of the Treasury.

Mr. CALDWELL. Will the gentleman yield back the time that he has not used?

Mr. MANN of Illinois. Oh, yes; I yield it back.

Mr. CALDWELL. Mr. Chairman, I yield 15 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, I was glad to hear the statement by the gentleman from Illinois [Mr. MANN] a minute ago, that in so far as war casualties were concerned all of the soldiers, whether in the Regular Army or in the National Guard or in the Army enlisted from the drafted men, should be put on an equality. That is a principle which we certainly should endeavor to keep in view. In dealing with the enlisted men, in dealing with the rank and file, and in dealing with the officers, they should all be put on an equality; that is, the enlisted men, no matter whence they came, should have the same consideration, and the officers of the National Guard and National Army should have the same consideration as those of the Regular Army. And this measure deals to a certain extent with that question.

And I want to talk for a few minutes about the officers who were not members of the Regular Army. Those officers are not getting the same consideration as the officers of the Regular Army. I have to-day a communication from a young man in my State who received before the war about $2,500 a year from the business in which he was engaged. He entered the officers' training camp and established a record which entitled him to be a first lieutenant. In the breaking of the Hindenburg line he lost his right arm. He is incapacitated for the work which he did before he entered the Army. He was first certified at 50 per cent disabled and accorded $15 a month. Subsequently a certification was considered, and he was put on at complete disability and certified for $30 a month. In the same division a companion of his in the Regular Army, a first lieutenant, was wounded less severely, and is retired at $157 a month. Now, that is merely because one was in the Regular Army and the other was not. I saw at the Walter Reed Hospital last summer a lieutenant colonel of the National Guard who had lost his right foot. The amputation was just above the knee. He was then certified at 50 per cent disability and entitled to $15 a month. A lieutenant colonel in the Regular Army with the same disability is retired at around $325 a month.

Now, there has been legislation proposed by the gentleman from Illinois [Mr. MASON] to put all on an equality as to retirement. I have introduced a bill, which has been before the Committee on Military Affairs for months, providing that those officers who suffered disabilities in the National Army, regardless of whether in the Regular Army or National Guard or National Army during the war with Germany, should have the same right of retirement as the officers in the Regular Army. For reasons sufficient to themselves—and I admit that there are some good reasons for it——

Mr. CRAGO. Will the gentleman yield?

Mr. STEVENSON. I will.

Mr. CRAGO. Does the gentleman know whether this has been provided for the volunteer officers of any other war?

Mr. STEVENSON. I will come to that in one minute. For reasons which are sufficient to them, and which appear to them to be good reasons, I will admit, the Military Affairs Committee, on the recommendation of the War Department and the General Staff, have refused to report any of those measures.

Mr. LAZARO. Will the gentleman please state the reasons of the War Department why the Regular officers should enjoy this advantage over the others?

Mr. STEVENSON. The reason that the War Department assigns, and the reason, I understand, that the Committee on Military Affairs assigns, is—

That it is the custom to retain the retired list absolutely and exclusively for the officers of the Regular Army, and that it is a custom that has prevailed from the beginning of the Government or the establishment of the retired list; that the officers of the Civil War outside of the Regular Army were never accorded the right, and therefore it is improper, and that in addition to that the men when they enlist in

the Regular Army part with all of their opportunities to make a living in any other way, and that their entire expectation is based upon the proper retirement provisions made for them, and it should be exclusively kept for them.

Mr. GREENE of Vermont. If the statements the gentleman has just made are the reasons that are governing the withholding of the recommendation of his bill, he has been somewhat misinformed as to the details of it. There has been no retired list since the beginning of the Government, and the reason which he assigns as to the customs of the service are not the actuating reasons at all. It is an entirely distinct proposition, on which the gentleman ought to get further light before he unintentionally distorts the reasons on which it is based.

Mr. CRAGO. With all due deference to the opinion of my colleague, I think the gentleman was stating a part of the argument for keeping this list for the Regular Army. But is not this the regular reason, that the retirement list is a part of the pay and allowances provided by law for the Regular Army?

Mr. STEVENSON. That is the argument, as I understand it, and notwithstanding the position of the gentleman from Vermont [Mr. GREENE] the gentleman from Pennsylvania has stated the exact position I have heard taken in the discussion of the matter.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. CLARK of Missouri. What has ever become of your bill?

Mr. STEVENSON. It is in the Committee on Military Affairs, with a motion noted to ask that the committee be discharged from its further consideration.

Mr. CLARK of Missouri. Why do they not report it here? There is absolute justice in it. Why do they not report it one way or the other, so that we can get a crack at it?

Mr. STEVENSON. I have stated the reasons, so far as I have been able to ascertain them, why it was not reported.

Mr. GREENE of Vermont. I would like to suggest, notwithstanding the very helpful suggestion of my committee colleague, that the foundation of the condition is that the retired list of the Army is still a part of the professional Military Establishment which is liable to a call to duty. That is the fact.

Mr. STEVENSON. And with the uprising on the border of Mexico the same men who were called to duty there as National Guardsmen were not discriminated between when they were called to go against the Hindenburg line, and seven officers of one company of the National Guard from my district went down in one hour, and none of them is allowed on the retired list, although some of them survived as shattered wrecks. I say that all are called upon to respond. No discrimination is made in the service, but now when they exhibit their wounds and ask to be equally treated with the Regular Army officers in like condition their just request is smothered in committee.

And when we call again, with this discriminating system and with this determination to perpetuate this discriminating system against them, we may call in vain for the splendid officers who led their men, and many of whom left parts of their bodies on the battle fields across the water.

Now, it is not such an impossible thing to take care of these men. I have from the War Department a report showing that there are not over 11,000 officers that are disabled that are outside of the Regular Army. We can not afford—this Congress can not afford and the country can not afford—to continue the apparent injustice, which is bringing editorials to me from papers all over the United States, which is bringing protests from people from every district in the United States, urging me to take some steps to push the measure which I have introduced and which has been favored very largely by the members of the Legion that do not belong to the Regular Army.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. OLIVER. Has the gentleman found any opposition on the part of Members of Congress to his bill excepting members of the Committee on Military Affairs?

Mr. STEVENSON. No, sir; I have not.

Now, sir, I want to say this: We will meet the arguments of the gentlemen who say that this retired list is a part of the pay of the officers of the Regular Army. They are perfectly willing, so far as I have conversed with them, to concede that the same compensation should be made to officers as is made to officers on the retired list, those who have been disabled in the Army, but they say that the retired list is like the Ark of God in the wilderness, and that a man putting his hand on it should die right there. That is about the attitude.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman permit an interruption?

Mr. STEVENSON. I beg to be excused just now.

The CHAIRMAN. The gentleman declines to yield.

Mr. STEVENSON. In order to meet that situation I have to-day introduced a bill to provide that the disability compensation of officers who were in the conflict and who became disabled by reason of wounds suffered in the conflict, and who were not in the Regular Army, shall be increased to the same amount as is paid to like officers who are retired in the Army. Now, I want to see whether that will ever get out of the committee. It has gone to the Committee on Military Affairs, and certainly this Congress does not propose to go on record as opposing this matter of justice as between officers of the Regular Army and officers of the Volunteer Army, which suffered probably more casualties but perhaps not so large a per cent.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. GREENE of Vermont. I think the gentleman is now stating the real basis upon which the Members of the House might very readily get together and pass a bill covering this situation. The committee did not oppose the bill because it was unwilling to give a fair compensation to these men who undoubtedly lost their lives on a parity with the men of the Regular Establishment, but because as a matter of law the Regular Army officer on the retired list is always subject to the call of duty, and so remains to the day of his death as a part of the Regular Establishment. If you can provide a means of compensation and not provide for his incorporation in this permanent organization, you would probably get a favorable hearing.

Mr. STEVENSON. I am glad to say that I expect to have a hearing from the committee on the bill.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. McKENZIE. Of course I believe the gentleman from South Carolina wants to do what is just and right, and I think the gentleman has gotten on the right line in accordance with the statement of the gentleman from Vermont [Mr. GREENE]. But I want to know if the gentleman is willing to go along and allow the same compensation to the private as he would to an officer, if he bases it upon compensation for a like disability?

Mr. STEVENSON. That is the difficulty with the course I have taken with this bill. I am in favor of maintaining the same ratio between the officers and the men which Congress fixed when it provided for the Army. It made the distinction as to pay. It certainly based it upon some reason. The reason is well known, that these men come from a walk of life where they have to surrender much more than the average private; and while I would not discriminate against a private at all, certainly it is not discriminating against a private to require, when the Government pays one set of officers as a retirement feature on a certain disability, that it pay all the officers a certain amount. The only discrimination is that which is now prevailing.

The privates in the Regular Army and in the National Guard and National Army are on absolute equality. It is only in the case of officers that there is a discrimination.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks by printing an editorial on this subject from the Piedmont, of Greenville, S. C., situated where one of these hospitals is, containing a list of disabilities which it discusses.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to extend his remarks by inserting the editorial referred to. Is there objection?

There was no objection.

The following is the editorial referred to:

INFAMOUS DISCRIMINATION.

From time to time the Piedmont has commented on the indefensible and outrageous discrimination made by the Government against disabled National Guard, Reserve, National Army, and temporary officers. They are not given the same treatment as disabled Regular Army officers.

The Regular Army officer is retired on three-fourths pay because he has lost his means of livelihood.

Why shouldn't any officer be retired who has lost his means of livelihood?

Why should disabled National Guard, Reserve, National Army, and temporary officers be given a pittance instead of three-fourths pay like the Regular Army officers?

All officers were on the same footing during the war as to work, duties, responsibilities, dangers, and risks. All were subject to the same rules and regulations; subject to the same orders; there was no discrimination among officers in going into action; gas, shrapnel, bayonet, bombs, and disease found all alike. They suffered the same hardships, incurred similar wounds, were disabled by the same disease. During the war there was no discrimination as to officers, all were simply American Army officers.

Does this discrimination work actual injustice and hardship? Consider a few instances in contrast and then judge for yourself. These instances are selected at random from actual cases at one of the Government tuberculosis hospitals and are embodied in a memorandum sent to the Piedmont by Clifton E. Gurd, of Asheville. They are as follows:

CAPT. A.

Age 57; six children; contracting engineer; commissioned temporary captain from civil life and assigned to work on the General Staff. Close, confining work caused breakdown, followed by flu. Developed pulmonary tuberculosis. Prohibited from reassuming professional work. Too late in life to start over. Means of making livelihood destroyed. Not eligible for retirement.

LIEUT. B.

Age 23; married; one child; in school at outbreak of war; commissioned lieutenant provisional. Attack of flu followed by pulmonary tuberculosis. Unable to assume work of hard or confining nature. He has been retired on three-fourths pay.

LIEUT. COL. C.

Age 47; married; two children; National Guard officer; 28 years of service in Guards. Spanish-American War veteran. Served in Army of Cuban occupation. Served on border. Served throughout World War. Participated in all Army maneuvers in past. A most strenuous career. Leather manufacturer in civil life. Pulmonary tuberculosis. Impossible to return to work. Too late in life to start in new line. Not eligible for retirement.

CAPT. D.

Age 26; single; just out of West Point at beginning of war. No overseas service. Regular Army. Tuberculosis. Will be retired on three-fourths pay.

LIEUT. E.

Age 42; married; several children; 16 years' service. Campaign Philippines, China, and many other places. In ranks Regular Army. Commissioned temporary officer beginning of war. Most valuable service in organization and equipment port of embarkation. Pulmonary tuberculosis. Can not return to Army life. Has no other means of livelihood. Not eligible to retirement.

CAPT. X.

Age 35; single; Regular Army; tuberculosis. Has been retired on three-fourths pay.

LIEUT. F.

Age 40. Married. Six children. Twenty years' service in ranks Regular Army. Many campaigns. Commissioned temporary officer. Overseas service. Tuberculosis. Can not return to Army life. No other means of livelihood. Not eligible for retirement.

LIEUT. COL. G.

Age about 45. Married. One child. Eighteen years' service in Regular Army, part in ranks. Not overseas. Regular Army officer. Never commanded troops, had staff assignment. Tuberculosis. Retired on three-fourths pay.

CAPT. H.

Age 36. Married. One child. Concrete engineer 14 years. Commissioned from civil life. National Army officer, in Infantry. Had influenza and developed into pulmonary tuberculosis. Absolutely prohibited from returning to profession. Incapacitated from hard work. No independent income. Not eligible for retirement.

CAPT. I.

Age 28. Single. Just out of West Point before war. Not overseas. Will be retired on three-fourths pay.

Thousands of like cases could be cited. These are just a few gathered at one hospital. They can be duplicated over and over again in any Government hospital. As Mr. Gurd says, "Men suffering from identical wounds, often from the same commands, and wounded in the same action, can be found in most any hospital. And yet there is the greatest discrimination in the provisions for their future welfare." The Regular Army officer is eligible for retirement. Any other sort of officer must depend upon his own resources—or those of his relatives.

Is this consistent with the American sense of fair play?

Is this a square deal for the officer outside of the Regular Army who is practically helpless because he served his country in the hour of his country's greatest peril?

What sort of democracy is ours, if it places a higher valuation on one sort of officer than on another sort when both have rendered the same service?

Be it said to the credit of South Carolina that Representative W. F. STEVENSON has a bill pending to abolish this intolerable discrimination. It should be passed without delay.

AN INTOLERABLE OUTRAGE.

Disabled officers of the Regular Army are retired on three-fourths of the pay they received before becoming disabled.

The National Guard, National Army, and temporary officers of the Army are left out in the cold.

Disabled officers of the United States Army ought to be retired on the same basis, no matter to what branch of the Army they belonged.

A bill is pending in the Congress to put all on the same basis for retirement.

For some strange reason, which has never been disclosed, a vigorous fight has been waged in the Congress against extending the retirement privilege and benefits to all officers. The source of this antagonism has not been revealed.

The strongest point of the opponents of the bill is this:

When a man enters the Regular Army he is presumed to have severed all connection with civil and industrial life. Therefore he has cut himself off from all sources of income and means of making a livelihood excepting the Army, and consequently the Nation should care for him when he is disabled.

That is right, as far as it goes.

The opponents of the bill go on to advance the theory that officers, except those in the Regular Army, coming into the service from civil life have but temporarily severed their connection with civil and industrial life.

In theory this is correct, but when the officer from civil life entered the service in the World War, he did it with the knowledge that he was headed for battle, and that it was doubtful whether he would return at all. He severed himself not only from his civil pursuits but mentally he severed himself from life itself.

It is argued that the Regular Army officer is retired because he has lost his means of livelihood.

Any officer should be retired who has lost his means of livelihood, no matter whether he belongs to the Regular Army, National Guard, or National Army.

Inasmuch as any National Guard, Reserve, National Army, or Emergency officer, by reason of disability, is unable to return to his means of livelihood in civil life just as the Regular Army officer is unable to return to his means of livelihood in the military service, they are on absolutely the same footing as to their future helplessness to support themselves and their families.

Retirement is the custom of the Army. It has long been adopted as the best method of providing for the future of the Nation's officers disabled in line of duty.

Retirement privileges should not be confined to Regular Army officers, but should be extended to all American Army officers.

Now that we have gone over the case, what is your belief?

Do present provisions appeal to you as being a square deal for the man who is practically helpless as a result of his services to his country in time of war?

Do you believe that the bills now before the Congress, which provide that all officers shall be on the same basis as to retirement should be passed?

Are you willing, as an American citizen, to lend your influence to secure the passage of these bills?

Then you are asked to act as your judgment advises you in throwing your support to influence the Congress to make these bills into laws.

It is imperative that you act at once, because this bill will be before the Congress in the next few weeks for final action.

Mr. CALDWELL. Mr. Chairman, I yield five minutes to the gentleman from Vermont [Mr. GREENE].

The CHAIRMAN. The gentleman from Vermont is recognized for five minutes.

Mr. GREENE of Vermont. Mr. Chairman, the closing statement of the gentleman from North Carolina rather disposes, perhaps——

Mr. STEVENSON. Mr. Chairman, will the gentleman yield for one minute?

Mr. GREENE of Vermont. Yes.

Mr. STEVENSON. The gentleman from Illinois [Mr. McKENZIE] and the gentleman from Vermont both referred to me inadvertently as "the gentleman from North Carolina." I would like to get the RECORD correct. I represent a district in South Carolina, although I am a native of North Carolina.

Mr. GREENE of Vermont. I always get mixed up about the points of the compass when I find myself between two suns. [Laughter.] The statement of the gentleman from South Carolina rather disposes of the necessity of my making a statement to clear up the policy of the committee, if I may be allowed to represent it in part to that extent, in regard to establishing a retired list for the volunteer or emergency soldiers on the same basis and in the same organization as the professional soldiers. As has been the policy for a great many years, the retirement of the professional soldier is based upon an entirely different philosophy, as any Member may determine if he carefully inquires into the situation. It is based upon the same idea as occupational or professional retirement anywhere. It is based upon the idea that a man goes into this peculiar profession—and it is a peculiar one, inasmuch as it isolates a man from other professions in civil life—that a man goes into that profession to serve for a lifetime, having sworn to serve at certain fixed statutory rates of pay; that he will be under obligation to engage in no other gainful occupation; that he will be a man subject to military orders night and day under all circumstances and at all times; that he will have no fixed home or abiding place; that he will live in garrisons or in the field, and take care of his family as best he can under those circumstances; and that he can only gain successive raises in his salary as he advances along a tortuous and sometimes seemingly never-ending lineal list, where seniority constantly blocks him off.

Having all these things in consideration, it long ago grew up to be the policy of the law that the officers of the permanent Military Establishment undertaking these obligations should be carried through with these statutory rates of pay until they attained the age of 62 or 64 years, when they would be retired on three-quarters pay. That has become now, through more than a generation, to be considered a part of the contract of service.

But it also carries with it a further obligation on the part of the officer so retired that he is still a part of the regular permanent Military Establishment, that circumstances and the nature of his disability permitting he may be called at any time to serve his country in a military capacity to the extent of his abilities, and he is always a professional soldier from the day he enters the service until the day that he dies. There is no end to it except by his voluntary resignation, when, of course, he relinquishes all the benefits of his retirement.

Mr. CALDWELL. And subject to the Articles of War?

Mr. GREENE of Vermont. And subject to the Articles of War.

Now, that is the officer's side of it.

On the other hand, the law contemplates something of the same philosophy for the enlisted man, and it provides that the enlisted man, having served faithfully and well, or, as the language of the service is, "his service being honest and faithful," at the end of 30 years he, too, can be retired. That provides a very excellent opportunity for many enlisted men who have followed professional Army life from the time they were 18 to the time they were 48—and you will find them scattered all through the country—to enter upon civilian duties, many of them drawing as much as $75 a month from the Government in addition to the pay which they can get in civil life.

Now, my story is somewhat long, and perhaps I have dwelt upon it at too great length, and there are many and various phases that I have not even dwelt upon at that. But I want to impress upon you the distinction between the existing law and what is being asked for in these propositions for the retirement of the temporary officer.

Mr. SNELL. Will the gentleman yield?

Mr. GREENE of Vermont. I am sorry, but my limited time will not allow me to do so.

The volunteer soldier should be entitled to equivalent recognition of his disabilities, but in order to do this he should not be put into the professional organization where he was not when he went into the war, and where he may not, of his own volition, care to stay.

You are confusing the means of compensation with the proper principle of compensation.

I think it would be a great mistake to begin to clutter up—literally clutter up—the permanent Military Establishment by the addition of the temporary soldier, noble and brave as he is, by putting him in a place where he did not design originally to go, and where he does not care to stay, and where, if you do place him, he will block the orderly administration of a distinctly professional army which has no other gainful occupation. I think we should take these things carefully into consideration when we think of the so-called retirement laws for the volunteer soldier.

I know they cite instances of the young men who have just become professional soldiers, just having gone into the Regular Establishment, and who were wounded at the same time as young emergency officers were wounded, the young officer in the Regular Establishment going on the retired list and receiving more money. But that is a mere incident that will be developed in any actuary's tables of any insurance or retirement provision; the junior men who are wounded and retired are exceptional; the rule is that a man goes along through the average period of service, sometimes ranging as long as 40 or 45 years. This retirement law operates in both time of peace and time of war; it is continuous.

So if we survey this matter in the logic of a business proposition and not simply in the light of our honest and very proper desire to reward the gallant disabled volunteer soldier, to whom we all desire to give grateful and substantial recognition, our thought will take expression along the line of a philosophy which is consistent with the practical application of the facts and not be lost in sentiment.

Mr. CALDWELL. I yield eight minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY. Mr. Chairman and gentlemen of the committee, I quite agree with the gentleman from Illinois [Mr. MANN] that either the committee amendment to this bill making it retroactive should be defeated or that it should be so amended as to extend to the reserve and National Guard officers and enlisted men who went into the service merely for the duration of the war, as well as to those in the Regular Establishment.

I do not believe that the antagonism which in some quarters has grown up or has been incited as between the Regular Army and the volunteers should be encouraged. Nevertheless, it is quite true that during the Great War a considerable sentiment grew up among the reserve and National Guard officers and the duration-of-the-war men that discriminations were made favorable to the officers and men of the Regular Army.

If you pass this bill with the retroactive clause, making it apply only to officers in the Regular Establishment during the period of the war and excluding from its operation those cases of reserve and National Guard officers and men, you will give emphasis to that antagonism and to that dissatisfaction among the reserve officers and men. So I intend to offer, when this bill is considered under the five-minute rule, the following amendment:

On page 1, line 6, after the word "Army," insert "or on active service in the military forces of the United States during the World War."

Gentlemen, you in your wisdom may decide that it is not wise to make this act retroactive. If the committee should decide that this law should be enacted containing the word "hereafter," all well and good; but if you are to make it retroactive, then I call the attention of the committee to the fact that it will be very unwise not to make its terms apply equally to the reserve officers and enlisted men as well as those in the Regular Establishment.

Mr. Chairman and gentlemen of the committee, many of the enlisted men and officers who went into the service, whether as volunteers or as drafted men, gave up much more when they left civilian pursuits than those who were in the Regular Establishment. Certainly those officers and enlisted men who gave their lives could give nothing more. If you are to extend this gratuity to the officers and enlisted men of the Regular Army, let it not be said that this Congress discriminates against that great civilian Army of ours who in the hour of peril and emergency the Government called upon to fight its battles, and who fought them so valiantly, so gloriously, and so successfully.

In many ways, gentlemen of the House, this war was one unprecedented in the annals of American history. It was the first struggle of any magnitude in which our forces were required to fight on foreign soil. It entailed many hardships not entailed in previous struggles in which this country was engaged. It entailed long absence from home without opportunity for furlough or return to the home. It entailed on the part of many families of these soldiers the fact that their bodies were buried on foreign soil and still repose there. I suggest most earnestly to this committee that if you enact this bill with the retroactive feature in it, you make provision embracing every man, whether officer or enlisted man, whether Regular or drafted or National Guard.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CONNALLY. I will.

Mr. LAGUARDIA. Assuming that the gentleman's proposed amendment carries, would the gentleman be in favor of retaining section 3?

Mr. CONNALLY. My attention has not been especially directed to that. I have no decided conviction about that; it is immaterial. But if my amendment is adopted I shall later offer an amendment to strike out section 2, because otherwise the provisions of section 2 would nullify the terms of my amendment.

It is assumed that every man when he donned the uniform of the Army went wherever those in authority sent him, whether on the firing line or to some staff position whose importance was often great and which involved the necessary duty of feeding and clothing and serving the Army in the field. I trust that agitation seeking to raise discrimination and distinctions between the Regulars and the Volunteers will cease. But it will not cease if in our legislation we discriminate either in favor of one or in favor of the other.

Mr. LAGUARDIA. Will the gentleman yield on that point?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CALDWELL. Mr. Chairman, I yield five minutes to the gentleman from West Virginia [Mr. GOODYKOONTZ].

Mr. GOODYKOONTZ. Mr. Chairman, I wish to speak not upon the measure now pending but on a matter somewhat germane, because it relates to the soldiers. The matter concerning which I wish to address you relates to the bringing home from France of the bodies of soldiers who lost their lives in that country in the late war, who went there from America, and I ask the Clerk to read in my time a newspaper clipping purporting to be sent out by the Associated Press.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

AMERICAN DEAD TO REMAIN IN FRANCE—MUST BE LEFT IN GRAVES AT LEAST TWO MORE YEARS, SAYS CABLE.

[By the Associated Press.]

PARIS, *November* 25.

The 65,000 American dead in France must be left in the graves they now occupy until the French are ready to exhume their own dead, which, it is hoped, will be before January 1, 1922.

The foreign office had promised to consider the latest request of the American Government for the return of its fallen soldiers, but later the following official announcement was made:

"It has been definitely decided that the Allies who fell together for the same cause should remain together in death until circumstances permit of the returning of the bodies to the families for whom they sacrificed themselves.

"The proposed law forbidding the exhumation of the soldier dead for three years did not pass at the last session of the Chamber of Deputies, but the foreign office expects that it will be adopted soon. This bill specifies a delay in exhumation of three years from the promulgation of the law, but it is expected that this period will be shortened. At the foreign office it is said to be probable that the exhumation will commence considerably before January, 1922."

Mr. BLANTON. Will the gentleman yield for a question?

Mr. GOODYKOONTZ. Simply for a question.

Mr. BLANTON. Rather than being based upon any sentimental, patriotic reason, is it not a fact that the sole objection that France has now to our soldiers being brought back to this country is a commercial one?

Mr. GOODYKOONTZ. Gentlemen may draw their own conclusion.

Mr. BLANTON. It is the only reasonable excuse that France could give.

Mr. GOODYKOONTZ. We should like to know by what authority the French Government undertakes to dictate to us as to when and under what circumstances we may transfer to native or adopted land the bodies of American heroes who now repose in French soil soldiers who fell in the defense of the liberties of the peoples of France and of the other nations of the earth. We should like to know if the French Chamber of Deputies is vested with the power to enact a law prohibiting the disinterment and removal home of bodies of American soldiers now resting in American cemeteries established at Romaigne and elsewhere in that country. We should like to know the nature of the tenure of our Government to the lands where these soldiers lie buried.

What is our title to that land? What estate therein do we hold? How was it acquired? Were the original freeholders disseized and have they been paid for the land? Is our title to these burial grounds in fee simple and indefeasible? To what extent are American interests in these lands, now dedicated to the American dead, safeguarded by law?

Mr. CALDWELL. Does the gentleman want an answer to that? I can answer the gentleman by saying that the property used in American graveyards is the property of the American Government, dedicated for all time to the American service.

Mr. GOODYKOONTZ. I am glad to hear that.

It may be true that the War Department has acted with all possible care and prudence by taking every step necessary to be taken in order to extend our jurisdiction over these grounds. But of this I am not certain, else why should the legislative department of the French Government propose a law forbidding the exhumation of the bodies for three long years? What is the object of such legislation? Answer the question for yourself.

Only the relatives of a small per cent of the number of American soldiers who fell in France are financially able to defray the expense of a journey to that country in order to visit the resting place of the soldiers. The great majority of our soldiers were not of the wealthy or even the well-to-do families, although these families contributed their full quota; but the great majority of the soldiers included in the army of occupation came from families of very moderate circumstance. Therefore, as a general proposition, the kinsmen and friends of the soldiers who died in France can not visit the graves of the soldiers, because they are so far away.

The very least the relatives and friends of these dead soldiers have the right to expect—to demand, I will say—is the prompt return of their bodies to the old home, where they may be laid to rest in the cemetery or in the family graveyard alongside other loved ones gone before.

The order to go into the Army and over to France came from the Government. Love of country, which we call patriotism, was crystallized into the law which gave the command. That command was not to be disobeyed, for it was the expression of the national will, the voice of the Republic; but loyal and patriotic obedience in these cases led to death. The Government at its own expense and under compulsion of military necessity, having taken the soldier far from home and subjected him to service which cost him his life, upon request of the family, is honorably bound at its own expense promptly to return all that is mortal of the soldier to the tender care of the ones who loved him and who mourn for his tragic fate.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOODYKOONTZ. I ask permission to speak for one additional minute, not to be taken out of the committee's time.

Mr. MANN of Illinois. The committee can not do that, Mr. Chairman.

The CHAIRMAN. The time is fixed by the rules of the House.

Mr. GOODYKOONTZ. Then, Mr. Chairman, I ask unanimous consent to extend and revise my remarks and subjoin to them a letter from a society styling itself "Bring Home Our Soldier Dead League" and papers in the nature of a petition annexed thereto.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to revise and extend his remarks. Is there objection?

Mr. LAGUARDIA. Mr. Chairman, reserving the right to object, who is that petition from?

Mr. GOODYKOONTZ. Well——

Mr. LAGUARDIA. Can not its identity be established?

Mr. GOODYKOONTZ. It is a letter to me inclosing a copy of a letter addressed to the Hon. Robert Lansing, Secretary of State, and the names of the officers of the organization are: J. D. Foster, H. F. Richards, J. B. McIntire, Mrs. George L. Walter, jr., F. K. Weaver, George Ranking, jr., Mrs. H. F. Richards, Theodore H. Boyce, George W. Cordes, and D. B. Maxwell, chairman.

Mr. LAGUARDIA. Does the gentleman know any of those whose names he has read?

Mr. GOODYKOONTZ. No; I do not.

Mr. LAGUARDIA. Does he know whether any are connected with undertaking establishments or not?

Mr. GOODYKOONTZ. I have no information on the subject.

Mr. LAGUARDIA. Until the gentleman has that information I shall object.

The CHAIRMAN. Objection is heard.

Mr. GOODYKOONTZ. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, leaving out the papers referred to.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Subsequently the objection was withdrawn, and the papers referred to are as follows:

BRING HOME THE SOLDIER DEAD LEAGUE,
Pittsburgh, Pa., November.

Subject: "Bring home our soldier dead."

Hon. WELLS GOODYKOONTZ,
House of Representatives, Washington, D. C.

DEAR SIR: The petition hereto attached from the Bring Home the Soldier Dead League, described therein in some detail, is, as you may observe, the same document sent to Mr. Lansing, Secretary of State, on October 31 ultimo.

Mr. Lansing very promptly replied, giving a full and clear statement of the present situation, and disclosing the position taken by France in the matter.

It is because of that attitude of France that this organization was formed to appeal to our own Government to take such drastic action as may be needed to have France accept the wishes and heart and principles of American motherhood in this matter rather than unjustly impose any national or individual thought of her own.

We ask that this petition will be considered and treated by you as the original, praying your heartiest aid.

Very respectfully, yours.

BRING HOME THE SOLDIER DEAD LEAGUE,
Chairman Executive Committee.

HEADQUARTERS BRING HOME THE SOLDIER DEAD LEAGUE,
Pittsburgh, Pa.

To the Hon. ROBERT E. LANSING,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: The Bring Home the Soldier Dead League, an organization, with headquarters at the city of Pittsburgh, Pa., composed of parents, widows, and relatives of American hero dead, now occupying graves in France, far beyond the boundaries of their native land, where neither homage of their countrymen nor the devotion of loving hearts may offer the only acknowledgment of their supreme sacrifice, comes to you with authority, representing primarily the hundreds of active members, and behind them the thousands who are distributed over every State of the Union, as from day to day they may enroll, including the soldier organizations and sympathizing persons, and for each and all this petition is respectfully presented; necessarily it will embrace facts, argument, and sentiment. We trust as a whole it may prove convincing. If it were less the depth of convictions might not appear.

First. We do not come as suppliants, but as true American citizens with the vigor of conscious right, demanding that without hesitation or a moment's delay the Government shall carry out the imperative duty, and most solemn obligation to bring home our soldier dead. Time is the very soul of the matter; it is now.

Second. After one whole year of patient waiting, affording ample time for governmental action, and with full knowledge of the suggestions put forth by France for holding our sacred dead, we can not recognize either the force or justice or fairness of any feature of her attitude or actions, of actuating motive, and we here appeal to you for the solace which is our right; bring home our soldier dead now.

Third. Deploring the necessity which calls forth this action, and recognizing an obligation to state the reasons which actuate us hereto, and desiring they may be known of all men, respectfully represent:

Fourth. War, which presupposes enmity, is always most tragic; but in this great World War, after a period of two years' progress and at the hour when it embodied the most ferocious, and even diabolical atrocities ever practiced by man, our American boys went bravely into that awfulness carrying with them the hearts of the mothers whose one thought was safe return; that mother heart now lies buried in France, while with her the tragedy of suffering will abide over here long after the fight, made for principle and democracy by those boys over there is forgotten in its detail.

Fifth. Peaceful death at home, free from the turmoil of war, with the solace of a grave within easy reach, leaves no tragic memories, while the tragedy of war involves that quality of the mother heart which men fail to understand; the solace of the grave for our dead soldiers within easy reach is now demanded as the duty of the Government to save the parents and widows from needless heart sorrow and save undesirable national issues and questions from arising in these strenuous times.

Sixth. Early in 1917 many of our American boys were in France, and thousands more of them were in cantonments at home soon the question arose, "Will the bodies of the dead be brought home?" It was discussed everywhere and became so insistent that the Secretary of War took notice, and as a result doubts were banished and hearts satisfied and morale established upon your public announcement that positively the bodies would be brought home.

Seventh. That declaration at that time surely was a binding agreement (at least with those on this side) and one which this country dare not longer delay in carrying out. Such an agreement between individuals would surely be a binding obligation, and we as citizens protest that this Government shall not have a different standard of ethics and duty than the highest standard observed by individuals, i. e., to keep the faith, and we respectfully submit that such agreement with the Government is enforceable in the court of right and duty.

The promise to the soldier was also the solemn assurance to the mother that her boy would be brought home for proper burial, not at the end of the war but in the event of his death, and a reasonable time thereafter; not at the end of three years or any other delayed time, but now; and it is not a fitting explanation of delay to name a future time suitable only to the convenience or purposes or possible caprice of France or any other power.

That agreement with the soldier himself and the assurance to the public is, in a sense, an obligation on every citizen, and it is being acknowledged by general support of this demand for fulfillment now.

Eighth. At a time after the armistice was signed, when the Government and the parents were in accord in the matter and steps for the return had been taken and the Congress had most generously provided money for the work, it is said that France offered suggestions for delay, and as a result the auspicious start was halted.

a. That situation, viz, the action of the Congress in providing money, the fact that start was actually made, the fact that excuses had to be offered by France to secure delay, the enlisting Gen. Pershing while he was yet in France to favor the delay, and finally the Secretary of War adopting and giving out the very excuses advanced by France, all give conclusive construction and proof that the agreement and intention was that the bodies would be brought home within a reasonable time, and we submit that the reasonable time was when France gave out her excuses.

b. This country must not further violate that agreement by longer delay; must not accept the excuses or wishes of France as against the rights of the American mothers; must not ignore the sacred duty to act now; must not leave the widows and parents to longer grieve for this consoling possession, now lying neglected and for the time abandoned, after giving their all that others might be safe.

c. The sons of America now buried over there died to save France, the same France of which so very recently it was thought no harsh feelings could ever arise among American people.

Ninth. Two suggestions were made by France to justify the delay of three years:

a. Economic conditions.

b. Sanitary conditions.

The economic conditions were never apparent to Americans, whatever the term was intended to cover; but how can it be pretended that American mothers are interested in such matters, except, possibly shipping, and at this time there are abundant ships for the purpose.

The sanitary question seems idle indeed when we think of what was accomplished during the war, and reflect that no such question has force.

Whether one ship is required or one thousand; whether one body or fifty thousand can make no difference, the duty to bring home our soldier dead now is just the same.

Aside from all that, there is the one great question: Are the American people to be ignored by their Government at the suggestion of France, and for her convenience or purposes?

Tenth. America spent millions of dollars for labor in sending soldiers across and can spend millions more for the bringing home of the dead, and when we think of Chateau-Thierry, Belleau Woods, Fismette, the Vesle River, and the Argonne, and reflect that ear has been given to the more or less specious suggestions of France, we resolve to double our efforts in all directions behind this appeal to remedy as far as may be the disappointments of delay.

Need we recount, Mr. Secretary, the part taken by the American boys in all the great battles of the war after March, 1918? May we mention that the qualities displayed by those boys represent the character and devotion of the parents who now come before you by this petition, praying for your action? Would you expect less energy and devotion to this purpose than was displayed by our soldier sons on the field of battle? Surely not.

We grant, Mr. Secretary, that you are and have been in accord with the sentiment as voiced herein and that you intend that the dead bodies shall be brought home, but this petition is directed solely to the question of acting now and not at any later date or hour. Shall we wait three years more and see the mothers, one by one, buried while her soldier boy lies over there?

It is the belief in this league that should France further interfere to cause delay that this country should use whatever means possible; diplomatic, financial, commercial, and industrial, even to severing business relations, to enforce the rights represented in this matter, and thereby determine if France now had or has given her real reasons for delay.

We hereby certify that the signatures of all the active members in this jurisdiction, together with pleading letters from others are on file in this office—thousands in number—which can be sent to Washington at a later time.

As a general public meeting will be held in this city on next Thursday in the interest of this movement a reply is respectfully desired by that time.

It is the intention to place this petition in the hands of the present members of the Cabinet and all other officials and all Members of the Congress.

With assurance of high personal regard, we beg to remain,

Very respectfully,

——— ———.

Mr. LITTLE. Mr. Chairman, I make the same request—to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CALDWELL. Mr. Chairman, I desire to use one minute and then I am going to yield the other two minutes to the gentleman from Kentucky [Mr. SWOPE], and I will ask the Chair to notify me when I have used that much time.

Mr. Chairman, when the gentleman from Kansas [Mr. ANTHONY] was discussing this bill earlier in the day questions were asked him as to the number of men who would be affected by this bill. I have endeavored to get the information. I find that The Adjutant General's office has carried its figures, in a great many instances, combined with the other branches of the service in such a way that it is almost impossible to segregate the number. It is definitely known, however, that 151 officers of the Regular Army either were killed or died of wounds received in battle during the war and that 20,258 enlisted men were either killed or died of wounds received during the war while in the regular service, of which a part were men who joined the regular service after war was declared and who volunteered individually as members of the regular service. All told, the killed in battle and those dying from wounds received in battle, of enlisted men of the whole Army, amounted to 77,394.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CALDWELL. I yield two minutes to the gentleman from Kentucky [Mr. SWOPE]. [Applause].

Mr. SWOPE. Mr. Chairman and gentlemen of the committee, I am in favor of the amendment offered by the gentleman from Texas, because, speaking from my own experience and observation in the Army, I am opposed to any act that draws any distinction whatever between the families of the men who served in the Army during that period. I believe that the men who served in this war, whether in the National Guard, drafted Army, or the reserve are entitled to as much as those who served in the Regular Army. As I read this act it is to provide for the payment of six months' pay to the widow, children, or other designated dependent relatives of officers or enlisted men of the Regular Army whose death results from wounds or diseases not the result of their own misconduct in the Regular Army, and the word "thereafter" has been stricken out, and as it now reads it dates back to October 6, 1917, and covers practically the whole period of the war.

Now, gentlemen, I want to call your attention to this one fact about the professional soldier: When a man goes into the Regular Army as a profession, he necessarily undertakes all the hardships and hazards of that profession, the same as he would in any other profession, and for that reason he is not entitled to any more than a man in the reserve, drafted Army, or National Guard while on active duty. The men who made the greatest sacrifices were the men who left homes, business, and education and gave up all for the great cause. There were many volunteers who went into the Regular Army at the beginning of the war and others went into the National Guard.

Do you believe that we should in the name of fairness pass an act that would cut out the families of the men who were drafted or volunteered and went into the National Guard from the six months' pay and simply give it to the other men who by some stroke of luck happened to enter the Regular Army? I can safely say, judging from my own experience, that there will be three to one men who were killed outside of the Regular Army as compared to those who were killed or died by disease in the Regular Army. At that ratio the family of one Regular Army deceased soldier would receive six months' pay, while three families of National Guard, drafted, or reserve deceased soldiers would receive nothing.

Such a plan is unfair and wrong. Now, I want to call your attention to one other fact, and that is during October and November of 1918 the men in the cantonments died by the thousands from Spanish influenza. I have walked through the morgues and have seen those bodies lying there so thick that you could scarcely touch the ground between them. I have seen my own men who died in that manner, and I have seen their old gray-haired mothers look up to me through their tear-bedimmed eyes and say, "Oh, I have given all I had." And I say to you that heroes could do no more. Do you suppose we should begin back in 1917 and make this act apply to only those who served in the Regular Army, and leave the mothers and wives of those men who were drafted and died with no compensation except what they receive from insurance? The heart of a mother or wife or child of a drafted soldier can ache and suffer as much as the heart of a mother or wife of a Regular Army soldier. For those reasons I am in favor of making this act apply to all officers and enlisted men. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SWOPE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection. [After a pause.] The Chair hears none.

Mr. GOODYKOONTZ. Mr. Chairman, I desire to renew my motion to revise and extend my remarks in the RECORD and to also insert as a part of the same the papers which I referred to.

The CHAIRMAN. The gentleman from West Virginia desires to renew his request for unanimous consent to extend his

remarks in the RECORD by printing the papers indicated. Is there objection?

Mr. LAGUARDIA. Mr. Chairman, the gentleman from Pennsylvania [Mr. KELLY] and the gentleman from Ohio [Mr. FESS] inform me that they are personally acquainted with these gentlemen, and I will not object.

Mr. ANTHONY. I want to say to the gentleman that there is a propaganda among the undertakers of the country to further this work. He does not intend, does he, to print any of the literature that is being sent out?

Mr. GOODYKOONTZ. The first intimation that I have had that there was any organization or scheme on the part of the undertakers I have heard here this afternoon. I am sure that this subject, which is so close to the hearts of the parents whose sons have fallen in France, ought never to be even questioned by such a foreign suggestion as that undertakers are at the bottom of it.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia? [After a pause.] The Chair hears none. The gentleman from Kansas [Mr. ANTHONY] is recognized.

Mr. ANTHONY. I do not care to use the balance of my time, Mr. Chairman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That hereafter, immediately upon official notification of the death from wounds or disease, not the result of his own misconduct, of any officer or enlisted man on the active list of the Regular Army or on the retired list when on active duty, from and after October 6, 1917, the Quartermaster General of the Army shall cause to be paid to the widow, and if there be no widow to the child or children, and if there be no widow or child to any other dependent relative of such officer or enlisted man previously designated by him, an amount equal to six months' pay at the rate received by such officer or enlisted man at the date of his death. The Secretary of War shall establish regulations requiring each officer and enlisted man having no wife or child to designate the proper dependent relative to whom this amount shall be paid in case of his death. Said amount shall be paid from funds appropriated for the pay of the Army.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 1, line 3, after the word "That," strike out the word "hereafter" and insert "from and after October 6, 1917."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. MANN of Illinois. Mr. Chairman, I hope this amendment will be disagreed to. If we disagree to it and agree to the amendment which comes next, in line 7, it would leave the bill without the retroactive features that make it applicable only to cases occurring after the passage of the law.

Mr. TILSON. Mr. Chairman, it has not been explained during the general debate how it would be possible to distinguish as to who are members of the Regular Army and who are not, so far as the enlisted men are concerned. As to the officers it is simple, for there is a clearly defined list of officers.

Soon after the war began, or after we came into the war, the distinction between the Regular Army, National Guard, and National Army was supposed to have been wiped out. When a man enlisted or was drafted he might be assigned to a National Guard regiment, a Regular Army regiment, or a National Army regiment, and all the enlistments were made for the duration of the war; that is, all enlistments made after a certain time.

Mr. CALDWELL. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. CALDWELL. The gentleman will recall that at the time of the declaration of war the enlistments were thrown open individually into the Regular Army, and men enlisted voluntarily into the Regular Army for a period of three or four years, and then afterwards for the period of the war. There were also enlistments in the National Guard, and then there was the draft. On a fixed date the War Department, as the gentleman will recall, issued an order that no longer would they take any voluntary enlistments at all, and from that day on everybody went into the Army of the United States.

Mr. TILSON. All enlistments were made for the period of the war after a certain time. Instead of a man enlisting in the Regular Army for three years or four years, or any specified time, as had been previously done, he enlisted for the war.

Mr. CALDWELL. But the gentleman will remember that the enlistments were in the various branches of the service, just as distinct as the Regular Army, the National Guard, the Marine Corps, and in the Navy.

Mr. TILSON. Then the distinction fails, because if the men enlisted indiscriminately in the Regular Army or National Guard——

Mr. CALDWELL. Not indiscriminately. A man chose his service.

Mr. TILSON. However, they were all enlisted for the period of the war. In the case of the man who was in the Regular Army prior to the war under an enlistment for a certain number of years, there is some reason for the distinction, but when a man enlisted in or was assigned to one of the so-called Regular Army regiments after the war began, without enlisting for any certain period except for the period of the war, I do not see how it is possible or proper to distinguish him from a man who enlisted in or was assigned to any other organization of the Army. I do not understand why the latter should be discriminated against.

Mr. McKENZIE. Will the gentleman yield?

Mr. TILSON. I will yield.

Mr. McKENZIE. I assume that my former colleague on the committee well remembers the legislation that provided that it was immaterial in which branch of the service a man served; that when the emergency ended he was entitled to his discharge.

Mr. TILSON. I have that in mind.

Mr. McKENZIE. I think this law very properly and clearly takes care of the men who were in the Regular Army at the time of the breaking out of the war, and to those this would properly apply.

Mr. TILSON. The gentleman is entirely correct; but after that event I am unable to understand how you are going to unscramble the eggs, as the gentleman from Illinois, our dear Uncle JOE, sometimes says. How are you going to distinguish one class from the others?

Mr. LAGUARDIA. Would not this——

The CHAIRMAN. The time of the gentleman has expired.

Mr. TILSON. Mr. Chairman, I ask unanimous consent to proceed for one minute more in order to answer the inquiry of my friend from New York.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. Would not this be the test, that all those men who enlisted for the three-year period in the Regular Army would be considered for the purpose of this act as belonging to the Regular Army, and the others "duration" soldiers?

Mr. TILSON. If so, there would not be such a very great number of the former. It is undoubtedly the fact that a very considerable number of men who served in so-called Regular Army regiments and divisions during the war were in every respect on the same footing as the men in the other organizations of the service which were not so labeled.

Mr. LITTLE. Why does not that apply to officers?

Mr. TILSON. It does apply to officers and to those men who enlisted in the Regular Army prior to the war.

Mr. SAUNDERS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. SAUNDERS of Virginia. I just wanted to ask the gentleman this question: Is it the contention that everybody who went into the Army of the United States after the war began is a member of the Regular Army?

Mr. TILSON. No. They were all members of the Army of the United States, as I believe they called it.

Mr. SAUNDERS of Virginia. Well, then, if they were all members of the Army of the United States, and not of the Regular Army, how does that difficulty arise that seems to be in the gentleman's mind?

Mr. TILSON. Members of the Regular Army became members of the Army of the United States, but they did not thereby cease to be members of the Regular Army. The converse, however, was not true. Members of the Army of the United States did not thereby become members of the Regular Army.

Mr. SAUNDERS of Virginia. As I understand from the gentleman, those men who went into the Army after the declaration of hostilities were not in the Regular Army.

Mr. TILSON. They were assigned to and served in Regular Army organizations, but as it seems to me they were in no respect on a different footing from other "duration of the war" men.

Mr. SAUNDERS of Virginia. Then if they are not in the Regular Army, there is the distinction right there.

Mr. TILSON. As I have stated, they served in Regular Army organizations, and I was trying to ascertain from some member of the Committee on Military Affairs just where and how the line would be drawn in the application of this legislation.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. CALDWELL. Mr. Chairman, I want to call the attention of the gentlemen who are in favor of the Mann proposition, if I may be permitted to designate it as such, to the fact that if the proposition suggested by the gentleman from Illinois is adopted by this House you are going to create a distinction between the men who were killed in the first battles and those who were killed in the later battles.

The first operations of the American Army that demonstrated what American manhood could do were had before October 6, 1917. Then, following that, the next operations were where the greatest force ever put forward by our people in the history of our whole nation was put forward by the First, Second, Third, and Fourth Divisions of the Regular Army. I do not see how we in conscience can deny this to those men who for the period of their whole lives, practically up to the time they went into those battles, and who when they enlisted said, "We will bear the colors of this country and we will fight its battles on every field where we are sent," and some of those men went to Chateau-Thierry and at the battle between Soissons and Chateau-Thierry——

Mr. LAGUARDIA. The gentleman is wrong in his dates.

Mr. MANN of Illinois. You are a year out.

Mr. CALDWELL. I am talking about those both before and after that date. I know what the gentleman refers to. I said that was the second place.

Mr. LAGUARDIA. Where was the action before October 6, 1917?

Mr. CALDWELL. They went over there in July, 1917, and were in action.

Mr. LAGUARDIA. Where? In the Toule sector?

Mr. CALDWELL. Yes.

Mr. LAGUARDIA. In action?

Mr. CALDWELL. Yes. This is what I have to say: As for these men who enlisted in the United States Army, many of them had been in there for several years and had devoted their time to this service. A great many of them were married and had children, and those people knew that the contract of service existing between the regular soldier and his Government was that in the case of his death during the time of his enlistment the United States Government would see to it that his widow and children should have, in addition to the other things which the law has specified, six months' pay, six times $15 a month. And what Member of Congress is going to say that the widows and children of those men who have devoted their lives to preparing themselves for the battle which was fought in the interest of our country shall not have six times $15?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. The gentleman's time has expired.

Mr. KINCHELOE. Mr. Chairman, I move to strike out the last word.

Mr. LONGWORTH. Mr. Chairman, I make the point of order that the gentleman's amendment is of the third degree. There are two amendments pending that have not been acted upon.

Mr. KINCHELOE. I rise in opposition to the gentleman's amendment.

The CHAIRMAN. The motion of the gentleman from New York [Mr. CALDWELL] is still pending. The Chair sustains the point of order.

Mr. KINCHELOE. I want to speak in opposition to the committee amendment.

The CHAIRMAN. The debate is exhausted on the committee amendment.

Mr. RAYBURN. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman's motion is in the third degree. There are two amendments pending now.

Mr. RAYBURN. What amendments?

The CHAIRMAN. The committee amendment and the amendment of the gentleman from New York to strike out. The Chair will recognize the gentleman from Kentucky.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, I am very much opposed to the amendment of the House Committee on Military Affairs which was placed in line 3 of page 1, and I am very much in favor of the sentiment expressed by the gentleman from Illinois [Mr. MANN].

Of course, the primary purpose of this legislation is to restore the original law that was repealed on the 6th of October, 1917, which was that the families of the soldiers in the Regular Army who died from disease or were killed should receive six months' pay. The amendment which the Committee on Military Affairs has put in here by putting in the words "from and after October 6, 1917," and striking out the word "hereafter" is a retroactive feature which is absolutely gratuitous to the families of those who happened to be members of the Regular Army, because of the fact that they were the beneficiaries under the war-risk insurance act just as much as the families of those who were drafted and those who volunteered in the National Army, where they had died or had sacrificed their lives in one way or another. They have been the recipients under the war-risk insurance act just as the families of those in the National Army. Now they come along and propose in addition a gratuity of six months' pay. They were the recipients under the war-risk insurance act just as much as the families of members of the National Army.

The committee does not know how much it will cost. The acting chairman of the committee stated that he did not know how many men were killed or had died whose families would be the beneficiaries under this retroactive feature. He has no idea of the number of dollars it will cost, and yet the retroactive feature is absolutely gratuitous to those who happen to be the children or the wives of those who died while serving as members of the Regular Army.

Why should you do it? It is all right to restore the original law now, provided section 3 of the Senate bill is restored, because if you do you simply restore the old law and give those who were members of the Regular Army in peace time what they would have gotten before. But if you put that premium on that you will say that those who were drawn out of the pursuits of peace, either voluntarily or by the draft, and went out and helped win this war shall be discriminated against, and you differentiate between them and those who happened to be in the Regular Army.

The gentleman from Kansas [Mr. ANTHONY] says the incentive to do that is an incentive to volunteer in the Regular Army. If you strike out the words "from and after October 6, 1917," and restore section 3 of the Senate bill, that incentive to join the Regular Army will be just the same as it was before. But if you are going to enact it as reported by the House committee, then you ought to adopt the amendment of the gentleman from Texas [Mr. CONNALLY] and give the wives or children of those who volunteered and those who were drafted into the National Army the same benefits as you give to those who were in the Regular Army.

The gentleman from Illinois [Mr. MCKENZIE] said that one of the main purposes of this bill was that if a soldier in one part of the United States should die there, away from his family, they could go to the funeral and attend the ceremony. I do not understand why the gentleman from Illinois forgot to mention the fact that many a poor woman's husband and many a poor child's father died on the battle line in France, under shot and shell, in defense of this country, and that poor wife and those poor children not only never had the opportunity to attend his funeral but perhaps never will have an opportunity to look upon his grave. I say this is absolutely a gratuitous proposition and there is nothing justifiable in voting to retain the words "October 6, 1917."

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Mr. LAGUARDIA. I rise in opposition to the amendment of the gentleman from Illinois.

The CHAIRMAN. All time has expired.

Mr. RAYBURN. Time has not expired in opposition to the motion of the gentleman from Kentucky [Mr. KINCHELOE].

The CHAIRMAN. The gentleman from Kentucky——

Mr. LONGWORTH. Mr. Chairman, I make the point of order that all time has expired. This is an amendment to a committee amendment.

Mr. RAYBURN. I am not offering any amendment. I rise in opposition to the motion of the gentleman from Kentucky.

The CHAIRMAN. The Chair is inclined to think the gentleman is entitled to recognition to oppose the motion made by the gentleman from Kentucky.

Mr. LONGWORTH. I want to say this in the interest of the enforcement of the rules of the House. It seems to me the situation is very clear. The gentleman from Illinois debated the committee amendment for five minutes. The gentleman from Connecticut [Mr. TILSON] debated the amendment for five minutes. Then the gentleman from New York [Mr. CALDWELL] offered an amendment to the amendment, which he debated for five minutes. Then the gentleman from Kentucky [Mr. KINCHELOE] arose in opposition to that amendment. Therefore the debate is exhausted.

Mr. CALDWELL. No; I withdrew my amendment.

Mr. LONGWORTH. The gentleman had no right to withdraw his amendment except by unanimous consent.

The CHAIRMAN. The Chair will state the proposition. The time for debate on the committee amendment was exhausted. The gentleman from New York [Mr. CALDWELL]

moved to strike out the last word, and his amendment was pending when the gentleman from Kentucky [Mr. KINCHELOE] arose and desired recognition. Then the gentleman from New York [Mr. CALDWELL] withdrew his amendment, and the Chair recognized the gentleman from Kentucky, who moved to strike out the last word and discussed his amendment for five minutes. Five minutes remained in opposition to the motion to strike out the last word. The Chair then recognizes the gentleman from Texas [Mr. RAYBURN].

Mr. LONGWORTH. Will the Chair permit me to suggest that the gentleman from New York [Mr. CALDWELL] had no right to withdraw his amendment except by unanimous consent?

The CHAIRMAN. There was no objection, and the Chair recognized the right of the gentleman from Kentucky [Mr. KINCHELOE] to make the motion. The gentleman from Texas [Mr. RAYBURN] is entitled to recognition in opposition to the motion made by the gentleman from Kentucky.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. Is not a member of the committee who was first on his feet entitled to priority of recognition?

Mr. RAYBURN. Not if another Member is recognized.

The CHAIRMAN. The Chair has recognized the gentleman from Texas.

Mr. RAYBURN. Mr. Chairman, there has been quite a good deal of talk here about treating the soldiers exactly the same under the law. It seems to me that would be a very easy matter to handle in the bill that we have before us. If the first committee amendment is voted down, and the second committee amendment is carried, and the third committee amendment is carried, then everybody who has been in this war from October 6, 1917, until this law takes effect will stand exactly in the same status. There will be no question of discrimination. It seems to me that since we have been operating under the law of October 6, 1917, which put all the men in the Army upon the same footing, certainly even though it was not wise to do that, yet as we have recognized the principle that every man in the Army was as patriotic as every other man in the Army, we would remove all of this criticism of this bill, and probably just criticism, and we would be doing exact justice by all alike by letting the law take effect from the passage of this act.

Mr. NEWTON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Missouri.

Mr. NEWTON of Missouri. Suppose this amendment is defeated. What will be the status of the volunteer soldier or the drafted man in case of a future war? Will you not have this discrimination?

Mr. RAYBURN. It will not affect any future war, because we will pass new legislation providing for the raising of an army.

Mr. NEWTON of Missouri. The drafted man would be discriminated against, would he not, unless you pass new legislation?

Mr. RAYBURN. No, because it would apply to all alike.

Mr. NEWTON of Missouri. It would apply to all the Regular Army.

Mr. RAYBURN. The National Army is supposed to be demobilized. It has been announced several times that it has been demobilized.

Mr. NEWTON of Missouri. But from now on.

The CHAIRMAN. The question is on agreeing to the first committee amendment.

The question being taken, the first committee amendment was rejected.

The CHAIRMAN. The Clerk will report the second committee amendment.

The Clerk read as follows:

Page 1, line 7, after the word "duty" strike out "from and after October 6, 1917."

Mr. MANN of Illinois. Let us agree to this amendment which strikes out all of the retroactive features.

Mr. ANTHONY. Mr. Chairman, I think the committee would make a great mistake by striking out the provision which makes this measure retroactive. During the war there were a number of instances where officers died or were killed who were not protected by Government insurance, who left their families absolutely helpless, and to do this would subject these men to very grave injustice.

Mr. WALSH. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. WALSH. Were there not a number of volunteer officers——

Mr. ANTHONY. Oh, let me say that the gentleman from Massachusetts is making the same mistake that has been made many times to-day on the floor of this House by endeavoring to confound this legislation primarily enacted for the regular service with the service rendered by temporary officers and men enlisted for the period of the war. I do not want for a minute to refuse to give everything that is due to the men who went into the temporary service. I think they should have everything that we can do for them, but this is intended for the regular service, which is of an entirely different nature from the service rendered by the other men, and we should consider it purely in that light.

Mr. WALSH. The gentleman is advancing as an argument that some officers of the Regular Army failed to take out insurance and therefore their dependents should have six months' gratuity.

Mr. ANTHONY. We are penalizing the families because of the failure of the husband to take out insurance.

Mr. WALSH. How are you going to take care of the families of the volunteer officers who failed to take out insurance?

Mr. ANTHONY. They are not considered on the same basis as the officers of the Regular Army for the reason that they have not given 15 or 20 years of their life to the Government.

Mr. WALSH. They have given their lives in the defense of their country.

Mr. ANTHONY. I am not minimizing that.

Mr. LAGUARDIA rose.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. LAGUARDIA. To oppose the motion.

The CHAIRMAN. The gentleman from Illinois has consumed five minutes——

Mr. MANN of Illinois. I beg the Chairman's pardon, I did not use a half a minute.

The CHAIRMAN. When any time is used under the five-minute rule the time can not be farmed out, and that exhausts the five minutes.

Mr. MANN of Illinois. The Chairman is entirely mistaken; there never has been any such ruling. Of course, a Member who gets the floor for five minutes can not farm out his time by yielding to some one else, but he can yield the floor. The rule provides that there may be five minutes used for and five minutes against the amendment. Some one else can use the time. The Chair is slightly mistaken in his recollection.

The CHAIRMAN. The Chair had made inquiry, but is frank to state that he has not examined the precedents. Without objection, the Chair will recognize the gentleman from New York.

Mr. LAGUARDIA. Mr. Chairman, the trouble this afternoon in this debate is that there has been too much discussion of matters that do not pertain to the bill. The relative merits of the Regular Army officers and the volunteer officers should not be the point of discussion. I think it is most unsoldierly, with all due respect to the colonel of Philippine Islands fame, the gentleman from Kansas, to make the criticism that he so often makes on the floor of the House. After all, we wore the same uniform, and the Army officer is a gallant, brave, and able soldier. The question is whether the families of these officers shall have the six months' allowance, as the law formerly provided. The officer knew that if he died in the service his family would receive six months' pay and allowance. The real reason is, as everyone knows, that the Regular Army officer lives with his family at the post or the barracks or anywhere where his military duties call him, and that when he dies the family is compelled to move out of the house and find a home elsewhere. So that the families of these officers who died after October 6, 1917, have absolutely no home. They are destitute, and this talk that they have the benefit of the war-risk insurance is misleading, because all that the widow receives is $57 a month if the officer carried the full $10,000 insurance. So it is not a question of giving the officer's family more consideration than another set of officers, but it is carrying out a quasi contractual obligation on the part of the Government with the families of these officers that they would receive six months' allowance in case of death, and that is all there is to it. If we do not allow sufficient compensation to the injured and crippled officers not in the regular status, that is our own fault. We can pass any measure we desire in regard to that, and this discussion that we have had in regard to the volunteers has no part in deciding the merits of this bill. All we have before us is the question, Are we going to keep faith with the families of these officers who expected the six months' allowance and who did not know it was repealed? If the Congress did not know it, how could you expect the officers or their families to know that it was repealed? In all fairness and justice let us be manly about this and help those families by granting this compensation.

Mr. WALSH. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. WALSH. The gentleman says that the House did not know that this was repealed.

Mr. LAGUARDIA. Judging from the discussion this afternoon, I think so.

Mr. WALSH. If the gentleman will examine the discussion and debates of the war-risk insurance act, he will find that we did know it.

Mr. LITTLE. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. LITTLE. Does not the gentleman think the war-risk insurance and compensation is an ample substitute for the few dollars that would be granted by this bill?

Mr. LAGUARDIA. It is not ample, and the gentleman knows it is not ample. All the widow will receive is $57 a month, and she needs money to set up a new home. These families are really poor and depend on this allowance to move to their new home and get started. With the pay we allow our officers, there is no possibility under present living conditions to save for just such an emergency.

Mr. LITTLE. Does not the gentleman think the compensation and $10,000——

Mr. LAGUARDIA. But she does not get the $10,000, and the gentleman knows it.

Mr. LITTLE. She gets $10,000.

Mr. LAGUARDIA. She gets $57 a month.

Mr. LITTLE. Yes.

Mr. LAGUARDIA. And what is she going to do with it?

Mr. LITTLE. Use it to live on.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, after listening to the debate this afternoon I believe the only arguments that have been offered why this gratuity, because that is all I can call it, should be granted are two—one, the negligence of the Regular Army officer or enlisted man to avail himself of the privileges of the war-risk insurance, and the other, that he had led an extravagant life and has not been able to save anything.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BEGG. I can not yield. Those two arguments have been offered as a reason why the dependents of the Regular should be especially cared for as against the ordinary enlisted man. I want to call the committee's attention to the fact that the advocates of this bill continually bring forth the argument that they are only restoring the old law. I would like to have them tell this committee why the old law was taken off the statute books? It was taken off because they thought they had something better in the way of a war-risk insurance and the compensation that is available under that act. If we are going to restore this statute, we must either deprive the Regular Army soldier of the benefits of the war-risk insurance act or doubly compensate him against any other soldier that may ever fight in the future, without special legislation. It does not seem to me that the Army needs double compensation. I am willing to give the Regular Army soldier from this on the six months' pay if we take away his benefits under the war-risk act. Of course, the advocates of this bill say that the soldier pays for his insurance under the war-risk act. He does not pay the full cost of the insurance, as you will discover when you get your reports of the cost of conducting the War Risk Insurance Bureau. You will find that the Army is not making the war-risk insurance a self-sustaining proposition, nor is it intended so to do. So, if you are going to continue the war risk, which was passed to offset this proposition, then give him one or the other, but I can see no justice in giving him both.

Here is another condition to which I would like to call the attention of the committee. Suppose I enlisted in the Regulars when the war broke out for the duration of the war, and you enlisted, volunteered, in the National Army. We were both killed. My widow gets one-half of a year's pay—I do not care whether it is $300 or $3,000—and your widow gets nothing. You can never convince your widow by all of the argument that you can make on the floor of the House that her Government has been just and fair to her, and I do not believe it would be just and fair to her under those circumstances. If you are going to make this act a gratuity and put it on the statute books, we ought to strike out the words "Regular Army" and make it applicable to every boy that fought, or else give them a compensation under the war-risk insurance and nothing more. I want to know how you are going to answer the proposition that the boy out at Walter Reed is going to put to you who has had all his earning power taken away from him because of the sacrifices that he has made. You are compelling him to be satisfied with the war-risk insurance and the benefits that will accrue to any man who availed himself of that opportunity, and yet we are here this afternoon bowing down to the Regular Army and paying them an extra bonus that we say that the man can not have who volunteered or was conscripted. The argument that is offered that the Regular has given 25 or 30 years of his life does not carry any weight with me for the simple reason that as a young man he chose his profession. His profession, except only in the time of war, is the safest, cleanest, finest work that there is. He does not have a great salary attached to it, but neither do thousands of other business men. The Army officer and the Army Regulars to-day are drawing compensation as great as the great army of school-teachers, and not one of the latter ever gets any recognition, although they are serving a purpose in this country which is just as necessary as that of the Regular Army officer, and they are doing it just as efficiently. The Army officer, in addition to getting his salary, gets certain additions in the way of living accommodations which make his salary decidedly in advance of what the pay roll calls for. I want to say in conclusion that I think that to pass legislation of this kind is decidedly out of keeping with our standards of fair play.

Mr. CRAGO. Mr. Chairman, I do not know that I can explain exactly to the satisfaction of the House what the committee had in mind when this bill was brought before it. I think the gentleman from Massachusetts [Mr. WALSH] is entirely mistaken when he says that the House understood, in enacting the war-risk insurance legislation, that we wiped this particular provision out of the law. We did provide that there should be no distinction between the officers and men, and that is probably correct, but here is what happened: A few weeks after that act was passed a lady, probably 50 or 60 years old, came into my office and said to me that a strange situation had developed; that her husband, a Regular Army officer, had died at one of the western posts; that he was a man beyond the age of going overseas, and they did not know that this provision had been wiped off the statute books, and had not taken advantage of the provisions of the war-risk insurance act. The husband died, and she made application through the proper channels for the payment of the six months' pay, and much to her surprise and consternation a ruling was made by the Comptroller of the Treasury that the provisions of the war-risk insurance act had repealed automatically the act in respect to six months' pay. I thought that must be a mistake, and we took it up and found that it was not a mistake; that they had so ruled. Later this bill was introduced. What the bill was intended to do when we passed it through our committee was simply to leave these Regular Army officers and men in the same status they were in when the act was passed. I doubt if there is a single officer or man in the Regular Army who went overseas or who contemplated going overseas, or was killed or wounded in action, who had not taken advantage of the war-risk insurance act, and the cases which have been called to our attention are cases of men who were in this country serving in some capacity, probably called from the retired list and doing duty which they knew would not take them overseas and would not put them in any additional risk, and they simply rested under the provision as they thought it still remained.

You will find very few cases where this will apply, and to take care of these few cases was the purpose we had in view.

Mr. LAYTON. Why not bring in a separate bill to provide for those particular cases?

Mr. CRAGO. That would be legislation for individuals and, of course, would hardly be a subject of general legislation. Now, we were told this would apply to a very few cases, cases of real hardship, where men's families were practically left destitute or the widow was without any means. She had even borrowed money in this particular case before she could bury her husband.

Mr. MANN of Illinois. The gentleman does not mean that this bill is only confined to these particular cases?

Mr. CRAGO. We only intend to provide for cases in the Regular Army where men had died believing, as they did, that they were protected by this six months' pay.

Mr. MANN of Illinois. In order to do that you provided for all of them?

Mr. CRAGO. No; I do not think we have.

Mr. MANN of Illinois. All in the Regular Army.

Mr. CRAGO. I was preparing to say I think there should be some provision that where these men are taken care of under the war-risk insurance act this should not apply or it should be taken out. I do not agree with the Secretary of War in the position, but we should in all fairness leave that provision in retroactive to the date when the war-risk insurance act was passed. Otherwise we will do an injustice to some people who are not able to bear it.

Mr. MANN of Illinois. The Committee on Military Affairs is a brilliant committee and ought to be able to bring in a bill that would cover what they desire to cover without covering a whole lot of things. I take it for a certain thing as to officers and men during the war the Government in the end will not make a

distinction in the payment which it makes in favor of the Regular Army as against the Volunteer Army.

Mr. CRAGO. There is not anything against the Volunteer officers or men. They never were entitled to this.

Mr. MANN of Illinois. Nobody was entitled to it; it was a gratuity.

Mr. CRAGO. It was an act of Congress.

Mr. MANN of Illinois. It was a gratuity.

Mr. CRAGO. And I will say in answer to the gentleman's statement about the committee being able to bring in a bill, this is a Senate bill prepared by the War Department, and I want frankly to state what our position in the committee was in the premises, because we knew about these individual cases——

Mr. MANN of Illinois. This is a Senate bill, and the first bill prepared was a House bill, sent to the House Committee on Military Affairs——

Mr. CRAGO. By the Secretary of War.

Mr. MANN of Illinois. Which took no action upon it.

Mr. CRAGO. I think the fair thing for us to do, in view of the whole situation, is to pass such a bill as will take care of cases that have not been cared for by the war-risk insurance act. You will find that it will not embrace more than a few dozen cases——

Mr. MANN of Illinois. You can not change this bill—bring in a bill to that effect.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PLATT. This has to do with a great many more enlisted men than with officers around Army posts.

Mr. CALDWELL. Mr. Chairman, I would like to make a motion to strike out the last two or three words, but it would be an amendment in the third degree, and I ask unanimous consent to address the House for two or three minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to address the House for three minutes. Is there objection?

Mr. LITTLE. I shall have to object, as the gentleman objected to giving me more time.

Mr. CALDWELL. I yielded the gentleman 10 minutes.

Mr. LITTLE. And I yielded you an hour.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BEGG] to strike out the paragraph.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The question was taken, and the amendment was agreed to.

Mr. LAGUARDIA. Division, Mr. Chairman.

Mr. LITTLE. Mr. Chairman, a parliamentary inquiry. May we have the amendment reported again, so we may understand it?

The CHAIRMAN. The amendment has been agreed to.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry. I was on my feet asking for a division.

Mr. WALSH. Not until after the Chair had announced the vote.

Mr. LAGUARDIA. I was on my feet.

The CHAIRMAN. The Chair did not hear the demand for a division, and waited a sufficient length of time and then declared the amendment carried.

Mr. WOOD of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, lines 2 and 3, after the word "man," strike out the words "previously designated by him."

Mr. WOOD of Indiana. Mr. Chairman and gentlemen of the committee, the purpose of this amendment is to provide that those who are dependent and who have not previously been designated as dependents may have the benefits of the provisions of this bill. There are many cases where officers did not make an allotment to a mother or to a dependent sister. He has made no designation of anyone being dependent upon him, electing, as has been done in many cases, to make provision out of his pay by sending from time to time a check. I have a concrete case in mind where a young officer, a graduate of West Point about the time we got into this war, was in the service on this side until after the armistice, was then sent over to Germany, and was killed at Coblenz last week. That young man sent his mother an allowance every month out of his salary. She never had been designated a dependent, notwithstanding the fact that she was and is a dependent. If this bill becomes a law as it is without this proposed amendment, cases of the character I have mentioned could in no case receive the benefits of this act. Therefore it occurs to me that the dependence in the case should be determined by the facts. Under the war-risk act the soldier would not have of necessity to make allotment for his mother.

That was not a compulsory allotment. And in many cases a private during this war did not make that allotment, but elected to send out of his salary to his mother money at the end of the month or whenever he received his pay. I do not think it was the intention of the committee that the real dependents, when the facts show that they are dependent, should be denied the benefits of this bill.

Mr. LAGUARDIA. The gentleman overlooks the fact that what the committee is trying to do is to bring back the act as it originally stood when it was repealed by the war-risk insurance law, and nothing else. Under the gentleman's amendment it would bring in a lot of relatives who were not entitled.

Mr. WOOD of Indiana. I would not bring back a single person who is not intended to be covered by this act, but I would make it clear that the dependent under this act shall not be deprived of the benefits of it by reason of some unfortunate language. As I have stated, there are many private soldiers and officers who have not designated their mothers, even, as dependents, but they have been contributing each month to their support. In cases of that character such dependent would absolutely be denied the benefits of the provisions of this bill.

Mr. ANTHONY. The gentleman speaks of the fact that a soldier's mother would not get it if we did not strike out the words referred to. If he reads the language, it says "to any other dependent relative."

Mr. WOOD of Indiana. The gentleman is mistaken. Any other dependent relative "previously designated." That is what I want to get out of there. His mother would not get a cent under the provisions of this bill unless she had been previously designated.

Mr. ANTHONY. If a soldier does not think enough of that "other relative designated," do you think it ought to be thrown out?

Mr. WOOD of Indiana. I have attempted to bring to the attention of the committee the fact that they do think enough of them, and have repeatedly, constantly, and consistently paid them out of their wages rather than to designate them.

Mr. LAGUARDIA. But the gentleman knows that every officer and soldier at the time of his enlistment in the service designates some relative.

Mr. WOOD of Indiana. He does not designate some relative as his dependent, but some one as an emergency friend, to whom communications can be made.

Mr. LAGUARDIA. And also to whom his belongings should go.

Mr. WOOD of Indiana. That does not make them dependent. If I go in the Army to-day, under the law as it is, I designate some one who shall be communicated with and to whom my personal effects shall be sent if I am killed, but I do not think such persons would be considered as dependent upon me necessarily.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. Mr. Chairman, the amendment offered by the gentleman from Indiana [Mr. WOOD] is designed to correct a misfortune which does sometimes arise, and we have on a number of occasions, by a special act of Congress, provided that the gratuity of six months should be paid to the person, as shown by the proof, who should receive it. But if we agree to the amendment of the gentleman from Indiana it will result in a great many other people being hampered and harassed and delayed, and the War Department made into a tribunal which, in order to settle these questions, will have to acquire a large amount of proof, according to the usual lines of red tape. The soldier is given the opportunity to designate the dependent relative under the terms of the bill. Now, the amendment would strike out the right to designate anyone, and the soldier could have a half dozen dependent relatives. If he has only the one, it becomes then a matter of proof to show whether such person was dependent or not before he can get the money. Under the existing practice, or the practice that was in existence, the designation of somebody was itself sufficient proof that that person was a dependent relative, and immediately upon the proof of death the money was paid. But if there be no designation, and the money is to be paid to some dependent, you have got to have proof as to the dependency, and if there are several dependent relatives, as there may be, you have got to figure out how it is to be divided. There would be confusion beyond belief, and many a person who otherwise would receive this gratuity within a short time after the course of a few years will still be wondering when it will be settled.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Indiana [Mr. WOOD].

The question was taken, and the amendment was rejected.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. LONGWORTH having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3452. An act granting the consent of Congress to the city of Detroit, Mich., a municipal corporation, to construct, maintain, and operate a bridge across the American channel of the Detroit River at Belle Isle.

The message also announced that the Senate had passed with amendment joint resolution (H. J. Res. 213) continuing temporarily certain allowances to officers of the Navy, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed without amendment the bill (H. R. 6857) to authorize the change of the name of the steamer *Charlotte Graveraet Breitung* to *T. K. Maher.*

SIX MONTHS' PAY TO DEPENDENTS OF DECEASED ARMY MEN.

The committee resumed its session.

Mr. CONNALLY. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. CONNALLY offers the following amendment: Page 1, line 7, after the word "duty," insert "or of the death from wounds or disease not the result of his own misconduct, of any officer or enlisted man in the National Guard or the Reserve Corps when in the active Federal military service of the United States."

Mr. MANN of Illinois. Mr. Chairman, I make a point of order against the amendment. This bill is wholly in reference to the men in the Regular Army of the United States, a particular class, and under the rulings for many years it is not in order to propose by way of amendment to insert another class.

Mr. McKENZIE. Mr. Chairman, I do not care to discuss the point of order, although I think it is sound, but I would like to say just a word before we leave this section. The truth about this whole matter is that it is an attempt to reenact an old statute, but it has been bungled up by undertaking to make it retroactive, and that part of the bill has been stricken out. This is a simple proposition.

Prior to the war we had a law that made provision for the payment of six months' salary to the widow of a deceased Army officer. When we got into the war we passed the war-risk insurance bill and put all the men in the Army on an equality, which was right. Men in the Regular Army and officers in the Reserve and National Guard became officers and men of the Army of the United States. And to my mind that was right. I would favor the reenactment of the old law. I believe it was a just law. But I would put at the end of section 1, and I assume that some of the members of the committee will probably do so, an amendment to take care of the specific case such as was mentioned by the gentleman from Pennsylvania [Mr. CRAGO], providing that where an officer had not taken advantage of the war-risk insurance law, then in that event his widow should be entitled to compensation under this act.

But where the officer had taken advantage of the war-risk insurance law his widow should not now be permitted to come in and enjoy the emoluments provided for in this law. If such an amendment can be adopted it seems to me that that ought to end this bill. Strike out all the rest of it and put the old law back on the statute books. It is for you members of the committee to vote whether or not you believe in that character of legislation. If you do, then simply let the bill go through. If you do not believe in that kind of legislation and believe that the former law was wrong, then kill this bill.

The CHAIRMAN. Does the gentleman from Texas [Mr. CONNALLY] desire to discuss the point of order?

Mr. CONNALLY. Mr. Chairman, I do not know that I am very well prepared to discuss this point of order, because I am not very well versed in parliamentary law. Yet, according to my understanding of the legislation on the subject of the Army heretofore, under the national-defense act the Regular Army was established and organized, and also that same legislation covered the Reserve Corps and the National Guard, and it provided by its terms that at any time under certain circumstances the Reserve Corps and the National Guard could be called into the active service by the President of the United States, and that when it is called into that service it is subject to the same rules, laws, and regulations as the Regular Army is subject to.

Now, my amendment applies only to the National Guard and the Reserve Corps when in active Federal service. It seems to me that under that situation the National Guard and the Reserve Corps become component parts of the Regular Army of the United States. I know that there has been a fiction maintained during the war that they had the Regular Army Establishment and had the National Guard Army, and then they had the National Army; but later on, without any legislation whatever, the War Department abolished those distinctions and established what was known as the Army of the United States, and under that regulation there was no distinction between a man who served in the Regular Army and one who enlisted in the National Guard and one who was drafted into the National Army.

Now, under the terms of the amendment which I have offered it becomes effective only when the National Guard and the Reserve Corps are, by the terms of law, incorporated into the Regular Army, and if under those circumstances they become a part of the Regular Army, it would seem that an amendment to this bill of the tenor of the one that I have introduced would be in order, because the Regular Army in time of peace is one thing, and the Regular Army when expanded by draft and the addition of the National Guard or the Reserve Corps is still the Regular Army. These two branches of the service are simply superadded to the peace-time establishment of the Regular Army under the terms of the legislation enacted by this Congress, and I respectfully submit to the Chair that under that situation my amendment is in order.

The CHAIRMAN. The Chair is ready to rule. The bill under consideration is one to provide for the payment of certain pay to the widow, children, or designated dependent relatives of any officer or enlisted man of the Regular Army whose death resulted from wounds or disease and not from his own misconduct. The amendment offered by the gentleman from Texas [Mr. CONNALLY] would extend this same payment to the widows and children and designated relatives of officers and enlisted men of the National Guard or the Reserve Corps. Clearly the amendment is subject to the point of order and is not germane to the section, and the Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, I desire to offer an amendment.

Mr. ANTHONY. Mr. Chairman, I desire to offer an amendment on page 2, line 10. After the word "Army," insert the following: "*Provided*, That payments under this act shall be made to the beneficiary named herein in the case of the death of any officer or enlisted man mentioned therein after October 6, 1917, who was not covered by insurance under the war-risk insurance act."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kansas.

The Clerk read as follows:

Mr. ANTHONY offers the following amendment: On page 2, line 10, after the word "Army," insert the following: "*Provided*, That payments under this act shall be made to the beneficiary named herein in the case of the death of any officer or enlisted man mentioned therein after October 6, 1917, who was not covered by insurance under the war-risk insurance act."

Mr. ANTHONY. Mr. Chairman, the purpose of the amendment is to cover the objections which have been made by several Members of the House, that under the original language of the bill the beneficiaries would get not only the gratuity which the bill carries but also the payments under the war-risk insurance act. If we adopt the proviso that has been offered and is now pending, the beneficiary will receive the gratuity only, or the war-risk payment, as the case may be, under the retroactive provision.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. RAYBURN. The insurance, I will say to the gentleman from Kansas, is not a gratuity. It is a question of contract with the Government.

Mr. ANTHONY. That is the insurance. What we propose to do is purely a gratuity.

Mr. RAYBURN. The gentleman's amendment names the insurance, the compensation under the act. That is what his family is getting if he is killed. We should not provide for this man any more than any other man in the Army who had the chance to contract for insurance and failed to do it, giving him this benefit back, unless we apply it to every man in the Army and give him a paid-up insurance policy. The gentleman's amendment ought not to prevail. I do not believe the gentleman fully understood the situation.

Mr. ANTHONY. I understand it quite clearly.

Mr. RAYBURN. I beg the gentleman's pardon.

Mr. McKENZIE. Mr. Chairman, if the gentleman will permit, of course the reference he made to the war-risk insurance act is proper in the gentleman's amendment, is it not?

Mr. RAYBURN. The gentleman referred to the war-risk insurance.

Mr. McKENZIE. It should be the war-risk insurance act.

Mr. ANTHONY. Yes; it should be the war-risk insurance act.

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will again be reported.

The amendment was again read.

Mr. RAYBURN. I rise in opposition to the amendment. That is exactly the objection I have to the gentleman's amendment. He says insurance under the war-risk insurance act. When a man had the insurance contract placed before him and he said, "I do not want any insurance," you had just as well give it to him as to give it to these men. You had just as well say that every man in the Army, whether he desired insurance or not, should have it. But now wait a moment. If this man died, his people are getting compensation under the war-risk insurance act, and nothing we can do here will change that. That has not been taken away from him. Unless you intend to give him this gratuity because he did not take out this insurance, then this is entirely useless.

Mr. ANTHONY. Does the gentleman want to change the word "insurance" to "compensation"?

Mr. RAYBURN. They get the compensation anyhow without our saying anything about it.

Mr. MANN of Illinois. If you insert the word "compensation," the amendment means nothing, because they already get the compensation.

Mr. RAYBURN. Exactly. You are just nullifying the second committee amendment by putting in the gentleman's amendment at this place.

Mr. MANN of Illinois. I should like to get a little information from somebody who knows a good deal more than I do about this. Take the case, for instance, of a Regular Army officer who had been serving in the Army for many years and who thought the Government of the United States and the Army were all that there was. It is true, he was offered an opportunity to get insurance. Well, he had not been used to dealing with anything financial except to receive his salary and pay his current bills. He did not know anything about insurance and gave no thought to it. He took out no insurance. Following the practice for many years, he assumed that if he was killed his widow would at least get six months' pay. Now, he is killed. Is there any justice in giving his widow a special provision?

Mr. RAYBURN. No.

Mr. MANN of Illinois. What does she get under existing law?

Mr. RAYBURN. She gets $25 a month.

Mr. MANN of Illinois. She gets compensation.

Mr. RAYBURN. She gets $25 a month and $10 for the first child, and on up until she gets $75, if she has that many children. Her pension is much higher than the pensions for the soldiers of the Civil War and the Spanish-American War.

Mr. MANN of Illinois. On the contrary, probably much lower in the case of officers. Is not that so? Twenty-five dollars a month is certainly lower than in the case of the widows of most officers.

Mr. RAYBURN. I do not know anything about the old pension law. I asked somebody a moment ago who said that the pension for the widow of an officer and the widow of a private under the general pension law was the same.

Mr. MANN of Illinois. Whoever said that was entirely mistaken and not familiar with the law at all. Of course, as to service pensions that is true, but service pensions came long after the original pension law. For deaths during the Civil War the pensions were quite different. I think a widow's pension was 50 per cent of the officer's salary, perhaps, up to a certain amount. Gentlemen are confusing the law providing pensions for death incurred by reason of Army service and service pensions. Of course, under a service-pension law there is no distinction between the widows of officers and the widows of enlisted men. I was wondering whether this language would cover the case. I myself hestitate very much in trying to interpret the meaning of language written on the spur of the moment when it is on a very technical subject.

Mr. RAYBURN. A great many young men went into the Army and did not take out insurance, and some of them were killed. For four months after they were taken into the Army they were covered by automatic insurance, but a great many of them were killed after that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAYBURN. I ask unanimous consent to proceed for one minute.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that his time be extended one minute. Is there objection?

There was no objection.

Mr. RAYBURN. Their people are coming in, and in a great many instances they say they feel that they have been discriminated against; that their son did not take out any insurance, while the son of the man next door did. That man deprived himself of $6 or $7 a month while this one wanted to spend that money and did not take out any insurance. The Army officer who wanted to spend his money for something else is in the same shape. He did not want to take out insurance. He did not help keep the bureau alive. He did not help to build up its reserve.

Mr. LITTLE. But this puts a premium on negligence and a penalty on diligence.

Mr. RAYBURN. Exactly so.

Mr. DEWALT. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. DEWALT. I think this will pretty nearly answer the question of the gentleman from Illinois [Mr. MANN]. Is it not the ruling of the War Risk Insurance Bureau that any man who did not declare affirmatively that he did not desire insurance is considered to have been insured?

Mr. RAYBURN. For four months after he entered the service, but not all the time.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on agreeing to the amendment of the gentleman from Kansas.

The question being taken, on a division (demanded by Mr. CALDWELL) there were—ayes 19, noes 32.

Accordingly the amendment was rejected.

Mr. WOOD of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. WOOD of Indiana offers the following amendment: After the word "children," in line 9, page 1, insert "or father or mother"; also, after the word "child," in line 1, page 2, add the words "or father or mother."

Mr. WOOD of Indiana. Mr. Chairman and gentlemen of the committee, it occurs to me that this amendment should be adopted. Ninety-five per cent of the boys who go into the Regular Army come from the poor families of this country. They do not come from the rich. They come from those families where the fathers or mothers are dependent. In many cases these young men in the Regular Army are contributing constantly to the support of a dependent father or a dependent mother. It seems to me that if anyone is entitled to the provisions of this act it is the mother who gave him birth. She ought to be designated as one of the dependents, or she ought to be the one entitled to receive the benefit of the provision without being designated as a dependent.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. MANN of Illinois. Who under the gentleman's amendment would get it, the father or the mother, if they were both living?

Mr. WOOD of Indiana. They would get it jointly.

Mr. MANN of Illinois. They might not; which one would get it?

Mr. WOOD of Indiana. That might possibly depend upon the laws of the State where it was applied.

Mr. MANN of Illinois. That might require a statutory construction under the State laws. The bill says widow or child, and under the language the widow gets it if she is living. If there be no widow the child gets it. Under the gentleman's amendment there is no provision in favor of the mother as against the father. It says father or mother, and under that language they would pay it to the father first.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to modify my amendment so as to read: "To the father and mother jointly if living, or to the survivor."

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to modify his amendment. Is there objection? [After a pause.] The Chair hears none.

Mr. RAYBURN. The gentleman from Indiana will get into the same difficulty that the gentleman from Illinois called his attention to. The father and mother may be living separately. The father might have gone off and deserted the mother. Why does not the gentleman say, "If there be no widow, to the child or children; and if there be no child or children, then to the mother; and if there be no mother, then to the father"? Then you would get it so that the mother would inherit it.

Mr. MANN of Illinois. But, after all, is it not better for the soldier to designate the father or mother, as the bill provides?

Mr. WOOD of Indiana. But suppose the soldier has not done it. I have heretofore called the attention of the House to a concrete case.

Mr. MANN of Illinois. I think since I have been in the House there have been half a dozen of these cases in the whole Army.

Mr. WOOD of Indiana. And I expect there have been 10,000 cases, or perhaps half that number, to which the gentleman's attention has not been called.

Mr. MANN of Illinois. Oh, if it was an Army officer, attention would have been called to it; the gentleman need not forget that.

Mr. WOOD of Indiana. Perhaps so, if an officer; but there are thousands of privates whose cases are never called to your attention. I am speaking in behalf of common justice and common humanity and of the mothers who gave these boys birth; and they ought to be entitled to it at the hands of this House instead of being kept out of it by resorting to technicalities.

Mr. MANN of Illinois. Mr. Chairman, nobody seeks to keep the mother from getting the payments. The soldier can designate the mother, and it may be that he wants to designate his foster mother. We passed a bill not long ago to permit the money to be paid to the foster mother of the soldier instead of to the mother. There are many cases where the soldier may not want to pay the money to the father and many cases where he would prefer to pay it to his father over his mother. He has the right to designate under the law. Now, I appreciate the situation that the gentleman from Indiana wants to reach, but in order to reach it his amendment will complicate all the other cases, complicate every other case, in order to possibly take care of one case which he mentions out of a thousand, and would complicate the other 999. It ought to be left so that it will be easy and simple in disposition.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

After the word "children," line 9, page 1, insert "or father or mother jointly if living, or to the survivor"; also, after the word "child," line 1, page 2, add the following words: "or father or mother jointly if living, or to the survivor."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 3, after the word "him," strike out the language ", an amount equal to six months' pay at the rate received by such officer or enlisted man at the date of his death" and insert in lieu thereof the following: "the sum of $300."

Mr. BLANTON. Mr. Chairman, in its present form I intend to vote against this bill for three reasons: First, because it discriminates against the National Guard and the Reserves in favor of the Regular Army; second, because it discriminates against the widow and children of a private in favor of the widow and children of an officer; and third, because it seeks to reenact the old law of giving six months' pay to the widow of an officer which was superseded by the war-risk insurance act.

This House adopted a policy in passing by an overwhelming vote the Black amendment to the war-risk insurance act, placing all men on an equal footing when they give their lives to their country.

Under this bill the widow and little children of a private will receive $198, while the widow and children of some officers could receive as much as twenty times that amount.

In other words, when a private gives his life for his country he has given just as much of value to his flag as the officer does who gives his life. The life of a private is worth just as much to his widow and little children as the life of an officer is to his. I do not see why there should be any discrimination at all. I think if the House meant it as a policy in adopting the Black amendment, it should likewise adopt this amendment. The committee has admitted here on the floor of the House that this proposed legislation is the result of a complaint coming from the widow of an officer, not the widow of a private—an officer whose wife was kept out of this allowance by reason of the fact that the old law had been superseded by the war-risk insurance act and because the officer had failed to take out any insurance. The private was supposed to have been informed with regard to the insurance act by the officer. Every officer was fully advised regarding its provisions. No officer can claim that he did not have notice of the fact that the war-risk insurance act superseded this old law. What does the widow of an officer in the Regular Army get now as compared with what she formerly got under the old law? Formerly she merely got six months' pay, and now after this war-risk insurance act has superseded the old law she gets $10,000 of insurance, and in addition to that she gets the regular compensation, and we are now asked to give them six months' pay extra. I think they are asking a little too much.

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 4, noes 36.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. That nothing in this act or in other existing legislation shall be construed as making the provisions of this act applicable to officers or enlisted men of any forces or troops of the Army of the United States other than those of the Regular Army, and nothing in this act shall be construed to apply in commissioned grades to any officers except those holding permanent or provisional appointments in the Regular Army.

Mr. HULINGS. Mr. Chairman, I move to strike out the last word for the purpose of asking the committee a question. Suppose this act is passed, and suppose a man who enlisted in the Regular Army after war was declared for the period of the war, would he be entitled to the benefits of this act?

Mr. ANTHONY. It is my understanding that only men who were regularly enlisted in the Regular Establishment would come under the provisions of the act. They enlisted for a term of years.

Mr. HULINGS. It came to my notice during the war that in the city of Pittsburgh the Eighteenth Regiment of the National Guard had an office for enlisting volunteers. There was also an enlistment office down town for the Regular Army. Surgeons of the regular service examining the men who applied for enlistment in the National Guard turned some of the men down, many of them, and they were told at the door by a Regular Army man that if they would go down town they could be enlisted in the Regular Army. Many of them did and were accepted. Does this bill make a distinction here and provide that those men who enlisted in the Eighteenth Regiment are not entitled to the benefits of the act, while those who enlisted in the Regular Army are entitled to the benefits of it?

Mr. ANTHONY. That distinction is made.

Mr. HULINGS. Does the gentleman realize that out of the seven divisions of the Regular Army sent to France five went to the front, and that at least half of them were men who volunteered after the war began, volunteers for the war period, drafted men, who were not one whit behind the Regulars in valor and efficiency? Does this bill cut all those men off? If that is the case I am against the bill because of this cruel discrimination, for while I think it is proper and all right to give this six months' pay to the wives and children of the Regulars, I do not think that the wives and children of men who served alongside the Regulars should be subject to such unjust discrimination.

Mr. LAYTON. Mr. Chairman, I would like to ask the chairman of the committee a question. In view of the language on page 1, where the words "Regular Army" are specifically used, why have section 2? Is not that a matter of legislative tautology?

Mr. ANTHONY. I think section 2 is intended to clarify and make definite the fact that this is limited to men of the regular service.

Mr. LAYTON. Then why not have a third and fourth section to the same effect?

Mr. STEVENSON. Mr. Chairman, will the gentleman from Delaware yield, so that I may ask the chairman of the committee a question?

Mr. LAYTON. Yes.

Mr. STEVENSON. I want to ask him a question along the line suggested by the gentleman from Delaware [Mr. LAYTON] a few moments ago. I have in mind a man who was a sergeant, enlisted in the Regular Army, who has been for five or six years in the Army. He was a sergeant, and after the war had been running for some time he was taken out and put into a school for officers and made a first lieutenant, without application on his part, but by order of some of his superior officers. When he went into that establishment was he not taken out of the Regular Establishment?

Mr. ANTHONY. He accepted a commission in another establishment as a temporary officer.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman permit me to make a suggestion?

Mr. STEVENSON. Yes.

Mr. GREENE of Vermont. The time he passes as a temporary or an emergency officer will count on the longevity in his reenlistment in the Regular service, and will count as a duration of service.

Mr. STEVENSON. But the minute that enlisted man in the Regular Army accepted a commission in the temporary Army he lost his status as a man in the regular service.

Mr. BANKHEAD. Mr. Chairman, I move to strike out section 2 of the bill. If the substantive portion of this bill, as provided in section 1, relates entirely and exclusively to officers and men on the active list of the Regular Army and on the retired list on active duty, it seems to me, as suggested by the gentleman from Delaware [Mr. LAYTON], that there is no necessity for section 2 of the bill. In other words, section 1 of the bill provides what shall be done with reference to this gratuity or compensation. It does not by any possible construction apply to any other class of men except those in the Regular Army, and I can not for the life of me see the necessity of adding another section saying that this bill shall not be construed as affecting the people of some other class.

I do not see any useful legislative purpose it serves. In view of the certainty of the restriction provided in section 1 it seems to me it is an entirely useless section and an encumbrance, and an unnecessary encumbrance upon the bill, and I think it ought to be stricken out.

Mr. STEVENSON. Mr. Chairman, I rise in opposition to the amendment. A while ago I wanted to refer to the treatment of the soldiers from another angle, and that is this. If we are going to pass this bill, this clause ought to be kept in here, because it makes definite what is to be done. I want to call the attention of the House to the fact that we passed a bill last year to take care of the soldiers. In July we passed a measure providing that they should have preference in appointment to Federal offices. Now, what is the result? This city is full of men who are disabled, men who are able to fill the positions for which they apply—positions like watchmen, guards, elevator men, and all that. The appointment clerk of one of the largest divisions in the city told me just a day or two ago that they were unable to appoint any of those because the Civil Service Commission was standing between them and appointment and clamoring for the enforcement of the civil-service law, which requires every one of them to stand an examination and be certified in regular order from the civil-service list before he can be appointed to anything, and it has caused a great deal of trouble to the appointment officers and something should be done to relieve that situation.

I say, incidentally, when we called on a man to go through the firing line year before last we did not ask whether it was necessary or whether he could give the number of square feet in the Monument down here nor to tell you how far it was from Hongkong to Hawaii or any one of those things. He was simply asked if he was physically fit, and now when it comes to pass that we are going to provide apparently that he shall have the right to be appointed in preference to everybody else, he is confronted with the condition that he must take potluck along with everybody else who wants to stand the examination, and he can not get a position until he has stood such examination.

Mr. LAYTON. Will the gentleman yield?

Mr. STEVENSON. I will.

Mr. LAYTON. I just want to ask the question whether the gentleman thinks his illustration has any relation whatever to this?

Mr. STEVENSON. No, sir; it has not; but it has a good deal of pertinency upon the treatment of the soldiers at large who come back here, many of them disabled, but are unable to secure any positions because of the fact that we have failed to enact legislation relieving them from the requirements. If they are to have preference, it should be made really effective by removing impossible requirements in many cases.

Mr. LAGUARDIA. Is not the preference after they have qualified for the position they seek? The illustration which the gentleman gave about ascertaining the number of square feet would not have any bearing upon that?

Mr. STEVENSON. Well, if he stands the examination he has to answer just such questions as that.

Mr. LAGUARDIA. Exactly, because he has to qualify for the position he seeks and then he is given preference.

Mr. STEVENSON. All right. The gentleman approves this requirement then——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREENE of Vermont. Mr. Chairman, I move to strike out the last two words. I think perhaps the committee might well consider whether it would be wise to strike out section 2. While on the face of it it seems merely a reiteration of the preceding section, it may possibly have the effect of an interpretation of that section in view of just such possibilities of construction of law as would let in the emergency, volunteer, and other forms of service, as is demonstrated by some of the views apparently held of this bill on the floor here this afternoon. For instance, I may call attention to this: There is sometimes a confusion in the popular mind as to whether the fact that a man has gone to service in a regular regiment did not constitute him a soldier in the same status as if he were originally a professional soldier who had enlisted under the terms of the law upon which enlistments in the regular and permanent Military Establishment were founded. For instance, in the national-defense act we provided that reserve officers shall be a part of the regular Military Establishment, but the officer is, as you will observe, a reserve officer. He is not called to constant professional duty and is not regarded as an officer on the active list. Yet it might be that hereafter some one, taking advantage of the present situation, would rule or hold somewhere that his occasional service in the Regular Army in peace times, as the national-defense act provides for, would constitute him within the meaning of this law as a professional or Regular Army officer whose widow would be entitled to receive these benefits.

Mr. BANKHEAD. Does the gentleman think the language of section 2, as a matter of fact, clarifies it or makes it more definite?

Mr. GREENE of Vermont. I do not. I submit my suggestion with all deference to the very plain statement of the gentleman from Alabama, thinking possibly that this reiteration of words is a limitation, not as a declaration of intent——

Mr. BANKHEAD. But the reiteration merely expresses the language of section 1.

Mr. GREENE of Vermont. I understand that in grammar, in form, and in fact, it is a reexpression; but being in a manner a limitation, I think possibly it serves as an interpretation.

Mr. VAILE. Mr. Chairman, I rise in opposition to the motion to strike out the last two words. The last two words are "Regular Army." It seems to me to be the purpose of the House to-day to strike out the "Regular Army." I want to make one or two brief observations on the attitude of the House. It seems to me the committee to-day is not very appreciative of our men in the Regular Army. I do not believe anybody can accuse me of being unfriendly to the Volunteers or to the National Guard. I was a private in the Volunteers during the Spanish War.

I was beaten for Congress three years ago because I was an officer in the National Guard at that time and in the Federal Military Service of the United States.

But it seems to me there is a question here which is not entirely a question of gratuity, and that is the moral question which is involved. I think we are violating what is at least an equitable contract between the United States and these men. When these men enlisted in the ranks or became officers in the Army, the law was that their families should get six months' pay in the event of their death. They had a right to rely on that as a part of their compensation. By repealing, inadvertently or otherwise, that provision, we are in effect depriving them of what was one of the inducements for their service. The gentleman from Ohio [Mr. BEGG] states that one of the reasons they are asking for this is that they must have lived extravagantly.

I would like to ask him how extravagantly a captain can live on $200 a month, a first lieutenant on $167 a month, or a second lieutenant on $141.61 a month? A captain receives $200 a month after 15 years of service, and you expect him to be married, live in a decent community, raise a family, bring his children up respectably and decently, send them to school, and clothe them properly. We expect him to do all this on less than a coal digger's wages, and then we take away this niggardly little part of his compensation, which he had a right to expect when he entered the service. I think we are committing a breach of faith with this man. You say his family gets the war-risk insurance. I am certainly not arguing that the war-risk insurance is too high. I am not arguing for any distinction between soldiers of one army and soldiers of another army, and I do not concede that this bill attempts to make any such distinction. Perhaps we could amend the war-risk insurance laws and make them more liberal, but this death benefit is merely a part of what the enlisted man and the officer in the Regular Army had a right to expect as part of their reward for faithful and poorly paid services. Their compensation under the war-risk insurance should in all fairness be in addition to that, and we should not deprive them of that little amount.

An officer in the Regular Army expects to spend his whole life in the service. You expect him to do that and you educate him for that. By that employment he is disqualified for other kinds of work. A man in the National Guard or in the National Army was engaged in other kinds of work when he went in. While in the National Guard he is still engaged in other kinds

of work all the time, except when on active service. He is presumed to be earning good money in other capacities. He is not giving all of his time and services to his country.

And let me suggest this in fairness to the Regular: He has no vote here. He is nobody's constituent, because he does not acquire a voting residence anywhere. For that very reason the soldier of the Regular Army should be treated liberally, not grudgingly, by Congress. [Applause.]

The CHAIRMAN. The question is on the amendment of the gentleman from Alabama [Mr. BANKHEAD] to strike out the section.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BANKHEAD. Division, Mr. Chairman.

The committee divided; and there were—ayes 15, noes 48.

So the amendment was rejected.

Mr. WELLING. Mr. Chairman, I move to amend by striking out, on page 2, in lines 11 and 12, the words "or any other existing legislation."

The CHAIRMAN. The gentleman from Utah offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WELLING: Page 2, lines 11 and 12, after the word "act," in line 11, strike out the words "or any other existing legislation."

Mr. WELLING. Mr. Chairman, it seems to me perfectly obvious that that language ought not to be included in this bill. If anything has been added to other existing legislation, it was added affirmatively and consciously by the Congress. We know what we are providing for in section 1 of this bill, and of course we are justified in making any necessary limitation of section 1 in section 2, but surely our action to-day ought not to extend to other legislation that has been passed affecting these problems.

I am in favor of this bill. It has been framed to care for the dependents of certain Regular Army officers and enlisted men who, through no fault of their own, are deprived of benefits to which they are justly entitled and which they had reason to believe was a part of their compensation from the Government. I shall vote also, if given an opportunity so to do, to extend the same benefits to the families of all soldiers who died in the armies of the United States as well as those technically described in this bill as soldiers of the "Regular Army." The drafted men and the volunteers who gave their lives gave all any Regular Army man can give, and their dependents have the same claim upon this Government.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Utah [Mr. WELLING].

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. That the sum received hereunder shall be deducted from any amount that may be, or may become, due and payable to any such widow, child, children, or dependent relative of such officer or enlisted man under the act entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," approved October 6, 1917, or any act or acts amendatory thereof.

Also the following committee amendment was read:

Strike out all of section 3.

Mr. CALDWELL. Mr. Chairman, I want to call the attention of the committee to the fact that we have spent practically the whole day passing a bill which ought to have been one paragraph of the Army reorganization bill. The Committee on Military Affairs has been in session almost continuously since the 19th day of May, and they have labored in vain. We have not yet turned out a tentative draft of the Army reorganization bill.

The Republicans in this Congress announced that, inasmuch as they had a majority, in a little while they were going to do the things that the country needed done. And for many months we have had a neighbor that is so threatening in her attitude toward us it is almost certain that before many days we will enter into a war, and yet this Republican Congress, with a Republican majority of over 40 Members, for five or six months has been laboring in vain as far as doing anything to prepare our country and get us into a place where we can defend it properly in time of war.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CALDWELL. No; I do not care to yield. I have only five minutes.

I want to say this, that if the Republican Congress continues in its attitude toward the adoption of measures that are necessary for this country, as it has in its attitude toward the adoption of necessary military measures, they will long regret the position that they have taken. And the people of this country will show them in the coming November election that they are not in accord with the system of criticism that has been directed at the administration and which has so far borne such good political fruit.

For more than five years there has been a campaign of criticism on that side of the aisle, by which you have inflamed every class and character of people in our country, and in no instance have you adopted any plan of constructive legislation; in no case do you hold out any hope to anybody, except an opportunity to get even with some one who has not done some particular thing; and you hope to coordinate that, not because of any progressive act that you are attempting to do, but because you hope to be able to inflame the people and create enmity against the greatest Government on the face of the earth. [Applause on the Democratic side.]

Mr. TOWNER. Mr. Chairman, it is unfortunate, I think, that the gentleman from New York [Mr. CALDWELL] should seek to inject a partisan question into almost every debate that occurs here on the merits of legislation. The criticism that he makes upon the House for not passing an Army appropriation bill is exceedingly unfortunate. The appropriation bill can not be considered until the estimates have been submitted.

Mr. CALDWELL. I said the Army reorganization bill.

Mr. TOWNER. I think the gentleman said "the appropriation bill"; at least, I so understood him. We can not consider the appropriation bill until the estimates have been made by the administration. Those estimates have just been submitted, and the Committee on Military Affairs will doubtless submit these matters to Congress as soon as they can.

Regarding the question of the Army reorganization bill, as the gentleman now says he intended to say, it might be suggested that the situation in Mexico would be a sufficient reason why the reorganization bill should not be considered until what we are going to do with Mexico shall be determined.

Now, Mr. Chairman, we on the Republican side ask, and have a right to ask, of the Democratic minority the same cooperation that we gave to them during the period of the war with regard to reconstruction and the bringing back of the country to a peace basis. The question is, Are you going to do it? Are you going on every available occasion to raise the partisan issue? Are you going to clamor against the efforts that are made on the part of the majority to bring the country back to a peace basis? We have the right to ask of you the same disinterested help and assistance in passing the Army reorganization act that we gave to you during the conduct of the war. The one is just as important as the other. There is, there should be, no politics in the consideration of such a measure.

The suggestion that the gentleman makes, that the Republican Party in any way is responsible for the unrest that now exists in the country, for the strikes, for the anti-American sentiments, for the efforts of men to discredit this country and this administration, is entirely unwarranted. I venture to say that there never has been a party under the circumstances that existed—there never has been a party in all our history so reluctant to criticize the President and the administration as the Republican Party has been during the war and since the war. We have had occasion enough certainly to criticize the partisan attitude of the administration, but these criticisms, because the Republican Party felt that it was not in the interest of the country, have been withheld for the sake of the country and its best interests. And so now at this time it is not justified on the part of the minority to make and raise these partisan issues when we should forget them in the necessity that arises to bring the country back to a peace basis and to legislate with justice and fairness to all the people of the country. [Applause and cries of "Vote!"]

The CHAIRMAN. The question is on agreeing to the committee amendment.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. CONNALLY. Mr. Chairman, a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 41, noes 9.

So the committee amendment was agreed to.

Mr. ANTHONY. Mr. Chairman, I move that the committee do now rise and report favorably to the House the bill as amended.

The CHAIRMAN. The gentleman from Kansas moves that the committee do now rise and report the bill with amendments to the House, with the recommendation that the amendments

be agreed to and that the bill as amended do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and Mr. WALSH, as Speaker pro tempore, having assumed the chair, Mr. GOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 2497) to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ANTHONY. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill as amended.

The Senate bill as amended was ordered to be read the third time, and was read the third time.

Mr. BLANTON. Mr. Speaker, I make a motion to recommit.

The SPEAKER pro tempore. Is the gentleman from Texas opposed to the bill?

Mr. BLANTON. I am.

The SPEAKER pro tempore. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to recommit the bill to the Committee on Military Affairs, with instructions to report the same back to the House forthwith, with the following amendments, to wit: On page 1, line 6, after the word "Army," insert a comma and the following: "National Guard or the Reserve in the service of the United States." On page 2, line 3, strike out the language "an amount equal to six months' pay at the rate received by such officer and enlisted man at the date of his death," and insert in lieu thereof "the sum of $300." And on page 2, strike out all of section 2.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that the amendment is not germane to the bill. The motion to recommit is out of order for that reason. The same matter was ruled upon in Committee of the Whole, and it is very clear that under the precedents for many years, this bill being confined to officers and men of the Regular Army—a distinct class—it is not in order by way of amendment to insert other classes in the bill, as is proposed by the motion to recommit.

Mr. BLANTON. Mr. Speaker, I admit that if the point of order is made it is good, and I ask unanimous consent to eliminate the first and third amendments, which would meet the objection of the gentleman from Illinois; to eliminate the first and third amendments and consider the second as the motion to recommit.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MANN] makes a point of order, which the Chair sustains. Does the gentleman from Texas desire to offer an amendment to his motion?

Mr. BLANTON. Yes. I offer an amendment and ask the Clerk to strike out the first and third. I make a motion to recommit and ask the Clerk to eliminate the first and third amendments.

The SPEAKER pro tempore. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to recommit the bill to the Committee on Military Affairs with instructions to report the same back to the House forthwith with the following amendment: On page 2, line 3, strike out the words "an amount equal to six months' pay at the rate received by such officer or enlisted man at the rate of his death" and insert in lieu thereof "the sum of $300."

The SPEAKER pro tempore. The question is on the motion to recommit.

Mr. BLANTON. Mr. Speaker, on that motion to recommit I ask for the yeas and nays, and pending that I make the point of no quorum present.

The SPEAKER pro tempore. The gentleman from Texas makes the point of no quorum present. The Chair will count.

ADJOURNMENT.

Mr. ANTHONY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 26 minutes p. m.) the House adjourned until Thursday, December 4, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting 2,220 reports of inspections of disbursements and transfers by officers of the Army received in the office of the Inspector General during the past fiscal year (H. Doc. No. 450); to the Committee on Expenditures in the War Department and ordered to be printed.

2. A letter from the Secretary of Agriculture, transmitting report on useless papers disposed of for the fiscal year 1919 (H. Doc. No. 451); to the Committee on Disposition of Useless Executive Papers and ordered to be printed.

3. A letter from the Secretary of the Navy, transmitting report with regard to aircraft on hand and aviation facilities (H. Doc. No. 452); to the Committee on Naval Affairs and ordered to be printed.

4. A letter from the Assistant Secretary of the Interior, transmitting report showing proceeds from the sale of surplus and obsolete material and equipment during the fiscal year ending June 30, 1919 (H. Doc. No. 453); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of War, transmitting statement showing by bureaus and offices the number and designation of the persons employed under the appropriations for the temporary employment of the additional force in the War Department, and the annual rate of compensation paid to each (H. Doc. No. 454); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of War, transmitting report in response to House resolution 363 in connection with the transferral of surplus motor vehicles to the Department of Agriculture (H. Doc. No. 455); to the Committee on Expenditures in the War Department and ordered to be printed.

7. A letter from the Secretary of Agriculture, transmitting statement showing the motor-propelled and horse-drawn passenger-carrying vehicles and motor boats purchased by the Department of Agriculture for use outside of the District of Columbia (H. Doc. No. 456); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

8. A letter from the Secretary of War, transmitting statements showing for the four months ending October 31, 1919, the average number of employees receiving increased compensation under appropriations of the War Department at the rate of $240 per annum (H. Doc. No. 457); to the Committee on Appropriations and ordered to be printed.

9. A letter from the Secretary of War, transmitting a letter from The Adjutant General of the Army, together with a report of documents, etc., distributed and otherwise disposed of during the fiscal year 1919 (H. Doc. No. 458); to the Committee on Expenditures in the War Department and ordered to be printed.

10. A letter from the Secretary of the Treasury, transmitting an estimate of the appropriation for defraying the expenses of collecting the revenue from the customs for the fiscal year ending June 30, 1921 (H. Doc. No. 459); to the Committee on Appropriations and ordered to be printed.

11. A letter from the Secretary of the Treasury, transmitting annual report on the state of the finances for the fiscal year ended June 30, 1919 (H. Doc. No. 406); to the Committee on Ways and Means and ordered to be printed.

12. A letter from the Postmaster General, transmitting balance sheet and various papers giving detailed information in respect to the operation of the postal savings system during the fiscal year ended June 30, 1919 (H. Doc. No. 460); to the Committee on the Post Office and Post Roads and ordered to be printed.

13. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of War, submitting a proposed draft of legislation authorizing the expenditure of certain funds appropriated for the Signal Service of the Army for the fiscal year 1919 during the current fiscal year (H. Doc. No. 461); to the Committee on Appropriations and ordered to be printed.

14. A letter from the Secretary of the Treasury, transmitting copy of a communication from the chairman of the Council of National Defense, submitting a supplemental estimate of appropriation required by the Council of National Defense to complete its work for the current fiscal year (H. Doc. No. 462); to the Committee on Appropriations and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 10600) granting an increase of pension to Nancy Jane Howard; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9545) granting a pension to Oliver M. McRoberts; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WHITE of Maine: A bill (H. R. 10831) to restore to private ownership and operation certain radio stations, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. MONAHAN of Wisconsin: A bill (H. R. 10832) to increase the limit of the cost for the proposed new Federal building at Madison, Wis., and the site thereof; to the Committee on Public Buildings and Grounds.

By Mr. GRIEST: A bill (H. R. 10833) to extend the penny-postage rate on local delivery first-class mail matter to post offices where the system of free delivery is established; to the Committee on the Post Office and Post Roads.

By Mr. HICKS: A bill (H. R. 10834) authorizing the Secretary of War to donate to the village of Douglaston, in the State of New York, one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. STEVENSON: A bill (H. R. 10835) to fix compensation of officers of the National Army who incurred disability while in the service; to the Committee on Military Affairs.

By Mr. CLARK of Florida: A bill (H. R. 10836) to amend section 3 of an act entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," approved October 6, 1917; to the Committee on Military Affairs.

By Mr. NICHOLLS of South Carolina: A bill (H. R. 10837) to regulate the immigration of aliens to the United States; to the Committee on Immigration and Naturalization.

By Mr. GREENE of Massachusets: A bill (H. R. 10838) authorizing the United States Shipping Board to adjust the equitable claims of wooden-ship builders arising out of the prosecution of the war; to the Committee on the Merchant Marine and Fisheries.

By Mr. BELL: A bill (H. R. 10839) to consolidate national forest lands; to the Committee on Agriculture.

By Mr. LANGLEY: A bill (H. R. 10840) to provide for the purchase of a site and for the erection of a public building thereon at Whitesburg, Ky.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10841) to provide for the purchase of a site and for the erection of a public building thereon at Hazard, Ky.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10842) for the erection of a Federal building at Pikeville, Ky., and increasing limit of cost for site; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10843) for the erection of a Federal building at Prestonsburg, Ky.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10844) for the erection of a Federal building at Paintsville, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. CLARK of Florida: A bill (H. R. 10845) to provide for the bringing to the United States for burial the remains of all American soldiers, sailors, and marines buried in foreign lands on the request of the parents or next of kin of such soldiers, and for the disposition of such remains; to the Committee on Military Affairs.

By Mr. CRAGO: A bill (H. R. 10846) to increase the efficiency of the Army, Navy, Marine Corps, Coast Guard, and Public Health Service; to the Committee on Military Affairs.

By Mr. JOHNSON of Mississippi: A bill (H. R. 10847) granting the consent of Congress to Marion County, State of Mississippi, to construct a bridge across the Pearl River in Marion County, State of Mississippi; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK of Florida: Resolution (H. Res. 406) providing for the disposition of House desks used in the Sixty-second Congress; to the Committee on Accounts.

By Mr. RICKETTS: Resolution (H. Res. 407) providing for the appointment of a select committee to investigate the pulp and paper industry of the United States; to the Committee on Rules.

By Mr. VESTAL: Resolution (H. Res. 408) providing for the consideration of House bill 9755; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10848) granting a pension to William E. Cheek; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10849) granting an increase of pension to John Ervin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10850) granting an increase of pension to Richard Herrell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10851) granting an increase of pension to Martin V. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10852) granting an increase of pension to Cornelius Albertson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10853) granting an increase of pension to Jeremiah M. Fitger; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Kansas: A bill (H. R. 10854) granting a pension to Lottie Baughman; to the Committee on Invalid Pensions.

By Mr. CLARK of Florida: A bill (H. R. 10855) granting a pension to John A. Lovett; to the Committee on Pensions.

By Mr. DARROW: A bill (H. R. 10856) granting a pension to Emma E. Brown; to the Committee on Invalid Pensions.

By Mr. GRAHAM of Illinois: A bill (H. R. 10857) for the relief of John J. Buckley; to the Committee on Claims.

By Mr. HICKS: A bill (H. R. 10858) granting a pension to Cathrine T. Cuff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10859) for the relief of Edwin Wicks; to the Committee on Claims.

By Mr. JOHNSON of Kentucky: A bill (H. R. 10860) granting an increase of pension to Loretta Hosey; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Iowa: A bill (H. R. 10861) granting an increase of pension to Andrew G. Cunningham; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 10862) granting an increase of pension to James Ross Hann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10863) granting an increase of pension to Lucian Smith; to the Committee on Invalid Pensions.

By Mr. KRAUS: A bill (H. R. 10864) granting a pension to John Working; to the Committee on Invalid Pensions.

By Mr. LEE of Georgia: A bill (H. R. 10865) granting an increase of pension to Charles S. Kinman; to the Committee on Pensions.

By Mr. OLDFIELD: A bill (H. R. 10866) granting an increase of pension to Dennis Pagett; to the Committee on Invalid Pensions.

By Mr. PAIGE: A bill (H. R. 10867) granting a pension to Henriette A. Whitney; to the Committee on Pensions.

By Mr. PHELAN: A bill (H. R. 10868) granting a pension to Harriet Aymar; to the Committee on Invalid Pensions.

By Mr. ROSE: A bill (H. R. 10869) granting a pension to Hannah Brantner; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 10870) granting a pension to Daniel W. Orr; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: Resolution (H. Res. 404) for the relief of Mattie Long, daughter of W. M. Long, late an employee of the House of Representatives; to the Committee on Accounts.

By Mr. BANKHEAD: Resolution (H. Res. 405) authorizing and directing the Speaker of the House to appoint a committee of 18 members to whom all bills and resolutions of the Sixty-sixth Congress pertaining to veterans of the World War, etc., shall be referred to; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

57. By the SPEAKER (by request): Petition of the Bronx Board of Trade, of New York, supporting the Government in its efforts to suppress radical elements; to the Committee on the Judiciary.

58. Also (by request), petition of Thomas Francis Meagher Branch, Friends of Irish Freedom, of Bridgeport, Conn., opposing ratification of the league of nations; to the Committee on Foreign Affairs.

59. Also (by request), petition of 1919 annual convention of the Florida State Nurses' Association, urging passage of the Jones-Raker bill; to the Committee on Military Affairs.

60. Also (by request), petition of the Labor Party of America, of Chicago, Ill., urging impeachment of Judge Anderson; to the Committee on the Judiciary.

61. By Mr. ASHBROOK: Petition of United Brotherhood of Carpenters and Joiners, of Ashland, Ohio, protesting against the Cummins railroad bill; to the Committee on Interstate and Foreign Commerce.

62. By Mr. BACHARACH: Petition of sundry citizens of Woodbine, N. J., protesting against the massacre of Jews in Ukraine; to the Committee on Foreign Affairs.

63. By Mr. BURDICK (by request): Petition of Austin F. Reddington and 800 other veterans and citizens of the State of Rhode Island, in favor of the soldier bonus bill introduced in the House of Representatives by Representative ROYAL C. JOHNSON, of South Dakota, characterizing the bill as "the fairest and most just bill yet presented in appreciation of the gallant service, sacrifice, and suffering endured by our boys in the late World War"; to the Committee on Ways and Means.

64. By Mr. BURROUGHS: Resolution of Portsmouth (N. H.) Lodge, No. 97, Benevolent and Protective Order of Elks, T. K. Hildebrand, secretary, advocating the immediate deportation of every alien in the United States who is a member of the I. W. W. or any other organization of like teachings and tendencies, etc.; to the Committee on Immigration and Naturalization.

65. By Mr. CAREW: Petition of American Electrochemical Society, favoring continuance of Chemical Warfare Service; to the Committee on Military Affairs.

66. By Mr. FESS: Petition of George Cultice Post, No. 6, American Legion, Springfield, Ohio, extending sympathy to bereaved families of Centralia for soldiers killed on armistice day, and to Grant Hodge Post, No. 17; to the Committee on Military Affairs.

67. Mr. FULLER of Illinois: Petition of Morton Post, No. 1, Department of Indiana, Grand Army of the Republic, for enactment of the Fuller pension bill; to the Committee on Invalid Pensions.

68. By Mr. GOULD: Petition of Geneva Chamber of Commerce, opposing House bill 8315; to the Committee on Interstate and Foreign Commerce.

69. By Mr. JOHNSTON of New York: Petition of New York State Association of Supervisory Post Office Employees, regarding Sterling-Lehlbach retirement bill; to the Committee on Reform in the Civil Service.

70. Also, petition of Union of Technical Men, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

71. Also, petition of Brooklyn Coal Exchange, protesting against settlements against damages sustained in transportation of coal; to the Committee on Interstate and Foreign Commerce.

72. Also, petition of Real Estate Board of New York, favoring House bill 8080; to the Committee on Ways and Means.

73. Also, petition of sundry citizens of New York, favoring six months' pay for soldiers and sailors who served in the Great War; to the Committee on Military Affairs.

74. By Mr. LONERGAN: Petition of State Chamber of Commerce of Connecticut, for daylight saving; for an appropriation for $200,000 to investigate power production; for Government guaranty to railroads; against the continuation in business enterprises of the Government, etc.; to the Committee on Interstate and Foreign Commerce.

75. By Mr. McGLENNON: Petition of Works Conference of E. I. du Pont de Nemours & Co., at the dye works at Salem County, N. J., favoring passage of House bill 8078; to the Committee on Ways and Means.

76. Also, petition of the Hebrew Veterans of the Wars of the Republic, protesting against pogroms against Jewish population in Ukraine; to the Committee on Foreign Affairs.

77. Also, petition of Bring Home the Soldier Dead League of Pittsburgh, Pa., favoring bringing home the soldier dead from France; to the Committee on Military Affairs.

78. By Mr. MOORE of Pennsylvania: Petition of Philadelphia Board of Trade, urging legislation to prevent lawlessness; to the Committee on the Judiciary.

79. By Mr. MORIN: Petition of the members of the Second Methodist Protestant Church of Pittsburgh, Pa., Rev. A. W. Kauffman, pastor, urging the Government to assume immediate mandatory powers over the people of Armenia; to the Committee on Foreign Affairs.

80. By Mr. O'CONNELL: Petition of American Electrochemical Society, favoring continuance of Chemical Warfare Service; to the Committee on Military Affairs.

81. By Mr. ROWAN: Petition of New York Post Office Clerks' Association, of New York, supporting Lehlbach-Sterling retirement bill; to the Committee on Reform in the Civil Service.

82. Also, petition of Department of Child Helping, Russell Sage Foundation of New York favoring House bill 9570; to the Committee on Military Affairs.

83. Also, petition of American Electrochemical Society favoring continuance of Chemical Warfare Service; to the Committee on Military Affairs.

84. Also, petition of New York Post Office Supervisory Employees' Association favoring Lehlbach retirement bill; to the Committee on Reform in the Civil Service.

85. Also, petition of sundry citizens of New York favoring six months' pay to soldiers and sailors who served in the Great War; to the Committee on Military Affairs.

86. Also, petition of District No. 17, United Mine Workers of America, Charleston, W. Va., regarding conditions in Guyan coal fields, southern West Virginia; to the Committee on the Judiciary.

87. Also, petition of Brotherhood of Railroad Trainmen, Lodge No. 598, regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

88. Also, petition of Harlem Post No. 133, American Legion, inclosing resolutions regarding radical elements and aliens in the United States; to the Committee on the Judiciary.

89. By Mr. SANDERS of New York: Petition of Robertshaw Post, American Legion, Rochester, N. Y., urging that Congress enact without delay drastic legislation which will rid this country of I. W. W.'s and all kindred organizations that have for their object the destruction of American institutions; to the Committee on Immigration and Naturalization.

90. By Mr. THOMPSON: Petition of Ney Grange, No. 2089, favoring Townsend bill or any other bill establishing a national highway system; to the Committee on Roads.

91. Also, petition of Law Committee, International Association of Machinists, Van Wert Lodge No. 667, opposing Cummins and Esch bills and supporting House bill 10367; to the Committee on Interstate and Foreign Commerce.

SENATE.

THURSDAY, *December 4, 1919.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, day by day we come before the great spiritual realities of life, not only the questions that pertain to order and to material prosperity but to those great spiritual forces that build character, make happiness, and settle questions of destiny. As we face for the moment these spiritual realities we ask Thee to lift up the light of Thy countenance upon us and send us forth in the discharge of the duties of this day with Thy favor and by Thy grace. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

GEORGE P. MCLEAN, a Senator from the State of Connecticut, and WILLIAM S. KENYON, a Senator from the State of Iowa, appeared in their seats to-day.

Mr. CURTIS. I suggest the absence of a quorum, Mr. President.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Fletcher	McLean	Smith, Ga.
Capper	France	New	Smith, Md.
Chamberlain	Gay	Newberry	Smoot
Culberson	Hale	Norris	Spencer
Cummins	Johnson, S. Dak.	Nugent	Sterling
Curtis	Jones, Wash.	Page	Sutherland
Dial	Kellogg	Phipps	Thomas
Edge	Keyes	Sheppard	Warren
Elkins	La Follette	Simmons	Watson

Mr. GAY. I wish to announce that the senior Senator from Louisiana [Mr. RANSDELL] is necessarily absent. I will let this announcement stand for the day.

The VICE PRESIDENT. Thirty-six Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. HARRIS, Mr. KING, Mr. MCKELLAR, Mr. OVERMAN, Mr. UNDERWOOD, Mr. WADSWORTH, Mr. WALSH of Montana, and Mr. WILLIAMS answered to their names when called.

Mr. ASHURST, Mr. BECKHAM, Mr. SWANSON, Mr. MOSES, Mr. SHIELDS, Mr. HITCHCOCK, Mr. PITTMAN, Mr. JOHNSON of Cali-

fornia, Mr. BORAH, Mr. POMERENE, Mr. FALL, and Mr. LODGE entered the Chamber and answered to their names.

Mr. UNDERWOOD. I desire to announce that my colleague, the senior Senator from Alabama [Mr. BANKHEAD], is detained on official business.

Mr. SHEPPARD. I wish to announce that the Senator from Delaware [Mr. WOLCOTT] is detained on public business.

Mr. McKELLAR. The Senator from Massachusetts [Mr. WALSH], the Senator from Missouri [Mr. REED], the Senator from Ohio [Mr. POMERENE], and the Senator from Nevada [Mr. PITTMAN] are detained on official business.

Mr. CURTIS. I wish to announce the absence on account of illness of the Senator from Illinois [Mr. SHERMAN], and the Senator from Pennsylvania [Mr. PENROSE.]

The VICE PRESIDENT. Fifty-six Senators have answered to the roll call. There is a quorum present.

REPORTS OF SERGEANT AT ARMS.

The VICE PRESIDENT laid before the Senate a communication from the Sergeant at Arms of the United States Senate, transmitting, pursuant to law, a full and complete account of all property in his possession and in the Senate Office Building belonging to the United States Senate, which was ordered to lie on the table and be printed.

He also laid before the Senate a communication from the Sergeant at Arms of the United States Senate, transmitting, pursuant to law, a statement showing the sale of property and the proceeds thereof, which was ordered to lie on the table and be printed.

REPORTS OF SECRETARY OF THE TREASURY.

The VICE PRESIDENT laid before the Senate the annual report of the Secretary of the Treasury on the state of the finances for the fiscal year 1919 (H. Doc. No. 330), which was referred to the Committee on Finance and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a detailed statement of operations, as required by section 15 of the act approved September 24, 1917, as amended by the acts approved April 4, 1918, and March 3, 1919, which, with the accompanying paper, was referred to the Committee on Finance and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, statements of expenditures under the first and second Liberty bond acts, which, with the accompanying papers, was referred to the Committee on Finance and ordered to be printed.

REPORTS OF SECRETARY OF WAR.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a statement showing in detail what officers or employees have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1919 (H. Doc. No. 315), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a statement showing by bureaus and offices the number and designation of the persons employed under the appropriations for the temporary employment of the additional force in the War Department, and the annual rate of compensation paid to each (H. Doc. No. 454), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF THE ATTORNEY GENERAL.

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, a statement of the expenditures of the appropriations for the United States Court of Customs Appeals for the fiscal year 1919 (H. Doc. No. 395), which, with the accompanying papers, was referred to the Committee on the Judiciary and ordered to be printed.

He also laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, a report showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 344), which, with the accompanying paper, was referred to the Committee on the Judiciary and ordered to be printed.

REPORTS OF POSTMASTER GENERAL.

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General, transmitting, pursuant to law, a statement of special contract entered into with the Alaskan Engineering Commission for carrying the mails from Seward to Anchorage, Alaska (H. Doc. No. 467), which, with accompanying paper, was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

He also laid before the Senate a communication from the Postmaster General, transmitting, pursuant to law, a statement of special contract entered into with the Copper River & Northwestern Railway Co. for carrying the mails from Cordova, by Chitina and other points, to Kennecott, Alaska (H. Doc. No. 468), which, with accompanying paper, was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

REPORT OF AIRCRAFT AND AVIATION FACILITIES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Navy, transmitting, pursuant to law, a report with regard to aircraft on hand and aviation facilities (H. Doc. No. 452), which, with the accompanying paper, was referred to the Committee on Naval Affairs and ordered to be printed.

REPORTS OF THE SECRETARY OF THE INTERIOR.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed report of expenditures made for the purchase of cattle for the Northern Cheyenne Indians on the Tongue River Reservation, Mont., for the fiscal year 1919 (H. Doc. No. 377), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of expenditures made for the purchase of cattle for the benefit of Indians on the Standing Rock Reservation in North Dakota and South Dakota for the fiscal year 1919 (H. Doc. No. 373), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of all moneys collected and deposited during the fiscal year 1919 under the appropriation "Determining heirs of deceased Indian allottees, 1919" (H. Doc. No. 375), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing the diversion of appropriations for the pay of specified employees of the Indian Service for the fiscal year 1919 (H. Doc. No. 378), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, stating, pursuant to law, that no diversion of expenditures for purchase of subsistence for the several Indian tribes were made during the fiscal year 1919 under the act approved March 1, 1907 (H. Doc. No. 368), which was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement of the expenditures for the fiscal year 1919 of money carried on the books of the department under the caption "Indian moneys, proceeds of labor" (H. Doc. No. 369), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement of expenditures from the tribal fund of the Blackfeet Indians of Montana for the fiscal year 1919 (H. Doc. No. 370), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed report of the expenditures made in per capita payments to the Apache, Kiowa, and Comanche Indians during the fiscal year 1919 (H. Doc. No. 372), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of expenditures made for the purpose of encouraging industry and support among the Indians on the Tongue River Reservation, Mont., during the fiscal year 1919 (H. Doc. No. 374), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, stating, pursuant to law, that no expenditures were made during the fiscal year 1919 for the con-

struction of hospitals from the appropriation "Relieving distress and prevention, etc., of disease among Indians, 1919" (H. Doc. No. 376), which was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, stating, pursuant to law, that no act of hostility by any Indian tribe with which the United States has treaty stipulations was committed during the fiscal year 1919 (H. Doc. No. 379), which was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of expenditures from the permanent fund of the Sioux Indians during the fiscal year 1919 (H. Doc. No. 380), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed report of the expenditures made from tribal funds of the Confederated Bands of Utes during the fiscal year 1919 (H. Doc. No. 371), which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement of the cost of all survey and allotment work on Indian reservations for the fiscal year 1919 (H. Doc. No. 381), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed statement of expenditures from the tribal funds of the Chippewa Indians of Minnesota for the fiscal year 1919 (H. Doc. No. 384), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations during the fiscal year 1919 from the appropriation "Industry among Indians, 1918–19" (H. Doc. No. 386), which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report for the fiscal year 1919, showing the amounts expended at each school and agency from the appropriation for construction, lease, purchase, repair, and improvement of school and agency buildings (H. Doc. No. 382), which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report for the fiscal year 1919 relating to the appropriation, "Indian schools, support, 1919" (H. Doc. No. 383), which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, tables showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year 1919 (H. Doc. No. 387), which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations during the fiscal year 1919 from the appropriation of $130,000 made in the acts of March 3, 1911, and June 30, 1913 (H. Doc. No. 388), which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement of expenditures on account of the Indian Service for the fiscal year 1919 from the appropriation commonly known as "Industrial work and care of timber" (H. Doc. No. 385), which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing the proceeds of the sale of supplies and obsolete material and equipment during the fiscal year 1919 (H. Doc. No. 453), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement showing in detail what officers or employees have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1919 (H. Doc. No. 442), which, with the accompanying paper, was referred to the Committee on the District of Columbia and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior transmitting, pursuant to law, a report of the surgeon in chief of the Freedmen's Hospital, submitting statements of receipts and expenditures on account of pay patients during the fiscal year 1919 (H. Doc. No. 396), which, with the accompanying paper, was referred to the Committee on the District of Columbia and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior transmitting, pursuant to law, a report of the surgeon in chief of the Freedmen's Hospital, submitting a detailed statement of expenditures for professional and other services for the fiscal year 1919 (H. Doc. No. 397), which, with the accompanying paper, was referred to the Committee on the District of Columbia and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior transmitting, pursuant to law, an itemized statement of expenditures made by the department and charged to the appropriation "Contingent expenses, Department of the Interior, 1918," during the fiscal year 1919 (H. Doc. No. 443), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior transmitting, pursuant to law, an itemized statement of expenditures made by the department and charged to the appropriation "Repairs of buildings, Department of the Interior, 1919," for the fiscal year 1919 (H. Doc. No. 444), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior transmitting, pursuant to law, a letter from the superintendent of the St. Elizabeth's Hospital for the Insane submitting the financial report of that institution for the fiscal year 1919 (H. Doc. No. 367), which, together with accompanying papers, was referred to the Committee on the District of Columbia and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Interior transmitting, pursuant to law, a report showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 464), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF SECRETARY OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture transmitting, pursuant to law, the annual report of expenditures for the fiscal year 1919 out of the funds appropriated for the survey, construction, and maintenance of roads and trails within or only partly within the national forests (H. Doc. No. 359), which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a detailed statement showing the places, quantity, and price of seeds purchased and the dates of purchase (H. Doc. No. 358), which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement of the activities of the department pertaining to the public health (H. Doc. No. 357), which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report showing the names of all persons employed, their designations, and rates of pay in the Bureau of Animal Industry for the suppression of diseases of domestic animals during the fiscal year 1919 (H. Doc. No. 356), which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report of contributions on account of cooperative work with the Forest Service and the amount refunded to depositors on account of excess deposits, national forests fund, for the fiscal year 1919 (H. Doc. No. 353), which, with accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a detailed report showing the publications received and distributed by the department during the fiscal year 1919 (H. Doc. No. 363), which, with the accompanying papers, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing sums paid from appropriations of the Bureau of Chemistry during the fiscal year 1919 for the compensation of officers or other persons employed by State, county, or municipal governments (H. Doc. No. 355), which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 354), which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing the receipts from the sale of useless papers during the fiscal year 1919 (H. Doc. No. 451), which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

He also laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing for the fiscal year 1919 the motor-propelled and horse-drawn passenger-carrying vehicles and motor boats purchased by the department for use outside of the District of Columbia (H. Doc. No. 456), which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

REPORTS OF LIBRARIAN OF CONGRESS.

The VICE PRESIDENT laid before the Senate the annual report of the Librarian of Congress and the annual report of the Superintendent of the Library Building and Grounds for the fiscal year ended June 30, 1919 (H. Doc. No. 407), which was referred to the Committee on the Library.

He also laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, a report showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 391), which, with accompanying paper, was referred to the Committee on the Library and ordered to be printed.

He also laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, a statement showing in detail what officers or employees have traveled on official business from Washington to points outside the District of Columbia during the fiscal year 1919 (H. Doc. No. 441), which, with the accompanying paper, was referred to the Committee on the Library and ordered to be printed.

REPORTS OF SUPERINTENDENT OF LIBRARY BUILDING AND GROUNDS.

The VICE PRESIDENT laid before the Senate a communication from the Superintendent of Library Building and Grounds, transmitting, pursuant to law, a statement of the number of typewriters and other labor-saving devices purchased and exchanged during the fiscal year 1919 (H. Doc. No. 440), which, with the accompanying paper, was referred to the Committee on the Library and ordered to be printed.

He also laid before the Senate a communication from the Superintendent Library Building and Grounds, transmitting, pursuant to law, a statement showing in detail what officers or employees have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1919 (H. Doc. No. 398), which was referred to the Committee on the Library and ordered to be printed.

He also laid before the Senate a communication from the Superintendent Library Building and Grounds, transmitting, pursuant to law, a report showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 439), which was referred to the Committee on the Library and ordered to be printed.

REPORTS OF INTERSTATE COMMERCE COMMISSION.

The VICE PRESIDENT laid before the Senate the thirty-third annual report of the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce and ordered to be printed.

He also laid before the Senate a communication of the chairman of the Interstate Commerce Commission, transmitting results of the investigation made by the Interstate Commerce Commission pursuant to Senate resolution of October 30, 1919, which, with the accompanying papers, was referred to the Committee on Interstate Commerce and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, a statement showing the employment under appropriation for the valuation of carriers for the fiscal year 1919 (H. Doc. No. 329), which, with the accompanying papers, was referred to the Committee on Interstate Commerce and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, a statement showing in detail what officers or employees have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1919 (H. Doc. No. 327), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, a report showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 328), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, a statement of the number of typewriters and other labor-saving devices purchased and exchanged during the fiscal year 1919 (H. Doc. No. 326), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PURCHASE OF TYPEWRITERS.

The VICE PRESIDENT laid before the Senate a communication from the Civil Service Commission, transmitting, pursuant to law, a statement of the number of typewriters and other labor-saving devices purchased and exchanged during the fiscal year 1919 (H. Doc. No. 314), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, a statement of the number of typewriters and other labor-saving devices purchased and exchanged during the fiscal year 1919 (H. Doc. No. 390), which, with the accompanying paper, was referred to the Committee on Interstate Commerce and ordered to be printed.

EMPLOYEES OF UNITED STATES BOTANIC GARDEN.

The VICE PRESIDENT laid before the Senate a communication from the Superintendent United States Botanic Garden, transmitting, pursuant to law, a report showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 320), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

LIST OF JUDGMENTS (H. DOC. NO. 361).

The VICE PRESIDENT laid before the Senate a communication from the Court of Claims, transmitting, pursuant to law, a statement of all judgments rendered to the Court of Claims for the year ended November 29, 1919, the amount thereof, the parties in whose favor rendered, and a brief synopsis of the nature of the claims, which, with accompanying papers, was referred to the Committee on Claims and ordered to be printed.

REPORT OF UNITED STATES TARIFF COMMISSION (H. DOC. NO. 319).

The VICE PRESIDENT laid before the Senate the Third Annual Report of the United States Tariff Commission, which was referred to the Committee on Finance and ordered to be printed.

ANNUAL REPORT OF PUBLIC PRINTER.

The VICE PRESIDENT laid before the Senate the annual report of the Public Printer for the fiscal year 1919, which was referred to the Committee on Printing and ordered to be printed.

ANNUAL REPORT OF COMMISSIONERS OF THE DISTRICT OF COLUMBIA.

The VICE PRESIDENT laid before the Senate the annual report of the Commissioners of the District of Columbia for the fiscal year 1919, which was referred to the Committee on the District of Columbia and ordered to be printed.

EUROPEAN OBLIGATIONS.

Mr. JOHNSON of California. Mr. President, I ask permission to have printed in the CONGRESSIONAL RECORD an article by Frank H. Simonds, published in last evening's Star, containing the speech of the President, which I think has not yet been published, delivered at the peace conference, and which is illuminating, concerning the obligations that our country assumes in the future regarding the territorial settlements in Europe. I do not desire to comment on it at the present time, but at some time hereafter. I ask that it may be printed in the RECORD, so that all Senators may see it.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SCOPE AND SPIRIT OF LEAGUE TOLD IN PRESIDENT'S SPEECH—ROUMANIA ASSURED AMERICAN ARMY AND FLEET MIGHT BE SENT OVERSEAS IF WORLD IS TROUBLED AGAIN.

[By Frank H. Simonds.]

"Many times during the discussion of the treaty of Versailles in the United States references have been made to the extent and character of the guaranties the United States would give by virtue of that document to various European nations.

"Of all the addresses of the President the most complete and impressive was that made on May 31 in a plenary session, when he laid down a doctrine which was declared by the members of the American delegation at the time to be one of the most important utterances of the whole conference, so far as American policy was concerned.

"The circumstances of the President's speech are of relatively minor importance. M. Bratiano and M. Trumbitch, representing Roumania and Serbia, had protested against the section in the treaty with Austria which compelled their countries to recognize the right of the four great powers to intervene on behalf of minorities in Roumania and Serbia. In point of fact, both countries refused to sign the treaty and have not yet signed it on this account; but what is interesting to the American public is the statement by the President of his conception of the extent to which American guaranties would go, once the treaty had been accepted. For my own part I have never seen anywhere so admirable and complete a definition of the President's views as to the scope and spirit of the league of nations.

PRESIDENT'S SPEECH IN FULL.

"Mr. Wilson's words were as follows:

"'I should be very sorry indeed if this session adjourned leaving in the mind of anyone the conviction that we have here expressed the idea that the great powers wish to impose their will upon the smaller nations, out of any feeling of pride or arrogance. I want to call attention to one aspect of this arrangement which we are working on together. We want to insure the peace of the world and to banish all elements of trouble and danger for the future. One of the essential conditions is an equitable distribution of territory in accordance with the desires and affinities of the populations.

"'This distribution made, the allied and associated powers will guarantee the maintenance of the conditions which we shall decide upon, having made those conditions as just as possible. These powers are the nations which will undertake the contract and the burdens; on them will rest the chief responsibility, just as, by force of circumstances, they have made the greatest effort during the war. And it is necessary always to remember that it is force which is the ultimate guaranty of the public peace.

ADVISERS, NOT DICTATORS.

"'Under such conditions is it unreasonable that we should say to you, speaking in the language not of dictators, but of advisers and of friends: 'We can not guarantee your frontiers here if we do not believe that they conform to certain principles of right and wrong?'

"'Exactly the same line of reasoning applies to the question of minorities. It is with the same concern that condition as to minorities has been discussed. If you want the principal allied and associated powers to guarantee the existence of your States, is it unreasonable that they should be satisfied as to conditions which they regard as indispensable, if we are to avoid future causes of war?

"'We ask our Roumanian and Serbian friends to believe that we have no desire this evening to invade ancient and recognized sovereignties. But the present treaty will add much, and it is impossible, for example, to treat the kingdom of the Serbs, the Croats, and the Slovenians as a unit created by the events which we have witnessed and at the same time, in certain contingencies, to treat the Serbian kingdom as a separate State.

"'If these States are solidly established, thanks to the treaty which we are making together, the right belongs to the powers which will guarantee the execution of this treaty, in the last analysis, to see to it that the conditions on which these States will be established are of a sort to insure the public peace. Our desire in this is not to interfere in any fashion which might injure these States in any particular, but to aid them and to help the common cause. We hope that you will not hesitate to accept our point of view, because we can not see another means of settling the question.

"'How could the Government of the United States go before the Congress and people of the United States and pretend that it had assisted in insuring the peace of the world, if it believed that the settlement agreed upon here contained unstable or dangerous elements?

AMERICA WOULD SEND ARMY AND FLEET.

"'If the world should be troubled again, if the conditions which we all regard as fundamental are challenged, the guaranties which will be given to you will pledge that the United States will send its Army and fleet across the ocean. Is it surprising, under such conditions, that it should desire to reach a solution of the various problems which seems to it satisfactory?

"'I would say to Mr. Bratiano, in particular, that we have not the smallest desire to impair the sovereignty of his country. We do not want to do anything that could displease him. Roumania will come out of this war increased in power and in territory. We have the right, accordingly, to insist on certain conditions which, in our opinion, will make this success permanent.

"'May I not ask my friend Mr. Kramar, my friend Mr. Trumbitch, and my friend Mr. Bratiano to believe that if we have only mentioned the great powers in the article which we have just been discussing, it is not because these powers desire to impose conditions of their own, but simply because they desire to satisfy themselves that they can guarantee the sum total of advantages which this treaty gives you as well as us with all the strength which they possess?

"'It is a question of working in common, and this collaboration can only be founded on a definite agreement. To leave the solution of these questions to later negotiations, as somebody has suggested, would amount to saying that when the conference had completed its labors some separate groups would decide among themselves what would in reality become a part of the general foundation of the peace of the world. This seems impossible.

FORCE ULTIMATE PEACE GUARANTY.

"'I hope that we shall reach—that is, our goal—a cordial and voluntary agreement to cooperate on the only basis possible. That basis, one must express it in this fashion, will have to be supplied by those who will furnish the force which will insure the maintenance of peace—by those in whom will dwell that force which will be the supreme guaranty of peace.

"'It is essential not to misunderstand the sense we attribute to the word "force." The United States has never had any aggressive purpose, and you all know the reasons for our intervention in the affairs of the Old World.

"'We pursue a common goal. All that we desire is to aid you in attaining that goal in accord with us. We only want to associate ourselves with you and we do not want to do anything which could run contrary to your interests.'

"Prime Minister Bratiano's reply, too long for quotation here, has not a little interest for Americans in view of the debate on the treaty in the United States Senate. In substance, he declared that Roumania was willing to agree to any arrangement vesting the league of nations with the right to intervene in all countries, big and little, on behalf of minorities, but unwilling to permit four great powers to arrogate to themselves the right to intervene in the case of small countries.

WHY IDEA WAS REJECTED.

"The effect of such a provision, however, would have been to authorize the league of nations to intervene on behalf of the negro in the case of the United States, on behalf of the Irish in the case of Great Britain, and in the interests of the German and Slav minorities in the case of Italy. Therefore it was promptly rejected. Roumania and Serbia thereupon refused to sign the treaty with Austria, and Roumania withdrew from the peace conference and later invaded Hungary and annexed Bessarabia.

"But it will be noted that the basis of Roumanian and Serbian action was apprehension of interference in their own domestic affairs and the loss of national independence, together with a protest against the discrimination against small States. As I

have said before, however, for Americans the chief interest is the incident in the speech of the President, which clearly discloses his idea of the scope of guaranties to be given by the United States as well as the three other great powers to all the countries of eastern and southern Europe." (Copyright, 1919, McClure Newspaper Syndicate.)

ESTIMATES AND APPROPRIATIONS.

Mr. WARREN. Mr. President, I present for printing in the RECORD a condensed report of the estimates from the various departments of the Government for the coming fiscal year of 1921. These estimates are more than surprising; they seem to me to be absolutely startling.

The estimates for the regular annual supply bills and the permanent annual appropriations exceed the appropriations of last year, when we were at the finish of the war, by nearly a half billion dollars. The estimate for every one of the 13 appropriation bills, excepting the Post Office and Naval bills, is in excess of the appropriations for 1920. The estimate for the Post Office appropriation bill is less by something over $200,000,000, and the estimate for the naval appropriation bill is less than that of a year ago by $43,000,000, but as to the other bills the estimates are appreciably increased all the way through.

Mr. President, we, of course, know that we have a growing country and that we have had a war; but looking back of the Fifty-second Congress—in fact, to the Fifty-first Congress—our appropriations before that time had been running from a half billion to three-quarters of a billion dollars in each of two years, or in an entire Congress. We all remember the saying of Speaker Reed—in fact, it became a household phrase—that though we had a billion-dollar Congress—in the Fifty-first Congress—we also had a billion-dollar country, because the expenditures for the two fiscal years 1891 and 1892 amounted to a trifle over a billion dollars, but each of the following Congresses expended less than did the Fifty-first.

The permanent appropriations, those that we must provide for each year without going through the formality of appropriating through our annual appropriation bills, a policy which I earnestly condemn, amount to about a billion and a half dollars. They amounted last year to nearly $2,000,000,000. Mr. President, such apppropriations are constantly being added to by incorporating in the various bills clauses to the effect that the money is to be paid annually for so many years, or every year hereafter, as, for instance, in the case of the appropriations made for vocational education and those old appropriations heretofore made for agricultural universities and colleges, and so forth; and now comes the interest upon our bonds and certificates, which must be paid in the way of permanent annual appropriations, the amount of which rises and falls with the fluctuation of our indebtedness.

Going back to the time of which I speak, the first billion-dollar Congress, we were able to reduce appropriations after the Fifty-first Congress in the following Congresses continuing up to the Spanish-American War, when the appropriations rose to a billion and a half dollars in the two years. Finally, in the Sixtieth Congress the appropriations reached an amount somewhat in excess of $2,000,000,000. Then after the Sixtieth Congress each Congress cost us approximately $2,000,000,000, or $1,000,000,000 annually up to the World War.

Mr. President, with the burden of taxes we are carrying and with the World War now behind us, it seems to me——

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from North Carolina?

Mr. WARREN. I yield.

Mr. SIMMONS. Will the Senator from Wyoming give us the estimates for the year immediately preceding the war?

Mr. WARREN. I do not happen to have them here, but for a Congress they amounted to something like a billion dollars a year—sometimes a trifle over and sometimes a trifle under that figure. Now, we have expenditures at the rate of a billion and one-half dollars a year for permanent appropriations, and we are asked to appropriate this year, in addition to that, almost $4,000,000,000, and added to this come deficiency and miscellaneous amounts, which may amount to billions. In fact, those in 1920 amounted to over $2,250,000,000. So we are now asked to appropriate nearly fourteen times as much as we were appropriating when this country became so startled on the announcement that there had been a billion-dollar Congress.

It seems to me that the time has come when we should shut the gate entirely to new requisitions and pause and consider whether we want to continue building up departments and commissions and the like of that. Of course, I do not need to say that the duties of the Appropriations Committees of the Houses of Congress are to appropriate the money called for by the laws which Congress passes; so it is out of the power of those committees to regulate entirely the expenses of the country; in fact, they have very little to do with that; but the laws enacted from day to day, I may say, various thoughtless measures, resolutions, and so forth, calling for investigations and for similar objects, call for great amounts.

Mr. President, I ask that this statement may go into the RECORD in the shape in which it is prepared.

Mr. WADSWORTH. Mr. President, I desire to ask the Senator from Wyoming if he will read the estimates for the Army.

Mr. WARREN. I have here the estimates for the Army.

Mr. SIMMONS. I ask that the Senator also read the estimates for the Navy.

Mr. WARREN. I also have the estimates for the Navy.

The estimates for the Army are $982,800,020; those for fortifications are $117,793,330. The Navy asks for $373,131,254.80, which is less than the expenditure last year. That is one of the two departments the estimates for which are less than the expenditures of last year, but only to the amount of a little less than $43,000,000.

Mr. WADSWORTH. Mr. President, I desire to call the attention of the Senate to the estimates for the Army. As the Senator from Wyoming has just said, the estimate for the Army for 1921 is $982,000,000 in round figures, while the appropriations for the current fiscal year of 1920 were $772,000,000, showing an increase, in round figures, of $200,000,000. I took occasion day before yesterday to examine the estimates for the Military Establishment in some detail, and I saw in the estimate that the item "Pay of the Army" is increased about $112,000,000 over the appropriations for the current fiscal year, from which I gather that the estimate of $982,000,000 is for an Army of 500,000. May I assure the Senator from Wyoming that not with my consent will we have a Regular Army of 500,000 men.

Mr. WARREN. I will say, Mr. President, doubtless that is true. However, there is nothing in this estimate calculated on its face to provide for an increase in salaries or wages. While we have a commission or committees that are supposed to report very soon upon the question of raising the wages, salaries, and so forth, of something like 110,000 employees, there is nothing in this estimate that covers that expectation.

Mr. THOMAS. Mr. President——

Mr. WARREN. I yield to the Senator from Colorado.

Mr. THOMAS. Mr. President, through the courtesy of the Senator from Wyoming I received in the morning mail a copy of the statement which he has just put in the RECORD, and it occurred to me that the increases demanded by the Agricultural and other departments were largely due to the increased cost of the civil service. The Senator, of course, knows we have very materially advanced the salaries of employees by giving them bonuses, and in all probability we will again increase that item of annual expenditure. Can the Senator inform the Senate in round figures what the approximate amount of increase is due to that legislation?

Mr. WARREN. Does the Senator mean for last year?

Mr. THOMAS. Yes. The document is a comparison of appropriations for 1920 and estimates for 1921. Now, can the Senator say what proportion of the increase is due to the increased wage of the civil-service employees?

Mr. WARREN. I will say to the Senator that I have not at this moment here at hand the figures the Senator asks for.

Mr. THOMAS. It is a very considerable part of it, I assume.

Mr. WARREN. It is quite a considerable, although not very large, proportion of the total sum. Of course, as the Senator knows, we granted to the employees of the Government a bonus of $240 a year for 1920; for 1919 a bonus of $120 a year.

Mr. THOMAS. We have a very large army of employees, and of course any increase, however small per capita, aggregates a very large sum of money.

Mr. WARREN. Two hundred and forty dollars a year multiplied by 100,000 would aggregate a considerable sum.

Mr. THOMAS. Should it not be multiplied by considerably more than 100,000?

Mr. WARREN. Yes; the increase would be considerable so far as the bonus is concerned; but we have not in the last appropriation bills raised many regular salaries.

Mr. THOMAS. We have raised some of them.

Mr. WARREN. Very few of them have been raised.

Mr. THOMAS. Some of them, I think a good many, were raised in 1918. Of course, the appropriation bills which were enacted by the present Congress because of the failure of the last Congress to enact them would only reflect the increases that were granted at that time and which are covered in the legislation of this Congress; they would not reflect the increases included in legislation of former Congresses.

Mr. WARREN. The increase in regular salaries was not great either in 1918 or 1919 so far as appropriations are concerned that were within the province of the Appropriations Committees. As the Senator knows, there were a great many lump-sum appropriations for this commission and that commission or bureau, and included in the legislation relating to such commissions or bureaus was the authority given to them to employ assistants, and of course they arranged the salaries of the assistants employed by them.

Mr. THOMAS. But if Congress complies with the requirements of the estimates now submitted and appropriates practically $5,000,000,000, then the legislation appropriating money for other purposes will be in excess of the $5,000,000,000, will it not?

Mr. WARREN. Oh, yes; and the expectations of employees relative to advance of salaries and wages are very great. The 1921 estimates do not provide for increases.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. THOMAS. I yield.

Mr. SMOOT. Mr. President, I will say that two years ago when the bonus was $120 to each employee of the Government outside of the Post Office Department the amount required was approximately $28,000,000.

Mr. THOMAS. And that bonus was doubled.

Mr. SMOOT. The bonus was doubled, so that approximately $56,000,000 would be required to meet the $240 bonus paid for the fiscal year ending June 30, 1920.

Mr. WARREN. Mr. President——

Mr. SMOOT. Just a moment. In answer to the Senator about our appropriating approximately $5,000,000,000 for the fiscal year 1921, I will assure the Senate—and I want the country to know—that we are not going to appropriate that amount of money. If there is strength enough in some of the Senators here to talk to death such tremendous proposed appropriations, we are going to do it; we are not going to appropriate any such amount of money.

Mr. THOMAS. I venture the prediction that before we get through appropriating money in this Congress we will greatly exceed $5,000,000,000 a year.

Mr. WARREN. Will the Senator allow me to interrupt him right there?

Mr. THOMAS. In a moment. I am very confident, although I am not a prophet nor the son of a prophet, that my prediction will be verified.

Mr. SMOOT. The Senator will remember that when I made the prediction here nearly a year ago that the expenditures of the Government for the fiscal year 1921 would be $4,000,000,000 the Secretary of the Treasury "went up in the air," and he and many others throughout the country thought I was crazy.

Mr. THOMAS. The Senator was not crazy—not as much so as he is now, when he assumes that he is going to hold our appropriations down to $5,000,000,000.

Mr. WARREN. May I say a word right there?

Mr. THOMAS. Just a moment. For example, this Congress will give a bonus of $240 to the soldiers forming our last Army. That will be due to the fact that they will demand it, on the one hand, and to the fact that both parties are equally anxious to secure their good will, on the other, and that item alone will amount to somewhere in the neighborhood of three-quarters of a billion dollars. When to that are added the other demands that will inevitably be made upon us, and particularly if serious trouble eventuates with Mexico—which seems to me, from what I know about it, to be unavoidable unless the Mexican administration shall assume a different tone toward this Government—we shall be very lucky, indeed, if we do not exceed the estimates to which the Senator has called attention.

Mr. SMOOT. If we get into a war, that is another question.

Mr. WARREN. Mr. President, I want to say, if the Senator will excuse me for a moment——

Mr. THOMAS. I thank the Senator for permitting this interruption. I shall not detain him longer.

Mr. WARREN. During the last year we have had deficiency appropriations amounting to over $1,141,000,000. We had miscellaneous expenses amounting to $1,126,000,000. In other words, two and a half billion dollars were added to the regular and permanent estimates.

Mr. OVERMAN. Mr. President, may I interrupt the Senator?

Mr. WARREN. Let me finish, please. Now, undoubtedly there will have to be added, as there always have been added, more or less items that fall short during the year and come in in the way of deficiencies.

I want to finish this statement, if the Senator will allow me a moment.

As nearly as we can estimate the revenues of the coming year, they will amount to five billion six hundred and twenty millions plus. The revenues from the Postal Service are estimated to be something over $415,000,000, or a total of over $6,000,000,000 in revenue, while the regular estimated appropriations amount to some $1,170,000,000 less than that sum; but miscellaneous items, deficiencies, increase of wages and salaries, and so forth, will far more than absorb this estimated excess.

One word more, and that is in relation to the promise of my colleague, which I hope we shall be able to fulfill, that these estimates will be greatly cut down. I want to say, however, that it is very largely in the hands of the Senate and not in the hands of the committee as to what we have to appropriate. It is idle to stand here and threaten what we will do when we know we can not do it. What we have got to do, if we do our duty, is to appropriate the money which Congress provides that we shall appropriate by law; and I think the necessity of taking this matter up and promising ourselves what we will do toward economy, toward cutting down these estimates, should be taken to heart by every Member of the Senate and it should be kept in mind in all bills that he introduces and supports here.

Mr. OVERMAN. Mr. President, I was going to say to the Senator, who is the very able chairman of the Committee on Appropriations, that these estimates sent down here are sent down in obedience to law, and the estimates are made upon the laws that Congress itself has passed; and, therefore, who is responsible for this great total of estimates except Congress itself?

I do not exactly understand why the Senator has injected this matter in here now. I have never known it to be done before. The estimates are sent down here regularly, and sent to the Senator's committee; and his committee, of which I am a member and of which he is the able chairman, will consider all these matters, and it is for the committee to determine whether we shall report out from our committee these appropriations. We will have to appropriate that which Congress has provided for, and the matter of new appropriations must be considered by our committee; and when we report them out the responsibility is on the Senate or the House, on Congress, and not upon the heads of the departments who send these estimates here. They are compelled to send them. Sometimes they exceed what we give them, and we frequently refuse the estimate, as the Senator knows; but the heads of these departments are sending these estimates in obedience to the laws of Congress.

Now, here is the Senator from New York [Mr. WADSWORTH]. I agree with him that we are not appropriating the money that is estimated for; but that is based upon a recommendation made to Congress, I suppose, from the General Staff. I will ask the Senator if that is not the case. Have they not recommended an increase in the Army which would carry this appropriation?

Mr. WADSWORTH. The War Department made the recommendation. I would not say it was the General Staff that made it.

Mr. OVERMAN. Well, the War Department. Of course we do not have to appropriate this sum of money, and probably we will not appropriate this sum of money; and I will join with the Senator from Utah in cutting down these appropriations where Congress has not made provision for the appropriations; but where it has what can we do except carry out the law?

After all, the responsibility is on Congress, on the House and on the Senate; and I think it wise that the Senator from Wyoming should warn the Senate as to future appropriations. The great appropriations asked for here are asked in obedience to the laws that we have passed, and we go helter-skelter sometimes and appropriate money here without considering the total amount. "What is $1,000,000 or what is $500,000"—and we all vote for it, knowing that when the sum total comes it will mount up into the billions of dollars. Therefore I think the Senator from Wyoming is doing right in warning the Senate in regard to future bills making appropriations. I do not know what the appropriation bills are going to amount to. It may be that we will have war, and then the Senator from Utah will have to take back what he says about reducing the appropriations below $5,000,000,000.

Mr. SMOOT. I will not take it back unless there is war.

Mr. OVERMAN. Unless there is war; I will stand with him on it, and, as he says, if necessary, filibuster on it.

Mr. BORAH. We can not have a filibuster. We are going to adopt cloture.

Mr. OVERMAN. Oh, no; I will never cast my vote to adopt cloture.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WARREN. I yield to the Senator from Tennessee.

Mr. McKELLAR. I have been very much interested in what the Senator from Wyoming has stated about these appropriations, and especially in his statements about the appropriations for the Army. I happen to be a member of that committee. I am delighted to hear the statements made by the Senator from New York [Mr. WADSWORTH] on that subject. The idea of this country appropriating $985,000,000 for the Army two years after the war has closed during a time of peace, with millions of trained soldiers in our country easily available, is, to my mind, the height of unrighteousness. I do not see how we can afford even to think of such a Military Establishment as that in times of peace, and I will join the Senators from New York and Wyoming in fighting any such Military Establishment. I was glad to hear the Senator from New York say that he would not support an Army of 500,000 men in time of peace. I would like to cut that figure at least in two, and perhaps then reduce it still further. I think some of our people are going military mad, and going military mad at the wrong time. Of course, if we have war, that is another subject; we will deal with that subject when we get to it; but the appropriations asked for by the department at this time are on a peace basis, as I understand.

They are asking for $985,000,000, and then more than $117,000,000 extra for fortifications, which fortification bill does not come before our committee, making more than $1,000,000,000 for the Army. That can not be defended by anyone, and I certainly join the Senator from New York in opposing it. I notice that the estimate asks for $6,778,000 for the Military Academy next year. We appropriated $2,277,000 for the academy this year. Here is an increase of over four and a half million. There is no possible excuse for such a recommendation. Unless we have war with Mexico or some other power, we should cut down the appropriations asked for by our Military Establishment from one billion one hundred and six million to a sum not exceeding four hundred million, thus saving to the American taxpayers more than $700,000,000 over the sum asked for by the department. The appropriation of the sums asked for by the Military Establishment would be largely a useless waste of the people's money. If other recommendations of the departments are like those of the Military Establishment it is indeed well that the distinguished chairman of the Appropriations Committee has called the Senate's attention to the matter.

Mr. WARREN. Mr. President, it is true that such comparative tables have not always been introduced for printing in the RECORD at the commencement of Congress—perhaps never before—but I want them introduced now in this condensed form, and I want the RECORD to show plainly, and in large, plain type, this statement exactly as it has been compiled.

While the Senator from North Carolina [Mr. OVERMAN] says that these estimates are sent in as it becomes the duty of the Secretaries, and that is true, nevertheless in these estimates come a great many thing that are not specially asked for, and we do expect, as the Senator has said, to trim those, and to trim them without mercy; but, on the other hand, as he has so justly said, we are in the hands of Congress in passing the bills that it does pass.

Mr. President, I send this statement to the desk and ask to have it printed in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Table comparing by bills estimates of regular annual appropriations for the fiscal year 1921 with the appropriations made for the fiscal year 1920, during the third session of the Sixty-fifth Congress and the first session of the Sixty-sixth Congress.

(Prepared by the clerks to the Committees on Appropriations of the Senate and House December 3, 1919.)

The column of 1920 appropriations does not include the sums carried for that fiscal year in deficiency and miscellaneous appropriation acts for similar purposes.

The estimated appropriations for 1921 will be found in detail in the annual Book of Estimates, House Document No. 411, transmitted to Congress on December 1, 1919, and the estimated revenues for 1921 in the Annual Report of the Secretary of the Treasury for the fiscal year 1919.

	Estimates, 1921.	Appropriations, 1920.	Increase, estimates 1921 over appropriations for 1920.	Decrease, estimates 1921 under appropriations 1920.
Agriculture	$37,528,102.00	$33,899,761.00	$3,628,341.00	
Army	982,800,020.00	772,324,877.50	210,475,142.50	
Diplomatic and Consular	11,243,250.91	9,843,661.67	1,399,589.24	
District of Columbia	19,179,716.03	15,364,421.00	3,815,295.03	
Fortification	117,793,330.00	11,214,291.00	106,579,039.00	
Indian	12,994,494.27	11,131,397.03	1,863,097.24	
Legislative, etc	122,242,849.02	97,963,831.77	24,279,017.25	
Military Academy	6,778,637.20	2,277,932.20	4,500,705.00	
Navy	573,131,254.80	616,096,838.88		$42,965,584.08
Pensions	215,030,000.00	215,030,000.00		
Post Office	391,713,673.00	609,466,149.00		217,752,476.00
River and harbor	42,841,565.00	33,378,364.00	9,463,201.00	
Sundry civil	906,725,387.10	607,160,207.95	299,565,179.15	
Total, regular appropriations	3,440,002,279.33	3,035,151,733.00	665,568,606.41	260,718,060.08
Permanent annual appropriations	1,425,407,752.29	1,968,997,780.00		543,590,027.71
Total, regular and permanent annual appropriations	[1] 4,865,410,031.62	5,004,149,513.00	665,568,606.41	804,308,087.79
Deficiencies		1,141,931,269.96		
Miscellaneous		1,126,478,632.41		
Grand total		7,272,559,415.37		

[1] This sum does not include any amount for increased compensation to Government employees.

Net increase, estimates for 1921 over appropriations for 1920, regular annual bills	$404,850,546.33
Decrease, estimates for 1921 under appropriations for 1920, permanent annual appropriations	543,590,027.71
Net decrease of estimates for 1921 under appropriations for 1920, regular and permanent annual appropriations	138,739,481.38
Decrease, grand total of estimates for 1921 under grand total of appropriations for 1920	2,407,149,383.75
Amount of estimated revenues for 1921	5,620,350,000.00
Amount of estimated postal revenues for 1921	415,500,000.00
Total estimated revenues for 1921	6,035,850,000.00
Excess of estimated revenues (exclusive of deficiencies and miscellaneous) over estimated appropriations for 1921	1,170,439,968.38

Mr. SMOOT. Mr. President, just a word on this subject. I can not agree with the Senator from North Carolina [Mr. OVERMAN] that all of these estimates made are based upon the laws passed by Congress. It is true that the permanent appropriations that are made must be reported as Congress has provided.

Mr. OVERMAN. Mr. President, I just want to correct the Senator there. I said the estimates were made upon the provisions of the laws, or laws anticipated, that were recommended by the departments, which we could pass or not, and it is up to Congress.

Mr. SMOOT. Then I misunderstood the Senator's statement, if he made that qualification. We know that the estimates are made under the law to-day, but I doubt whether there is one departmental head who ever takes the time to study in detail the estimates that he asks the Secretary of the Treasury to send to Congress. These estimates are made by the heads of divisions, by the heads of bureaus, and they are figured in such a way that they will cover not only all the expenses at the time that the estimate is made but every contingency that can possibly be thought of, and then a percentage is added for the increased activities and the number of employees that they would like to have in the bureau or division. That is where the trouble comes; and I have said time and time again that as long as Congress will appropriate the money we will have an everlastingly increasing number of employees in the Government.

Take the employees in the District of Columbia for the month of October. The armistice has been signed for over a year. Was there any decrease in the employees in October last? No. Instead there was an increase of 370; and every month, with the exception of two, since I have asked to be furnished with a statement on the first of the month as to the number of employees of the Government in the District of Columbia, it has shown an increase; and when will it stop? Never, as long as we appropriate the money.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Colorado?

Mr. SMOOT. I do.

Mr. THOMAS. I think there is another reason which prevents the reduction of the civil-service force, and that is Congress, or, rather, the individual Members of the two Houses. The Senator will correct me if I am wrong, because he knows, but I was informed that a reduction was made, or proposed to be made, in one of the departments some time ago.

Mr. SMOOT. In the War Department.

Mr. THOMAS. A reduction of 500 employees, and within 24 hours 169 protests, personal and by letter, were lodged by Members of both Houses of Congress against the reduction, as affecting certain of their constituents, with the result that the movement was aborted and paralyzed, and then abandoned. Is that correct?

Mr. SMOOT. The Senator is correct. There were 169 protests within 24 hours.

Mr. THOMAS. One can imagine the number of protests that would have been made if the reduction had been 5,000 instead of 500.

Mr. KING. Will my colleague yield?

The VICE PRESIDENT. Does the Senator from Utah yield to his colleague?

Mr. SMOOT. I do.

Mr. KING. The Senator from Colorado must be mistaken, because the salaries that are paid to Government employees are so small no one wants to serve the Government, and they are all resigning.

Mr. SMOOT. They are all loyal, we know, to the Government.

Mr. President, there is no doubt that we can abolish the War Risk Bureau and save the employment of 8,000 to 9,000 persons in the District of Columbia, and serve every interest better than it is being served to-day.

Mr. THOMAS. Mr. President, does not the Senator mean that we ought to do it? He says we can do it. I doubt very much whether we can do it, for the reasons embodied in my last interruption.

Mr. SMOOT. Perhaps the Senator from Colorado is right; but I do not want to believe it, Mr. President, until I see Congress refuse to do it after the information is presented to Congress, and that information is going to be presented to it.

Mr. OVERMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from North Carolina?

Mr. SMOOT. I yield.

Mr. OVERMAN. I ask the Senator if it is not true that one of the great evils in the appropriation bills is that which he and I both for 15 years have been fighting against, and that is the lump-sum appropriations. When you make a lump-sum appropriation there is no restriction on it, and they can employ as many clerks as they want. Congress should go to work and investigate this matter, and say how many clerks they could have and what salary they should receive instead of making a lump-sum appropriation and giving the discretion to the head of the department to employ whom he pleases and pay whatever he wants to pay. That is where the evil lies, I think.

Mr. SMOOT. There is not any doubt, Mr. President, that from that source comes the greatest evil. Before the war we were cutting such appropriations out just as fast as we could, but when the war came lump-sum appropriations became the universal practice, and what has been the result? I can point to-day, Mr. President, to young men being paid $10,000 a year, and if an investigation is made I say now that it will be found that they never earned more than $2,000 in any preceding year.

I had a delegation of ladies from the War Risk Bureau the other day come into my office, after it was announced that I had a program to abolish the War Risk Bureau, and the question arose as to whether it was right to do it. They had sacrificed—oh, how much they had sacrificed—to come here and work for the Government. They could go anywhere and get more money than the Government was paying them. I asked the lady who was the spokesman, "What are you paid?" She replied that she was receiving $1,800 and the $240 bonus. I asked her where she was from, and I am not going to name the State; but I say now, Mr. President, that neither she nor any other girl can get that amount of salary in the town from which she came. I asked her if that was not the case, and she said, "Well, I could go to New York and get it." I said, "For God's sake, go."

Mr. President, I want to say that the whole financial situation is in such a chaotic condition that unless Congress takes hold of it and grapples with it serious trouble is ahead. It seems no one is thinking of the Treasury of the United States and how the bills are to be paid. Let Senators join and call a halt.

Mr. ASHURST. Mr. President, I do not wish to appear presumptuous, but I must ask for the regular order. There is some morning business that we want to transact. I call for the regular order.

The VICE PRESIDENT. Petitions and memorials are in order.

PETITIONS AND MEMORIALS.

Mr. JONES of Washington presented a resolution adopted by the American Legion post, of Hoquiam, Wash., praying for the enactment of legislation providing for the deportation of certain aliens, which was referred to the Committee on Immigration.

He also presented a telegram in the nature of a petition from the State and county chairmen of the Loyal League of the State of Washington, praying for a reprint and general distribution of that part of Senate Document No. 61 relating to Bolshevism, etc., which was referred to the Committee on Printing.

Mr. McLEAN presented petitions from the United Textile Workers of America, Local Union No. 671, of Willimantic; of the United Brotherhood of Carpenters and Joiners, Local Union No. 79 of New Haven; of the International Association of Machinists, Lodge No. 313, of Waterbury; of the United Brotherhood of Carpenters and Joiners of America, Local Union No. 43, of Hartford; and of the Cigarmakers' International Union of America, Local Union No. 282, of Bridgeport, all in the State of Connecticut, remonstrating against the passage of the antistrike clause in the so-called Cummins railroad bill, which were ordered to lie on the table.

He also presented a petition of sundry citizens of Windsor Locks, Conn., praying for the adoption of the treaty of peace and the league of nations covenant, which was ordered to lie on the table.

He also presented a petition of Elias Howe, jr., Post, No. 3, Grand Army of the Republic, Department of Connecticut, of Bridgeport, Conn., praying for the passage of the so-called Fuller bill, providing for increase in pensions to the veterans of the Civil War, which was referred to the Committee on Pensions.

He also presented a petition of the Common Council of New Britain, Conn., praying for the continuation of the daylight-saving law, which was ordered to lie on the table.

He also presented a petition of the International Association of Machinists, Lodge No. 1399, of Stonington, Conn., praying for the enactment of legislation providing for an extension of Government control of railroads for a period of two years, which was referred to the Committee on Interstate Commerce.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 3486) to provide compensation in lieu of taxes to the several States with respect to certain public lands within their borders; to the Committee on Public Lands.

By Mr. CHAMBERLAIN:

A bill (S. 3487) for the relief of Clarence L. Reames; to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 3488) to provide for a site and public building at Fort Myers, Fla.; to the Committee on Public Buildings and Grounds.

SEDITIOUS ACTS AND UTTERANCES.

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill S. 3317, a bill to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts, which was ordered to lie on the table and be printed.

MILITARY POLICY.

Mr. JONES of Washington. Mr. President, I have here the report of the committee on military policy of the American Legion which was submitted at the national convention of that organization at Minneapolis a short time ago with reference to the military policy that should be followed by this country. I understand it was adopted, and it states very clearly and very concisely the ideas of that body of men, fresh from the battle fields of Europe, as to the policy this country should adopt. I think it ought to be printed in the RECORD, and I ask that that may be done, and that it may be referred to the Committee on Military Affairs.

There being no objection, the report was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

REPORT OF COMMITTEE ON MILITARY POLICY.

"Your committee on military policy met at the Minneapolis Club at 3.30 p. m. Monday, November 10, 1919, and chose as its chairman Mr. L. V. Patch, of Idaho, and as its secretary Mr. B. W. Eddy, of Louisiana.

"It was agreed to confine the committee's thought and action to statements of policy rather than statements of detail. The following resolutions were adopted:

"1. That a large standing army is uneconomic and un-American. National safety with freedom from militarism is best assured by a national citizen army based on the democratic and American principles of the quality of obligation and opportunity for all.

"2. We favor a policy of universal military training, and that the administration of such policy shall be removed from the complete control of any exclusively military organization or caste.

"3. We are strongly opposed to compulsory military service in time of peace.

"4. We have had a bitter experience in the cost of unpreparedness for national defense and the lack of proper training on the part of officers and men, and we realize the necessity of an immediate revision of our military system and a thorough housecleaning of the inefficient officers and methods of our entire Military Establishment.

"We favor a national military system based on universal military obligation, to include a relatively small Regular Army and a citizen army capable of rapid expansion sufficient to meet any national emergency, on a plan which will provide competitive and progressive training for all officers, both of the Regular Army and of the citizen forces.

"We believe that such military system should be subject to civil authority.

"Any legislation tending toward an enlarged and stronger military caste we unqualifiedly condemn.

"5. The national citizen army which should and must be the chief reliance of this country in time of war should be officered by men from its own ranks and administered by a general staff on which citizen-soldier officers and Regular Army officers shall serve in equal number.

"We recommend that Congress pass such legislation as will make the United States Air Service a separate and distinct department of our system of national defenses under control of a member of the President's Cabinet appointed for that purpose alone.

"6. We favor the continuance of training camps for the training and education of officers to serve in case of national requirement.

"We recommend that military training in high schools and colleges be encouraged.

"7. The national citizen army should be organized into corps, divisions, and smaller units, composed in each case of officers and men who come from the same State or locality, and preserving local designations as far as practicable.

"8. The national citizen army should be trained, equipped, officered, and assigned to definite units before, rather than after, the commencement of hostilities.

"9. The selection and training of men for the national citizen army should be under the local control and administration of its own officers, subject to general national regulations.

"10. That a committee of seven be appointed by the examining committee of the American Legion to consult with and advise the Military Committees of both Houses of Congress as to the working out of the details of organization and training of the future Army and Navy of the United States, using as its basis the resolutions accepted and adopted by this convention."

THE OIL FLOTATION SITUATION.

Mr. THOMAS. Mr. President, I have received the resolution introduced and passed by the American Mining Congress, which recently met in St. Louis, together with an address in support of it before the Federal Trade Commission by Hon. George L. Nye, of the Kansas bar. I ask leave to have it referred to the Committee on Printing, with a view to having it printed as a Senate public document.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORT OF CIVIL SERVICE COMMISSION.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Civil Service and Retrenchment and ordered to be printed:

To the Senate and House of Representatives:

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the Thirty-sixth Annual Report of the United States Civil Service Commission for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE, *2 December, 1919.*

NOTE.—Report accompanied similar message to the House of Representatives.

RELIEF OF NEEDY PEOPLES IN EUROPE (H. DOC. NO. 449).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

To the Senate and House of Representatives:

As required by the act of Congress, approved February 25, 1919, I transmit herewith a preliminary report on the receipts and expenditures made under appropriation of that act.

WOODROW WILSON.

THE WHITE HOUSE, *2 December, 1919.*

NOTE.—Report accompanied similar message to the House of Representatives.

AMENDMENT OF FEDERAL RESERVE ACT—CONFERENCE REPORT (S. DOC. NO. 161).

Mr. McLEAN. Mr. President, I present the report of the committee of conference on the disagreeing votes of the two Houses upon Senate bill 2472, to amend the act approved December 23, 1913, known as the Federal reserve act. If there is no objection, I would like to have the report acted upon as soon as possible.

Mr. BORAH. I do not know that I have any objection, but I do not know what the report is.

Mr. McLEAN. It is a report of the conference committee on Senate bill 2472.

Mr. BORAH. I know; but we do not know what the report is. I know what it is about.

Mr. McLEAN. The House report is printed, and the Senate report is a duplicate of the House report.

Mr. SMOOT. I just want to ask the Senator one question, and I base it upon the interest that the Senator from North Dakota [Mr. GRONNA] has in the bill. In the conference report do you eliminate the double liability of stockholders?

Mr. McLEAN. I will say to the Senator that the report seems to be rather formidable in the number of amendments, but nearly all of them are House amendments, and their purpose is to throw added restrictions around the bill and on the whole improve it and safeguard it. There were four amendments about which there was some controversy—Nos. 1, 4, 17, and 29.

The first amendment eliminates the word "principally" in the first section, which was stricken out at the suggestion of the Senator from Iowa [Mr. CUMMINS]. That was put back by the House, but in conference the House receded, so that the bill stands in that regard as it passed the Senate.

The next amendment, numbered 4, relates to the use of the word "Federal," which the Senate committee did not think advisable, and the House receded therefrom.

The next amendment was No. 17, which provided that these banking corporations might establish agencies in the United States. The Senate committee objected to that, and the House receded.

The amendment from which the Senate receded was No. 29, which applies to the double liability of stockholders, and on that amendment the Senate receded for good reasons, as it seems to me.

The House changed the language so as to clearly define and limit the deposits. The business of these institutions, as the Senator knows, is restricted to foreign and international transactions, and it seemed to the committee that if we imposed a double liability under the circumstances the law would be inoperative, because the 9 or 10 State institutions which are organized for this purpose have no double liability. The New York State law, as the Senator knows, does impose a double liability upon all the trust companies and banks in that State, but not upon these finance corporations.

The Senator knows that the national banks are permitted to invest 10 per cent of their capital and surplus in these institutions. That creates a contingent liability upon the part of the national banks which is utterly impossible to estimate unless you put it in at par; consequently, you add a liability to the national banks which might impair their capital.

Mr. KING. I understand the conference report has just been submitted.

Mr. McLEAN. Yes; but the reports of the two Houses are duplicates. The House report is printed and at the service of the Senate.

Mr. KING. But we have had no opportunity to examine it. Would the Senator object to having it go over until to-morrow morning?

Mr. McLEAN. I think the only question in controversy is the question of double liability.

Mr. SMOOT. Mr. President, the Senator from North Dakota [Mr. GRONNA] is a member of the Banking and Currency Committee, and he is unavoidably detained from the Senate. I do know he is interested in this question and desired to be heard upon it when the report came in. Therefore I am going to ask that it go over this morning.

Mr. McLEAN. I will say to the Senator from Utah that I understand the Senator from North Dakota may not return to the Senate for a month, and I think he would have made a request of me if he had desired to have consideration of the report postponed. I know that in his opinion the bill has been greatly improved, and while I would like to accommodate the Senator from North Dakota, and if he had made the request of the Senator from Utah I would be willing that it should go over for a day or two, I think he would have made a request of me if he had wanted it to go over.

Mr. SMOOT. I do not want the Senator from Connecticut to get the idea that the Senator from North Dakota asked me that the report should go over. He did tell me, however, that the conferees on the part of the Senate had yielded, that the double liability went out of the bill, and that he desired to be heard upon that question when the conference report came before the Senate. I do not know how long the Senator is going to remain away, and all I will ask to-day is that the report may go over until to-morrow morning, and I will find out in the meantime just when the Senator from North Dakota will return, and also whether he desires anything said about it.

Mr. McLEAN. I ask that the report may be printed in the RECORD, and I give notice now that I will call the matter up to-morrow.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2472) to amend the act approved December 23, 1913, known as the Federal reserve act, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 1, 4, and 17.

That the Senate recede from its disagreement to the amendments of the House numbered 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 20, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 14, and agree to the same with amendments as follows: After the word "such" in said amendment insert the words "general conditions as to security and such"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 15, and agree to the same with an amendment as follows: After the word "herein" insert a new sentence as follows: "Nothing contained in this section shall be construed to prohibit the Federal Reserve Board, under its power to prescribe rules and regulations, from limiting the aggregate amount of liabilities of any or all classes incurred by the corporation and outstanding at any one time"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 16, and agree to the same with an amendment as follows: After the words "United States" insert the words "authorized by this section"; also strike out the figure "5" and insert "10"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 19, and agree to the same with an amendment as follows: Strike out all of the amendment except the word "but" and insert the following: "not engaged in the general business of buying or selling goods, wares, merchandise or commodities in the United States, and not"; also after the word "transacting" insert the word "any" and strike out the comma after the words "United States" and before the word "except"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 21, and agree to the same with an amendment as follows: The words "except in a corporation engaged in the business of banking, when 15 per cent of its capital and surplus may be invested," stricken out by the House, to be retained in the bill; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 22, and agree to the same with an amendment as follows: Strike out the word "they" and insert in lieu thereof the words "it either directly or indirectly"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 36, and agree to the same with amendments as follows: Strike out the proviso at the end of the first paragraph, and insert a period after the word "corporations"; in the first line of the third paragraph insert after the word "institution" the words "principally engaged in foreign business"; and the House agree to the same.

GEORGE P. McLEAN,
CARROLL S. PAGE,
ROBERT L. OWEN,
Managers on the part of the Senate.

EDMUND PLATT,
L. T. McFADDEN,
PORTER H. DALE,
MICHAEL F. PHELAN,
OTIS WINGO,
Managers on the part of the House.

LOSSES SUFFERED BY AMERICANS IN MEXICO.

Mr. KING. I introduce a joint resolution and ask that it be printed in the RECORD and referred to the Committee on Foreign Relations.

The joint resolution (S. J. Res. 130) proposing a plan for the adjustment of claims made by citizens of the United States for indemnification for losses suffered in Mexico, not otherwise redressed, was read twice by its title and referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Joint resolution (S. J. Res. 130) proposing a plan for the adjustment of claims made by citizens of the United States for indemnification for losses suffered in Mexico, not otherwise redressed.

Whereas citizens of the United States residing in and having property in Mexico have been caused by the delinquency of the Mexican Government to suffer great and untold damages on account of murders, personal outrages, larcenies, arsons, trespasses to property, and dispossession of lands, as well as arbitrary confiscations under the guise of law through a long period of years without cessation or redress; and

Whereas claims against the Government of Mexico on account of such wrongs have from time to time been filed with the Department of State for presentation to the Government of Mexico; and

Whereas no progress is being made toward the liquidation, settlement, and satisfaction of such claims: Now, therefore, be it

Resolved, etc., That the President is requested to open negotiations with the Government of Mexico proposing the appointment of a joint high commission on the part of Mexico and on the part of the United States, which shall be authorized to receive, consider, liquidate, settle, and adjust outstanding claims made by citizens of the United States for indemnification for losses suffered in Mexico which have not otherwise been redressed.

SEC. 2. That in the event the Government of Mexico is unwilling to proceed with the appointment of such joint high commission, the President is hereby authorized to appoint a commission consisting of 11 persons, which shall include officers of the Army and persons from civil life, who are hereby empowered, upon the part of the United States, to receive, consider, liquidate, settle, ascertain, and find the damages suffered severally by citizens of the United States on account of wrongs and trespasses committed against the persons and property of such citizens in Mexico and which have not been otherwise redressed.

SEC. 3. That upon the ascertainment and determination of such damages as aforesaid the President is hereby authorized to employ the naval and military forces of the United States and to take such measures as may be necessary to accomplish the payment and satisfaction of such claims.

Mr. KING. In this connection I ask unanimous consent to have printed in the RECORD a number of extracts from annual messages and a special message delivered to Congress by President Andrew Jackson, calling attention to the wrongs to which American citizens were subjected in his time and anterior thereto. I do this for the purpose of indicating that the situation in Mexico is not an acute one now, that it is chronic, and that for nearly a century American citizens have been subjected to the same wrongs and indignities by the Government of Mexico that they have been subjected to during the past few years. I ask that the excerpts may be printed in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the seventh annual message of President Jackson, Dec. 7, 1835.]

"Unfortunately many of the nations of this hemisphere are still self-tormented by domestic dissensions. Revolution succeeds revolution; injuries are committed upon foreigners engaged in lawful pursuits; much time elapses before a government sufficiently stable is erected to justify expectation of redress; ministers are sent and received, and before the discussions of past injuries are fairly begun fresh troubles arise; but too frequently new injuries are added to the old, to be discussed together with the existing government after it has proved its ability to sustain the assaults made upon it, or with its successor if overthrown. *If this unhappy condition of things continues much longer, other nations will be under the painful necessity of deciding whether justice to their suffering citizens does not require a prompt redress of injuries by their own power, without waiting for the establishment of a government competent and enduring enough to discuss and to make satisfaction for them.*"

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[From the eighth annual message of President Jackson, Dec. 5, 1836.]

"* * * You will perceive by the accompanying documents that the extraordinary mission from Mexico has been terminated on the sole ground that the obligations of this Government to itself and to Mexico, under treaty stipulations, have compelled me to trust a discretionary authority to a high officer of our Army to advance into territory claimed as part of Texas if necessary to protect our own or the neighboring frontier from Indian depredation. *In the opinion of the Mexican functionary who has just left us, the honor of his country will be wounded by American soldiers entering, with the most amicable avowed purposes,* upon ground from which the followers of his Government have been expelled, and over which there is at present no certainty of a serious effort on its part being made to reestablish its dominion. * * *

"*In the meantime the ancient complaints of injustice made on behalf of our citizens are disregarded, and new causes of dissatisfaction have arisen, some of them of a character requiring prompt remonstrance and ample and immediate redress.* I trust, however, by tempering firmness with courtesy and acting with great forbearance upon every incident that has occurred or that may happen, to do and to obtain justice, and thus avoid the necessity of again bringing this subject to the view of Congress."

SPECIAL MESSAGE.

"WASHINGTON, *February 6, 1837.*

"*To the Senate and House of Representatives of the United States:*

"At the beginning of this session Congress was informed that our claims upon Mexico had not been adjusted, but that notwithstanding the irritating effect upon her councils of the movements in Texas I hoped, by great forbearance, to avoid the necessity of again bringing the subject of them to your notice. That hope has been disappointed. Having in vain urged upon that Government the justice of those claims and *my indispensable obligation to insist that there shall be 'no further delay in the acknowledgment, if not in the redress, of the injuries complained of,'* my duty requires that the whole subject should be presented, as it now is, for the action of Congress, whose exclusive right it is to decide on the further measures of redress to be employed. *The length of time since some of the injuries have been committed, the repeated and unavailing applications for redress, the wanton character of some of the outrages upon the property and persons of our citizens, upon the officers and flag of the United States, independent of recent insults to this Government and people by the late extraordinary Mexican minister, would justify in the eyes of all nations immediate war.* That remedy, however, should not be used by just and generous nations, confiding in their strength for injuries committed, if it can be honorably avoided; and it has occurred to me that, considering the present embarrassed condition of that country, we should act with both wisdom and moderation by giving to Mexico one more opportunity to atone for the past before we take redress into our own hands. To avoid all misconception on the part of Mexico, as well as to protect our own national character from reproach, this opportunity should be given with the avowed design and full preparation to take immediate satisfaction if it should not be obtained on a repetition of the demand for it. To this end I recommend that an act be passed authorizing reprisals and the use of the naval force of the United States by the Executive against Mexico to enforce them, in the event of a refusal by the Mexican Government to come to an amicable adjustment of the matters in controversy between us upon another demand thereof made from on board one of our vessels of war on the coast of Mexico."

AMENDMENT OF THE RULES.

Mr. CURTIS. In pursuance of the notice which I gave on the 2d instant, I submit the following resolution and ask that it be printed and referred to the Committee on Rules.

The resolution (S. Res. 245) was referred to the Committee on Rules, as follows:

Resolved, That Rule XIX of the Standing Rules for conducting business in the Senate of the United States be amended by adding the following proviso at the end of the first paragraph of said rule, to wit:

Provided, That after any question has been considered upon 5 separate calendar days, or when any question has been debated for 10 consecutive hours, it shall be in order for any Senator to rise to a question of privilege and move to close all debate and vote at a fixed time upon the pending question before the Senate after 3 hours' additional consideration. Said motion shall be submitted to the Senate and shall be determined by a yea-and-nay vote. If a majority of the Senators present vote in favor of the motion, it shall be declared carried, debate shall close, and a vote taken upon the question as provided in the motion. If less than a majority vote for the motion, the same shall be declared lost.

Mr. CURTIS. At the request of the Senator from Minnesota [Mr. KELLOGG] I offer the following resolution in pursuance of notice which he gave and ask that it be referred to the Committee on Rules.

The resolution (S. Res. 246) was referred to the Committee on Rules, as follows:

Resolved, That Rule XIX of the Standing Rules for conducting business in the Senate of the United States be amended by adding the following proviso at the end of the first paragraph of said rule, to wit:

Provided, That after any measure has been considered upon three separate calendar days, or has been debated for six consecutive hours, no Senator shall speak more than one hour in the aggregate upon any such measure, and any amendment thereto, and any motion affecting the same.

The VICE PRESIDENT. The morning business is closed.

SEDITIOUS ACTS AND UTTERANCES.

Mr. STERLING. Mr. President, I ask unanimous consent that the Senate proceed with the further consideration of Calendar No. 236, being Senate bill 3317.

Mr. BORAH. If unanimous consent is given, is not the debate limited to five minutes?

The VICE PRESIDENT. It is.

Mr. FLETCHER. I suggest to the Senator from South Dakota that it is not necessary to have unanimous consent. He can move to take up the bill.

Mr. SMOOT. The morning business is closed, and the Senator can move to take up the bill.

Mr. STERLING. Then, instead of asking unanimous consent, in order to settle the question, I move that the Senate proceed to the further consideration of the bill to which I have referred.

Mr. BORAH. That removes any possibility of limitation by the five-minute rule?

The VICE PRESIDENT. It does.

Mr. BORAH. All I want is an opportunity to present the matter a little more fully than I could do in five minutes.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 3317) to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts.

Mr. BORAH. Mr. President, I was absent from the Senate when the bill came up on last Tuesday until after it had passed out of the Committee of the Whole into the Senate, or I should have submitted my objections to the bill while it was in Committee of the Whole. I understand, however, that amendments may be offered at this time.

The VICE PRESIDENT. Oh, yes.

Mr. BORAH. My particular objection to this bill is based upon the terms of section 3, which I read the other day and which I will read again. It reads as follows:

SEC. 3. That every document, book, circular, paper, journal, or other written or printed communication in or by which there is advocated or advised the overthrow by force or violence or by physical injury to person or property of the Government of the United States or of all government, or in or by which there is advocated or advised the use of force or violence or physical injury to or the seizure or destruction of persons or property as a means toward the accomplishment of economic, industrial, or political changes is hereby declared to be nonmailable and the same shall not be conveyed in the mails or delivered from any post office or by any letter carrier: *Provided*, That nothing in this act shall be so construed as to authorize any person other than an employee of the Dead Letter Office duly authorized thereto or other person upon a search warrant authorized by law to open any letter not addressed to himself.

It will be observed that this proposed law makes no provision for a hearing for those who may have their publications challenged and excluded from the mails. Admitting for the purpose of these remarks that the rule announced in section 3 is a wise and just rule, the manner of its enforcement is arbitrary and unjust. The method of the enforcement of a just law may be as objectionable as an unjust law. I earnestly urge, therefore, that there should be some impartial tribunal, one which could act promptly, but an impartial tribunal, where the question of objectionable material could be passed upon, if the power of exclusion, which is the power to destroy, is to be granted at all.

As my colleagues know, this embodies a principle to which I have offered objection many times in the last several years. My principal objection to the proposition lies in the fact that it precludes the possibility of any fair hearing upon the part of those who may be charged with violating the law.

I wish to repeat, for fear that I might be supposed to be discussing it from the standpoint of personal objection to the present incumbent of the office of Postmaster General, that it has nothing to do, of course, with any particular individual who may be occupying that position at any particular time.

The principle has long inhered in our laws and has been subject to abuse for a good many years, but of course it has been more accentuated during the last several years, especially since the war began, than ever before. More conditions have arisen which seem to invoke the necessity of applying laws which are now upon the statute books.

I know of a great many instances in which men have been prohibited from sending matter through the mails which, to my mind, seemed absolutely without any justice or reason at all. I recall particularly an instance where a party was brought here from near the Pacific coast to show cause why he should not have his publication excluded from the mails. I went through copies of the publication, one after another, and was wholly unable to find anything which to me seemed objectionable.

A party looking at it from a different angle might come, of course, to a different conclusion with perfect honesty and sincerity, but it comes to the question of erecting a tribunal which may pass upon the matter after the submission of facts and after the hearing of witnesses and after due publicity is had, as all hearings should be had in public, and rendering judgment upon a state of facts which are not ex parte or secured in an ex parte way.

Mr. KING. Will the Senator yield?

Mr. BORAH. Certainly.

Mr. KING. I do not desire to interrupt the Senator, but he does not contend, as I understood his observations, that the bill differs in principle from many statutes which have been enacted heretofore, notably the statute with reference to obscene and lascivious literature, the statute excluding from the mails any matter in regard to fraudulent misrepresentations, and so forth? The Senator does not claim that any greater powers are conferred by this bill upon the Postmaster General or the Post Office officials than have been conferred repeatedly with respect to legislation of the character to which I have just referred?

Mr. BORAH. I think the principle which is involved in this bill is the same as that involved in the statutes to which the Senator refers, although, of course, a law takes on a different color as it is extended to different subject matters.

In other words, we have now extended the power of the Postmaster General until a Postmaster General can erect a complete censorship over the press, the expressed opinion of this country. He can call before him a man who has published an article which seems to him objectionable, and by reason of the power which he has he can place the party publishing the paper or the pamphlet or the periodical under complete surveillance as to his future publications, and thereby control it, as in England they once invoked the license system. It enables the Postmaster General to say what shall be published and what shall not be published.

If this law stood alone, of course the range of activities would be circumscribed to some extent, but when you take it in connection with all the other laws which are now upon the statute books with reference to papers published in foreign languages and with reference to those things which are covered by the espionage acts now upon the statute books and other statutes which have been referred to by the Senator from Utah [Mr. KING], it is within the power of the Postmaster General to cover practically the whole field of intellectual activities so far as publications are concerned.

If he desired to do so, if it were his wish to do so, the Postmaster General could take advantage of the situation not only to control a publication as to the specific matter in view, but he could control the trend and thought of the publication upon all matters, not by specific instructions—it is not necessary to give specific instructions—but only to advise the party who is publishing the paper that in his view such things ought not to be published at this time, and give his intimation along what lines it would be safe to proceed.

Coming back to the matter to which I had referred, I went through the publication and was unable to find anything which seemed to me objectionable under the law, but the solicitor general of the department thought otherwise. It precluded an impartial tribunal passing upon the proposition. The parties in interest, to a certain extent, must always be the department upon the one hand and the publisher upon the other. The department secures its facts in its own way and relies upon them. It may or may not have a hearing from the party who is interested as the publisher, but in any event the publisher knows that in all future publications he may again be called to a hearing and therefore he will make every effort to constrain to the views of the department.

It is the worst form of bureaucracy. It is the most vicious form of censorship. We ought not to extend it further than actually necessary, and we ought always to provide an impartial tribunal before which the publisher may go, introduce his facts, and submit his evidence, and have a decision as to his publication from a tribunal which is absolutely impartial.

Mr. WALSH of Montana. Mr. President——

Mr. BORAH. I yield to the Senator.

Mr. WALSH of Montana. I am very sure that anybody who has given any thought or any consideration to this subject must recognize that the opportunity for the abuse of the power conveyed by an act of this character, as detailed by the Senator from Idaho, exists; undoubtedly it does, but let me ask the Senator to look at the other side of the picture. Here is matter advocating private murder and the assassination of public officials going through the mails, carried by the Government of the United States at a very great expense over and above the actual price charged to the person mailing the stuff. Of course, the man who mails it does not do it publicly; the man who publishes it conceals the fact that he is the publisher; it is oftentimes difficult, and not infrequently impossible, to determine who is either the publisher or the mailer of that kind of matter. What would the Senator from Idaho do in a case of that kind?

Mr. BORAH. Well, Mr. President, if this material is circulated under a nom de plume or by some irresponsible party or some party who is unknown, I would not have any disturbance of mind over the effect it would have upon any human being. But I have in mind those whose identity is known. They should be given a hearing before an impartial tribunal.

Mr. WALSH of Montana. Let me put another case to the Senator.

Mr. BORAH. Just a moment, if the Senator will pardon me. I am perfectly willing to be interrupted, but I want to finish my sentence.

On the other hand, if such matter is being sent out by a party who is detected, who is found to be the party responsible, there is a way to deal with him under proper rules of procedure; to try him and put him either into the insane asylum or into the penitentiary. That is my idea of dealing with the situation.

Mr. WALSH of Montana. Mr. President, that solves the situation easily enough as to a man whom we can find.

Mr. BORAH. As to the man we can not find, I am not disturbed at all. I have a vast amount of confidence in the com-

mon sense and patriotism of the American people. They are not going to be disturbed nearly so much by an unknown and unidentified and unsigned leaflet reaching them through the mails as we here in the Senate sometimes think.

Mr. WALSH of Montana. Just let me present another case to the Senator from Idaho that those who have been concerned with this legislation have been obliged to consider. Here is a regular publication; the publisher is perfectly well known; ordinarily the issues are unexceptionable, or there may be more or less doubt about them, but not enough to exclude the publication from the mails. However, an issue comes out in which the assassination of public officials is urged as a proper method of securing governmental or economic changes. That goes into the mails, and of course you can punish the publisher for sending it; but upon what theory would the Senator advocate allowing such a publication to be carried and distributed throughout the country?

Mr. BORAH. Well, Mr. President, if you intercept the individual and try him and punish him, of course the publication altogether ceases, because he can not issue it if he is incarcerated in the penitentiary. But, in any event, he is entitled to a hearing before an impartial tribunal. A murderer is entitled to that.

Mr. WALSH of Montana. The publication can not be issued in future, but in the meantime the matter has gone out and has done its work.

Mr. BORAH. The Senator says it "has done its work." I think we exaggerate that. I do not think that kind of literature has any appreciable effect upon men's action. But all this is beside the question I am presenting. Let me suppose a case. Suppose a publication is excluded from the mails; the man is ruined, his business destroyed; and yet it was such a publication as an impartial tribunal would not have excluded. Have we reached the point where arbitrary rule is the only means of government which we dare rely upon?

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. BORAH. I yield.

Mr. OVERMAN. I do not know whether the Senator has read the late report of the Attorney General, submitted in response to a resolution of the Senate in regard to this matter.

Mr. BORAH. I have looked over it. I only received it yesterday morning.

Mr. OVERMAN. I call the attention of the Senator to Exhibit X in that report and to the fact that it is set forth that circulars and documents have been sent out through the mails by irresponsible parties, nobody knowing who they are, to the poor colored man in the South advising him to rise up, to use torch and fire, and overthrow the white man of the South. The fact is that some of those people have risen up, and the result has been that the poor darkies have suffered, as they did in Arkansas and in other places where they had their meetings and did rise up, acting on the advice of such literature.

Those poor people had been behaving splendidly; they were making money; acquiring their own homes; they were satisfied and contented; in fact, they never were so contented as they are to-day, and they never were so happy as they are to-day; but here come along circulars and papers of an incendiary character sent through the mails, nobody knowing who sends them, inciting these people, many of whom are unable to read, to rise up and use the torch and sword and destroy the people with whom they live and who treat them kindly. Now, ought not that to be stopped? Ought not the circulation in the mails of such matter be stopped?

Mr. BORAH. Oh, yes; I would stop that; but I would not do so by giving to some Postmaster General autocratic power to pass upon all kinds of literature in the United States. I would give even the poor idiotic devil who sent out the literature the benefit of just methods of hearing.

Mr. FLETCHER. Mr. President——

Mr. BORAH. Just a moment, if the Senator please. The difficulty is that you are putting in the hands of a head of a bureau power to determine a vital question having relation to the public thought of the country, without giving opportunity for the man who may be charged with dereliction of having any hearing whatever. I say that infinitely worse than that is to have some irresponsible piece of literature sent through the mails. When you build up autocratic institutions which wrong all your people, you do an injury to the innocent more than the guilty. Why, assassins, murderers lying in wait, porch climbers are given a fair trial. The greatest liberty man can enjoy is the liberty of opinion, and I want it to remain free.

Mr. FLETCHER. Mr. President, I was going to suggest to the Senator the importance of keeping this literature out of the hands of irresponsible people. It is not so much the intelligent man or woman as to whom there would be any danger of being improperly influenced by such literature or such publications; but it is the crank, the degenerate, the abnormal creature.

In the document to which the Senator from North Carolina [Mr. OVERMAN] has referred the Senator will find the testimony in reference to the man Czolgosz, who assassinated President McKinley. The evidence shows clearly that he was influenced by the publication of just the sort of material described in the pending bill. In his own statement—page 74—he says: "I was reading various papers"; and he names four socialistic papers evidently favoring anarchy, the destruction of all government and authority, and that sort of thing. If we can keep out of the mails literature of that character, we will prevent its reaching such people, who are dangerous people—there is no guess about that; our experience shows it—and who are influenced in that way. It seems to me the only way we can attain the object is to prevent this matter being distributed through the mails.

Mr. BORAH. Mr. President, if you want to exclude it, what is the necessity of overturning all our theories of free government by depriving a man of a fair tribunal where he may be heard and submit his facts, thereby detecting the guilty and excluding the innocent?

Mr. President, the bureaucratic system of government is spreading day by day until it is taking hold of all the activities of both the economic and intellectual world. I, of course, may be in error, but in my observation and in my association with the people of this country I find it one of the great sources of discontent among the people right now. They feel that their Government is organized and organizing against giving them what they supposed they were always entitled to—a fair hearing whenever they were charged with misconduct under the law. You do not get that under the departments; it is not in the nature of things that you should have it. It is not because the departments are headed by men any different from other men; it is not because they are any different in their attributes than Members of the Senate; but give any man the power autocratically to pass upon these questions and he will autocratically use it, as has been done in all times and as always will be done.

Mr. OVERMAN. Has not the right of appeal been given in many cases?

Mr. BORAH. It has not been given in this case.

Mr. OVERMAN. I know a great many cases have been settled on appeal.

Mr. STERLING. Mr. President, irrespective now of the question as to whether in terms any such right is given in this bill, does not the party have the right to appeal to the courts, to bring his action to enjoin or restrain the act of the Postmaster General in interfering with his mail or stopping his mail? I have had within the last day or two, but I have it not here to-day, I find, a copy of a report from the Postmaster General himself in which he refers to actions brought in the court against his action in excluding from the mails certain literature. He says the action of the Postmaster General was sustained in every single case. The party is not deprived of his rights.

Mr. BORAH. It would not have been sustained in a good many cases if I had been on the bench.

Mr. STERLING. I presume the Senator is interested particularly in knowing that the person against whom action is taken has his right to be heard in court and to bring an action.

Mr. BORAH. I say that it is an assumption to say that the man who is, for instance, in California or in the State of Washington will get his rights if he is compelled to travel from California or from the State of Washington to bring an action in the District of Columbia against the Postmaster General.

Mr. NORRIS. Mr. President, may I interrupt the Senator from Idaho?

Mr. BORAH. Yes.

Mr. NORRIS. I wish to suggest that, while I have not examined the report of the Postmaster General, the injunction cases were very likely decided by the court on the proposition that the Congress had passed a law allowing the Postmaster General the discretion and the court would not interfere with it, although the court itself in passing on the same question might have disagreed with the Postmaster General.

Mr. BORAH. Mr. President, to say to a man whose publication has been excluded from the mails, if he lives in some remote part of the country, a man of limited means, that he shall have the blessed privilege of coming to Washington and bringing a suit in the District of Columbia against the Postmaster General and try it out within the next two years as to whether or not he shall continue his publication, is, of course, to deny him any right at all. In the meantime his publication has ceased, his subscribers have gone, the men who were

patronizing it in a business way have quit, he is ruined, and he has upon his hands a lawsuit 2,000 miles from home and an attorney whom he has not the means to pay.

Mr. President, this is one of the conditions which always accompany war and always follow as a result of the conditions through which we are passing. After the Napoleonic wars England went through the same process and tried out all of these experiments. She passed laws excluding material from the mails, prohibiting the assemblage of the people except upon the consent of a magistrate, taxed publications, and in every possible way sought to prevent the issuance of publications without their being censored or in some way reviewed by those in authority. The attempt was a complete failure. It did not accomplish the thing that the Government desired to accomplish. As Mr. May says in his Constitutional History of England, it resulted in the people doing secretly and clandestinely and by secret gatherings what otherwise they would have done in a more public and less dangerous way.

I wish to call attention, Mr. President, to some of the experiences through which they passed at that time. I read from May's Constitutional History of England, Volume II, page 81. He says:

> Papers were laid before Parliament containing evidence of the state of the country, which were immediately followed by the introduction of further measures of repression—then designated and since familiarly known as the "Six acts." The first deprived defendants in cases of misdemeanor of the right of traversing—

That is precisely what we do here. In this departmental procedure there is no issue framed, there is no opportunity to deny, unless in the discretion of the department it is given. There is no opportunity for a hearing—

> to which Lord Holland induced the chancellor to add a clause obliging the attorney general to bring defendants to trial within 12 months. By a second it was proposed to enable the court, on the conviction of a publisher of a seditious libel, to order the seizure of all copies of the libel in his possession and to punish him on a second conviction with fine, imprisonment, banishment, or transportation. By a third, the newspaper-stamp duty was imposed upon pamphlets and other papers containing news or observations on public affairs, and recognizances were required from the publishers of newspapers and pamphlets for the payment of any penalty. By a fourth, no meeting of more than 50 persons was permitted to be held without six days' notice being given by seven householders to a resident justice of the peace, and all but freeholders or inhabitants of the county, parish, or township were prohibited from attending under penalty of fine and imprisonment—

That is the way they did business at that time, and it is the same tendency which characterizes our present legislation—

> The justice could change the proposed time and place of meeting, but no meeting was permitted to adjourn itself. Every meeting tending to incite people to hatred and contempt of the King's person, or the government and constitution of the realm, was declared an unlawful assembly, and extraordinary powers were given to justices for the dispersion of such meetings and the capture of persons addressing them. If any persons should be killed or injured in the dispersion of an unlawful meeting the justice was indemnified. Attending a meeting with arms or with flags, banners, or other ensigns or emblems—

Such as are prohibited in this bill—

> was an offense punishable with two years' imprisonment. Lecture and debating rooms were to be licensed and open to inspection. By a fifth, the training of persons in the use of arms was prohibited; and by a sixth, the magistrates in the disturbed counties were empowered to search for and seize arms.
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> All these measures, except that for prohibiting military training, were strenuously opposed in both houses. They were justified by the Government on the ground of the dangers which threatened society. It was argued by Lord Castlereagh "that unless we could reconcile the exercise of our liberties with the preservation of the public peace our liberties would inevitably perish." It was said that blasphemous and seditious libels were undermining the very foundations of society, while public meetings, under pretense of discussing grievances, were assembled for purposes of intimidation and the display of physical force. Even the example of the French Revolution was not yet considered out of date, but was still relied on in justification of these measures.

Mr. OVERMAN. What is the Senator reading from?

Mr. BORAH. I am reading from May's Constitutional History of England.

As a result of all these laws of repression and oppression, as a result of the studied attempt of the Parliament to control public opinion and to suppress all statements which indicated disrespect for or violence toward the Government, the author has this to say:

> Let us now examine the general results of the long contest which had been maintained between ill-regulated, mischievous, and often criminal struggles of the people for freedom on the one hand and the harsh policy of repression maintained by the Government on the other. The last 28 years of the reign of George III formed a period of perilous transition for liberty of opinion. While the right of free discussion had been discredited by factious license, by wild and dangerous theories, by turbulence and sedition, the Government and legislature, in guarding against these excesses, had discountenanced and repressed legitimate agitation.

There, Mr. President, is where the menace lies in laws of this kind. It is the impossibility, under autocratic and bureaucratic and arbitrary power, to suppress that which ought to be suppressed without going far beyond and stifling agitation; and agitation, after all, Mr. President, is the lifeblood of a republic.

Mr. STERLING. Mr. President, I should like to ask the Senator now if he sees anything at all in the terms of this bill that will tend to stifle or invite the stifling of legitimate agitation?

Mr. BORAH. Yes; I do. I have just explained what it was. Under this clause the Postmaster General may supervise the publication of any article or any publication and control its publication if he sees fit to do so.

Mr. STERLING. Under the terms of the bill it prevents only the circulation of that material that advocates the overthrow of the Government by force and violence. That is all that he is given a right to exclude from the mails under the terms of the bill.

Mr. BORAH. It all depends upon what the Postmaster General considers the overthrow of the Government by force and violence. As was said by the dissenting opinion of Mr. Justice Holmes the other day, these general authorities covering force and violence for all future times and all things are so indefinite that they give too much power. Besides, that is precisely what they were doing at that time.

They were confining it to the proposition of sedition, of violence, of force, of disloyalty, and of treason, and so forth, as they construed it. Now, I am not objecting to a curtailment of these activities along certain lines, if you will erect a tribunal which is a fair tribunal where the men may be heard, and where evidence may be considered and witnesses heard, and where the power of publicity may beat in upon it to see that no injustice is done.

Mr. STERLING. I should like to ask the Senator if Great Britain was not led by positive legislation to restrict what the Senator is pleased to call legitimate activities, instead of confining it to sedition, treason, and so forth?

Mr. BORAH. No, Mr. President. Parliament was seeking to do precisely what the Senator is seeking to do, confining it to those things which have the characteristics of sedition, of violence, of force, of the preachment of opposition to the Government and the person of the King.

Mr. STERLING. That is very general and indefinite.

Mr. BORAH. So is your bill very general and indefinite.

Mr. STERLING. No; it is not very general. There is just where the Senator and I disagree. The bill is specific in its terms, and defines exactly what things are to be excluded from the mails. I think the Senator will not find in the history of English law upon this subject quite the parallel case, or the things to justify the statement that he has made.

Mr. BORAH. Oh, of course, we are not living in that age, but the principle involved is precisely the same. They simply denied these men a hearing upon those things which the Government characterized as seditious or the preaching of violence and force. Now, then, if you will erect a tribunal where men may be heard, where the facts may be submitted, where witnesses may be heard, that is a different proposition entirely, although it is the most futile thing that men ever engaged in to undertake to control public thought or opinion. If we can not by our own teachings and by our own preachments inculcate into the hearts of the American people the belief, as against any preachments that may be made to the contrary, that this is the best form of government for them, you may pass all the laws that you will and engage in all the oppression that you may, and in the end it will result in naught. Rulers and despots and frightened legislators have tried for 3,000 years to control opinions by law, by force, by arbitrary measures, and the attempt has been a failure. It is a very limited way in which the laws can operate successfully in regard to these things. Free press, free speech, free assembly have their evils, but the experience of mankind has convinced the wisest that these evils are infinitely less than the evils of a controlled press, of denial of free speech and free assemblage.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Idaho yield to the Senator from Montana?

Mr. BORAH. I yield.

Mr. WALSH of Montana. The Senator will recall that some years ago one Johann Most was charged before the court with the public advocacy, by speech and writing, of anarchy and the assassination of public officers. Would not the argument of the Senator reach the conclusion that it was an unwise thing to prosecute Mr. Most for that conduct?

Mr. BORAH. No, Mr. President. If I remember correctly, Herr Most had a hearing and a trial.

Mr. WALSH of Montana. Undoubtedly.

Mr. BORAH. Well, give these people an opportunity to be heard.

Mr. WALSH of Montana. That is another point. I was not asking the Senator's attention to that. I was addressing myself to the remark just now made by the Senator, that the way to deal with these things is to allow them to go unmolested, trusting to the judgment of the good people of the country that these pernicious doctrines will not be accepted. I thought that the argument the Senator is now making led to that conclusion.

Mr. BORAH. I repeat, Mr. President, that you must get back to the proposition of pitting your teachings and your views as to the wisdom, as to the justice of our Government and our institutions against the views of those who are arrayed against it for ultimate decision in this country. I have no doubt at all about that; and there is not a page of history, from the democracies of Greece to this hour, that does not teach that fact.

Mr. WALSH of Montana. That presents squarely the question as to the wisdom of prosecuting Johann Most.

Mr. BORAH. No; when it comes to acts, men are responsible for their acts. I am speaking now of expression of opinions. I want to say, however distasteful it may be to Senators here, that I am one of those who stand against the attempt to repress and to suppress the expression of opinion. I believe in the wisdom, in the patriotism, in the sanity, and in the poise of the American people. Woodrow Wilson once said, and it was one of the wisest things he ever said, that when a man has a pernicious doctrine the best thing to do is to rent him a public hall and let him express himself; the American people will take care of him.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from South Dakota?

Mr. BORAH. I yield.

Mr. STERLING. The bill does not forbid the expression of opinion as to the form of government, as to whether it is the best kind of a government or not. It does not prevent an expression of the opinion that the soviet or Bolshevik government is the best government; but it does prohibit a man from advocating or advising the overthrow of this Government or of all Governments by force or violence.

Mr. BORAH. There is not one man in fifty who has sat at the head of the Postmaster General's department, or ever will, who would not exclude any publication as violating this law which advocated a soviet government.

Mr. STERLING. I think the Senator from Idaho is hardly warranted by the terms of the bill in making a statement like that.

Mr. WALSH of Montana. If the Senator will pardon me, I hold in my hand a pamphlet which came to me through the mails advocating just such a government.

Mr. BORAH. You had better not let the Postmaster General get hold of it.

Mr. WALSH of Montana. The Postmaster General's attention has been called to it time and time again. Not only that, Mr. President, but the attention of the Judiciary Committee of the Senate has been called to it—the Judiciary Committee that reported this bill about which the Senator is speaking—and the Judiciary Committee has declared that the Government is powerless to interfere with it.

Mr. BORAH. Yes; I was reading Mr. Gompers's speech the other day in which he recounted about 50 instances in which Members of the Senate and other public officials declared how a certain law would be construed and how it would be administered, but when it got before Judge Anderson out in Indiana it was construed in a different way and administered in a different way.

Mr. WALSH of Montana. That is quite aside from this question.

Mr. BORAH. No; it is not beside it at all.

Mr. WALSH of Montana. I am calling the attention of the Senator to the fact that this particular document, advocating a soviet government, has been circulated through the mails, and I am calling the attention of the Senator to the fact that the attention of the Postmaster General has been called to it, and that the attention of the Judiciary Committee of the Senate has been called to it, and that none of them ever felt that there was any power in the Government to prevent the circulation of it.

Mr. BORAH. Mr. President, I know of instances in which a publication was excluded from the mails because it contained a very earnest, and perhaps some would say violent, defense of the first amendment of the Constitution of the United States, which guarantees the right of free speech and a free press, and denouncing those who were attempting to suppress free speech.

I quote further from May's Constitutional History of England:

> Men who boldly impeached the conduct of their rulers had been punished for sedition. The discussion of grievances—the highest privilege of freemen—had been checked and menaced. The assertion of popular rights had been denounced by ministers and frowned upon by society, until low demagogues were able to supplant the natural leaders of the people in the confidence of those classes who most needed safe guidance. Authority was placed in constant antagonism to large masses of people, who had no voice in the government of their country. Mutual distrust and alienation grew up between them. The people lost confidence in rulers whom they know only by oppressive taxes and harsh laws severely administered. The Government, harassed by suspicions of disaffection, detected conspiracy and treason in every murmur of popular discontent.

The Senator from South Dakota [Mr. STERLING] will observe that "the Government, harassed by suspicions of disaffection, detected conspiracy and treason in every murmur of popular discontent." That is the way it always results.

I recognize the very great difficulty, Mr. President, of drawing a clear line of demarcation between that which constitutes a punishable act, or an act which should be punishable under the law, and that which should be permitted to pass as the mere expression of opinion, however critical or however severe that expression may be. But I have come to the conclusion that one thing is true—that in order to do justice to those who claim the right to express their views upon public questions, to criticize the Government, to insist upon changes and upon reforms, it is necessary at least to have an impartial tribunal before which hearings shall always be had in regard to these matters; that it is wrong, that it is unwise, as a governmental policy to ask men to submit to the mere autocratic decision, without an opportunity of their being heard, not only of some head of department but of some subordinate in the department, because it is absolutely impossible for the head of the department to take charge of all these matters.

At least, Mr. President, if you shall go no further, create a tribunal which corresponds to the Anglo-Saxon idea of a hearing and a determination of an important question.

I want to call attention, Mr. President, to a decision of the Supreme Court of the United States, handed down a few days ago, involving a principle akin to this proposition. I will read from the dissenting opinion, and of course I do not read it as the opinion of the court, but as expressing the view which I think ought to finally obtain in regard to this matter, and which I think will finally obtain. With all due respect, therefore, to the majority of the court, I read the minority opinion as expressing the view which I think the Congress ought to follow in legislation. This is the dissenting opinion of Mr. Justice Holmes, concurred in by Mr. Justice Brandeis. It reads:

> This indictment is founded wholly upon the publication of two leaflets, which I shall describe in a moment. The first count charges a conspiracy pending the war with Germany to publish abusive language about the form of government of the United States, laying the preparation and publishing of the first leaflet as overt acts. The second count charges a conspiracy pending the war to publish language intended to bring the form of government into contempt, laying the preparation and publishing of the two leaflets as overt acts. The third count alleges a conspiracy to encourage resistance to the United States in the same war and to attempt to effectuate the purpose by publishing the same leaflets. The fourth count lays a conspiracy to incite curtailment of production of things necessary to the prosecution of the war and to attempt to accomplish it by publishing the second leaflet to which I have referred.
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> The first of these leaflets says that the President's cowardly silence about the intervention in Russia reveals the hypocrisy of the plutocratic gang in Washington. It intimates that "German militarism combined with allied capitalism to crush the Russian revolution"—goes on that the tyrants of the world fight each other until they see a common enemy, working-class enlightenment, when they combine to crush it; and that now militarism and capitalism combined, though not openly, to crush the Russian revolution. It says that there is only one enemy of the workers of the world, and that is capitalism; that it is a crime for workers of America, etc., to fight the workers' republic of Russia, and ends "Awake! Awake, you workers of the world! Revolutionists." A note adds, "It is absurd to call us pro-German. We hate and despise German militarism more than do you hypocritical tyrants. We have more reason for denouncing German militarism than has the coward of the White House."
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> The other leaflet, headed "Workers—Wake Up," with abusive language says that America, together with the Allies, will march for Russia to help the Czecho-Slovaks in their struggle against the Bolsheviki, and that this time the hypocrites shall not fool the Russian emigrants and friends of Russia in America.
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> No argument seems to me necessary to show that these pronunciamentos in no way attack the form of government of the United States, or that they do not support either of the first two counts. What little I have to say about the third count may be postponed until I have considered the fourth. * * *
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> I am aware, of course, that the word intent, as vaguely used in ordinary legal discussion, means no more than knowledge at the time of the act that the consequences said to be intended will ensue.
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> But as against dangers peculiar to war, as against others, the principle of the right to free speech is always the same. It is only the present danger of immediate evil or an intent to bring it about that warrants Congress in setting a limit to the expression of opinion where private rights are not concerned. Congress certainly can not forbid all effort to change the mind of the country. Now, nobody can suppose that the surreptitious publishing of a silly leaflet by an unknown man, without more, would present any immediate danger that its opinions

would hinder the success of the Government arms or have any appreciable tendency to do so. Publishing those opinions for the very purpose of obstructing, however, might indicate a greater danger, and at any rate would have the quality of an attempt. * * *

In this case sentences of 20 years imprisonment have been imposed for the publishing of two leaflets that I believe the defendants had as much right to publish as the Government has to publish the Constitution of the United States now vainly invoked by them. Even if I am technically wrong and enough can be squeezed from these poor and puny anonymities to turn the color of legal litmus paper—I will add, even if what I think the necessary intent were shown—the most nominal punishment seems to me all that possibly could be inflicted unless the defendants are to be made to suffer not for what the indictment alleges but for the creed that they avow, a creed that I believe to be the creed of ignorance and immaturity when honestly held, as I see no reason to doubt that it was held here, but which, although made the subject of examination at the trial, no one has a right even to consider in dealing with the charges before the court.

Persecution for the expression of opinion seems to me perfectly logical. If you have no doubt of your premises or your power and want a certain result with all your heart, you naturally express your wishes in law and sweep away all opposition. To allow opposition by speech seems to indicate that you think the speech impotent, as when a man says that he has squared the circle, or that you do not care whole-heartedly for the result, or that you doubt either your power or your premises. But when men have realized that time has upset many fighting faiths they may come to believe even more than they believe the very foundations of their own conduct that the ultimate good desired is better reached by free trade in ideas—that the best test of truth is the power of the thought to get itself accepted in the competition of the market, and that truth is the only ground upon which their wishes safely can be carried out. That, at any rate, is the theory of our Constitution. It is an experiment, as all life is an experiment. Every year, if not every day, we have to wager our salvation upon some prophecy based upon imperfect knowledge. While that experiment is part of our system, I think that we should be eternally vigilant against attempts to check the expression of opinions that we loathe and believe to be fraught with death, unless they so imminently threaten immediate interference with the lawful and pressing purposes of the law that an immediate check is required to save the country. I wholly disagree with the argument of the Government that the first amendment left the common law as to seditious libel in force. History seems to me against the notion. I had conceived that the United States through many years had shown its repentance for the sedition act of 1798 by repaying fines that it imposed. * * *

The PRESIDING OFFICER. Will the Senator from Idaho kindly suspend at this point while the Chair lays before the Senate the unfinished business, which will be stated?

The SECRETARY. A bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. BORAH (continuing the reading)—

Only the emergency that makes it immediately dangerous to leave the correction of evil counsels to time warrants making any exception to the sweeping command, "Congress shall make no law abridging the freedom of speech." Of course, I am speaking only of expressions of opinion and exhortations, which were all that were uttered here, but I regret that I can not put into more impressive words my belief that in their conviction upon this indictment the defendants were deprived of their rights under the Constitution of the United States.

And of that I have no doubt whatever.

Just a word further, because I do not care to take up the time of the Senate, and I will say to the Senator in charge of the bill that I am not going to occupy very much more time in regard to it. I realize, of course, that ultimately it will pass, but I was not willing that it should go without a full statement of my views in regard to it. When it comes up again it will take me but a short time to conclude what I have to say. This I want to leave as my final suggestion for to-day's consideration of it, that my primary objection to this particular measure is that it affords the parties who may be charged with dereliction under the law no opportunity to be heard, such as is contemplated by Anglo-Saxon jurisprudence and our theory of adjusting and determining the rights of people when charged with wrongdoing.

Mr. FLETCHER. May I ask the Senator from Idaho whether he has proposed any amendment?

Mr. BORAH. I am going to propose to strike out section 3.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. CUMMINS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Chamberlain	Fall	Hitchcock
Ball	Culberson	Fletcher	Johnson, Calif.
Bankhead	Cummins	France	Johnson, S. Dak.
Beckham	Curtis	Gay	Jones, Wash.
Borah	Dial	Hale	Kellogg
Capper	Edge	Harris	Keyes
King	Nugent	Smith, Md.	Walsh, Mass.
La Follette	Overman	Spencer	Walsh, Mont.
Lodge	Phipps	Sterling	Warren
McKellar	Pomerene	Sutherland	Watson
Moses	Sheppard	Swanson	Williams
New	Simmons	Thomas	
Newberry	Smith, Ga.	Underwood	

The PRESIDING OFFICER. Fifty Senators have answered to their names. There is a quorum present.

Mr. CUMMINS resumed and concluded the speech begun by him on Tuesday. The speech entire is as follows:

Mr. CUMMINS. Mr. President, in beginning consideration of the bill which has been reported by the Committee on Interstate Commerce for the further regulation of the railways and other common carriers of the country it may be well to suggest the procedure which the committee—or at least the chairman of the committee—has in view with respect to it.

The House has passed a bill upon this subject which has come to the Senate, has been referred to the Committee on Interstate Commerce, and upon which no action has been taken. While there are some common points or common provisions as between the House bill and the bill which is now under consideration in the Senate, fundamentally speaking they are dissimilar; they are strikingly unlike.

I have thought that it would tend to simplicity and clearness and ease of consideration if the Senate shall proceed with the consideration of the Senate bill, and after making it such a bill as approves itself to the judgment of the Senate, that then the Senate bill shall be substituted for the House bill, and in that way present a foundation for a conference between the two Houses and thus reach an agreement upon this very important subject. That will be the course pursued so far as the committee is concerned.

Mr. President, I think no one realizes more completely or fully than I do the magnitude and the difficulties of the task I am about to assume. There are in this country something like 260,000 miles of main-track railway. These systems of railways serve 100,000,000 people and furnish them with their chief means of transportation and communication. It is obvious that any system of transportation in a commercial, civilized country is the basic fundamental industry of that country, for without adequate facilities for communication and transportation and without a service rendered for reasonable compensation the growth and development of the country is impossible.

The problem that we have before us is vastly more complicated and intricate than is presented in the transportation problem of any other country in the world. This is due to the extent of our country, the variety of its productions, and the dissimilarity of the conditions under which business is carried on, as well as the dissimilarity of conditions under which transportation is furnished.

Recognizing these difficulties as well as the importance of these questions, I beg to say that as I go forward in explanation of the bill which has been reported by the committee I solicit rather than repel interrogation. I am not here for the purpose of delivering an oration, but simply for the purpose of giving to the Senate the views of a majority of the committee which has presented the bill. The only thing that I will ask—and I do ask it earnestly of Senators—is that as I go forward in analyzing the bill the questions which may be propounded to me shall relate to the subject which I am for the moment discussing.

[At this point Mr. CUMMINS yielded to Mr. KELLOGG, who made the point that there was no quorum present, and the Secretary called the roll.]

Mr. CUMMINS. Mr. President, with respect to the pending subject, I hope that, however kind the intent may be, there will be few occasions upon which it will be found necessary to call for a quorum. I do not desire to be interrupted for that purpose, for it is quite evident either that Senators know all about this subject, and therefore do not find it necessary to listen to a discussion of the bill, or that they are indifferent about the subject, and therefore a discussion of the bill in their presence would accomplish little. I say this with perfect good feeling, for I know how difficult it is for Senators to arrange their affairs to be present upon the occasion of a dissertation upon a very important but, to some persons, a very uninteresting subject.

Mr. President, in order that I may be entirely understood as I pass through this bill, it is quite proper for me to say at this time that I am one of the Senators who believe that transportation is a governmental function. A single reflection upon the conditions throughout the world as well as in our own country will demonstrate that the furnishing of transportation to a commercial people is a governmental function. Aside from those in the United States, substantially all of the railways of the world are owned and operated by the governments of the

various countries. I might qualify that by saying that Great Britain has not yet become the owner of her railways, but her policy at this time is one that is the equivalent of government ownership and operation. In so far as I am concerned, I desire that basic statement to be carried all the way through the argument I shall make upon this bill.

The only reason that I am in favor of private ownership and private operation is because I believe that better and cheaper transportation can be furnished to the people of this country through the instrumentality of private ownership and private operation than can be furnished to the people of the country through direct Government operation; but there is nothing inconsistent with the best forms of government in Government ownership and operation of our systems of transportation. The Government has the right to select the agencies or instrumentalities which will most certainly render to the people the service they require, and, if the Government believes as I believe, that the services can be rendered and will be rendered more adequately and more cheaply through private corporations under strict public supervision, it has the right, of course, and it is its duty, of course, to select such agencies for the purpose of rendering the service which all the people require.

It is, I think, elemental in a business of this character, if it be a Government function, as I think it is, that the transportation shall first be adequate to meet existing and future needs of the country, and, second, that it shall be furnished at the lowest possible cost consistent with fairness to the men who render the service and to the capital which is invested in the facilities of transportation.

There is another general underlying suggestion that I desire to make. If we are to employ the instrumentalities of private capital, private ownership, in rendering the service of transportation, we must then answer the inquiry whether there shall be one system of transportation—that is to say, whether all of the railways of the country shall be unified or consolidated into one system under one control—or whether the railways shall be divided into several systems. I answer that, so far as I am individually concerned, by saying that, while I readily admit that there are some advantages which could be secured through one system rather than through several, I believe—and that is the judgment of the committee as well—that the service will be better and cheaper if rendered through several systems, amongst which there may be that honorable rivalry which heretofore at least has been regarded as the most effective motive for human effort. Therefore the committee has adopted the plan of several corporations rather than of a single one. I shall discuss more in detail that general proposition a little later on.

Naturally the first thing that occurs to the minds of Senators is a desire to know something with respect to the operation of our railways by the Government during the last two years; and inasmuch as this bill provides for a system of accounting or settlement between the railway companies and the Government, it is material, and I think essential, that I should spend a few minutes in discussing what has been accomplished and what is yet to be done through the Government operation of 1918 and 1919.

The Federal control bill, which became a law on the 21st of March, 1918, provided, as you all know, for the possession on the part of the Government of all the railway systems of the United States of which the President chose to take possession, under a paragraph of the act of 1916, of which I think the distinguished Senator from Colorado [Mr. THOMAS] was the author. The dominating features of the act of 1918 were, first, a provision authorizing the President to enter into agreements with the railway systems of which he took possession relating to the compensation to be paid to these several companies while under Federal control. This compensation in the aggregate, and as related to class 1 railroads, amounted, in round numbers, to $900,000,000 annually; and here I may be permitted to say that on the 1st of January, 1918, the President, in fact, took possession of all of the railways of the United States. I say "all." There may have been very slight and negligible exceptions, but it is practically true that when the notices were sent out by the President on the 1st of January, 1918, they comprised all the railway systems of the country. The act of March 21, 1918, provided, however, that at any time prior to the 1st of July, 1918, the President could dismiss from Federal control any system or systems of railway which in his judgment it was not necessary to retain in order to carry out the purposes of the act. I may remark again that there were some of us who believed that justice required that all the railways of the United States be retained in the possession of the Government, because we felt that it was utterly impossible for the President to disassociate the railways and do justice to those which were dismissed from operation, inasmuch as the relation between the railways held by the Government and the railways not held by the Government was so intimate and intricate that to abandon that relation would probably result in great hardship.

It has resulted in great hardship. That law was passed, and the President vetoed it. That is my recollection. But, at any rate, just before the 1st of July, 1918, the President formally discharged a very large number of the railways of the country from Federal control. I think that he discharged at that time, or had before that time discharged, something more than 800 of the railways. These were, generally speaking, short-line railways, which depended for their maintenance largely upon their traffic relations with the trunk lines. The $900,000,000 of which I have spoken as the maximum of the compensation provided for in the act of March 21, 1918, is the compensation for what is known as the class 1 roads; and the class 1 roads, as you all remember, are those railways whose gross revenues from operation amount to $1,000,000 or more per year.

I want to fasten your minds upon the compensation of $900,000,000 per year, which the act provides for. It authorized the President to enter into contracts with these railway companies which were retained in Federal control, and to an extent that has been done. There are about 162 class 1 railroads. They vary from year to year. In the test period, as I remember, there were about 162 railroads falling within that classification. The last time the committee had any information from the Railroad Administration upon the subject, the administration had entered into contracts with something like 50 of these railroads. The administration prepared what it called and what was in fact a standard form of contract, and for a year and a half negotiations have been in progress between the several railways and the administration looking to the execution of these contracts; but a good many of the lesser railroads in class 1 have not entered into contract with the Government, and are probably depending upon the provisions of the act of March 21, 1918, for their compensation. Nevertheless, what I have said is true, that so far as the standard compensation is concerned, computed according to the terms of the bill, the annual outlay for the class 1 roads would be substantially $900,000,000.

One other outstanding fact must not be forgotten. In the law and in the contracts, in so far as they have been executed, there is the provision that the railroads must be returned to their owners, whenever they are returned, in as good condition as when taken by the Government. The railroads are already making vast and, I hope, unfounded claims in that regard; and when I come to speak of the state of the account between the Government and the railroads, it must be understood that I am not including the unliquidated claims which the railways have made and are making against the Government on account of an alleged depreciation in the value of their properties as compared with the value when the Government exercised its right to take them over on the 1st of January, 1918.

One other fact will be borne in mind. Aside from all the railway revenues of the two years which have now practically passed, Congress has appropriated, to enable the Government to carry on these railways, $1,250,000,000. This money, I may say, roundly speaking, and more, has been expended for the purposes for which it was appropriated; and you will remark as I go on that I am not here for the purpose of any criticism upon the Railroad Administration. That is not pertinent to the objects I have in view. We are dealing here with proposed legislation, and it makes no difference whether the Railroad Administration has been wasteful or whether it has been economical; the legislation must be the same.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER (Mr. GAY in the chair). Does the Senator from Iowa yield to the Senator from Kansas?

Mr. CUMMINS. Certainly.

Mr. CURTIS. Does the Senator recall the fact that the Railroad Administration during the pendency of the last deficiency bill asked for $500,000 000 more than was given them? They got $750,000,000, and they asked for $1,250,000,000.

Mr. CUMMINS. What I said, I think, is true.

Mr. CURTIS. Yes; what the Senator said is true, too.

Mr. CUMMINS. The Railroad Administration asked for more than the Congress gave it.

Mr. CURTIS. That is true.

Mr. CUMMINS. The Congress appropriated $500,000,000 in the act of March 1, 1918, and it appropriated $750,000,000 a year ago; but however that may be, the money has been appropriated and it has been expended.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. CUMMINS. Certainly.

Mr. WARREN. Does the Senator comprehend the amount or amounts that may have been advanced to the railroads by the Finance Corporation out of the $500,000,000 which we authorized for the purpose of establishing and assisting corporations, with authority to issue its bonds, and so forth, in order to expend money for or make loans to railroad and other corporations? A direct appropriation which we made in a special deficiency act approved last June carried to the use of the railroads $750,000,000, and enough had already been provided in the organic act to make a total of a billion and a quarter—this, of course, entirely outside of the five hundred millions authorized for the Finance Corporation.

Mr. CUMMINS. As I understand it, so far as the Railroad Administration was concerned, there have been appropriated altogether $1,250,000,000.

Mr. WARREN. That is correct.

Mr. CUMMINS. And it is with that sum and its effect upon the accounting that I now proceed to deal.

The great, prominent fact that all of us must understand and that the people of this country must appreciate is that, according to the last statement—and I emphasize the words "last statement"—of the Railroad Administration, the situation on the 1st of January will be about as follows: If the Government were to pay to the railroads all that it owes them and if the railroads were to pay to the Government all that they owe the Government, which is impossible, there would still be a deficit or a loss, occasioned by the two years of governmental operation, of something like $650,000,000. My judgment is and I predict now that when the final accounts are rendered the loss will be considerably more than $650,000,000; but I am using that sum because it is found in a statement recently furnished to the committee by the Railroad Administration. That is to say, not including the claims which I mentioned a few moments ago arising out of alleged depreciation or injury to property, after everything is paid there will be returned to the Treasury $600,000,000 of the $1,250,000,000 appropriated.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. CUMMINS. I yield to the Senator.

Mr. POMERENE. The Senator from Iowa has just referred to the deficit. It will be valuable information, I think, for the Senate to remember that after the increase in freight rates, which was alleged to be 25 per cent, it was stated or predicted that the railroads would net a profit to the Government of $100,000,000. In spite of that, we have the deficit which the Senator has referred to.

Mr. CUMMINS. I intend to refer to that particular situation a little later on.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. In figuring out the difference of $600,000,000 which the Government will have incurred as a loss after the railroads have paid to the Government what they owe and after the Government has paid to the railroads what it owes, I ask the Senator if there is any question about there being paid to the Government any of the indebtedness which some of the railroads will owe?

Mr. CUMMINS. I have no reason to believe that there is any serious question with regard to that.

Mr. McKELLAR. Mr. President, in figuring the sum of $600,000,000 does the Senator mean to say that when the accounts are settled or adjusted there will be $650,000,000 restored to the Government of the $1,250,000,000 that has already been appropriated?

Mr. CUMMINS. The Government's loss as now estimated is $646,000,000. I ought to say, in fairness to the Railroad Administration, that it is quite impossible to be exactly accurate with regard to that, because the reports for the last month and a half have not been fully analyzed. But the loss in round numbers is $650,000,000; the appropriation was $1,250,000,000; so that there will be returned some time to the Treasury, whenever the railroads are able to pay what they owe, about $600,000,000, and the people from taxation must bear the loss of $650,000,000.

Mr. HITCHCOCK. Mr. President, the Senator touches there the question I was raising. The Senator said he did not think there would be any serious doubt as to the ability of the railroads to pay to the Government what they owe. What is the reason that that can not be paid at the present time?

Mr. CUMMINS. I am going to explain that fully. When I say that there is no serious doubt about it, I am, of course, premising that answer by the assumption that Congress will deal fairly enough with the railroad companies to enable them to go on successfully. It is not difficult to conjecture a situation in which the railroad companies would not be able to pay the debt which has been accumulated against them by the Government.

Mr. KING. Mr. President——

Mr. CUMMINS. This debt is not altogether a voluntary debt. The Railroad Administration has added facilities and property to the railroads of the country which have resulted in this indebtedness very largely. I yield to the Senator from Utah.

Mr. KING. I was about to ask the Senator with respect to the obligations due the Government. The Senator stated that $1,250,000,000 had been loaned by the Government to the railroads.

Mr. CUMMINS. More than that.

Mr. KING. One billion two hundred and fifty million?

Mr. CUMMINS. More than that. I was about to say that we have loaned to the railroads, for additions and betterments alone, more than a billion and a half dollars. That is, the Government has incurred obligations, which in turn the railroad companies must discharge, for considerably more than a billion and a half dollars, and that for additions and betterments which are chargeable to capital account alone, without reckoning the other expenditures which have been made, and which ordinarily are paid from current income.

Mr. KING. The question I was about to propound was, knowing that the advances had been made in excess of that—that is, by credits if not by actual appropriations—will not Congress be called upon to make a further appropriation?

Mr. CUMMINS. I will come to that gradually. I do not want to anticipate my explanation. I do not want to startle the country too quickly, because that is one of the most distressing things that we have to consider.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. CUMMINS. I yield.

Mr. McKELLAR. What provision has been made by law for the advancement of this very large sum to the railroads? Under what act was it made?

Mr. CUMMINS. We made provision for the advancement of $1,250,000,000.

Mr. McKELLAR. I understand that; but the Senator said that a very much larger sum had been advanced.

Mr. CUMMINS. The Government, by withholding from the railway companies the compensation which was to be paid under the act of 1918, has been enabled to advance to them some of their own money. At least that is the sum and substance of it. I will try to make that perfectly clear, that the Government has paid, or will pay between now and the 1st of January, for additions, betterments, and so forth, about a billion and a half dollars. The Government will owe the railroads on January 1, less payments in the meantime, whatever may be paid, for compensation and depreciation, a billion two hundred millions of dollars.

The point of all of this explanation is that under this bill about $225,000,000 can be taken from the compensation which the Government will owe the railroads and applied upon the indebtedness which the railways owe the Government; and if so, the account will stand in practically this way: This bill provides that indebtedness of that character shall be carried by the Government for a period of 10 years. It will be funded at 6 per cent interest for 10 years. That is the maximum time.

You will all remember that the other day we passed a bill which provided for the formation of what is known as an equipment trust. That is, the Government bought for the various railways equipment—engines, cars, and the like—to the amount of $372,000,000. The railways struggled against the insistence of the Government in the matter, did not want to pay for this equipment, at least did not want to pay the prices which the Government had agreed to pay, and had paid, possibly, for it. But finally that matter was adjusted and the equipment was allocated or distributed all over the country to the various railroads, each taking the part of it which was agreed upon.

The Railroad Administration, in connection with the bankers of New York and the railways, prepared a plan for taking care of that particular investment in additions and betterments, and we do not know as yet whether the plan will be successful or not; but if it is, it will provide for $372,000,000 of the billion and a half to which I referred.

The administration has loaned to the New York, New Haven & Hartford Railroad and to the Boston & Maine Railroad $68,000,000. The loan to the Boston & Maine may not be entirely complete as yet—I am not sure about that—but if not, it will be completed, I assume. This was not for expending in

additions and betterments, but was for the purpose of taking up what is known as capital obligations of these two companies in a process of reorganization which has been going on in New England for some time.

If what is known as the equipment-trust venture does not materialize then the United States will have to fund for the railways, under this bill, for 10 years, $920,000,000, or in that neighborhood. And there still remains due from the railroads $212,000,000, or thereabouts, for which under this bill the railways are to execute their demand notes to the Government at 6 per cent interest.

I wish all Senators would examine the statements of account found in the report upon this bill. There are two statements which upon their faces at any rate are not entirely consistent. I do not profess to be an accurate interpreter of intricate bookkeeping, and therefore I do not fully understand them; but I understand these points to which I have referred. But upon the basis that I have given you—and here I answer the question of the junior Senator from Utah [Mr. KING]—Congress must appropriate at least $625,000,000.

Mr. KING. More than that.

Mr. CUMMINS. I think more will be required, probably, in this contingency. What I have said heretofore does not deal with what is known as the working capital. When the railroads were taken over by the Government I think the thought of all who were familiar with the bill at that time was that simply the physical property was to be taken over. But, in fact, the Government took over the physical property and all of the money as well—that is, the balances in the hands of banks and agents and the balances in the hands of conductors and all who collected money on behalf of the railways.

If we have to restore that money, if we can not turn back the railways to their owners, the railways accepting these current accounts as the equivalent of the accounts taken over originally on the 1st of January, 1918, then we will have to appropriate about $330,000,000 more.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. CUMMINS. I yield.

Mr. McKELLAR. The Senator says that the railroads would owe us in the neighborhood of $600,000,000, and that we have to appropriate $600,000,000 more in round numbers to carry out the present plan.

Mr. CUMMINS. I beg pardon. I did not say the railroads would owe us that much. They will not owe us anything. There will be a loss of $650,000,000 that the railroads are not obliged to pay.

Mr. McKELLAR. Take what they owe us now, what security has the Government for the amounts owed? Take especially the $68,000,000 that have been advanced to the Boston & Maine and the New York, New Haven & Hartford. What kind of security has the Government for those amounts, and what kind of security will we get for the $600,000,000 that we are to advance them in the future?

Mr. CUMMINS. I am not able to answer that question accurately. I only know that in advancing these sums to the New York, New Haven & Hartford Railroad and to the Boston & Maine Railroad, if that transaction has been completed, the Government took from those companies what it regarded as fair security for the advances, but just what kind of evidences the Government has of that indebtedness I do not know.

With regard to the security which the Government shall take under the funding operations of the bill, I think I can more accurately answer the Senator from Tennessee by reading section 2, as follows:

> The indebtedness of any carrier corporation to the United States, existing at the time Federal control is relinquished, incurred for additions or betterments made during Federal control, or for advances made by the United States or incurred to pay off any carrier's indebtedness properly chargeable to capital account, shall, at the request of the carrier, be extended for a period of 10 years, or a shorter period, at the option of the carrier, with interest at the rate of 6 per cent per annum payable semiannually on the 1st days of January and July of each year. Said indebtedness shall be evidenced, if practicable, by the first-mortgage bonds of the carrier; but if this is impracticable, then in such form as shall be prescribed by the President.

It is wholly beyond our power to prescribe just what security shall be taken by the President, because the conditions and the financial situation of the several carriers differ so widely. Some of the carriers may issue first-mortgage bonds to secure this indebtedness, some of them may have no first-mortgage bonds to issue, and therefore it is the thought of the committee that we must give to the President the widest discretion in that respect, believing that he will do all that can be done to protect the interests of the United States.

I now come to answer a question propounded by a Senator upon the other side of the Chamber with regard to the payment of this indebtedness so far as possible by the railroads. Senators will remember that I have said that one and one-half billion dollars of these advances at least have been made for additions and betterments—that is, for property account, for expenditures that are ordinarily charged to capital account. There is no railway in the world and no other enterprise in the world which can pay its capital debt from current income.

These companies have been absolutely unable, of course, to borrow money within the last two years. The Government probably would not have permitted the companies to borrow money, even had they had any credit; but with the Government in possession of all their property and receiving all their revenues, of course all the additions and betterments that have been made to the properties must either have been made out of some surplus which the companies had before or must have been made from advances by the Government. If the Government had not been in possession, it is quite likely that the railroad companies could have issued securities on 20 or 25 or 50 years' time, and thus made the very improvements which were constructed out of the advances made by the Government.

It is, of course, obvious that when the roads are returned to their owners there can not be retained by the Government the sums which are necessary to pay interest upon their bonds and other fixed charges. To do so would be to violate the standard contract to which I have already referred. Aside from that, if it were attempted and these roads were returned to their owners after deducting all that the Government owes to them for compensation, they could not operate their properties for a single month. Therefore it becomes necessary, as I view it, for the Government to do for them what they might have done for themselves if the Government had not been in possession and in operation of the railroads.

The provisions of the bill with regard to refunding are, I believe, perfectly definite and easily understood, but I think it is only fair to say that the bill before the Senate provides for a larger refunding operation than the bill which passed the House.

In other words, the bill which passed the House requires a larger application of the sums due to the railway companies by the Government than does the bill reported by your committee. All that I can say on that point is that after very careful consideration it was the belief of the members of the committee that if successful private operation is to be expected, the Government must carry some large part of these advances for capital until the railway companies are able, if they are ever able, to refund them at a lower rate of interest and in that way discharge or liquidate the Government debt.

I shall be glad at any time to answer any question which may occur to any Senator with respect to this accounting.

Mr. CURTIS. Mr. President, the Senator said he did not want to be interrupted except on the subject under discussion. I merely wish to ask him if later on he will discuss the relation of the short lines to the Government?

Mr. CUMMINS. Oh, yes.

Mr. CURTIS. I shall want to ask some questions about that when the Senator reaches that subject.

Mr. CUMMINS. I shall be very glad to consider that, because it has been a matter of deep concern in the minds of the members of the committee throughout the entire consideration of the bill.

In closing this part of the review I may say that the bill repeals the act of March 21, 1918, and reserves to the President full right to adjust and settle all accounts according to the terms of that bill or the existing law. I think it does this in so comprehensive a way that there will be no one who will doubt the power of the President to carry on the settlement under the terms of the bill.

The difference between the House bill and this bill in that respect is that the House bill does not repeal the act of March 21, 1918, but attempts to limit its operation in the future to the work of adjustment and settlement, whereas our bill repeals that act and preserves those rights and remedies which, in the opinion of the members of the committee, were necessary in order to come to a full and complete settlement.

Mr. HITCHCOCK. Before the Senator leaves that branch of the subject will he state whether I have the correct idea that under the experience of the Government in operating the railroads during this period of time, the net result will be that it will have cost us between $600,000,000 and $700,000,000 in losses, and in addition to that the Government will have become a creditor of these railroads to a large extent. I do not recall the amount.

Mr. CUMMINS. That is true.

Mr. HITCHCOCK. What is the amount of the credit?

Mr. CUMMINS. The total amount in all forms is $1,206,000,000, in round numbers.

Mr. HITCHCOCK. The Government will be a creditor of the railroads to the extent of $1,200,000,000——

Mr. CUMMINS. A little more than that.

Mr. HITCHCOCK. And a loss in opertaing them of between $600,000,000 and $700,000,000?

Mr. CUMMINS. That is about the figure. I may say, however, in further explanation of that, that if this funding operation carried under the equipment trust is successful, the Government will get $225,000,000 of money in that operation, which would tend to reduce this credit by that amount.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator from Iowa yield to the Senator from New Jersey?

Mr. CUMMINS. Certainly.

Mr. EDGE. In this connection that does not contemplate, as I have followed the Senator's explanation, the possible additional indebtedness on the part of the Government for replacement?

Mr. CUMMINS. No; it does not.

Mr. EDGE. In other words, placing the railroads back in the same condition they were in when taken over by the Government.

Mr. CUMMINS. It includes an item of depreciation which, of course, is capable of computation, but it does not include the claims that a particular railroad company may make against the Government growing out of a return of property in an alleged poorer condition than when taken over.

Mr. EDGE. That is the point I was making.

Mr. CUMMINS. Those claims are not included in this bill at all.

Mr. EDGE. May I ask the Senator if those claims have in any way been filed?

Mr. CUMMINS. No; I think not.

Mr. EDGE. Is there any way now to estimate the possible amount of such claims?

Mr. CUMMINS. I think not. It is assumed that when we are ready to return the railroads to their owners, there will be an inspection or an examination which will have some bearing upon that question. From all that I can learn, and that is simply from casual and unofficial conversations with those who are interested in the matter, there are some railroads which will be returned in better condition than when the Government took them, and there will be other railroads which will be in worse condition than when the Government took them. I anticipate 25 years of litigation before those disputed questions are fully determined, and I would not conjecture the outcome of the controversy.

Mr. OVERMAN. Mr. President——

Mr. CUMMINS. I yield to the Senator from North Carolina.

Mr. OVERMAN. Can the Senator give us some reason for this great loss of money in the short time the Government has been operating the railroads? Were the railroads running behind to this extent before we took them over?

Mr. CUMMINS. I will give the Senator the reason from my standpoint in a moment. That is rather a broad and very pertinent question. Any Senator has a right to ask it, but, after all, the answer depends upon individual opinion.

The policy adopted by the committee—and I am passing now to the permanent legislation which the committee is proposing for the regulation of our common carriers for the future——

Mr. KING. Before the Senator passes to that may I ask him a question?

Mr. CUMMINS. Certainly.

Mr. KING. I am not sure that I understood the answer of the Senator to the question propounded by the Senator from Nebraska [Mr. HITCHCOCK], but as I hurriedly figure the matter in my head, it is this: That the Government of the United States will be required to appropriate, first and last, to the railroads approximately $1,800,000,000 or $1,900,000,000; they will get in return $1,250,000,000 of railroad securities, if the railroads may give securities; and that we will be out then approximately $650,000,000. Then, of course, if those securities are valueless we will be out the amount of the securities.

Mr. CUMMINS. I think the Senator from Utah has stated the account with fair accuracy. I do not want, however, to be understood as confirming the exact number of dollars which he has named.

Mr. KING. I have not attempted to state that myself.

Mr. CUMMINS. But if everything the railroad companies owe to the Government shall be paid, and if there are no claims for returning the property in poorer condition than when received, the people of this country will have lost in the operation of two years something like $650,000,000.

Mr. KING. Just one other question, if the Senator will pardon me.

Mr. CUMMINS. I yield.

Mr. KING. I was interested when the Senator stated that there were unliquidated claims by the railroad companies for damages resulting from the depreciation in value of the railroads. I know of a number of railroads that unquestionably will be left in a very deplorable condition; that is to say, they will have run down; there is no doubt that the Government has neglected those roads and has failed to expend upon them what it should have expended in order to keep them up to an average standard that had been maintained theretofore.

The question I was going to ask was this: Did not the committee consider some plan—and I am not sure how it could be worked out—by which, instead of having 25 years of litigation and controversy over the depreciation the question could be settled immediately?

Did the committee consider the plan of providing some tribunal before which the claims should immediately be presented? The Senator will see that if years go by before a lawsuit shall be tried, the witnesses available for defense by the Government will be dead or scattered, so that it will be impossible for the Government to resist many claims which may be extortionate. It seems to me that Congress ought to provide some instrumentality that may immediately take up the consideration of these claims and the roads be required to file within a certain time itemized statements, bills of particulars, of the damages which they claim, and have the matter remitted to the Court of Claims or to some tribunal that has power to pass upon such claims.

Mr. CUMMINS. Mr. President, the act of 1918 provides for such tribunals. There is not any difficulty about the tribunals. The railroads, of course, will make their claims against the Government, and if they are unable to settle with the President or with the railroad administration, then they will resort to the courts; it is their only remedy; and we do not lack courts to settle the matter. But I only say, being guided or informed by long experience, and as the Senator himself will know, that it is quite likely that a good part of a quarter of a century will pass before these claims are entirely determined.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield.

Mr. NELSON. In the Senator's bill is there any plan by which the railroads may be compelled to reimburse the United States for the money the Government has advanced to them?

Mr. CUMMINS. Undoubtedly; the act of 1918 provides for that in the most direct terms. There is no question that the railroad companies are liable to the Government for those advances.

Mr. NELSON. But is the obligation not in the nature of a personal liability? Is the Government of the United States given in this legislation, or in any other legislation, any lien on the railroad properties for its advances?

Mr. CUMMINS. Does the Senator mean in the act of 1918 or in this act?

Mr. NELSON. Has the Government any lien on the property which it could enforce, supposing the carrier refused to comply with the demand of the Government?

Mr. CUMMINS. I do not think it has, except in so far as the equipment is concerned. The Government owns the equipment, and it has all the rights of an owner in that respect.

Mr. STANLEY. Mr. President, I understand the bill provides that the long-term notes shall be secured by first-mortgage bonds on the property of the carrier.

Mr. CUMMINS. I think the Senator from Minnesota, however, was inquiring about what lien, if any, the Government now has.

Mr. STANLEY. I thought the Senator spoke of securities to be issued.

Mr. CUMMINS. This bill provides that so far as the advances for betterments and additions are concerned they shall be evidenced by first-mortgage bonds, if practicable; and, if not practicable, then by such securities as the President may prescribe.

Mr. NELSON. But suppose the railroads decline to give such bonds, what then? How can the obligations be enforced?

Mr. CUMMINS. There is but one way, and that is to sue the railroad companies to recover the money. The Government will be compelled to resort to the same remedies for the enforcement of a debt that an individual must avail himself of.

Mr. NELSON. One other suggestion: Would it not be a good plan in this legislation to declare that the Government shall have an enforceable lien on these properties for its reimbursement?

Mr. CUMMINS. That may be. I doubt, however, whether we could at this time provide that this indebtedness shall be a lien upon the property of the railroad companies prior to the liens already established. I think not.

Mr. NELSON. Mr. President, if the Senator will allow me further, that may be true, but, nevertheless, ought we not to provide that the Government shall have a lien at least subsequent to the existing liens on the roads?

Mr. CUMMINS. It might be very well to consider that question. The committee has assumed that the Government would get from the railroad companies before the properties were returned to them all the security which they are capable of giving, and I think that is the manner in which the settlement will take place.

I ought to say that there is another phase of this matter which I believe Senators should bear in mind. I remarked that on the 1st of January, 1918, the President took possession of all the railroads in the United States. On the 1st of July, without physically interfering with many of them, he returned 700 or 800 of the roads to their owners. The claims which I have mentioned do not include the claims of those companies. The short-line railroads of the country are all claiming that the Government shall stand responsible for the losses which occurred during the six months in which the Government had nominal possession of their properties on account of the diversion of traffic, the destruction of their business, and the disintegration and disorganization of their entire operating and managing force. I do not know what those claims may aggregate. It makes me shudder a little when I look forward to what may be insisted upon against the Government in the next few years.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. NORRIS. Will those claims include alleged losses for the taking away from those roads of business and diverting it to other lines under Government control?

Mr. CUMMINS. I have heard of some such claims being made.

Mr. NORRIS. Does the Senator think they would be valid claims?

Mr. CUMMINS. No; I do not believe that the diversion of traffic would constitute a good claim against the United States.

Mr. NORRIS. I assume that the Government when it operated the roads used those roads that it could most effectively coordinate, and excluded those which in managing the entire system were less useful, some of which perhaps were entirely useless.

Mr. CUMMINS. I was never able to ascertain from my survey of the situation just what actuated the Railroad Administration in dealing as it did with some of the short-line railroads. I think that in all the history of our relations to the railways there never was injustice that was comparable with the injustice which the Government has inflicted upon some of the weak short lines of railroad, barely able to sustain themselves in normal times and utterly unable to maintain themselves during the last two years. We have done precisely what I stood here and said we would do—we have paid to the big railroads a compensation so excessive as to shock the moral sense of mankind and we have permitted the weaker railroads, which are just as necessary for the transportation of the United States as are the stronger ones, although not in the same degree, to struggle through these two years in a way that creates the only sympathy I have ever felt toward railway management. There are so many instances in which the superior force of the Railroad Administration, with its monopoly of all the influences of the land, has exerted against the shorter, weaker lines that I could not enumerate them if I were to stand here all the remainder of the afternoon. As I replied to the Senator from Kansas, one of the prominent motives in the minds of all the members of the committee in the construction of this bill has been to do tardy and, I fear, incomplete justice to these roads that have been so severely discriminated against in the last two years. But we will come to that with more detail later on.

Mr. NELSON. Mr. President, will the Senator allow me to interrupt him once more?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield to the Senator.

Mr. NELSON. In connection with the statement which the Senator has just made, another suggestion occurred to me: The Senator has intimated that some of the strong roads, as he calls them, and properly so, earned more than was necessary to enable them to pay their fixed charges and dividends. What becomes of that surplus in the case of the powerful roads which really, during the Government administration, earned more than they should have earned? What becomes of that fund?

Mr. CUMMINS. Possibly the Senator from Minnesota did not hear me clearly. What I said was that we agreed to pay some of these strong roads a great deal more than we should have agreed to pay them.

Mr. NELSON. Oh!

Mr. CUMMINS. I did not say that they earned, during the two years that the Government has been in possession of them, more than they should have earned; but that is also true.

Mr. NELSON. But I mean, did they not, as a matter of fact, earn more than their dividends and fixed charges?

Mr. CUMMINS. Yes; but there are only a few of them that earned more than we had agreed to pay them for compensation. There are a few roads in the country that have during the two years earned more than the compensation which we agreed to pay them.

Mr. NELSON. What becomes of that surplus?

Mr. CUMMINS. That becomes the property of the Government.

Mr. NELSON. It belongs to the Federal Government?

Mr. CUMMINS. Under the act of March 21, 1918.

Mr. President, I do not intend to discuss at any length the merits of private operation as compared with public operation. I have already said that the operation of a system of railways or a system of transportation is a proper governmental function, and that it is only a question of how the people of the country can be best and most efficiently served. I would adopt in a moment public ownership and public operation as entirely within the legitimate sphere of organized society if I believed that the people would thereby secure better, more adequate, and cheaper transportation. I do not intend to enter into the discussion of the various considerations which ought to weigh with every thinking man upon that subject, because the committee was so nearly unanimous upon that proposal that it is unnecessary for me to defend its position in that regard. I only pause to say that I believe that the great majority of the people of the United States, in view of the experience of the last two years, do not desire that public operation shall be continued, and do desire that these properties shall be returned to their owners under such strict supervision and regulation as will insure justice at once to the owners of the properties and to the public as well.

I have it in my mind, however, to say one or two things with regard to a claim that is made and that you hear everywhere, namely, that Government ownership and operation has not had a fair trial during the last two years, and that the results which I have already given you of the operation for these two years can not be assumed to be the fair or necessary results of Government operation.

Whatever may be the merits of Government operation, I feel no hesitation in saying that the trial of the last two years in the United States has been the fairest trial to which that form of regulation could be submitted. The Government has had every possible advantage in demonstrating efficiency in operation. First, the volume of the traffic of 1918 was substantially the same as the volume of the traffic in 1917, and in 1919 that volume had been not greatly diminished. The Government has had the advantage of absolute authority. It has had no interfering or embarrassing conflicts with any department of the Government. The Director General, together with those officers who have been appointed to assist him in the administration, has been supreme; and I say again that it is not in my heart to criticize the action of the Director General, save in one or two respects that may become material a little later on; but I now want to impress upon those who believe in Government operation that the Director General has been master of the whole situation. It was for him, and him only, to say what unification should take place. It was for him, and for him only, to declare upon what routes traffic should be moved. There was no one to dispute his authority, no one to question his decisions, and if Government operation could have a fairer opportunity to demonstrate its efficiency I can not imagine it. The Director General had complete authority over rates. We dispossessed the Interstate Commerce Commission of all authority over the subject when we transferred these properties to the President of the United States.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. NORRIS. Does the Senator desire us to understand that if the Government had not taken over the railroads, but had permitted them to remain in private ownership and private operation, they would have gotten through the war without any trouble and we would have had none of the difficulties that we now have?

Mr. CUMMINS. In my opinion they would have had very much less trouble than we have had, so far as losses are concerned. I am now speaking of the cheapness of transportation. Of course, if the people of the country desire to pay the price, Government operation is entirely feasible. There is nothing that stands in its way if the people are willing to pay the cost.

Mr. NORRIS. Mr. President, I am not seeking now to get into an argument with the Senator as to either one of these systems, but I want to get all the light I can as to what each system would have to contend with under the conditions of the last two years. Does the Senator think that if we had the experience to go through again and we had the question up as to whether we ought to authorize the taking over of the railroads we ought to refuse to do it and force them to operate under private ownership?

Mr. CUMMINS. There was one thing gained in public operation, and but one, in my opinion, and that was the right to move traffic on any line that it was desired to move it on.

Mr. NORRIS. Would we have been able to get through the war and do the work that was done without increasing rates, for instance?

Mr. CUMMINS. I do not think so.

Mr. NORRIS. So the Senator does not mean to say that the Government's taking over the railroads has been the cause of the increase of railroad rates?

Mr. CUMMINS. I have not said a word about that. I am simply endeavoring to show from my standpoint that we have had a fair trial; that there has been nothing in the condition of the business of the United States during the last two years that rendered it more difficult to give transportation at a fair cost than in normal times.

Mr. NORRIS. May I ask the Senator if this is not true: The operation of the last two years under Government control and operation is being compared with the operation under private control under normal conditions?

Mr. CUMMINS. I have not compared it.

Mr. NORRIS. I understand that that is what the Senator is doing.

Mr. CUMMINS. No; I am simply saying that Government operation has had a fair trial in the last two years.

Mr. NORRIS. Exactly.

Mr. CUMMINS. Now, I am not saying that either private operation or Government operation could have gone on doing business at the same rates that were prevailing before the war.

Mr. NORRIS. But if the Senator is going to compare the two systems—and I understood that was what he was doing—he is comparing Government operation under war conditions with private operation under normal conditions.

Mr. CUMMINS. The Government had a great deal better chance under war conditions than the railroad companies had under peace conditions, in my opinion.

Mr. KELLOGG. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. I simply wish to suggest to the Senator from Nebraska that there were nine months of private operation during the war.

Mr. NORRIS. Yes; and, as I understand, Mr. President, the reason why we passed the law authorizing the President to take over the railroads was that in those nine months of private operation it was demonstrated that the railroads were breaking down, and that it was an absolute necessity that the Government take them over in order to carry on the war.

Mr. KELLOGG. I should like to suggest to the Senator that no such thing was demonstrated.

Mr. CUMMINS. I did not resist taking over the railroads. No one at that time could resist anything that was proposed in the name of the war. I think we all experienced that. There was not any proposition made in the name of the prosecution of the war so flagrant or so unreasonable but that it received the assent of most of the Members of Congress and a great proportion of the people. But when you ask me and want my real, honest opinion with regard to the matter, it is my judgment that the railroads, at the time the President took them over, were doing better in the movement of traffic than they ever did afterwards. But I do not say—and I do not want anyone to understand that I assert—that the railroads could have continued to do business upon the rates which were then in effect any more than the Government could continue to do business under those rates.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. CUMMINS. I yield to the Senator from Ohio.

Mr. POMERENE. If I may refer, just in a sentence or two, to the issue raised by the Senator from Nebraska, Mr. Krutschnitt, in his testimony before the Committee on Interstate Commerce in January, said that during the first nine months of Government control and operation the per ton-miles of traffic were very substantially less than they were during the corresponding nine months of the last year of private control; and Mr. Daniel Willard's position, when he appeared before the committee, was that it was not so much the railroads that had broken down in transportation as it was our ocean transportation, and that the glutting of the lines in the East was often due in part to the fact that orders would come to have grain sent to the ports for the purpose of being put in the ships, and when the ships were partially loaded a new order would come requiring the grain to be unloaded for the purpose of shipping munitions, and that at that time there were no proper warehouses and no proper places of storage in the East to accommodate this traffic.

Again, under the priority rule which was adopted by Congress, when it was expected that priorities would only be given to such merchandise as was necessary for war purposes, a number of these departments were giving cards which would indicate priority of shipment by the dozens, if not by the hundreds, to different manufacturing plants, so that this condition was brought about—that on the Pennsylvania system 85 per cent of the traffic was being shipped under priority orders. That was, in part, what caused the glutting of the railroads in the eastern territory.

Mr. NORRIS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. NORRIS. Of course, that all indicates incompetency in the management, whether it is under Government control or private control. I think in a general way the country became aware of these priority shipments, as they were called. I am only interested in having a comparison, if it is made, on an absolutely fair basis. I am not defending or trying to defend a great many things that were done by the Railroad Administration when they first took the roads over. It seemed to me that a great many things showed a great deal of incompetency. But is it not true that after the continued control by the Government a great many of the things that interfered with the proper management of the roads were remedied? Is it not true that they are now being operated upon a much more efficient basis than they were for the first six or nine months or year when they were taken over?

Mr. CUMMINS. I am not certain about that. Nor am I very much concerned about it, so far as the present point is concerned. I started out by saying that I did not intend to discuss the merits of Government operation as compared with private operation. I do not intend to institute any comparison. All that I am contending for at this moment is that the history of the last two years furnishes a fair test of Government operation, and whoever desires to compare hereafter the results of the last two years with those of former years will have at least, if it is of any benefit, the benefit of my observations with regard to the fairness of the test.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield further to the Senator from Nebraska?

Mr. CUMMINS. I yield.

Mr. NORRIS. It seems to me the Senator's test, his yardstick, is not fair. I presume nearly every person who believes in Government ownership would be opposed fundamentally to the kind of Government control that we have had in the last two years. At least as I understand those who favor Government ownership, they would be the last persons to propose the system that was put into effect as a war measure, which put the railroads under the control of an executive Cabinet officer, making it possible for them at once to be put into politics as a football. It is always offered as the greatest objection, and I think it is a great objection, to Government ownership that they get into politics. Those who believe in Government operation of railroads would themselves be the last to advocate the

operation of the railroads by a Cabinet officer of any administration or to put them in the hands of any President or any other political force.

Mr. CUMMINS. I understand that, Mr. President. I know that those who are in favor of Government ownership and operation would not choose the organization which has been operating the roads for the last two years as the ideal organization. Nevertheless it is my judgment that the organization we have had for the last two years, assuming its honesty, as I do assume it, was better qualified, more competent to operate the railroads of the United States than the organization which is suggested in the question put by the Senator from Nebraska [Mr. NORRIS]. I do not think it is an ideal organization, because it has too much arbitrary power, I think. But the very moment you discard or eliminate some of these autocratic and arbitrary powers, that very moment you decrease the efficiency of the organization and increase the expense of the operation. I, for one, believe that Mr. McAdoo, and following him Mr. Hines, and especially Mr. Hines, have done the very best that could be done with these properties. I think they have operated the properties just as cheaply as they could be operated, barring the increase in wages, to which I will come in a moment. While they have done a great many things that I would not have done if I had been in their place, yet no one can question the energy and the ability with which the railroad operations have been carried on.

Mr. STANLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Kentucky?

Mr. CUMMINS. I yield.

Mr. STANLEY. I understand the present control has had the same power and all the power that could have been vested in a board, nonpartisan or otherwise, to absolutely control the traffic during these two years.

Mr. CUMMINS. Surely. Moreover, I have given rather close study to the Railroad Administration during the last two years, and, in so far as I know, nothing has been done for political effect. I do not believe that any organization prepared or created for the purpose of managing the railroads could be farther removed from political activities than the organization which we have seen.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield to the Senator.

Mr. NORRIS. I do not think the Senator wants to be diverted from his bill, nor do I want to divert him, and get him off into a side line; but I do not want to let that statement go unchallenged. I simply want to say that from my observation, limited as it has been, I have seen what to me looked like a whole lot of politics, and lots of things done when there was nothing else in it but politics, in the management of the roads.

Mr. CUMMINS. If so, they have escaped my observation. I have not observed that characteristic in the management of our railroads.

Mr. WALSH of Montana. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Montana?

Mr. CUMMINS. I yield to the Senator.

Mr. WALSH of Montana. I have heard it advanced that Government ownership and operation was not subjected to a fair trial in the last two years for the reason that the actual management in the field, if not in the headquarters at Washington, was intrusted to men who had occupied similar positions with the roads of the country; that the manager of the railroad was appointed Federal manager, and he came to the duties of his position with all the prejudices and predilections against Government ownership which he had acquired through years of training and experience in the management of roads operated by private corporations, and that while perhaps there was nothing in the nature of a conspiracy to depreciate in the public mind the policy of Government ownership, yet there was no disposition evinced to make it a grand success and to secure thus the approval of the general policy in the public mind. I thought when the Senator was going to discuss the fairness of the trial he would want to say something on that point, and I should be very glad to have an expression of his views.

Mr. CUMMINS. Mr. President, I have heard that suggested many times. If there has been a spirit or motive of that kind, in my judgment it has been with those who have been excluded from the active management of the railroad properties. It is true, and necessarily true, that the regional directors were chosen from the class ordinarily known as railway executives. It would not have been possible to have chosen them from any other class, and I firmly believe that these regional directors, these superintendents, and all the way down the list of employees, have been faithful and loyal and have done all they could do to secure an efficient and economic management of the properties committed to their care. However, the Government during this period has had advantage of something which it can never again enjoy. It has had the advantage of the war loyalty. All the men engaged in the operation of these railways, from regional directors to section hands, have felt the spirit which fortunately has moved all Americans and they have worked for the Government, as I view it, with a fidelity and with an earnestness which you will never observe in times of peace. That is another of the advantages which I think the Government has had during the past two years.

Mr. WALSH of Montana. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield further to the Senator from Montana?

Mr. CUMMINS. I yield.

Mr. WALSH of Montana. I have also heard the suggestion that the railroad operatives who appear now to be wedded to the principle of Government ownership of railroads, and are advocating energetically what is known as the Plumb plan, did not exhibit, during the past two years, that spirit of desire to make the system and policy a success which might be expected of them; but by reason of a less energetic discharge of the duties of their various stations the cost of operation and the cost of repair and the cost of construction were substantially increased. What does the Senator say on that aspect of the question?

Mr. CUMMINS. Mr. President, I can not accept that conclusion. Just now, of course, every railroad union in the country is busily engaged in passing resolutions denouncing me. I suppose that I have concentrated against me now more bitter hostility on the part of the railway unions of the United States than any man who has hitherto appeared, simply because I stand for certain provisions in this bill. That, however, does not alienate my confidence in them. I believe the railway men of the United States are intelligent; I believe they have been and are loyal; I believe they have been and are faithful; and nothing which may have occurred with respect to their adhesion to a certain plan for the regulation and operation of our railroads has, in my judgment, affected in the least degree their desire and their determination to render the best service possible in the transportation of the country.

Mr. THOMAS. Mr. President——

Mr. CUMMINS. I yield to the Senator from Colorado.

Mr. THOMAS. I have heard that there are some 144,000 more employees under Government operation of the roads, with a mileage much less than that operated under private ownership, than there were employees during the period of private ownership, and also that it requires about—my recollection is not clear, but I think 127 men now to do the work of 110 men under private ownership.

Mr. CUMMINS. I will remark upon that in just a moment.

Mr. TOWNSEND. Before the Senator leaves the other point——

Mr. CUMMINS. I have not left it yet, but I shall be very glad to have the suggestion of the Senator from Michigan.

Mr. TOWNSEND. As I understood the question of the Senator from Montana [Mr. WALSH], he indicated that reports had gotten out that the men generally were not doing their best under existing management for the reason that they wanted some other plan. My understanding is and my correspondence at all times shows that the men generally want to continue the present method of Government control until Government ownership shall be attained. Does it not stand to reason that the hundreds of thousands of men who are in the employ of the Government and desiring the present system continued and believing that it is perhaps the first step toward Government ownership would be induced to do the best they could to make a success of the present operation rather than to destroy it?

Mr. CUMMINS. Inasmuch as the plan known as the Plumb plan has been mentioned, it ought to be remarked that the Plumb plan is not Government operation; it is Government ownership. But there is nothing in common between what we know as Government ownership and operation and the Plumb plan except in ownership of the property by the Government. Whatever may be the merit of Government ownership and operation carried on through the ordinary instrumentalities of organized society, I want no one to confound that plan for furnishing transportation to the people of the country and the plan proposed by the men to whim the Senator from Montana [Mr. WALSH] has referred. The plan to which he has referred is the operation of the properties through a class and not through the instrumentalities of the Government.

I repeat that I believe that the Government has had a greater advantage in the last two years than it can ever again have save in time of war for the operation of railroad properties. I am not saying whether it ought to be continued or whether it ought not to be continued, but I am dispelling, if I can, the illusion that the railroads of this country have been operated during the last two years under great disadvantages. They have not. They have been operated under great advantages.

Mr. WILLIAMS. May I ask the Senator a question right there? Does he not think about 50 per cent of the railroads were saved from bankruptcy or insolvency by the coming on of the war?

Mr. CUMMINS. No; I do not. I think that if the revenues of the railroad companies had not been increased as the prices of materials and wages rose, all of them would have been in bankruptcy, but I assume that the revenues would have been increased with the railroads in the hands of the private corporations so far as necessary just as they have been increased with the railroads in the hands of the Government.

Mr. WILLIAMS. I am asking about the status before the war. What was the proportion of railroads before the war broke out—and when I say that I do not mean before we went into the war, but before the European war broke out—which were earning less than 3 per cent?

Mr. CUMMINS. Possibly 20 per cent; not more than that.

Mr. WILLIAMS. Then 20 per cent of them were menaced with insolvency?

Mr. CUMMINS. Yes. Twenty per cent of them will always be in bankruptcy until we change our method of rate regulation, as I shall show before I have finished my explanation of the bill.

Mr. WILLIAMS. I want to say, coming from myself, that I am of the opinion that if the war in Europe had not occurred a majority of the railroads in the United States would have been in the hands of receivers right now.

Mr. CUMMINS. It is pretty difficult to tell what would have been if something had not happened that did happen. But I assert, or at least it is my judgment, that a very small part of the railroads of the country would have been in bankruptcy or in the hands of receivers under the conditions named by the Senator from Mississippi.

Another thing that the Government had which it can not again have save in time of war is this: It had a spirit on the part of the people to endure and submit to all kinds of inconveniences simply because they were patriotic and did not want to protest against some of the shortcomings of the Railroad Administration. You will not experience that if you institute Government ownership in times of peace.

I can not but think that all these things taken together must convince anyone that the Government has had a fair and reasonable opportunity to test the economy and the efficiency of Government operation. I do not intend to institute a comparison now between the years before and these two years, but I want it done, if it is done, upon the assumption that the Government has had a fair chance.

Mr. NORRIS. Mr. President——

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. NORRIS. Does not the Senator think that if protests had been made, which he says for patriotic reasons were not made, it would have improved the control of the railroads? If something was wrong and some one had protested against it or called attention to it, it probably would have brought about a remedy.

Mr. CUMMINS. If a remedy were possible, I think it might.

Mr. NORRIS. If a remedy were not possible, then we would assume there would be no complaint made, but I understand the Senator to say the Government had the advantage, due to the fact that people for patriotic reasons refused to complain when things were wrong.

Mr. CUMMINS. That is my judgment.

Mr. NORRIS. It seems to me that would have the opposite effect from what the Senator thinks it did have. If men complain when something is wrong, it has a tendency to right the wrong.

Mr. CUMMINS. If I may be permitted the remark, it seems to me the Senator is rather hypercritical. There are some protests which do bring about reform and remedy. There are other protests which do not. In a broad, big way the people of the country were willing to submit to inconveniences during the war which they will not submit to during times of peace—shortage of cars, failure in the transportation of coal or of grain. The people would submit to things in time of war without rebellion that they would insist upon having remedied in time of peace. To be remedied required additional expenditures of money, additional motive power, additional cars, and additional facilities of all kinds.

Mr. NORRIS. May I ask the Senator a question there?

Mr. CUMMINS. Certainly.

Mr. NORRIS. A shortage of cars does not necessarily come about because there are not enough cars. Shortage of cars might come about because the person who had charge was not properly distributing what he had. A complaint in that case would bring about a remedy, whereas for patriotic reasons, as the Senator says, persons might submit and make no complaint and thus help to make the management inefficient.

Mr. CUMMINS. Of course, if the Senator from Nebraska really believes that there was serious inefficiency in the operation of our railroads and attributes that to the character of the organization, nothing that I could say would remove that impression from his mind. I am of the opinion that while the organization was not perfect, I would not give that much power to any man if I could help it. I protested against the extent of power at the time the bill was passed, but no one could assert successfully, I think, that in a given time the possession of that power contributed to inefficiency. On the contrary, I think it contributed to a certain efficiency in securing the largest volume of transportation possible with the facilities at hand.

Now, Mr. President, I want to answer the question propounded, I think, by the Senator from Montana [Mr. WALSH] or the Senator from Colorado [Mr. THOMAS]. Notwithstanding these advantages which I have enumerated, and which have greater or less weight in determining the comparison, and with practically the same volume of business, rates have been raised yielding additional revenues $200,000,000 in excess of the increase of wages for a like number of men, and still the loss for two years is from $650,000,000 to $750,000,000. I emphasize, the same number of men.

That brings me to comment upon the suggestion of the Senator from Colorado [Mr. THOMAS]. The administration has increased the number of men employed to render the same service—that is, to move a like volume of traffic—194,000. I want to refer to the figures in order to be sure that I am right, because it is a somewhat startling statement.

Mr. KELLOGG. I think the number of the increase is 190,500.

Mr. CUMMINS. My recollection was that it was 194,000; that is, in July, 1919, there were 194,000 more men employed rendering transportation service in the United States than were employed by the railroad companies in December, 1917. I am not just now questioning the propriety or the wisdom of that; but in some way or other, mainly by shortening hours of service—and we might as well look the matter squarely in the face—the number of men required to serve the people of the country in transportation has been increased by 190,000 or 194,000 men.

The rates have been increased so that in 1918, upon practically the same volume of traffic, the gross revenues or operating revenues of the railway companies for the year, if the rates had been in force during the whole year, would have been $1,100,000,000 more than the gross revenues for the year 1917. The outcome is rather disheartening, rather startling.

Mr. POMERENE. Mr. President——

Mr. CUMMINS. I yield to the Senator from Ohio.

Mr. POMERENE. It is true that the so-called eight-hour law was passed, and I favored it then and favor it now. The Senator has stated the increase in the number of men to be 190,000 plus. Is the Senator advised to what extent these men continue to work in excess of eight hours?

Mr. CUMMINS. I am not advised; I do not believe that there is information of that kind at hand, although I presume it could be procured. The Senator from Ohio, of course, is speaking of the overtime?

Mr. POMERENE. Yes.

Mr. CUMMINS. I have not that information. I have the number of hours which have been worked during the years 1918 and 1919; I have also the wages that have been paid. I wish to remark here that I think the complaint with regard to the administration increasing the wages of the railway men is absolutely unfounded. I do not believe the railway men of the United States are now receiving what they ought to receive in comparison with the compensation paid in other employments of the same general character. There have been some absurd adjustments made in reclassifications; but, so far as the general level of the compensation of railway men is concerned, it is not excessive, and I very much doubt whether it is now compensatory in comparison with the cost of commodities which the men must buy in order to sustain life. I want to assert in the strongest possible way that all this furore with regard to an increase of wages, generally speaking, is but vapor; it has no foundation whatever. While some railway men, on account

of mistakes in classification, are receiving a great deal more than they ought to receive, the general average of advance is not to exceed 42 per cent; and if anyone can believe that an advance in a broad, general way of 40 per cent is inordinate, in view of the rising cost of living, he has a strange mind.

Mr. President, I now pass to another question, namely, the return of these properties to their owners and the conditions under which they ought to be returned. You will all agree with me that it is a perfectly idle ceremony to return the railroads to their owners unless they can successfully operate them.

It would be absurd for the Government to restore these properties to the railroad corporations which formerly owned them unless the Government believed at least that those corporations could resume the operation of the railroads and render to the people of the country the service which, of course, must be rendered if our commerce is to be sustained.

One of these conditions is ability to borrow money. No matter what we may think with regard to the wrongs which have been done in the past by the railroad companies—and there is a chapter of misdeeds which is not only very interesting to all of us but which merits and always receives complete and emphatic condemnation—the railroads if they are to be returned must be able to borrow money, because even if the Government carries a billion dollars of their obligations for 10 years, as it must, in my judgment—or some such amount as that—the railroads must borrow another billion dollars, or some such large sum, in the coming year.

The people of this country do not stand still; their business is developing; their commerce is growing; their demand for transportation facilities increases with every week and every month, and, of course, either the railway corporations or the Government must respond to that demand. When the railways are returned and the railway companies seek to borrow money, it must be a voluntary transaction. The men who have money to invest will not contribute it to railroad enterprises unless they are satisfied, first, of the safety of the investmnt, and, second, of a reasonable return upon the money which they thus contribute. We can not compel men to invest money in railway enterprises, and therefore what we do must be, in our judgment, the thing which will enable the railway corporations, honestly managed, honestly financed, to borrow the money necessary, first, to pay their maturing obligations, and, second, to enlarge the facilities which they now have and which are used for transportation. If we are not willing to do that, it is vastly better not to return the properties at all.

If we return these properties feeling that within the next two months or three months or six months or a year the Government must again take them and resume their operation, it would be infinitely better, cheaper, and more in the interest of all the people not to return them at all. So when you come to consider the terms of this bill I hope you will all bear in mind that the suggestion I have just made is one of the considerations which the committee had constantly in view—a return of the properties to the companies which own them under such conditions as would enable these companies to operate them successfully and, in order to do that, to borrow the money necessary, sometimes for maintenance, but generally for enlargements and additions.

I now approach what I regard as the central thought of the bill.

Mr. NORRIS. Mr. President, before the Senator leaves the subject he has been discussing——

Mr. CUMMINS. I yield to the Senator.

Mr. NORRIS. It may be that the Senator intends to discuss later the question I have in mind; and, if he does, I will not press the question now; but does the bill provide for a method of raising the funds which the railroads are going to need—the billion dollars of which the Senator speaks?

Mr. CUMMINS. It does not; that is, not directly. It does not undertake any obligation upon the part of the Government.

Mr. NORRIS. How are the railroads going to be able to borrow the money?

Mr. CUMMINS. As I remarked, men who have money to invest—and fortunately there are a great many such men in the United States—will invest their money in an enterprise in which the ultimate return of their capital is fairly well assured, and in which the yearly return or interest is fairly adequate.

Mr. NORRIS. Yes; I understand that.

Mr. CUMMINS. That is the only provision in this bill that answers the suggestion of the Senator from Nebraska.

Mr. NORRIS. I was trying to find out whether the bill made any provision that would enable the roads when they were turned back to borrow the money which the Senator says is going to be necessary.

Mr. CUMMINS. I hope so. If it does not, it ought to be rejected.

Mr. NORRIS. Does the Senator intend to discuss that provision of the bill later?

Mr. CUMMINS. I do intend to discuss it.

Mr. NORRIS. Then I will reserve my questions.

Mr. CUMMINS. Mr. President, private operation of railways can not be continued as a permanent policy unless there is a radical change in our system of regualtion. There is but one course which will insure successful private operation. Our Interstate Commerce Commission has been a faithful, intelligent body of men. They have made mistakes now and then, which I have not hesitated to criticize; but, on the whole, I think they have attempted to do their duty as they have seen their duty. It has been, however, utterly impossible for the Interstate Commerce Commission to establish a body of rates in the United States that would enable the railway systems of the Nation to maintain themselves. It has been utterly impossible for any body of men to make a system of rates that will sustain the weaker railroads of the country without giving to the stronger railroads an income excessive and intolerable in its extent; and there lies the great, fundamental obstacle in our system of rate making. The Interstate Commerce Commission can no more give to each railway of the United States the return to which it is fairly entitled than it can annihilate distance or overcome any other law of nature; and for that reason, when the Government took possession of the railroads, some of the railroads were earning enormous and excessive incomes, while other railroads were struggling against adversity, and utterly incapable of rendering to their communities the service to which those communities were fairly entitled; and it was obvious, I think, to the students of the subject, long before the Government took possession, that we must adopt some plan that would remove this inherent, fundamental difficulty.

I give some instances. I take now the test period for the basis of my observations. The test period, as you all know, was the three years before the 1st of July, 1917; and I must necessarily accept the investment account as another of the bases. The property investment account of the various railroads is an account kept since 1907 under the supervision of the Interstate Commerce Commission, and before that without any supervision, but which is supposed to reflect the actual investment in money in the railway properties. The investment account is grossly, flagrantly wrong in many cases, as we all know. It has been so declared by the Interstate Commerce Commission in many of its decisions; but it is the only thing that for the purpose of this comparison I can assume, and it is the assumption which was accepted in the act of 1918.

Upon the basis of the investment account the average annual net operating income of the New York Central road during the three years was 6.09 per cent; of the Pennsylvania Co., 6.26 per cent. Now, get this straight, because I do not want to be misunderstood or misquoted hereafter. This is not upon capitalization, this is upon investment account, and is supposed to represent the entire investment, and in many cases represents a great deal more than the investment. Upon this basis the average annual net operating income of the Pennsylvania Railroad during the three years was 5.36 per cent; Delaware, Lackawanna & Western, 7.54; Erie, 3.56; Baltimore & Ohio, 4.67; Chicago, Burlington & Quincy, 7.02; Chicago & North Western, 6.13; Missouri Pacific, 4.43; Union Pacific, 6.72; Southern Pacific, 4.99; Northern Pacific, 6.27; Great Northern, 6.70; Atchison, Topeka & Santa Fe, 6.16; Chicago, Milwaukee & St. Paul, 4.71; Chicago, Rock Island & Pacific, 4.72; Chicago & Great Western, 1.77; Chicago & Alton, 2.64; Western Pacific, 2.28; Colorado Southern, 3.04; Missouri, Kansas & Texas, 2.81; Texas Pacific, 3.76; Wabash, 2.91; Western Maryland, 2.58; New York, New Haven & Hartford, 5.96; Boston & Maine, 4.80; Cincinnati, Hamilton & Dayton, 1.95; Atlantic Coast Line, 5.76; Seaboard Air Line, 3.68; Southern Railway, 4.12; Louisville & Nashville, 6.32; Illinois Central, 5.48.

In their respective territories these roads are competitive, and must carry traffic at the same rates.

Mr. NORRIS. Mr. President——

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. NORRIS. Can the Senator give us any information as to how much this investment account is exaggerated or padded? And let me ask another question in connection with that one. Are there any instances where the investment account is smaller than the facts would warrant?

Mr. CUMMINS. That depends entirely upon one's idea of the basis which should prevail in valuing property. I think there are a great many instances in which the investment accounts are larger than any possible value that could be attributed to the property. I think there are other instances in

which, if the courts adopt the rule which has been announced by the Interstate Commerce Commission governing the value of property, the investment account would be found to be very much less than the value of the property.

Mr. NORRIS. I am not asking for a comparison between the investment account and the value of the property. The investment account, as I understand, is supposed to represent the actual money invested in the property. The question I ask the Senator is this: He said himself that a great many of these investment accounts were entirely too large. Can the Senator give us any idea as to the extent to which they have been made too large, and is there any case where the investment account is too small? I do not mean as compared with the value of the property; but are there any cases now where the investment account is less than the money actually invested in the property?

Mr. CUMMINS. Mr. President, I, of course, have not examined the investment accounts of the various railroads, and I would not have any opportunity to know; but I have the general impression, resulting from reading the opinions of the Interstate Commerce Commission, that there are a great many instances in which the investment account is larger than the actual investment in money. I do not believe that there is any instance in which the investment account is smaller than the actual investment in money, although I am not speaking with knowledge upon that subject.

Mr. KELLOGG. Mr. President——

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. I will say to the Senator from Nebraska that there are some cases where the property has been charged down upon the books to a point less than the actual cash invested in the property.

Mr. NORRIS. The Senator is speaking now of the value of the property.

Mr. KELLOGG. Oh, no; less than the actual cash invested in the property.

Mr. NORRIS. Yes; but what is it that is less than the actual cash invested in the property?

Mr. KELLOGG. The present property investment account on the books of the company.

Mr. NORRIS. If you are keeping an investment account, which would necessarily be the same as the value of the property, whether it was up or down, I can not conceive how, if they honestly keep it, it would not be exactly correct, because, of course, every time any money was put into the property it would be added to the investment account.

Mr. CUMMINS. I do not know that this is an actual case, for I have not examined that phase of it, but I can easily see how it might be. Suppose there was a foreclosure of a mortgage, and a property on which there had been expended two millions of dollars was bid in, we will say, for a million dollars. The company which bought it in, if it were to follow the rules of the Interstate Commerce Commission, would start out its investment account with $1,000,000.

Mr. NORRIS. Well, that would be the only right way to do, would it not? If they had only invested a million dollars, although the property might be worth ten millions, the investment account should only show the investment of a million dollars.

Mr. CUMMINS. Of course, it ought to show the investment of that owner in the property.

Mr. NORRIS. Yes.

Mr. CUMMINS. That is quite right.

Mr. NORRIS. They would have no right to take advantage of what the investment account of the preceding owner had been.

Mr. CUMMINS. But that might be very much less than the money which had formerly been expended in creating the property.

Mr. NORRIS. Oh, yes.

Mr. STANLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Kentucky?

Mr. CUMMINS. I do.

Mr. STANLEY. How does the total investment account compare with the total capitalization of the companies?

Mr. CUMMINS. The total investment account is about $19,000,000,000, or possibly a little bit less than that. It is between eighteen billions and nineteen billions. The total capitalization, excluding what the Interstate Commerce Commission calls duplicate or intercorporate holdings, is about $18,600,000,000. So, in a broad way, I take it the investment account is something like a billion dollars more than the par of the stocks and bonds in the hands of the public.

But, Mr. President, I did not refer to these several railroads for the purpose of entering into an inquiry as to the correctness or otherwise of the investment accounts.

Mr. STANLEY. Mr. President, one other question. Are we to infer from what the Senator has said that the capitalization of these several roads represents about their actual value?

Mr. CUMMINS. I will not venture an opinion upon the actual value of the railway property. That is a subject upon which there are as many different opinions, almost, as there are men, and especially as there are lawyers. It depends entirely upon the elements which you consider in reaching values.

Mr. President, I brought these figures last mentioned to the attention of the Senate, not for the purpose of an inquiry into the accuracy of the bookkeeping of the railroads or of the commission; I do not affirm that either is accurate; but I do affirm, and these figures show it, that there is a very great disparity in the earning power of these several railways, and I have mentioned the principal railways of the United States.

It is manifest that all these railroads can not live without giving to the stronger of them the advantage of rates which will yield an excessive, indefensible income. I will take, for instance, the Erie in the East, and I will take the Chicago & Great Western in the West. The Chicago & Great Western earned in the test period, I think, 1.7 per cent upon its investment account. It can not live upon it. It can not pay the interest upon its bonds, and it can add nothing to its property in the way of development. What will you do with that railroad? It must continue to serve the people of the community through which it passes. It would be a catastrophe, a calamity, not only locally but nationally, if the road were to be dismantled and abandoned.

What will you do with the Erie, which earned scarcely more upon its investment account? The Pennsylvania can survive, the New York Central can survive, the Delaware & Lackawanna can survive. But what will you do with these roads—and there are a great many of them? I have simply given you instances. What will you do with them in any plan for the return of these properties to their owners?

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. NORRIS. Does the Senator contend that the investment account is the proper account upon which the dividends must be earned?

Mr. CUMMINS. I have said it was not.

Mr. NORRIS. The Senator is just giving an illustration to show that the roads he has enumerated can not live when they can not make more on their investment accounts.

Mr. CUMMINS. I did not wish to be so understood. I used the investment account as simply a basis of comparison.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

Mr. CUMMINS. I must answer the interrogatory of the Senator from Nebraska. I do not allege that these are the values of their properties, but they afford a fair basis of comparison. No matter how you might reconstruct the investment account, you can not make the Chicago & Great Western Co. pay upon the rates which now prevail a fair return upon the value of its property.

Mr. NORRIS. That might be.

Mr. CUMMINS. That is what I am asserting.

Mr. NORRIS. The Senator has not been making his basis the value of the property.

Mr. CUMMINS. I must take some basis.

Mr. NORRIS. But the Senator is taking a basis that he himself admits is not fair.

Mr. CUMMINS. What basis would the Senator from Nebraska suggest?

Mr. NORRIS. I would suggest that if you took a farmer who had lived on a farm for 25 years and gave him a return upon his investment account you would have to double and treble everything that he has to sell. If you applied it to any other man's business, it would not work. It ought to be the same with the railroad. If you will keep on long enough and charge off enough and keep on adding to the investment account, which you will as long as you operate it, you will get it up finally so high that it would be an absolute impossibility for any railroad to live or any business man to live and do business.

Mr. CUMMINS. Mr. President, I am not controverting that statement. The Senator from Nebraska refuses, apparently, to consider the point I am trying to make. I do not care what basis you take. I know enough about these properties to know that there is very great disparity in their earning power and

that is the only point I am trying to make; and the Senator from Nebraska can not divert me from that conclusion by suggesting that the investment account is not the proper basis. I do not care what the proper basis is. He may take the capitalization, or he may take any form of valuation which he desires, the disparity will be just the same, and either one property is going to get a great deal more than it ought to have or another property will get a great deal less than it ought to have, and that is the conclusion to which I am coming.

Mr. NORRIS. I do not want the Senator to put me in a wrong light. I have not contended, and do not contend, that there is not this great disparity. I admit it all. But, on the other hand, the Senator is trying to show, it seems to me, that these roads can not live because they are not making enough on their investment accounts, which I do not believe is good logic.

Mr. CUMMINS. No; the Senator must know that is not what I have been attempting to establish, if he has paid the least heed to my argument. I am trying to show that there is such a disparity in the conditions under which these roads render their service that either we must give some road a great deal more than it is entitled to get or another road a great deal less than it should have. That is the point I am trying to make.

Mr. NORRIS. If the Senator will read his remarks in the RECORD he will find that he has said that these roads that he has mentioned can not live because they can not live on the per cent they are making on their investment accounts.

Mr. CUMMINS. No; I took the property investment account simply in order to furnish a basis for comparison, that is all, saying at the same time that the investment account was not an accurate standard of the value of the property. No one has contended that oftener or more emphatically than I have, and I do not intend to allow the Senator from Nebraska to disparage the argument that I am attempting to make by any such construction upon it.

I repeat, Mr. President, that this table is given just to show the disparity between the earning capacity of these several properties, and they constitute the chief railway properties of the United States; and that if we put a body of rates in effect in any competitive territory, rates which will enable the stronger of the roads to live and earn a sufficient income, no matter what the value of their property may be, and only that, the weaker roads must be abandoned; they can not be sustained; and it was in view of that conclusion that I said originally that the central thought, the underlying purpose, of this bill is to bring about a reorganization of our railroads, so that upon a given body of rates in competitive territory the earnings of the several systems of railroads would be substantially the same, measuring those returns by the values of the properties which are involved. It makes no difference what may be the values involved, the result is just the same. If the railroads of this country were not worth $100, my argument would be just as it is now. My argument is not at all concerned with the values of these properties, but I had to take some basis in order to demonstrate that the earning power of the various roads under a given body of rates was so various that we must find some plan of making the several systems of transportation earn substantially the same with relation to the value of the properties in those systems, in order to at once be fair and just to the public and provide a fair return upon the value of the properties which rendered the service.

Mr. FRELINGHUYSEN. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from New Jersey?

Mr. CUMMINS. I yield to the Senator.

Mr. FRELINGHUYSEN. Is it not true that the only basis of valuation that can be established for a fixed rate of return is through the property investment account until the actual value is ascertained by the physical valuation of the railroads by the Interstate Commerce Commission?

Mr. CUMMINS. I am not ready, Mr. President, to concede that. I think that in every instance in which it becomes necessary for the Interstate Commerce Commission to ascertain the value of a railroad it must take into account the history of the property investment account.

The Interstate Commerce Commission knows already, in a general way, how these investment accounts have been created or how they have been built up. They know that, and I think the Interstate Commerce Commission, in valuing a property, should take into account those elements of value which the law recognizes for rate-making purposes, because that is, after all, the only material thing that the Interstate Commerce Commission has to consider with reference to values. I could not agree that it should accept the investment account without careful review.

Mr. FRELINGHUYSEN. Then the Senator thinks the Interstate Commerce Commission can readjust that account according to the provisions of the law under which it is governed?

Mr. CUMMINS. There is no provision of the law with regard to investment accounts.

Mr. FRELINGHUYSEN. There is not?

Mr. CUMMINS. Not that I know of.

Mr. FRELINGHUYSEN. I thought there was such a provision.

Mr. CUMMINS. Possibly some one will correct me if I am wrong about that; but, as I remember it, the investment account is purely a creature of a rule or order of the Interstate Commerce Commission. Up to 1907 the railroad companies kept their investment accounts just as they pleased, and they were grossly exaggerated in many instances. For instance, if a company entered into a contract to build a road, or a part of a road, it would issue to the contractor the stocks and bonds of the particular venture in compensation for the construction of the track or road; no matter whether the bonds and stocks were worth 20 cents on the dollar, or whether more than that was received for them, there would be charged up to the property investment account the par value of these stocks and bonds. It might be twice as much as actually went into the property or was put into the property by the contractor. In fact, the work that the Interstate Commerce Commission has already done in the valuation of the Kansas City Southern and one or two other roads in that vicinity has disclosed that it was in this way that the investment account, prior to 1907, was brought into existence.

In that year the Interstate Commerce Commission issued orders or rules for the keeping of the property investment account, and since that time I believe that the account fairly represents the money which has been expended in the improvements and the additions to these various properties.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I yield.

Mr. KING. I sympathize, in part at least, with the view expressed by the Senator that the condition of the poor roads should excite the commiseration and sympathy of Congress; but it seems to me, while not expressing any definite view, the vice of the bill which we are now considering, and the fallacy of the position of the Senator, the chairman of the committee, rest in this fact: Primarily Congress is not concerned in the success or failure of any enterprise. It is not the duty of Congress, if I make an improper investment in the construction of a ship which soon becomes obsolete and can not compete with the better class of ships, to establish rates by which my poor investment shall be converted into a profitable one. That is a paternalism which I think is not warranted.

Mr. CUMMINS. May I interrupt the Senator?

Mr. KING. This is not a question, and I apologize to the Senator.

Mr. CUMMINS. I agree perfectly with the statements which the Senator from Utah has just made. There is no parallel, however, between the instance he names and the railroad system of the United States. But I hope that he will not advance me to that particular subject until I reach it in the regular order.

Mr. KING. I apologize for anticipating, but I did want to state to the Senator that it does seem to me we ought not to be so much concerned as to whether some of these so-called poor roads live or not. They are going to live. They may have to be reorganized down to a value upon which they can render service that will make returns.

Mr. CUMMINS. I know, and I am going to discuss that phase of the railroad problem. I am looking at this, and the committee has looked at it, from the national standpoint. It has considered that every part of the country is interested in the transportation of every other part, and I myself would as soon think of charging half a cent for taking a letter from New York to Brooklyn and 15 cents for carrying a letter from New York to Salt Lake City as I would the abolition of our great national system of transportation. You must view it from that standpoint if you are to accomplish the general welfare.

[At this point Mr. CUMMINS ended his speech for the day.]

Wednesday, December 3, 1919.

Mr. CUMMINS. Mr. President, reviewing my observations made yesterday, I find that upon two or three matters I was not as complete as I intended to be, and I shall call attention to those matters this afternoon.

The senior Senator from Minnesota [Mr. NELSON] propounded a very material question with regard to the security which the United States will have for the repayment to it

of the sums advanced during the last two years for additions, betterments, and other purposes, and suggested that there ought to be a provision in the bill for a lien upon the railway property.

I did not have at hand, when the Senator asked the question, the Federal-control act which gave the President authority to make those advances. Inasmuch as I desire the RECORD to be as full and accurate as possible, I now take the liberty of presenting the legislation under which the indebtedness was created. It is found in section 6 of the Federal-control act and is as follows:

SEC. 6. That the sum of $500,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, which, together with any funds available from any operating income of said carriers, may be used by the President as a revolving fund for the purpose of paying the expenses of the Federal control, and so far as necessary the amount of just compensation, and to provide terminals, motive power, cars, and other necessary equipment, such terminals, motive power, cars, and equipment to be used and accounted for as the President may direct and to be disposed of as Congress may hereafter by law provide.

The President may also make or order any carrier to make any additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other equipment necessary or desirable for war purposes or in the public interest on or in connection with the property of any carrier. He may from said revolving fund advance to such carrier all or any part of the expense of such additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other necessary equipment so ordered and constructed by such carrier or by the President, such advances to be charged against such carrier and to bear interest at such rate and be payable on such terms as may be determined by the President, to the end that the United States may be fully reimbursed for any sums so advanced.

Any loss claimed by any carrier by reason of any such additions, betterments, or road extensions so ordered and constructed may be determined by agreement between the President and such carrier; failing such agreement the amount of such loss shall be ascertained as provided in section 3 hereof.

It will be observed that there is no provision made in this section for a lien upon the property of the carrier.

It is under that authority that the United States has created the obligations which the carriers must now discharge.

I referred yesterday to the fact that the present bill provided only that the President for these advances, or such parts of them as were not to be instantly paid, should take the first-mortgage bonds of the carriers in so far as practicable; and if such bonds were not available, then such evidences of indebtedness as the President might determine. Whether the United States can now declare that these advances shall constitute a lien upon the property of the railroad companies is a matter of very grave doubt. I am inclined to think that it could not by this legislation impose upon the railroad companies involuntarily a lien for the sums which the carriers now owe the Government. Undoubtedly the Government could say to the railroad companies that these sums must be instantly paid, and in default of that payment it could proceed in the usual and ordinary way for the enforcement of an indebtedness. As, however, I attempted to point out on yesterday, it is utterly impossible for the carriers to pay the sums which have been advanced and which are properly chargeable to capital account. The return of the property or properties to the carriers with any condition of that kind would be a useless ceremony. It would result in the very rapid failure upon the part of the carriers to perform their duties to the public and would result in foreclosures everywhere.

I make this explanation because I think all the members of the committee are very anxious to take every precaution that can be properly taken to make certain the repayment to the Government. I have been so much impressed with the suggestion of the senior Senator from Minnesota [Mr. NELSON] that I hope during the progress of the consideration of the bill to submit that question again to the committee and to take its view upon the practicability of increasing the security that may be demanded from the railway companies.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. It might be suggested here that as the Government could not make this a lien ahead of the present liens upon the property the Government always has a remedy by bringing suit against the road and enforcing judgment by receivership, just the same remedy as it would have if it had a lien created by Congress, provided Congress could create such a lien.

Mr. CUMMINS. Precisely. I presume, however, that this is an unsecured indebtedness, and while upon default in its payment a judgment creditor could obtain the appointment of a receiver that would be a very inadequate remedy, and the one that the committee has proposed will be infinitely preferable, in my judgment, to that course.

I was asked yesterday also with regard to the number of employees in addition to those regularly employed while the properties were still in the hands of their owners and also with regard to the advance which had been made in compensation. I think the junior Senator from Minnesota [Mr. KELLOGG] answered yesterday correctly with regard to the addition in the number of the employees, but inasmuch as it is quite an important item I desire to read from a report made by the Railroad Administration, which is dated November 14, 1919, but which did not come into the hands of the Senate until the 18th day of November:

The number of employees of all kinds upon the railways of the United States—

Class 1 railroads I am speaking of alone—

in December, 1917, was 1,703,748. The number of employees on the same roads in July, 1919, was 1,894,287—

An increase in number of 190,539. It required in the month of July, 1919, 190,539 more men to operate the properties than were found necessary in December, 1917.

I suggested yesterday that the increase in the compensation of railway workers, while generally thought to have been very great and excessive, is in fact quite below the increase in compensation in other occupations of a similar character. I mentioned that the increase was a little above 40 per cent. Inasmuch, however, as that may be misunderstood, I desire again to quote from the report made by the Director General of Railroads upon this subject.

According to that report—and I accept it as accurate—the increase in the unit of compensation of all employees between December, 1917, and July, 1919, was 53 per cent.

Now mark the difference between the percentage of increase in the unit of compensation and the percentage of increase in the actual compensation for a month's labor. I repeat that, according to the report, the per cent of increase in the unit of compensation between these two periods was 53; but when we turn to the table which shows the average percentage of increase in monthly compensation, quite a different outcome is observed, for, compared in that way, this is the result: Percentage of increase to July, 1919, over December, 1917, 32.9; monthly average for the whole calendar year of 1917, the increase—bringing in again the compensation prevalent in July, 1919—was 42.7 per cent.

It was that percentage I had in mind when I made the statement which I did make yesterday; but, whether the one basis or the other be taken as the proper one to measure the practical increase in compensation, no one can assert that there has been added to the pay of the railway men an excessive sum when the cost of living is considered.

We all understand that the cost of living, the cost of commodities which must be bought with the compensation which the railway men receive, has increased somewhere from 80 to 100 per cent, and I for one have the utmost sympathy with the demand which is now being made by the railway men for an additional increase in their compensation, for the instances that people ordinarily relate when they are discussing this subject are the instances of inordinate increase, and there are a great many of these increases which have come about by a false classification but which do not as a whole affect the general body of the railroad operatives.

I regret that the Senator from Nebraska [Mr. NORRIS] is not present.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. I think, if the Senator will consult the only tables which I know to be complete—those published by the Bureau of Economics in Boston—he will find that the increase in the cost of living from 1915 to 1919 is about 73 per cent and the increase in wages is about the same.

Mr. CUMMINS. I think that is true. I mentioned the increase in the cost of living, in a general way, as from 80 to 100 per cent. Some commodities have increased more than 100 per cent, some less than 80 per cent; but I have no doubt the average is substantially as stated by the Senator from Minnesota.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. Am I correct in the understanding I have that the percentage of increase quoted by the Senator in the pay of railway men was from July, 1917, to December——

Mr. CUMMINS. From December, 1917, to July, 1919.

Mr. HITCHCOCK. So that the Senator from Iowa does not go back to the period mentioned by the Senator from Minnesota, namely, 1915?

Mr. CUMMINS. No; that is correct.

Mr. HITCHCOCK. There was some increase from 1915 to 1917.

Mr. KELLOGG. A very great increase.

Mr. CUMMINS. There had been an increase in wages before December, 1917. I think the increase occurred in 1917, probably.

Mr. KELLOGG. The increase in wages from 1915 to 1919 is seventy-two and a fraction per cent, and the increase in the cost of living is 73 per cent. The Senator stated correctly the increase of wages from December, 1917, until July, 1919, which was 42.7 per cent. During that time, however, the cost of living had not gone up quite that amount.

Mr. CUMMINS. The whole purpose of these suggestions is to show that the increases in wages that have been allowed by the Railroad Administration are not to be criticized. They are, I think, fairly within the general policy of all employers throughout the country.

Mr. HITCHCOCK. Will the Senator explain what is the significance of the figures he gives which indicate that the increase in the unit of compensation has been greater than the increase in the monthly compensation?

Mr. CUMMINS. The significance of those figures lies in this, that the men are working fewer hours than they did. That is obvious, and accounts in part for the additional number of employees now necessary to operate the properties. The unit of compensation is the hour, generally speaking, and the increase in that unit has been 53 per cent; but the increase in the actual compensation received by the employee for his monthly work—in other words, the number of dollars that he earned during the month—has only been increased 42 per cent.

Mr. HITCHCOCK. The increase in the cost of the labor to the Government, then, has been 53 per cent?

Mr. CUMMINS. The increase to the Government has been 53 per cent, but that does not represent that degree of increase in the purchasing power of the month's work on the part of the employee.

Mr. President, yesterday at the very close of the explanation I was attempting to make of the bill I was discussing the disparity in the earning power of the several railroads of the country. I had taken the property investment account kept by the railroad companies as a basis for the computation of that disparity. I had shown that upon that basis the degree of difference in earning power was so great that it is wholly impossible to give to each railroad company the right to earn a fair return upon its value, whatever that value may be, and maintain the weaker properties, because it is utterly impossible for the weaker properties to enjoy any higher rates than are given to the stronger railroads. In so far as they are competitive they must carry on their business upon uniform charges for transportation between competitive points.

The Senator from Nebraska [Mr. NORRIS] understood me in some way or other to affirm or suggest that the property investment account was a proper measure of the value of these several properties, and I do not wonder that he at once challenged that conclusion, understanding it as he did; but I feel that this afternoon, in the very first instance, I must make that perfectly clear. I used the property investment account solely as a basis for a discussion upon the disparity or difference in the earning power of the several railroads. I am just as much at war with the property investment accounts of the several railroads as criteria or standards of the value of those properties as the Senator from Nebraska can possibly be; but I had to take some basis for the computation, and my conclusions are just as certain if any other basis be taken. I care not what basis be taken for the ascertainment of the value of the properties, unless it be the basis of mere capitalization of the earnings from year to year, and I assume that no one would contend that that was or is a fair basis. However, it would answer my purpose just as well if I did take that so far as future investments are concerned.

This bill, however, does not attempt to deal with the value of railroad properties. It does not do it, first, because it is not a legislative question. It is no more possible, legally, constitutionally speaking, for the Congress of the United States to determine what the railroad property of the United States is worth than it would be to determine what a man's farm is worth which it desired to take for a public purpose. Not only so, but it is constitutionally unable even to declare what elements shall be considered by an assessing or a judicial board in reaching a conclusion as to the value of property. For these reasons the bill does not venture upon that domain. It commits that whole problem to the only jurisdiction which under our Constitution can consider it; but in showing to the Senate that our former system of regulation had entirely failed, that it was fatally defective, I attempted to apply the earnings of a score of railroads to the property investment account simply to demonstrate that these railroads could not survive unless our system is radically changed.

I turn now to the Senator from Utah [Mr. KING] as one who has studied this subject, and studied it deeply. I think I understand his general viewpoint. He is not in favor, I assume from some observations I have heard fall from him, of Government ownership and operation. He is very much opposed to that policy in transportation; and, if I correctly understood him yesterday, he seemed to think that a railroad which under a given body of rates could not earn enough to maintain itself should either be abandoned or its value should be reduced to a point which would enable its earnings to reward the capital which was represented in the value.

Mr. President, I want the Senator from Utah to reflect upon that proposition. I do not say that there is not a form in which the Government of the United States can in substance confiscate railway property, although I doubt whether under our Constitution that result can be accomplished even in the way inferentially suggested by the Senator from Utah, and I will tell him why.

According to the decisions of the Supreme Court of the United States, and according to the views of every other tribunal in all the world of which I have ever heard, they have this general idea with regard to the regulation of public utilities: That is to say, if a public utility is fairly constructed, if it is properly and efficiently managed, it has a right under the Constitution to earn a fair return upon the investment, upon the value of the property which renders the services—not upon the value of the property as determined by a capitalization of its earnings under a given body of rates—but it has a constitutional right to earn, as against regulation, a fair return upon the value of the property—that is, its investment—if it has been honestly constructed and is efficiently operated. The Supreme Court of the United States has declared that doctrine over and over again. It is idle for us to attempt, even if we were to desire to attempt, to escape the principle which the courts have laid down. It is a just principle; it is fair and honest; and I for one do not desire to escape it.

In such a case, in the case of a railroad that is earning, we will say, 1 per cent upon that fair investment under honest management, why is it not earning more than 1 per cent? It is not earning more than 1 per cent for two reasons: First, our regulating tribunals have determined the rates upon which it shall do business. We have interfered with its liberty in the transaction of its business to that extent; but if we have not interfered directly we have attached those rates to some competitor which can do business upon, we will assume, the body of rates which I have premised, and that renders the unfortunately situated property incapable of earning more. Now, I believe that any such system is not only unfair but it is unconstitutional as well.

The only escape from it, and that is one which no Senator ought to contemplate for a single moment in the case of a railroad, is to allow the fortunate railroad to charge so high a rate that the disadvantageously situated rival can earn a sufficient income to pay a fair return upon the investment which has been honestly made and upon a property which is efficiently operated; and that is where we will come finally if we do not adopt the policy which this bill proposes. We will come to the point where the Interstate Commerce Commission will be compelled to attach rates or approve rates for such great properties as the New York Central, the Pennsylvania, the Atchison, Topeka & Santa Fe, the Chicago, Burlington & Quincy, the Chicago & North Western, and the Great Northern that will be high enough to enable the same rates to yield a moderate, fair return upon the investment in the properties which are not so advantageously and fortunately situated. We will be compelled to do it simply because we must maintain these systems of transportation. The great general public has a right to ask of its Government such a system of regulation as will give to each community the transportation upon which its life, its growth, its development depends.

That is my view of the justice of the matter; I do not mean the justice of the last suggestion I made, because I sincerely hope we will never be driven to the extremity of raising the rates upon the great railroads which do a profitable business so high as that their less fortunately circumstanced competitors can live. We will never be compelled to do that if we are fairly intelligent in our system of regulation.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. DIAL in the chair). Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I yield.

Mr. KING. In order to present, so far as a concrete illustration can, some of the things that are running through my mind, I would like to suggest to the Senator a matter that came under my observation a number of years ago.

The Rocky Mountain Bell Telephone Co. was serving a number of States, and serving them well. Some men without any very great amount of capital conceived the idea of invading that district and establishing another telephone system covering a portion of one State, if not extending into another State.

They had two things in view. First, that the Rocky Mountain Bell Telephone Co.'s rates were too high; second, that they would penetrate certain fields into which the first company had not entered, and that they would be able to earn sufficient to justify the investment. They constructed their system. Soon after it began to operate they discovered that with the rates that were prevailing it was absolutely impossible for them to compete with the other telephone company, and they asked the municipalities in which they had obtained franchises to permit them to increase the rates above existing rates. In one or two instances, as I recall, that was permitted; but in the end the corporation failed, and it was bid in, when it was sold at auction, as I recall, by its competitor.

I can not conceive of any theory of justice which would warrant the Government getting behind that company and advancing the rates of the Rocky Mountain Bell Telephone Co., which was satisfied with existing rates, to a higher level, in order to permit this other company to make a moderate income upon the investment.

I have a railroad corporation in mind that parallels the illustration which I have just given.

Mr. CUMMINS. And I have no doubt I have in mind the same railroad, or at least I think I could name it. I assume the Senator means the Western Pacific?

Mr. KING. Yes.

Mr. CUMMINS. Mr. President, I fully concur in the conclusion just stated by the Senator from Utah [Mr. KING], and this bill proceeds upon that principle. This bill gives to the Government the right to declare an abandonment of any particular railroad. If it has been built without necessity, and if it is carried on without a fairly good reason for its maintenance, it ought to be abandoned, it ought to be suspended as a railroad, and its property ought to be sold for whatever it is worth.

Mark you, I am speaking only of those roads which the good of the communities through which they run requires shall be sustained, and there are 75,000 miles, possibly 100,000 miles, of main-track railroad in the United States that can not be maintained upon the rates which will maintain the more than 160,000 miles which remain.

What will you do with our railroad system? Some of the views seem to be that every road which does not, under the existing situation, earn a revenue that will maintain it should be abandoned. If you were to do that, you would provoke a rebellion in the United States compared with which any unrest that we now observe would be but a zephyr as compared with a Kansas cyclone.

I undertake to say that it will never be attempted. I am sure that we will maintain the roads substantially as they are. Here and there there will be a road that ought to be abandoned, of course, and that will be abandoned under the policy of this bill. But in the main the 260,000 miles of railway which now serve the people of the United States will be maintained, and they can only be maintained, in my judgment, in private ownership and operation through the policy adopted in this bill.

I am willing to take up the instance of the Western Pacific. The Western Pacific road is one which was recently built, not very many years ago, from Salt Lake to San Francisco, and throughout a large part of its length or course it parallels the Union Pacific road. In my judgment it never ought to have been built, at least as it was built. It never ought to have been built as a competitor, in that sense. There may be communities upon this road which locally it serves well and serves efficiently. But as a competing line it never had an opportunity to live.

If I may be allowed the suggestion, which has no weight whatever, because my judgment will not prevail in the end in this matter, in my opinion a large part of the Western Pacific ought to be abandoned. There are probably 600 miles of it that could be used as a subordinate track with the Union Pacific to very good advantage. There are other miles of it that could be used for local purposes. But that is the very thing that we are attempting to do in this bill, to bring the whole railroad system of the United States under intelligent review and supervision, so that all the properties can be so related to each other that they will render the best possible service at the lowest possible cost.

I come now to my conclusion from all these interesting facts. It seems to me it must be obvious to any thinking man who has studied this subject that there is but one way to meet the problem which is created by the disparity in the earning power of our several railroads. I omitted, however, to complete my reply to the Senator from Utah [Mr. KING], and I shall digress for a moment upon that. Even if it were possible constitutionally to reduce the value of these properties that do not earn, under existing rates, enough to maintain themselves, even if we could do that, and thus deal with investments already made, unjustly I think, but assuming we could do it, these properties can not maintain themselves on the investments already made.

As our country grows and its business develops it will be necessary for the weaker properties to grow as well, if they meet the demands of business; and if they do grow, some one must be willing to invest his money in these enterprises. Even if we could practically confiscate the properties as they now exist, we can not compel those who have money to invest it hereafter in the properties unless they are fairly assured, unless they believe, that in the operation of the properties they will from year to year receive fair interest upon their money. How would the Senator from Utah reach that situation? It can not be reached save through consolidation, and I am going to put that up to him with a good deal of emphasis now. It can be reached through Government ownership, and to that I invite your attention for a moment. I do not mean the merits of Government ownership, but I mean the method through which this problem, heretofore insoluble, must be reached. I repeat, if we ever solve it at all it must be solved through consolidation of the various railroad properties.

We are agreed that we can not raise the rates upon the weaker properties so that they will be self-sustaining, because that would give to the stronger properties, which move 70 per cent of the business of the United States, an income so excessive that it would not be tolerated for a single month. Therefore that solution must be discarded. We can not give to the stronger properties the rates which would return for them no more than a fair interest upon the value of their property and that alone, because that means death to the weaker properties which must compete with them in traffic, and, of course, upon the same terms, so far as rates are concerned. So we must inquire further. We must find some other way in which we can maintain the general transportation system of the United States and promote the welfare of our people. We must find some other way in which to do it. How can we accomplish it?

You may inquire as you will, you may study it as deeply as you may, but you will finally reach the conclusion that it can only be done through consolidation. There are various kinds of consolidation. The problem can be solved by Government ownership because that is complete consolidation. If the Government owned and operated all the railroads of the United States it would, I take it, establish charges for transportation which would pay the cost of maintenance and operation and the interest upon whatever indebtedness might be created in acquiring the properties. It would then be compelled either to raise the rates and charges or to appropriate from the Treasury, if our past history is to be accepted as a lamp for our guidance in the future, something like a billion dollars a year in order to construct such additions, betterments, and enlargements as the progress and growth of the country would demand.

That is one way in which this problem can be reached, and it is a perfectly logical way in which to reach it, because it then reduces the transportation of the United States to a common level, and the United States becomes responsible for furnishing facilities in every quarter of the country.

That is one of the advantages of Government ownership, and I do not seek to disparage or minimize that advantage. It is one of the advantages which I failed to mention yesterday as accompanying the two years of Government operation. We have had an inexhaustible Treasury upon which to draw, and private management and operation do not have a treasury of that sort upon which to call whenever expenditures are required.

Those of you who are in favor of Government ownership and operation and believe that transportation can be furnished in that way to the people of the United States, full and adequate, more cheaply than it can be furnished through the medium or instrumentality of private corporations, are perfectly logical. I understand you. You would accomplish your purpose, although I think at great and growing cost.

But Senators who shrink from Government ownership and operation and still insist that we should seek no remedy, no solution of the problem which I have pointed out, and which

under our old system is absolutely insoluble, are as illogical as human minds can be. You acknowledge a situation and yet are willing to take no step, adopt no measure to remove its injustice and its inadequacy.

When I say "you," I do not know that there is a man of that kind in the Senate, but I know that there are some outside. I am not going to believe that there is a man in the Senate who will not stand either for Government ownership and operation or for such consolidation of the railroad properties of the United States as will remove the evils, the difficulties, the obstacles which I have pointed out.

As I remarked some time ago, I am not in favor of Government ownership and operation at this time. I look forward, though, with very little optimism so far as private ownership and private operation are concerned. I am going to do my best throughout the discussion of the bill to make private ownership and private operation possible. But if these railway properties can not be restored to their owners under such conditions and with such regulation as in my judgment will make private ownership and operation successful, then I am instantly and from that time forward for Government ownership and operation.

To me it is cowardice of the most striking character for Congress to return these properties to their owners, knowing that they can not successfully operate them. I for one do not shrink from the alternative, and I repeat that if the properties can not be returned to private ownership under such conditions as will make private ownership possible and successful operation possible, then we ought to go, and so far as I am concerned all my influence and power will go, toward Government ownership and operation as the only course which can be pursued with any hope of giving to the people of the country the transportation facilities which they have a right to ask their Government to furnish.

Passing the question of Government ownership and operation, I come to the plan for consolidation, for I am planting myself firmly and immovably upon the principle, if it may be called a principle, of consolidation, for the reasons that I have already stated.

There are two kinds of consolidation which may be pursued in private ownership with continued private operation. The first is complete consolidation of all the railway properties of the United States in one corporation. That is the plan which will be found, if the Senators care to study it, in the bill introduced by the junior Senator from Wisconsin [Mr. LENROOT]. It has some advantages. There are unquestionably some advantages in complete unification, complete control over all the railroads of the United States as a single transportation facility. I need not point them out. Everyone can recognize that there are some advantages.

The plan adopted by the committee, however, is consolidation into comparatively few systems. The bill provides that they shall be consolidated in not less than 20 nor more than 35 systems. I think it ought to be not less than 16 nor more than 30 or 35 systems, but that probably does not affect the merit of the proposal itself.

It will be for the Senate and the country to determine whether a consolidation into comparatively few systems or a complete consolidation will best serve the welfare of the people of the country. That is the question that you will have to determine before the bill is disposed of.

I am in favor of comparatively few systems for several reasons, and for these reasons I am in favor of it because it will permit the play of competition in service, and although you will regard me as exceedingly heterodox and possibly as unobservant of the history of the past, I say competition in rates also. This suggestion which has gone abroad over the country and which everybody has received and apparently accepted, that there is no competition in rates under the regulation which we have provided, is not well founded.

I am in favor of several systems so related to each other that they can carry traffic for substantially the same cost as compared with the value of their property, because it does permit, it invites, it commands that honorable rivalry in business which in my judgment is the mainspring of success in every enterprise. I am looking toward these advances of socialism, about which we have been talking this morning, with extreme regret, mainly because I believe that that theory of government destroys the initiative, the energy, the progress of mankind. I want to preserve in the railway service all of those moving forces which can possible be retained.

I mentioned a moment ago that there is a competition in rates. I know very well that if this bill is passed the Interstate Commerce Commission can easily exclude all competition in rates, because it is given the power in the bill, if it does not possess it already, to fix minimum as well as maximum rates; but as it is now, and as I think it ought to be, there should be no minimum rates unless established and commanded by the public authority. The railway companies have the right to initiate their rates. The railway companies are the agencies which in the first instance determine what the rates shall be—I am speaking now under the interstate commerce act—and the Interstate Commerce Commission exercises over that initiative supervisory power or jurisdiction. But if the railroad company wants to move freight from New York to Chicago at a lower rate than then prevails, it has a perfect right to file its schedule with the Interstate Commerce Commission proposing a reduction of that rate. It is true that the Interstate Commerce Commission may forbid, but if it does not forbid, the rate goes into effect at the end of the time appointed by the statute. Therefore, between competitive roads or roads doing a competitive business under our present system there is always the opportunity for a limited competition, a limited rivalry, not only in service but in rates.

I do not attach, however, so great importance to the competition or rivalry so far as rates are concerned as I do to the rivalry in service. You all have your own opinions with regard to that matter, and I could not say anything, I am sure, that would either enlighten you or change your judgments upon it; but I appeal to the observation and experience of every Senator with regard to the value of rivalry and competition in service. It begins with a desire to please the people who either ride upon trains or whose property is transported from one place to another. It means attention, it means courtesy, it means a concern for the public mind that could not be secured in any other way than through the opportunity of the public to pass from one service to another. It means infinitely more when we come to consider the ease with which one patron is served and the ease with which the desires of another may be denied; the furnishing of cars promptly, the movement of cars speedily, the effort made in every quarter, through every employee, to do the work at hand in the most efficient manner in which it is capable of being done.

This is the reason the committee has decided that it would be better to consolidate the railroads of the United States into not less than 20 nor more than 35 systems, in order to accomplish, first, the possibility of imposing a given body of rates upon the carriers with the outcome that each of the systems would earn substantially the same net return as compared with the value of the property employed in the service; and, second, in order to give this great business, this overpowering business, the same motive for efficiency and excellence that we observe, and hope we always will observe, in every other great venture.

I beg your attention for a moment to the practicability of a division of the railway properties into not less than 20 nor more than 35 systems that will accomplish the purposes I have described. The committee has not acted without the utmost consideration on that question and without all the information that it could secure. The committee—and I speak more confidently of my own convictions—knows that it is practicable to divide the railways of the United States into not less than 20 nor more than 35 systems, so that tested by the business of the three years before the war—and that is the period to which we must all resort in order to obtain information upon that subject—the net earnings of each system compared with the value of the property rendering the service, I care not how the value of the property is ascertained, will be so nearly equal that the difference will be negligible. I venture the prophesy that if the provisions of this bill shall ever go into effect the governmental body which is appointed to make the division and to carry out the provisions of the bill will be able to divide the country into 20 systems, and there will not be the difference of one-quarter of 1 per cent in the earnings, the net income, of the several systems as compared with the value of the properties as fixed by the Interstate Commerce Commission.

Then, if we pursue the policy of private ownership, we will have a body of railroads upon which the Interstate Commerce Commission can act, doing justice both to the people and to those who have invested their money in the properties. Then the Interstate Commerce Commission can make rates that will pay to the carriers, as nearly as human foresight can provide, just enough to make a fair return upon the value of the property.

Mr. HITCHCOCK. Mr. President——

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. I wonder if the Senator meant that the earnings in each system would be substantially the same?

Mr. CUMMINS. What I mean—possibly I can state it concretely, so that it will not be capable of being misunderstood—is this: Suppose the value of property of one system is $100,000,000 and the value of the property of another system is

$50,000,000. What I mean to say is that those two systems, if they should constitute two of the systems into which the railroads are divided, will each earn, say, 5 per cent upon the value of the property, or 4 per cent, or whatever rate is determined to be a just and reasonable rate for the compensation of capital.

Mr. President, I have pointed out at very great length the views of the committee—and they are my own views as well—upon this fundamental proposal, because it is the heart of the bill. If it is not thought desirable to make this advance toward the regulation of these public utilities, my judgment would be that it is not advisable to pass the bill at all, for if the roads are to be returned under the regulation which formerly existed, believing, as I do, that private operation under such conditions is impossible and that it will end in utter collapse, I will necessarily find myself advocating the assumption upon the part of the Government of the duty of owning and operating our transportation facilities.

Having, as I hope, laid the subject before you with such fullness as will enable you, at any rate, to understand what the committee has so earnestly proposed, I now pass to the plan under which the result is to be accomplished. I do not intend to go very much into detail with regard to the plan, because undoubtedly at some future time it will be necessary to discuss it with more particularity than is possible at this time; but the plan, as outlined in sections 9 and 10 of the bill, is this: The bill proposes to create a transportation board. Originally we called it a "railway transportation board," but then, in view of the suggestion coming from some quarters that this name seemed to disregard transportation by water, a subject which needs the encouragement of all who are interested in transportation, the committee changed the name of the board, so that as the bill now is before you it is simply the "transportation board." I shall have occasion to comment upon the organization of the board and some of its more important functions a little later; but immediately upon the passage of the bill, and after the transportation board is organized—and I may say here that it is to be appointed by the President and confirmed by the Senate, in harmony with the creation of all such bodies—the transportation board is to undertake to divide all the railways of the United States, with some immaterial exceptions which I need not now mention, into not less than 20 nor more than 35 systems. The discretion between 20 and 35 is vested in the board; and, in order that you may know just how the committee felt with regard to the board and with regard to this division, I intend to read very briefly from section 9, as follows:

SEC. 9. It is hereby declared to be the policy of the United States, in the exercise of its authority to regulate commerce among the States and with foreign nations and its other constitutional powers, that the railways of the continental United States shall, as soon as may be practicable, and in the manner hereinafter provided, be divided in ownership and for operation into not less than 20 nor more than 35 separate and distinct systems, each of said systems to be owned and operated by a distinct corporation organized or reorganized under this act.

In the aforesaid division of the said railways into such systems competition shall be preserved as fully as possible, and wherever practicable the existing routes and channels of trade and commerce shall be maintained. The several systems shall be so arranged that the cost of transportation as between competitive systems and as related to the value of the properties through which the service is rendered shall be the same so far as practicable, so that these systems can employ uniform rates in the movement of competitive traffic and under efficient management earn substantially the same rate of return upon the value of the railway properties involved in the comparison.

This might be called the charter of the new system. It is further developed in section 10 by providing that the transportation board shall make this division and then give public notice to all who are interested of a hearing upon it, and at that hearing all who may be interested either from the capital standpoint or the labor standpoint or the shipping standpoint will be heard, and after that hearing is concluded then the board adopts a plan, whatever plan may seem to it wise, and if that plan of division is approved by the Interstate Commerce Commission it becomes final, save as it may be modified upon subsequent application by anyone who may present a good cause for reconsideration in that respect.

We now have the 260,000 miles of railway divided into these systems so far as the map of the country is concerned, and we know just how, for the future, these roads must be consolidated, just how they must be associated with each other, and then begins the work of consolidation.

For a period of seven years the consolidations are voluntary. I think the period is too long. I have to be perfectly frank about it. I did everything I could in the committee to make the period a shorter one; but I intend to stand by the judgment of the committee in that respect, because I regard it as rather an incident than as involving a principle. For seven years these consolidations can go on upon the initiation of the railways. If any railway company desires to organize a Federal corporation under the provisions of this bill, a new corporation can be organized. If, on the other hand, a corporation already organized desires to reorganize so as to become a Federal corporation, it may do so under the terms of this bill; but the consolidation that takes place during the seven years must be either through the medium of a corporation organized under the terms of the bill or through a corporation reorganized under the terms of the bill. We have made practically the same provision for reincorporating State corporations that was made long ago for the reincorporation of national banks, turning a national bank from a State institution into a Federal institution. One or the other of these two things must precede any consolidation which takes place under the bill.

These things being done, one or the other of them, then the consolidation proceeds, and the consolidation must be in harmony with and in furtherance of the plan to which I have already referred, adopted by the transportation board and approved by the Interstate Commerce Commission; so that every step taken in voluntary consolidation is a step which finally will be in harmony with the enforced consolidation which proceeds after the seven years have elapsed.

I may say a word with regard to the seven years. The only reason for postponing compulsory consolidation for a single moment, in my judgment, is that the work of the Interstate Commerce Commission in valuing the railroad properties may be completed. It is said that this work will have been finished in the course of two or three years.

It may, however, be five years before it is finally and fully done; and inasmuch as these incorporations, whether reorganizing or originally incorporating, must be based upon the actual value of the railroad properties, it was quite essential that some time be given to the Interstate Commerce Commission to complete its work. In the case of a voluntary consolidation, it would be the duty of the Interstate Commerce Commission at once to go forward to the ascertainment of the value of the property immediately concerned in the voluntary consolidation, and to complete that particular part of the work at the earliest possible moment. And this leads me, now, to suggest an additional reason for the value which I attach to the consolidation.

All of us know that there has been a great deal of controversy, very much suspicion, infinite distrust among the people with respect to the value of railroad property as compared with the capitalization. I said a few moments ago that constitutionally we are unable to determine the value of railroad property, or even to indicate or declare the elements which a judicial tribunal shall consider in determining that value. Nevertheless, it is of the highest importance that in some way or other the feeling on the part of the people that they are called upon to contribute a revenue which is to be distributed upon unfounded capital shall be removed. It can only be removed in one of two ways. It must either be removed by ascertaining that the present capitalization is not greater than it should be—a contingency which does not meet my view of it—or it may be removed by reducing the capitalization to the real value of the property upon which the people are called upon to pay a return. This bill provides that the Interstate Commerce Commission shall ascertain the value of this property as the consolidations take place, and that the capitalization of these new corporations which are brought into existence in the manner I have described shall not exceed the value of the railroad property; and once this principle is adopted and once these consolidations shall have taken place, the terror which we all have in mind, known as the unearned increment, can no longer disturb the American people.

I want as much as anyone can want that the people shall be called upon to pay only upon an actual value; and while I know that we can not determine for the past years what value is and what elements it shall contain, for the future we can; and if these consolidations are carried into effect the future is safe, so far as unearned increment is concerned and so far as values are concerned. We will have that matter settled for all time. I do not want you to think that I have no view with regard to the elements which should be taken into consideration in determining the value of railroad property, for I have a very firm conviction upon that subject, the result of many years of study; but it is useless for me to discuss that, because it is not a matter for congressional determination. If the Senate could determine what things should be taken into consideration in determining the value of railroad property, I would be urging upon you the standard which I think ought to be accepted; but I know that neither the Senate nor Congress is able to influence that subject, and so this bill remits it first to the tribunals

created for the regulation of the property and next to the courts of the land, where it must ultimately find its final determination.

Mr. HITCHCOCK. Mr. President, I do not quite understand how the Senator is so sure that the unearned increment shall not be included in estimating the value.

Mr. CUMMINS. Simply because these reorganized or originally incorporated companies are permitted a return upon nothing more than their actual investment.

Mr. HITCHCOCK. Does the Senator mean by "investment" the original cost?

Mr. CUMMINS. Yes, sir; I mean the amount invested.

Mr. HITCHCOCK. That is, then, the basis that is being used for the present method of establishing the value of the railroads?

Mr. CUMMINS. I do not say that. That is just the difference. We can not say what shall be the basis for valuing these properties for the time that is past, for people who have invested their money. That is a judicial question; but if we allow a corporation to be organized under the laws of the United States, and it is organized and it agrees with the United States that its investment shall be the measure of the value of its property, it can not complain.

Mr. HITCHCOCK. But I understand that if it is not willing to agree, the provisions of the bill proposed by the Senator make it compulsory.

Mr. CUMMINS. It will be compulsory after the period of seven years. We can not compel them to agree, but we take the property then. We take the property, and secure the incorporation of a corporation just exactly as we did with the Shipping Board.

Mr. HITCHCOCK. In that case, how do you as a legislative proceeding exclude the unearned increment?

Mr. CUMMINS. Because in the articles of incorporation which that company must adopt if it is to acquire a system of railway, it agrees with the Government that that shall be done.

Mr. HITCHCOCK. I can see how that would be all right as long as it is voluntary on the part of the corporations; but how can we compel them to do it?

Mr. CUMMINS. You can not compel the incorporation, and if the Government can not find men who are willing to enter into one of these incorporations and organize it and become the owners of one of the systems of railway, then the plan must fail. We can not coerce men into these investments; but we believe that there will be no difficulty, with the influence of the Government, in securing the organization of these companies to take over this property just exactly as we have done heretofore.

Mr. CURTIS. Mr. President, may I ask the Senator how you get title to the property of the companies that do not want to join?

Mr. CUMMINS. Through the exercise of the power of eminent domain.

Mr. CURTIS. The Senator thinks that they could be taken by this corporation that is to be organized under the power of eminent domain?

Mr. CUMMINS. Surely. The United States can take them directly, through the exercise of the power upon its part, and transfer them to a corporation organized as I have suggested, or it can give the corporation which is to be organized the authority to take the properties for the purpose mentioned.

Mr. HITCHCOCK. In a case of that sort, where they are taken under the power of eminent domain, what is the measure of the price that must be paid?

Mr. CUMMINS. Mr. President, I wish I could answer that question, but I can not. That is a judicial question, and there is as much difference of opinion with regard to the elements which should be considered in making up a value as there is upon any other of the numerous constitutional provisions that we have constantly under our consideration here.

Mr. HITCHCOCK. I asked those questions because the Senator seemed so sure that he could exclude the unearned increment as one of the elements.

Mr. CUMMINS. I am speaking of the future. We can not exclude the unearned increment for the past. The Supreme Court of the United States has decided that. It has adopted a rule which does not meet my approval, and does not seem logical; but it has adopted a rule, and that rule does include unearned increment.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Colorado?

Mr. CUMMINS. I yield to the Senator from Colorado.

Mr. THOMAS. I dislike to interrupt the Senator at all, because I am very much interested in the continuity of his argument; but it occurred to me during his discussion that the scheme outlined by the Senator would prohibit the building of intrastate railroads under State authority unless they were to be comprised, sooner or later, in one of these systems. Assuming that that is correct, does the Senator think we have power to do that?

Mr. CUMMINS. This particular part of the bill does not prohibit the building of any railroad.

Mr. THOMAS. That is my reading of it.

Mr. CUMMINS. But I want to be frank about it. There is another provision of the bill, and that, of course, is in the House bill, as well as this one, which does not permit the building of any railroad that is to do an interstate business without the consent of the Interstate Commerce Commission.

Mr. THOMAS. I am speaking of intrastate business.

Mr. CUMMINS. There is no road that I know of that does an intrastate business alone.

Mr. THOMAS. Of course, I presume that is true; and yet there can be such a thing as the building of such a railroad. In fact, there are, I think, some electric lines within the States.

Mr. CUMMINS. They would not be included.

Mr. THOMAS. They would not be included; but would the bill prevent further construction along the line of that character of railroad?

Mr. CUMMINS. Oh, no; in the first place, they would not be prohibited by the general principle of the bill; and, in the second place, they are expressly excluded.

Mr. THOMAS. I notice in the bill that these consolidations are to take place and other lines hereafter constructed, regardless of any prohibition or condition in State laws. But there is no reference to State constitutions in the bill, if I remember correctly.

Mr. CUMMINS. I do not remember that; but if there is no such provision in regard to constitutions, there ought to be.

Mr. THOMAS. I read the bill again last night, and the question occurred to me whether the bill sought to override the constitutional provisions of the States or whether they would be respected. In my State, for example, the constitution forbids the construction of parallel lines of railway. Under the provisions of this bill there is no express limitation of that sort. If under its operation there should be a consolidation of parallel lines in the State of Colorado, there would be a palpable violation of their State constitution, and I was curious, as a legal proposition, as to the possible effect of the bill upon such a condition, and then as to whether we would have the power to override such a limitation.

Mr. CUMMINS. Mr. President, I am very glad that the Senator from Colorado called that to my attention, because, turning to it, I find that he is correct, that it mentions the laws of the States but does not mention the constitutions. But it is the intent of the committee to allow this consolidation to go forward as against the constitution of a State just as it would allow it to go forward against the statute of a State. Of course, it would be just as impossible to have Government ownership under the constitution of Colorado as it would be to have this consolidation, because that would be the consolidation of parallel lines, and I take it that under the power of Congress to regulate commerce among the States, so far as a carrier or an instrumentality which does an interstate business is concerned, the Government can attach any provision or condition that it desires; whatever is necessary for the regulation of commerce among the States it can do.

Mr. THOMAS. Then in practical effect, when the bill, in its operation, comes in conflict with a State constitution, so much the worse for the State constitution.

Mr. CUMMINS. That is a principle that I think we will all have to face. I regret that there is the conflict between State regulation and interstate regulation which exists, but it is impossible to avoid it; and if we are to treat transportation from the national standpoint, it is necessary, imperative, that we disregard some of the provisions of both State laws and State constitutions.

Mr. THOMAS. The Senator is entirely right, but the question which troubles me is our right to do that. Of course, if it exists at all, it must be under the commerce clause of the Constitution.

Mr. CUMMINS. Under the commerce clause.

Mr. KING. Or the post-roads clause.

Mr. CUMMINS. If that is challenged at any time during the progress of this discussion, I think there are a good many authorities that can be cited to establish the constitutionality of the bill which we have proposed, just as I would contend that the Government has a perfect right to acquire the property and operate it under the power to regulate commerce, even disregarding our war powers or post-roads powers. I have no doubt about the power of the Government.

Mr. THOMAS. I am not prepared at this time to challenge the Senator's contention at all. In fact, I should hesitate to do it under any circumstances, because he has practically made a life study of this proposition and I have not. But it suggests itself to my mind as a very interesting proposition.

Mr. CUMMINS. I feel very much obliged to the Senator from Colorado for calling to my attention a palpable omission in the bill, because it is the intention of the committee to carry forward this process of consolidation as a power under the Constitution of the United States and without regard to either a State law or a State constitution, always with the limitation that if a State road desires to do business of a purely State character, then we have no jurisdiction over it at all, either to regulate its rates or to compel its consolidation.

Mr. President, I go forward a little further. After the period of seven years, the time of compulsory consolidation, begins, then whatever consolidation has not taken place during this period is in the hands of the transportation board, and is to go forward just as rapidly as practicable, recalling to your attention my former observation, that the voluntary consolidations are in harmony with and in furtherance of the original plan made by the transportation board, and which is now to be carried out after the seven years have elapsed.

I do not think that it would serve any good purpose to go into the detail of this arrangement. I hope that Senators will read the bill in that respect, and if it is found at any point immature or unworkable I hope that the attention of the committee will be called to it. It is sufficient to say that ultimately the theory of the bill is to have 15, 20, 25, or 30 systems of railroads competitive in their character and controlling and embracing all the railroads in the United States.

It is, of course, manifest that this consolidation can not take place, even measurably, for many years. It will be probably 10 or 12 years before the process is entirely complete, and if the railroads are to be returned within the near future it is necessary to provide what might be called a policy for the transition period, and it is to that I now call the attention of the Senate.

This policy is outlined or provided for in section 6 of the bill, and I have no doubt that as we go forward in the discussion of this measure section 6 will be the subject of more dispute, more real differences of opinion, than any other part of the bill. While I am discussing it, I want to be borne in mind what I have already mentioned, that if we return these properties to their owners we must make the provisions that are necessary, not alone to protect the investment already made in the property. We have great latitude with regard to the manner in which we shall deal with these investments. I hope we will always deal justly with them, even though investors are absolutely in our power. But when we return the properties to the owners, we must look forward to a successful operation on the part of the owners, and knowing that one of the elements of successful operation is the establishment of a credit on the part of the railway companies that will enable them to borrow the money which they must have in order to keep pace with the demands of business it becomes essential that we shall give some attention to the transition period in the way of rates.

I do not intend to read section 6, because it is so indelibly stamped upon my mind that I think I can recall all its features, and I shall be glad to have anyone who thinks I have omitted any vital part of it to remind me of it.

Section 6 provides that the territory and the railroads of the United States shall be divided by the Interstate Commerce Commission into rate-making districts. The commission can make as many or as few as, in its judgment, will serve the purposes in mind. However, it may be proper to say that the committee had in mind this phase of the question:

There is great difference in various parts of the country with respect to the increase or decrease in rates that may be found necessary in order to make certain returns. The eastern district, for instance, will require a good deal higher rate or a greater increase in rate to accomplish a certain purpose. I am not saying now whether there ought to be any increase or not, so far as any particular district is concerned. The eastern district is very differently situated from the western district or the southern district. I say that in passing in order to indicate why the commission is given authority to divide the country into rate-making districts.

Having done that, and having ascertained the value of the railroad properties as nearly as it can—I do not know how it can ascertain with absolute accuracy the value of the railway property just now, and I agree that it will be necessarily in the immediate future an estimate rather than a judicial ascertainment. Mark you, I am speaking of railway property; I am not speaking of investments in other kinds of property; I am speaking only of the property which renders the service of transportation, for that is all. We have not legislated concerning any other property; and these corporations which are to be organized under the plan of consolidation are not permitted to own any property except that which is essential or necessary to the rendition of the service.

Having ascertained the value of the property in a given district, the commission is directed to make rates or to approve rates that will as nearly as may be return an aggregate net operating income for all the railroads of that district equal to 5½ per cent on the value of the property in that district. The committee believes that 5½ per cent fairly represents the policy of Congress with respect to a return upon railway property. Originally, as I introduced the bill from the subcommittee, instead of a 5½ per cent rate, the provision was for a fair return upon the value of the property, but it was believed by the majority of the committee that it would be better for Congress to declare the policy rather than to transfer it or commit it to any regulating body. So for the first time in the history of railway regulation it is suggested that Congress shall declare what it regards as a fair return upon the value of property rendering a public service, and that fair return, according to the provisions of the bill, is 5½ per cent upon the value of the property involved.

The bill also gives to the Interstate Commerce Commission authority to increase that basis by one-half of 1 per cent, if it so desires to do, solely for the purpose of creating a fund for expenditures for what are known as nonproductive improvements and which are not under any circumstances to be capitalized, but which, in substance, will be held by the railway companies in trust for the public. I will not deal further with that phase of it, because I do not think it is material. I deal now only with the basis of 5½ per cent.

Now, remember, that this 5½ per cent does not relate to capitalization; it does not relate to capital stock; it does not relate to outside investments vast in their extent which some of the companies own and hold for profit. It relates only to the property which renders service to the public, and it is for you to say whether you believe that 5½ per cent upon the value of that property is more than a fair return.

I am going to be again absolutely frank about it. I am sure the remaining members of the committee will not complain if I say that 5½ per cent is more than I thought it ought to be. It seemed to me that a lower basis than that would furnish the credit which I grant you the railway companies must have if private operation is to be successfully continued. But the majority of the committee were of the opinion that 5½ per cent is a fair basis, and to that I finally agreed.

I was so much concerned in the composition of a bill which would receive the approval of the Congress and the country, so much concerned in securing a bill which would make certain adequate facilities for the commerce of the country, that I accepted that basis and I intend to stand for it during the consideration of the bill. I mention that only to show you that it is easy for me to understand differences of opinion with regard to that particular matter.

Again, frankness compels me to say that 5½ per cent upon the value of the property rendering the service does not mean that companies are limited in their dividend-paying capacity to 5½ per cent. There are $11,000,000,000 and more of bonds outstanding imposed as liens upon the railroad property. The average rate of interest upon these bonds is about 4½ per cent, and the company which earns 5½ per cent upon the value of its property, assuming that all this value is in railroad property, will be able to pay more than 5½ per cent dividends upon its capital stock, because the capital stock outstanding in the hands of the public of all the railroads is something like $6,000,000,000; that is only two-fifths of the capitalization, so that any railroad company can take what it saves between 5½ per cent and 4½ per cent upon three-fifths of its capitalization and increase its dividends, if it earns the money necessary to do it.

I think that I ought to state that in frankness to the subject, because I have no opinion upon the matter that I am not willing to disclose and I have no facts that I desire to conceal.

The basis of 5½ per cent increases the average operating income of the three years preceding the war—I mean the test period of three years prior to July 1, 1917—three-tenths of 1 per cent. The average rate of return upon the property investment accounts of all the railroads in the United States for the test period was 5.2 per cent, and if it were assumed that the value of the property is the amount of the property investment accounts, this increases that average by three-tenths of 1 per cent. My own judgment is, however, that it will be found that

the value of the properties is less than the aggregate investment accounts and therefore the 5½ per cent will probably not be greater than during the test period.

Those of you who heard me discuss the Federal-control bill heard me say that I thought the compensation which that bill provided for was something like $200,000,000 more than it ought to be. I am of the same opinion still. I have seen nothing to disturb my judgment in that regard, and inasmuch as it has been suggested to me that there is something inconsistent in my advocacy of a 5½ per cent basis and my statement that the compensation provided for in the Federal-control bill was $200,000,000 more than it should be, I beg the privilege of pointing out the difference between the two cases.

In the Federal-control bill we were providing for an income for each individual railway, and I felt then and I feel now that the amounts which we agreed to pay to a great many of the railroads which passed under Federal control were excessive; but now we are dealing not with a particular railway, but with an entire system of railways in an entire rate-making district, and there is here no provision to pay or allow to these stronger railroad companies the excessive income which was permitted under the Federal-control act.

Moreover, the war has wrecked the world in a way. Conditions are abnormal, uncertain, and I look without any optimism at best upon the return of these properties to their owners, for in view of a movement that is sweeping over the world with regard to property, its ownership, its use, and its profit, I have the gravest doubt whether those who have money will be willing to invest it in railway securities, no matter what rate of return we may provide.

Money at this time is not worth, in things that money buys, more than one-half its former value, and I believe it is perfectly just that he who has a stated income—I mean the man who has a salary, the man who receives wages, the man who receives dividends for his support—I think it is just that his income, measured in dollars, should be increased. We have been discussing that subject from the time the war broke upon us until now, and, so far as I am concerned, I am quite willing to defend a larger rate of return upon an investment than I would have been willing to defend three years ago, for I know that the person to whom the return is made will, in the things which he is compelled to purchase with his return, be less well provided for than he was three or four years ago. In saying that I am not advocating any reduction in our excess-profits tax or any reduction in our income tax.

I should like to see every man pay the burdens of the Government according to his capacity to pay; but it must be remembered that a very large part of the stock of the railway companies is held by people of limited means. I know they have no control over the railroads; they do not attempt to exercise control; a few shares of stock control the destinies of a railroad simply by concentration in one hand. But, nevertheless, I believe that Congress would do less than justice if it did not approve a policy which would return a larger rate of interest upon investments of this kind than would have been defensible three, four, or five years ago.

Now, let us see what 5½ per cent will do. Five and a half per cent upon the value of the property in a given rate-making district does not mean that each railroad shall have 5½ per cent upon the value of its property. It means that one railroad will earn 8 per cent upon the value of its property, another railroad will earn 3 per cent or 5 per cent, some of them 2 per cent, some of them possibly as high as 10 per cent. That arises from the disparity in the earning capacity of the roads, which I have attempted to point out during the whole of my argument. When you put a given body of rates upon the territory lying between Chicago and New York, we will say, rates which must be used in common by the New York Central, the Pennsylvania, the Baltimore & Ohio, the Erie, the Chesapeake & Ohio, and so on, one of those roads will earn very much more than 5½ per cent while another will earn very much less than 5½ per cent. That is the insoluble problem under present conditions which I have been dwelling upon at such great length. We can not escape it in a moment; nothing can remove it except the consolidation of which I have spoken. However, until that consolidation takes place we must deal with it as best we can. That brings me to another feature of the section to which I have been alluding and which I intend to discuss just as briefly as possible.

Mr. KING. Mr. President, before the Senator from Iowa leaves that question, the Senator was discussing the proposition of allowing under this plan of consolidation a return of 5½ per cent.

Mr. CUMMINS. No. The consolidation is an entirely different matter. The Senator from Utah is quite right that under the provisions for dividing the country into rate-making districts for immediate operation the rate would be 5½ per cent upon the value of the property in any given rate-making district.

Mr. KING. That is what I had reference to. The Senator from Iowa stated that it would be five years or possibly longer——

Mr. CUMMINS. I think it will be 10 years.

Mr. KING. Let me complete my sentence—before the commission appointed under the act of 1913 for the purpose of valuing the railroad properties is ready to report.

Mr. CUMMINS. I did not say quite that. I said that one of the reasons why we postponed the time for compulsory consolidation was to enable the commission to make that report. The commission say—and I have no reason to doubt it—that they will be able to make a complete report upon the subject within two or three years.

Mr. KING. Assuming that the time will be three years, how does the Senator from Iowa propose to reach the valuation in order to determine the application of the rate of 5½ per cent until that report has been submitted?

Mr. CUMMINS. It will be done by the Interstate Commerce Commission. They will make the best estimate which they can of the value of the roads.

Remember, now, the Interstate Commerce Commission has already completed an inventory of all the railway property in the United States; it has had extensive hearings with regard to the principles which ought to be applied in determining values; it has all the reports of the railway companies showing their earning capacities; it knows better than any other tribunal can the condition of the physical property of the roads. With all this information in its hands, it must reach a conclusion upon the subject as well as it can. I remarked that I did not think it would be more than a fair estimate upon the value of the property.

Returning now to the feature which I was just mentioning when interrupted by the Senator from Utah, this bill proposes that any railway company which receives an operating income during any year of more than 6 per cent upon the value of its property shall divide equally the excess between 6 and 7 per cent between a company reserve fund and a general railroad contingent fund. The first portion belongs to the company itself, the latter belongs to the Government of the United States. The first is to be used by the company whenever its operating income falls below 6 per cent. It is to be accumulated from year to year until it reaches 5 per cent upon the value of the property. The excess above 7 per cent goes one-fourth to the company reserve fund and three-fourths to the Government. After that time the company retains one-third of the excess above 6 per cent and pays to the transportation board or to the Government two-thirds of the excess. The Government contingent fund has no limit and is to be used by the transportation board to advance the general transportation interests of the United States. However, it is not given so free a hand as my remarks migh indicate, for it is provided in the bill that the promotion of the general transportation interests must be effected either by the purchase of equipment and of transportation facilities to be rented or leased to the weaker railroad companies, or it must be used by loaning to the weaker companies sums of money to be expended in the purchase of facilities to render the service which the people require. That is the best that the committee could do in this transition period to equalize the spread in the earnings of the companies.

We were constantly impressed with the idea that we must accomplish in some way the maintenance of the weaker companies. We know that, judged by the ordinary standards of credit, when they go into the markets of the country they will be unable to borrow the money necessary to keep their properties in that condition necessary for economical and efficient use. So we propose to take from the larger railroad companies a portion of their excess earnings above 6 per cent and devote them to increasing the facilities in the hands of the companies which are unable to purchase or construct them for themselves.

I regard it as one not only of the most vital but most equitable features of the bill, as much and bitterly as it has been attacked.

I will say one word with regard to the attacks upon that feature of the bill. Singularly enough, it is assailed from two quarters. The railway executives, representing the railroads, attack it bitterly on the ground that it is not only unjust but unconstitutional, and some very enthusiastic citizens of the country who have no interest in railways attack it on the ground that it is an approach toward socialism or communism and ought not, therefore, to be fostered, encouraged, or adopted.

A moment's consideration may not remove your doubt with regard to its constitutionality, for I can not hope to remove a

doubt in a moment that has been instilled by so distinguished an authority as an ex-Justice of the Supreme Court of the United States; but I at least can point out the path along which the committee traveled in reaching the conclusion that the provision was and is constitutional.

Ex-Justice Hughes has rendered an opinion in which he says that that part of the bill is unconstitutional because it takes property from its owner without just compensation. Ex-Senator Elihu Root, occupying an equally commanding position at the bar of the country, is just as confident that it is constitutional. The lawyers have ranged themselves, a great many of them, upon one side or the other of this question; but I am bound to say that so far as they have been organized up to this time, a decided preponderance in number, at least, will be found upon the side of the committee, which holds that the provision is constitutional. To me there is no question about it. I do not want to disparage the learning of any man, certainly not his intelligence, but to me the proposition that this provision is unconstitutional means the destruction of all regulation. If it is true that we can not limit the earnings of a public utility, a common carrier, we might as well abandon our efforts to protect the people in any system of regulation.

I beg those who are here just to follow me for a moment, and they will perceive at once the theory upon which we who believe the bill is constitutional proceed.

Suppose there were but a single railroad in the United States, just one. Would anyone question that Congress could say that the rates for that railroad should be so adjusted that they would yield but a fair return upon the investment made in the property? No one would question that, I am sure. It has been done a great many times, and I have never heard of any man with enough temerity to question that kind of regulation. That is the very heart of regulation. It is the whole purpose of regulation to protect the public against excessive charges for transportation. But we have more than one railroad. If we had but the Pennsylvania road and the Atchison road and the Chicago, Burlington & Quincy road and the New York Central road it would be easy to attach to them rates that would only make a return of 5½ per cent or 6 per cent upon the value of their property. No one would doubt that we had a right to do that; but, having the right to exercise that authority, we are powerless to exercise it. Why? We can not do it because lying side by side with these strong, prosperous roads there are other roads which must be maintained and which can not survive under the rates which will enable the roads I have first mentioned to live successfully.

When we come, therefore, to regulate these properties, we can not regulate them upon the theory that they alone occupy the field of transportation. For the good of the public we must take into account the necessities and needs of all the people of the country. So we are compelled, in the very necessities of the case, to allow these larger railroad companies to collect rates which in so far as they are concerned are unreasonably high, in order to enable the less fortunately situated roads to live and operate at all.

So what do we do? For the permanent system, you will remember, I have proposed the only thing that can be done, and that is consolidation; but for the transitory period, what we have done is to say to these larger roads: "We are making rates which are too high so far as you are concerned if you alone were to be considered. We will allow you to collect these rates, but in so far as they exceed an income of 6 per cent upon the value of your property, you are a trustee for the public, and must respond to your trusteeship and pay over the excess to the Government of the United States for such disposition as it may see fit to make of the fund." It is not true that these revenues, simply because they come into the hands of the larger railroad companies under a system of rates which have been established by the commission, are the absolute property of these companies.

If I were to grant that these revenues became the absolute property of the railroad companies which received them under the regulations which we have established, then the conclusion of the distinguished ex-Justice of the Supreme Court would be invulnerable; but if the bill to which I refer has any merit at all, as I hope it has, one of its merits is that it does not permit that surplus to become the property of the railroads into whose treasuries it happens to fall.

I have no question at all with regard to either the justice of the provision or its constitutionality. We have pursued this narrow, cramped, and restrictive policy long enough. If Congress is not able to lift itself above the murky prejudices of former years, and examine transportation from a national standpoint, and establish those regulations which are necessary for the welfare of all the people, we must either go at once to Government ownership and operation or leave the railway companies untrammeled and unrestricted to impose on the people of the country for their service just such charges as they may think best.

Mr. HITCHCOCK. Mr. President——

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. I should like to ask the Senator whether this surplus which is to be kept outside of the railroad earnings, and used to promote the earnings of weak railroads, is to be used in the district in which it is accumulated, or may it go anywhere?

Mr. CUMMINS. It may go anywhere.

Mr. HITCHCOCK. Is there justification for taking away from the people of a certain territory for the use of the railroads in that territory an amount of money that is not needed to produce proper earnings and allowing that money to be taken to a distant part of the United States to develop railroad interests there?

Mr. CUMMINS. When you consider that this district will probably be a very large one, I do not see any more injustice in permitting an excess earning that may come from the New York Central Railroad to be used in the State of Kansas than in permitting it to be used in New England, or in the lower half of Pennsylvania, or in the lower half of Indiana. I think that we must look at transportation as a unit; nor would I be willing to concede that the people along the line of the New York Central Road are any more interested in the development of the commerce of the lower half of Pennsylvania, or the lower half of Ohio or Indiana, than they are in the development of the commerce of Illinois, Nebraska, or Kansas. That at least is my view of the measure. I do not think it can be unjust if the earning railroad company retains all that under a free and unrestricted regulation, unaccompanied by the presence of other carriers, it would be entitled to earn in any event. However, that is likely to create considerable difference of opinion, and I only hope that those who have studied the matter will discuss it just as freely and candidly as though I had no feelings whatever, because there is not any criticism that will offend me with regard to this matter. It is too big a subject. We must do what is right with respect to it, without regard to anybody's preconceived opinions.

Mr. KELLOGG. Mr. President——

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. It might be suggested that these traffic districts are liable to be changed from time to time and are merely established by the commission because of a certain similarity of the earnings in the different districts which makes it more convenient for the commission to regulate the rates and more just to the public, because, for instance, New England is what might be called a great switching district, with short hauls, and has a different basis of rates; but it can be hardly said to be unjust if any one road earns more than a fair income that the surplus which is taken by the Government may be used where it is most needed.

Mr. CUMMINS. The remarks of the Senator from Minnesota [Mr. KELLOGG] are very pertinent, and it is quite true that the rate districts of one year might not be the rate districts of the next.

Mr. President, in the natural development of this subject I would next take up what are known as the labor provisions of this bill, embracing what has been accepted throughout the country as the antistrike section. But with the permission of the Senate I will pass that until to-morrow, and I hope it will not take me long to consider it. I would like to finish to-night the review of the bill with the exception of the labor provisions.

Mr. President, the bill provides for the organization of a transportation board. I have already described its duties so far as the division of the railways of the country into systems is concerned. This board has other and many important duties. I beg simply a reading of the bill in that respect, because it would consume time, without any important result, to go over these various details.

Section 24 of the bill relates to the issuance of railway securities. For years there has been a constant and general demand that in some way or other the Federal Government shall undertake the supervision of the issuance of railway securities. A bill to that end passed the House at one time and was reported favorably by the Committee on Interstate Commerce of the Senate. However, it did not receive consideration in the Senate, and therefore never became a law. But I think there is no real opposition to a provision which confers upon the Interstate Commerce Commission or some other Federal agency the supervision of the issuance of railway securities, in that way relieving the railway companies of the regulation of 40 of the 48 States of the Union. I think there are about 40 States in the Union

which have laws regulating the issuance of railway securities. This is intended to concentrate that power in the hands of a Federal tribunal.

Section 34 is an enlargement of the car-service act, which it is unnecessary for me to read or comment upon at any great length. You will find in the rewriting of this important section, I believe, one of the most important amendments of the interstate-commerce act. You will remember the car-service act was passed, I think, in 1917, and was intended to give to the Government a larger function with respect to the movement of commodities, the movement of trains, the supply of cars, and all matters pertaining to the general disposition of our commerce. I need not dwell upon this section, because it will present very little, I think, that will awaken opposition from any quarter. I may remark, however, that it is in this section that we have attempted to give the Government the right to prevent construction of new lines. The very difficulties we have heard urged here so often have arisen at times because railroads have been constructed where and when they ought not to have been constructed. So we have given to the Interstate Commerce Commission, in connection with the board, the jurisdiction to prevent the construction of new lines where obviously the construction would simply impose another burden upon the public without adding anything to the public welfare.

We have also given to the Government wider and broader power with respect to furnishing adequate and safe facilities, so that the commission or the board can command railroad companies to equip their lines with proper facilities and to procure the necessary cars and engines to transact their business with promptitude, all the while, of course, conditioned upon the power of the companies to comply with the demands or the commands of the Government. It would be idle to require a company that could not secure the money with which to do it to buy additional cars or additional engines, or anything of that kind. But the fullest and broadest powers are given to the commission in this section, and I may call that to the attention of the Senate later on.

Mr. OVERMAN. Suppose the State of North Carolina desired to construct a railroad with its convict system up through the mountains of North Carolina to reach a part of the State in which there are no railroad facilities. I understand that this board would have the right to prevent such a railroad from being built?

Mr. CUMMINS. No, not at all, if the railroad did not want to do any interstate business.

Mr. OVERMAN. Suppose they wanted to connect with a line in another State?

Mr. CUMMINS. Then it would have to get the consent of the Government.

Mr. OVERMAN. The State would have to get the consent of the Government?

Mr. CUMMINS. Yes.

Mr. OVERMAN. Then, after the construction of the roadbed, in order to put a mortgage on it for its rails and its equipment, it would have to come before this board to get its approval?

Mr. CUMMINS. That is the provision in the bill.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield.

Mr. KELLOGG. So far as the provision of the bill which provides for the regulation of the securities is concerned, I think every State commission in the United States indorsed it, on the ground that that system of regulation of the issuance of securities must be in some one central authority, and uniform, on account of the fact that so many roads will run into various States.

Mr. CUMMINS. I know, Mr. President, that it shocks one when we think of the full power of regulating commerce, but I really do not know any way to divide it. We have tried hard and labored earnestly to preserve to the States all the authority that can possibly be preserved. But when the Federal Government undertakes to regulate commerce among the States it can not divide that authority with the States.

If the Federal Government believes that a road should not be constructed because that road would cast upon the general public an unnecessary burden, the responsibility for that decision can not be shared by the State and the Federal tribunals, and we have thought that justice to the whole country would be more likely to be secured through the jurisdiction of the Federal tribunal than through the State tribunal.

We have rewritten in section 37 what is known as the long-and-short-haul clause. That will give rise undoubtedly to some discussion. We have not adopted the positive, rigid, long-haul provision. We still permit, under section 37 of the bill, some discretion on the part of the Interstate Commerce Commission. We have said to the Interstate Commerce Commission that it could grant the privilege to any company to charge more for a shorter than for a longer distance in the same direction, but that in doing so the rate for the longer distance must be found by the commission to be a compensatory rate. The significance of that change ought to be borne in mind, because there are a good many Senators who will be interested in the provision who are not in the Senate at this moment.

I assume that they have delegated to some one else the responsibility of taking care of the interests of their sections. I do not know. But, at any rate, I do not want any of them to complain hereafter that there has not been laid before the Senate a full and complete exposition of what the committee has done with regard to this very vital and important subject.

Mr. OVERMAN. If the Senator will excuse me, I think that is one of the most important questions we have, and I would like to have some information as to the classification districts. To give a concrete example, under the old law they could ship a barrel of molasses through my town from New Orleans, coming north, to Lynchburg or Norfolk, Va., cheaper than they could ship it to my town, 300 miles nearer. They could ship it to Lynchburg and ship it back to my town, 300 miles, and save money on it in freight. How will this long-and-short-haul provision regulate that?

Mr. CUMMINS. I will try to describe that to the Senator. I think the practice that he has just described has been almost universal, and it is absolutely indefensible, and so far as I am concerned I have been for years in favor of a positive long-and-short-haul clause; that is, if I could have my way about it, I would declare that the railroad companies shall not under any circumstances charge more for a shorter than a longer distance for like commodities in the same direction over the same railroad. But that was not the view of the committee, and, as I said a few moments ago, I intend to do the best I can to sustain the work which the committee has done, for it has done it in the most painstaking way, and I have never known such continuous and such absorbing consideration given to any legislative measure as has been given by the Committee on Interstate Commerce to the measure now before the Senate.

But I will attempt to describe to the Senator from North Carolina what this bill will do in a case such as he suggests. At the present time the Interstate Commerce Commission in granting to various railroads the right to charge more for a shorter than for a longer distance for like commodities on the same line have said, especially with regard to water competition, that if the rate charged by the railway company for the longer distance defrays what is known as the out-of-pocket cost it may be sustained and the permission to make the charge may be given. It is in that respect that the present bill changes the existing law. We have said in this bill that the Interstate Commerce Commission can give the authority to charge more for the longer than the shorter haul; but in giving the authority it must find that the rate which is charged by the railway company for the longer distance is a compensatory rate as distinguished from an out-of-pocket cost rate. There is a great deal of difference between those two things.

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital. I take it that the word "compensatory" is used in that sense. Therefore, in the case put by the Senator from North Carolina, if the charge for the longer distance was not a compensatory charge, the Interstate Commerce Commission would have no authority to grant the right to charge more for transporting the sugar, or whatever it may have been, over the shorter distance than it charged for transporting it over the longer distance. I think this amendment will go very far toward correcting the manifest abuses which have crept into the law. I think that the Interstate Commerce Commission could have prevented very many of those abuses by proper and correct rulings upon the law as it is, although I do not criticize it in that respect, for its work has been very difficult.

Mr. OVERMAN. It is framed without regard to water transportation. I think the claim has been made heretofore that the reason for the discrimination against my State was because of the water transportation at Norfolk.

Mr. CUMMINS. Yes. Now, it will not be permitted to use the cost of water transportation as a basis for reducing its rates to the terminal point and charge more in the home or in the State of the Senator from North Carolina, unless it finds that the rate which the railroad charges on account of the Norfolk water competition is a compensatory rate.

We can easily imagine that if the Interstate Commerce Commission finds that the rate is compensatory for the longer

distance it will be rather difficult for it to maintain the proposition that the higher rate for the shorter distance is a reasonable rate. That is the way I think many of the abuses that have found their way into the administration of this law will be corrected.

I pass now to section 38——

Mr. STANLEY. At that point may I interrupt the Senator?

Mr. CUMMINS. Certainly.

Mr. STANLEY. What will affect the question even more than water competition is the situation of two roads having common termini, one road being much longer than the other, and an absolute enforcement of the long-and-short-haul clause would deprive one of those roads of all proper rates to the termini of the longer road.

Mr. CUMMINS. I am very glad the Senator from Kentucky mentions that, because it reminds me of another modification that we have made in section 4 of the interstate-commerce act. It is that where there are two competitive land lines, one longer than the other, that under no circumstances must the longer line charge more to an intermediate point not farther from the origin than the haul on the short line than it charges for the competitive point. It must not charge more for the same distance than the rate charged on the short line. That, I think, will also correct a good many injustices that have occurred in the application of the law as it exists.

Mr. SHEPPARD. May I ask the Senator a question at that point?

Mr. CUMMINS. Certainly.

Mr. SHEPPARD. Does the Senator include water transportation lines in any of the systems provided in the bill, or does he leave them separate and distinct?

Mr. CUMMINS. We do not bring all-water transportation within the provisions of the bill. We do not change the law in that respect. I take it that the Senator from Texas means have we brought the port-to-port business within the jurisdiction of the Interstate Commerce Commission?

Mr. SHEPPARD. Yes; or the business on any of the rivers.

Mr. CUMMINS. No; we have not. There is now, and has been for quite a long time, as the Senator from Texas knows, jurisdiction on the part of the Interstate Commerce Commission to fix the rates upon transportation that is partly by rail and partly by water, but we have not enlarged the jurisdiction of the Interstate Commerce Commission in that respect at all. It remains just where it is now.

Mr. SHEPPARD. You have not made any of the water-transportation lines part of these railroad systems?

Mr. CUMMINS. No. The bill makes no changes in that respect, so far as I know.

Section 38 is an amendment——

Mr. JONES of Washington. Will the Senator permit me, before he starts on that feature of the bill?

Mr. CUMMINS. Certainly.

Mr. JONES of Washington. I have been examining the bill with reference to the water routes, and I find different provisions in it which I have not been able to study sufficiently to determine just how far the committee does intend to go or how far it does go in regard to water regulation.

On pages 26 and 27 of the print of the bill I find a statement that it is "declared to be the policy of Congress to promote, encourage, and develop water transportation, service, and facilities," and so forth. Also, "with that end in view the board shall inquire into water-transportation facilities both for internal and external commerce," and so forth.

I suppose that would include a broad inquiry with reference to ocean transportation?

Mr. CUMMINS. As broad as might be made.

Mr. JONES of Washington. It provides further that the board—

shall investigate the appropriate types of boats suitable for different classes of waterways; also the subject of water terminals, both for water traffic and for through traffic by water and rail, including the necessary docks—

And so forth.

What is the object or purpose of the provision—

shall investigate the appropriate types of boats suitable for different classes of waterways.

Is it the purpose to allow the board to investigate suitable types and determine the suitable types of boats for water transportation?

Mr. CUMMINS. There is no authority to determine anything.

Mr. JONES of Washington. What is intended by that?

Mr. CUMMINS. It is intended by that to promote water transportation, to increase our external commerce, to acquire all the information possible that can be used to enlarge our commerce. That provision was put into the bill at the earnest insistance of the senior Senator from Louisiana [Mr. RANSDELL], who stands as a sort of godfather for water transportation. We put it into the bill believing that there ought to be some sort of recognition of the growing demand for water competition and water transportation. We thought that we were meeting a real need in our regulatory system to include within it some concern for water transportation, which has hitherto been substantially neglected and forgotten.

Mr. JONES of Washington. I wanted to ask the Senator whether the words "shall investigate the appropriate types of boats suitable for different classes of waterways" were intended by the committee to include the class of boats on the ocean?

Mr. CUMMINS. Surely.

Mr. JONES of Washington. Or whether that relates more particularly to inland waterways?

Mr. CUMMINS. I assume that the authority would be exercised oftener with reference to inland waterways than to exterior or ocean-going ships.

Mr. JONES of Washington. We have a Shipping Board, created by the shipping act, that has very wide authority with reference to ocean transportation and ships, and I wondered whether or not it was the intention of the committee in framing this bill to trench upon or invade the jurisdiction or authority of the Shipping Board, or whether it was really intended to confine it to inland waterways?

Mr. CUMMINS. It was not in my mind to confine it to inland waterways, nor was it in my mind to trench upon or invade the authority or jurisdiction of the Shipping Board in any fashion. We have not given to the transportation board or to the Interstate Commerce Commission any power over ocean commerce that would interfere in any way with the authority of the Shipping Board, but inasmuch as the advocates of water transportation were so anxious that we should put something into the bill that would recognize the value of water transportation, we could see no objection to giving the transportation board the authority to examine and to inquire.

I do not know whether the Senator from Washington will remember or not, but the senior Senator from Louisiana [Mr. RANSDELL] introduced an amendment to the bill which was referred to the Committee on Interstate Commerce, and in that amendment the authority which the Senator from Washington has just read was given to the Department of Commerce. We put it into the bill, simply changing "the Department of Commerce" to "the transportation board," otherwise practically accepting the amendment proposed by the Senator from Louisiana.

Mr. JONES of Washington. Of course, I did not know of the amendment proposed by the Senator from Louisiana. I am in hearty sympathy with any movement looking toward the improvement and use and development of our waterway transportation. I would not seriously object to having proper provisions in the bill if they could be framed in proper shape to do that, but in doing it I would not want to put in the instrumentalities created by this bill authority that is already in the hands of another board and provided by permanent legislation to be exercised by another board or body.

I would be perfectly willing to have a provision in the bill, as I say, putting whatever additional power is necessary with a board already established, but I do not like to see a duplication of authority that exists in one board already created by law apparently being placed in another board.

Mr. CUMMINS. Does the Senator from Washington mean authority to look into the subject?

Mr. JONES of Washington. I do not really see any necessity of authorizing a board to look into a subject when another board has been created for the purpose of looking into the same subject. For instance, on page 28 I find this provision:

It shall also be the province and duty of the board to compile, publish, and supply from time to time such useful statistics, data, and information concerning transportation by water as may be of value to the commercial interest of the country, and make such annual recommendations to Congress for the regulation and improvement of transportation by water as it deems advisable.

I suppose it might be said it is well to get the recommendation of all authorities that we can with reference to the methods of improving water transportation, but the Shipping Board is expressly directed to investigate these things and make recommendation to Congress annually. I doubt the advisability of directing another board to do the same thing.

Mr. CUMMINS. There may be very great merit in the suggestion offered by the Senator from Washington. I personally do not feel that the clause to which he has brought my attention is of any great value to anyone. If he shall in the course of the consideration of the bill move to strike it out, I only hope he will wait until the Senator from Louisiana is here.

Mr. JONES of Washington. I do not know that I would even do that, but I wanted to get the views of the committee.

Mr. CUMMINS. The views of the committee, I think, were that we were responding to what seemed to be a reasonable request upon the part of a Senator whose life has been given to the study and development of water transportation and whose heart is closely bound up in the development of that subject.

Mr. JONES of Washington. While I know that is true, and while the Senator from Louisiana has taken, of course, a great deal of interest in ocean transportation, I know his heart has been bound up in inland waterways.

Mr. CUMMINS. I think that is true.

Mr. JONES of Washington. When this bill mentions waterways here I just supposed that it probably was the intention of the committee to cover inland waterways and not to go out into the broad highways of the ocean.

Mr. TOWNSEND. Mr. President——

Mr. CUMMINS. I yield to the Senator from Michigan.

Mr. TOWNSEND. I wish to say that as one member of the committee it was my understanding that this was largely in the interest of inland transportation. The board that is created here has to deal with railroads and with water connections. It has proper jurisdiction over them. It was thought very desirable that this kind of transportation should be encouraged and that the best reports possible should be obtained. I do not remember that even once was the question of ocean transportation mentioned.

I can see some force in what the Senator from Washington says in reference to ocean transportation, but I think it is entirely proper that this provision should be inserted here as affecting inland transportation.

Mr. JONES of Washington. I entirely agree with the Senator as to that.

Now, Mr. President, I wish to call the attention of the Senator, in connection with the same matter, to section 45, on page 92 of the bill, where it is provided:

SEC. 45. Every ocean-going common carrier engaged in commerce with foreign nations, or in coastwise or in coast-to-coast commerce, whose ships are registered under the laws of the United States and thereby made subject to regulation under the Constitution and laws of the United States, shall file for each boat so operated with the board within 30 days after this act takes effect a schedule or schedules showing, with respect to each of its boats having regular routes and sailings, the routes over which its boats ply, its sailing dates, and the rates, fares, and charges for transportation to and from the various ports at which cargo is received or delivered. Said schedule or schedules shall state the period during which such rates, fares, and charges are to be in effect.

That is all required in the shipping-board act.

Mr. CUMMINS. I beg the pardon of the Senator from Washington, but I do not so understand.

Mr. JONES of Washington. I think the Senator is mistaken.

Mr. CUMMINS. This is purely a provision intended for the regulation of the railroads, but the railroads must get the information, of course, from the carriers by water. The water carrier, the ocean carrier, is required to file with the transportation board these schedules, so that the transportation board can compile them and compel the land carrier to distribute the information at the stations in the interior, thus affording the inland shipper who desires to export an opportunity properly to route and ship his freight.

Mr. JONES of Washington. The Senator probably is correct. I understand the purpose of the provision, at any rate; but there is one other question that I wish to ask in connection with the same section, in order that I may secure an understanding of it. On page 93 it is provided:

When any consignor delivers a shipment of property, at any place specified by the board, to be delivered by the railway carrier to one of the boats above mentioned for transportation by water from and to a port named in its aforesaid schedule, the railway carrier shall issue a through bill of lading to the point of destination, naming not only the charge to be paid for the land transportation but also for the water transportation.

It is not intended there, I assume, that the board or the rail carrier shall fix the charge.

Mr. CUMMINS. As I understood it and as I intended it—and I drew that section; it is something entirely new in the law—neither the board, nor the commission, nor the land carrier is to have any authority whatever over the rates which are to be charged by the ocean carriers for the service. I would be as much opposed to that as anyone.

Mr. JONES of Washington. I thought the Senator would, but I rather think that these provisions need to be examined very carefully. I have not had the opportunity to do so as yet.

Mr. CUMMINS. I may say to the Senator from Washington that I want him to know exactly where the suggestion came from.

One of the chief assistants, I think, of the Shipping Board for some time, a Mr. Rossiter, whose experience has been very great and whose judgment I very highly esteem, is the real author of that section. He is not the author of the language of the section, but he is the author of the idea, which I regard as one of the most helpful things that have ever been presented for the increase of our foreign commerce. If there is anything wrong with the composition of the section, I want to correct it. I do not want, nor was it my purpose at all, to draw the ocean carrier within the jurisdiction of either the transportation board or the Interstate Commerce Commission; but I do want to put a command on the ocean carrier to give to the transportation board its sailing dates and its routes in order that the board may compel the land carrier to furnish that information to those who desire to use the ocean service.

Mr. JONES of Washington. Mr. President, I have conferred with Mr. Rossiter in regard to the provision, and the Senator is correct as to his being a strong advocate of some provision of this kind, but whether he is the suggester of it I am not prepared to say.

Mr. CUMMINS. He is, so far as I am concerned.

Mr. JONES of Washington. I had the idea in mind, I know, long before I talked with him.

Mr. CUMMINS. I presume that is undoubtedly true; but he is the first man who ever mentioned it to me.

Mr. JONES of Washington. I have no doubt that many others thought of it long before it entered my mind, but I know that I prepared a provision along this very line and incorporated it in a bill which I introduced quite a while ago with reference to shipping.

I remember that Mr. Rossiter talked to me about the matter and stated that he had talked to the Senator from Iowa. I told him that, so far as I was concerned, I would make no question as to the jurisdiction of the committee if a proper provision of that kind were prepared and inserted in this bill, because I consider it of very great importance and the sooner we can get it enacted into law I think the better. So I have no quarrel with the attempt to cover it in this bill. All that I want is that we be careful to see that we get a proper provision and one that will carry out the idea entertained, I think, by the Senator from Iowa as well as by myself.

Mr. CUMMINS. I am sure of that. The Senator from Washington and myself can not have any disagreement about the jurisdiction of our respective committees when we are both endeavoring to accomplish a common purpose.

Mr. STANLEY. Mr. President——

Mr. CUMMINS. I yield to the Senator from Kentucky.

Mr. STANLEY. The inquiry of the Senator from Washington as to the jurisdiction of the transportation board should, in my opinion, be read in connection with the first section of the bill. In the light of that section I agree with the chairman of the committee that the jurisdiction of the transportation board is advisory. The first section of the bill provides:

The rights and interests of the United States acquired by the President under section 6 of the act hereby repealed, authorizing expenditures for the utilization and operation of canals or for the purchase, construction, or utilization and operation of boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways, which shall include the boats constructed or authorized to be constructed for the navigation of the Mississippi River above St. Louis, are hereby transferred to the United States Shipping Board and shall be dealt with in accordance with the rights and interests so acquired and under the provisions of the act known as the "shipping act, 1916."

Then it proceeds to provide for the payment of various sums of money.

Mr. CUMMINS. That is quite true; but the Senator from Kentucky will remember that the scope of the provision which he has just read is limited to the property acquired by the Government under section 6 of the Federal-control act, and to that extent the whole jurisdiction passes over to the Shipping Board. The Senator is quite right.

[At this point Mr. CUMMINS ended his speech for the day.]

Thursday, December 4, 1919.

Mr. CUMMINS. Mr. President——

Mr. CURTIS. Before the Senator enters upon the speech which he said he would conclude this morning I should like to ask him one question in regard to section 18, the paragraph on page 41 commencing with line 5. That part provides:

All property, property rights, contract rights, and assets of every kind owned or possessed by any such corporation reincorporating hereunder shall, by virtue of such reincorporation and of this act and without additional proceeding, formality, or act whatsoever, become and be immediately vested in such reincorporated company—

And this is the part to which I want to call the Senator's attention—

and all debts, liabilities, contracts, obligations, liens, claims, and rights of whatsoever kind of any corporation which shall become reincorporated under the provisions of this act shall continue unimpaired.

Now, in case a corporation is organized in a State and has a State charter, and that charter requires that the corporation shall for a number of years or for all time maintain offices or headquarters or shops in that State, I wish to ask the Senator from Iowa if under that part of this section they would be compelled to keep that obligation or would a further amendment be required to compel them to maintain their offices, shops, and headquarters as required in the charter or in the agreement by which bonds might have been voted to the company?

Mr. CUMMINS. The precise question suggested by the Senator from Kansas did not, as I remember it, arise before the committee. My answer to it must be, therefore, purely a personal one.

It is my understanding that this section or the part of the section read by the Senator from Kansas means that every lawful, enforcible obligation passes to the reincorporated company and can be enforced against the reincorporated company. I am bound to say that the precise contract to which the Senator from Kansas refers is one the validity of which I very much doubt. It may be that there are decisions with which I am not familiar, but I doubt whether a contract in which a common carrier agrees to maintain offices or shops in a particular place could be enforced against the public interest or against the public welfare.

But I suppose we need not pass upon that question, and, broadly speaking, I answer the Senator from Kansas [Mr. CURTIS] by saying that the reincorporated company would assume all valid obligations into which its predecessor had entered.

Mr. President, when I closed the discussion last evening, I was referring to the modification which this bill contains of what is popularly known as the long-and-short-haul clause of the act to regulate commerce. I think I had explained it as fully as is necessary, but if any Senator has any inquiry with regard to that particular subject I should be very glad to respond further. If there is no such inquiry, I pass to section 38 of the bill. It will be understood, Mr. President, that I am not attempting to enter into every detail of the bill. Senators must advise themselves, as I hope they will, or as I assume they have, by reading the bill, but I am simply attempting to mention the prominent and, as I am inclined to believe, the important changes which, if the bill passes, it will make in the law.

We are all familiar with what is known as the antipooling section of the interstate-commerce act. I may say, in passing, that in this respect there is no essential difference between the bill which has passed the other House and the bill now before the Senate. The bill adds to section 5 of the act to regulate interstate commerce the provision which I shall read; but in order that it may be fully understood I will read the law as it now is:

SEC. 5 (as amended Aug. 24, 1912). That it shall be unlawful for any common carrier subject to the provisions of this act to enter into any contract, agreement, or combination with any other common carrier or carriers for the pooling of freights of different and competing railroads, or to divide between them the aggregate or net proceeds of the earnings of such railroads, or any portion thereof; and in any case of an agreement for the pooling of freights as aforesaid, each day of its continuance shall be deemed a separate offense.

That is the law at the present time. The change that is proposed in this section of the act to regulate commerce is to insert after the word "that" the words:

Except upon specific approval by order of the commission as in this section provided.

Then there is added the following:

Provided, That whenever the commission shall be of the opinion, after hearing, upon application of any carrier or carriers, by railway or water, subject to this act, that the division of traffic or earnings between any such carrier or carriers will be in the interest of better service to the public, economy in operation, or otherwise of advantage to the convenience of commerce and the people, and will tend to equalize earnings between the said carriers and will not unduly restrain competition, the commission shall have authority, by order, to approve and authorize such division of traffic or earnings between carriers under such rules and regulations, and for such consideration as between said carriers and upon such terms and conditions, and for such length of time, as shall be found by the commission to be just and reasonable in terms.

The commission may from time to time, for good cause shown, make such supplemental orders in the premises as it may deem necessary or appropriate, and may by any such supplemental order modify or set aside the provisions of any previous order as to the extent of the division, or as to the rules, regulations, terms, conditions, or consideration currently moving in respect of any such divisions so theretofore approved and authorized. The same procedure as to filing of applications and serving of notice of hearing upon proper State authorities with opportunity to be heard shall be had as is provided in section 24 of this act relating to "securities."

The portion of the act to which the last reference is made is, substantially, that upon application for the issuance of securities the Interstate Commerce Commission must notify the governor of the State and every State which may be interested or which may be concerned in the proposed action of the Interstate Commerce Commission. This provision requires also a notice to be served upon the governor of the State, and, through him, upon the authorities empowered to regulate commerce in that State, of the pendency of any application of the character I have described.

It is apparent, Mr. President, that this provision is not only an important one but is a radical departure from the policy which we have heretofore pursued. It is intended in this way to give to the Interstate Commerce Commission the authority, practically, to unify the railroads of the country prior to the consolidation which is provided for in the bill. All of us have observed—we must have observed, if we are not blind—that the one great advantage of Government ownership is the unification which may take place and the ability on the part of common carriers to choose that route for the traffic which is most economical and which will best serve the public interest. It was thought by the committee that, at least in the transition period—and this has no limitation in point of time—but especially for the transition period, the commission should have the power to control the railway companies in the respect I have just mentioned.

This is a question upon which no argument is needed; it is one upon which every man who feels an interest in the subject has reflected and upon which he must have an opinion.

I have thought it my duty to refer to it, because it is, as I have indicated, a substantial departure from the policy we have so long pursued.

Section 39 of the bill is also new and is intended to serve the convenience of shippers and promote economy in operation. As it is now under the law whenever a railroad company desires to make a change in its schedule of rates it is compelled to file with the Interstate Commerce Commission a complete new schedule, involving very great expense. That, however, is not the chief objection; it mystifies the subject in the minds of the general public. The Interstate Commerce Commission, as I understand, has recommended this provision, or some such provision as this, as it has recommended the provision to which I have just referred, namely, the authority on the part of the commission to authorize the diversion of traffic and the division of earnings as between competing carriers. The provision to which I am now referring is as follows:

That the commission is hereby authorized to make suitable rules and regulations for the simplification of schedules of rates, fares, charges, and classifications and to permit in such rules and regulations the filing of an amendment of or change in any rate, fare, charge, or classification without filing complete schedules covering rates, fares, charges, or classifications not changed if, in its judgment—

That is, the judgment of the commission—

the public will be better informed by so doing.

Any of you who have ever had occasion to trace the changes that have been made from time to time in the schedules that are filed with the Interstate Commerce Commission will recognize immediately the value of a provision of this character. In my opinion, it will in detail at least serve the most valuable purpose among those who desire to ascertain from time to time at what rates or charges shipments can be made.

I call attention next to the provision of the bill which is contained in two or three sections, and, therefore, I can not point out, and will not attempt to point out, the precise section. As it is now, the commission is not given express power to prescribe minimum rates. The commission has the power to prescribe the rate at which an article shall be moved, in order to enforce the law against discrimination, but there is no authority for a schedule of minimum rates. This bill adds to the present law the power on the part of the commission to prescribe such rates as well as maximum rates. This is particularly important with reference to the division of rates as between connecting carriers whether they be land carriers or whether one of them be a land carrier and the other a water carrier.

There has been a great deal of controversy with respect to this subject. It has gone on for years among those who are familiar with the general course of the development of the law, and this has been strongly recommended, not once but many times, by the Interstate Commerce Commission as one of the powers it ought to have in order efficiently to regulate commerce.

I call attention next to section 43, which presents also a long-standing controversy and a most important one, and upon which Senators will have, I am sure, decided opinions. I do not know whether Senators who are absent from the Chamber have any opinions upon the subject or not, or whether they care to have any opinions; but I am very sure that as the matter develops they will become interested in this particular subject.

For years there has been a conflict between the jurisdiction of the Federal Government and the jurisdiction of the State governments with regard to the adjustment of rates. All of you know that the Constitution of the United States confers

upon Congress the authority to regulate commerce among the States and with foreign nations. Obviously, this authority is limited to the regulation or control of interstate commerce and matters that are inseparably connected with or incident to interstate commerce. The Supreme Court of the United States has had occasion in at least three separate cases to discuss the subject.

Most of you, I am sure, are familiar with what is known as the Shreveport decision. In that series of cases it was alleged that the State of Texas had established rates for intrastate traffic—that is, for the movement of traffic from one point in the State to another point in the State—which discriminated against the rates which the Interstate Commerce Commission had established for the movement of traffic from points beyond the State into the State, and the particular community which complained and which gave the name to the case I have mentioned was Shreveport. It complained that it could not do business with the State of Texas in competition with rivals located in the State, for the reason that the business men within the State were shipping freight at a much lower rate, comparatively, than the Interstate Commerce Commission had found to be reasonable from Shreveport into the State.

I need not follow that case in all its phases; but it finally reached the Supreme Court of the United States, and the Supreme Court held that the authority of the Federal Government as it could be vested in the Interstate Commerce Commission extended to the removal of a discrimination between the interstate rates and the intrastate rates, but no authority had been given by Congress to the commission to declare what the intrastate rate should be in comparison with the interstate rate. Practically the same question arose in what is known as the Minnesota rate case, and similar doctrine was announced by the Supreme Court, and then it arose in what is known as the Illinois case—you all remember that—in which the passenger rate established by the Legislature of Illinois was challenged because it prescribed a rate of 2 cents a mile, whereas the interstate rate from points in Illinois to points in Missouri—St. Louis, for instance—I think was 2½ cents a mile, and the Supreme Court held that in so far as the persons and localities affected or discriminated against by rates of that character were concerned there could be relief, and the instrastate rate could be condemned by the Interstate Commerce Commission.

Holding those general observations in mind, I come to the provision which the committee has made upon this subject and which it has recommended to the Senate. One more word, however, of a general character.

The committee has attempted simply to express the decisions of the Supreme Court of the United States. We have not attempted to carry the authority of Congress beyond the exact point ruled by the Supreme Court in the cases to which I have referred; and the only thing we have done in the matter has been to confer upon the Interstate Commerce Commission the authority to remove the discrimination when established in a proper proceeding before that body—an authority which it does not now have.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. CUMMINS. I do.

Mr. McKELLAR. The effect of section 43 would be to abolish the railroad commissions of the various States, would it not, so far as rate making is concerned?

Mr. CUMMINS. No; not at all. I think the Senator from Tennessee does not mean to imply that we have sought to abolish the State commissions or State authorities. We have not gone beyond the principle announced in the cases in the Supreme Court of the United States, and we have simply given to the commission the authority to remove the discrimination when established. As it is now, all that can be done is for the commission to go forward from time to time and condemn and enjoin the State rates until they finally reach the level which, in the judgment of the commission, is no discrimination.

Mr. McKELLAR. Mr. President, of course if the Supreme Court holds that the Interstate Commerce Commission has the right to fix intrastate rates it is just a question of time when the superior power will be exercised, and the State commissions must of necessity be of no further use.

Mr. CUMMINS. Not less so than they are now, in my opinion.

Mr. McKELLAR. Well, that may be true. I am neither denying nor defending that statement. I am merely talking about the effect of the provision in this bill, and saying that in substance it will put the various State railroad commissions out of power.

Mr. CUMMINS. In my opinion, no. I think there will be a wide, important field for the State commissions under any circumstances. I think there is a broad field which we can not occupy under our constitutional authority. However, I will read now the provision which we recommend:

> Whenever in any investigation under the provisions of this act there shall be brought in issue any rate, fare, charge, classification, regulation, or practice made or imposed by authority of any State, the commission, before proceeding to hear and dispose of such issue—

I pause there to say that no one can question that the jurisdiction to determine whether there is a discrimination must necessarily rest in the United States.

> Before proceeding to hear and dispose of such issue, shall cause such State or States to be notified of the proceeding. The commission shall confer with the authorities of any State having regulatory jurisdiction over the class of persons and corporations subject to this act with respect to the relationship between rates, fares, charges, classifications, regulations, or practices of carriers subject to the jurisdiction of such State bodies and of the commission; and to that end is authorized and empowered, under rules to be prescribed by it, and which may be modified from time to time, to hold joint hearings with any such State regulating bodies on any matters wherein the commission is empowered to act and where the rate-making authority of a State is or may be affected by the action taken by the commission. The commission is also authorized to avail itself of the cooperation, services, records, and facilities of such State authorities in the enforcement of any provision of this act.
>
> The commission shall, after full hearing, make such findings and orders as will in its judgment remove any undue or unreasonable advantage, preference, or prejudice as between persons or localities in State and interstate or foreign commerce, or any undue, unreasonable, or unjust discrimination against interstate or foreign commerce, which is hereby forbidden and declared to be unlawful, and such findings or orders shall be observed while in effect by the carriers parties to such proceeding affected thereby, and shall make the rates, fares, and charges, or the minimum and maximum of such rates, fares, and charges, and any classification, regulation, or practice which, in its judgment, will remove such advantage, preference, or prejudice.
>
> Nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States or other local authorities in relation to taxation or the lawful police powers of the several States, including the power to make and regulate intrastate rates, except as in this act otherwise provided. Any carrier shall have the right to make complaint to the commission respecting any such intrastate rate, fare, charge, classification, regulation, or practice.

With regard to the last sentence, it may be said that all other persons now have the right to make complaint, but the carrier under the law has no right to make such a complaint, and therefore it was expressly given to the carrier in this instance.

Mr. McKELLAR. Mr. President, will the Senator yield again?

Mr. CUMMINS. I yield to the Senator from Tennessee.

Mr. McKELLAR. In so far as rate making is concerned, does not the Senator think that this section at best can be called a benevolent assimilation of all the rights and powers of the State commissions as to rates? It necessarily has that effect. I notice that it provides that they shall sit with the State boards, and yet it gives the United States board the power of fixing the rate, so that it is just another way of coming to the same end. It just sugar coats the pill and takes in the State commissions. Is not that the effect of it, and must it not be, so far as rates are concerned?

Mr. CUMMINS. No, Mr. President; I think that is not the effect, and I think I can convince the Senator from Tennessee in a moment that no such consequence can follow. In the first place, the Senator will remember that a very large proportion of the freight which either passes from or passes into any State is interstate commerce, and that is within the jurisdiction of the Interstate Commerce Commission and always has been since that body was organized. One thinks of the volume of traffic in a State as very large, and I do not want the Senator from Tennessee to imagine that we are lifting all that volume out of a jurisdiction heretofore exercised and giving it to another body, for already, I venture to say, 80 per cent of the traffic of all the States is interstate commerce, and it is only with the 20 per cent with which we have now to deal.

Mr. McKELLAR. Of course, I understood that. But it seems to me it takes the 20 per cent in a benevolent way and turns it over to the commission provided for under the bill.

Mr. CUMMINS. Let us see about that. Of course, we are not turning anything over. The law has already turned it over.

Mr. McKELLAR. If the Senator will excuse me a moment, I do not understand that to be the decisions in the cases he referred to. As I understood those cases, they held that Congress had the power to grant to the Interstate Commerce Commission, or to any other board, the right to regulate them, but that it had not done so, and this bill proposes to do it.

Mr. CUMMINS. The Supreme Court held that Congress had not conferred upon the Interstate Commerce Commission the right to prescribe a rate in the stead of one which had been condemned; but so far as the condemnation of the rates is con-

cerned, the power of the Interstate Commerce Commission is already ample, and it has succeeded in one way or another in removing the discriminations which have come under its notice without the statute which we now propose.

But following the idea of the Senator from Tennessee [Mr. McKELLAR] a little further, this only gives to the Federal authority the right to inquire into a discrimination, an unjust, undue preference, as against a locality or as against interstate commerce. I fancy that four-fifths of the traffic which is intrastate traffic has no relation whatever to interstate commerce. If I ship a bushel of potatoes from my town to a town 50 miles distant, the rate upon those potatoes can not affect interstate commerce. It is a mere estimate, but I would say that is true of four-fifths of all freight shipments within a State, and therefore the State authorities are left with entire regulating power over those shipments.

I may say, for the benefit of the Senate, and especially say to the Senator from Tennessee, that the House bill originally proposed another element; that is, it proposed that we should declare that if the rates in force in any State did not sustain a fair share of the burden which the interstate carrier must bear, then the Federal authority should have the jurisdiction to take possession of the entire field and lift the rates so that the carrier should receive from intrastate business a proper share of the revenues which it must have in order to pay for maintenance and operation and a fair return upon the value of the property. That is the contention, and there is a great deal of merit in it. We have not thought, however, that we were justified in going to that extent. But I predict that it will not be many years before Congress will be compelled to go to that length.

For instance, here is a railroad company, we will say, running from New York to Chicago. It runs through New Jersey, Pennsylvania, Ohio, Indiana, and a part of Illinois. A large part of its traffic is interstate, and therefore within the jurisdiction of the Interstate Commerce Commission, and the commission can fix whatever rates upon that business it deems reasonable and just.

But New Jersey fixes a rate upon her traffic which this interstate carrier must transport. Pennsylvania fixes a rate upon her traffic which the interstate carrier must transport. Ohio does the like; Indiana does likewise, and so does Illinois. The interstate carrier must be maintained. It has a certain cost of maintenance and operation. It has a certain capital invested in its business, and the revenues from that business must be sufficient to defray the cost of operation and maintenance and to make a fair return upon the value of the property or upon the investment.

Now, assume that the States of New Jersey, and Pennsylvania, and Ohio, and Indiana, and Illinois shall fix a level of rates which does not furnish to that carrier a fair share, considering the cost of the service, of the entire sum which must be received in order that the carrier may go on and fulfill its duty, as I have described. What is the result? If the State rates are immune from investigation and control on the part of the Federal Government, upon that ground the interstate rates must be increased so that the entire revenues of the carrier will be sufficient to enable it to discharge the obligations which I have so many times described. That is manifestly unfair, it is obviously unjust, and we are driven at once to the inquiry, what jurisdiction shall determine the sufficiency of the State rates in producing the revenues which will constitute a fair share of the entire necessary income?

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. CUMMINS. Just a moment, and I will yield. In my judgment, in the end we will be compelled to go, and I believe under the Constitution we have the authority to go, to the Federal jurisdiction for the purpose of determining that issue, just as we go to the Federal jurisdiction to determine every issue which arises in a conflict between a State authority and a Federal authority. I now yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator pointed out what would be left to the State commissions in the matter of intrastate rates. Manifestly, if this bill passes as it is written, with the provisions in it allowing the railroads to pool, allowing and providing for the physical connections of railroads, it must be apparent, with the preceding provisions, that under section 43 there will be nothing left, because every rate will be affected directly or indirectly with an interstate proposition.

Mr. CUMMINS. I do not agree with the Senator from Tennessee in his conclusion. In his inference that this bill does broaden Federal authority over interstate carriers I not only agree but I am endeavoring, as best I can, in all that I have said to demonstrate the necessity of broadening and widening Federal authority. But I do not want it to be understood that we have yet gone, and this bill does not propose to go, to the limit of our constitutional power. It leaves with the State authorities many things which, in my judgment, if we were to exercise our full power we could withdraw from the States. But the committee has not considered it wise to withdraw more than seemed to be absolutely necessary under existing conditions. At any rate, Senators will now fully understand, I think, the operation of the section to which I have referred.

The next section to which I call your attention is section 44, and in that section the only change that is of importance at this moment is in the length of time that the commission may suspend rates which are filed by the carrier.

As the law now is, each carrier has a right, and is required, if it desires to change the rates, to file its schedule of rates with the Interstate Commerce Commission. The commission can then, upon summary investigation or inquiry, suspend those rates pending an investigation. Under the law as it is it has the authority to suspend them for 120 days, and then it was given the authority, as I recollect it, if it did not finish the inquiry within that time, to extend the time for another period of six monhs. The latter period has been shortened in this bill to a period of 30 days.

The reason for that is this: In the first place, the Interstate Commerce Commission has been overworked. There is no body of men in the employ of the Government, or exercising governmental functions, upon which so great a weight of labor has fallen as the Interstate Commerce Commission, and it is utterly impossible for it to fulfill its full duties as the law now is. But we have undertaken in this bill to create a new governmental function known as the transportation board, and we have given to that board many of the important duties which are now performed by the Interstate Commerce Commission, and endeavored in that way to relieve the latter body of some of its labor; and we hope that we have accomplished that purpose to such an extent as that the commission will be able promptly to decide all the matters which are brought before it.

Broadly speaking, we have left with the Interstate Commerce Commission what might be described as semi or quasi judicial powers, rate making in all its phases, the valuation of railroad property in all its aspects, accounting absolutely necessary as an incident to rate making and to valuation. These are in the main the great branches of labor which are left with the Interstate Commerce Commission. The purely administrative duties, those duties which have to do with the physical operation of the railway properties, are transferred to the transportation board and many new duties are also given to the transportation board, one of which and probably the most important of which I commented upon yesterday.

In view of this division of labor between the commission and the transportation board, the committee is of the opinion that the commission ought to pass upon the rates which are filed with it by the carriers at least within a period of five months. It is not fair either to the shipping public or to the carriers that a proposal for an increase or decrease of rates, as the case may be, shall remain uncertain and undisposed of for a period of more than five months. The provision is a limit of 120 days in the first instance, and then an extension, if necessary, of 30 days.

In the latter part of section 44 there is another very important change in the law which I want Senators to observe. Under the interstate-commerce act which now is, as you all know, the shipper may determine the route which his traffic shall take. It has been rather common in the past for railroad companies which were not satisfied with the routing which the shipper had determined upon to deliberately and knowingly divert it to some other line with which the initial carrier or some connecting carrier had more intimate relations than with the carrier over whose lines the shipper determined his traffic should go. There has been no remedy for that, and it has been practiced mainly at the expense of the short or weaker lines.

The committee determined to correct it and has corrected it by providing that the line from which the traffic is thus diverted shall be entitled to recover its proportion of the earnings from the through rate just the same as if it had carried the traffic, and the line over which the traffic may actually go wrongfully will have the satisfaction of doing the business for nothing, a penalty which I think will very soon bring to an end this very objectionable practice.

I desire now to mention briefly section 45. This is a section concerning which the Senator from Washington [Mr. JONES] and I had some colloquy last night. It is entirely new, and it is an effort to coordinate land and ocean traffic. We have not given to the Interstate Commerce Commission any authority to regu-

late or control or to fix rates for what is known as port-to-port traffic, whether inland or exterior, and we do not propose to do so. Everybody understands that we can not put upon ocean traffic or coastwise or coast-to-coast traffic or even upon river traffic the same regulations that are very advisable with regard to land traffic. I need not go further into that, because it is familiar to everybody.

We are now hoping to enlarge our foreign business. We are endeavoring to make it as easy as possible for the business men of America to ship their goods anywhere throughout the world. The Shipping Board is trying, I think faithfully, to establish a series of ocean routes with boats having regular sailings and regular routes as well.

The great corporations of the country, the great producers, such as the United States Steel Corporation or other corporations of that character, are able to maintain their agents everywhere, who serve as a medium of information to such shippers, and they know when the boats sail and where they go and what the rates are, and are in every way able to reach a foreign country or foreign countries in the most convenient way. That is not true of the small shippers of the land. They do not know when these boats sail and where they go. They do not know what the ordinary rates are upon these ocean-going ships.

Section 45 provides that every ocean-going steamer and every coastwise or coast-to-coast steamer with a regular route and with regular sailings shall file with the transportation board a schedule containing the dates of the sailings of its ships and the routes over which its ships travel, together with the ordinary rates which are charged for transportation. These schedules are required to be filed with the transportation board, and they are then given to the land carriers, the railroads, and the railway companies are required to maintain that compilation of information in every office designated by the transportation board. It is the thought of the committee that the board would designate the important or the chief centers of production and of shipment.

Then any man who has a shipment destined for some foreign port, for Liverpool, Hongkong, Melbourne, or for San Francisco or New Orleans, even though he may not be able to maintain a commission man at the port or any other of the conveniences which the great shippers enjoy, may take to any railroad office in the country his shipment, less than carload if you please, and deliver it to the land carrier, and the land carrier must issue to him a through bill of lading. It then becomes the duty of the land carrier to deliver the shipment to the boat in whose care it is consigned, and the land carrier must absorb in the charge for the land carriage the cost of transfer from the railway train to the boat. In that way we will have established all over the United States a system which I think will tend to increase largely our export trade or coast-to-coast trade.

Mr. McKELLAR. Mr. President——

Mr. CUMMINS. At least it will greatly serve the convenience of the people of the country without any additional cost. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I rose merely to say that, in my judgment, this is one of the best and most far-reaching provisions of the bil. Especially to inland cities of the United States is it most important that there should be such a provision. It is known to all of us that for quite a while the railroads have declined to give through bills of lading, and this provision will remedy that most serious defect in our system and, I believe, will add tremendously to the business that America will get.

I desire to offer my very hearty commendation of this section of the bill.

Mr. OVERMAN. I think that is true; but this is a question that occurs to me: A man living inland ships a bale of cotton to Liverpool; he gets a through bill of lading. The vessel will not take that bale of cotton unless it is compressed. Therefore when it comes from some inland point in my State it has to be unloaded at Wilmington and then compressed and reshipped. Under the provisions of this bill will the railroad company give a through bill of lading from some little point out in my State and then take the cotton off at Wilmington and have it compressed and then put it on its train again?

Mr. CUMMINS. I think not. I think the cotton will have to be so baled or so prepared as to be capable of shipment upon the ocean voyage.

Mr. OVERMAN. It always has been done in that way. They will not take it for ocean voyage unless it is compressed. We could arrange for a through bill of lading, and then have them take that bale of cotton off at the point of shipment and have it compressed and then sent on its ocean voyage.

Mr. CUMMINS. I think that would be a very good arrangement, although we have not attempted to impose that duty upon the carrier.

Mr. McKELLAR. I should like to say in this connection that recently there has been marvelous improvement in compressing machinery in this country. We have compressors where cotton can be compressed at the gin or at the source, and that difficulty will be largely obviated as soon as the new compressing machinery is added at the various plants.

Mr. CUMMINS. I have now, with one exception, completed my explanation of the bill before the Senate. That exception is the part of the bill which proposes that the Government shall adjudicate the disputes which may arise between employees of railway companies and the corporations, and which forbids a conspiracy or combination for the purpose of preventing the movement of commodities in interstate commerce.

I venture to say that no provision in any bill submitted to Congress in recent years has been more generally discussed throughout the country than the one to which I have just referred. There are some very extravagant praises for it; there are some very unjust denunciations of it. I look upon it as a vital part not only of this bill but a vital part of our policy in the future so far as the basic industries of America are concerned. The committee has endeavored to find a solution of one of the most complicated and difficult problems ever presented to a legislative body. I am not prepared to affirm that the committee has discovered the only solution, and I am sure its members will be very glad to receive from Senators any suggestions that may make the arrangement which we have provided for more just or more efficient; but I speak for substantially every member of the committee, a very large majority of the committee, when I say that it is our profound conviction that the civilization of America—I was about to say the civilization of the world—can not continue, can not endure, unless organized society can find some plan to preserve industrial peace and order. To me the thought that to accomplish justice for those who may be interested in any dispute it is necessary to either freeze or starve the American people is unthinkable and intolerable.

I have always, I believe, entertained for men who worked not sympathy—for men who work need no sympathy—but I believe that I have always held for them the keenest interest in the struggles in which they have been engaged and the most sanguine hope of their ultimate success in obtaining the justice to which I believe they are entitled. But that does not settle this controversy.

Look at the situation now. I received a telegram this morning from one of the important cities in my State in which it was stated that the schools had all been closed; that the churches had all been closed; that every industrial enterprise had ceased—and it is a city of 25,000 people or more—and that if relief were not given in furnishing fuel before Saturday night there would be hundreds of homes in the community without heat. Our Government is a failure if there can be found no way to surmount an obstacle of that kind; our Government is worse than a failure if we can not in some way preserve the continuity and the regularity with which our basic operations are carried on.

The committee were deeply impressed with that feeling and we recognized that transportation is the basic industry of the Nation. It may not be more important from one aspect than many others, but none of the others can be conducted or carried on without transportation. Leave New York without transportation for two weeks and thousands of people will either starve or freeze, according to the season; indeed, they may do both. What I say of New York is true of Philadelphia, of Chicago, and of every great center of population.

Mr. THOMAS. It is true of Washington.

Mr. CUMMINS. I do not know but that it would be true of Washington. I suppose, however, there are some people who would feel that there were compensations if that calamity should fall upon Washington. [Laughter.]

We can not contemplate that situation with any complacency at all. If we can not find some way in which to avoid a contingency of that kind, then our boasted and vaunted institutions are mere shadows, and we should escape from them as speedily as possible. There must be some way in which a democracy can administer justice to all its citizens, which will render them so far content that they will be willing to carry on their vocations with reasonable regularity and continuity.

Mr. President, I was the author of a somewhat famous statement or declaration in what is known as the Clayton anti-trust law that the labor of a human being is neither a commodity nor an article of commerce. I believed in the truth of that statement profoundly then, and I believe in it now with even

deeper conviction. The labor of a human being is not a commodity; it ought not to be dealt with as a commodity; it ought not to be judged as a commodity; for it is a part of human energy that may solicit and ought to receive the same high consideration from the world, from every legislative body, as all other energies of the mind or the body. But I am just as much opposed to Mr. Foster dealing with human labor as a commodity as I am opposed to Mr. Gary dealing with it as a commodity.

It is just as fatal to the welfare of the United States to allow the American Federation of Labor to deal with labor as a commodity or as an article of commerce as it is to allow the National Association of Manufacturers to deal with it as an article of commerce or as a commodity. This declaration, for which I make no apology and of which I am as proud as I am of any other act of my life, means that labor is to be lifted above the rules which apply to mere inanimate things; it means that the laborer is a man and entitled to all the rights of a man, and that he should no more sell himself to a labor union than he should sell himself to a manufacturer. It applies to both and all with equal force and strength.

I do not want it to be understood that I am opposed to labor unions. On the contrary, I think they are an essential part of our industrial organization. I do not believe that we could long survive in peace and in order without labor unions. I think the gathering together of men in every occupation is not only defensible but I think it is highly beneficial and helpful in the maintenance of law and order. The laboring men in any particular enterprise or in any particular calling have just as much right to come together and work to promote their own interests and lift themselves up, if they can, in the great scale of human society as have the men of capital or the men of the professions, the men who labor, as it is said, with their minds instead of with their hands. I do not want it to be understood that there is in this bill or that there is in my mind any antipathy, any hostility, anything but admiration, for labor unions.

I believe also in collective bargaining. There is no escape from collective bargaining. It is the decree of this age from which we ought not to attempt to escape. This bill is founded upon the necessity for labor unions, so far as the provisions to which I now have reference are concerned. It could not operate without the presence of labor unions. This bill recognizes collective bargaining; it can not be administered efficiently without collective bargaining.

I have said so much because there has been an industrious effort to misrepresent the bill. I have been amazed when I have read some of the lying reports which have been circulated throughout the country with respect to the objects which this bill seeks to attain, and I am saying what I have said to do what little I can do to overtake these gross and malicious misrepresentations.

It is said—it has been said to our committee—that this provision of the bill contravenes the natural rights of man, and is therefore unconstitutional. It is a very common thing to hear it said that this manacles the workingman, puts shackles upon his limbs, and reduces him to involuntary servitude. Nothing could be more wicked than an assertion of that character. This bill does not interfere with the right of any employee of a railroad company or any official of any railroad company, because this bill applies equally to every person who serves a common carrier if the common carrier is subject to the act to regulate commerce. The bill does not prevent, interfere with, or embarrass any man who desires to leave his employment. He can quit or a hundred of them or a thousand of them can quit whenever they desire so to do. But I am not willing to allow the statement to go unchallenged that it is a fundamental and a constitutional right that every man can enjoy to quit his employment whenever he pleases. That is not true.

This bill does not interfere with his right at all; but a soldier can not quit whenever he desires. He can not cease his employment. An engineer upon a railway train can not quit whenever he may desire to quit. He can not leave his engine and his train so that human life would be imperiled or so that property, even, might be injured. A physician or surgeon can not quit his employment whenever he may desire to quit, either morally or legally. He can not leave a dangerous operation half performed because it is his pleasure no longer to continue the work of his profession. I am mentioning these things simply to show that it is not true, broadly and fundamentally, that every man in the world can quit what he is doing at any moment he chooses to quit. The human right—and I am now speaking of the individual right rather than the group right—is subject to higher considerations than his pleasure.

Mr. THOMAS. Mr. President——

Mr. CUMMINS. I yield to the Senator from Colorado.

Mr. THOMAS. I hope the Senator will not omit, in the category of obligations that he is now giving, to include men who are working under time contracts, whether collectively or individually.

Mr. CUMMINS. Quite true. That would not have occurred to me, but the observation is a very just one. I am mentioning these things not because they are material to the bill, for we do not attempt in the bill to interfere with the right of any employee of any railway company or any manager of any railway company to cease his employment whenever he individually may desire to do it, but I grow tired sometimes of hearing these broad generalizations which are so cheerfully made by those who want to relieve the human being of all responsibility to society. We owe something to our fellow men, and, as the President of the United States has just said, that is the dominant duty that falls upon every conscious, responsible human being.

It is well worth while to read what the President has just said upon this subject. I am not altogether sure that I understand his reference, but I think I do, and if anybody here differs from me in that respect I hope he will make it known at this time.

The President, in the message which was delivered day before yesterday to the Congress of the United States, said, among other things:

> Labor not only is entitled to an adequate wage, but capital should receive a reasonable return upon its investment and is entitled to protection at the hands of the Government in every emergency. No government worthy of the name can "play" these elements against each other, for there is a mutuality of interest between them which the Government must seek to express and to safeguard at all cost.

Truer words were never penned, a more timely warning to our industrial society was never given, than in the language I have just read.

But I proceed:

> The right of individuals to strike is inviolate and ought not to be interfered with by any process of government; but there is a predominant right, and that is the right of the Government to protect all of its people and to assert its power and majesty against the challenge of any class. The Government, when it asserts that right, seeks not to antagonize a class but simply to defend the right of the whole people as against the irreparable harm and injury that might be done by the attempt of any class to usurp a power that only Government itself has a right to exercise as a protection to all.

If I understand correctly the passage I have just read, it states views which every good citizen of the United States ought to entertain, and it expresses my own convictions with absolute accuracy.

Mr. THOMAS. Mr. President——

Mr. CUMMINS. I yield to the Senator from Colorado.

Mr. THOMAS. The comment made by the Senator upon the message of the President is, I think, unquestionably correct. It is in harmony with the attitude of the President during the closing days of our session in September, 1916, when the Adamson bill was enacted. Prior to the enactment of that measure the President came before the Democratic steering committee of the Senate with a program of legislation which he declared to be fundamentally necessary, because of the impossibility of any agreement between the committees representing the railway companies and the heads of the brotherhoods over the issue which then became so acute. That program, among other things, provided for a bill containing the substance of that part of the railway bill which the Senator is now discussing relating to the subject of labor, and made substantially the same provision. It distinctly proposed to prevent strikes on a large scale as a result of disputes between the employees of the railroads and their managers until the submission of the dispute to a properly constituted tribunal; and the steering committee of the majority of the Senate at that time unanimously agreed to support it as a part of the recommendations of the President. That it did not do so is a matter of history; but I mention it now, in connection with the recital by the Senator from the President's recent message, not only as showing a consistency between his views then and his views now but also as showing that the committee is seeking in this matter to carry out what the steering committee of the Democratic Party unanimously agreed to carry out and accomplish in September, 1916.

Mr. CUMMINS. Mr. President, it matters not to me whether the Democratic Party secures the credit for this legislation or not. To me it is absolutely a nonpartisan question.

Mr. THOMAS. Mr. President, the Senator, I think, misunderstood me. I did not intend to suggest that.

Mr. CUMMINS. I know that.

Mr. THOMAS. I merely wish to emphasize the fact that what the Senator is trying to do is what we ought to have done, and did not do. I quite agree that the question is too broad for any partisan consideration; and I hope that neither the Senator nor any other person present will gather the impres-

sion that I am trying to claim any credit either for the party to which I belong or for the President of the United States in connection with this matter.

Mr. CUMMINS. Oh, no.

Mr. THOMAS. I merely wish to emphasize, and by that emphasis support, the position of the Senator, which seems to me to be in line with the duty resting upon the Senate.

Mr. CUMMINS. I hope the Senator will not think, from the remark which I have just made, that any such thought was in my mind. It would be more difficult to convince me that the Senator from Colorado is moved now or at any time in great public matters by partisan considerations than it would to prove the same thing respecting almost any man in the world. I know the purity of his motives and I know that he did not intend by the reference he has just made even to indicate that this question—great, broad, comprehensive, vital, and fundamental—should take on a partisan coloring. I think, though, that the program suggested two or three years ago, and to which the Senator from Colorado has just referred, was not complete.

I may not remember it accurately, but it seems to me that the proposition then was that the strike should be prohibited for a time, pending an investigation with regard to the merits of the dispute, and that after the investigation was had, no matter what the outcome of the investigation might be, then the right to strike was resumed and might be exercised at any time. That has been tried in our sister Republic at the north. Canada has tried that plan, and I am bound to say that my examination of the history of the legislation and of its administration has not been reassuring.

This bill proposes to take away the right to strike at any time.

Mr. MYERS. Mr. President, if a right is inviolate, how can there be any predominant right?

Mr. CUMMINS. Mr. President, I am not going to analyze the exact phraseology of the message from which I have read and subject it to any such critical analysis. I believe that the President meant, when he penned those words and sent the message to us, that the right to strike must be subordinate to the welfare of the great body of the people, and that when the strike involved the interests of all the people it must give way to some other plan for the adjustment of a dispute.

Mr. MYERS. If the Senator will permit me, I would just like to say that I can not agree with the President's statement that the right to strike is inviolate. If that is true, the anti-strike clause in this bill is improper, and should be defeated.

Mr. CUMMINS. Mr. President, I will leave the Senator from Montana to settle that with the President of the United States as best he can. He puts one construction upon the message, part of which I have read; I put another. I interpret it in the light of what I believe a statesman and a humanitarian would say under like circumstances, and I hope the Senator from Montana will not drive me from that very comfortable position.

Mr. MYERS. I have no desire to do that. If the Senator will permit me, I will say that I sought a settlement of that matter with the Senator from Iowa in preference to the President, because the Senator from Iowa approved the President's utterance, and the Senator from Iowa is present and the President is not here.

Mr. CUMMINS. I am bringing the President of the United States to the support of this bill, hoping that it will not only affect the people of Washington, and especially the Senate of the United States, but that it will affect the people of the whole country. We are dealing with a grave and impending crisis, and I can not, I will not, believe that the language which I have just read was intended to mean what the Senator from Montana insists that it means. I would rather think that it was in harmony with the suggestions of the Senator from Colorado [Mr. THOMAS].

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I yield to the Senator.

Mr. KING. I should be reluctant to place the construction on the message which has just been indicated by the Senator from Montana [Mr. MYERS]. I am inclined to think that the views expressed by the Senator from Iowa are a correct interpretation of the message, which seems to be borne out by the action of the Attorney General in initiating proceedings against the striking miners, and from all that we can learn the action of the Attorney General has the support of the Chief Executive of the United States.

Mr. CUMMINS. I am very much obliged to the Senator from Utah. I agree with him in that respect. No matter what the proper interpretation of the President's message may be, the construction I have given it is sound policy for the people of the United States.

This bill punishes only a combination or agreement between railway employees, and when I use the word "employees" I mean all the employees of the corporation, whatever their rank may be. Even if I were to grant that the individual right to cease employment or quit is perfect and complete, I could not grant that the right to enter into a combination or conspiracy to accomplish a purpose inimical to the welfare of society is a natural or constitutional right. This bill does not control the individual, but it controls the combination, the agreement, and it declares that if two or more persons, being employees of a carrier subject to the act to regulate commerce, shall enter into an agreement or a combination to suspend or prevent the movement in interstate commerce of commodities on which we are all dependent for life and for health for the purpose of enforcing some demand or claim against their employer, that such persons shall be guilty of a misdemeanor and shall be punished accordingly.

What right have I, who may believe I have a just claim against you, to enter into a conspiracy or combination or agreement with some other man or with some other men to deprive you of the necessaries of life until you yield to the demand which I have made upon you? It is monstrous. It can not be defended in any court of morals. A course of that kind can not be defended in any court of civilization and progress.

Mark you, I do not believe that the right of strike should be taken away from the employees without substituting something better in its stead. So long as it is a mere conflict between the employees and the employer, I would permit, of course, as this bill permits, a strike. The loss that might be imposed upon the employer does not greatly concern society, and there is no disposition on the part of the committee, I am sure, to interfere with a conflict of that character. It is only when the conflict, this endeavor to impose loss upon the employer, becomes destructive of society, of the welfare of the great body of the people, that this bill proposes to intervene and make it impossible.

I do not intend, Mr. President, to read the provisions, but I want to emphasize two things: First, the bill provides what it believes to be impartial tribunals for the adjudication of all disputes between the carriers and their employees. These tribunals, the details of which I shall not discuss at this moment, have jurisdiction of all the disputes which may come up from time to time between the railway corporations and their employees. Bear in mind that we have attempted to establish a tribunal with jurisdiction and with capacity to determine all the disputes which ever gave rise to a strike. In the second place, I hope you will bear in mind the character of the penal provision, which is that——

> It shall be unlawful for two or more persons, being officers, directors, managers, agents, attorneys, or employees of any carrier or carriers subject to the act to regulate commerce, as amended, for the purpose of maintaining, adjusting, or settling any dispute, demand, or controversy which, under the provisions of this act, can be submitted for decision to the committee of wages and working conditions or to a regional board of adjustment, to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement and with like purpose substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce.

This is the description of the offense; and remember that the offense can only be committed when the dispute is one of which the Government has taken jurisdiction, and which it has assumed the duty of adjudicating according to its very merits.

There is another provision which is necessary as a supplement to the one I have just read, as follows:

> Whoever knowingly and with like intent shall aid, abet, counsel, command, induce, or procure the commission or performance of any act made unlawful in the last preceding section hereof shall be held guilty of a misdemeanor——

And so forth.

You will all recognize that this is simply a reproduction of our present statute with regard to accessories and those who aid and abet in the commission of a crime.

Mr. President, remembering that we have provided a tribunal which we believe to be a just, fair, and impartial tribunal for the adjudication of all controversies of the character I have described, I hope that this thought will be in every mind, that we are substituting the justice of the Government of the United States for the justice which wage workers have hoped to secure through the strike. We are simply exchanging one instrumentality for another. We are offering an opportunity to secure

justice which does not involve this awful sacrifice, which does not involve the wreck and ruin of industry, of homes, and of character. We are offering to do in controversies out of which railway strikes may arise just what our courts of justice have done for centuries with respect to controversies between man and man. Hitherto we have not regarded it as necessary that our Government should undertake the adjudication which is here provided for, and I, Mr. President, have been very slow and very reluctant to go forward to that duty. But I perceive, and I have long perceived, that it is necessary, if we are to have regularity and continuity of employment. Therefore I am willing, on the part of my Government, to undertake to do full and complete justice, so far as wages and working conditions are concerned, to those who enter into employment of this character. I believe, and believe from the bottom of my heart, that the laboring men of America will be more apt to secure justice or approach perfect justice through the intervention of these tribunals for the settlement of their disputes than they have ever been able to secure through the medium of the strike, when you remember the losses that are entailed not only upon the general public, not only upon their immediate employer, but upon themselves. When will the striking miners be able to recoup the enormous losses which they have suffered during the last month?

It is said they would, if necessary, imperil lives of their fellow men in order to accomplish their purposes; but if we provide for them a tribunal in which they have confidence and for which they have respect and to which they can appeal, there could be no justification, no defense whatever, for the danger through which they are now leading the people of the United States. Think of this provision merely as a substitution of justice, so far as human government can administer justice, for the ends sought to be obtained by the strike.

I am not conscious of any change in my heart toward those who labor with their hands. I know through the experience of earlier years some of the hardships, some of the privations, some of the sufferings which attend the lives of men of meager compensation, but I can have no sympathy whatever with an effort to overturn the institutions of America through the disorders which must inevitably accompany these constantly repeated efforts to determine what is right and what is just by mere conflict and through the powers of endurance.

Possibly some Senator can suggest a better plan through which we may rise to a higher ground for the adjustment of these great disputes and for the calming of these intense passions. If any Senator can do so, I am sure the committee will be glad to accept any suggestion which may be made. We only know—and upon this I speak, I am sure, with absolute certainty—that in some way there must be found, in some way we must discover, the path from the tangle of conflict and of passion into which we are constantly led. I would have no faith in the intelligence of my fellow men, I would have no confidence in the patriotism of the people, if I did not believe that there is a solution for this mighty problem that will bring peace, order, prosperity, happiness, and content to all the people of the country.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Harris	Newberry	Stanley
Capper	Johnson, S. Dak.	Norris	Sutherland
Chamberlain	Jones, Wash.	Overman	Thomas
Cummins	Kellogg	Page	Underwood
Curtis	Kenyon	Phipps	Wadsworth
Dial	Keyes	Reed	Warren
Fletcher	King	Sheppard	Watson
France	La Follette	Simmons	
Gay	McKellar	Smoot	
Hale	Myers	Spencer	

The VICE PRESIDENT. Thirty-seven Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. EDGE, Mr. STERLING, and Mr. SWANSON answered to their names when called.

Mr. BALL entered the Chamber and answered to his name.

The VICE PRESIDENT. Forty-one Senators have answered the roll call. There is not a quorum present.

Mr. SMOOT. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will carry out the instructions of the Senate.

Mr. NUGENT and Mr. MCLEAN entered the Chamber and answered to their names.

After a little delay Mr. TOWNSEND and Mr. SMITH of Georgia entered the Chamber and answered to their names.

Mr. CUMMINS. Mr. President, I understand that there are Senators in the Capitol Building who refuse to obey the direction or order of the Sergeant at Arms. I think the Senate ought to be advised with regard to that matter.

The VICE PRESIDENT. Will the Sergeant at Arms report the names of the Senators whom he has requested to attend?

Mr. CUMMINS. I very much desire to have an order entered. It is not fair that Senators who are in the building should make it impossible that the Senate shall make an order.

The VICE PRESIDENT. The Chair is informed that the Sergeant at Arms is at the door of the Foreign Relations Committee trying to get in.

After some further delay Mr. MOSES, Mr. PITTMAN, Mr. LODGE, and Mr. HITCHCOCK entered the Chamber and answered to their names.

The VICE PRESIDENT. Forty-nine Senators have answered to the roll call. There is a quorum present.

TREATY OF PEACE WITH GERMANY.

Mr. STANLEY. I ask to have printed in the RECORD an article from the Boston Sunday Globe of November 30, 1919, by James Morgan, on the treaty of peace with Germany.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Sunday Globe, Nov. 30.]

SHALL WE GO IT ALONE?—AND WHAT WOULD IT MEAN?—SOME OF THE THINGS THAT A FAILURE OF THE TREATY WOULD LET US IN FOR AND WHAT IT WOULD MEAN TO THE WORLD.

[By James Morgan.]

"Suppose the unsupposable—that the New York Stock Exchange, the Chicago Board of Trade, the New York Cotton Exchange, the Federal reserve bank, and the Chamber of Commerce of the United States should catch the habit of certain Senators and begin to talk of America going it alone. Every country for itself, and may the devil take the hindmost. We should worry! We can look out for ourselves!

"We are for America alone, first, last, and all the time. [Loud applause from the galleries.] We were born Americans; in spite of all temptation to belong to some other nation, we will live Americans and we will die Americans. [Uproarious cheers.] Let us get out of Europe—mind our own business and leave her to mind hers. She may go smash for all of us; we will not lift a finger to help her in reconstruction or in restoring her prosperity. We are not going to meddle in her affairs or let her meddle in ours, by jingo! [Deafening cheers.]

SAWING OFF THE LIMB.

"But what would happen to us? The rate of foreign exchange, which is already so much in our 'favor' that we are hastening to stop its becoming more 'favorable' to us, would sink so low that you would have to go down in a diving suit to find it. As it fell our own dollar would rise to such altitudes that we could not overtake it in an airplane.

"Next, the immense flood of our foreign trade would come rolling back upon us, putting out many of our factory fires and throwing out hundreds of thousands of our workers. The billions that Europe owes us she could not pay any more than a turnip can give blood, and credit would be paralyzed.

"After that, how much business of our own would there be left for us to mind? We should probably be kept busy for a day or two in locking up in asylums the crazy brokers and bankers and merchants who had sawed off the limb of the international tree on which we roosted.

IF DOCTORS TALKED LIKE SENATORS.

"Suppose another unsupposable—that the American Medical Association, the National Board of Health, the boards of health of New York, Boston, San Francisco, and of our other ports should catch the contagion of the Senate. Suppose the doctors became so intensely patriotic that they should refuse longer to correspond or cooperate with the health authorities of other nations in the war on infectious diseases, should declare by concurrent resolution that the war against pestilence is over, that henceforth the United States will take care of itself and leave the rest of the world to do the same.

"Extra! Extra! Yellow fever reappearing in Habana and in Rio de Janeiro! What business is that of ours? Why should we send our American doctors to clean up the filth of foreigners and destroy disease in those foreign countries, giving American lives to save Cubans or Brazilians? Wait until the yellow fever attacks us, as the dear old fathers of the Republic used to do, and then it will be time enough for us to fight it.

"Extra! Extra! The red plague, epidemic in Russia and threatening to sweep westward over Europe! That is no affair of ours, and will not be—until we ourselves catch it!

WHO IS MY NEIGHBOR?

"Does that sound far-fetched? Then what do you call the talk we have been getting from some of the Senators?

"The analogy is true. It is fresh in our memory how far off 'Spanish' influenza seemed to us when we first heard of it, and how indifferent we were. But in a few months it became 'American,' without our leave and without waiting to be naturalized.

"Political, financial, social, economic disorders are just as infectious as the influenza or the cholera, just as international in their sweep. Millions of lives, hundreds of billions of treasure might have been saved, the World War averted, if there had been any agency to supervise or clean up in time a little pesthole in the Balkans, where the germs of the great, desolating conflict were bred.

"We know now better than it was known in Judea the answer to a certain lawyer that asked Jesus, 'Who is my neighbor?' Whoever can give us a deadly fever is our neighbor, though he may dwell submerged in the unvisited slums of our city. And whoever can threaten our peace is our neighbor, though he be a crack-brained Serb 4,000 miles away in that little Bosnian town of Sarajevo, which most of us had never heard of until 1914. We had to learn that lesson by bitter experience, just as the people of Glasgow, in Thomas Carlyle's story, waited until an outcast woman had communicated her typhoid fever to 17 persons before they recognized that she was their sister and took care of her.

WHY WE WENT INTO THE WAR.

"We have so overstressed idealism and altruism as the motives of our foreign relations in the past three years that it has made many good people doubtful of the practical soundness of our policies and given devious politicians, camouflaged in the protective colors of the flag, a chance to spread among us the suspicion that we have been forgetting our own interests. The unvarnished truth is that our only idealism has been to hold up to the world old and tested American principles of action, asking nothing for ourselves that we are not willing to concede to everyone else.

"That is all the altruism there has been in our attitude toward Europe. It is simply enlightened egoism.

"There has been much prattling of it, but we all know that we did not go into the war to save Belgium, France, England, Europe. On the contrary, we let them blaze two years and a half while we dismissed it as none of our business.

"We did not go in even to avenge the loss of American lives off the Irish coast in 1915, but instead two-thirds of our Members of Congress, after the sinking of the *Lusitania*, were for ordering Americans to keep off the ships. Both of the big political parties held national conventions in June, 1916, when the war had been raging almost two years, and both declared for a continuance of the policy of neutrality.

"Most Americans began to find out that the war was our business only on a certain Sunday afternoon in October, 1916, when we saw it spread to Nantucket and German submarines drowning sailors off our coast. Still we waited till our ports actually were sealed with terror of the U-boats in February, 1917, and the Germans were plotting a flank attack upon us by way of Mexico. Then at last we went in to make the world safe for democracy, but only because democracy is our ocracy and autocracy was the other fellow's ocracy.

"Yet Senators tell us that we may be depended upon to spring to the rescue of civilization again when it is threatened as we sprang to its defense in this instance. But are we sure that civilization can wait the next time two years and a half for us to find out that a quarrel in Europe is any of our business and four years for us to arrive on the scene of danger?

ABRIDGING OUR SOVEREIGNTY.

"Some of the most fervent declaimers in the Senate against letting Europe 'dictate' our policies are just as fervent for our importing and adopting European militarism. Who but the Old World is dictating to us such a course? The plea and the pressure for conscription in this country in time of peace are a confession that the business and the broils of all the rest of the world are just as much our business and broils.

"Yet we must tack on a reservation to the clause in the treaty that looks toward universal disarmament, and decline to be bound generally because the treaty might, in even the remotest contingency, send a few regiments of our soldiers to preserve the peace of Europe. No; wait until there is no peace and then send overseas 2,000,000 troops to stop a war that others have started regardless of us.

"There must be no abridgement of our sovereignty! But it is abridged by every treaty we make, whether political or commercial.

"It is only a question of our voluntarily abridging our sovereignty, as we did 100 years ago in the Rush note for disarmament, even within our own territorial waters on the Great Lakes, and as we did half a dozen years ago in a score of arbitration treaties by which we are pledged without a single reservation to the same principle that this world treaty would pledge us to.

AN OSTRICH ISOLATION.

"We are in the world to stay, and not only since this war. We have always been in it. Even the American Indians found that they were, though walled in by thousands of miles of unexplored, uncharted seas. Our fathers in turn found that they were, when the war of the Spanish succession spread into their wilderness and lighted the torch that burned Old Deerfield.

"A century and a half before a Prussian monarch taught us the lesson anew our ancestors learned it from Frederick the Great, when, 'in order that he might rob a neighbor whom he had promised to defend, black men fought on the coast of Coromandel and red men scalped each other by the Great Lakes of North America.' Yet it is asked in this day by Senators of the United States what business it is of ours to send a handful of American soldiers to help establish a just peace in that very Silesia where the seven years' war started and whence it spread to Pittsburgh.

"To recoup his losses in that Old World war the British King taxed Americans, and thereby brought on the American Revolution, which a French King helped us to win because he wished to revenge the defeats of France on European battle fields. We were so much in the world in 1812 that we could not escape the flames of the French Revolution and the Napoleonic wars.

"The revolution of 1848 and a famine in misgoverned Ireland opened a torrent of German and Irish immigration to our shores. The burden of the Franco-Prussian War and of Prussian militarism still further swelled the flood of Teutonic migration to America. No sooner did a savage Czar begin the persecution of the Russian Jews than they began to swarn to our cities.

"An ostrich isolation is the only kind that is possible for us, ever was possible—to isolate our heads from the facts. This is what so many Senators have been doing and what we all did in the 40 years while the World War was preparing to steal upon us.

OUR LAST CHANCE.

"The only choice open to us is to live in the world with our peace subject wholly to the actions of other nations or to live in it on terms which we have had the leading part in making, which we almost dictated in this treaty. It is a fleeting opportunity, and it will not return, if ever, until we have been caught again in just such a collision of alliances as this war was—or something even worse.

"For if we kill this treaty, either openly or covertly, Europe can not restore it to life. She may not be able to save herself even from bankruptcy and revolution.

"We alone can save the treaty, can give it vitality. Without us the old armed alliances will become a necessity. Even now a thrill of terror is running through France, as she finds herself without an ally, facing across the width of a street a Germany still twice her size, and with a chance always of drawing Russia to her side. Without us, the peace of the world, civilization itself, must go swaying again on the old teeter board—the balance of power. And the nations once more in that snarl, it will be too late to attempt to unsnarl them and bring unity out of the clashing rivalries.

IF WE GO IT ALONE.

"All right, say the ultranationalistic, we can go it alone; we need no help from other nations. We will arm to the teeth and be prepared to take care of ourselves. But can we be sure that there may not be situations in which even we would be glad to have a friend? Surely, that came in handy enough in 1914–1918!

"Where will the next collision take place? No one knows. Possibly not where the British Navy and the French Army will be buffers for us again.

"The menace to us in the future may not come from Europe at all, but from Asia. We have seen what Japan could do in 30 years. How much more, if the world is to be abandoned to militarism, may not multitudinous China and India do in another 30, or 50, or 100 years? Those periods of time are only hours on the clock dial of history.

"It should give even the most self-reliant Americans pause when they reflect that, with Siberia detached from Russia, as it is now, the United States is the only Nation in the world to-day which fronts on the Orient and Occident. It is conceivable in the entanglements of alliances—Japan is even now renewing, reshaping, her alliance with England—that we might have to defend ourselves on both fronts at the same time.

"To be ready for battle at once on the Atlantic and the Pacific and to guard simultaneously the eastern and western coasts of the two Americas—all depending on us under the Monroe doctrine—would call for an American naval and military program which would make the Kaiser's preparedness and Prussian mili-

tarism look like pacifism. That unavoidable, actual burden should be weighed in the balance against the possible burdens of the treaty which Senators have been conjuring up.

"In any case, we are not in reality going to get along without the world. Why, then, not try to get along with it?"

RECESS.

Mr. CUMMINS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until to-morrow, Friday, December 5, 1919, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *December 4, 1919.*

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. WALSH.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, Thou hast permitted us to pass through the scourge of a world-wide war, attended with the loss of millions of lives, millions of wounded and scarred men, millions of heartaches, and billions of dollars, to teach us the beauty of peace and brotherly love, the pearl of great price.

Have we learned the lesson? God grant that we may have, that war may come no more.

When winds are raging o'er the upper ocean,
And billows wild contend with angry roar,
'Tis said, far down beneath the wild commotion,
That peaceful stillness reigneth evermore.

Far, far away the roar of passion dieth,
And loving thoughts rise calm and peacefully,
And no rude storm, how fierce soe'er it flieth,
Disturbs the soul that dwells, O Lord, in thee.

So to the heart that knows thy love, O Purest,
There is a temple, sacred evermore,
And all the babble of life's angry voices
Dies in hushed stillness at its peaceful door.

So may it be with Thy children. Amen.

The Journal of the proceedings of yesterday was read and approved.

SIX MONTHS' PAY TO DEPENDENTS OF REGULAR ARMY MEN.

Mr. ANTHONY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ANTHONY. Is a vote now pending on the bill which was under consideration yesterday when the House adjourned?

The SPEAKER pro tempore. The previous question having been ordered, the vote will come on the motion of the gentleman from Texas [Mr. BLANTON] to recommit; and that is the business now in order.

Mr. ANTHONY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Kansas makes the point of order that there is no quorum present. Evidently no quorum is present.

Mr. CLARK of Missouri. Mr. Speaker, why not vote upon this motion to recommit, and save one roll call?

Mr. CRAGO. Mr. Speaker, would not that be an automatic roll call?

Mr. MONDELL. Mr. Speaker, a point of no quorum having been made, and the Chair having found that no quorum is present, I move a call of the House.

The SPEAKER pro tempore. The gentleman from Wyoming moves a call of the House.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. The House having divided yesterday on the motion to recommit, is not the vote now, under the point of order, on the motion to recommit?

Mr. MANN of Illinois. In the first place, the House did not divide.

Mr. BLANTON. Oh, I beg the gentleman's pardon. I beg to call the Chair's attention to the fact that the House did divide. The Speaker announced, "All in favor of this motion say 'aye,'" and the House was dividing when the point of no quorum was made. Regardless of what the RECORD shows, that is the fact. The House had divided.

The SPEAKER pro tempore. The RECORD shows that the Speaker pro tempore stated:

The question is on the motion to recommit.

Thereupon Mr. BLANTON rose and said:

Mr. Speaker, on that motion to recommit I ask for the yeas and nays, and pending that I make the point of no quorum present.

The Chair would rule that under the circumstances the House was not dividing.

Mr. BLANTON. Mr. Speaker, I ask that the RECORD be corrected to show the facts according to the reporter's notes.

Mr. MANN of Illinois. The RECORD does show the fact.

The SPEAKER pro tempore. That request is not in order. The question now before the House is on the motion to order a call of the House.

The question was taken, and the motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Ayres	Fairfield	Kahn	Sanders, N. Y.
Bacharach	Ferris	Keller	Schall
Barbour	Flood	Kendall	Scott
Barkley	Fuller, Mass.	Kennedy, R. I.	Scully
Bee	Gallivan	Kettner	Sears
Black	Gandy	King	Sells
Blackmon	Garland	Kraus	Siegel.
Bland, Ind.	Garner	Kreider	Sisson
Bland, Mo.	Goldfogle	LaGuardia	Slemp
Booher	Goodall	Langley	Smith, Mich.
Briggs	Goodwin, Ark.	Luhring	Smith, N. Y.
Britten	Gould	McClintic	Steagall
Candler	Graham, Pa.	McKeown	Stedman
Caraway	Hadley	McLane	Steele
Carter	Hamill	McLaughlin, Mich.	Stephens, Ohio
Christopherson	Hamilton	Major	Stoll
Classon	Hardy, Tex.	Mansfield	Strong, Kans.
Cole	Harrison	Mead	Sullivan
Collier	Haskell	Merritt	Sumners, Tex.
Cooper	Heflin	Miller	Sweet
Crowther	Hernandez	Montague	Taylor, Ark.
Dallinger	Hersman	Moore, Pa.	Thompson
Davey	Hickey	Morin	Vare
Davis, Tenn.	Hill	Mudd	Venable
Denison	Hoch	Murphy	Voigt
Dent	Howard	Nicholls, S. C.	Volstead
Donovan	Huddleston	Nichols, Mich.	Ward
Dooling	Hudspeth	Nolan	Wason
Doremus	Hull, Iowa	O'Connor	Webster
Dowell	Humphreys	Olney	Wheeler
Dunn	Igoe	Osborne	White, Kans.
Dupré	Jacoway	Overstreet	Winslow
Eagan	James	Ramseyer	Wise
Eagle	Johnson, Ky.	Reavis	Young, Tex.
Edmonds	Johnson, S. Dak.	Rowan	Zihlman
Ellsworth	Johnston, N. Y.	Rubey	
Elston	Jones, Pa.	Sanders, Ind.	
Esch	Jones, Tex.	Sanders, La.	

The SPEAKER pro tempore. On this call 286 Members have answered to their names, a quorum.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. Should the House be able to maintain the quorum which has lately answered to their names when called, then the only way by which the Members of the House can go on record "yea" or "nay" upon the motion to recommit would be for the House to order the yeas and nays on the motion to recommit, which would thus place every Member on record for or against the proposition. Is not that the fact?

The SPEAKER pro tempore. If a sufficient number of the House——

Mr. BLANTON. Remain present.

The SPEAKER pro tempore. Express their desire for a call of the yeas and nays.

Mr. BLANTON. And that would be one-fifth of the Members present?

The SPEAKER pro tempore. Yes. The Chair lays before the House the unfinished business, which the Clerk will report by title.

The Clerk read as follows:

S. 2497. An act to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct.

The SPEAKER pro tempore. The question is on the motion to recommit.

Mr. BLANTON. Mr. Speaker, upon that I demand the yeas and nays.

Mr. ANTHONY. Mr. Speaker, I move the previous question on the motion to recommit.

The SPEAKER pro tempore. The gentleman from Kansas moves the previous question on the motion to recommit.

The previous question was ordered.

Mr. BLANTON. Mr. Speaker, I demand the yeas and nays on the motion to recommit.

The SPEAKER pro tempore. The gentleman from Texas demands the yeas and nays on the motion to recommit. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Eighteen Members have risen, not a sufficient number.

Mr. BLANTON. Mr. Speaker, I demand the other side.

The SPEAKER pro tempore. The Chair will state that a call of the House has just been had and that 286 Members answered to their names. It is evident that 18 is not a sufficient number to secure a call of the roll on the motion to recommit. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 36, noes 191.

So the motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. BLANTON. Division, Mr. Speaker.

The House proceeded to divide.

Mr. BLANTON. Mr. Speaker, on this vote I ask for the yeas and nays. I will not get them, but I ask for them just the same.

The SPEAKER pro tempore. Those in favor of ordering the yeas and nays will rise and stand until they are counted. Six gentlemen have risen, not a sufficient number, and the bill is passed——

Mr. BLANTON. No, Mr. Speaker; we have not had the negative. We have had the affirmative vote, and I would like for the Chair to put the negative vote. The yeas and nays were called for, the affirmative vote was taken, but the negative had not been put.

The SPEAKER pro tempore. Those opposed will rise. On this vote the yeas are 201 and the nays are 11.

Mr. BLANTON. Mr. Speaker, I make the point of order of no quorum present.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order of no quorum. The Chair will count. [After counting.] Two hundred and fifty-one Members are present, a quorum, and the bill is passed.

On motion of Mr. GREENE of Vermont, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. HULINGS. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. HULINGS. I desire to ask unanimous consent to have printed in the RECORD a petition from many citizens of Pennsylvania respecting the railroad bill.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to extend his remarks by printing in the RECORD a petition signed by citizens of Pennsylvania in respect to the railroad bill. Is there objection?

Mr. BLANTON. I reserve the right to object.

Mr. DYER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. TIMBERLAKE. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. TIMBERLAKE. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD two short resolutions, one of them by the post of the American Legion in Colorado and the other from the organization of Elks. They are patriotic in their nature, and I believe should be printed in the RECORD.

The SPEAKER pro tempore. The gentleman from Colorado asks unanimous consent to print in the RECORD resolutions from the American Legion in Colorado and the Order of Elks. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I desire to ask the gentleman a question. Are these with reference to the present so-called industrial unrest?

Mr. TIMBERLAKE. They are and caused by the activity of Socialists, Bolshevists, and the I. W. W.

Mr. BLANTON. Are they for or against Bolshevism? [Applause.]

Mr. TIMBERLAKE. The organizations from which they come should be a sufficient warrant to the gentleman from Texas.

Mr. BLANTON. In most places of the country that would be true—in probably 97 out of 100 per cent of the cases—but I am sorry to say that even in the Army, and from a citizen holding a prominent position, hailing from the great State of Colorado, there have crept the principles of Bolshevism——

Mr. DYER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

NOMINATIONS FOR COMMITTEES.

Mr. KITCHIN. Mr. Speaker, I make the following motion to fill vacancies on committees.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. KITCHIN moves the election of the following-named gentlemen as members of the following committees:

HATTON W. SUMNERS, of Texas, Committee on the Judiciary.

PETER F. TAGUE, of Massachusetts, Committee on the Post Office and Post Roads and Committee on Expenditures in the Department of Justice.

LILIUS BRATTON RAINEY, of Alabama, Committee on Immigration and Naturalization and Committee on Coinage, Weights, and Measures.

EDWARD COKE MANN, of South Carolina, Committee on Public Buildings and Grounds and Committee on Industrial Arts and Expositions.

PHILIP HENRY STOLL, of South Carolina, Committee on War Claims and Committee on Reform in the Civil Service.

Mr. KITCHIN. Now, Mr. Speaker, a mistake was made in typewriting, and I wish to substitute the Committee on Public Buildings and Grounds, instead of the Committee on the Post Office and Post Roads, for PETER F. TAGUE, of Massachusetts.

The SPEAKER pro tempore. The gentleman from North Carolina asks to modify his motion by inserting the Committee on Public Buildings and Grounds instead of the Committee on the Post Office and Post Roads as the committee to which the gentleman from Massachusetts [Mr. TAGUE] is nominated. Is there objection? [After a pause.] The Chair hears none. The question is on the motion of the gentleman from North Carolina.

The question was taken, and the motion was agreed to.

RE-REFERENCE.

Mr. ANTHONY. Mr. Speaker, I would like to ask unanimous consent for the re-reference of a letter from the Secretary of War addressed to the Speaker of the House on November 19. This letter was referred to the Committee on Military Affairs. It relates to claims and credit accounts of certain Army officers. The House Committee on Military Affairs decided it had no jurisdiction. The Committee on Claims desires to exercise that jurisdiction and asks that it be re-referred to the Committee on Claims.

The SPEAKER pro tempore. The gentleman from Kansas asks unanimous consent for a re-reference of a communication from the Secretary of War from the Committee on Military Affairs to the Committee on Claims. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. TIMBERLAKE. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. TIMBERLAKE. Mr. Speaker, I would like to renew my request for an extension of remarks by incorporating in the RECORD the resolutions I mentioned awhile ago.

The SPEAKER pro tempore. The gentleman from Colorado asks unanimous consent to extend his remarks in the RECORD by printing certain resolutions passed by the American Legion of Colorado and the Order of Elks of that State. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, does not the gentleman know that practically every Member of the House has similar petitions presented to him?

Mr. TIMBERLAKE. There have been no petitions similar to these presented, to my knowledge; otherwise I would not have presented them.

Mr. GARD. I am entirely in sympathy with what the gentleman wants to do, but the rules of the House provide for the filing of these petitions in an orderly and proper way. Now, to say that one Member may come in with two petitions, of which possibly every other Member has duplicate copies——

Mr. BAER. Mr. Speaker, regular order.

The SPEAKER pro tempore. Regular order is demanded. Is there objection?

Mr. SNELL. I object.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. MCKEOWN, for three days, on account of illness.

To Mr. KING (at the request of Mr. BROOKS of Illinois), for 20 days, on account of important business.

To Mr. SUMNERS of Texas (at the request of Mr. RAYBURN), on account of sickness in his family.

WHEAT AND CORN MILL PRODUCTS.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER pro tempore. The gentleman from Kansas submits a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House resolution 468.

Resolved, That immediately upon the adoption of this rule the House shall resolve itself into Committee of the Whole House on the state of the Union for the consideration of H. R. 9755, being a bill to establish the standard of weights and measures for wheat and corn mill products. That there shall be two and one-half hours of general debate, one-half to be controlled by the gentleman from Indiana, Mr. VESTAL, and one-half to be controlled by the gentleman from Ohio, Mr. ASHBROOK. That at the conclusion of the general debate the bill shall be read for amendments under the five-minute rule, thereupon the committee shall rise and report the bill to the House with amendments, if any have been agreed to, that the previous question shall be considered as ordered on the bill and all amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, the resolution is for the purpose of bringing before the House at this time for consideration the bill indicated, for standardizing the packages in which wheat and corn products are placed.

Mr. WINGO. Will the gentleman yield for a question?

Mr. CAMPBELL of Kansas. For a question.

Mr. WINGO. This bill provides for standards of 5 and multiples of 5, or, rather, divisions of 100 pounds. Now, if this bill passes, those mills that have from time immemorial used the old standards of 8, 12, 24, 48, and 96, and the standard barrels of 196 pounds, will have to change their standards if their goods go through interstate commerce.

Mr. CAMPBELL of Kansas. But the trouble is there is now no standard of 196 pounds.

Mr. WINGO. There is no standard by Federal statute, but there is the universal custom in most parts of the country.

Mr. CAMPBELL of Kansas. In some of the States the standard is 196, and in other States it is 200, and the confusion has given rise to the necessity for this legislation. I understand the millers of the country, both those engaged in the production of flour and the production of corn products, are in favor of this bill.

Mr. WINGO. In other words, those who happen to be using the old standard in a great many of the States will have to conform to this new Federal standard. In other words, the Federal Government is going to tell them the size of container in which they will have to put up their flour.

Mr. CAMPBELL of Kansas. Certainly.

Mr. WINGO. Does the gentleman intend to bring in a bill standardizing clothes and the color of ties and socks, and all that sort of thing?

Mr. CAMPBELL of Kansas. No. That is another matter; that will probably not be brought before the House.

Mr. WINGO. There will be proposed a standard for babies next.

Mr. NEWTON of Minnesota. My understanding is that Congress is doing this for the purpose of establishing a standard throughout the land and that it does not apply to articles in interstate commerce.

Mr. CAMPBELL of Kansas. Mr. Speaker, I have no disposition to discuss the powers of Congress to deal with this question. There is no question about it. Congress is authorized to regulate standards of weights and measures throughout the country, and this resolution is for the purpose of giving the House the opportunity to do it now.

Mr. CRAMTON. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I will yield.

Mr. CRAMTON. It is the understanding of the gentleman that this bill is intended to have application to goods in intrastate as well as interstate commerce?

Mr. CAMPBELL of Kansas. Yes; certainly.

Mr. CRAMTON. That appears to be the understanding of the Bureau of Standards, and I think it would be under the provisions of the Constitution the gentleman refers to.

Mr. CAMPBELL of Kansas. I think so.

Mr. GARD. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I yield for a question.

Mr. GARD. Is the bill H. R. 9755 a similar bill to the bill H. R. 4782, on which hearings were had?

Mr. CAMPBELL of Kansas. I am informed that it is the same bill.

Mr. GARD. The same bill?

Mr. CAMPBELL of Kansas. I am so informed.

I yield five minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT. Mr. Speaker, this resolution is reported unanimously from the Committee on Rules, and it was represented to the Committee on Rules that the bill which it makes in order was a unanimous report of the committee. The purpose of the legislation seems to be very good, indeed, and there is undoubtedly a strong demand for it from the milling interests of the country.

Mr. STEVENSON. Will the gentleman yield for a question?

Mr. GARRETT. I will.

Mr. STEVENSON. It has just been stated over here that this bill will regulate the packages in which flour and these products can be sold in intrastate commerce as well as interstate commerce.

Mr. GARRETT. Yes; that is my understanding.

Mr. STEVENSON. I want to ask the gentleman if he thinks Congress has the power to take away from the State the right to prescribe the packages that are sold within the State and which never go into interstate commerce?

Mr. GARRETT. Yes. The Constitution of the United States provides that Congress may fix standards of weights and measures.

Mr. STEVENSON. It may fix them in any kind of commerce or just in interstate commerce?

Mr. GARRETT. No; it has a general power.

Mr. WINGO. Will the gentleman yield?

Mr. GARRETT. I will.

Mr. WINGO. There is quite a distinction between fixing the standards of weights and measures and fixing the standard sizes of packages. If you can do this, then we can fix the standard sizes of ladies' hats, can we not?

Mr. GARRETT. I do not care to go into the refinements of that. [Laughter.] The power is generally given under the Constitution to fix standards of weights and measures.

Mr. WINGO. Yes, of weights and measures; to fix standards of them, but not to apply them; not to tell how the standard shall be applied to containers. There is quite a distinction.

Mr. GARRETT. Whatever the situation may be—and I do not care to go into a discussion of the legislation—there is just one thing that I desire to call attention to, Mr. Speaker, and that is this——

Mr. CALDWELL. Mr. Speaker, will the gentleman allow me to interrupt before he goes into that?

Mr. GARRETT. Yes; I yield to the gentleman from New York.

Mr. CALDWELL. I wanted to ask the gentleman if there was pending before the Committee on Rules any request for a rule of more importance than this one?

Mr. GARRETT. Well, I do not know. This and one other were the only ones that were taken up for consideration—that is, for action—by the Committee on Rules this morning. It was stated that without this there would be no business to-day.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. LINTHICUM. I wanted to ask why in section 1 a distinction was made between——

Mr. GARRETT. Is the gentleman asking me about the bill?

Mr. LINTHICUM. Yes.

Mr. GARRETT. I had nothing to do with the framing of the legislation, and probably could not give the gentleman a satisfactory answer. He might take it up with members of the Committee on Coinage, Weights, and Measures.

There is one thing that I wanted to say about this rule itself. This rule has been drawn upon the theory that the bill was properly upon the Union Calendar. As a matter of fact, I am inclined to believe that the bill really belongs to the House Calendar, and that if a point of order had been made at the proper time it would have gone to the House Calendar. But no point of order was made, and the Committee on Rules felt that to consider it in the Committee of the Whole House on the state of the Union was in many respects more satisfactory, inasmuch as the bill presents an easier method of amendment, and so reported the resolution upon the theory that it was correctly upon the Union Calendar. That is all, Mr. Speaker, that I care to say.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER pro tempore. The House resolves itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9755, and the gentleman from New York [Mr. HICKS] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9755, with Mr. HICKS in the chair.

The CHAIRMAN. The House having resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9755, the Clerk will report the bill.

The Clerk read the title of the bill, as follows:

A bill (H. R. 9755) to establish a standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes.

The CHAIRMAN. The Chair desires to make an announcement. The present occupant of the chair feels that it is one of the prime duties of a presiding officer to preserve order. This is due to gentlemen who address the committee and it is due also to Members desiring to listen to debate. So the present Chairman is trying rigidly to enforce the rule pertaining to order. [Applause.]

Mr. VESTAL rose.

The CHAIRMAN. The gentleman from Indiana is recognized.

Mr. VESTAL. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. Under the rule the gentleman from Indiana [Mr. VESTAL] is recognized for one-half of the time, one hour and a quarter.

Mr. VESTAL. Mr. Chairman, I want to take just a few minutes of the time of the committee to explain the different provisions of this bill and try to show the desirability and the necessity of this bill being enacted into law. The object, the purpose, of the bill is to fix the standard of packages of wheat-mill and corn-mill products, naming them. The first section of the bill sets out the particular products that are to be affected by the legislation, namely, flours, hominy, grits, meals, and all commercial feeding stuffs. The second section fixes the standard weight of the packages when packed, shipped, sold, or offered for sale in packages of 5 pounds or more.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield in reference to a question as to the next section?

Mr. VESTAL. Yes.

Mr. LINTHICUM. Why was a distinction made as to commercial feeding stuffs of 60, 70, and 80 pounds instead of 100 pounds? Why was not the same rule followed as to that?

Mr. VESTAL. I will come to that in a few moments. Section 3 provides the penalty for a person, firm, or corporation that packs or causes to be packed or ships or offers for shipment these products in any other size packages than those set out in section 2 of the bill.

Section 4 makes exemption of the standard packages when they are packed or intended for export, and packed according to specifications and directions of the foreign purchaser, and also provides how these are to be used and sold for domestic consumption if it becomes necessary to so sell them.

Section 5 provides that the Director of the Bureau of Standards shall make the rules and regulations necessary for the enforcement of the act.

Section 6 makes it the duty of the district attorney to cause proper proceedings to be instituted where violations occur.

Section 7 provides that the act shall not be construed as repealing certain sections of the Revised Statutes of the United States authorizing the use of the metric system, and section 8 fixes the time when the act shall be put into effect.

The standard unit of the flour barrel is fixed by some States at 196 pounds, but by a system of subdivisions there are really established three standard-sized barrels, namely, of 192 pounds, 196 pounds, and 200 pounds.

Mr. LITTLE. Mr. Chairman, will the gentleman yield for a question?

Mr. VESTAL. Yes.

Mr. LITTLE. Can the gentleman tell me whether 200 pounds of flour can be put into these 196-pound barrels easily enough?

Mr. VESTAL. Yes. I will get to that in a moment. Where some of the States have by law established a 196-pound barrel, or where they have established it by custom, they have failed to follow the subdivision for the one-half, one-quarter, one-eighth, and one-sixteenth, which would be, of course, 98 pounds for the half, 49 pounds for the quarter, 24½ pounds for the eighth, and 12¼ pounds for the sixteenth. While these States in general have established 98 pounds for the half barrel, we have States recognizing 49 pounds and 48 pounds for the quarter barrel and 24 pounds and 24½ pounds and 25 pounds for the eighth barrel, making, as I said a moment ago, really three standards—192, 196, and 200 pounds.

I might add here that a number of States have failed to adopt any standard for a flour barrel. Two or three years ago the Federal Trade Commission began an investigation of the matter from the standard of unfair competition, that it was impossible for millers in some States requiring a package of flour in 49-pound sacks to compete with States requiring or permitting 48-pound or 46-pound sacks in interstate commerce. A bill was introduced last session by the gentlemen from Ohio [Mr. ASHBROOK], then chairman of the Committee on Coinage, Weights, and Measures, substantially like the one under consideration. But on account of other business the bill was not considered by the House.

Mr. LAZARO. Will the gentleman yield?

Mr. VESTAL. Yes.

Mr. LAZARO. The gentleman from Tennessee stated a moment ago that this bill came from your committee with a unanimous report.

Mr. VESTAL. That is correct.

Mr. LAZARO. Did the committee hold hearings?

Mr. VESTAL. We had extensive hearings.

Mr. LAZARO. Was there any opposition to it?

Mr. VESTAL. Absolutely none.

Mr. LAZARO. And the parties interested——

Mr. VESTAL. Were before the committee. Now, as I said a moment ago, a number of States, to be exact, 17 States of the Union, have no laws or statutes in relation to the standard of the flour package. One State in the Union, namely, Texas, is now on the 100-pound-weight basis for all of the commodities mentioned in this bill. The Texas Legislature has recently passed a bill substantially like the one under consideration. A number of States have a correct subdivision of the barrel as now used, making 98 pounds, 49 pounds, 24½ pounds, and 12¼ pounds for a half, quarter, eighth, and sixteenth barrel.

Mr. LAZARO. Will the gentleman yield further?

Mr. VESTAL. Yes.

Mr. LAZARO. How can the State enact a law if it is left to Congress altogether under the Constitution to enact laws?

Mr. VESTAL. I think the States have a right to enact a law, but if a Federal law is passed it will take precedence over any State law.

Mr. LANHAM. If the gentleman will pardon me, I hold in my hand the law passed by the State of Texas in reference to this matter, and it seems that the custom or policy is to adopt or enact a law only where Congress has failed to legislate.

Mr. HAUGEN. Will the gentleman yield?

Mr. VESTAL. Certainly.

Mr. HAUGEN. Section 3 provides that it shall be unlawful to ship flour for sale when in package form not in the standard size. Is it the intention to prevent the local miller or farmer from selling grain of any weight in a gunny sack or a bran sack, and would he be subject to the penalty of $500?

Mr. VESTAL. I do not quite catch what the gentleman means.

Mr. HAUGEN. If a country miller sells to a customer grain or feed or flour in a grain sack not of standard size, will he be liable for this penalty of $500? In other words, what is the definition of the words "when in package form"? I take it, that there are some definitions and perhaps the courts have passed on it.

Mr. VESTAL. I am not sure about that; but I will say to the gentleman that I propose to offer an amendment to section 3 that will absolutely clear that matter up.

Mr. HAUGEN. I think that is a dangerous proposition. In other words, "when in package form" ought to be absolutely defined.

Mr. VESTAL. The question was brought up by the Department of Agriculture, and I have an amendment to take care of that proposition.

As I was saying, some States have a correct subdivision and other States have an incorrect series of subdivisions, namely, 98 pounds, 48 pounds, 24 pounds, and 12 pounds for the one-half, one-fourth, one-eighth, and one-sixteenth barrels.

The State of Georgia, for instance, specifies 96 pounds gross weight for flours, grits, and corn meals, and the State of North Carolina specifies the 25-pound sack for the one-eighth of a barrel. Hence Georgia is on the basis of 192-pound barrel and North Carolina on a 200-pound basis.

Also, by investigation it is found that the standards fixed are not mandatory ones in all transactions. Illinois, for instance, fixed the barrel "whenever no special contract should be made to the contrary." Connecticut specifies what the barrel shall contain "when sold by weight." This same law applies to the States of Massachusetts, Wisconsin, and South Dakota.

We also find that some unusual units, such as 80 and 175 pound sacks for feed products in Alabama; 17½ and 8¾ pound sacks for corn-meal standards in Kansas and Oklahoma; and the 9$\frac{5}{16}$-pound sack allowed in Oregon.

I desire to insert in the RECORD as part of my remarks an abstract of the State laws fixing weights of standard barrels or sacks for flour, meals, and so forth, showing the subdivisions used, as I believe the same will be of interest to the Members of the House.

The matter referred to is as follows:

Abstract of State laws fixing weights of standard barrels and sacks for flours, meals, etc.

State.	Barrel.	Subdivisions in pounds.					Remarks.
		One-half.	One-fourth.	One-eighth.	One-sixteenth.	One-thirty-second.	
	Pounds.						
Alabama							Corn meal or chops, 6, 12, 24, 48, 96 pound sacks; 96-pound and 196-pound barrels, wood. Middlings, bran, chops, corn hearts, and all other ground feed products in bags or sacks, weighing 100, 175, except cottonseed hulls, which shall be in 80 and 100 pound sacks or bags; grits shall be sold only in barrels of 196 pounds or sacks weighing 96 pounds, except grits in paper cartons of not more than 5 pounds.
Arizona							Nothing found through 1917.
Arkansas							Nothing found through 1915.
California							Nothing found through 1916.
Colorado							Nothing found through 1917.
Connecticut	196						"When sold by weight." No change through 1917.
Delaware	196	98					Net weight. Flour, rye flour, or middlings of wheat for export. Indian corn-meal for export or to any port in United States where there are no inspection laws. Also hogsheads of 800 pounds net. This is a very old law. No change through 1919.
District of Columbia	196	98					
Florida							Nothing found through 1917.
Georgia	196						Flour, grits, and corn meal in barrels, net.
Do		96	48	24	12	6	In sacks, gross. Also 280 pounds and 140 pounds gross in sacks. No change through 1918.
Idaho	196	98	48	24	12		Wheat flour. Corn meal per bushel sack 48 pounds, half bushel 24 pounds, quarter bushel 12 pounds, net. (Sess. Laws 1913, ch. 84, p. 341.) No change through 1917.
Illinois	196	98	49	24½			Flour. "Whenever no special contract shall be made to the contrary." Corn meal—bushel, ½ bushel, and ¼ bushel sacks; 48 pounds, 24 pounds, 12 pounds.
Indiana	196						No change through 1917.
Iowa							No change through 1917.
Kansas	196	98	48	24	12		Nothing found through 1917. Wheat and rye flour and corn meal, "net weight, either in wood or otherwise." * * * "*Provided*, That corn meal may be packed and sold in sacks of 35 pounds net, 17½ pounds net, and 8¾ pounds net." Cottonseed meal, bran, shorts, tankage, oil meal, etc., and all feed from cereals 100 pounds per sack, net. (Gen. Stats., 1915, sec. 11721, as amended by laws, 1917, ch. 234.)
Kentucky							Nothing found through 1918.
Louisiana	196	98	48	24			Flour. Corn meal, bolted or unbolted, 17½, 24, 35, 48, 98, and 196 pounds per sack or package; rice polish, 200 pounds per sack; rice bran, 143 pounds per sack; other bran, chops, and shorts, 100 pounds per sack; other feeds made from cereal of any kind, whether pure, mixed, or adulterated, 100, 150, and 175 pounds per sack or package. Fractional sacks and packages shall weight in the same proportion except as to meal, which weights shall only be as above.
Maine	196						Flour. No change through 1918.
Maryland	196						"Measured by weight." No change through 1917.
Massachusetts	196						"Mill products of wheat, corn, rye, or buckwheat." "No manufacturer * * * shall abstract any part of the mill products from the standard packages or fractional parts * * * and sell such package as a barrel or fractional part of a barrel." (Pub. Act 208, 1909, p. 372, secs. 1 and 4.) No change through 1917.
Michigan	196	98	49	24½	12¼	6⅛	Flour. In all contracts barrel "shall mean 196 net pounds." Fractional parts of barrel shall require like fractional part of standard. (Laws 1913, ch. 560.)
Minnesota	196						Flour, net.
Mississippi	196	98	48	24			Meal, net. No change through 1918.
Do	200						Flour. No change through 1917.
Missouri	196	98	48	24			Nothing found through laws of 1919.
Montana							Wheat flour.
Nevada	196	98	49	24	12		Cornmeal per bushel sack, 48; ½-bushel sack, 24; ¼-bushel sack, 12. (Laws of 1911, ch. 43, p. 37, sec. 11.) No change through 1919.
Nebraska	196	98	48	24	12		Flour, net. Corn meal per bushel sack, 48 pounds; ½-bushel sack, 24; ¼-bushel sack, 12; net weight. (Laws 1913, ch. 70, p. 204.) No change through 1918.
New Hampshire							Nothing found through 1917.
New Jersey							Nothing found through 1916.
New Mexico							Nothing found through 1913.
New York	196	98					"Wheat flour, rye flour, Indian meal or buckwheat meal for exportation." Also Indian meal in hogsheads, 800 pounds. (Con. laws, 1909, ch. 20, art. 13, secs. 221.) No change through 1916.
North Carolina	196	98	49	25	12		Flour. No change through 1917.
North Dakota	196						Flour, net weight. Sale of fractional part of barrel shall require and mean a like fractional part of established weight. (Laws, 1919, p. 168, of popular edition.)
Ohio	196						Flour and meal. (General Code, 1910, sec. 5998.) No change through laws, 1916.
Oklahoma	196	98	48	24			Flour, barrels in wood, net; in sacks, gross. Corn meal in sacks, 35 pounds; ½ sacks, 17½ pounds; ¼ sacks, 8¾ pounds, all gross. All feed made from cereals, 100 pounds per sack gross. (Session laws, 1910, ch. 32, p. 46, sec. 2.) No change through 1916.
Oregon	196	98	49	24½			Flour, whole wheat, graham or rye flour. "The standard weight of a bale of flour shall be 98 pounds net weight avoirdupois, or 10 sacks weighing $9\frac{8}{10}$ pounds each." (Acts of 1917, ch. 272, p. 513.)
Pennsylvania							No law through 1915.
Rhode Island	196						Flour. Corn meal per bushel, 50 pounds. No change through 1915.
South Carolina	196	98					Flour. Corn meal or grist, 96, 48, 24, 12, or 6 pounds. No change through 1919.
South Dakota	196	98	49	24½	12¼		A barrel of flour "measured by weight shall contain" (Sess. Laws, 1919, ch. 358, sec. 8).
Tennessee	196						Flour. No change; examined through 1917.

Abstract of State laws fixing weights of standard barrels and sacks for flours, meals, etc.—Continued.

State.	Barrel.	Subdivisions in pounds.					Remarks.
		One-half.	One-fourth.	One-eighth.	One-sixteenth.	One-thirty-second.	
	Pounds.						
Texas	200	100	50	25			Flour. Corn meal in sacks, bushel 50 pounds, ½ bushel 25 pounds, ¼ bushel 12½ pounds. Bran and shorts by 100 pounds in 100-pound bags. (Laws, 1919, H. B. No. 247.)
Vermont							Nothing found through 1919.
Utah							Do.
Virginia	196						"Every barrel of flour put up or manufactured in this State shall contain not less than 196 pounds of flour, and that every barrel of flour put up or manufactured in this State, and every barrel of flour shipped into this State, shall have the number of pounds contained therein plainly stamped on one head." (Laws, 1901, sec. 1913c.) No change through 1916.
Washington							Nothing found through 1917.
West Virginia	196	98	49	24½	12¼		Flour, net weight. (Sec. 3411y of Hogg's Code, Suppl. 1918, as amended by ch. 53, p. 220, acts of 1919.)
Wisconsin	196						"A barrel of flour measured by weight shall contain." No change through 1917.
Wyoming							Nothing found through 1919.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. VESTAL. Yes.

Mr. NEWTON of Minnesota. The way the situation now is any large milling concern doing business in quite a number of States would have to have packages of a certain size to ship into one State and a different sized package to go into another State; but if this proposition passes the whole matter will be standardized.

Mr. VESTAL. The gentleman is correct.

Mr. TILLMAN. Will the gentleman state when the bill goes into effect?

Mr. VESTAL. So far as flour is concerned, one year after its passage or approval, giving the millers an opportunity to get rid of these different sized sacks.

Mr. TILLMAN. I understood the gentleman to say that before the committee which held extensive hearings on this subject no objection was offered to this bill.

Mr. VESTAL. That is correct.

Mr. TILLMAN. Does not the gentleman think there will be quite a lot of complaint upon the part of those who now have containers, which would not be standard containers when this bill passes, and who will have to get rid of them or lose them?

Mr. VESTAL. I hardly think so. I will say to the gentleman that the time given, one year from and after the passage of this act, will give millers ample opportunity, I think, to dispose of all of those odd-sized containers. They have a year after the bill is passed to get rid of these containers before this bill goes into effect.

Mr. TILLMAN. The value of these containers would be lessened greatly by the passage of this bill?

Mr. VESTAL. Yes.

Mr. TILLMAN. So it would be a vast loss to those who own those containers, which will not be standard under this bill.

Mr. VESTAL. In the hearings we had representatives before the committee from the National Wheat Millers' Association, the White Corn Millers' Association, and practically all of the milling industries in the country, and they were very positive in their statement that if we would give them one year to dispose of these odd containers they would have ample time, and they were very anxious that the bill be passed as soon as possible.

Mr. OLIVER. Will the gentleman yield for a question?

Mr. VESTAL. Yes.

Mr. OLIVER. The gentleman's statement relates largely to evils and abuses called to the attention of the committee, growing out of original packages as put up by the manufacturers. I am interested to know whether you had before the committee any representatives of business interests dealing in intrastate business? In other words, take the retail merchant, where he seeks to subdivide an original package into 12½ pound packages, did you have representatives of such interests before you?

Mr. VESTAL. No. I will say to the gentleman that no representative of that kind was before the committee, but the committee had hundreds of letters from men engaged in such business favoring this bill.

Mr. OLIVER. In favor of the bill?

Mr. VESTAL. In favor of the bill. I want to reiterate that in all the communications that I have received, or that the committee received, with reference to this bill there has never been a single communication but that was in favor of the immediate passage of the bill.

Mr. OLIVER. From the communications received by the committee was it apparent that very general notice had been given of the pendency of the bill?

Mr. VESTAL. Yes; that is true.

Mr. OLIVER. And your letters came from every section of the country?

Mr. VESTAL. From every section of the country.

Mr. OLIVER. And from every interest affected by the bill?

Mr. VESTAL. The gentleman is absolutely correct.

Mr. ROBSION of Kentucky. The gentleman stated that quite a number of States have passed laws affecting this same subject?

Mr. VESTAL. Yes; that is correct.

Mr. ROBSION of Kentucky. Does this bill undertake to govern all the intrastate business of those several States?

Mr. VESTAL. Probably the bill as it is drawn will affect the intrastate shipments.

Mr. ROBSION of Kentucky. Has Congress the power to control intrastate business?

Mr. VESTAL. There is no question about that. That has been discussed here and decided on quite a number of bills similar to this.

Mr. ROBSION of Kentucky. This law then will supersede all the State enactments?

Mr. VESTAL. That is correct.

Mr. HUTCHINSON. Did I understand the gentleman to say that the millers favor section 3?

Mr. VESTAL. As I said a moment ago, in all the communications that the committee have received there has not been a single one opposed to the bill.

Mr. HUTCHINSON. Do you know that if this bill should be passed in its present form, providing for only 25, 50, and 100 pounds, every man who sold flour would be subject to fine and imprisonment?

Mr. VESTAL. No.

Mr. HUTCHINSON. Do you know that flour put up in a package of 25 pounds dries out to a certain extent?

Mr. VESTAL. It is not necessary that the retailer put flour into 25-pound packages. It can be put into packages as small as 5 pounds.

Mr. HUTCHINSON. In packages which are any part of 200 pounds?

Mr. VESTAL. The decimal is 200 pounds.

Mr. HUTCHINSON. If a man puts flour into 25-pound bags and it does not state on the bag that it is 25 pounds when packed he is liable under this bill?

Mr. VESTAL. Yes; that is correct.

Mr. HUTCHINSON. How is the merchant going to prevent shrinkage?

Mr. VESTAL. I do not quite get the gentleman's question.

Mr. HUTCHINSON. In other words, flour weighs 200 pounds in a barrel when it is packed, but it will dry out 10 pounds by the time it gets to the consumer. How are you going to protect the man who sells the flour?

Mr. VESTAL. The Bureau of Standards, of course, will permit certain tolerances. There will be certain tolerances in these barrels.

Mr. HUTCHINSON. What is the use, then, of the law?

Mr. VESTAL. You must have certain tolerances in all these measures.

Mr. HUTCHINSON. At the present time a flour sack is marked. That is, the ordinary 12-pound sack has put on it "12 pounds when packed." Now, you are making it so that it has to be the exact weight, and it has to continue that weight until it is sold. I think it is one of the most ridiculous things I have ever seen.

Mr. WATSON of Pennsylvania. Will the gentleman yield?

Mr. VESTAL. Yes.

Mr. WATSON of Pennsylvania. I notice in this bill you stop at packages of 5 pounds. Did the committee take into consideration the question of packages of less than 5 pounds?

Mr. VESTAL. That was considered by the committee.

Mr. WATSON of Pennsylvania. There are a great many packages sold of 1 or 2 pounds?

Mr. VESTAL. Yes.

Mr. WATSON of Pennsylvania. The people who buy them ought to be protected, because many are poor, especially in districts where there are a number of laborers.

Mr. VESTAL. That is a fact.

Mr. WATSON of Pennsylvania. They buy 1 or 2 pounds.

Mr. VESTAL. That is true.

Mr. WATSON of Pennsylvania. They are not protected. You are only taking care of the person who is rich enough to buy 5 pounds. Did you take that into consideration?

Mr. VESTAL. Yes; that was taken into consideration.

Mr. WATSON of Pennsylvania. Why was it not adopted?

Mr. VESTAL. I will explain that to the gentleman, I think, to his satisfaction. The first bill provided for packages down to 1 pound, with an exemption clause covering the specialty products that were packed in containers, such as certain kinds of pancake flour and things of that kind that were specialties. Of course, the specialty manufacturers desired that in the bill. Some objection was made, and then the committee authorized the chairman of the committee to introduce this bill as a substitute to the other bill, making it apply only to packages of 5 pounds or more, which leaves out the specialty packages, which are all under 5 pounds. It is true that on the East Side in New York and on the West Side in Chicago packages of flour are sold in 3½-pound containers. A 7-pound package, as I get it from the investigation, is often sold, and then that is split into two 3½-pound packages and sold to the poor people; but the flour is usually weighed out to them, and I can not see where it would affect them at all.

Mr. WATSON of Pennsylvania. Not only flour but poultry feed and a great many products from grain are sold in small packages. I notice that the testimony before the Committee on Agriculture developed instances where a great many packages were slight in weight, particularly those holding 2 or 3 ounces. It seems to me that if you are going to protect all of the American people, you should protect the poor as well as the rich.

Mr. VESTAL. Oh, I believe they would be protected.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. VESTAL. Yes.

Mr. ROSE. The gentleman has already made mention of the fact that there are at least three standards now in vogue. Was there not testimony introduced before the committee showing that certain dealers in flour could not be fairly dealt with in contracts for large amounts of flour for the reason that in some States 196 pounds were taken as a standard for a barrel and in other States 200 pounds, and, therefore, those who could deliver 196 pounds were in a position to bid much lower for a large amount of flour?

Mr. VESTAL. That is true.

Mr. ROSE. Will not this bill correct that evil?

Mr. VESTAL. It will. The Constitution of the United States wisely provides that Congress shall have the power to fix standard weights and measures for this country. The several States, or, as I have mentioned, a part of them, have defined by statutes, enacted in the exercise of their police power, varied and conflicting standards of weights and measures for cereals sold in bulk. As I have said, the purpose of this bill is to eliminate the present variations and conflicts in the State standards, whether fixed by statutes or custom, whereby a single and uniform standard of weights and measures for the products mentioned herein will be made effective throughout the United States. It is certain in my mind that the public will be greatly benefited by such Federal statute for the reason that the existing variation and conflict in standards recognized or permitted in the different States results in an increased cost of production, inasmuch as the millers necessarily have to carry a great and varied assortment of containers to meet the different standards and also in the inequitable treatment of the consumer. I had one letter from a milling concern in which it was said that the passage of this law would save that concern at least $100,000 a year in containers, because they had to carry such a different assortment of containers.

Mr. DUNBAR. Mr. Chairman, will the gentleman yield?

Mr. VESTAL. Yes.

Mr. DUNBAR. In section 7 reference is made to the authorization of the metric standard in that in the standards as fixed they shall be as contained in this bill; yet the authorization of the use of the metric system has never been repealed. If the metric system is authorized and a man should sell flour under that system of measurement, would he be violating the law?

Mr. VESTAL. Oh, I think not.

Mr. DUNBAR. Would the gentleman digress to inform the committee if his committee expects to report a bill authorizing the adoption of the metric system for use in the United States?

Mr. VESTAL. I would say to my colleague that there will probably be a bill of that kind introduced and hearings will be had upon it before the committee.

Mr. DUNBAR. If that bill is introduced at this session and becomes a law it will supersede this act.

Mr. VESTAL. It will not affect this at all, because this is put on the decimal system anyway. This bill puts the sale of flour on the decimal system.

Mr. DUNBAR. But the metric system of weights and measures is entirely different from what we have to-day. If the metric system is adopted we will no longer have pounds or ounces or miles or such measures. All will be changed.

Mr. VESTAL. I think that is a bridge that we can cross when we come to it.

Mr. YOUNG of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. VESTAL. Certainly.

Mr. YOUNG of North Dakota. I would like to ask the gentleman who requested this legislation? Was there any general call for it? Where does it come from?

Mr. VESTAL. The National Millers' Association, the Corn Millers' Associations, and all of the different interests, the Grain Dealers' Association—men who are interested in the production of flour and corn meal and in the sale of the same.

Mr. YOUNG of North Dakota. The idea is that those who make flour and ship it and handle it believe they could do so with greater convenience if the flour was put up in these packages or in these weights.

Mr. VESTAL. That is true, and also they will all be placed upon the same basis. That is, a milling concern in one State, where the standard is 196 pounds to the barrel, selling flour in another State, where the standard is 192 pounds to the barrel, would be placed on an equal basis with others. It would avoid that unfair competition. This proposes to standardize the weights in every State in the Nation so that they will all be on the same basis. I think there is no question but that if this bill is passed it will benefit the consumer for the reason that it is going to relieve the manufacturer of hundreds of thousands of dollars of cost that he has to carry now in overhead on account of the different kinds of containers that he has to keep. Take a miller, for instance, in Pennsylvania. He must keep different containers to sell to the people in Virginia and to the people in the other States surrounding Pennsylvania. If we have one standard they will all keep one size container.

Mr. YOUNG of North Dakota. I want to say to my colleague that the only letters that I have received in respect to this bill have been from dealers, and they are against the bill; that is, from manufacturers.

Mr. VESTAL. On this bill?

Mr. YOUNG of North Dakota. These two manufacturers of flour have written protesting against the passage of this bill. But I want to say, and I am perfectly frank with my friend, that it looks to me, from the statement and from what I can find in this bill, that it is one which the flour manufacturers ought not to object to.

Mr. VESTAL. I think no manufacturer of flour should object to this bill if he wants to deal square in his sale of flour.

Mr. YOUNG of North Dakota. It does seem on its face, so far as the retail trade is concerned, there is a chance of a good deal of juggling with the merchant if he has bags of flour in his store of different weights, because the ordinary man who buys it simply goes in and says, "Let me have a sack of flour," and does not stop to inquire how many pounds are in it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. VESTAL. I will yield to the gentleman.

Mr. CHINDBLOM. Will this bill affect packages for export trade?

Mr. VESTAL. Not at all. I will now yield to the gentleman from Ohio.

Mr. GARD. I want to ask the gentleman if there has been any recognition of the statement made by Mr. Clark, on page 53 of the second section, part 2, wherein he says:

It would seem that we are considering this bill from an entirely different standpoint from what was originally intended, which was to cover the product of wheat flour, in fact, in large sacks and barrels. Later it developed that the corn millers come in.

He said:

In my judgment you will have to abandon this bill and formulate an entirely new bill, because this bill was only formulated to cover wheat flour, and when you add to it you are going to make difficulties for yourself and everybody else, and you are not going to accomplish anything.

What about that statement?

Mr. VESTAL. I will explain that to the gentleman. As stated a moment ago, I believe the gentleman from Ohio asked if these hearings were upon the bill——

Mr. GARD. H. R. 7482.

Mr. VESTAL. That bill, if the gentleman has read it——

Mr. GARD. I have read it.

Mr. VESTAL. Instead of naming flours, hominy, grits, and meals, and all commercial feeding stuffs, simply says, "wheat flour and corn products for human food." It developed in the hearing that corn products for human food would also take in certain sirups made out of corn, and the corn-milling industry that is interested in the making of sirups said that if we pass this bill we would put them into unfair competition with other firms that manufacture sirup out of something else. It was not intended to cover things of that kind, and so, as a substitute to that bill and to get away from that provision of it, this bill was authorized to be introduced, naming the things that would come under this bill.

Mr. GARD. Of course, as to sirups, as the gentleman probably well knows, and probably better than I, the question of weights and measures would be within the prerogative of the committee; but I gather from the two bills that the committee has taken up the question of the measures of dry food.

Mr. VESTAL. That is correct.

Mr. GARD. And limiting it to that.

Mr. VESTAL. The gentleman is absolutely correct.

Mr. REED of West Virginia. Will the gentleman yield for a question regarding the bill?

Mr. VESTAL. Certainly I will.

Mr. REED of West Virginia. If some retail dealer selling to the domestic trade desires a 9-pound package or a package a little smaller than some of the standard sizes designated in this bill, is not there a way under this bill by which he can get such odd-sized packages?

Mr. VESTAL. I think they can weigh out to retail dealers, certainly.

Mr. REED of West Virginia. Could they not get such products in original nonstandard packages under this provision? Could not a miller or dealer pack under some standard of Germany or of France for contemplated foreign trade smaller-sized packages and later change his viewpoint and sell these odd-sized packages for American domestic trade?

Mr. VESTAL. Correct, under certain provisions.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. VESTAL. I will.

Mr. MANN of Illinois. I notice in section 8 of the bill that as to wheat-flour products that it makes the bill take effect one year after the passage and approval of this act—and I might suggest a bill often becomes a law without approval—and it makes the bill take effect for corn products 90 days after the bill becomes a law. Are not a great many of these corn products packed by people who have to order containers a considerable period in advance under existing conditions?

Mr. VESTAL. I think that is true. I will say to the gentleman I think the reason that was fixed at 90 days is that the Food Administration, when the war broke out, compelled the corn millers to use this basis we have placed in this bill. The corn millers were very anxious to graduate from the Food Administration control to the new decimal principle since the war is over, and they have this as a standard, so they are really on this basis now.

Mr. MANN of Illinois. This would not affect——

Mr. VESTAL. It would not. It would affect to some extent, I will say to the gentleman, some corn millers who, I think, had to go back and use different sized packages from those contemplated in this bill because of the competition. But as a general rule the corn millers are still using the decimal weight as mentioned in this bill, just as they were compelled to do by the Food Administration at the beginning of the war and all through the war.

Mr. MANN of Illinois. I know nothing about it personally except what experience I had in regard to the pure-food law. But frequently the producer of these articles has to order his packages quite a long time in advance.

Mr. VESTAL. That is true.

Mr. MANN of Illinois. Now, if he has his packages, legal at present, he ought to be given a reasonable time in which those packages can be disposed of, and also be given a reasonable time in which to obtain new packages or a new standard.

Mr. VESTAL. That is absolutely true. I want to call the gentleman's attention to page 63 of part 3 of the hearings on that very subject.

Mr. BRIGGS, of Texas, a member of the committee, asked Mr. Husband this question. Mr. Husband is secretary of the National Millers' Association:

Is the time limit specified in section 8 of the proposed revision sufficient to enable the corn millers and others brought within this bill to adjust themselves to it without any inconvenience or expense, particularly to the people as well as to the mills?

Mr. HUSBAND. I am glad you asked that, because I had a letter from Mr. Genung, who was here last week and made a statement in favor of the bill, calling attention to the fact that the National Association of White Corn Millers, of which he is president, feels that they would not like to see those features of the bill which pertain to corn flours and corn meals, hominy, and grits effective at once, because they have been compelled, by reason of competition, to go back to the purchase again of the old-size sacks, the pound sacks and the nines, and the 18 pounds, and whatever the corn-mill packages were before that industry was put on the decimal basis by the Food Administration. They had hoped they might graduate from the Food Administration control to the new decimal principle by reason of this new legislation; but it has been a good while and they have since been compelled to go in and purchase sacks of the old style. Mr. Genung did not specify any time, but some of the others interested in that trade said they thought 90 days would be sufficient for them to work off those corn-products sacks.

Mr. OLIVER. The reasons for requiring a certain standard for the original packages put up by the miller or manufacturer, I think, are very wise and sound, but I am at a loss to understand why those reasons apply to the retail merchant when the established custom in his locality suggests that his customers demand packages different from what you herein provide, and as to which I understand you had information before your committee. Now, what wise public policy is subserved by stipulating what size package a local community shall buy these foodstuffs in from the retail merchants?

Mr. VESTAL. I will say to the gentleman—and I only know from my own experience—I go in and ask for a sack of flour, and I never think about the weight of the flour. Now, that sack may contain 24 pounds of flour; it may contain 24½ pounds of flour; it may contain 12 pounds of flour; and under this bill, if you go in and ask for a sack of flour, it must contain 25 pounds net, or it must contain 10 pounds net, or it must contain 5 pounds net. It seems to me that the consumer is the fellow who is going to benefit by this bill more than anybody else.

Mr. OLIVER. The consumer is protected by existing law against false weights. This bill primarily is intended to provide uniform weights for the original package. That certainly seems to be the main purpose the committee had in mind.

Mr. VESTAL. That is correct.

Mr. OLIVER. Now, in many localities the original package is subdivided for the retail trade, and the local demand largely determines what the subdivided packages shall be, and there are customs prevailing in some sections calling for 12½-pound packages and in others for an 8-pound package. Now, what public policy is to be subserved by forbidding a retail merchant from adapting his sales to a local custom found wise in these localities?

Mr. VESTAL. Suppose a retailer would buy a barrel of flour; he can sell that flour in any size package that he weighs it out in.

Mr. OLIVER. I question it under this bill as drawn. Now, I thought perhaps that the committee might be willing to so modify it as to at least provide that that can be done.

Mr. VESTAL. The committee, of course, is desirous of getting a bill that will benefit everybody.

Mr. HULINGS. Will the gentleman yield for a question?

Mr. VESTAL. Certainly.

Mr. HULINGS. I see here in section 7 that the act authorizing the use of the metric system is not repealed, but you forbid the use. Now, I would like to ask if your committee has ever considered, instead of this hodgepodge thing that has been going on all these years, the adoption of the metric system, which is the scientific, plain, easy system that could be understood in any part of the world? Every State now has the right to establish its own standard of weights and measures until it is ousted by action of Congress. Now, do you not think it would be a good time, instead of adding somewhat more to this hodgepodge, if the committee would go to work and consider the adoption of the metric system?

Mr. VESTAL. I would say to the gentleman there will probably be a bill introduced at this session of Congress on that very proposition.

Mr. HULINGS. If that is going to be introduced with any idea of its passing, is not this surplusage?

Mr. VESTAL. I hardly think so. Let us try and correct the present system. With this law upon the statute books the consumer who buys an eighth of a barrel of flour will receive 25 pounds net weight, whether he buys in the State of Maine or California, instead of 24½ pounds or 24 pounds that he now receives.

The manufacturer likewise in packing certain products for shipment knows that every other manufacturer of the same products must pack in the same sized container, containing the same number of pounds. Hence this bill, in my judgment, will benefit both the trade and the consumer.

Now, just one word about the different subdivisions used in the packing of commercial feeding stuffs. Some gentleman asked me that question a moment ago. I do not remember who it was.

Mr. GARD. Mr. Chairman, would it embarrass the gentleman to ask him a question right there?

Mr. VESTAL. Not at all.

Mr. GARD. From my reading of the bill I notice that it applies only to 5, 10, 25, and 50 pound packages, with the establishment of an additional standard of 100 pounds. Nothing under 5 pounds is considered in this bill. Is that correct?

Mr. VESTAL. Yes. Nothing under 5 pounds is considered in this bill.

Mr. GARD. Being interested, as I think we all are, from the standpoint of the consumer, does not the gentleman believe that nearly every consumer, especially those who buy in the large cities, indeed those who buy anywhere the so-called specialized products, are compelled to buy less than 5-pound packages?

Mr. VESTAL. This bill does not prohibit that.

Mr. GARD. It does not prohibit it specifically.

Mr. VESTAL. It does not affect the specialties at all.

Mr. GARD. I find here in the hearings references to Quaker Oats, and Aunt Jemima Pancake Flour, and Wheatena, and Postum Cereal Coffee, and various other cereal foods, the prices of which have recently been advanced in varying degrees, and they do not change the size of the package. Quaker Oats, for example, has been advanced from 25 to 30 per cent; Aunt Jemima from 25 to 35 per cent; Wheatena, 35 per cent. Postum Cereal has advanced, but they do not say how much. Now, as I remember it from the testimony of the representatives of these concerns, they have specially adapted machinery which provides for the packing and the cutting of the packages and the packing into receptacles. They do not want any change.

Mr. VESTAL. That is right.

Mr. GARD. Why is it not of advantage to the consuming public to have standard weights and measures for these cartons which are of such general use by the consumer?

Mr. VESTAL. I am frank to say to the gentleman from Ohio that I think it would be a good thing, but the committee felt that to take those specialties in under this bill would make it impossible to get the bill out and passed by the House. The committee felt that this bill was the starting point upon the proposition, and that if we wanted to take up these specialties later on they could be taken up under another bill.

Mr. GARD. I will say to the gentleman that if you do not get them under this bill you never will, because this is the favorable time for the enactment of such legislation as this. When other important matters come up later there will hardly be any prospect of taking it up again.

Mr. VESTAL. The committee was satisfied after the hearings that really as to the specialty products packed in these special sized packages or cartons it was to the advantage of the consumer not to bother with them. For instance, merchants sell certain kinds of breakfast foods in 8-ounce packages. They sell those in carloads to the Army. They sell them in a certain sized package which is supposed to be sufficient to feed one soldier, and they claim that if that were put into a larger sized package the contents would deteriorate.

Mr. GARD. The hearings developed the fact that one man said packages of corn products sell in 8-ounce cartons and 13 ounces and another of 55 ounces and 20 ounces. Why is it not a good plan to have this regulated by the enactment of a law of the United States? The matter of the consumption of oats and corn products is something which applies to every one of us on the breakfast table every morning. Nearly everybody eats a cereal product.

Mr. VESTAL. That is true.

Mr. GARD. And it is of more immediate consequence to the consumer to have a standard of the thing he uses than to have a standard of the more bulky articles. Does not the gentleman agree with me on that?

Mr. VESTAL. I do not know. The committee, I think, was satisfied, after the hearings, that the public demanded, so far as these special products are concerned, certain sized packages; that is, it would be shown by the sales that the packages which the factories had been putting out for years were about the sizes that were suitable to the consumer, and therefore to change that and to make a different sized package and to compel them to pack in a larger size package might result in the contents deteriorating, and it would cost hundreds and thousands of dollars to change the machinery to make these specialty packages, and it would probably result in a greater cost to the consumer of these different products.

Mr. GARD. The thing that the public suffers from, in my observation, is the desire—if one may use that word correctly; the practice probably is the better word—of persons who sell to the ultimate final consumer of giving short measure and short weight. That is an evil that is recognized all over the country, and people are easily taken in by it, because hardly anyone stops to investigate either the measure or the weight. They must rely upon the standard. Now, if we can rely upon a standard, why is it not the best plan to have the standard apply to the things that are of the most immediate and constant use?

Mr. VESTAL. Of course, these packages must all bear on the outside the net weight. That is compelled under the pure food and drugs act.

Mr. GARD. I understand that. Another question let me ask under section 3. The gentleman is familiar with the bill, and I ask the question for information. Under section 3 is it possible for me to go into a grocery store in my town and buy 4 pounds of flour and have it put into a sack and take it home?

Mr. VESTAL. Yes, sir.

Mr. GARD. I notice from the reading here that it says that it will be "unlawful for any person to sell or offer for sale wheat-mill and corn-mill products, flour," and so forth, which in package form shall not be one of the standard sizes, and so forth.

Mr. VESTAL. That, of course, refers to it in package form.

Mr. GARD. What is meant by "package form"? Does it mean some regular pasteboard container, or a sack or bag such as flour is commonly sold in?

Mr. VESTAL. I do not know whether I am competent to say what that term "package" means.

Mr. GARD. It strikes me that it is a material element, because if it is the intention of this bill to prescribe to the manufacturer or seller the size of the package he manufactures or sells, some steps should be taken to prevent the sale of 3 pounds of flour for 4 pounds to a poor person. That is not provided in the bill.

Mr. VESTAL. Oh, no; but the bill provides that this shall not have any effect except as to packages of over 5 pounds.

Mr. GARD. Yes, in packages.

Mr. VESTAL. They must be over 5 pounds. Now, you can sell 3½ pounds or 1 pound or 2 pounds or 4½ pounds.

Mr. YOUNG of North Dakota. Without any restraint?

Mr. VESTAL. Without any restraint.

Mr. GARD. How about 7 pounds?

Mr. VESTAL. I am of the opinion that they might sell 6 or 7 pounds by weight, unless it is in package form, put up in packages.

Mr. GARD. I know personally that some of the Minnesota millers have packages of flour in 6-pound packages—I think the Ward & Crosby people.

Mr. VESTAL. Yes; that is true.

Mr. GARD. Six-pound packages.

Mr. VESTAL. Those will be eliminated.

Mr. GARD. There will be no more 6-pound packages?

Mr. VESTAL. No more 6-pound packages.

Mr. GARD. They will have to be 5 or 10 pounds?

Mr. VESTAL. Yes; if they are put up in packages or containers.

Mr. GARD. Suppose I am a retail merchant, and suppose I buy a barrel of flour and a man from my neighborhood wants to buy 6 or 7 pounds of flour. Can I sell him that out of the barrel?

Mr. VESTAL. I should think so, without any question.

Mr. GARD. And the third section, you think, would not apply to me?

Mr. VESTAL. I do not think it would.

Mr. ANDERSON. Will the gentleman yield for a question?

Mr. VESTAL. Yes.

Mr. ANDERSON. I have looked the bill through and I can not find anything in it to justify that opinion. What does the gentleman base that opinion on?

Mr. VESTAL. Section 3 provides:

That it shall be unlawful for any person, firm, corporation, or association to pack, or cause to be packed, to ship or offer for shipment, or to sell or offer for sale, the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, which, when in package form, shall not be one of the standard sizes established in section 2 hereof and bear a plain, legible, and conspicuous statement of the net weight contained therein.

Mr. ANDERSON. A man can not carry away 5 pounds or 50 pounds of flour or mill feed in his coat pocket.

Mr. VESTAL. I understand that; but the package meant here is where the package is put up and labeled "5 pounds." He can not put up a package and label it and sell it for 6, 7, or 8 pounds. If you go in and buy 8 or 9 pounds of flour from a barrel, it can be put in a container and carried away.

Mr. ANDERSON. Then let me ask the gentleman this question: Suppose a farmer goes to a mill and takes his sacks there, as farmers ordinarily do, and he buys 600 pounds of mill feed and they put it up in sacks. Some of them weigh 93 pounds, some 97 pounds, some 84 pounds. Now, under a strict interpretation of this act, sales in that form would be in violation of the law.

Mr. VESTAL. I do not think that is the correct interpretation. Yet this bill is designed to protect the farmer who takes his grain to the mill and in return gets commercial feedstuff, bran, or shorts. My little experience in taking wheat to the mill and getting commercial feedstuffs is that you can not put a hundred pounds of bran in a sack, and so we reduced the weight to 60, 70, and 80 pounds, so as to protect the consumer and see to it that the sack will hold his 80 pounds; that he gets 80 pounds in that sack. If we had left it 100 pounds, they might give him a sack supposed to contain 100 pounds, but which would not contain 100 pounds and only contain 80 pounds. That was the idea, at least.

Mr. ANDERSON. If it happened to contain 83 pounds, it would be sold in violation of this law.

Mr. VESTAL. He would get that much more.

Mr. ANDERSON. I do not think so. I think it would be a violation of the law.

Mr. VESTAL. I am sure it would not be a violation of law.

Mr. DUNBAR. In section 2, to which section 3 refers, the expression "standard package" is used. Now, a barrel of flour is to be of the standard weight of 200 pounds. In selling flour in package form these weights which are prescribed are intended to mean in half-barrel, quarter-barrel, and eighth-barrel lots. That is the standard package; but I do not take it that any man would be prohibited from offering for sale flour not in standard packages in any amount that the customer might wish to purchase.

Mr. VESTAL. I do not think so. Now, just one clause more about the different subdivisions.

Mr. WATSON of Pennsylvania. Will the gentleman yield?

Mr. VESTAL. In just a moment. In the subdivisions used in packing the commercial feedstuffs, as was mentioned by the gentleman from Minnesota [Mr. ANDERSON], 60, 70, and 80 pounds are set out so as to take care of the cases where a farmer uses his own sacks in taking the wheat to the mill and buying feeding stuffs. Probably it would be impossible to put 100 pounds of feeding stuff in a 100-pound sack. So the lesser weight was provided for sacks containing commercial feeding stuffs.

Mr. WELLING. Would it mean that a farmer who took 20 burlap sacks to the mill in which to get feed would have to get 60, 70, or 80 pounds in each sack? Suppose a sack would hold 90 pounds or 100 pounds?

Mr. VESTAL. There would not be any reason why he would not buy that; but if the miller was selling the container, the standard must be 100 pounds, but on account of feeding stuffs being lighter in weight the 60, 70, or 80 pound containers are authorized. That is, he could not put out commercial feedstuff in a 100-pound sack when the sack did not contain that much and could not contain that much, and this bill makes it lawful to use 60, 70, and 80 pound containers.

Mr. WELLING. Is it not a fact, known to every man who has had any experience on the farm, that no two sacks will hold the same amount?

Mr. VESTAL. That is correct.

Mr. WELLING. The farmer will go to mill with 25 sacks, and no two of them, if they are filled to their capacity, will weigh the same.

Mr. VESTAL. That is correct.

Mr. WELLING. Now, are you going to compel the miller who sells that feed to use a sack which shall contain exactly 60, 70, or 80 pounds and stop there?

Mr. VESTAL. We are going to compel the miller, if he sells a sack containing 80 pounds, to see that the sack contains 80 pounds.

Mr. WELLING. Suppose the sack contains 95 pounds?

Mr. VESTAL. I do not think there is any reason in this bill why you can not put 95 pounds in a sack and buy it by weight; but if the miller is selling standard packages the standard package must contain 60, 70, 80, or 100 pounds. If it contained more, there would be no objection to it, but it must contain that.

Mr. WELLING. Then, if I go to the mill, I can get a ton of feed in any number of sacks I want to get it in.

Mr. VESTAL. I should think so.

This bill has the indorsement of the Millers' National Federation, American Corn Millers' Federation, National Association of White Corn Millers, the State sealers of Minnesota and of Wisconsin, the National Grain Dealers' Association, the Department of Agriculture, the Department of Commerce, the Bureau of Standards, and hundreds of independent millers from every State in the Union.

In my judgment, it is a very important piece of legislation and should be enacted into law.

I might say here that after the bill was introduced in its present form the Secretary of Agriculture called my attention to section 3 in the bill, and said that probably in its present form it would be a conflict of authority, as the pure food and drugs act is under the control of the Department of Agriculture. This bill provides for the Bureau of Standards having control.

I expect to offer, when the bill is read for amendment, an amendment to section 3 striking out, in line 20, beginning with the word "hereof," the balance of the line, and line 21 and line 22, down to and including the word "therein." The Bureau of Standards believes that the local State laws will take care of any intrastate shipments, and under the pure food and drugs act the interstate shipments will be taken care of.

Mr. GARD. Will the gentleman yield?

Mr. VESTAL. Yes.

Mr. GARD. This only applies to packages marked on the back with the net weight. Now, on the question of weight I desire to ask the gentleman this question: Can the gentleman advise me the difference in weight in an 80-pound package, where it is manufactured and weighed and labelel 80 pounds, and what the weight will be, say, 60 days thereafter?

Mr. VESTAL. I can not state.

Mr. GARD. Is there any difference?

Mr. VESTAL. There probably would be a difference.

Mr. GARD. It would be lighter by the drying-out process, would it not?

Mr. VESTAL. Probably so.

Mr. GARD. Nevertheless, it would be sold by the old weight when it left the factory. It would sell for 80 pounds, although it does not weigh 80 pounds, because it weighed 80 pounds at the time it was put up.

Mr. VESTAL. I do not know how that could be remedied.

Mr. GARD. It could be remedied by having the actual weight at the time of the sale. Under this bill he can sell something for 80 pounds of commercial feed which, in fact, at the time of the sale might not weigh more than 75 pounds.

Mr. VESTAL. I do not know, but I should not think there would be that shrinkage.

Mr. GARD. It might be 4 or 5 pounds in an 80-pound sack, might it not?

Mr. VESTAL. It may be, but I should hardly think so. Mr. Chairman, how much time have I consumed?

The CHAIRMAN. The gentleman has consumed one hour and seven minutes.

Mr. VESTAL. I reserve the balance of my time.

Mr. WATSON of Pennsylvania. If the gentleman will yield to me, I want to say that I am in harmony with the gentleman from Ohio [Mr. GARD] in regard to marking small packages, and it is my purpose to introduce an amendment to that effect.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ASHBROOK] for 1 hour and 15 minutes.

Mr. ASHBROOK. Mr. Chairman, the chairman of the Committee on Coinage, Weights, and Measures for the past hour or more has been endeavoring as best he could—and I may say has succeeded well—in explaining this bill. It is not my desire or intention to take more than a moment of time. I want to say that for a number of years there has been considerable clamor for this legislation. I might say in all frankness and sincerity that I believe the desire for the passage of the bill comes chiefly

from the millers and the manufacturers. I am, however, of the opinion that the people of the country at large are as well advised as to this bill as they are of the general run of legislation.

Mr. TILSON. Will the gentleman yield?

Mr. ASHBROOK. I will.

Mr. TILSON. Is there anything in this bill to which the consuming public could object? In other words, is there anything concealed therein that is liable to be of a disadvantage to the purchasing public?

Mr. ASHBROOK. I will say to my friend that I was about to remark that so far as I have been able to pass upon the bill—and I have given the matter some consideration, not so much as some other members of the committee during the past session, but I have for several years given this legislation some consideration, and it is my honest and humble opinion that there is nothing in the bill that is not in the best interests of the consuming public or the people at large.

I think the standardization of weights and measures is desirable, not only for the sale of food products as included in this bill but also in a general way. I believe that all the States should have the same weights and containers for food products and other commodities, so that if you live in Ohio and you buy in Massachusetts or Connecticut you know that you are getting the same weight that prevails in your own State and that there is no loss by buying in other States.

I was about to say that this committee has had extensive and exhaustive hearings on this bill. It is true that those who appeared before the committee were largely those interested in the manufacture of these products, and so far as I know none of those who represent the consuming public at large appeared before the committee; but, as has been stated by the chairman of the committee, I have never heard of a single protest against this bill or against this legislation.

This bill for several years past has been well advertised in the papers and magazines of the country, so that the public has had advance notice that this legislation was pending. If it was not in the interest of the consuming public it would seem a strange condition of affairs that some member of the committee or some Member of the House should not have received protests against the bill.

So far as I am able to state, I know of no objection upon the part of anyone to the bill. In my judgment, it is good legislation. That was the judgment of the committee. It is a unanimous report of the committee, and I believe the bill should pass.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. Yes.

Mr. GARD. The gentleman is a prominent member of the committee. Can he tell me by whom the bill was prepared?

Mr. ASHBROOK. The gentleman asks me, and I am not going to give him an evasive answer, but will tell him the truth. I believe it was prepared by a Mr. Husband, who is the head of the Millers' Association of the United States.

Mr. GARD. I note that on page 62 of the hearings, Mr. ASHBROOK is quoted as saying this:

> And in this particular case I think it is right and proper that those gentlemen who have the best knowledge of the matter and have the matter in hand should prepare the bill.

It was in that connection that I asked the gentleman who did prepare the bill. The gentleman says that a representative of the milling interests prepared it.

Mr. ASHBROOK. If I am not mistaken that statement which the gentleman reads from the hearings, made by myself, grew out of the fact that the bill as it was first introduced included breakfast foods and small-package cereal foods. Serious objection was raised to their being included in this bill.

Mr. WELLING. Who objected to their being included?

Mr. ASHBROOK. All of the manufacturers of breakfast-food products.

Mr. PARRISH. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. Yes.

Mr. PARRISH. In connection with the suggestion that the bill may have been prepared by certain gentlemen, I would like to ask the gentleman from Ohio if it is not true that this bill, almost identical in form, has already been passed by several States in the Union, at least in the State of Texas, and is now a law on the statute books of those States?

Mr. ASHBROOK. That is my understanding, and I would further state to the committee that one thing that influenced me in favor of the bill was not so much the fact that the Millers' Association was demanding it, but the Bureau of Standards has been an ardent advocate of the passage of this bill, and I feel that we ought to give some consideration to that branch of our Government.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. Yes.

Mr. NEWTON of Minnesota. The gentleman has mentioned the fact, and so also did the chairman of the committee, that there were no protests against the bill. I wish to say that I have received some from certain milling interests in Minnesota, most of which stated certain objections to it in a sort of propaganda form—at least, they were very similar—and the impression seemed to be that this was an attempt on the part of Congress to regulate packages through interstate commerce. When it was explained to them that Congress was exercising its power under the Constitution to establish a standard, and that this would wipe out the present 48 standards in the different States, a great many of the objectors withdrew their objections, although that is not universally true.

Mr. ASHBROOK. I thank the gentleman for his statement, and I would inquire of him whether or not he filed any of those protests with the committee?

Mr. NEWTON of Minnesota. I did not. I sent them the hearings and endeavored to get them to particularize their objections, and in doing so found out what the principal objection seemed to be.

Mr. ASHBROOK. My understanding is that the big milling interests in the gentleman's State are very much in favor of this legislation.

Mr. NEWTON of Minnesota. Very much so. That is true in my own city of Minneapolis.

Mr. BEGG. If this bill becomes a law, can a man who has a barrel of flour in his store sell 7 pounds of it to a customer without becoming a technical violator of the law?

Mr. ASHBROOK. I will give the gentleman my own understanding of the bill. I may be wrong, and I would not want to say that I am right, but my understanding of this bill is that if a dealer has a barrel of flour and he takes out of that barrel a certain amount and weighs out a certain number of pounds, he can do so and not violate the law; but if a miller or a manufacturer puts out flour or feedstuffs in containers, then those containers must conform to this bill.

Mr. BEGG. I would say to the gentleman that I did not so understand the bill. In other words, I did not see anything in the bill that gives that latitude and it seems to me that latitude ought to be given.

Mr. ASHBROOK. I do not see anything in the bill which does not give that latitude.

Mr. BEGG. I can cite the gentleman to the subject matter where it says that anyone who sells in any other quantity than 5 or 10 or any other multiple of a hundred——

Mr. ASHBROOK. Oh, that the standard packages shall be so and so. That is, if a man puts out a bag or a sack or a container of any kind, it must conform to this bill and be in 5, 10, 25, 50, and so-and-so pounds; but if a man breaks a container and he wants to sell to some poor person an odd number of pounds of flour in an ordinary package, if I understand the bill correctly, he has the right to do so.

Mr. BEGG. May I just read to the gentleman a portion of section 3?

Mr. ASHBROOK. Yes; and, if I am not mistaken, the chairman of the committee, who has occupied an hour of time in explaining the bill, is of the same opinion.

Mr. BEGG. The lines to which I would direct the gentleman's attention are these:

> That it shall be unlawful for any person, firm, corporation, or association to pack—

And that is what the gentleman stated—

> or cause to be packed, to ship or offer for shipment, or to sell or offer for sale—

That is in line with what the gentleman says—

> the following wheat-mill and corn-mill products—

And so forth. And it goes on then to name them, in any other than the standard sizes——

Mr. ASHBROOK (reading)—

> when in package form.

"In package form" is a package that is put out by a miller is the way I understand it.

Mr. BEGG. I may be wrong, but it struck me that a man could not sell at retail.

Mr. HAUGEN. Mr. Chairman, if the gentleman will yield, I think we should have a definition of what "in package form" really means.

Mr. ASHBROOK. It seems to me that that is plain enough.

Mr. HAUGEN. My understanding is that the courts have defined "package form," but I have been unable to find the court decision.

Mr. ASHBROOK. When the millers ship any of these products they must be in packages to conform to this law.

Mr. HAUGEN. I have in mind a country miller. Say that a farmer goes there with his grain and calls for so much flour, and suppose 78 pounds of flour are ground and put up in a grain sack. The penalty under the circumstances is $500, and it seems to me that that is an injustice. I take it that no one cares to penalize anyone for selling any other packages than those named in the bill unless they are sold with some intent to defraud.

Mr. ASHBROOK. Well, I might be far from the facts in my judgment, but my belief is that if the farmer goes to the miller with his grain to have it ground and he receives in return a certain number of pounds of flour and other feeds that go with the wheat it is not a violation for him to receive the odd weight; but if the miller sells him a sack of flour, if he puts up a sack of flour to send it out under his brand, then it must conform to the law.

Mr. HAUGEN. I agree with the gentleman, but the bill reads unless it is in 5 pounds, 25 pounds, or 50 pounds it is not in package form, and the penalty is $500. It seems to me there should be some definition of package form, and it should be made clear that the miller may sell in any package he might see fit providing he gives the net weight.

Mr. ASHBROOK. As a matter of fact, is that a sale when the farmer takes his wheat to the miller and gets it ground and receives in return a certain number of pounds? That is not a sale.

Mr. HAUGEN. In years past it was customary for the farmer to haul the wheat to the mill and have it ground and the miller to take the toll. Now the farmer sells the wheat and goes to the mill and buys the flour and buys it in his own container. It may be a grain sack or a flour sack.

Mr. ASHBROOK. If he buys outright from the miller the miller must sell it in compliance with this bill.

Mr. HAUGEN. Suppose he has not a standard sack? They use a grain sack or any other sack.

Mr. ASHBROOK. But he has scales in his mill and he can weigh it out.

Mr. HAUGEN. But he must have this standard container.

Mr. ASHBROOK. I do not so understand it.

Mr. HAUGEN. According to the bill.

Mr. ASHBROOK. It is the container which contains a number of pounds mentioned in this bill.

Mr. DUNBAR. The package form is referred to in section 2, and in section 2 the meaning of package form is the standard package. Now, the standard weights of packages are to be 5, 10, 25, and 50 pounds, or 200 or decimals of 200, so that while you can not sell a standard package in package form containing any other multiples or decimals of 200, yet you can sell in bulk any amount which you want, because when you are selling in bulk you are not selling in standard packages in package form and you are not setting up a standard package in package form.

Mr. HAUGEN. If the law is to be so considered I have no objection, and I certainly agree with the gentleman that we ought to pass it. However, I think that nobody desires to penalize anybody for selling in any other container than that provided for here.

Mr. ASHBROOK. Mr. Chairman, this discussion of this bill is no doubt very interesting and proper, but when the bill comes up for consideration under the five-minute rule these gentlemen may then have opportunity to express themselves for or against the bill. I promised to yield some time to the Members on this side of the House, and I therefore will be compelled at this time to end this discussion of the bill.

The CHAIRMAN. The gentleman from Ohio [Mr. ASHBROOK] has 52 minutes remaining and the gentleman from Indiana [Mr. VESTAL] has 9.

Mr. ASHBROOK. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, I have requested the courtesy of consuming the time I have asked for the purpose of directing the attention of the House and the country to the present status of the numerous bills that have been introduced in the special session of Congress affecting the interest of our discharged soldiers, sailors, and marines.

I do not know, as a matter of fact, that when the armistice was signed and the soldiers were mustered out of the service and returned to their homes that those who were not wounded and not disabled expected the Congress of the United States to initiate any legislation of any character for their special and particular benefit, but I do know, and you know, whether the propaganda was incited by the ex-service men themselves or not—and in a large measure it was not—that there have been introduced in this Congress by various Members from various sections some 50 or 60 bills relating exclusively to this particular subject which I am discussing.

Now, early in the special session, upon the recommendation of the President in a special message, and evidently by the assent of the majority leader, what is known as the Lane bill or the Mondell bill was introduced and referred to the Committee on the Public Lands, and after extensive hearings that bill was favorably reported, and has been upon the calendar of the House awaiting action since the 1st day of August last. That bill provides for the reclamation of arid, cut-over, and swamp lands by ex-soldiers. There have been introduced into Congress many bills to provide for bonuses and extra compensation, bills to provide financial assistance to the ex-service men for the purpose of buying either rural or town and city homes, and the combination of all these elements of relief measures have been referred to the various appropriate committees of the House.

Now, gentlemen, what is the net result up to this date? The Mondell bill, as I say, lies dormant, if not dead, upon the calendar. I heard a distinguished Member of the Senate, high in authority in that body, a Republican, say casually in the Senate restaurant, when the President's message came in in connection with the renewed recommendation for the passage of the Mondell bill, that it was idle for the President to make any recommendation in regard to that bill, for it was as dead as a red herring. It seems to be so as far as any action here in this House or any effort of the majority to put it upon its passage is concerned. And bear in mind that is the only bill ready for passage framed in the interest of the ex-service men.

I do not know, in the long run, whether this Congress is going to pass any affirmative legislation for the benefit of the service men or not, but I do say, in justice to them, that this Congress ought to exercise its power and its responsibility either to pass some legislation of that character or to announce to them and the country that it proposes not to pass it. [Applause on the Democratic side.]

Now, I have introduced upon my own authority and without consultation with anybody a resolution which has been referred to the Committee on Rules—House resolution No. 405—proposing that the Speaker of the House shall appoint a special committee of 18 Members, to which committee shall be referred all of these various and sundry bills affecting measures of this character, namely, those providing for rural homes, those providing capital for agricultural development, and those providing bonuses or additional compensation, in order that, if this Congress is going to take any action of any sort, a special committee of that character, appointed in the discretion of the Speaker, shall have an opportunity to consider every phase and angle of the situation in order to bring out legislation that will meet the various contending positions on this question, because no single bill will do it. You take a man that was a soldier, and if legislation is passed providing for rural homes that does not interest him if he is a city man and is not interested in a farm. The Mondell bill, if passed, would only serve to interest a small per cent of the ex-soldiers, because only a few would desire to go off to some strange section to reclaim swamp or cut-over lands for farms, although some would do so.

Many of the men would be glad to waive any claim for further bonus if they could be given an opportunity to borrow money through Government agencies, on reasonable terms, to buy and own their own homes and farms, as is provided in several of the bills which have been introduced, but which seem to be chloroformed in the committees.

The purpose of my resolution—and I urge upon gentlemen the thoughtful consideration of the proposal—is to afford an opportunity for legislation to be brought out, just as opportunity was afforded for the bringing out of water-power legislation by the creation of the special Water Power Committee. It would give opportunity to harmonize all these various schools of thought on special legislation for ex-soldiers, placing all these bills in the hands of one central committee, upon which shall rest the duty and responsibility of finally passing upon this great question.

Mr. CONNALLY. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Certainly.

Mr. CONNALLY. I would like to ask the gentleman from Alabama if his resolution applies to that character of legislation pertaining to soldiers only? Do you want to restrict it to soldiers?

Mr. BANKHEAD. Yes, absolutely, to soldiers, sailors, and marines—those who served in the military or naval forces of the United States in the war with Germany. The proposal

is that all those measures shall be referred to this special committee, notwithstanding any general rule of the House to the contrary.

The resolution also provides that all of these bills which have been referred to the Committee on the Public Lands and to the Committee on Banking and Currency and the Committee on Military Affairs and the Committee on Appropriations, or any other standing committee, shall be referred instantly, upon the passage of this resolution, to this special committee, except bills which may already have been reported out or put on the calendar, and I understand at this time there is only one of those—the Mondell bill.

Regardless of the final character of legislation upon these subjects that may be brought before the House for consideration, I submit that it is not fair to the ex-service men of this country, who have been led to believe, very largely by the action of Members of Congress, that we are going to consider and pass legislation of some sort for their compensation or for their benefit, to longer delay definite action. If you let the situation lie as it is, you will never get any practical result. How many of the committees to which these bills have been referred have had any hearings on them? Can the Republican steering committee give any assurance of early action on any of them? They are silent. What disposition do you find here on the part of those responsible and in authority for legislation in Congress to press for consideration any of these bills and either finally pass favorably upon them or reject them? I think it is only fair to the ex-service men and it is only fair to the taxpayers of the country and it is only fair to the Members of this House itself that we shall not further delay some concrete action upon this legislation, but that we shall determine either to put it into effect and to give some affirmative legislation for the relief or compensation of our ex-service men or else, in justice to them, to announce that it will not be the policy of Congress to undertake legislation of that character.

At the proper time I trust that the Committee on Rules will see fit to give this resolution its earnest consideration. It is not offered in any party spirit. It is offered simply for the purpose of undertaking to solve the problem that every one of you has been thinking about every day since you came back to this session of Congress. The Republican Party, of course, is responsible. You have invited the responsibility. It has been bestowed upon you. It legitimately belongs to you, and the country, of course, will legitimately hold the majority responsible for its action or for its failure to act.

I feel sure that the minority here are willing, as Judge TOWNER suggested in his speech yesterday we ought to do, to cooperate in a definite and specific conclusion with respect to this legislation one way or another.

Mr. ZIHLMAN. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Certainly.

Mr. ZIHLMAN. The gentleman in his opening statement, as I understood, said that he had a list of the bills pertaining to the welfare of the soldiers and sailors.

Mr. BANKHEAD. No. I have not a list of all. I inquired at the document room and was informed that there were probably from 65 to 70 bills of various characters.

Mr. ZIHLMAN. You have not a list of the bills?

Mr. BANKHEAD. No; I have not prepared any. I simply desire to call the attention of the House to my resolution and to ask, if it meets your approval, that you give it favorable action if opportunity is presented. [Applause.]

For weeks and weeks it was intimated that the majority here would wait until the national convention of the American Legion met and made recommendations. That excuse no longer exists. That convention has met and acted. We will see how much longer this policy of inaction and indifference shall continue. If you are going to legislate for the benefit of the men who, above all others, have earned the gratitude of this Nation, you should act and act without delay. If you are not going to legislate for their benefit you should have the courage to say so, and thereby settle the matter once for all, so that the ex-soldiers may not further be encouraged to expect favorable action and may make their plans and arrangements accordingly. In justice to them we can do no less.

Such a special committee as I have suggested can and should agree upon legislation fair and helpful to our veteran soldiers and sailors without imposing any undue burdens upon the taxpayers of the country and without being unduly liberal to the men themselves. Let us not longer "hold the word of promise to the ear and break it to the hope."

The CHAIRMAN. The gentleman from Ohio [Mr. ASHBROOK] has 43 minutes remaining and the gentleman from Indiana [Mr. VESTAL] has 9 minutes remaining.

Mr. ASHBROOK. I will yield 10 minutes to the gentleman from Texas [Mr. CONNALLY]; but first I will yield to the gentleman from Kentucky [Mr. THOMAS] 20 minutes, providing he makes a good speech. [Laughter.]

The CHAIRMAN. The gentleman from Kentucky is recognized for 20 minutes.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. THOMAS. Mr. Chairman, I do not know very much about the pending bill, for the reason that I have not had an opportunity to properly investigate it, but I understand this, like certain horse-show rings at country fairs, is a general-utility debate, and a person can declaim on any subject he may feel inclined to discuss.

I do not agree with the gentleman from North Carolina [Mr. KITCHIN] as to some of the statements he made in regard to this bill. He stated, in substance, that in most parts of this Republic the people are greatly concerned about the number of pounds of food they can obtain under food-administration laws and the kind of sacks they may be permitted to put it in. I beg leave to differ from him. The people are more concerned about ways to obtain sufficient money with which to buy food during these times of the high cost of living than they are about the kind of sacks in which to put it, or whether the lettering on the sacks is in color red, white, or blue.

Mr. BLANTON. Will the distinguished gentleman from Kentucky yield?

The CHAIRMAN. Does the gentleman from Kentucky yield to the gentleman from Texas?

Mr. THOMAS. Yes.

Mr. BLANTON. Under the present mode of selling flour the sacks contain 12, 24, 48, and 96 pounds, and there are numerous sacks, of course, in those denominations now in existence. Now, to pass this bill changes all that and makes all these sacks useless, and that is what the gentleman from North Carolina meant when he said that the people were highly concerned about this bill. Instead of getting stuff in the sacks which are now available, they will not get it at all for a while, because new sacks of all denominations must be provided.

Mr. THOMAS. Well, there may be 12, 24, 48, or 96 pounds in the sacks that the gentleman speaks of, but I doubt very much whether they will weigh that much.

The gentleman from North Carolina [Mr. KITCHIN] talked about this Republican Congress and what it had failed to do in regard to constructive legislation. I beg leave to differ from him again. This is a great Congress, with a large Republican majority, and I say without jesting it contains many able Republican as well as Democratic Members. This House has enacted one marvelous piece of legislation, which will go down in history through all the ages as the most beneficial and far-reaching legislation to reduce the high cost of living ever conceived by the brain of man provided it passes the Senate and becomes law. In fact, it sprang from the brain of the Ways and Means Committee like Minerva from the brain of Jupiter, full formed and perfect and ready to strike down with one mighty and effective stroke the high cost of living, and no one should be so skeptical or so impertinent as to disbelieve that thing will in due season be accomplished because it is to be done by taking the tax off of ice cream and soda water and supplying the deficit by an increased tax on the real necessities of life. [Laughter.]

As a matter of fact, however, in my opinion the gentlemen who inadvertently or otherwise voted for that bill should return to the expectant and awaiting presence of their constituents and duly and humbly apologize for their action and spend a season of repentance in sackcloth and ashes.

In my opinion—and I do not think I am in a minority in this country in that thought—the best thing Congress can do is to settle decisively once and for all the questions of the peace treaty and league of nations and pass the appropriation bills and go home. It would do Congress good to get out of the profiteering environment and mucky atmosphere of Washington for a time and mingle with their constituents and learn their opinions on current matters.

And that would bring a change of living conditions from cold-storage junk and indifferent cooking to the fresh, pure food and good cooking of the countryside. Congress could there mingle with the thrifty sons and fair daughters of the soil and breathe the inspiration of nobler thoughts and loftier ideals. The frost is now on the "pumpkin," the ripened corn is in the crib, the golden wheat is in the bin, the yellow yams

are mellowing and sweetening in the cellar, the succulent persimmon and the toothsome "possum" are now ripened under the cool temperature of frosty, freezing moonlit nights, and all nature is redolent with the perfume of dying flowers and aglow with the varicolored beauty of autumnal forests and the glory and splendor of autumnal sunsets.

And then to contemplate the epicurean richness of a country dinner consisting of country-cured ham; and hog and lye hominy, made only as they know how to make it in Kentucky; accompanied by light, hot biscuits and country-made blackberry jam and other like delicacies; and to crown all, as a final course, a big, fat, juicy "possum," fully made ready for the feast by the fall of several biting frosts upon it and cooked only as an old southern negro "mammy" knows how to prepare such dainty dishes, and the whole fringed with layers of big, tempting, yellow sweet potatoes, exuding sugared sweetness over the luscious marsupial dish in drops of waxen thickness.

Such a dinner is a real and glorious feast, fit not only for a Congressman but for the gods; and after it is over, how pleasant to go to the old log stable and crawl up into the loft as in bygone days and be a boy again, and repose on the new-mown hay as of yore, and be lulled into peaceful sleep by the patter of the rain on the old board roof, and drift away into dreamland unmindful of ambition and the pomp and circumstance and vainglory of the world.

The sooner Congress adjourns to enjoy a well-deserved rest the better off the country will be, and Congress will be benefited mentally and physically, not to say morally.

Mr. Chairman, there is now a great coal strike in this country which is hurtful to the miners and disastrous to commerce and industry. Every legitimate means should be used to avert and settle differences between capital and labor, so that strikes may be prevented and the resultant financial losses avoided, but at the same time capital and the public should keep in mind the fact that the workman is not only entitled to a living wage but is entitled to something to lay by for old age and to tide him over the days when the hand of misfortune may fall heavily upon him.

The district which I have the honor to represent in this House is in part a coal-mining district, and most of the miners belong to the United Mine Workers' organization. In 1917–1918 these miners asked for a raise of wages, but they were refused on the ground that we were at war, and like good citizens they quietly submitted, although they were not then and are not now getting a sufficient living wage to meet the increased cost of living.

After the war was over they again requested a raise of wages to meet the living conditions that confronted them. The miners are loyal citizens. Not an act of disloyalty to the Government so far as I have heard was ever charged against any of them. Over 60,000 of them were in the service of their country as soldiers. They fought for their country with manly fortitude and courage. They never turned their backs to the foe, and their wounds were all in front. Many of them were wounded and crippled for life while others died upon the field of battle and their bodies are buried in Flanders fields—

> Where the poppies blow
> Between the crosses, row on row.

The miners subscribed and paid for more than $100,000,000 in Liberty bonds and in addition gave large sums to the Red Cross and other charitable organizations for the purpose of aiding to win the war. All they are now asking is to be treated with fair consideration in the matter of wages. I have seen misstatement after misstatement about miners wages piled one on another like Ossa on Pelion.

Miners, with the exception of day hands, are paid by the ton for mining coal, and I have never seen a statement from any fuel administrator, newspaper, or Congressman which has attempted to elucidate this question as to how much they are paid per ton for their work. Every statement I have seen about the matter is mere assertion and far-fetched guesswork.

I recently received from the vice president of district No. 23 of the United Mine Workers' of America the following telegram:

> In behalf of 5,000 miners who have been made slaves by the enforcement of the Lever law may I urge you to use your influence to have this law repealed? Our very souls protest against Dr. H. A. Garfield being given the authority to decide the amount of wages the miners shall receive. We understand he is a stockholder in some large bituminous coal mines and receives profits therefrom. My God, has our Government forgotten the service of the miners during the great World War? Not one disloyal act did any branch of our organization commit. We had more than 60,000 men in military service. We bought more than $1,000,000 of Liberty bonds, donated liberally to the Red Cross, etc. August 22, 1918, we made an effort to get better wages for the miner, and the Fuel Administrator said no. We were then engaged in war, and for the love of our country we bowed our head in submission and continued to work until war was over, expecting to be given a liberal wage.

Mr. Chairman, in my opinion, if Mr. Wilson had not been sick at the time the attempt was made to arbitrate the strike and had been able to give personal attention to the matter the strike would have been settled, and the men would now be at work.

The assertion is made, not based on facts, that the miners at the time of the strike were receiving exorbitant wages and the public has been diligently educated by interested and profiteering persons to place all the fault for the high price of coal on the miners and operators. Recently a Washington newspaper published an interview with a Louisville party as to the wages miners are receiving in the Birmingham, Ala., coal district. He knew, he said, because he had just returned from a trip to Alabama. He probably made this trip in an auto and is no doubt one of those auto miners who know just about as much about mining as city auto farmers do about farming. This city auto miner most likely never saw a coal mine in his life, and the city auto farmer probably never turned a furrow, yet the one can tell all about mining and the other all about farming and just what things should be done and what wages are paid, by intuition probably, owing to the vastness and profundity of their respective intellects.

The Louisville party, as detailed by the Washington paper, said:

> The normal output of that district is 55,000 tons daily and that is what is being produced now—

And he adds—

> The miners are already making exceptionally high wages—from $300 to $400, and in some cases $600, per month—

And he further states that 70 per cent of the miners are at work in that district.

If any miners are making such wages, they are contract miners and such sums are their gross earnings, and out of the gross earnings should be deducted the wages of two or three men, as those mines are machine mines and the wages of the helper and loader should be deducted, and when that is done the wage even of a contract miner will fall far below $300.

In the Birmingham district, which is the Alabama district, according to the United States Bureau of Mines for the year 1918, the latest report available and the year of greatest production, the coal output in that district was as follows:

Number of short tons	19,184,962
Number of men employed	26,221
Average number of days worked	278
Average number of tons mined per man	732

Machine miners and pick miners are paid on a different basis, but their wages are about in amount the same per ton, based on the pay per ton of a pick miner, and that in Kentucky is $0.7735 a ton, and is probably a little less in Alabama. Certainly nowhere in the world are miners paid a dollar per ton for mining; and admitting they are, then, if they mine 732 tons on an average per man a year at a dollar per ton, their average wages in Alabama for 1918 were $732 per year, or just $61 per month, and not $300 nor $400 nor $600 per month as the gentleman from Louisville with such vivid imagination seems to believe, but their wages, based on the actual amount paid per ton for the days worked, is about $566 per year, or about $47 per month.

Of course the 278 days the miners worked in that district represents days and parts of days and not 278 full days' work. The smallness of miners' earnings is not only due to low wages, but also due to the failure of railroads to furnish cars to the mines. Of course, miners could earn more if furnished cars by the railroads. According to the highly decorated imagination of the United States Fuel Administrator miners are receiving $1.50 per ton on an average for mining, so I am informed. That statement can not be substantiated by any earthly facts, because no place do they ever receive a dollar a ton, except, perhaps, in some isolated instances of contract mining. Even if they received $1.50 per ton for mining in the Birmingham district and mined 732 tons for 1918 per man, the wages for the year on an average would amount to $1,098, or $91.50 per month per man, and miners' wages have not increased since 1918, the year of greatest production. They were actually paid per ton about $0.7735, so the average wages per miner in that district for that year were actually about $566 per year per man, or a little over $47 per month, and they are no more now.

The Fuel Administrator states, so I am informed, that a miner can live on $950 a year, although the Secretary of the Treasury resigned because he could not live on $12,000 a year. If that be true, then the Fuel Administrator, in the fullness of his great heart and the abundance of his loving charity, is willing, after allowing a miner and his family $950 on which to merely exist—and most miners have families—to allow him, according to his own statement of the wages per ton received by miners, the further munificent sum of $148 per year to pay

for the few pleasures he may indulge in or to carry him over the misfortunes that may betide him or his family.

According to the figures of the United States Bureau of Mines the coal production in Kentucky in 1918 was as follows:

Number of short tons	31,612,617
Number of men employed	39,342
Average number of days worked	230
Average number of tons mined per man	804

If the average wage paid is $0.7735 per ton for mining, then 804 tons per man per year would amount to $623.89 per year, or $51.99 a month. If any man will show me by the signed scale of wages under which the miners are working that this statement is not correct I will be glad to correct the mistake, but this is the information I have received from some of the parties to the contract.

It is stated that the cost of living has advanced about 79.8 per cent and the wages about 58 per cent. Such estimates are, in my opinion, delusive. As a matter of fact, the wages of miners have not advanced since the war began, and in 1917–18 they were refused an advance on account of the war, while the wages in almost every other industry were advanced on account of the war and the increased cost of living, and the advance in living, as everyone who buys knows, has been in most instances over 100 per cent.

As advertised in the Louisville, Ky., papers, the retail price of coal in that city is:

	Per ton.
West Virginia lump	$7.00
West Virginia nut	6.50
Kentucky lump	6.50
Kentucky nut	5.50

The freight cost per ton from most, if not all, the western Kentucky mines to Louisville is $1 per ton, and the maximum price loaded on the railroad cars at the mines is $2.45 per ton; so the coal is delivered in Louisville at a cost of $3.45 per ton, leaving to the retailer a gross profit of $2.05 per ton on Kentucky nut coal and $3.05 on lump coal.

I do not know what the freight rates from the West Virginia coal fields are, but certainly not more than $1.50 per ton, and I have no idea it is that much; but at that rate West Virginia bituminous coal is delivered in Louisville for $3.95 per ton and the lump coal is sold for $7 per ton, leaving a gross profit to the retailer of $3.05 per ton on West Virginia lump coal and $2.55 per ton on nut coal; and yet the coal miner is cruelly and unjustly assailed by the newspapers and the public for the high price of coal. And the prices in Washington City are still higher; but the miner gets the same price per ton for mining the coal that goes to both places.

In addition to this profit, the retailer usually sells 1,800 pounds for a ton, thereby giving 9 tons of coal and charging the same as 10 tons, and making a still further profit of from $5.50 to $7 on each 10 tons of coal sold.

The retailers in many instances are the railroads; so the railroads and the retailers are the ones who are profiteering on the public in the cost of coal, and not the miners and operators. The excess over $2.45 per ton for coal is the gross profit divided between the railroads and the retailers; and in this city, with bituminous coal selling at $7.90 per ton, that gross profit amounts to $5.45 per ton, as the coal is placed on the railroad cars at a maximum price of $2.45 per ton.

Injunction proceedings are pending against a number of miners for alleged violation of the so-called Lever Act. This proceeding is pending under an amendment to the Lever Act which was reported to the House by Mr. HAUGEN, of Iowa, from the Agriculture Committee, August 23, 1919. That bill became a law October 20, 1919. Mr. Lever resigned from Congress, and his resignation was effective August 1, 1919, and he was not a Member of Congress when the bill was reported and passed.

It was never intended by Congress that the Lever bill should apply in such proceedings as the Indianapolis injunction cases. That is a criminal statute and provides a certain named penalty of fine and imprisonment for violation of a criminal law, but it is proposed to circumvent the plain intent of the law and to prevent the trial on a charge for violation of a criminal statute by a jury as all men charged with the commission of criminal offenses are entitled to be tried under the law. In that proceeding the court says one miner shall not furnish money or food to another miner who will not work for the inadequate wages miners now receive. In my opinion that law is the limit of legal oppression. If these miners have violated any criminal law, then they are justly entitled to a trial by a jury as the Constitution of this Republic clearly intends.

The miners and operators are charged with conspiracy to limit the production of coal and thereby enhance the price, but I do not believe there is any foundation for such charge. The miners want all the cars that can be obtained, because the more cars they get the more work they can obtain and the greater their earnings. The operators want more cars because the greater amount of coal they can ship and sell the more profit they can make. The charge is not reasonable as the price of coal aboard the cars is fixed by the Government. In addition, the operators have for two years or more been pleading with the Railroad Administration to furnish more cars to the mines in which to ship coal.

Why are not injunction proceedings invoked or the criminal laws enforced against the railroads?

The so-called Lever law makes it unlawful and provides a penalty for conspiring to limit the facilities for transporting any necessaries or to restrict the distribution of any necessaries, or for any person to do so. The railroads and persons connected with them have, in my opinion, beyond question limited the facilities for transportation of coal, and have restricted the distribution of coal cars to coal mines when they could have furnished them. If they did not, why were grass and weeds growing in the bottom of coal cars sent to Kentucky about 10 days before the strike? These cars evidently were not needed by the railroads in the operation of their own coal mines, and were probably hidden away on sidetracks remote from coal mines to prevent the distribution of coal by independent operators in competition with their own mines.

If they have not intended to and have not prevented the distribution of coal, why have they given a better rate per ton by 40 cents from the coal fields of southern Indiana and southern Illinois to Chicago, Cincinnati, and other competitive points than they have to coal shipped from the competitive field of western Kentucky?

I believe the railroad corporations are endeavoring to get control of the entire transportation system of the country and control of all the coal mines and lands, and if laws are not passed to prevent, I believe they will finally succeed; and one method to get possession of independent coal mines is to limit the distribution of cars to the lowest possible number. The Louisville & Nashville Railroad Co., according to the Louisville Courier-Journal, owns mines which produce 1,400 cars of coal per day, which amounts to about 60,000 tons, and other railroads all over the country own or operate directly or through interlocking directorates vast coal properties.

November 20, 1919, a dispatch from Columbus, Ohio, says:

Vigorous protest against the alleged delay of the Louisville & Nashville Railroad in setting cars for the mines of the Hazard field of Kentucky was made to Director General Hines and Fuel Administrator Garfield by B. F. Nigh, secretary of the Michigan-Ohio-Indiana Coal Association.

Complaints of car shortage made to Mr. Nigh from the Hazard field showed that 156 cars were provided, while the mines asked for and were ready to load 500 cars. Coal from these mines is shipped largely to Columbus and Cleveland.

The daily normal capacity in that field is 25,000 tons, and even though but comparatively few mines are in operation that railroad gives as an excuse that its terminals are congested. A scheme worthy of a diplomat. Congest the terminals and tie up the coal cars, and then give as an excuse for not furnishing cars that the terminals, which were no doubt purposely congested, are congested.

In the western Kentucky coal field day hands in mines receive from $3.56 to $4.35 per day, and most of them get $3.56. What gnashing of teeth and wild ululations there would be if the swivel-chair laborers of our cities were confined to such wages!

The CHAIRMAN. The time of the gentleman from Kentucky has expired. The gentleman from Ohio has 20 minutes remaining and the gentleman from Indiana 9 minutes.

Mr. ASHBROOK. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, this is the first time during my association in this House with the distinguished gentleman from Kentucky [Mr. THOMAS] that I have not been able to agree with him on every position he has taken before the House. But the gentleman says that there have been no figures given Congress whatever in regard to the earnings of the coal miners.

Mr. THOMAS. Will the gentleman yield?

Mr. BLANTON. Not now, but later. He says it is merely a guess. Surely the gentleman has forgotten the figures which the gentleman from Virginia [Mr. WOODS] placed in the RECORD some weeks ago, wherein he showed that in the mines of West Virginia the miners there named by him had been making from $253.60, as a minimum, per month up to $547.82 a month.

For the information of the gentleman from Kentucky [Mr. THOMAS] I here insert the said statement made by the gentle-

man from Virginia [Mr. WOODS], from page 7589 of the CONGRESSIONAL RECORD for Monday, October 27, 1919, to wit:

Mr. WOODS of Virginia. I give the statement, which has been furnished me, as to wages earned for the months indicated for the miners named at the Borderland Coal Corporation mines at Borderland, W. Va.

This is not a union field, but my understanding is that prices corresponding to the union scale are paid. Mining conditions are not exceptional and the miners are not paid higher, or at least not materially so, and the mining conditions are materially no better for the miner than generally prevail in that field. Miners are charged $2 per month per room for frame houses, most of which have bathrooms attached and are sewered, and $3 per month per room for brick houses. They pay for their own powder, which runs from $2 to $9; smithing bills, 50 cents per month; furnish their own tools, consisting of shovel, pick, coal auger, and perhaps an iron bar. They are not charged for timber or propping. Single men pay 75 cents for medical attention and married men with families $1.25 per month.

* * * * * * *

The miner works as many hours as he chooses and is paid by the ton or car. Their average day is from seven to eight hours, but, of course, during the period shown by the following statement there were quite a number of days in which the miners were not working, owing to car shortage. These cases may be exceptional, but are sufficient to show what can be earned by the steady miner. The list is as follows:

Name.	Month.	Gross amount.	Net amount.
Jno. Postuluk	April, 1918	$254.35	$240.75
Anthony Zimmerman	do	342.42	237.17
Bill Candill	do	303.03	164.53
B. H. McKee	May, 1918	259.50	172.10
Jno. Zebela	do	276.25	246.25
Bill Candill	do	354.25	236.75
Anthony Zimmerman	do	382.98	237.73
Bill Candill	June, 1918	376.74	276.98
Anthony Zimmerman	do	410.02	282.77
Geo. Bays	do	313.95	183.54
Martin Jutice	do	268.20	224.95
Jno. Zebola	July, 1918	262.95	238.95
Thos. Alley	do	279.91	262.16
Bill Candill	do	456.95	313.94
Anthony Zimmerman	do	508.56	344.31
George Bays	do	297.52	203.40
Henry Ratliff	do	293.76	241.51
Martin Justice	do	264.80	180.80
John Zebala	August, 1918	258.20	232.00
George Tice	do	258.30	212.05
Bill Candill	do	400.53	284.70
A. Zimmerman	do	547.82	412.57
George Bays	do	377.08	303.82
Henry Ratliff	do	311.47	250.22
Bill Candill	September, 1918	423.67	252.77
A. Zimmerman	do	458.21	254.21
Bill Candill	October, 1918	365.30	246.57
A. Zimmerman	do	343.46	179.21
Floyd Muncy	November, 1918	275.41	158.86
Bill Candill	December, 1918	257.92	167.04
Mose Burgett	do	257.92	112.37
S. J. Childress	February, 1919	261.02	193.27
Richard Lemaster	do	260.55	205.55
Bill Candill	do	280.54	221.04
Mose Burgett	do	269.88	141.63
Do	March, 1919	291.59	176.34
Bill Candill	do	300.82	239.82
H. E. Booth	April, 1919	266.55	159.95
Bill Candill	May, 1919	285.61	221.11
Mose Burgett	do	301.60	157.20
Jake Kosen	August, 1919	253.60	218.85
R. E. McKee	do	283.17	234.42
Jacob Cron	September, 1919	292.36	202.85

The net is after deducting store account, scrip account, powder, rent, lights, coal, smithing, doctor's fee, insurance, and in some instances cash and war campaign fund. These men are not starving.

I have just had a talk with the gentleman from Virginia [Mr. WOODS], and he informs me that since he placed the above figures in the RECORD he has ascertained that none of the above named were contract miners, but that the above represents the earnings of the respective individual miners named themselves without helpers. You will note that the amounts in the first column under "gross amounts" are the actual earnings before deducting any expenses, while the amounts in the second column, designated "net amount," are what was left to them out of their month's wages after paying house rent, store accounts, doctor bills, and so forth.

I call attention to the following from the Weekly Digest, published at Washington, D. C., December 3, 1919, on page 25 thereof:

COAL OPERATORS' PAY ROLLS PROVE MINERS WHO WORK WERE PAID $8.10 TO $13.05 PER DAY IN MONTH OF 22 WORKING DAYS.

WASHINGTON, *November 26.*

The executive committee of the bituminous-coal operators of the central competitive field issued the following statement to-night:

The storm center of the mine-wage controversy to-date has raged about the question of percentage of wage advance since 1913 as compared with percentage of increased cost of living since the same date. We can prove and, as a matter of fact, have proved by figures submitted yesterday to the public that on the percentage basis of figuring miners have already been offered by the operators far more than they are entitled to. But even more significant than these percentage statements are the figures of actual earnings in dollars and cents.

The following is a list of miners from different parts of the central competitive field showing average daily earnings taken direct from pay rolls:

William Dewarr	$8.10
Alvin Anderson	8.30
Paul Cases	9.44
Egnot Sessions	8.70
Bruno Ecknovich	8.42
John Martin	8.23
Andrew Bagon	8.26
Edwin Brawley	8.11
Jacob Gullick	9.37
Charles Wise	13.05
Charles Krug	12.10
J. W. Sims	13.03
James Eccleston	12.10
Pearl Patton	9.64
Dave Nichols	9.70

Thousands of others showing similar earnings could be added to this list, and we contend that the figures do not indicate an insufficient wage.

The miners allege that they do not have an opportunity to work a sufficient number of days at wages indicated above in order to secure a proper annual wage. To indicate how much cause the miners have to complain in this matter we have selected a mine pay roll which is typical of all others. This pay roll covers a period of one month, during which the mine worked 22 days, and accordingly offered every miner on the pay roll an opportunity to work the full 22 days. There were 175 men employed at this mine that were on the pay roll during the entire month. Out of this number 46 only presented themselves for work on each of the 22 days; 33 were present at the mine on 21 days; 31 for 20 days; 19 for 19 days; 8 for 18 days; 12 for 17 days; 7 for 16 days; 1 for 15 days; 1 for 14 days; 4 for 13 days; 2 for 12 days; 3 for 11 days; 1 for 10 days; 1 for 7 days; 2 for 6 days; 4 for 4 days; 1 for 3 days.

Are those men who refuse to take full advantage of their opportunities to work, and who prefer to loaf rather than to produce coal, entitled to any consideration at the hands of the public? It is for these men who, through their refusal to work, have brought down the average of the miners' earnings, that the mine workers' organization is demanding an increased wage. We say most emphatically they are not entitled to it. If they will work they will earn; if they will not work it is not up to the mine owners or the public to support them in idleness. On every occasion that the mine wage scale has been advanced during the last few years, the number of these idlers has increased, because they were able to earn all they required in a fewer number of days. It is time to call a halt.

Would the gentleman from Kentucky have us believe that we may better accept partisan estimates guessed at by the Secretary of Labor, who was a high official in the United Mine Workers of America at the time he entered the Cabinet, than the undeniable figures from actual pay rolls from the mines of our country?

Senator KING, of Utah, has well said that—

The Department of Labor is so honeycombed with Bolshevism that it is unfit to handle the cases of persons classed as undesirable in this country.

For the same reason we can not give any credence to estimates made by the Department of Labor on earnings of coal miners. The Secretary of Labor almost caused a rupture in the Cabinet of the United States when he sought to defend the lawbreaking, anarchistic leaders of this cruel coal strike at a time when the Government was trying to perfect plans to prevent hundreds of thousands of helpless women and little children from freezing to death.

If the distinguished gentleman from Kentucky [Mr. THOMAS], whom I personally like immensely and whose stand on the floor of this House almost invariably is in behalf of all the people as a whole rather than a particular class, knew as much about the earnings of the miners in his own State as he does about everything else—because he is a well-posted man—or as much as the gentleman from Virginia [Mr. WOODS] knows, he could have told exactly what the miners of Kentucky have been earning each month. Ask the gentleman from Virginia [Mr. WOODS], who went to a man not a week ago in Kentucky and in talking with a miner he said: "Mr. Preston, how many shots does it take for a day's work to accumulate the coal?" He said, "Three." "How much time does it take you to make the three shots?" "About 35 minutes." "How much time does it take you to load a mine car?" "Twenty minutes." "How many mine cars do you load a day?" "From 8 to 12, at least 10 on an average." "How much do you get for loading a mine car?" "Ninety cents a car." So this Kentucky miner, Mr. Preston, had been working four hours a day and making $9 a day loading 10 mine cars of coal.

If you would talk with our colleague, the gentleman from West Virginia [Mr. REED], and other gentlemen familiar with the facts, they would tell you that there are mines in West Virginia and other States where the miners are being furnished by the operators with the very best brick houses, more comfortable than the one I occupy in Washington, at a very nominal rent, with steam heat, electric light, with coal at $1 a ton at their residence, with a garden plot at the back of the house to raise vegetables for the family, with water to irrigate the garden, with excellent school advantages, and an extra fund added to the school fund to get extra teachers.

These operators have built churches, they have built Protestant churches and Catholic churches, giving them free entertainments at least once a week in the way of free picture shows, and

they have done everything on God's earth to make them satisfied, and paid wages from $150 to over $500 a month. Those are facts that are staring us in the face to-day. These miners have more money and property than they ever had before in their whole lives or ever dreamed of having.

Down in my district a Texas blizzard has been raging for a week. Women and little children are freezing to death—just what these anarchistic strike leaders have purposely designed—and during the last 10-day recess, instead of going to my home and enjoying my short vacation, I drove an automobile myself from Youngstown and through other parts of the State of Ohio, over 500 miles, driving through Pittsburgh and across the State of Pennsylvania, trying to find out what the real condition of some of these striking miners is. Why, as I came down through Ohio, about the only thing I could see besides strikers, jocularly speaking, were the cards of my good friend the gentleman from Ohio [Mr. EMERSON]. As I came through his district on almost every telephone pole I could see the card posted up—his large printed placard—and you could read it almost a quarter of a block off, "Write Congressman EMERSON, at Washington, D. C., for any bulletin you want. He will send it to you." [Laughter.] In some places the eating houses were designated "The Strikers' Café" and "The Strikers' Hotel."

Now, do the 300 strikes now existing in the United States operate to better the conditions? Can not you see in it the influence—the soviet and Bolshevik influence—not to help the working people of this country but an influence that digs right down at the root and foundation of this Government and is the anarchistic influence that is seeking to disrupt the Government.

Twelve months ago, when I first warned this Congress that labor unions and the American Federation of Labor were dominated by anarchistic influence and that our Government must require all unions to purge themselves of anarchy and disloyalty, I was assailed and bemeaned. If my warning then had been heeded, all of the great suffering now existing in our Nation by hundreds of thousands of helpless women and little children could have been avoided, and the millions of dollars our Government is now spending protecting men who want to work in their right to work without being attacked and killed by striking miners and striking steel workers would have been saved.

After Samuel Gompers has approved of the anarchist William Z. Foster being placed in charge of the steel strike, and has approved of all of his actions, and after Samuel Gompers has approved of the unlawful strike and unlawful actions by coal-strike leaders, and after all of his threats of disobedience to laws should Congress pass them, and his denunciation of Government action, will any unprejudiced person longer contend that he is not himself dominated by Bolshevik and anarchistic influence? Has he ordered the unlawful strikers back to work? No. I hope to God that Judge Anderson will take such action with regard to these 84 strike leaders whom he has summoned before him because of violation of the injunction that it will make them remember it to the longest day of their lives. I hope also the day will come when I can meet and take Judge Anderson by the hand and say, "God bless you, Judge; you are a man; you are not afraid to do your duty; you are not afraid of these anarchists who place bombs at the doors of people who stand for law and order and good government." Yet he is being execrated and condemned by all labor leaders.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ASHBROOK. Mr. Chairman, I yield two minutes more to the gentleman from Kentucky [Mr. THOMAS] in order that he may address a few well-chosen remarks to the gentleman from Texas [Mr. BLANTON]. [Laughter.]

Mr. THOMAS. Mr. Chairman, I attempted to ask the gentleman from Texas [Mr. BLANTON] a question, but could not obtain that privilege, as the gentleman, when he gets to talking, does not seem to have any terminal facilities. [Laughter.]

I stated that in this miners' wage controversy I had never seen any statement by those opposed to the miners as to wages by the ton miners receive, and I have not. The amount paid miners by the ton has been carefully concealed. They are paid by the ton, and the only correct way to arrive at the amount of their wages is to find out how much they are paid by the ton and the number of tons mined in a month or year and from that amount deduct their expenses in mining that coal, and their net wages in that way can be determined.

The gentleman from Virginia [Mr. WOODS] delivered a speech in the House October 27, 1919, in which he made certain statements as to the wages received for one month by 42 miners at Borderland, W. Va. It is but fair to Mr. WOODS to state the figures are not his, but were furnished to him by a person in West Virginia whose identity he does not disclose.

The earnings of these 42 miners are approximately the same, and I give only the statement as to the first 12 on the list, which is as follows:

Name.	Month.	Gross amount.	Net amount.
Jno. Postuluk	April, 1918	$254.35	$240.75
Anthony Zimmerman	do	342.42	237.17
Bill Candill	do	303.03	164.53
B. H. McKee	May, 1918	259.50	172.10
Jno. Zebela	do	276.25	246.25
Bill Candill	do	354.25	236.73
Anthony Zimmerman	do	382.98	237.73
Bill Candill	June, 1918	376.74	276.98
Anthony Zimmerman	do	410.02	282.77
Geo. Bays	do	313.05	183.54
Martin Justice	do	268.20	224.95
Jno. Zebola	July, 1918	262.95	238.95

The net is after deducting store account, scrip account, powder, rent, lights, smithing, doctors' fee, insurance, and in some instances cash and war campaign fund. These men are not starving.

In the speech of Mr. WOODS it is further stated miners are charged $2 per month per room for a frame house containing two rooms, and from $2 to $9 per month for their powder, 50 cents per month for blacksmithing, 75 cents to $1.25 per month for medical attention.

Let us take the first man on this list, John Postuluk. His gross earnings are stated to be $254.35 and his net earnings $240.75, a difference between his net and gross earnings of $13.60. Then, according to the veracious chronicler who furnished the figures, John Postuluk, if he occupied a two-room frame house at $2 per month per room, paid $4 a month rent, and $2 the lowest amount for powder per month, for blacksmithing 50 cents, 75 cents for medical attention, the total being $7.25 per month, would have left the magnificent sum of $6.35 to pay his store account, scrip account, lights, coal burned in his two-room house, insurance, and perhaps the cash he borrowed and war funds he paid, because the statement says this sum of $240.75 was his net earnings after deducting his store account, scrip account, powder, lights, coal, smithing, doctor's fee, insurance, and in some instances cash and war campaign funds, and this was all paid by the difference between his gross and net earnings, which was $13.60. If this statement could be true, and of course it is not, John Postuluk and his fellow workmen are exceedingly fortunate to be permitted to work in the mines and live at Borderland, W. Va. It is, if the above statement be true, certainly as goodly and fair a village as was ever kissed by the sunlight of heaven, and, like Beulah land, a land of milk and honey and corn and wine, unexcelled except perhaps by the far away celestial city which the olden prophets saw in dreams and visions. Those who are oppressed by the high cost of living in these strenuous times may now joyfully exclaim of Borderland, W. Va.—

This is the place I long have sought
And mourned because I found it not.

But the facts are that mine is a machine-worked mine and the work done by these men was by contract. It usually takes three men to operate a mine machine, a cutter, helper, and loader, and these earnings were most likely divided between the three, and if the services of the loader were dispensed with then the wages were divided between two men, although the amount was paid directly to John Postuluk, the contractor, who paid his assistants.

Because the miners, after waiting for over two years for a raise in wages to which they are justly entitled, and pleading in every possible way that at least a part of their request be granted, finally quit work rather than submit to a continuance of such hard conditions, a Washington newspaper is moved to declare editorially in the fullness of its wrath that—

The public can bring the miners to a realization that they are in the same boat with all other people by the simple expedient of cutting off their food, clothing, water, mail, and other supplies.

In other words, that paper would drive the miners off the face of the earth if they do not tamely work for the wages the nonproducing part of the public demands they shall receive. It would starve and make naked women and little children if the miners dare call their souls their own and refuse to submit to unjust working conditions. Such a sentiment is unadulterated Bolshevism, and is worthy of Lenin and Trotski and the soviet murderers of Russia, who starve women and children in order to compel the people of that oppressed and forsaken land to submit to their demands.

There are various kinds of Bolshevists—the bomb thrower, the poisoner, the parlor Bolshevist, the newspaper Bolshevist,

and others, all of the same ilk and kidney, and all of whom should be deported forever out of this Republic. The Bolshevist who advocates class distinction and oppression by starvation of one class in order to compel it to submit to the unjust demands of another and nonproducing class is just as harmful a Bolshevist as the bomb thrower and just as great menace to the stability of the Government, and the same punishment should be meted out to him as to the bomb thrower.

All these various kinds of Bolshevists, newspaper Bolshevists, who advocate the starving of women and children, included, are the unwashed products of anarchistic sentiment, and, like the olden Scottish seers and Roman augurs, claim to foretell most all events with unerring certainty in the advocacy of their diabolical doctrine and promulgate measures which are poison to our civilization and a menace to the liberties of our country. The newspaper which made the above editorial comment advocates more harmful methods than those it condemns in the miners.

The miners stood nobly by our country during the war. Besides leaving a multitude of dead on the battle fields of France, they delved into the mines and furnished the fuel to keep the wheels of our munition factories and all other industries running day and night. They did not hesitate or falter. Had they not been industrious and faithful the fires in every factory in this land would have gone out and the gates would have been closed. The mills would have run slowly or been silent. Every mother's hearts would have been apprehensive and the printed roster of our unfed dead in France would have been much more appalling. Sorrowful faces would have blanched with added terror from one end of this land to the other. Our armies would have melted away. Commerce would have been ruined and wealth destroyed by the billions and this Republic would have become the victim of the greed of Bolshevism and the passion of monarchs.

The baleful gaze of warring millions is now lifted from the red fields of death and battle and the feet of marching armies are turned from the ways of war to the paths of peace, and the coal miners of America deserve as much credit as any other class of citizens for helping to win the victory. [Applause.]

Mr. ASHBROOK. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY. Mr. Chairman, I desire to call the attention of the committee to a matter that has been pending before the Committee on Foreign Affairs for some time which has attracted considerable attention in the press and elsewhere. That is the question of the return to the United States of the bodies of American soldier and sailor dead buried in France. I want to say that in discussing this matter I trust I shall not be charged with unduly agitating or stirring up any kind of sentiment respecting the matter, because such is not my intention. I am prompted to say what I intend to say this afternoon only by the fact that I am a member of the Committee on Foreign Affairs, which has been conducting a good many hearings upon this subject, and because a good many delegations have appeared before us with reference to the situation.

I have to-day introduced a joint resolution and asked that it be referred to that committee, and I believe if it is passed promptly by the two Houses it will have a very great effect toward persuading the French Republic to lift the present restrictions which prevent the disinterment and return of American soldiers to the United States. The resolution is as follows:

Joint resolution requesting the French Republic to repeal, modify, or suspend the laws, ministerial instructions, and regulations of the French Republic preventing the immediate disinterment and return to the United States of American military dead buried in France, and directing the Secretary of War, upon the French Republic consenting, to take appropriate action to effect such disinterment and removal to the United States of such bodies in cases where requests for such removal are made by the nearest of kin.

Resolved, etc., That the French Republic be, and is hereby, earnestly requested to repeal, modify, or suspend, in so far as same may apply to the bodies of American soldiers, sailors, and marines, the laws, ministerial instructions, and regulations of the French Republic preventing the immediate disinterment and speedy removal to the United States of the bodies of American soldiers, sailors, and marines now interred in France, so that the Government of the United States may remove to the United States the bodies of such soldiers, sailors, and marines, in cases where requests for such return are made by the nearest of kin of such deceased soldiers, sailors, and marines, for burial in the United States.

SEC. 2. That the Secretary of State transmit to the Government of the French Republic a certified copy of this resolution.

SEC. 3. That the Secretary of War be, and he is hereby, directed, upon the French Republic consenting to such disinterment and removal, to take appropriate and necessary action to exhume and remove to the United States with all reasonable speed and safety and with due ceremony the bodies of all soldiers, sailors, and marines of the American Expeditionary Forces who are buried in France and the return of whose bodies to the United States is desired and expressed by the nearest of kin. The Secretary of War is further directed, upon arrival of such bodies in the United States, to make such delivery or disposition of such bodies as may be requested respectively by the nearest of kin.

Briefly, the situation is simply this: Pending hostilities the American authorities and the French authorities undertook to arrive at some agreement as to when American soldier dead lying in France should be returned to the United States. On account of the great troubles of transportation and the vast machinery of our Army in France, the French Government, at the request of the American military authorities, postponed the consideration of any agreement until after all American forces should have left France. It was purposed that at that time discussions would be taken up with a view to arriving at some definite conclusion between the two countries. Recently the State Department and the War Department have taken up with the French Government the question of arriving at some understanding upon the subject. Up to date the French Republic has declined to permit the disinterment and removal of bodies to the United States prior to January 1, 1922. It has been urged by the French authorities that sanitary considerations, transport considerations, and other things were of such a character as to make it impractical to carry out this policy with reference to their own soldiers, and they argue that to permit the United States to disinter their dead and bring them back to the United States would excite the French people to make the same demands upon their own Government. A great many bills have been introduced upon the subject, as well as several resolutions.

The gentleman from Indiana [Mr. BLAND] some time ago introduced a very elaborate measure providing for the establishment of an independent commission and providing for an appropriation of $50,000,000 and the building up of a machine to carry out this work. The practical difficulties which present themselves with reference to this matter are, first, we must secure the consent of the French Government, and so my joint resolution provides in terms that the two Houses of Congress respectfully request that the French Republic repeal, modify, or suspend its laws, ministerial instructions, and regulations so as to permit the United States to bring back to this country the bodies of such soldiers, sailors, and marines where such removal may be requested by the nearest of kin. The second part of the resolution is a direction to the Secretary of War to proceed with the disinterment, upon the consent of the French Government being obtained, and to bring back to the United States the bodies of those soldiers whose nearest of kin desire and express the wish for that to be done.

The reason these other bills establishing independent commissions should not be adopted lies in the fact that the War Department already has an extensive machinery established for this very purpose. A graves-registration service has been organized for quite a long time and has successfully carried out the disinterment of bodies in isolated graves and centralized them in the great central cemeteries. Therefore if the resolution which I have introduced shall meet with the favor of Congress, nothing further will be needed in the way of legislation to effect the return of the bodies of these soldiers or marines. The graves-registration bureau has already, through the office of The Adjutant General, obtained from a large percentage of the nearest of kin of these soldiers and marines information as to whether or not their return is desired.

And so with this information at hand, and with the other information which the bureau possesses as to the location of the graves and the identification of the bodies, it ought to be comparatively a simple matter, when the French Government consents, to disinter those bodies and return them to the United States. A great deal of discussion has taken place in the public press and on the floor here with reference to propaganda, both for the return of the soldiers' bodies and against the return of the soldier dead. It is a question upon which I take it any propaganda one way or the other is improper. The War Department has been very severely criticized for the statement of the Secretary of War and the statement of Gen. Pershing that the department and Gen. Pershing indulged the hope that the parents and kin of these soldier dead would be content to let their remains rest in France. I do not believe that the expression of that opinion on the part of those functionaries involved any breach of propriety. I take it that the War Department being in touch with this situation and understanding the difficulties involved, nothing improper upon the part of those gentlemen was done in expressing that opinion. Those who favor and have been urging the return of the bodies have very seriously and very bitterly criticized the position of the War Department in that regard. But the Secretary of War has always said that irrespective of the views of the War Department, the War Department had promised to return the bodies of all soldiers whose parents or next of kin requested it and that the department intended faithfully to keep that promise, and I believe that that is true, and it is borne out by the fact that already steps have been taken by the War Department to bring

back the soldier dead from every country in Europe with the exception of France, and with regard to France steps have already been taken to bring back the soldier dead whose parents or nearest of kin have requested it who were buried in those areas of France out of what is known as the "zone of the army." The French consented to the disinterment and return of those bodies. So I take it there can be no question about the good faith of the War Department in carrying out the promise which it made, and for that reason the resolution which I have introduced simply directs the Secretary of War to carry out that policy with reference to all bodies in France, and that is one reason why no independent organization should be set up.

But, my friends, the propaganda on this subject, if such it be, has not been made on the part of the War Department or on the part of Gen. Pershing alone. The Undertakers' Association of the United States has become very much concerned about this, and, much to its shame, it seems that it is taking part in an agitation throughout the country to stir up a sentiment that these soldier dead should be returned. Such an effort to commercialize the sorrow of the mothers and fathers of America should be bitterly condemned and denounced, and so far as I am concerned no condemnation could be too bitter or too severe. I hold in my hand a clipping from a newspaper dated September 21, copied from, I believe, the Star, which is as follows:

WILL URGE UNITED STATES FIGHTERS' BODIES BE BORNE TO UNITED STATES.

ATLANTIC CITY, N. J., *September 11.*

A demand will be made upon the United States Government by the National Funeral Directors' Association that the bodies of American fallen heroes buried in France be brought home for burial.

At the opening session of the organization's annual convention here yesterday the statement made at the outset of the war that ultimately the body of every American fighting man who made the supreme sacrifice would be brought home for burial was read into the records.

John Moss, national president, of Louisville, in his address declared there is spreading throughout the Nation a universal demand that this be done.

The CHAIRMAN. In compliance with the request of the gentleman the Chair desires to notify him that he has consumed eight minutes.

Mr. CONNALLY. I thank the Chairman. I also have before me here a copy of the Stars and Stripes, a paper published here in Washington by some of the soldiers connected with the publication of the Stars and Stripes of the American Expeditionary Forces. This paper contains an editorial which cites a letter to the trade published in the Casket, in which the writer seeks to make capital of this subject, somewhat in these words:

For nearly every American soldier returned, some funeral director will be called upon to perform the necessary duties of reception and burial.

Then this writer fairly chortles:

"Extra business, gentlemen! Legitimate, patriotic, kindly, sympathetic, remunerative extra business."

Perhaps dimly sensing something outrageous in his own jubilance, he hastens to add:

"No increased death rate, no additional widows and orphans—only the final laying away of America's sons in the bosom of their dear motherland."

The editorial in the Stars and Stripes justly condemns this brazen appeal of the writer in the Casket.

Now, Mr. Chairman and gentlemen of the committee, so far as my own personal feelings regarding this matter are concerned, if I had a son who had fallen in France I would prefer his bones be left at rest in that soil which he sanctified by his death. But as to those parents and to those wives back here in the United States who, in their sorrow and grief, may desire that the bones of their loved ones be returned to repose in their family cemeteries or in a national cemetery, I do not believe that the United States ought to hesitate in its efforts to secure the consent of the French Republic that we may bring back whatever may remain of the once strong and healthy soldiers who left these shores to fight the Republic's battles, to deliver them back, poor remains that they may be but yet sacred to the Nation, to those who loved them in life and who grieve for their death. [Applause.] And while I would not stir a sentiment in the heart of the father or mother who is content to leave those remains in France, I would not unduly agitate a desire to bring them back, because there can be no doubt that in some cases serious disappointment may result. Perhaps terrible mistakes may occur, but there seems to be a great demand throughout the country, as disclosed before our committee and in the hearings before that committee, that many parents, many fathers, many mothers, many widows, desire that those remains be returned to the United States; and I take it that if we should act at all we should act very promptly in this matter, because only a few days ago, under a Paris date line, the statement was made that the French Republic had refused the request made through the State Department a short time ago regarding this matter, and intimated very strongly that if the United States Government should bring pressure to bear the French Government would yield.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ASHBROOK. I yield the gentleman one additional minute.

Mr. CONNALLY. Under these circumstances, gentlemen of the committee, when the French Republic is made to understand the great difficulties which our people will experience in visiting France, of the widespread demand for the return of the bodies of our soldier dead, I do not believe the French Republic will refuse to permit the return, especially if it is backed up by a resolution of both Houses of Congress asking that these restrictions be lifted.

I hope to have a favorable report from the Committee on Foreign Affairs on this resolution within a very few days, and I most respectfully request that those of you who are interested in this subject may cooperate in bringing the matter speedily to the attention of the House. If we can pass the resolution, I am confident that the French Republic will relax its objection and permit the removal to be accomplished.

I thank you. [Applause.]

Mr. ASHBROOK. Mr. Chairman, I will ask the gentleman from Indiana [Mr. VESTAL] to use his time. I have a few minutes remaining and will yield them to him.

The CHAIRMAN. The gentleman from Indiana is recognized for 11 minutes.

Mr. VESTAL. Mr. Chairman, I will yield the remainder of my time to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, I am an advocate of standardization and have often spoken in favor of different forms of standardization on this floor. I shall support this bill unless more serious objections are presented than have been brought out in general debate. The contention that because we fix the unit of weight at 100 pounds or the standard barrel of flour at 200 pounds one can not sell any number of pounds except a multiple or certain fraction of this number, as provided in this bill, is not tenable and does not appeal to me. It seems to me that all the bill means is that where a standard bag, package, or container of any kind is indicated it must be at one of these weights, but if a man wishes to buy an odd number of pounds out of a barrel there is nothing in this bill that can possibly prevent it.

I wish to speak about the standardization of another article which is a matter of importance in our industries.

About a year and a half ago, upon my urgent representation, a bill was passed through this House, which later became a law, authorizing the appointment of a commission for the standardization of screw threads. When the word "commission" is used Members of Congress usually prick up their ears and get ready to say unkind things. I think, however, that when the results of the work of this commission are presented it will be found to be in a different class from most commissions that have gone before it.

It was said there would be no expense, or practically no expense, connected with the work of the commission. That promise has been lived up to literally, and although the commission has run nearly a year and a half it has strictly kept to the original representation in that regard.

The membership of the commission consists of the Director of the Bureau of Standards, two Army officers, two Navy officers, and four eminent engineers nominated by the American Society of Mechanical Engineers and the American Society of Automotive Engineers. The commission was appointed September 21, 1917, for a term of six months, which by act of Congress was extended one year, so that the life of the commission, unless again extended, will expire March 21, 1920.

The problem this commission set out to solve was to standardize and simplify screw-thread practice in the industries of the United States. There have been and are many times the number of different varieties of screws actually needed in our industries. Even those described in the same language are not always interchangeable.

The commission has just made a tentative report on its work. I say tentative because it is desired before a final report is made to have the proposed report submitted to the most searching examination and criticism of engineers and manufacturers generally. In my judgment, when this report is made, approved, and promulgated for general use in the industries of the country it will prove to be a monumental work, the effect of which will be widespread and far-reaching. One of the results will be in greatly reducing the number of sizes, varieties, and kinds of screws manufactured. This of itself will be a tremendous saving.

When the report of this commission is generally adopted, hardware dealers may greatly reduce the number and quantity of screws they will have to carry in stock. It will render interchangeable the several parts of machines and other articles manufactured in different factories and in different parts of the country. This will greatly facilitate production in peace as in war. It will enable one factory to produce in great quantities certain parts of articles, while another factory, widely separated, will produce in large quantities other parts. All of these parts may then be brought together in still another place and there assembled. The ability to do this will aid materially in keeping our manufacturing industries abreast of the industrial development sure to follow the war.

Mr. MANN of Illinois. Will the gentleman from Connecticut yield?

Mr. TILSON. I yield to the gentleman from Illinois.

Mr. MANN of Illinois. What is the standard of measurement? Is it decimal or international?

Mr. TILSON. The standard is worked out in decimal fractions of feet and inches, but so as to be readily translated into the metric system as well.

The adoption of a uniform standard of tolerances in screw threads will increase the dependability of all mechanisms in which screws are used, and among other advantages will add greatly to the safety of travel by rail, by automobile, by steamship, and by aeroplane.

One of the interesting phases considered and reported upon by the commission is screw-thread terminology. It will be a distinct step in advance if in the future the engineer, the manufacturer, and the consumer may use the same language in dealing with this very important subject and if the same terms used in specifications and drawings shall mean the same thing.

The results of the work of this commission will not be confined to the limits of this country. It is sure to take a much wider range. The Screw Thread Commission visited France and England, and there is reason to hope that a uniform standard of screw-thread practice may be adopted internationally. When the work of our commission was submitted to a member of the standards commission of Great Britain, he is reported to have said after examining it for many days that the work had been done with characteristic American speed and British thoroughness.

I shall not now ask to have this report printed as a House document, because it contains a number of tables, plates, and drawings, which would be somewhat difficult and expensive to reproduce, but the report when finally approved and promulgated will be printed as a Government document, and made accessible not only to Members of Congress but to the metal industries generally. I call attention to the matter now, so that the Members of the House who aided in the passing of this bill may know that in so doing they participated in what is destined to be a notable work in American industry.

I can not be unmindful of the fact that when I presented this matter to the House originally, almost two years ago, many Members were kind enough to say that it was largely upon my recommendation that they voted for it, and because of their confidence in me that I would not attempt to put anything through this House that I did not at least sincerely believe was meritorious. I then believed that it would be highly beneficial, and I am more convinced of it now than ever. I have brought it to your attention now so that when the work is finally approved and promulgated you may see what it is for yourselves, and I believe that you will then agree with me that in passing the original bill you participated in a good work. [Applause.]

Mr. SAUNDERS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes; I yield.

Mr. SAUNDERS of Virginia. I understand from the gentleman's statement that it is his judgment that if this report is adopted there will be fewer varieties of bolts to be carried in stock by the dealers than formerly?

Mr. TILSON. Yes. The number will be considerably reduced.

Mr. SAUNDERS of Virginia. That would be done by having a standard for the bolts?

Mr. TILSON. Yes.

Mr. SAUNDERS of Virginia. And there will be a uniform standard for all bolts, whether an inch, or half inch, or any other size?

Mr. TILSON. Yes. There will be different classes for different requirements. "A" class may be for fine work, "B" class for medium work, and "C" class for work requiring only a loose fit. There may be an additional class, "AA," perhaps, for very fine work. It is all worked out in formulas which will provide a sufficient number of sizes, shapes, and varieties to serve all possible purposes.

In accordance with permission granted there is here inserted a letter from Dr. S. W. Stratton, Director of the Bureau of Standards, and a brief summary by him of the work of the commission:

DEPARTMENT OF COMMERCE,
BUREAU OF STANDARDS,
Washington, October 24, 1919.

Hon. JOHN Q. TILSON,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN TILSON: In accordance with our conversation the other evening I am sending to you herewith a "Summary of the results of the work of the National Screw Thread Commission," together with some supplementary remarks concerning it. You may modify the form in any way you see fit, or if you desire more detail we would be pleased to extend our statements.

With kindest regards and thanking you for the interest you are taking in our work, I remain,

Very truly, yours,

S. W. STRATTON,
Director Bureau of Standards and Chairman of the Commission.

Summary of the results of the work of the National Screw Thread Commission, authorized by an act of Congress approved July 18, 1919, and extended by an act of Congress approved March 3, 1919.

A tentative report has been prepared by the commission containing complete specifications, tolerances, drawings, and other detailed information necessary for the production of interchangeable screw threads. It is the most complete guide on the subject of uniform screw threads that has been prepared, and will serve as the basis for any future national and international standardization.

This report, which is based on the best present practice in the arsenals, naval gun factories, and private manufacturing plants of the country, will, when approved by the Secretaries of War, Navy, and Commerce, become the basis for all screw-thread work of the various manufacturing plants under the control of these departments. As far as practicable, it will be used in all specifications for screw threads in proposals for articles, parts, and materials to be purchased by the Government. Many manufacturers have already made inquiries for the report with a view to its immediate adoption.

The need for screw-thread standardization was acutely felt by both manufacturers and the Government in the production of munitions of war. The manufacture of separate parts in different factories in various parts of the country and their final assembly at central points involved standardization and interchangeable manufacture to an extent never before attempted.

It is extremely fortunate that the National Screw Thread Commission was appointed at a time when it was able to participate in and take advantage of the screw-thread standardization that had been accomplished during the war for the manufacture of munitions. The commission has correlated the experience gained by the military departments and has put it into form for public use. The "salvage value" of this experience is of inestimable value to manufacturers and users of screw-thread products.

Not only has the standardization work done by the War and Navy Departments been freely drawn upon in the preparation of the report, but that of the engineering societies as well, which have been of the greatest assistance to the commission.

Public hearings have been held by the commission in various industrial centers of the country for the purpose of obtaining first-hand information on this subject from the manufacturers and users of screw-thread products throughout the country. They have given most valuable information and suggestions in regard to their needs and present practices and have shown great interest in the work of the commission.

The CHAIRMAN. The time of the gentleman from Connecticut has expired. All time has expired, and under the rule adopted for our guidance the bill will now be read for amendment under the five-minute rule. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the standard of weights for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, shall be 100 pounds avoirdupois, and the standard measure for such commodities, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over shall be a package containing net avoirdupois weight 100 pounds, or a multiple of 100 pounds, or one of the following fractions thereof: 5, 10, 25, or 50 pounds, and in addition, but for commercial feeding stuffs only, 60, 70, or 80 pounds.

Mr. WINGO. Mr. Chairman, I move to strike out the following words, page 2, line 2, "but for commercial feeding stuffs only, 60, 70, or 80 pounds."

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 2, line 2, after the word "addition," strike out all the balance of the section.

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. WINGO. The amendment should really come after the word "pounds."

The CHAIRMAN. Does the gentleman ask unanimous consent to modify his amendment?

Mr. WINGO. Yes.

The CHAIRMAN. Is there objection to the gentleman's request that his amendment be modified in the manner indicated?

There was no objection.

Mr. WINGO. Mr. Chairman, this is not a new question. Every session of Congress we have some proposal that involves the right of Congress under the Constitution to establish standard weights and measures. We have no right to go further. I recognize the necessity as well as the right of Congress to fix standard weights and measures, but not to apply them. There is a very clear distinction between saying that a certain thing shall constitute a pound and that so many pounds of a certain article shall constitute a bushel, and that so many inches shall constitute a yard, and that so many grains shall be a dram and so many drams shall be an ounce and so many ounces shall be a pound—there is quite a difference between doing that and in saying that every bottle of Castoria that is sold shall contain 8 fluid ounces or that every barrel of flour that is sold shall contain 200 units or pounds of the standard weight which Congress has fixed.

Why, gentlemen, if we have the constitutional right to say that there shall be 200 of the standard units or pounds in every package of flour simply because we have the constitutional right to fix standard weights and measures, then having the right to say 36 inches shall constitute a yard, on that same theory we would have the right to say that all the coats manufactured and shipped in interstate commerce should be 40 inches long. It is the same kind of a proposition exactly.

Now, let us see what you have here. Let us get down to my amendment. You have a penalty imposed which provides a fine of $500 for a violation of this act. The amendment I have offered is to strike out the words "and in addition, but for commercial feeding stuffs only, 60, 70, or 80 pounds." Do the members of the committee who framed this act know and realize that in every township, in every little community, there are little feed mills run by the farmers, where the farmer puts up the feed first in one kind of a sack that he gets and then in another and sells it by the pound? Yet such sales are "package" sales under this act. Oh, yes; the farmer out in Illinois, running his little old gristmill, using his Ford engine to do it, grinding up foodstuffs, uses sacks, and if they happen to contain 50 pounds or 75 pounds or 88 pounds or 101 pounds, for instance, and if he sells it, what does he do? He has committed a Federal offense under this proposed law and can be fined $500.

Oh, gentlemen, what a miserable, petty business this is when you go into it, trying to say how people shall put up their goods.

You now have a law to make them brand every sack of flour that is sold with the weight, and the law requires a correct statement of the ingredients. That prevents fraud, but this proposal goes further and changes the customary standard sizes. The committee report admits that the standard barrel of flour is 196 pounds, and you frankly admit that you are going to change the standard to 200 pounds. I am in favor of the statute which says you must put on the containers the net weight and the ingredients, but when you come to say that the American manufacturer, whether he be a little farmer, putting his own product into a package to be sold, or whether he be the proprietor of a great milling plant, shall be permitted to sell in interstate commerce packages of only a certain size in a certain shape is absolute folly. Nobody but a crazy socialist would ever favor it if he understood what it meant. It is nothing but foolishness gone to seed, and that is what socialism is. No wonder you have people in this country sore at the Federal Government. The first thing you know you will undertake to standardize clothing, saying coats shall be so many inches long and ladies' skirts so many inches short. You have people who advocate standardizing clothing. You have people who advocate standardizing shoes. You have people who advocate standardizing neckties, making them so wide and so long. You have one darned fool who is advocating that we undertake to have a winter thermometer. Why, it is in keeping with that crazy idea of the conservation of daylight, that daylight-saving law that we tried that was such a joke. Oh, yes; you are going to make this farmer use only 60, 70, or 80 pound sacks in which to sell his feed stuffs. Why, to save his life he could not get them uniform. One sack would weigh a pound or two more than another, owing to the difference of the weather, the dampness that might be in the stuff at the time he packed it.

What miserable business has Congress come to when it goes into petty, little things like that at a time when there is unrest throughout the country, at a time when every man who believes is representative government ought to realize that instead of dabbling in little things like this we should as quickly as we can, consistently with war conditions, take our hands off private enterprise. I am sick of the Federal Government dabbling in such petty business. We have fixed the standard of so many pounds to constitute a bushel of the different grains. That is all right. We require them to label the sack and packages with what is in it and the weight, so that the purchaser shall not be deceived. That is all right. Say that no one shall put up anything except wholesome stuff and that the container must state what the ingredients are. Go further and prevent the sale of partially filled packages. Such laws are all right from the standpoint of protecting the public health and preventing fraud; but to say that you must use packages of only certain sizes and weights, and if you use one of a different size, though correctly labeled and full, you shall be punished as a criminal is foolish and unnecessary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. Mr. Chairman, I am always entertained and generally instructed by the speeches of the gentleman from Arkansas [Mr. WINGO], though I have heard this particular speech, either from him or from some one else, a great many times since we commenced agitation of the pure-food law in Congress, and afterwards in connection with the passage of various bills fixing standards of measures for various commodities.

The Constitution of the United States provides that Congress shall have the right to fix the standard of weights and measures; not merely the standard of weights but the standard of measures; not merely to say what shall constitute a hundred pounds, if it so desires, but to fix the standard of the measure of the article itself. We have exercised that power in a few cases. I do not now recall which was the first bill that came up, but there was a very strenuous fight over it on the floor of the House a number of Congresses ago. There was afterwards a considerable contest over the lime-barrel bill. There was some contest over the apple-box bill, and I think my distinguished friend from Arkansas made this same speech on the apple-box bill, though I may be mistaken as to the identity of the person who made the speech. That is my recollection.

Nobody has ever heard a single complaint from any source whatever as to the workings of those laws which were passed fixing the standard of measure of various commodities. Before that no one knew what he was getting, and there was constant attempt at fraud and deceit by reason of the variation in the measures which were used in selling and handling these commodities.

Mr. WINGO. Will the gentleman yield for a question?

Mr. MANN of Illinois. Yes.

Mr. WINGO. When the gentleman goes down to the market and buys a sack of flour and it shows on the container the weight—8 or 12 pounds—he can not be deceived about the weight, can he?

Mr. MANN of Illinois. I had charge of the pure-food bill when it was passed and became a law. I first brought into the House in the pure-food bill a provision requiring that the quantity of the contents should be stated on every package containing food. Why, such a howl as went up from a lot of canners and manufacturers in this country has rarely been equaled since. The distinguished gentleman from Arkansas [Mr. WINGO], whom we did not then have the honor of having with us, would have been opposed to that provision if he had been here. After a warm debate the House struck out that provision on the motion of a gentleman who was afterwards Vice President of the United States, and a broad-minded statesman, too, Mr. Sherman.

The House struck it out. I said to the House then, "Whenever you prevent fraud in one direction and leave a loophole in another the people who want to commit fraud will quickly find the loophole; and, though you may strike out a provision for putting on packages the quantity of the contents, there will soon come a time when the men who handle groceries throughout the country will come and demand that we put it on." It was not very long until these same gentlemen who had agitated and succeeded in carrying the agitation by a majority in this House came to me while I was chairman of the Committee on Interstate Commerce and begged me to formulate a proposition which might be put through to put that into the law, and I did it, and it became the law. And nobody has ever complained about it since except those who want to commit fraud. But merely putting the quantity and contents on many packages is not sufficient. I defy any man in this House to tell the difference between a sack of flour containing 40 pounds and a sack of flour containing 35 pounds merely by looking at it. I brought into the House on the pure-food bill can after can of the same article and defied men who were fighting me on the proposition to come and tell which was the larger of two cans by looking at them. When they would come down and pick out the smallest for the largest I would put the cans on the scales and show them that they could not tell.

The person who buys these things buys largely by the looks, and it is a fraud upon him to have one man selling flour in

packages of 40 pounds and another putting up packages of 39 pounds and 35 pounds, or somewhere between, and making the purchaser believe that he is getting the same quantity of flour possibly at the same or a slightly reduced price.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MANN of Illinois. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN of Illinois. The greatest difficulty which was found in connection with putting the net quantity on the containers was the fact that it is impossible to manufacture two containers of exactly the same size. Even when you do it by machinery two containers will not contain precisely the same amount. You can not make two bottles which will contain precisely the same quantity. You can not make two boxes or two barrels or two sacks that will contain precisely the same quantity, and that was the great difficulty.

We finally solved that by putting a provision in the law that variations would be allowed and that tolerances should be fixed by the Department of Agriculture.

This bill provides for such rules and regulations which shall include reasonable variations and tolerances which shall be allowed.

No one has ever complained, so far as I know, about the tolerances fixed by the Department of Agriculture, fixed in connection with the pure-food law, although it covers an almost innumerable number of cases. There is no difficulty whatever in fixing tolerances under the provisions of a bill like this which will safeguard any man who tries or pretends to be honest.

Mr. WINGO. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. WINGO. Will there be any less difficulty in making a 200-pound barrel than a 196-pound barrel?

Mr. MANN of Illinois. Not at all.

Mr. WINGO. How does the gentleman's argument go to the point in question?

Mr. MANN of Illinois. The gentleman from Arkansas was undertaking to say that this would penalize a man on the farm who was trying to put up an 80-pound package if he got a little over or a little under. That was the substance of the argument that I was trying to demolish.

Mr. WINGO. If the gentleman will permit me, perhaps I was unfortunate in using 1 pound, but take, for instance, a gunny sack, and he puts up the mill product to the amount of 94 pounds. Under this provision he would be penalized, for they would not allow a variation of 14 pounds.

Mr. MANN of Illinois. No; and the man would not put it up in a gunny sack in that way. He would only try to do it when he was attempting to commit a fraud.

Mr. WINGO. Oh, no; they do it in order to prevent buying expensive sacks.

Mr. MANN of Illinois. The gunny sacks will be of a certain size.

Mr. WALSH. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. WALSH. Would the gentleman say that we are fixing a standard package of flour by saying that the container shall have 200 pounds when the container itself might be large enough to hold 250 pounds?

Mr. MANN of Illinois. The container, I take it, under this provision will be large enough to hold 200 pounds.

Mr. WALSH. And it might be large enough to hold 250 pounds.

Mr. MANN of Illinois. I do not think so.

Mr. WALSH. I think this language would permit it.

Mr. MANN of Illinois. That sort of a fraud is now being committed. They make a large container and print the contents of the package in small letters, so that the container looks as though it contained a great deal more than it does. They put the weight in letters that do not attract attention. There can be no possible objection, where there is a reason for it, to the Government fixing these standards so that they are universal throughout the country. I am as strenuously opposed as anybody to the Government attempting to regulate the business activities of the country. I do not think that is the duty of the General Government. But we are the only power that can make a uniform standard of measure, and whenever it has been exercised it has been for the benefit of everybody who was either a producer or a consumer. It seems to me that that would be the case by the passage of this bill. [Applause.]

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Mr. Chairman, if I understand the language of section 2 correctly, it would seem to fix the standard package by stating that the standard package shall be those containing units of avoidupois weight of 100 pounds and multiples of 100 pounds or the following fractions. You might have a barrel to contain 100 pounds of flour which would be large enough to contain 150 pounds. I do not think you are establishing a standard package by stating that this package must contain if it is sold for a standard package of 100 pounds——

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. GARD. Is the gentleman arguing for illustration, because we have not yet read section 2, to which he refers?

Mr. WALSH. I was simply arguing for illustration. Section 1 fixes the standard weights for certain commodities and the standard measure for such commodities when they are shipped, sold, or offered in packages of 5 pounds or over, but section 2 of the measure fixes the standard package, and I see nothing in that language or in any other language that would permit the required weights which are fixed as standards to be sold in other-sized packages which would be capable of holding more than the required standard, and I would like to have some member of the committee explain whether in selling these commodities in various weights and multiples or fractions of 100 pounds it is permitted to sell them in packages large enough to hold more than 100 pounds or whether the container must be of such size that they will hold the number of pounds, the multiples or fractions of 100 pounds, or the 100 pounds which are mentioned as the size of the standard package.

Mr. TOWNER. Mr. Chairman, I think the same difficulties arise and the same objections apply to this measure as applied to the standard apple barrel and box and all other container laws that we have passed. I think the difficulty arises in the minds of Members because of confusion of thought and because of lack of accuracy and clearness of statement, thereby confusing the object and purpose of the legislation. A man can sell all of the apples he desires or all of the flour that he wants to, and he can sell it in any form that he chooses. This bill has nothing to do with that matter. I think a close examination of the language will show that the object and purpose of the bill is to say that when dealers put on the market and sell in standardized packages the flour or any of the commodities mentioned in the bill the commodity shall be in these different easily ascertainable and identified quantities. For instance, if a man should put, as suggested by the gentleman from Illinois [Mr. MANN], flour in a package containing 35 pounds and flour in a package containing 40 pounds, ordinarily on the market, the purchaser merely looking at the package could not tell whether he was getting 35 or 40 pounds. In order that that fact may be easily ascertained, or as easily as possible, so that there may be no fraud on the purchasers whenever this class of commodities is placed on the market, the requirement is that the packages shall be as they are stated here, so that it can be ascertained whether or not he buys a 5 or 10 or 25 pound package of the commodity purchased.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. WINGO. Let us take one of the standard forms sold. A man wants an 8-pound package of flour. It is marked 8 pounds in red letters on the package. He wants a 12-pound package of flour, and that is marked 12 pounds, and the same is true of a 24-pound package or a 48-pound package. Will the gentleman please explain to the House how it is easier to perpetrate a fraud on a man selling a 48-pound package, marked 48 pounds, than it would be if he sold a 50-pound package, marked 50 pounds? Where is there any opportunity for fraud in one that there is not in the other?

Mr. TOWNER. The gentleman asks a question that I can not answer. I could not be frank and say that I could say whether or not there was any difference, but that does not reach the proposition involved.

Mr. PADGETT. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. In a moment. That is not the proposition that is before the committee. The proposition before the committee is, Shall we do as we have done before, make these packages so that these people will understand readily what they are purchasing, so that they will know by the mere appearance of the package, so that it can be always understood, so that when a purchase is made it will be made for a definitely ascertained amount, and that the purchaser can not be deceived either directly or indirectly by concealing the markings or by obscuring them in any way? I yield to the gentleman from Tennessee.

Mr. PADGETT. Along the same line of thought, that there may not be confusion and misunderstanding from looking at the package, I direct the gentleman's attention to page 2, line 2—

but for commercial feed stuffs only, 60, 70, or 80 pounds.

Will the buyer looking for a 60 and 70 pound package be able to distinguish them? Can not a 60-pound package be put off on the purchaser as a 70-pound package just as easily as a 35-pound package could be put off for a 40-pound package, which the gentleman illustrated a moment ago?

Mr. TOWNER. I think that that particular portion of the section is subject to that criticism.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. PADGETT. It occurred to me that ought to be stricken out.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAUGEN. Is it the gentleman's contention that it can be sold in other packages than these standard packages?

Mr. TOWNER. Yes, certainly; but if a man puts these packages out and sells them as standard packages he would be liable. For instance, the gentleman from Arkansas [Mr. WINGO] told about the farmers not being allowed to sell a gunny sack full of flour or bran, or whatever it may be. Of course, the farmer never attempts to standardize his package nor to sell his goods in standard packages.

Mr. HAUGEN. That is also true of the millers in inland towns.

Mr. TOWNER. Certainly.

Mr. HAUGEN. The bill provides that it shall be unlawful to pack, offer for sale, and so forth, "when in package form." Does that imply a standard package only?

Mr. TOWNER. It implies that if they are to sell in package form that they must conform to the requirements of this law. There is certainly no requirement in the bill that makes a man sell only in package form.

Mr. HAUGEN. Well, flour sold in a grain sack, is that in package form?

Mr. TOWNER. Certainly not.

Mr. HAUGEN. It is only in the standard package?

Mr. BANKHEAD. Will the gentleman yield?

Mr. TOWNER. Certainly.

Mr. BANKHEAD. The custom in my section of the country, and maybe in the gentleman's section also, where the people who own a little gristmill, a corn-meal mill, where they charge a toll for grinding, of course their compensation is based upon the ability to dispose of the toll which they collect.

Does the gentleman from Iowa think that if one of those millers honestly made a mistake in the weight of a package in putting it up to sell in a sack or an available receptacle to him for that purpose that this system of tolerance that Mr. MANN referred to, or allowance that would be made, would protect a man of that sort in a mistake in putting up his package?

Mr. TOWNER. Unquestionably, if it was a slight variation. Let me say to the gentleman that the little man never sells in packages. This law would never apply to him, or very rarely indeed. He does not put it up in packages to sell as packages.

Mr. BANKHEAD. In my section of the country that practice does obtain, I will say to the gentleman.

Mr. TOWNER. It might be possible, of course. I do not know how extensive it might be, but I do not believe the man who is just engaged in the custom-milling business would pretend to sell in standard packages or put anything produced in the mill in standard packages. I do not think he would attempt to do that, and therefore this law would not apply.

Mr. BANKHEAD. Suppose as a matter of fact that they do that in some sections of the country and he puts up a package which shrinks in weight and when checked up by the Government inspector it was found to be 2 or 3 pounds under the standard weight. He would be subject to prosecution, would he not?

Mr. TOWNER. If he should attempt to sell the standard packages, certainly he would be under the requirements of this act, and in that case the shrinkage in weight with a slight variation certainly would not make him liable to the penalty as prescribed in this bill.

Mr. BANKHEAD. It says so in section 3. There is a penalty imposed in section 3——

Mr. TOWNER. Section 5 takes care of that.

Mr. PADGETT. If the gentleman will permit, I would like to get the gentleman's idea of the definition of a package. I want to ask how you can sell bran or ground feedstuffs or any of those things except in a package? Would not any quantity which is sold, whatever that quantity might be, constitute a package?

Mr. TOWNER. I think not, if you have a single package, because that would not be a standard package.

Mr. PADGETT. Why not? The difficulty I have in my mind is to get the gentleman's definition of a package. The gentleman says "a standard package." Of course, if he puts it in a package and marks it as 50 pounds, that would be a standard package; but suppose that he had flour and that he had just a lot of flour and possibly that would be 410 pounds of flour or 465 pounds of flour. That would not be a sale in bulk, but that he put it in one package. Would not that be a package?

Mr. TOWNER. It would not be a standard package, as the gentleman can easily see.

Mr. PADGETT. You could get him because he did not sell in a standard package?

Mr. TOWNER. Oh, I think the gentleman is imagining a thing that no one would ever by any possibility of twist or turn of interpretation claim can be brought under this law.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TILSON. Mr. Chairman, I wish to ask unanimous consent to extend the remarks I made a few moments ago by printing a short summary of the results of the work of the National Screw Thread Commission by Dr. Stratton, which I failed to ask permission to do at the time I made the remarks.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent to extend his remarks in the manner indicated by him. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, I make the same request with regard to the remarks I made a while ago.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. HUTCHINSON. Mr. Chairman, I offer an amendment as a substitute to the amendment of the gentleman from Arkansas [Mr. WINGO].

The CHAIRMAN. The gentleman from New Jersey offers a substitute to the amendment of the gentleman from Arkansas, which the Clerk will report.

The Clerk read as follows:

Substitute offered by Mr. HUTCHINSON for the amendment offered by Mr. WINGO: Page 2, line 3, strike out all of line 3 and insert in lieu thereof the words "not less than 100 pounds when packed."

Mr. HUTCHINSON. Mr. Chairman, I have two objects in view in offering this substitute. In the first place, we are talking about reducing the cost of living, and this amendment confines it to bran and middlings or any by-products of a wheat mill or corn mill, to be sold in packages of 60, 70, and 80 pounds. With commercial feeds now, the custom is to sell in 100-pound sacks. By reducing the number of packages you reduce the cost of a ton of feed, and the consequence is that you add $130 per ton on every ton of commercial feed that you sell by selling 80 pounds to the sack.

Mr. GARRETT. Will the gentleman yield?

Mr. HUTCHINSON. I will.

Mr. GARRETT. Is there not this danger in the gentleman's amendment, that it would prevent the smaller package from being put on the market, and that a very large number of people might not, for financial reasons, be able, conveniently at least, to purchase more than a small package? That has been rather in my thought.

Mr. HUTCHINSON. I do not think this bill will affect any man who takes a bag to the mill and gets 50 pounds of bran because it is not stamped.

Mr. GARRETT. Of course, I know that. But the raiser of poultry in the city, of course, can not go to the mill and get his poultry feed. He may not want to buy in such large quantities as 100-pound sacks. The thing that has been in my mind is whether the bill does not require a package that is too large by making a minimum of 60 pounds.

Mr. HUTCHINSON. The original package must be standard at a certain weight.

Mr. GARRETT. The gentleman construes the act to mean that a retail dealer could break the package and sell in smaller quantities than the package?

Mr. HUTCHINSON. Yes.

Mr. GARRETT. If that construction is correct, perhaps it might meet the objection.

Mr. WELLING. Will the gentleman yield to a suggestion? There is nothing in this language that would prevent the packer from putting up 25 pounds of feeding stuff.

Mr. TILSON. Or 5 pounds.

Mr. WELLING. Or 5 pounds.

Mr. WINGO. That is the object of the bill.

Mr. GARRETT. If I understand, though, the amendment proposed by the gentleman would provide that they could not put up less than a 100-pound package.

Mr. WINGO. That is the object of the amendment.

Mr. WELLING. I think that is the object of the amendment. But as the bill reads he can put it up in smaller packages of 5 or 10 pounds, say.

Mr. BLANTON. Not feedstuff.

Mr. GARRETT. I think the gentleman is correct about the bill. It was the amendment I was addressing myself to.

Mr. BLANTON. Will the gentleman from New Jersey yield for a question?

Mr. HUTCHINSON. For a question.

Mr. BLANTON. Is it not a fact that almost every class of feedstuff that the farmers or stockmen buy is put up in 100-pound sacks?

Mr. HUTCHINSON. Generally.

Mr. BLANTON. And should not be changed.

Mr. HUTCHINSON. And should not be changed.

When a miller makes bran or any feedstuff from corn-mill products, there is a certain amount of moisture in it, and if a man puts up a ton of bran in Minnesota and it is shipped East, or anywhere else, it takes five or six weeks, and a certain amount of moisture dries out of that sack, and it generally runs from 2 to 3 pounds short. Under this bill the man that sells the bran or middling, or whatever it is, is liable to a penalty of $500, and I do not think that is right. If it is so packed that it contains 100 pounds when packed, I do not think we ought to hold the seller or the retailer or the man that handles it six weeks or two months or three months after that, make them liable under this bill.

Mr. MONDELL. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from New Jersey yield to the gentleman from Wyoming?

Mr. HUTCHINSON. Yes.

Mr. MONDELL. This bill relates to a variety of packages and provides the weight that those packages must contain. That weight must necessarily in every case be the weight when packed?

Mr. HUTCHINSON. Certainly.

Mr. MONDELL. If there is to be an amendment of that sort, should it not be an amendment placed in the bill so as to clearly apply to every package and every standard, instead of one package and one standard?

Mr. HUTCHINSON. I have an amendment to that effect.

Mr. MONDELL. That is one provision in the bill, if that is necessary. It does not seem to me that it is necessary. When you say that the package shall contain a certain number of pounds it must contain that number of pounds when the package is filled.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. VESTAL rose.

The CHAIRMAN. Does the gentleman from Indiana rise in opposition to the substitute offered by the gentleman from New Jersey?

Mr. VESTAL. Yes. I wanted to say that I do not believe the substitute ought to be adopted. The standard for commercial foodstuffs is fixed at 60, 70, and 80 pounds, in addition to the other standards authorized, and that was put in this bill after hearings which were convincing to the committee. It was more for the purpose of taking care of these conditions in the West than anywhere else. A farmer in the West, for example—so the committee understood from the hearings—takes his wheat to the mill and uses these same containers again, or desires to use the same containers, in buying feedstuffs. This container in which he takes the wheat to the mill will not hold 100 pounds of feed. Probably it will not hold 90 pounds of feed. The result is that it is deemed advisable to protect the consumer in the amount he shall receive. We fix the standard at 60, 70, and 80 pounds, because it was represented to us that these containers would hold 60, 70, or 80 pounds instead of holding 100 pounds.

Mr. WELLING. Mr. Chairman, will the gentleman yield?

Mr. VESTAL. Yes.

Mr. WELLING. Is it the purpose of the committee in making these different kinds of packages to say that the farmer when he goes to the mill shall have his feed put up in 60, 70, and 80 pound sacks?

Mr. VESTAL. I think not.

Mr. WELLING. Then why do you put it in?

Mr. VESTAL. If the farmer goes there and they are permitted to put 100 pounds in one of these sacks, suppose they have a number of those sacks filled and turn the filled sacks back to the farmer when he leaves his grain there; they say that contains 100 pounds.

The farmer could not tell whether there was 90 pounds or 100 pounds in the sack. It would not mean that the farmer would have to use the same container that he used in taking his wheat to the mill, but containers of the same kind that might be filled with commercial feed, which he takes in return for the wheat. I hope this substitute will be defeated. It does not prevent the miller from putting up packages containing 100 pounds, but adds the 60, 70, and 80 pounds that containers used by the farmer may be used.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. VESTAL. Yes.

Mr. GARD. I hold in my hand a copy of a law passed on October 22, 1919, which is an amendment to the food-control act, providing for the adequate supply and equitable distribution, and to facilitate the movement of foods, feed, and containers primarily designed for containing foods, feed, and fertilizer, and investing in the President the power to make regulations essential to carry out the purposes of the act. What effect would this bill that we are passing have upon the act I have referred to, or what effect has that act upon the bill we are engaged in passing?

Mr. VESTAL. I can not say. I have not looked into the situation enough to give an intelligent answer.

Mr. GARD. We have the law of October 22, investing in the President the power to make regulations, and the amendment we put in, I will say to the gentleman, was in regard to the container primarily designed or intended for carrying food, feed, or fertilizer. Of course, the container is a very important element in the transmission of food and feed, as the gentleman knows. We have this law, approved on October 22, a little over a year ago, investing in the President the power to make all necessary regulations.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. GARRETT. That is the cold-storage act?

Mr. GARD. No. That is the food-control act.

Mr. WINGO. Mr. Chairman, I move to strike out the last word of the substitute.

The CHAIRMAN. The gentleman from Arkansas moves to strike out the last word of the substitute. The gentleman is recognized for five minutes.

Mr. WINGO. Mr. Chairman, the debate on the substitute has disclosed more fully the trouble and the danger of this bill. What is the custom in the Southwest? There might be a different custom in the Northwest or in the East, but, for illustration, I happen to know that there are different customs existing in some of the States.

Take, for instance, a great State like Texas. That part of it that is fed from one class of mills has a different custom from that part which is fed from another class of mills. There is a different custom in my district from what there is in the other part of the State of Arkansas, because my district happens to be furnished with foodstuffs from mills in Oklahoma City and in certain points in Kansas.

The gentleman from Iowa, Judge TOWNER, is very badly mistaken when he says that in the State of Iowa there are no such small feed mills as I suggested, because I have seen them in the State of Iowa, and one farmer that I know in my district, who I think would be affected, is an Iowa man who moved into my district.

Now, how do these community feed establishments get their sacks? They do not go and buy commercial sacks. They buy from the farmers and from the boys any kind of sacks they can get.

They actually use for one kind of ground feed stuffs fertilizer sacks after they are washed. Now, suppose a man is grinding feed and he grinds up corn and cobs together. He will turn out a lighter product from corn that has a large cob than from corn which has a smaller cob. Yet that miller uses containers, because that is the only way he sells. He does not go and scoop it up and sell it out of a barrel and say, "I will give you so many pounds." He puts it up in sacks. Now, you already have a law that protects the purchaser against fraud. The miller has got to put the weight on it. The farmer is not going to be defrauded any more by permitting him to have a sack that has stamped on it or written on a tag, "90 pounds," than he will if it is 60 or 70 or 80 pounds. The main thing is for the farmer to understand what he is getting, and if it is written or stamped upon the package he is protected from fraud.

I usually listen to the gentleman from Illinois [Mr. MANN] with a great deal of interest. I listened to him to-day. He said I would have been opposed to a certain act which was passed here, which is now the law, to protect against fraud. He is mistaken. I should have been in favor of it. He was making his argument in defense of the present law and he did not answer my objection to this bill.

Well, just take the substitute. If the substitute is adopted and a farmer owning one of these small mills sells a package of this coarse, heavy feed stuff, he will be using an ordinary bran sack, and there is not one bran sack in this country that will hold a hundred pounds of that ground coarse feed stuff.

It may in the gentleman's State, up in the Northwest, where they use a different class of feed stuffs. They will use a more concentrated feed in a cold climate than they will in a mild climate like mine. I should like to see you stuff a hundred pounds of ground coarse feed stuff of the kind that is used in my district into an ordinary gunny sack that they use. You could not do it unless you used a compressor that would burst the texture of the sack. It shows how ridiculous it is to put an arbitrary standard for the whole Nation that will result in fining a miller $500 if he uses any other standard.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. All time has expired.

Mr. PADGETT. I move to strike out the last four words.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee for five minutes.

Mr. PADGETT. I want to ask a question for information, and I will eliminate everything except the question of shipment. In section 1 it says:

That the standard of weights for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, shall be 100 pounds avoirdupois, and the standard measure for such commodities, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over, shall be a package containing net avoirdupois weight 100 pounds, or a multiple of 100 pounds, or one of the following fractions thereof: Five, 10, 25, or 50 pounds, and in addition, but for commercial feeding stuffs only, 60, 70, or 80 pounds.

Then in section 7 it says:

That this act shall not be construed as repealing the act of July 28, 1866, chapter 301, Revised Statutes United States, sections 3569 and 3570, authorizing the use of the metric system, but such sections shall not be construed as allowing the packing, shipment, or offering for shipment, sale or offering for sale of packages of any sizes other than those established as standards herein.

Now, they use the word "shipment" there, "but such sections shall not be construed as allowing shipment of packages of any sizes other than those established as standards herein."

This law is general and applies to everybody. Here is a man that has 187½ pounds of flour or feed stuff that he wants to ship. Can he ship it from one State into another? Leave out the question of sale and all other questions except the one of shipment; he wants to ship a package of flour containing 187½ pounds. Can he ship it without violating this law and incurring the penalty? This applies to shipping in the alternative as well as sale.

The CHAIRMAN. The Chair will hold that all debate on the substitute and amendment is now exhausted, and the pro forma amendments of the gentleman from Tennessee, the gentleman from Arkansas, the gentleman from Iowa, and the gentleman from Massachusetts are withdrawn.

Mr. BLANTON. Mr. Chairman, I move to strike out the section.

Mr. BANKHEAD. Mr. Chairman, would not a vote on the substitute and the amendment to perfect the section be in order before a motion to strike out the entire section?

The CHAIRMAN. The Chair thinks it would, and the Chair will so hold. The question is on the substitute offered by the gentleman from New Jersey to the amendment offered by the gentleman from Arkansas.

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Arkansas.

Mr. HAUGEN. Can we have the amendment reported?

The amendment was again reported.

The question was taken; and on a division (demanded by Mr. VESTAL) there were 12 ayes and 23 noes.

Mr. WINGO. Mr. Chairman, I shall be compelled to make a point of order, not out of resentment, but this is so radical a provision that I think we ought to have more than 35 Members here, and I make the point of no quorum.

Mr. VESTAL. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. WALSH having resumed the chair as Speaker pro tempore, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9755) establishing a standard of weights and measures for wheat-mill and corn-mill products, and had come to no resolution thereon.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

Mr. GARRETT. Will the gentleman withhold that for a moment and allow me to ask him a question?

Mr. MONDELL. I will.

Mr. GARRETT. I would like to ask the gentleman if he can advise the House what will probably be taken up to-morrow?

Mr. MONDELL. I think the Private Calendar.

The motion of Mr. MONDELL was then agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Friday, December 5, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting statement of contingent expenses, Treasury Department, 1919 (H. Doc. 463); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

2. A letter from the Acting Secretary of the Interior, transmitting a statement showing for the first four months of the current year the average number of employees in the Secretary's office, the Solicitor's office, the various bureaus and offices of this department, the Alaskan Engineering Commission, and the Territories of Alaska and Hawaii, respectively, receiving increased compensation (H. Doc. No. 464); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Acting Secretary of War, transmitting report compiled in office of the Director of the Air Service in compliance with House resolution 190 (H. Doc. No. 465); to the Committee on Military Affairs and ordered to be printed.

4. A letter from the Secretary of the Navy, transmitting an analysis by ranks and ratings of the pay and allowances of officers and enlisted men of the Navy as reported for the fiscal year ending June 30, 1919 (H. Doc. No. 466); to the Committee on Expenditures in the Navy Department and ordered to be printed.

5. A letter from the Postmaster General, transmitting report on special contract entered into with the Alaskan Engineering Commission for carrying the mails from Seward to Anchorage, Alaska (H. Doc. No. 467); to the Committee on the Post Office and Post Roads and ordered to be printed.

6. A letter from the Postmaster General, transmitting report on a special contract entered into with the Copper River & Northwestern Railway Co. for carrying the mails from Cordova, by Chitina and other points, to Kennecott, Alaska (H. Doc. No. 468); to the Committee on the Post Office and Post Roads and ordered to be printed.

7. A letter from the Librarian of Congress, transmitting annual report as Librarian of Congress and the annual report of the Superintendent of the Library Building and Grounds for the fiscal year ended June 30, 1919 (H. Doc. No. 407); to the Committee on the Library and ordered to be printed.

8. A letter from the Secretary of Agriculture, transmitting statement showing exchanges of typewriters, adding machines, and other similar labor-saving devices in the Department of Agriculture for the fiscal year 1919 (H. Doc. No. 469); to the Committee on Appropriations and ordered to be printed.

9. A letter from the Postmaster General, transmitting report in detail of the department's operations under the terms of the Executive order of March 31, 1917, in response to House resolution 270 (H. Doc. No. 470); to the Committee on Reform in the Civil Service and ordered to be printed.

10. A letter from the Secretary of the Treasury, transmitting statement of the expenditures of the Coast Guard for the fiscal year ended June 30, 1919 (H. Doc. No. 471); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

11. A letter from the Acting Secretary of War, transmitting report of expenditures on account of appropriation for contingent expenses of the War Department during the fiscal year ended June 30, 1919 (H. Doc. No. 472); to the Committee on Expenditures in the War Department and ordered to be printed.

12. A letter from the Acting Secretary of the Interior, transmitting report in conformity with section 5 of the act of March 2, 1919, in connection with the adjustment of losses sustained in the production of manganese, chrome, pyrites, and tungsten (H. Doc. No. 473); to the Committee on Expenditures in the Interior Department and ordered to be printed.

13. A letter from the Acting Secretary of the Interior, transmitting copy of a report relative to the construction of a bridge across the Salt River near Lehi, Maricopa County, Ariz. (H. Doc. No. 474); to the Committee on Indian Affairs and ordered to be printed.

14. A letter from the Acting Secretary of the Interior, transmitting detailed report of receipts from rentals, extension Capitol Grounds, for the period March 5, 1919, to December 1, 1919 (H. Doc. No. 475); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS, from the Committee on Claims, to which was referred the bill (S. 1670) for the relief of the Arundel Sand & Gravel Co., reported the same with amendment, accompanied by a report (No. 478), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 10867) granting a pension to Henrietta A. Whitney, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GALLIVAN: A bill (H. R. 10871) to provide for the payment of wages to civilian officers and crews, and for other purposes; to the Committee on Appropriations.

By Mr. GREEN of Iowa: A bill (H. R. 10872) to amend section 211 of the revenue act of 1918; to the Committee on Ways and Means.

By Mr. BUTLER: A bill (H. R. 10873) to provide for the acquisition by the United States of private rights of fishery in and about Pearl Harbor, Hawaiian Islands; to the Committee on the Territories.

By Mr. FORDNEY: A bill (H. R. 10874) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes; to the Committee on Ways and Means.

By Mr. ROGERS: A bill (H. R. 10875) to liberalize the provisions of an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended; to the Committee on Education.

By Mr. FESS: A bill (H. R. 10876) to fix second-class postage rates and to provide for a commission to investigate and report upon a proper classification of mail matter and postage charges for the different classes, respectively; to the Committee on the Post Office and Post Roads.

By Mr. RANDALL of California: A bill (H. R. 10877) to authorize air mail service between New York City, N. Y., and the Pacific coast; to the Committee on the Post Office and Post Roads.

By Mr. CRAMTON: A bill (H. R. 10878) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918; to the Committee on Education.

By Mr. KELLEY of Michigan: A bill (H. R. 10879) to amend an act entitled "An act for making further and more effectual provisions for the national defense, and for other purposes," approved June 3, 1916; to the Committee on Naval Affairs.

By Mr. GRIGSBY: A bill (H. R. 10880) for the regulation and protection of the fisheries of Alaska, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. GOULD: A bill (H. R. 10881) for the purchase of a site for the erection thereon of a public building at Seneca Falls, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. SHERWOOD: A bill (H. R. 10882) providing for pensions for all American citizens who have reached the age of 64 years and who are incapable of manual labor and whose incomes are less than $800 per annum; to the Committee on Labor.

By Mr. BYRNES of South Carolina: A bill (H. R. 10883) authorizing the counties of Beaufort, S. C., and Chatham, Ga., to construct a bridge across the Savannah River at or near Savannah, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK of Florida: A bill (H. R. 10884) to provide for an examination and survey of Fernandina Harbor, Fla.; to the Committee on Rivers and Harbors.

By Mr. GOULD: A bill (H. R. 10885) for the erection of a public building at Lyons, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. LEHLBACH: Resolution (H. Res. 409) to provide a clerk to the Committee on Reform in the Civil Service; to the Committee on Accounts.

By Mr. MADDEN: Resolution (H. Res. 410) to investigate the charges of educational and administrative inefficiency made against Roscoe C. Bruce, assistant superintendent of schools of the District of Columbia; to the Committee on the District of Columbia.

By Mr. FESS: Resolution (H. Res. 411) to provide a clerk to the Committee on Education; to the Committee on Accounts.

By Mr. CONNALLY: Joint resolution (H. J. Res. 252) requesting the French Republic to repeal, modify, or suspend the laws, ministerial instructions, and regulations of the French Republic preventing the immediate disinterment and return to the United States of America military dead buried in France, and directing the Secretary of War, upon the French Republic consenting, to take appropriate action to effect such disinterment and removal to the United States of such bodies in cases where requests for such removal are made by the nearest of kin; to the Committee on Foreign Affairs.

By Mr. TINKHAM: Joint resolution (H. J. Res. 253) declaring the war between Germany and the United States to be at an end; to the Committee on Foreign Affairs.

By Mr. KELLER: Joint resolution (H. J. Res. 254) to relieve the present coal shortage and to provide for the uninterrupted production of coal; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOOHER: A bill (H. R. 10886) granting a pension to Rhoda Button; to the Committee on Invalid Pensions.

By Mr. BYRNS of Tennessee: A bill (H. R. 10887) for the relief of Robert Clive Wilcox; to the Committee on Military Affairs.

By Mr. CRAGO: A bill (H. R. 10888) for the relief of Jacob L. Malsberry; to the Committee on Military Affairs.

By Mr. CRAMTON: A bill (H. R. 10889) granting an increase of pension to William Cline; to the Committee on Invalid Pensions.

By Mr. DOREMUS: A bill (H. R. 10890) granting a pension to Zittle King; to the Committee on Pensions.

By Mr. HARRELD: A bill (H. R. 10891) to remove the charge of desertion against Seth A. Welch; to the Committee on Military Affairs.

By Mr. HULL of Iowa: A bill (H. R. 10892) granting a pension to Eva R. Meek; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10893) granting a pension to Henriette Borgstadt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10894) granting a pension to William Herbert Fish; to the Committee on Pensions.

By Mr. KAHN: A bill (H. R. 10895) to authorize the appointment of William Roberts, major, United States Army, retired, in the reserve of the United States Public Health Service; to the Committee on Military Affairs.

By Mr. KEARNS: A bill (H. R. 10896) granting a pension to Martha L. Elliott; to the Committee on Invalid Pensions.

By Mr. KETTNER: A bill (H. R. 10897) granting a pension to Roy C. Murray; to the Committee on Pensions.

Also, a bill (H. R. 10898) for the relief of James Y. Whitsitt; to the Committee on Military Affairs.

By Mr. McKINLEY: A bill (H. R. 10899) granting a pension to Mary Emma Seabrook; to the Committee on Invalid Pensions.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 10900) granting a pension to Emma Bouse; to the Committee on Pensions.

Also, a bill (H. R. 10901) granting a pension to Louisa Gladwish; to the Committee on Invalid Pensions.

By Mr. NEWTON of Missouri: A bill (H. R. 10902) to compensate the firm of Rothwell Bros. for repair work for the United States at Jefferson Barracks, Mo.; to the Committee on Claims.

By Mr. PURNELL: A bill (H. R. 10903) granting a pension to Flora B. Warren; to the Committee on Pensions.

By Mr. REED of West Virginia: A bill (H. R. 10904) granting a pension to Sarah Lanham; to the Committee on Invalid Pensions.

By Mr. RUCKER: A bill (H. R. 10905) granting an increase of pension to Elisha Childress; to the Committee on Invalid Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 10906) granting an increase of pension to Emma Swalls; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10907) granting an increase of pension to Zetta Swalls; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10908) granting an increase of pension to Jasper Stoops; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10909) granting a pension to Sarah J. Parks; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 10910) granting an increase of pension to Horace B. Case; to the Committee on Pensions.

Also, a bill (H. R. 10911) granting a pension to Mary Haremaker; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 10912) granting a pension to Alice Victoria Cook; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 10913) granting an increase of pension to Nelson Behymer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10914) granting an increase of pension to Lemuel C. Nicoson; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 10915) granting a pension to Burton Walters; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

92. By Mr. BACHARACH: Petition of Henry J. McCracken Branch, Friends of Irish Freedom, of Newark, N. J., commending action of those Senators who supported Lodge reservations to the league of nations; to the Committee on Foreign Affairs.

93. By Mr. CURRY of California: Petition of Citrus Heights Friends Church, of Fairoaks, Calif., protesting against militarism; to the Committee on Military Affairs.

94. Also, petition of Sacramento Parlor No. 3, Native Sons of the Golden West, of Sacramento, Calif., opposing all organizations favoring overthrow of the Government of the United States; to the Committee on the Judiciary.

95. Also, petition of State Association of County Horticultural Commissioners of California requesting adequate appropriation for continuance of grape experimental stations; to the Committee on Agriculture.

96. By Mr. GALLIVAN: Petition of Massachusetts Branch, American Legion, forwarding resolutions adopted at convention held at Worcester, Mass., October 15 and 16, 1919; to the Committee on Military Affairs.

97. By Mr. HULINGS: Petition of E. Richardson Division, 282, Brotherhood of Locomotive Engineers, concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

98. By Mr. JOHNSTON of New York: Petition of Union of Technical Men, New York Local No. 37, opposing antistrike railroad legislation; to the Committee on Interstate and Foreign Commerce.

99. By Mr. KETTNER: Petition of El Centro Post, American Legion, indorsing action of congressional investigation committee; to the Select Committee on Expenditures in the War Department.

100. Also, petition of Cigar Makers' Union No. 332, of San Diego, Calif., relative to Cummins bill; to the Committee on Interstate and Foreign Commerce.

101. By Mr. LINTHICUM: Petition of Women Suffrage League of Maryland, favoring continuance of Women's Bureau in District of Columbia and its establishment in other cities; to the Committee on the District of Columbia.

102. Also, petition of Will Blair, of Baltimore, Md., urging bonus for soldiers; to the Committee on Military Affairs.

103. Also, petition of Walter Green Post No. 14, of Baltimore, Md., concerning radical elements and mob violence in the United States; to the Committee on the Judiciary.

104. By Mr. McKINLEY: Petition of Champaign-Urbana Typographical Union No. 444, urging Congress to adjust differences between miners and operators; to the Committee on Mines and Mining.

105. By Mr. MADDEN: Petition of sundry citizens of the District of Columbia, presenting statements relative to the charges of educational and administrative inefficiency against Roscoe C. Bruce; to the Committee on the District of Columbia.

106. By Mr. O'CONNELL: Petition of Union of Technical Men, New York Local, No. 37, opposing antistrike railroad legislation; to the Committee on Interstate and Foreign Commerce.

107. By Mr. REED of West Virginia: Petition of Division No. 190, Brotherhood of Railway Conductors, Grafton, W. Va., opposing Cummins and Esch-Pomerene bills; to the Committee on Interstate and Foreign Commerce.

108. By Mr. SINCLAIR: Petition of Carpenters' Union 1176, of Fargo, N. Dak., protesting against the antistrike provisions of the pending railroad legislation; to the Committee on Interstate and Foreign Commerce.

109. By Mr. STEENERSON: Petition of Minnesota Public Health Association in favor of an appropriation for investigation of the causes, modes of transmission, prevention and cure of influenza, pneumonia, and allied diseases; to the Committee on Agriculture.

110. By Mr. TEMPLE: Petition of Chartiers Presbyterian Church, Canonsburg, Pa., urging an amendment to the preamble of the Constitution of the United States; to the Committee on the Judiciary.

SENATE.

FRIDAY, *December 5, 1919.*

(Legislative day of Thursday, December 4, 1919.)

The Senate met at 12 o'clock noon, on the expiration of the recess.

WILLIAM F. KIRBY, a Senator from the State of Arkansas, and JOSEPH E. RANSDELL, a Senator from the State of Louisiana, appeared in their seats to-day.

REPORT OF THE PUBLIC HEALTH SERVICE (H. DOC. NO. 436).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting the annual report of the Surgeon General of the Public Health Service for the fiscal year 1919, which was referred to the Committee on Public Health and National Quarantine.

COTTON STATISTICS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, itemized statements showing receipts and disbursements under section 6 of the act of March 4, 1919, for classification of cotton on future exchanges and investigations and quotations of cotton prices at spot markets from March 1 to October 31, 1919, which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

PURCHASE OF TYPEWRITERS (H. DOC. NO. 469).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement of the number of typewriters and other labor-saving devices purchased and exchanged during the fiscal year 1919, which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

REPORT OF WAR MINERALS RELIEF COMMISSION (H. DOC. NO. 473).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, the report of the War Minerals Relief Commission relative to the adjustment of certain losses sustained in the production of manganese, chrome, pyrites, or tungsten during a given time embraced in the period of the war, which, with the accompanying paper, was referred to the Committee on Mines and Mining and ordered to be printed.

SALT RIVER INDIAN RESERVATION (H. DOC. NO. 474).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report relative to the construction of a bridge across the Salt River, on the Salt River Indian Reservation, near Lehi, Maricopi County, Ariz., which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

HOUSING FOR WAR NEEDS (H. DOC. NO. 475).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, certain information relative to the housing for war needs, together with a statement showing the receipts from rentals extension of the Capitol Grounds for the period of March 5, 1919, to December 1, 1919, which, with the accompanying paper, was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

FEDERAL BOARD FOR VOCATIONAL EDUCATION.

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Board for Vocational Education, transmitting, pursuant to law, an itemized account of expenditures from July 1 to September 30, 1919, inclusive, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act

entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. CUMMINS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gay	McKellar	Smoot
Bankhead	Hale	McLean	Spencer
Beckham	Harris	Moses	Stanley
Capper	Hitchcock	Myers	Sterling
Chamberlain	Johnson, Calif.	New	Sutherland
Culberson	Johnson, S. Dak.	Newberry	Swanson
Cummins	Jones, Wash.	Norris	Thomas
Curtis	Kellogg	Nugent	Townsend
Dial	Kenyon	Overman	Underwood
Edge	Keyes	Page	Wadsworth
Elkins	King	Sheppard	Walsh, Mass.
Fletcher	La Follette	Smith, Ga.	Walsh, Mont.
France	Lodge	Smith, Md.	Watson

Mr. KELLOGG. I desire to announce that my colleague [Mr. NELSON] is absent on account of illness in his family.

Mr. CURTIS. I wish to announce the absence on account of illness of the senior Senator from Pennsylvania [Mr. PENROSE].

Mr. MCKELLAR. The Senator from Arizona [Mr. ASHURST], the Senator from Nevada [Mr. PITTMAN], the Senator from Louisiana [Mr. RANSDELL], the Senator from Tennessee [Mr. SHIELDS], the Senator from North Carolina [Mr. SIMMONS], and the Senator from Mississippi [Mr. WILLIAMS] are detained on official business.

Mr. SHEPPARD. The Senator from Delaware [Mr. WOLCOTT] is detained from the Senate on public business.

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. There is a quorum present.

Mr. CUMMINS. I ask for the reading of the bill for such amendments as may be offered.

The VICE PRESIDENT. The Secretary will read.

AMENDMENT OF FEDERAL RESERVE ACT—CONFERENCE REPORT.

Mr. MCLEAN. Is the Senator from Iowa willing that the unfinished business be temporarily laid aside that I may call up the conference report on Senate bill 2472?

Mr. CUMMINS. I realize the importance of disposing of the conference report, and if its consideration does not consume more than half an hour, or something like that, I am willing to comply with the request of the Senator from Connecticut. I suppose there is no way to test it but to ask unanimous consent that the pending bill may be temporarily laid aside for the purpose only of the consideration of the conference report.

The VICE PRESIDENT. Is there objection?

Mr. LA FOLLETTE. Mr. President, the Senator from North Dakota [Mr. GRONNA] is absent. He is a member of the Committee on Banking and Currency and offered a number of amendments when the bill was before the Senate, amendments which impressed the Senate so favorably that they were incorporated in the bill, changing its character in some respects. I am very certain from a telegram received from him to-day, which I saw, that he desires to be here when this conference report is considered. I dislike to object to its consideration at this time or to laying aside the unfinished business, but I trust the conference report will not be brought up in his absence.

Mr. SMOOT. Will the Senator yield to me?

Mr. LA FOLLETTE. I yield.

Mr. SMOOT. In addition to what the Senator from Wisconsin has stated, I will say that I have a telegram this morning from the Senator from North Dakota [Mr. GRONNA], and in the telegram he says that he thinks it would be a mistake for the Senate to recede from its amendment relating to double liability, and he expresses the hope that the Senate will send the report back to conference and that the Senate conferees will insist upon the amendment.

Mr. MCLEAN. Is there any request in the telegram that action upon the report be postponed until the Senator from North Dakota returns?

Mr. SMOOT. In the telegram which was sent to him yesterday he was not requested to give his opinion upon that subject and there is no expression in his telegram other than that he hopes the Senate will send the conference report back to conference.

Mr. LA FOLLETTE. The secretary of the Senator from North Dakota showed me a telegram this morning, which I read somewhat hurriedly, in which he stated that he would return early next week, and that he had wired the Senator from Utah [Mr. SMOOT] that he wanted to be present when the conference report is considered. That is my recollection of the telegram. I can get the telegram in a short time and submit it to the Senator; but I know so well that the Senator from North Dakota desires to be here when this report is considered that I feel warranted in appealing to the Senator from Connecticut not to take it up in his absence. Since he is a member of the committee and took such an interest in the bill and proposed so many amendments that were adopted in the Senate which really reconstructed the bill, I think it is a very reasonable request to make. He will be in the Senate early next week, and I urge that this conference report be held until his return.

Mr. MCLEAN. It seems to me if the Senator from North Dakota wanted action postponed upon the conference report he would have communicated with some member of the committee. I want to do everything I can to accommodate the Senator, but there is only one section of the bill over which there is any controversy, and that relates to the double liability of stockholders. All the other amendments suggested by the Senator from North Dakota were adopted. Not only that, but other safeguards were thrown around the bill in the other House, and it passed that body unanimously.

It is a bill the subject matter of which has been under discussion here for more than a year; a bill very similar to this bill passed the Senate a year ago. It is very important that something should be done. I do not believe that sending the bill back to conference will change the report, and, while I should be glad to accommodate the Senator from North Dakota, it seems to me that he should have requested a postponement. I do not see anything in the telegram that indicates anything more than a suggestion that the bill be sent back to conference.

Mr. LA FOLLETTE. Well, there is something more in the telegram which I saw. In reply to the suggestion that the Senator from North Dakota has not communicated with any member of the committee, perhaps that is because he understood that the committee very largely had no sympathy with the views he entertained and which he had expressed on the floor of the Senate regarding the bill. The Senate, however, had sympathy with those views, and the Senate materially changed the bill after it was reported by the committee in accordance with the views expressed upon the floor by the Senator from North Dakota, who is himself a banker and a man who understands and is entirely competent to discuss these questions.

Mr. EDGE. Mr. President, will the Senator from Wisconsin yield to me?

Mr. LA FOLLETTE. And, Mr. President, I will say, to cut the matter short, that there will not be any consideration of the conference report by unanimous consent; there will not be any laying aside of the pending business by unanimous consent to proceed to the consideration of the conference report, in the absence of the Senator from North Dakota, if I am present when the request is made.

Mr. MCLEAN. If it is in order, I shall move that the Senate proceed to the consideration of the conference report.

Mr. LA FOLLETTE. That is always in order.

Mr. MCLEAN. I take that responsibility because I feel that it is as important as is the pending legislation. The exchange conditions in Europe are very serious, and unless something is done to assist our associates in the late war in maintaining their credit and their confidence in their political and industrial future, it will mean that the Treasury of the United States will have to go to the rescue or we shall lose all that we have so far loaned. I do not believe that the Senate will insist upon imposing a double liability upon the stockholders of these finance corporations. None of the reasons which ordinarily justify the imposition of a double liability apply to them.

The VICE PRESIDENT. The rule——

Mr. LA FOLLETTE. I yield to the Vice President.

The VICE PRESIDENT. If the Senator from Connecticut insists on his motion, the Chair will state that the rule in reference to the matter reads:

RULE XXVII.

REPORTS OF CONFERENCE COMMITTEES.

The presentation of reports of committees of conference shall always be in order, except when the Journal is being read or a question of order or a motion to adjourn is pending, or while the Senate is dividing; and when received the question of proceeding to the consideration of the report, if raised, shall be immediately put, and shall be determined without debate.

If the Senator from Connecticut insists upon his motion, that is the rule relating to the consideration of conference reports.

Mr. LA FOLLETTE. Unanimous consent was asked temporarily to lay aside the unfinished business, and to that I object, Mr. President.

The VICE PRESIDENT. Yes; the Chair so understands.

Mr. LA FOLLETTE. That clears the record as to that matter.

The VICE PRESIDENT. That clears the record as to that. Now, the only thing the Senator from Connecticut can do is to

move that the Senate proceed to the consideration of the conference report.

Mr. CUMMINS. Mr. President, I renew my request that the bill under consideration be read.

The VICE PRESIDENT. The Senator from Connecticut [Mr. McLEAN] has the floor. Does he insist on the consideration of the conference report?

Mr. McLEAN. Mr. President, I understand this is not a debatable question, but I should like to say to the Senator from Wisconsin that if we had any assurance that the Senator from North Dakota would be here on Monday or Tuesday I should dislike very much not to extend every possible courtesy to him.

Mr. LA FOLLETTE. Mr. President, if the Senator will defer for a few moments any request that he proposes to submit or any motion that he proposes to make or any right that he proposes to avail himself of under the rules to bring the conference report before the Senate, I will send for the telegram which the secretary of the Senator from North Dakota has, and the Senator from Connecticut can judge for himself exactly what to expect with regard to the Senator's return. I know it states that he is to be back here early the coming week.

The VICE PRESIDENT. That disposes of that for the present.

Mr. McLEAN. Mr. President, I shall renew my motion, unless it is made clear to me that the Senator from North Dakota intends to return very early next week.

Mr. CUMMINS. Mr. President, may I ask what the motion is the Senator from Connecticut has made?

Mr. McLEAN. I shall move that the Senate proceed with the consideration of the conference report.

Mr. CUMMINS. Which will displace the unfinished business?

Mr. LA FOLLETTE. Yes.

Mr. McLEAN. I withhold the motion for the present.

Mr. CUMMINS. I shall earnestly oppose any such motion.

Mr. TOWNSEND. The Senator from Connecticut has not made the motion as yet.

Mr. McLEAN. I withhold the motion for the present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (S. 1300) to authorize the sale of certain lands at or near Minidoka, Idaho, for railroad purposes.

The message also announced that the House had passed the bill (S. 2497) to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 183. An act providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Peck Indian Reservation, Mont.;

S. 2129. An act to amend an act approved March 26, 1908, entitled "An act to provide for the repayment of certain commissions, excess payments, and purchase moneys paid under the public-land laws"; and

H. R. 6857. An act to authorize the change of the name of the steamer *Charlotte Graveraet Breitung* to *T. K. Maher*.

CONDITIONS ON THE MEXICAN BORDER.

Mr. ASHURST. I ask that there be inserted in the RECORD, without reading, certain telegrams with reference to the situation on the Mexican border.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

BISBEE, ARIZ., *December 4, 1919.*

HENRY F. ASHURST,
Senate Chamber, Washington, D. C.:

You've got the right dope on Mexico. Put enough soldiers on border to make them let Americans alone. Loyal Americans of Bisbee and Lowell glad you have told Senate what is needed. We are back of you.

JOHN TOMEY.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

You are on the right track. Keep the good work up. A heavy distribution of troops on the Arizona border will help greatly to increase the respect of the Mexican Government.

FRANK J. DUFFY.

BISBEE, ARIZ., *December 4, 1919.*

HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Your Senate resolution rings true to needs of situation. The stand you are taking strongly commended by everyone. At present border is without adequate protection in case of emergency, and something should be done.

J. R. HENDERSON.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

Keep up the fight. Not a single regiment of artillery on the Arizona border. More troops on this border will greatly increase the respect of the Mexican Government.

KELLY HENRY.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

You are on the right track. Keep the good work up. A wall of troops on the Arizona border will help greatly to increase the respect of the Mexican Government.

JOE BERK.

—

DOUGLAS, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Senate Chamber, Washington, D. C.:

You struck right course in your resolution and speech, and all are praising it. Guns and men in sight of Mexico would make Carranza quit worrying Americans. Hope you get administration to pay some heed to situation.

REAY & JOHNSON.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

Keep up the good work started. We must have more troops on the Arizona border to protect our citizens against raids.

J. F. JOHNSON.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

Keep up the good work; not a single regiment of artillery on the Arizona border. More troops on this border will greatly change the demeanor of the Mexican Government.

R. E. BUTLER.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

Keep up the good work. We need more troops on the Arizona border.

L. E. COLVIN.

—

BISBEE, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Resolution introduced by you best thing on Mexican problem in years. Show of force would awe all of Mexicans and stop Carranza's defiance of United States. Here's hoping you are able to stir up the Government and get action.

E. A. TOVREA.

—

DOUGLAS, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Senate Chamber, Washington, D. C.:

People of Douglas strongly with you in trying to get proper border protection. Believe you will stay with it until something is done.

C. A. LINDLSAY.

—

DOUGLAS, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Senate Chamber, Washington, D. C.:

Your resolution is proper solution of Mexican evils. Show of force is what Mexicans need and it would stop their persecutions of Americans. You have indorsement of everyone here.

WM. ADAMSON.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

You are on the right track. Keep up the good work. A stone wall of troops on the Arizona border will greatly change the actions of the Mexican Government.

PHIL HEROLD.

—

DOUGLAS, ARIZ., *December 4, 1919.*

HENRY F. ASHURST,
Senate Chamber, Washington, D. C.:

Your speech and resolution read with satisfaction here. Big force on border needed to make Mexicans see United States means business. Go to it, you are on right course.

J. B. MURCHISON.

—

NOGALES, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

You are on the right track. Keep up the good work. A heavy distribution of troops on the Mexican border will greatly change the attitude of the Mexican Government.

A. GRIFFITH.

NOGALES, ARIZ., *December 4, 1919.*

HON. HENRY F. ASHURST,
Washington, D. C.:

You are on the right track now. Keep the good work going. We need many more troops on the Arizona border.

RAY L. REED.

—

DOUGLAS, ARIZ., *December 4, 1919.*

HENRY F. ASHURST,
Senate Chamber, Washington, D. C.:

Your plan to keep border bristling with troops best way to bring Mexico to her senses, if she has any. Your attitude commended on every side.

D. C. O'NEILL.

—

DOUGLAS, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

More power to you in trying to make border secure. Your red-hot resolutions lauded on every side. If you can prod War Department into action, you will perform service for your State and country.

HARRY E. PICKETT.
JAMES P. BOYLE.

—

DOUGLAS, ARIZ., *December 4.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

Your Senate resolution hits bull's-eye. You know its adoption would make all Mexicans respect United States citizens and stop their exasperating insults. We are with you in your vigorous Americanism.

JOHN E. NEWBURY.

—

BISBEE, ARIZ., *December 4.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

You are right on track, and sure you will keep at it. If you can arouse administration to put soldiers on border, attitude of Mexico will be different.

J. J. BOWEN.

—

BISBEE, ARIZ., *December 4.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Felicitate you on stand regarding Mexico. Adoption of your resolution will put fear of God in heart of Mexican outlaws and make them careful of American interests.

L. R. BAILEY.

—

DOUGLAS, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Congratulate you for timely resolution on Mexico. Trust you will get it through and get Government to do its duty.

GEO. E. BUXTON.

—

DOUGLAS, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Your resolution hit nail on head. Congratulations for your righteous interest in safety of order, property, and lives.

GEO. H. KELLY,
Editor Daily International.

—

DOUGLAS, ARIZ., *December 4, 1919.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Your resolution highly praised here. Hope it wakes up War Department so that whole border will be made secure.

T. B. BOWEN.

—

PHOENIX, ARIZ., *December 3.*

Senator HENRY F. ASHURST,
Washington, D. C.:

We note your resolution relative to Mexico. Just returned from mining congress meeting at St. Louis and visit to Chicago, Kansas City, Topeka, Denver, and El Paso. People everywhere are with you strong. You can not go too strong in getting definite action that will bring permanent results. People of Southwest, especially, wish you success.

R. A. WATKINS,
Editor Arizona Mining Journal.

PETITIONS AND MEMORIALS.

Mr. CURTIS presented a memorial of sundry citizens of Sherman Township, Kans., remonstrating against the passage of the so-called Smith-Towner educational bill, which was referred to the Committee on Education and Labor.

Mr. CAPPER presented a memorial of sundry citizens of Allen County, Kans., praying for the enactment of legislation granting increased pensions to veterans of the Civil War, which was referred to the Committee on Pensions.

He also presented a petition of sundry citizens of Clearwater, Kans., praying for the exemption of lyceum courses from the provisions of the so-called "luxury-tax" law, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Sedgwick County, Kans., remonstrating against the passage of the so-called Smith-Towner bill creating a department of education, which was referred to the Committee on Education and Labor.

He also presented a memorial of sundry citizens of Haskell County, Kans., remonstrating against the adoption of universal military training, which was referred to the Committee on Military Affairs.

GEORGE B. GATES.

Mr. SPENCER. I ask that the Committee on Patents be discharged from the further consideration of the bill (S. 2675) to compensate George B. Gates for the infringement of his letters patent by the United States, and that it be referred to the Committee on Claims. The Committee on Patents are agreeable to the transfer.

The PRESIDING OFFICER (Mr. CAPPER in the chair). Without objection, it is so ordered.

HERMAN L. KARPELES.

Mr. SPENCER, from the Committee on Military Affairs, to which was referred the bill (S. 866) providing for the issuance to Herman L. Karpeles of a duplicate of an original medal of honor awarded to his father, Leopold Karpeles, reported it without amendment and submitted a report (No. 315) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 3489) granting a pension to Ellen M. Willey; and

A bill (S. 3490) granting an increase of pension to Green B. Acord (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 3491) granting a pension to Samantha Hitchcock (with accompanying papers); to the Committee on Pensions.

RAILROAD CONTROL.

Mr. SPENCER submitted an amendment intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which was ordered to lie on the table and be printed.

Mr. WATSON submitted three amendments intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which were ordered to lie on the table and be printed.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

The VICE PRESIDENT. The Senator from Iowa has asked for the reading of the bill, and the bill will be read.

The Secretary read the bill.

TREATY OF PEACE AND WORK OF CONGRESS.

Mr. JOHNSON of South Dakota. Mr. President, speaking as one Member of this body, I am truly glad that so important a bill to the people of the United States as the railroad bill, known as the Cummins bill, has been laid before this body and read. If there ever was a time in the history of the country when the Senate of the United States ought to get down to business, it is at this time.

Mr. President, very few people like a "knocker." Neither do I, but I am going to make a few observations to-day that may, perhaps, be looked upon as leading in that direction. A year ago the 11th day of last November the armistice was declared, and all the world rejoiced at the prospect of immediate peace. What have we done in America to help realize that peace? What is the condition to-day? An entire session of Congress fooled away by the Republicans, who are in control of both Houses, and a few Democrats, trying to destroy the league of nations, which would have been the foundation for lasting peace in the world, as most people see it.

Conditions everywhere are worse than they were then; unrest and dissatisfaction on every hand; socialism, radicalism, and Bolshevism spreading throughout the land; our Government threatened on all sides; and more than a hundred million people impatiently waiting while a few men quarrel all summer in this body about the treaty.

The Republicans have done nothing—worse than nothing—since they came into power over six months ago. After wasting all summer, they forced an adjournment on this body, which will cost the country $225,000 for additional mileage. That is about the extent of the work that has been accomplished by this body—very little attempted—too busy playing politics and fighting President Wilson. And when this adjournment was forced in the middle of the night, among the reasons given to the leader on that side of the Chamber as to why we should adjourn, I am told, was that the hunting season was here and

certain Senators wanted to go hunting, and as the report comes to me from a source that I consider perfectly reliable I have no doubt it is true. I do not suppose, Mr. President, the country cares very much about that one way or the other, save for the idle expenditure of $225,000, which the people must pay by taxation for additional mileage of the Senate and House. We have lived in an atmosphere of "do nothing" for six months past. We seem to like to talk to ourselves for publication in newspapers, and then do nothing until we talk some more, and then do nothing again. Indulgence in this habit has constituted a large part of our summer's work.

The constant warnings of approaching industrial trouble seem not to have concerned us. We have turned a deaf ear to their rumble, when they might have been averted. Republican leaders in this body have had only one thought—anything to discredit the President of the United States. This has been their prayer by day and their dream by night. All their energies have been exhausted in that direction. But they have failed. They have not deceived the people, and can not deceive them. The same spirit is now shown in their public criticism of the last message of the President, and if the thermometer of public opinion, as to the real worth of this Senate, goes down as fast in the minds of the public in the next six months as it has in the past six, it will not be long, I fear, before this body of the Government will be discontinued. The public believes, and in my opinion with good reason, that the day of real statesmanship has about gone by.

And now we are beginning to hear about the increase of salaries. Mr. President, there is not a Senator here, if you measure his worth by what he has done for his country in the last six months, who has earned half of what he now gets.

We have been riding straight toward trouble, as a country, for the past year, costing the people millions upon millions by our extravagance, setting the people of our land the worst possible example, preaching economy and practicing waste in our acts, taxing the people to pay for our waste of time, and giving them nothing in return. Do you expect a reasonable people to stand this always? Are we trying to help along the aggravated condition that exists in America to-day?

Mr. President, if we really want to serve our people, no greater field of opportunity was ever offered to a Congress of the United States than at this critical time in our country's life, when all the evils of destruction are at work, thundering at our very doors. Many dangers confront us, but the greatest of all, as I see it, is the failure to ratify the treaty of peace and covenant for a league of nations; and next, the high cost of living. This is driving honest men into the camp of the trouble makers. Will we not see these things before it is too late? Let us see what can be done, and do it at once, for when this is done, the foundation is then laid for the cure of most of our internal troubles, and the way is paved for a remedy for most of our unrest and disturbances. And so, if you ask me what should be done to settle the unrest now prevailing throughout the country, my answer is, first, ratify the treaty, so that all industries and the business of the country may know what to expect, and then take up this high cost of living problem and take it up in earnest. The accomplishment of these two tasks will bring satisfaction to our country again.

Mr. President, the Government's expense and the Nation's loss in waiting for the ratification of the treaty and league is millions of dollars every day, not to mention the loss to the world of thousands of lives. Half-formed governments in Europe are gradually yielding to those who oppose good government, and they will no doubt be soon overthrown unless some action is taken; and I have never seen a time in my life when the condition of our own country was as dangerous as it is to-day. Extravagance, waste, and inactivity characterize the conduct of the Congress of the United States, notwithstanding these conditions. Our people are being held up month after month by the quarrels of a few men in the Senate. The high cost of living is laying its hands heavily upon all mankind. Winter is upon us again with a shortage of coal necessary to warm our homes, accompanied by much other suffering which cold weather always brings. These conditions only help to aggravate the general situation that exists.

Mr. President, by our refusal to ratify the treaty of peace and league covenant, we are showing the worst kind of bad faith with our late allies and associates. By not taking immediate action on this all-important matter we are helping to destroy most of the new States set up in Europe and recognized at Versailles. The new States of Poland, Czechoslovakia, and others, will soon fall a prey to German ambition without this league. Each day's delay helps to destroy them, and to destroy our prestige in all Europe, and to bring about a condition which will cost us dearly in our own land. We are sowing to-day; we will reap to-morrow. As surely as this country lives to-day, it will have to pay the price of its foolishness. The pendulum of eternal justice will some time swing back to its center, and then we will see our mistakes and pay the penalty for them. I hope I may be pardoned when I say that my idea is that we all feel the importance of our position more than we do its responsibilities for the public good. I wish to add that when you are fighting the principles and ideas of President Wilson, as outlined in the league of nations covenant, you are fighting the ideas and principles of the American people. Our action during the session of Congress just closed will need to be gone over again before the business of the country will settle down to normal conditions. We have repeatedly insulted every civilized nation on earth. We have closed the door to our friends and opened it to our enemies. And if we do not change the situation in some way, I will not be surprised to see the Governments of every English-speaking people in the world destroyed in the next 20 years.

This country must do one of two things—either ratify the treaty of peace and covenant of the league of nations in some form acceptable to all nations or enter at once upon the construction of the largest Navy the world has ever seen. No other course is left for us; no other course could be considered by any sensible man.

Have you read the published reports of the refusal of Germany to sign the treaty protocol? Does that have any significance for you? The latter remark I respectfully address to the chairman of the Committee on Foreign Relations.

In connection with what I have to say, Mr. President, I ask to have printed in the RECORD a letter written on this subject by one of the most prominent men in the State of South Dakota, a former Republican Senator in this body, the Hon. Coe I. Crawford, a man whom no doubt the majority of Senators here know. I ask that that letter, which was printed in the Sioux City (Iowa) Tribune on November 25, be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HURON, S. DAK., *November 23, 1919.*

EDITOR SIOUX CITY TRIBUNE.

DEAR SIR: If the attitude of the Republican Party is truly represented by the spirit of insane hostility and partisanship which became manifest even before the treaty of peace with Germany was laid before the Senate by the President, and has grown in bitterness and intensity from that time until the vote for ratification was taken the other day, and in which impartial and judicial consideration of the treaty seems to have been lost in the desire to rebuke, humiliate, and defeat the President out of revenge for slights, or for personal reasons and partisanship; if that attitude is to receive the support of the National Republican organization, then, upon that issue, I can not support that party. I am a Republican; but I shall refuse to follow my party in opposition to this world-wide attempt to restrain future wars by a great cooperative league of nations to promote and enforce peace. I never was a politician and am permanently out of political activities. What I may say or do is of no consequence. But, upon a subject so momentous, every citizen of the country, no matter what his station, may be pardoned for expressing his conviction that those who have defeated the ratification of this treaty have committed a crime against civilization equal in enormity to the crime of war.

COE I. CRAWFORD.

Mr. JOHNSON of South Dakota. Mr. President, let me say just a few words about the profiteers. There is not anyone who questioned the power of Congress to pass the prohibition act, which destroyed millions and millions of dollars' worth of property in our country. There is not anyone who questioned the authority of Congress to pass the woman suffrage amendment. There is not anyone who questioned the authority of the banks of the country to limit the profits on money loaned. Then on what ground is the authority of Congress to limit the percentage of profits on the necessities of life questioned, I should like to know?

We should realize the immediate necessity of formulating some plan likely to bring relief. The people look to Congress to do this. They think we can do it. And if, after a real effort, Congress finds it can not give relief, it owes it to the people to frankly tell them so, and tell them at once.

My own idea as to our power to do this is that the people must do their share. They must realize that they live in a dangerous age; that they themselves have helped to bring this condition upon the country by their reckless extravagances; and that they must give more thought to the things that make real men and women and less attention to the things which are foolish and hurtful. Then, with the help of the people in that way, Congress will be able, no doubt, to do its share. But all must work together.

While I am on this subject let me also call your attention to the measures already introduced in Congress looking to the control of the great packers' combine, especially the Kenyon bill. To give an idea of the magnitude of this combination, the report of the Federal Trade Commission on the meat-packing industry dis-

closes to us the startling information that the list of commodities manufactured or distributed by them comprise about 630 articles—mostly necessaries and largely food products. We are informed in the same report that the history of the conspiracy of this combination was first investigated in the year 1890. After two years of investigation the Senate committee reported unanimously that there was an agreement between the then leading packers to restrain competition; that there was collusion with regard to fixing of prices and division of territory and business. This combination has been growing in strength and size since that time, a period of over 29 years, until to-day it is controlling about everything of commercial value used by the people. Do you wonder that there is unrest among the people? Curb the packers, and you will help to heal it and to lay the foundation for a lasting government at home.

We have men in this Chamber who have been fighting that combination and other combinations for the last quarter of a century. We have fought them consistently in season and out of season, and yet we are reminded to-day that they have grown stronger and stronger and greater and greater, until we find this condition existing, that they still control 630 varieties of necessary commodities. Let us assist these men and help hold up their hands, to continue their fight to a successful conclusion.

Mr. President, in April, 1917, when we had up the conscription or selective-service act I said on this floor, and time has only convinced me that I was right, that I was opposed to placing any age limit on conscription, but that I would conscript every male citizen in the United States, so that all might be called on to serve their country in some capacity, if necessary, during the war. I had then in mind just such combines as that of the great packers. That would have applied to the entire business of the country as well. Then a percentage basis might have been placed on the profits of those who had the necessaries of life to sell and profiteering would have been more easily handled. The condition of the country would have been much better than it is to-day; and, with conditions as they are now in our country, I would like to see the plan put into operation and continue until we get on our feet once more. Something must be done, and done at once, to curb the profiteers, or they will be the means of actually destroying our country.

Let me also call your attention to the fact that for the first time in the history of the United States bolshevism has openly asked to be recognized. The Government has been asked to capitulate in favor of the few against the many. The union laborers of the country are getting away from their organization leaders and it will not be long until the more radical element of these organizations will control them. The people of the United States are rapidly losing faith in their Congress because of its dilly-dally tactics in legislation to meet the needs of the country at this critical time. We have failed to perform or enter upon any definite policy of reconstruction—that which is most necessary to any country after a great war in the change from war to peace. We have in some instances hindered the progress of legislation. At the last session of the Sixty-fifth Congress the country was held up on important measures, thus adding to the unrest. The same spirit was shown in the session just closed.

These delays of Congress upon important matters are encouraging strikers; they encourage the profiteers and the spirit of Bolshevism both in the United States and in Europe. They help to discourage moral force in Europe among our allies, but, more than all, they encourage the great unrest in our own country.

We hear a great deal nowadays about compulsory military training. Speaking for myself, I have never been able to reach a conclusion on the policy which should be pursued. But I think one of the greatest needs of the country at the present time is to inaugurate a system along the same lines providing for compulsory labor, affecting all persons between certain proper ages, including the millionaire as well as the poor man. This would do more to stimulate production and settle the question than anything else I know of, and at the same time prevent half the crime in the country. It would do away with idleness, which is always a cause of unrest. What we need is more work and less idleness, and in Congress more work and less talk.

We have encouraged the system of "do as little as you can, and get as much pay as you can," until it has spread over the entire length and breadth of the Nation. Shorter hours and higher wages has been the slogan, until to-day it takes two men to do the work of one with wages twice as high to each individual. Our Government will never be placed on a solid foundation again until this system is changed. This wheel will go around until all of the spokes are lost, and every day will be Saturday afternoon for everybody.

We have taken too many people away from producing and have made consumers of them. We have reached the time when the food supply of the world is not sufficient to feed its hungry people. All must be fed, if we are to exist. We have destroyed in the past five years what it has taken a century to upbuild. Real work of some kind will solve the vital problem which the world faces to-day, and only work can, and any man who will not work and help to recreate the things that have been destroyed—not only the material things but the moral things—is a slacker in the world's great battle which is now upon us.

I want the people to get the picture squarely in mind, and to realize that in our industrial trouble lies our immediate danger to-day. The high cost of living is one of the things upon which all our labor troubles rest, and hence one of the things to which we should give our greatest study. The soldier's responsibility on the battle field was not greater than the responsibility of every man now in the great national battle for reconstruction, so that we may live and enjoy in peace the fruits of the victory won by our boys under the colors across the seas and in our own land.

But, Mr. President, let us not forget the practical maxim that as long as selfishness exists it will be impossible to please all. There is a selfishness of capital and a selfishness of labor, and both in essence are the same. We can not cater to one without justly offending the other, and I hope there is a prevailing sentiment in this body that desires to be just and fair to both. Capital has been charged in the past with being tyrannical, and I believe it true. The charge is now being repeated from a hundred labor camps. And the countercharge that labor is likewise now adopting the tactics of tyranny is also heard everywhere. The time will never come when the public mind will be at rest. Agitation is one of the conditions of progress, and there is, of course, such a thing as healthful unrest, but not such as we have to-day. We are in for a long period of agitation, which I hope will result in ultimate good. Labor and capital are now antagonistic, and the public—the most legitimately interested group of all—is the greatest sufferer. I am glad to note that this fact is being recognized. The present movement of the Government in the pending coal strike is in the direct interest of the people. It is really something new in the handling of disturbances between capital and labor.

But, I am moved to ask, what is likely to be the result of the public's entry into the arena? My conviction is that if we are in earnest in our efforts to secure an adjustment in the public interest it will not be long until we see signs of the formation of a copartnership between labor and capital. I point it out as, in my opinion, one of the certainties of the future. I call your attention also to the fact that this alliance when it comes will be a powerful one, and we will do well to make our plans to meet it; and the public will do well to try the plan of being represented here by more men devoted to the country itself and by fewer who are chosen by the special interests. I might easily enlarge upon this, but it is a question for the future. I do not think we have ever entered upon an era calling for greater gifts of patriotic statesmanship than now. For myself, I can not tolerate threats against law and our national integrity. Just now labor seems to be influenced by bolshevistic propagandists—I refer to organized labor—and though I hope it will quickly come to its senses, it seems to me that the loyal element in its ranks should not have been led into the quagmire in which it now flounders. It must take an early stand for loyalty or it will have lost all the ground it has gained in the quarter century past. No one liked the position taken by labor in refusing to confer in an attempt to adjust real differences and in ignoring the public appeal made by the President of the United States. It is because of the public faith in its loyalty that public criticism has been directed only to its leaders, though I abate nothing from my view of the future.

In this connection I wish to say that in the pending trouble with reference to the soft-coal situation the Government has no quarrel with the coal miners. On the contrary, its sympathies are with them. They are a part of the Government equally with all other men. But the Government's anxiety is for the people who must be warmed, fed, and clothed. For that reason it was thought the action already taken was necessary. I also wish to express my approval of what was said a short time ago by ex-Secretary McAdoo, which appeared in the press. I regard his utterance as exceedingly timely, containing information which should be spread abroad among the people, and also containing suggestions which should be followed. If the profits of the coal operators are as stated to have been within his official knowledge, it seems to me that the path of duty for us, both on behalf of the people and the miners, is plainly indicated. And I wish to add, further, that I am strongly of the opinion that if the treaty with Germany had been ratified with promptness some months ago this labor crisis would not have been upon us. I believe this, Mr. President, because at the end

of hostilities there was opened up the greatest possibilities of commercial activity ever known in the country. Business, seeing this prospect, halted because of uncertainty, while the debate went on. Markets invited, the demand for labor was never more insistent, its rewards were never greater, and America had its opportunity to feed and clothe the hungry and naked of the world. But we lost our chance. We were still at war. Everything was delayed. Had the wheels of industry and commerce been set in motion, we would have had a labor population too busy and satisfied to act as they have done.

Now, Mr. President, one of the most important matters to come before us at this session of Congress is the railroad bill, which has for its purpose the turning back of the transportation systems of the country to their owners. This bill will no doubt take considerable of the time of Congress, and is of great importance to the country. My hope is that it may be given our most careful consideration. The Senate Interstate Commerce Committee has given the matter a great deal of time and attention in its preparation. Their report on what is known as the Cummins bill was made to us unanimously, which leads one to conclude that it was very thoroughly gone over.

Mr. KING. Mr. President, if the Senator will pardon me, I think there was a minority report submitted by the distinguished Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. JOHNSON of South Dakota. I am very glad to be corrected. I was informed that the report was the unanimous report of the committee, and I am very glad the Senator from Utah has corrected me.

The late war has brought upon us a debt which this generation will not be able to pay. It is a mortgage upon the entire property of all the people of the United States, and the only way it can be paid is by strict economy and prudence in handling the business of the Government from now on. Each Member of Congress should recognize this fact and be anxious to do his part in the great struggle which is now upon us. We should cut off millions of dollars of useless and worthless expenses in running the Government, which are apparent to any ordinary observer in Washington.

Mr. President, if I were chairman of the committee that had in charge the economical running of this Government, the first thing I would do would be to commence to clean house at home. The Capital of the United States is literally filled with men occupying positions and drawing salaries from the Government who are absolutely useless. The parks and the grounds are filled with policemen who are only seen occasionally. In most of the departments of our Government the clerks are so numerout that they are actually in each other's way. There are tons upon tons of worthless useless printing done at the Government Printing Office.

I would stop the collection and free distribution of seeds. I would stop the franking privilege of every Senator and Representative on everything that was not absolutely necessary to the public business.

The Civil Service Commission costs our country millions and millions of dollars every year, and so far as I know it is of very little practical use to the country.

I would abolish the office of the Register of the Treasury, as being an obsolete, antiquated, useless part of this Government. Last but not least, I would abolish the Indian Bureau of the United States, which costs this Government from $10,000,000 to $25,000,000 every year. Since I have been here the Congress of the United States has passed appropriations taking millions and millions of dollars from the Treasury of the United States and from the Indian funds, ostensibly for the benefit of the Indians, but in reality for no other purpose than to keep 6,000 or 7,000 employees in office. Such appropriations have not benefited the Indians. I live in an Indian section; I can speak the tongue of the Indians; and if I have good common sense I know what is of benefit to the Indians and what is not. I would eliminate from this Government such institutions and such branches and cease the appropriation of millions and millions of dollars that are now being made and expended for useless, worthless, no-account things. I repeat I would commence cleaning house at home. I would conduct a campaign of economy and see if for once the Government could not be run for somewhere near the same sum of money which the ordinary business man would expend if he were carrying on a business of like extent.

We have heard much criticism for the last three or four years of the expense of running the Government, and it has been just criticism; for if we continue to run the Government as it has been run there is only one thing which may be expected, and that is, with the future appropriations which will be absolutely necessary for the payment of pensions and other objects which are important and right, together with all of these idle and useless expenses, the Government will break down and fail in its usefulness to the American people. I do not recall, however, that a Senator standing on this floor and speaking on the subject of the expenses of the Government has pointed out any specific remedy for the present situation. I now point these things out because I believe they ought to be pointed out, and so long as I stay here I shall continue to do so.

Three years ago, Mr. President, I introduced a resolution in this body giving the President the power to segregate items of appropriation and to approve those which were desirable, at the same time eliminating objectionable features which appropriation bills might contain, thereby attaining in some degree the results which would flow from the adoption of a budget system. That resolution was referred to the Committee on the Judiciary, where, so far as I know, it still sleeps. Because some system of that kind has not been adopted, the result has been that we have been drifting straight along in the direction I have indicated.

Mr. KING. Mr. President, will the Senator from South Dakota yield to me?

Mr. JOHNSON of South Dakota. I yield to the Senator from Utah.

Mr. KING. I desire to call the Senator's attention to one matter which, doubtless, has come under his observation. The executive agencies and departments and instrumentalities of the Government have become so powerful that they practically defy and flout the legislative branch of the Government. Heads of bureaus and departments and subordinates of every character denounce Congress—the Senate and the House—and every effort which is made in the direction of economy with respect to the departments and agencies to which I have just referred.

Why, even a Cabinet officer recently quite bitterly attacked a Senator in his own town because the Senator, in the discharge of his duty, had attempted to pare down some of the excrescences that were found upon an appropriation bill for that department. It has become so now that the executive departments are organized, in a way, for the purpose of coercing Congress into the passage of just such acts as the executive departments and the executive officials want. Congress is ceasing to function and is becoming the mere rubber stamp of departments, bureaus, and officials of the Government.

The fault with many of these gross extravagances rests with Senators—and, of course, I shall not say the House of Representatives, for that would, perhaps, be a violation of the rules. It rests with us. We do not pare these bills down and scrutinize them as we should; we do not place the executive officials in the position where they ought to be placed; we do not legislate; but we register the wishes of those who are trying to get their hands into the Public Treasury. It is time that we should reform the method of legislation.

Mr. JOHNSON of South Dakota. Mr. President, what the Senator from Utah has said is entirely true. The heads of the departments make estimates, but that does not excuse Congress for permitting those estimates to go through in the shape of appropriations. There is no use for us, as the Senate of the United States, to stand here and condemn the departments when we do everything they ask us to do. I have never yet seen the time, since I have been here, when if there was an appropriation proposed for some useless thing it did not go through. Of course, we pass appropriation bills of that character, and so long as we do it we are to blame.

Mr. President, we can not recall our record of the past, but surely we can avoid similar errors in the future. Speaking for myself, I am here, anxious, willing, and ready to devote all my time—8, 10, or 12 hours a day, regardless of my own comfort—to help as best I can to solve the great questions that confront us at this critical time. To anyone, from any quarter, I stand ready to give the best that is in me to help maintain and perpetuate our government of law and order, given us by our forefathers and the statesmen of days gone by.

Mr. President, no one will accuse me of saying this because of political aspirations. I appreciate more than I can express the great honor the people of my State bestowed on me in sending me here to represent them for the six years of my service, which will be concluded on March 4, 1921. I shall continue to serve them until that time to the best of my ability without any thought or desire to be returned here, but I hope with a consciousness in my own mind, at least, of having done my duty as I have seen it.

Mr. President, I have mentioned some matters connected with our past policy in this body, because I believe them to be unfair. I complain because I believe I speak for the people when I do so. They can not speak for themselves, or at least their voice can not penetrate this Chamber. The treaty is not settled, the labor question is not settled, the grave problems of reconstruc-

tion are upon us, and there is no time to lose. The people demand that Congress act with promptness and decision, and criticism of delay and inactivity is widespread and just. I believe there is a genuine public appeal and demand for less politics and more devotion to the serious duties that confront us. That is what my people in South Dakota want, and I speak for them especially. It is time for a show-down. Let us have it.

I hope my colleagues in this body will take what I have said in the same spirit in which I have intended it, for I think a great deal of them; but I think more of the welfare of the 800,000 people of the splendid young State of South Dakota whom I have the honor in part to represent.

CLAIMS AGAINST MEXICO (S. DOC. NO. 165).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Foreign Relations and ordered to be printed:

To the Senate:

I transmit herewith a report from the Secretary of State in further response to the resolution adopted by the Senate on June 19, 1919, in respect to claims against Mexico for the destruction of life and property of American citizens in that country. This supplemental report states the number of nationals of other countries than the United States who have been killed in Mexico since May 25, 1911, the date on which President Diaz resigned the Presidency of Mexico.

WOODROW WILSON.

THE WHITE HOUSE, *5 December, 1919.*

REPORT ON AERONAUTICS.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Naval Affairs and ordered to be printed:

To the Senate and House of Representatives:

In compliance with the provisions of the act of March 3, 1915, making appropriations for the naval service for the fiscal year ending June 30, 1916, I transmit herewith the Fifth Annual Report of the National Advisory Committee for Aeronautics for the fiscal year ended June 30, 1919.

The attention of the Congress is invited to the suggestion of the committee that the appendixes of the report be published with the report as a public document, and to the recommendations of the committee in the closing paragraphs of the report, which have my approval.

WOODROW WILSON.

THE WHITE HOUSE, *5 December, 1919.*

NOTE.—Report accompanied similar message to the House of Representatives.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. WATSON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Johnson, Calif.	Moses	Spencer
Bankhead	Johnson, S. Dak.	New	Sterling
Beckham	Jones, Wash.	Norris	Sutherland
Capper	Kellogg	Nugent	Thomas
Culberson	Kenyon	Overman	Townsend
Cummins	Keyes	Page	Wadsworth
Curtis	King	Pittman	Warren
Fletcher	Kirby	Sheppard	Watson
France	La Follette	Shields	
Harris	Lodge	Smoot	

Mr. SHEPPARD. I wish to announce that the senior Senator from Oregon [Mr. CHAMBERLAIN] is detained on official business.

The VICE PRESIDENT. Thirty-eight Senators have answered to the roll call. There is not a quorum present. The Secretary will call the names of the absentees.

The Secretary called the names of the absent Senators, and Mr. STANLEY, Mr. UNDERWOOD, Mr. WALSH of Massachusetts, and Mr. WALSH of Montana answered to their names when called.

The VICE PRESIDENT. Forty-one Senators have answered to their names. There is not a quorum present.

Mr. RANSDELL entered the Chamber and answered to his name.

Mr. WARREN. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will carry out the instructions of the Senate.

Mr. SWANSON, Mr. HITCHCOCK, and Mr. FALL entered the Chamber and answered to their names.

After a little delay Mr. GAY, Mr. WILLIAMS, and Mr. BORAH entered the Chamber and answered to their names.

The VICE PRESIDENT. Forty-eight Senators have answered to their names. There is a quorum present.

Mr. KELLOGG addressed the Senate. After having spoken with interruptions for nearly an hour and a half,

Mr. LODGE. Mr. President, will it be agreeable to the Senator from Minnesota if we should have a short executive session at this time? There are a large number of nominations to be referred.

Mr. KELLOGG. That is agreeable to me. I will finish in the morning.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. LODGE. I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Saturday, December 6, 1919, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate Friday, December 5 (legislative day of Thursday, December 4), 1919.

SECRETARY OF COMMERCE.

Joshua Willis Alexander, of Missouri, to be Secretary of Commerce.

CONSULS.

The following-named persons for promotion in the Consular Service, as follows:

From consul of class 8 to consul of class 7:
John P. Hurley, of New York.
Lee R. Blohm, of Arizona.

SECRETARIES OF EMBASSIES OR LEGATIONS.

The following-named persons to be secretaries of embassy or legation of class 4 of the United States of America:

F. Lammot Belin, of Waverly, Pa.
Pierre de L. Boal, of Boalsburg, Pa.
Curtis C. Jordan, of Eagle Rock, Calif.
Robert F. Kelley, of Jamaica Plain, Mass.
Benjamin Reath Riggs, of Philadelphia, Pa.
Harry W. Robbins, of Minneapolis, Minn.
Herman U. Sartorius, of Brooklyn, N. Y.
William Shea, of Brockport, N. Y.
Frederick V. Slocum, of Ann Arbor, Mich.
George Wythe, of Weatherford, Tex.

CLASS ONE.

Jefferson Caffery, of Louisiana.
Franklin Mott Gunther, of Virginia.
Warren D. Robbins, of Massachusetts.
Frederick A. Sterling, of Texas.
Hugh R. Wilson, of Illinois.

CLASS TWO.

Elbridge Gerry Greene, of Massachusetts.
Hallett Johnson, of New Jersey.
Stewart Johnson, of Illinois.
John F. Martin, of Florida.
Oscar L. Millmore, of the District of Columbia.
Richard E. Pennoyer, of California.
Albert B. Ruddock, of Illinois.
H. F. Arthur Schoenfeld, of the District of Columbia.
Sumner Welles, of New York.
John Campbell White, of Maryland.
L. Lanier Winslow, of New York.

CLASS THREE.

Philander L. Cable, of Illinois.
Williamson S. Howell, jr., of Texas.
G. Howland Shaw, of Massachusetts.
Curtis C. Williams, jr., of Ohio.
Joseph W. Carroll, of New York.
Samuel S. Dickson, of New Mexico.
J. Theodore Marriner, of Maine.
Henry I. Dockweiler, of California.

INTERSTATE COMMERCE COMMISSIONER.

Edgar E. Clark, of Iowa, to be a member of the Interstate Commerce Commission for the term expiring December 31, 1926. (A reappointment.)

FEDERAL TRADE COMMISSIONER.

Nelson B. Gaskill, of New Jersey, to be a member of the Federal Trade Commission, vice John Franklin Fort, resigned.

UNITED STATES ATTORNEY.

Melvin A. Hildreth, of Fargo, N. Dak., to be United States attorney, district of North Dakota. (A reappointment, his term having expired.)

COLLECTOR OF INTERNAL REVENUE.

Stephen W. McGrath, of Cincinnati, Ohio, to be collector of internal revenue for the first district of Ohio, in place of Andrew C. Gilligan, resigned.

RECEIVERS OF PUBLIC MONEYS.

Daniel W. Craddock, of Coupeville, Wash., to be receiver of public moneys at Seattle, Wash., vice Jacob W. Oyen, resigned.

William E. McMurry, of Montana, to be receiver of public moneys at Missoula, Mont.

Woodbury W. Sparks, of South Dakota, to be receiver of public moneys at Timber Lake, S. Dak., his present term expiring December 16, 1919. (Reappointment.)

John C. Morrow, of Nebraska, to be receiver of public moneys at Alliance, Nebr.

James K. Clark, of South Dakota, to be receiver of public moneys at Lemmon, S. Dak., his present term expiring December 16, 1919. (Reappointment.)

REGISTERS OF LAND OFFICE.

Thomas J. O'Keefe, of Nebraska, at Alliance, Nebr.

George W. Myers, of Montana, to be register of the land office at Miles City, Mont.

William Reid, of Wyoming, to be register of the land office at Cheyenne, Wyo., his present term expiring December 16, 1919. (Reappointment.)

Ben R. Gray, of Idaho, to be register of the land office at Hailey, Idaho, his present term expiring December 16, 1919. (Reappointment.)

STEAMBOAT-INSPECTION SERVICE.

Cecil N. Bean, of Florida, to be supervising inspector of the tenth district, Steamboat-Inspection Service, vice John A. Cotter, deceased.

PUBLIC HEALTH SERVICE.

Passed Assistant Surgeon William M. Bryan, to be surgeon in the Public Health Service, to rank as such from May 9, 1919.

This officer has served the required time in his present grade and has passed the necessary examination for promotion.

Passed Assistant Surgeon James R. Hurley, to be surgeon in the Public Health Service, to rank as such from May 6, 1919.

This officer has served the required time in his present grade and has passed the necessary examination for promotion.

COAST GUARD SERVICE.

Captain of Engineers Quincy Bogardus Newman, to be engineer in chief of the Coast Guard, to rank as such from July 13, 1919, to fill an existing vacancy.

Captain of Engineers Denis Francis Xavier Bowen, United States Coast Guard, to have the temporary rank of senior captain in the Coast Guard from August 21, 1919, in place of Captain of Engineers Charles Francis Nash (with temporary rank of senior captain), retired.

Senior Capt. Francis Marion Dunwoody, United States Coast Guard, to have the temporary rank of captain in the Navy and colonel in the Army from October 2, 1919, in place of Senior Capt. William Edward Reynolds (with temporary rank of captain in the Navy and colonel in the Army), promoted.

Capt. Commandant William Edward Reynolds, United States Coast Guard, to have the temporary rank of commodore in the Navy and brigadier general in the Army, to rank as such from October 2, 1919.

Capt. Byron L. Reed to be senior captain in the Coast Guard of the United States, to rank as such from October 2, 1919, in place of William E. Reynolds, promoted.

Second Lieut. John J. Hutson to be first lieutenant in the Coast Guard of the United States, to rank as such from November 17, 1918.

Lieut. Hutson has passed the examination prescribed by law for this promotion.

Third Lieut. Norvin Cliffe Smith, to be second lieutenant in the Coast Guard of the United States, to rank as such from September 27, 1919, in place of Second Lieut. Raymond L. Jack, promoted.

COAST AND GEODETIC SURVEY.

To be hydrographic and geodetic engineer (by promotion from junior hydrographic and geodetic engineer):

Harrison Rae Bartlett, of New York, vice Arthur Joachims, resigned.

To be junior hydrographic and geodetic engineers (by promotion from aids):

Edward Clinton Bennett, of West Virginia, vice W. H. Overshiner, promoted.

Elbert Francis Lewis, of North Carolina, vice L. O. Stewart, promoted.

Augustus Peter Ratti, of Massachusetts, vice J. D. Crichton, promoted.

APPOINTMENTS IN THE REGULAR ARMY.

GENERAL OFFICERS.

To be major generals.

Maj. Gen. Joseph T. Dickman, United States Army (emergency), from January 9, 1919.

Maj. Gen. James G. Harbord, United States Army (emergency), from September 8, 1919.

Maj. Gen. Francis J. Kernan, United States Army (emergency), from October 14, 1919.

To be brigadier generals.

Maj. Gen. Henry P. McCain, United States Army (emergency), from August 18, 1919.

Maj. Gen. James H. McRae, United States Army (emergency).

Maj. Gen. William S. Graves, United States Army (emergency).

Brig. Gen. Frank T. Hines, United States Army (emergency).

MEDICAL CORPS.

To be first lieutenants with rank from date set opposite each name.

Capt. Leonard Philip Bell, Medical Corps, United States Army (emergency), from September 9, 1919.

Maj. Elmer Seth Tenney, Medical Corps, United States Army (emergency), from September 10, 1919.

Maj. Harold Inman Gosline, Medical Corps, United States Army (emergency), from September 11, 1919.

Capt. Omar Richard Sevin, Medical Corps, United States Army (emergency), from September 12, 1919.

Capt. Rae Ellsworth Houke, Medical Corps, United States Army (emergency), from September 13, 1919.

Capt. John Glenwood Knauer, Medical Corps, United States Army (emergency), from September 14, 1919.

First Lieut. Joseph Rogers Darnall, Medical Corps, United States Army (emergency), from September 15, 1919.

Capt. Samuel Carlton Gwynne, Medical Corps, United States Army (emergency), from September 16, 1919.

First Lieut. Forrest Ralph Ostrander, Medical Corps, United States Army (emergency), from September 17, 1919.

First Lieut. William Otis Callaway, Medical Corps, United States Army (emergency), from September 18, 1919.

First Lieut. Joseph Francis Gallagher, Medical Corps, United States Army (emergency), from September 19, 1919.

First Lieut. Joel Adams Tilton, Medical Corps, United States Army (emergency), from September 20, 1919.

Capt. William Young Hollingsworth, Medical Corps, United States Army (emergency), from September 21, 1919.

Maj. Paul Moyer Patterson, Medical Corps, United States Army (emergency), from September 22, 1919.

Capt. William Kenneth Turner, Medical Corps, United States Army (emergency), from September 23, 1919.

Capt. Edwin Leland Brackney, Medical Corps, United States Army (emergency), from September 24, 1919.

First Lieut. Harold Wade Kinderman, Medical Corps, United States Army (emergency), from September 25, 1919.

Capt. Chauncey Elmo Dovell, Medical Corps, United States Army (emergency), from September 26, 1919.

First Lieut. Irving Samuel Startz, Medical Corps, United States Army (emergency), from September 27, 1919.

Capt. August John Pacini, Medical Corps, United States Army (emergency), from September 28, 1919.

Capt. Roy Farrington Brown, Medical Corps, United States Army (emergency), from September 29, 1919.

Maj. Henry Jackson Hayes, Medical Corps, United States Army (emergency), from September 30, 1919.

First Lieut. Victor Luman Rocho, Medical Corps, United States Army (emergency), from October 1, 1919.

Capt. Carl Benjamin De Forest, Medical Corps, United States Army (emergency), from October 2, 1919.

First Lieut. Hugh Max Bullard, Medical Corps, United States Army (emergency), from October 3, 1919.

Capt. Brooks Collins Grant, Medical Corps, United States Army (emergency), from October 4, 1919.
First Lieut. Frank Walker Young, Medical Corps, United States Army (emergency), from October 5, 1919.
First Lieut. William Samuel Prout, Medical Corps, United States Army (emergency), from October 6, 1919.
Capt. Clark Ansen Wilcox, Medical Corps, United States Army (emergency), from October 7, 1919.
First Lieut. Millard Ferdinand Smith, Medical Corps, United States Army (emergency), from October 8, 1919.
First Lieut. Milner Hubbard Eskew, Medical Corps, United States Army (emergency), from October 9, 1919.
Capt. Alexander Mileau, jr., Medical Corps, United States Army (emergency), from October 10, 1919.
First Lieut. James Neal Williams, Medical Corps, United States Army (emergency), from October 11, 1919.
First Lieut. Leland Elder Dashiell, Medical Corps, United States Army (emergency), from October 12, 1919.
Capt. Gilbert Seymour Osincup, Medical Corps, United States Army (emergency), from October 13, 1919.
First Lieut. Edwin Raymond Strong, Medical Corps, United States Army (emergency), from October 14, 1919.
Capt. Charles Alexander Bender, Medical Corps, United States Army (emergency), from October 15, 1919.
Capt. Rufus Leroy Holt, Medical Corps, United States Army (emergency), from October 16, 1919.
First Lieut. Carl Herman Graf, Medical Corps, United States Army (emergency), from October 17, 1919.
First Lieut. William Hervey ReMine, Medical Corps, United States Army (emergency), from October 18, 1919.
Samuel Demetrius Avery, late captain, Medical Corps, United States Army (emergency), from October 29, 1919.
Edward Athelstane Casserly, late first lieutenant, Medical Corps, United States Army (emergency), from October 30, 1919.
Ralph Ellis Murrell, late first lieutenant, Medical Corps, United States Army (emergency), from October 31, 1919.
James Marye Odell, late first lieutenant, Medical Corps, United States Army (emergency), from November 1, 1919.
David Oscar Nathaniel Lindberg, late first lieutenant, Medical Corps, United States Army (emergency), from November 2, 1919.

DENTAL CORPS.

To be first lieutenants with rank from date set opposite each name.

Capt. Page Purnell Albert Chesser, Dental Corps, United States Army (emergency), from October 25, 1919.
First Lieut. Ralph Eugene Morgan, Dental Corps, United States Army (emergency), from October 26, 1919.
Joseph Aloysius Murray, late sergeant, first class, Medical Department, from October 27, 1919.
Clarke Wayne Russell, late first lieutenant, Student Army Training Corps, from October 28, 1919.
First Lieut. Joseph Hayden Jones, Dental Corps, United States Army (emergency), from October 29, 1919.
Forest Vernon Bockey, late sergeant, first class, Medical Department, United States Army, from October 30, 1919.
First Lieut. James Lawrence Olsen, Dental Corps, United States Army (emergency), from October 31, 1919.
First Lieut. Glenn Dale Lacey, Dental Corps, United States Army (emergency), from October 31, 1919.
First Lieut. Harold Snell Whitney, Dental Corps, United States Army (emergency), from November 1, 1919.
Alexander MacKenzie Telfer, late sergeant, Medical Department, United States Army, from November 1, 1919.
First Lieut. Egbert Wesley van Delden Cowan, Dental Corps, United States Army (emergency), from November 2, 1919.
Capt. Clyde Wakefield Scogin, Dental Corps, United States Army (emergency), from November 3, 1919.
Capt. Beverley Morrison Epes, Dental Corps, United States Army (emergency), from November 4, 1919.
Capt. Warren Charles Caldwell, Dental Corps, United States Army (emergency), from November 4, 1919.

PROVISIONAL APPOINTMENT, BY PROMOTION, IN THE REGULAR ARMY.

CAVALRY ARM.

To be first lieutenants.

Second Lieut. Frank R. McKay, Cavalry, from September 13, 1919.
Second Lieut. Ashley H. Conard, Cavalry, from September 13, 1919.
Second Lieut. Ralph C. Thomas, Cavalry, from September 13, 1919.
Second Lieut. George S. Warren, Cavalry, from September 13, 1919.
Second Lieut. John M. Lile, Cavalry, from September 13, 1919.
Second Lieut. Harold S. Thurber, Cavalry, from September 13, 1919.
Second Lieut. Arthur T. Huston, Cavalry, from September 13, 1919.
Second Lieut. Raymond S. Jett, Cavalry, from September 15, 1919.
Second Lieut. Lewis B. Angel, Cavalry, from September 15, 1919.
Second Lieut. Jack R. Burke, Cavalry, from September 16, 1919.
Second Lieut. William H. Little, Cavalry, from September 16, 1919.
Second Lieut. Roger E. Williams, Cavalry, from September 16, 1919.
Second Lieut. George J. Waggner, Cavalry, from September 17, 1919.
Second Lieut. Frank R. Baker, Cavalry, from September 18, 1919.
Second Lieut. Deane C. Howard, jr., Cavalry, from September 20, 1919.
Second Lieut. Gibbes Lykes, Cavalry, from September 20, 1919.
Second Lieut. William J. Egan, Cavalry, from September 21, 1919.
Second Lieut. Redding F. Perry, Cavalry, from September 21, 1919.
Second Lieut. Marcellus C. Stockton, jr., Cavalry, from September 21, 1919.
Second Lieut. Lawrence Patterson, Cavalry, from September 21, 1919.
Second Lieut. Samuel G. Stewart, Cavalry, from September 24, 1919.
Second Lieut. Charles H. Espy, Cavalry, from September 24, 1919.
Second Lieut. Warren H. McNaught, Cavalry, from September 25, 1919.
Second Lieut. Herbert N. Odell, Cavalry, from September 25, 1919.
Second Lieut. Roy E. Craig, Cavalry, from September 25, 1919.
Second Lieut. Early E. W. Duncan, Cavalry, from September 25, 1919.
Second Lieut. Edward M. Daniels, Cavalry, from September 25, 1919.
Second Lieut. Philip R. Upton, Cavalry, from September 25, 1919.
Second Lieut. Winfield C. Scott, Cavalry, from September 26, 1919.

NOTE.—The foregoing nominations are made in the regular order of seniority.

CAVALRY ARM.

Second Lieut. Theodore K. Rothermund, Cavalry, from September 26, 1919.
Second Lieut. George E. Heidenreich, Cavalry, from September 26, 1919.
Second Lieut. Ray D. Willson, Cavalry, from September 30, 1919.
Second Lieut. Donald T. Nelson, Cavalry, from October 1, 1919.
Second Lieut. Chevy Chase, Cavalry, from October 1, 1919.
Second Lieut. Chester L. Conlon, Cavalry, from October 1, 1919.
Second Lieut. Lee T. McMahon, Cavalry, from October 1, 1919.
Second Lieut. William McC. Peeples, Cavalry, from October 1, 1919.
Second Lieut. John P. P. Eckert, Cavalry, from October 2, 1919.
Second Lieut. Phillip B. Shotwell, Cavalry, from October 2, 1919.
Second Lieut. Ralph E. Ireland, Cavalry, from October 4, 1919.
Second Lieut. Bryan L. Davis, Cavalry, from October 4, 1919.
Second Lieut. Emerald C. Robbins, Cavalry, from October 4, 1919.
Second Lieut. Howard D. Lee, Cavalry, from October 6, 1919.

COAST ARTILLERY CORPS.

To be colonel.

Lieut. Col. Alston Hamilton, Coast Artillery Corps, from October 31, 1919.

To be captain.

First Lieut. Edgar Nash, jr., Coast Artillery Corps, from July 28, 1919.

To be first lieutenants.

Second Lieut. Ward E. Becker, Coast Artillery Corps, from July 29, 1919.
Second Lieut. Amory Oliver, Coast Artillery Corps, from July 29, 1919.
Second Lieut. James B. C. Siske, Coast Artillery Corps, from July 30, 1919.
Second Lieut. Clarence W. Dresser, Coast Artillery Corps, from July 30, 1919.
Second Lieut. William W. Murphey, Coast Artillery Corps, from August 1, 1919.
Second Lieut. Earl Hendry, Coast Artillery Corps, from August 1, 1919.
Second Lieut. Frank H. Hastings, Coast Artillery Corps, from August 2, 1919.
Second Lieut. Joseph H. Gilbreth, Coast Artillery Corps, from August 3, 1919.
Second Lieut. Harold A. Packard, Coast Artillery Corps, from August 3, 1919.
Second Lieut. Raymond M. Richardson, Coast Artillery Corps, from August 7, 1919.
Second Lieut. Harold G. Archibald, Coast Artillery Corps, from August 7, 1919.
Second Lieut. Edward G. Cowen, Coast Artillery Corps, from August 8, 1919.
Second Lieut. Kenyon P. Flagg, Coast Artillery Corps, from August 8, 1919.
Second Lieut. Charles M. Black, Coast Artillery Corps, from August 8, 1919.
Second Lieut. Joseph B. Hafer, Coast Artillery Corps, from August 8, 1919.
Second Lieut. Walter H. Rice, Coast Artillery Corps, from August 8, 1919.
Second Lieut. Thomas H. Healy, Coast Artillery Corps, from August 9, 1919.
Second Lieut. Henry A. Harkins, Coast Artillery Corps, from August 9, 1919.
Second Lieut. Daniel H. Hoge, Coast Artillery Corps, from August 13, 1919.
Second Lieut. Reamer W. Argo, Coast Artillery Corps, from August 14, 1919.
Second Lieut. Edward L. Supple, Coast Artillery Corps, from August 16, 1919.
Second Lieut. Fred B. Hanchette, jr., Coast Artillery Corps, from August 16, 1919.
Second Lieut. Samuel McCullough, Coast Artillery Corps, from August 20, 1919.
Second Lieut. Mahlon M. Read, Coast Artillery Corps, from August 20, 1919.
Second Lieut. Allen F. Grum, Coast Artillery Corps, from August 20, 1919.
Second Lieut. Donald W. Campbell, Coast Artillery Corps, from August 23, 1919.
Second Lieut. Bernard C. Dailey, Coast Artillery Corps, from August 23, 1919.
Second Lieut. Eugene T. Conway, Coast Artillery Corps, from August 23, 1919.
Second Lieut. John W. Leavitt, Coast Artillery Corps, from August 24, 1919.
Second Lieut. Clarence S. Babbitt, Coast Artillery Corps, from August 24, 1919.
Second Lieut. Robert S. Lewis, Coast Artillery Corps, from August 28, 1919.
Second Lieut. Robert E. De Merritt, Coast Artillery Corps, from August 28, 1919.
Second Lieut. James F. Powell, Coast Artillery Corps, from August 28, 1919.
Second Lieut. William D. Hohenthal, Coast Artillery Corps, from August 29, 1919.
Second Lieut. James R. Lowder, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Robert J. Miskovsky, Coast Artillery Corps, from September 2, 1919.
Second Lieut. John T. Schneider, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Willard W. Scott, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Harold Deas, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Edwin P. Hart, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Harold S. Macomber, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Leonard L. Davis, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Harold L. Stiebel, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Webster F. Putnam, jr., Coast Artillery Corps, from September 2, 1919.
Second Lieut. Merle H. Davis, Coast Artillery Corps (Ordnance Department), from September 2, 1919.
Second Lieut. Frank S. Hubbard, Coast Artillery Corps, from September 2, 1919.
Second Lieut. George B. Dobyns, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Henry D. Cassard, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Louis A. Williford, Coast Artillery Corps, from September 2, 1919.
Second Lieut. Percy S. Lowe, Coast Artillery Corps, from September 3, 1919.
Second Lieut. Maury L. Webster, Coast Artillery Corps, from September 3, 1919.
Second Lieut. Claud T. Gunn, Coast Artillery Corps, from September 3, 1919.
Second Lieut. Leon A. White, Coast Artillery Corps, from September 5, 1919.
Second Lieut. Phillips W. Loomis, Coast Artillery Corps, from September 5, 1919.
Second Lieut. Ephraim P. Jolls, Coast Artillery Corps, from September 6, 1919.
Second Lieut. John W. Callahan, Coast Artillery Corps, from September 6, 1919.
Second Lieut. Alan Fuller Cameron, Coast Artillery Corps, from September 8, 1919.
Second Lieut. Walter L. McCormick, Coast Artillery Corps, from September 10, 1919.
Second Lieut. Robert M. Chase, Coast Artillery Corps, from September 10, 1919.
Second Lieut. Lyman C. Rafferty, Coast Artillery Corps, from September 11, 1919.
Second Lieut. Arnold D. Amoroso, Coast Artillery Corps, from September 13, 1919.

INFANTRY.

To be first lieutenants.

Second Lieut. Paul S. Beard, Infantry, from August 12, 1919.
Second Lieut. Norman B. Chandler, Infantry, from August 12, 1919.
Second Lieut. Richard O. Welch, Infantry, from August 12, 1919.
Second Lieut. Roswell H. Bill, Infantry, from August 12, 1919.
Second Lieut. Wright H. Johnson, Infantry, from August 13, 1919.
Second Lieut. George W. Clover, Infantry, from August 14, 1919.
Second Lieut. Donald B. Doan, Infantry, from August 14, 1919.
Second Lieut. Edwin A. Smith, Infantry, from August 14, 1919.
Second Lieut. Harvey G. Thomas, Infantry, from August 16, 1919.
Second Lieut. Richard Grant, Infantry, from August 16, 1919.
Second Lieut. Floyd C. Harding, Infantry, from August 17, 1919.
Second Lieut. Rolfe S. Sample, Infantry, from August 18, 1919.
Second Lieut. Wesley C. Thompson, Infantry, from August 20, 1919.
Second Lieut. Percy L. Sadler, Infantry, from August 20, 1919.
Second Lieut. George L. Morrow, Infantry, from August 20, 1919.
Second Lieut. William C. Rymer, Infantry, from August 20, 1919.
Second Lieut. Henry F. Martin, Infantry, from August 20, 1919.
Second Lieut. Alan G. Paine, Infantry, from August 20, 1919.
Second Lieut. Hugh C. Courtright, Infantry, from August 20, 1919.
Second Lieut. Evan M. Sherrill, Infantry, from August 20, 1919.
Second Lieut. James W. Arnold, Infantry, from August 20, 1919.
Second Lieut. Bernard F. Hurless, Infantry, from August 20, 1919.
Second Lieut. Raymond M. Heckman, Infantry, from August 20, 1919.
Second Lieut. Francis R. D. Holran, Infantry, from August 20, 1919.
Second Lieut. Harold T. Gallager, Infantry, from August 20, 1919.

Second Lieut. John H. Hilldring, Infantry, from August 20, 1919.
Second Lieut. William J. Davis, Infantry, from August 21, 1919.
Second Lieut. Emory A. Peek, Infantry, from August 22, 1919.
Second Lieut. William D. McMillin, Infantry, from August 22, 1919.
Second Lieut. Arthur B. Wade, Infantry, from August 23, 1919.
Second Lieut. James G. Kyle, Infantry, from August 23, 1919.
Second Lieut. John H. Rodman, Infantry, from August 23, 1919.
Second Lieut. William D. Powell, Infantry, from August 23, 1919.
Second Lieut. Samuel J. Cole, Infantry, from August 24, 1919.
Second Lieut. Louis P. Tiers, Infantry, from August 26, 1919.
Second Lieut. James F. Smith, Infantry, from August 26, 1919.
Second Lieut. William C. Louisell, Infantry, from August 26, 1919.
Second Lieut. Edward R. White, Infantry, from August 26, 1919.
Second Lieut. Jesse E. Whitt, Infantry, from August 27, 1919.
Second Lieut. William E. Goe, Infantry, from August 27, 1919.
Second Lieut. William L. Ritter, Infantry, from August 28, 1919.
Second Lieut. Robert W. Patterson, Infantry, from August 28, 1919.
Second Lieut. Ellis DeV. Willis, Infantry, from August 28, 1919.
Second Lieut. Charles H. Sears, Infantry, from August 28, 1919.
Second Lieut. Druid E. Wheeler, Infantry, from August 28, 1919.
Second Lieut. Charles R. Lugton, Infantry, from August 28, 1919.
Second Lieut. Michael J. Perret, Infantry, from August 28, 1919.
Second Lieut. Stewart E. Reimel, Infantry, from August 29, 1919.
Second Lieut. Douglas P. Newell, Infantry, from August 29, 1919.
Second Lieut. Kendall J. Fielder, Infantry, from August 29, 1919.
Second Lieut. Frederick P. Geyer, Infantry, from August 29, 1919.
Second Lieut. William C. De Ware, Infantry, from August 30, 1919.
Second Lieut. Hugh D. Adair, Infantry, from August 30, 1919.
Second Lieut. Joseph R. Bibb, Infantry, from August 31, 1919.
Second Lieut. Reginald R. Bacon, Infantry, from August 31, 1919.
Second Lieut. James D. Tucker, Infantry, from September 1, 1919.
Second Lieut. Russell C. Snyder, Infantry, from September 1, 1919.
Second Lieut. David B. Van Pelt, Infantry, from September 1, 1919.
Second Lieut. Harvey A. Tonnesen, Infantry, from September 2, 1919.
Second Lieut. William H. Emerson, Infantry, from September 2, 1919.
Second Lieut. George E. Cook, Infantry, from September 4, 1919.
Second Lieut. Eugene H. Mitchell, Infantry, from September 5, 1919.
Second Lieut. Leslie H. Blank, Infantry, from September 5, 1919.
Second Lieut. Donald S. Grimm, Infantry, from September 5, 1919.
Second Lieut. Benton L. Boykin, Infantry, from September 5, 1919.
Second Lieut. Walter M. E. Sullivan, Infantry, from September 5, 1919.
Second Lieut. Kameil Maertens, Infantry, from September 5, 1919.
Second Lieut. Allan J. Kennedy, Infantry, from September 5, 1919.
Second Lieut. Clifton R. Gordon, Infantry, from September 5, 1919.
Second Lieut. Martin L. Howard, Infantry, from September 5, 1919.
Second Lieut. Leo J. Farrell, Infantry, from September 5, 1919.
Second Lieut. Walter S. Wood, Infantry, from September 5, 1919.
Second Lieut. Frank O. Stephens, Infantry, from September 6, 1919.
Second Lieut. William H. Quarterman, jr., Infantry, from September 6, 1919.
Second Lieut. Benjamin B. Bain, Infantry, from September 6, 1919.
Second Lieut. Ira C. Eaker, Infantry, from September 6, 1919.
Second Lieut. Stanton L. Bertschey, Infantry, from September 6, 1919.
Second Lieut. Romeyn B. Hough, jr., Infantry, from September 6, 1919.
Second Lieut. Cheney L. Bertholf, Infantry, from September 6, 1919.
Second Lieut. William C. Glass, Infantry, from September 7, 1919.
Second Lieut. Harry L. Franklin, Infantry, from September 7, 1919.
Second Lieut. Robert E. L. Cook, jr., Infantry, from September 7, 1919.
Second Lieut. Grahame M. Bates, Infantry, from September 8, 1919.
Second Lieut. Donald L. Bressler, Infantry, from September 8, 1919.
Second Lieut. Walter E. Lauer, Infantry, from September 8, 1919.
Second Lieut. Albert H. Dumas, Infantry, from September 8, 1919.
Second Lieut. Paul S. Jones, Infantry, from September 8, 1919.
Second Lieut. Paul T. Baker, Infantry, from September 8, 1919.
Second Lieut. Robert P. Bell, Infantry, from September 8, 1919.
Second Lieut. Harold W. Keller, Infantry, from September 8, 1919.
Second Lieut. Edwin W. Piburn, Infantry, from September 8, 1919.
Second Lieut. William H. Clark, jr., Infantry, from September 8, 1919.
Second Lieut. Kenneth S. Whittemore, Infantry, from September 8, 1919.
Second Lieut. Mack M. Lynch, Infantry, from September 8, 1919.
Second Lieut. Frank H. Partridge, Infantry, from September 8, 1919.
Second Lieut. Franklin K. Kennedy, jr., Infantry (Ordnance Department), from September 8, 1919.
Second Lieut. Robb S. MacKie, Infantry, from September 8, 1919.
Second Lieut. Derrill deS. Trenholm, Infantry, from September 8, 1919.
Second Lieut. John S. M. Cromelin, Infantry, from September 8, 1919.
Second Lieut. Michael E. Halloran, Infantry, from September 8, 1919.
Second Lieut. Idwal H. Edwards, Infantry, from September 8, 1919.
Second Lieut. Paul J. Vevia, Infantry, from September 8, 1919.
Second Lieut. James B. Smith, Infantry, from September 8, 1919.
Second Lieut. Paul Steele, Infantry, from September 8, 1919.
Second Lieut. Fred T. Marsh, Infantry, from September 8, 1919.
Second Lieut. Luther N. Johnson, Infantry, from September 8, 1919.
Second Lieut. Stanley A. Anderson, Infantry, from September 9, 1919.
Second Lieut. Robert E. Cummings, Infantry, from September 9, 1919.
Second Lieut. Philip G. Carroll, Infantry, from September 9, 1919.
Second Lieut. Harry F. Schoonover, Infantry, from September 9, 1919.
Second Lieut. Louis S. Stickney, Infantry, from September 9, 1919.
Second Lieut. Tarlton F. Parsons, Infantry, from September 9, 1919.
Second Lieut. James L. Dikes, Infantry, from September 10, 1919.
Second Lieut. Ben C. McComas, Infantry, from September 10, 1919.

Second Lieut. Kenneth B. Gunn, Infantry, from September 10, 1919.
Second Lieut. Maurice G. Stubbs, Infantry, from September 10, 1919.
Second Lieut. Boniface Campbell, Infantry, from September 11, 1919.
Second Lieut. Cyril K. Richards, Infantry, from September 11, 1919.
Second Lieut. Archibald A. Fall, Infantry, from September 13, 1919.
Second Lieut. Vernon W. Aikins, Infantry, from September 13, 1919.
Second Lieut. Frank R. Schucker, Infantry, from September 13, 1919.
Second Lieut. John W. Cunningham, Infantry, from September 13, 1919.
Second Lieut. John L. Davey, Infantry, from September 13, 1919.
Second Lieut. William G. Wilson, Infantry, from September 13, 1919.
Second Lieut. James R. Lowry, Infantry, from September 13, 1919.
Second Lieut. Henry O. Swindler, Infantry, from September 13, 1919.
Second Lieut. Haskell Allison, Infantry, from September 13, 1919.
Second Lieut. Bruce G. Kirk, Infantry, from September 13, 1919.
Second Lieut. Davis Jones, Infantry, from September 13, 1919.
Second Lieut. Russell Skinner, Infantry, from September 13, 1919.
Second Lieut. John H. Randolph, Infantry, from September 13, 1919.
Second Lieut. Norris A. Wimberly, Infantry, from September 13, 1919.
Second Lieut. Lloyd L. Boughton, Infantry, from September 13, 1919.
Second Lieut. Walter A. Elliott, Infantry, from September 13, 1919.
Second Lieut. John A. Klein, Infantry, from September 13, 1919.
Second Lieut. Arthur H. Luse, Infantry, from September 13, 1919.
Second Lieut. Clayton S. Whitehead, Infantry, from September 13, 1919.
Second Lieut. William A. Swift, Infantry, from September 13, 1919.
Second Lieut. John E. Grose, Infantry, from September 15, 1919.
Second Lieut. Robert C. Wright, Infantry, from September 16, 1919.
Second Lieut. Everett L. Rice, Infantry, from September 16, 1919.
Second Lieut. Lawrence A. Kurtz, Infantry, from September 16, 1919.
Second Lieut. Martin S. Chester, Infantry, from September 16, 1919.
Second Lieut. William C. Samford, Infantry, from September 17, 1919.
Second Lieut. Harry Reichelderfer, Infantry, from September 17, 1919.
Second Lieut. Samuel F. Cohn, Infantry, from September 18, 1919.
Second Lieut. Alexander R. Bolling, Infantry, from September 18, 1919.
Second Lieut. Duncan T. Boisseau, Infantry, from September 19, 1919.
Second Lieut. James L. Garza, Infantry, from September 19, 1919.
Second Lieut. Walter B. Davis, Infantry, from September 20, 1919.
Second Lieut. John D. Chambliss, Infantry, from September 20, 1919.
Second Lieut. Lewis C. Beebe, Infantry, from September 20, 1919.
Second Lieut. John A. Rodgers, Infantry, from September 20, 1919.
Second Lieut. George J. Kilgore, Infantry, from September 20, 1919.
Second Lieut. Edward H. Connor, Infantry, from September 20, 1919.
Second Lieut. Thomas N. Stark, Infantry, from September 21, 1919.
Second Lieut. Paul W. Beck, jr., Infantry, from September 21, 1919.
Second Lieut. Hiram W. Tarkington, Infantry, from September 21, 1919.
Second Lieut. Talley D. Joiner, Infantry, from September 23, 1919.
Second Lieut. Lester H. Barnhill, Infantry, from September 23, 1919.
Second Lieut. Sterner St. P. Meek, Infantry, from September 24, 1919.
Second Lieut. Julian V. Link, Infantry, from September 24, 1919.
Second Lieut. Kenneth B. Johnson, Infantry, from September 24, 1919.
Second Lieut. Elbert A. Nostrand, Infantry, from September 25, 1919.
Second Lieut. Herbey A. Tribolet, Infantry, from September 26, 1919.
Second Lieut. Robert B. Ennis, Infantry, from September 27, 1919.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY.

COAST ARTILLERY.

First Lieut. Harry C. Barnes, jr., Infantry, to be first lieutenant, Coast Artillery Corps, with rank from August 30, 1917.
Second Lieut. John H. Madison, Infantry, to be second lieutenant in the Coast Artillery Corps with rank from November 1, 1918.

INFANTRY.

First Lieut. Thurwood Van Ornum, Coast Artillery Corps, to be first lieutenant of Infantry with rank from August 30, 1917.
Second Lieut. Adna C. Hamilton, Coast Artillery Corps, to be second lieutenant of Infantry with rank from November 1, 1918.

PROMOTIONS IN THE REGULAR ARMY.

CORPS OF ENGINEERS.

To be colonel with rank from September 19, 1919.

Lieut. Col. Charles Keller, Corps of Engineers.

To be lieutenant colonel with rank from September 19, 1919.

Maj. Thomas H. Jackson, Corps of Engineers.

To be major with rank from September 19, 1919.

Capt. Cleveland C. Gee, Corps of Engineers.

CAVALRY ARM.

To be lieutenant colonels.

Maj. Mortimer O. Bigelow, Cavalry, from October 11, 1919.
Maj. August C. Nissen, Cavalry, from October 15, 1919.
Maj. Clyde E. Hawkins, Cavalry (Quartermaster Corps), from November 4, 1919.
Maj. James S. Parker, Cavalry, from November 4, 1919.

To be captains.

First Lieut. Arthur S. Harrington, Cavalry, from September 12, 1919.
First Lieut. Frank L. Whittaker, Cavalry, from September 13, 1919.
First Lieut. Philip H. Sherwood, Cavalry, from September 13, 1919.
First Lieut. Donald S. Perry, Cavalry, from September 13, 1919.
First Lieut. Thomas S. Poole, Cavalry (Signal Corps), from September 25, 1919.
First Lieut. Frederick R. Lafferty, Cavalry, from September 25, 1919.
First Lieut. Carl H. Strong, Cavalry, from September 25, 1919.
First Lieut. Arthur T. Lacey, Cavalry, from September 25, 1919.
First Lieut. David W. Craig, Cavalry, from September 25, 1919.
First Lieut. Edmund M. Barnum, Cavalry, from September 25, 1919.
First Lieut. Thomas A. Dobyns, jr., Cavalry, from September 25, 1919.
First Lieut. John T. Minton, Cavalry, from September 25, 1919.
First Lieut. Edward S. Bassett, Cavalry, from September 25, 1919.
First Lieut. Edward F. Shaifer, Cavalry, from September 25, 1919.
First Lieut. George M. Peabody, jr., Cavalry, from October 1, 1919.

FIELD ARTILLERY.

Lieut. Col. Henry W. Butner, Field Artillery, to be colonel from September 28, 1919.
Lieut. Col. Henry L. Newbold, Field Artillery, to be colonel from October 2, 1919.

Maj. William I. Westervelt, Field Artillery (General Staff), to be lieutenant colonel from September 28, 1919.
Maj. Upton Birnie, jr., Field Artillery, to be lieutenant colonel from September 28, 1919.
Maj. Clarence Deems, jr., Field Artillery, to be lieutenant colonel from October 2, 1919.

To be majors.

Capt. Carroll W. Neal, Field Artillery, subject to examination required by law, from September 4, 1919.
Capt. Donald C. Cubbison, Field Artillery, from September 4, 1919.
Capt. Jacob A. Mack, Field Artillery, from September 28, 1919.
Capt. Louis H. McKinley, Field Artillery, from October 2, 1919.

To be captains.

First Lieut. Solomon F. Clark, Field Artillery, subject to examination required by law, from August 22, 1919.
First Lieut. Augustus M. Gurney, Field Artillery, subject to examination required by law, from August 22, 1919.
First Lieut. Oliver B. Cardwell, Field Artillery (Signal Corps), subject to examination required by law, from August 25, 1919.
First Lieut. William O. Butler, Field Artillery, from August 25, 1919.
First Lieut. Rex W. Beasley, Field Artillery, from August 25, 1919.

To be first lieutenants.

Second Lieut. Henry W. Holt, Field Artillery, from August 22, 1919.
Second Lieut. Clarence P. Townsley, jr., Field Artillery, from August 23, 1919.
Second Lieut. James H. Roemer, Field Artillery, from August 23, 1919.
Second Lieut. John Mesick, Field Artillery, from August 25, 1919.
Second Lieut. George B. McReynolds, Field Artillery, from August 26, 1919.
Second Lieut. Frederick A. Stevens, Field Artillery, from August 27, 1919.
Second Lieut. Harrison Shaler, Field Artillery, from August 27, 1919.
Second Lieut. Edmund W. Searby, Field Artillery, from August 27, 1919.
Second Lieut. Roger M. Wicks, Field Artillery, from August 28, 1919.
Second Lieut. Hugh A. Palmer, Field Artillery, from August 28, 1919.
Second Lieut. George V. Keyser, Field Artillery, from August 28, 1919.
Second Lieut. Homer W. Blair, Field Artillery, from August 28, 1919.
Second Lieut. Lawrence B. Bixby, Field Artillery, from August 28, 1919.
Second Lieut. Harry Crawford, Field Artillery, from August 29, 1919.
Second Lieut. William W. Webster, Field Artillery, from August 30, 1919.
Second Lieut. John H. Hinds, Field Artillery, from September 1, 1919.
Second Lieut. William P. Blair, Field Artillery, from September 1, 1919.
Second Lieut. William J. Epes, Field Artillery, from September 1, 1919.

NOTE.—The foregoing nominations are made in the regular order of seniority.

To be first lieutenants.

Second Lieut. Roland MacGray, Field Artillery, from August 9, 1919.
Second Lieut. Robert J. Horr, Field Artillery, from August 10, 1919.
Second Lieut. Paul L. Deylitz, Field Artillery, from August 15, 1919.
Second Lieut. Leo M. Kreber, Field Artillery, from August 15, 1919.
Second Lieut. Edwin L. Sibert, Field Artillery, from August 16, 1919.
Second Lieut. O'Ferrall Knight, Field Artillery, from August 20, 1919.
Second Lieut. Charles C. Blanchard, Field Artillery, from August 20, 1919.
Second Lieut. Paul E. Hurt, Field Artillery, from August 21, 1919.

COAST ARTILLERY CORPS.

To be colonel.

Lieut. Col. James M. Williams, Coast Artillery Corps, from October 29, 1919.

To be captains.

First Lieut. Vincent B. Dixon, Coast Artillery Corps, from August 1, 1919.
First Lieut. Wilmer S. Phillips, Coast Artillery Corps, from August 11, 1919.
First Lieut. Edgar H. Underwood, Coast Artillery Corps, from August 27, 1919.
First Lieut. Howard S. Thomas, Coast Artillery Corps (Signal Corps), from September 2, 1919.
First Lieut. Paul H. French, Coast Artillery Corps, from September 2, 1919.
First Lieut. Horace L. Whittaker, Coast Artillery Corps, from September 20, 1919.

To be first lieutenants.

Second Lieut. James M. Gillespie, Coast Artillery Corps, from September 13, 1919.
Second Lieut. Milo B. Barragan, Coast Artillery Corps, from September 13, 1919.
Second Lieut. Oscar A. Axelson, Coast Artillery Corps, from September 16, 1919.
Second Lieut. Joseph S. Robinson, Coast Artillery Corps, from September 16, 1919.
Second Lieut. James F. Pichel, Coast Artillery Corps, from September 16, 1910.
Second Lieut. Roy D. Paterson, Coast Artillery Corps, from September 16, 1919.
Second Lieut. John L. Hanley, Coast Artillery Corps, from September 17, 1919.
Second Lieut. Albert E. Marks, Coast Artillery Corps, from September 19, 1919.
Second Lieut. John A. Weeks, Coast Artillery Corps, from September 19, 1919.
Second Lieut. Fred W. Gerhard, jr., Coast Artillery Corps, from September 19, 1919.
Second Lieut. Jacob G. Sucher, Coast Artillery Corps, from September 19, 1919.
Second Lieut. Howard H. Newman, jr., Coast Artillery Corps, from September 19, 1919.
Second Lieut. Ernest L. Stephens, jr., Coast Artillery Corps, from September 20, 1919.
Second Lieut. Nevins D. Young, Coast Artillery Corps, from September 20, 1919.
Second Lieut. Benjamin F. Manning, Coast Artillery Corps, from September 21, 1919.
Second Lieut. Paul W. George, Coast Artillery Corps, from September 22, 1919.
Second Lieut. John M. Moore, Coast Artillery Corps, from September 23, 1919.
Second Lieut. Joseph C. Kilbourne, Coast Artillery Corps, from September 23, 1919.
Second Lieut. Richard A. Ericson, Coast Artillery Corps, from September 26, 1919.
Second Lieut. Arthur E. Mickelsen, Coast Artillery Corps, from September 27, 1919.
Second Lieut. Paul B. Kelly, Coast Artillery Corps, from September 27, 1919.

INFANTRY.

To be colonels.

Lieut. Col. La Roy S. Upton, Infantry, from October 8, 1919.
Lieut. Col. Harry A. Smith, Infantry, from October 11, 1919.

To be lieutenant colonels.

Maj. Louis M. Nuttman, Infantry, from September 1, 1919.
Maj. Glenn H. Davis, Infantry (Adjutant General's Department), from October 8, 1919.
Maj. Benjamin T. Simmons, Infantry, from October 8, 1919.
Maj. Girard Sturtevant, Infantry, from October 11, 1919.
Maj. Louis H. Bash, Infantry, from October 16, 1919.
Maj. Frank B. Watson, Infantry, from October 26, 1919.

To be majors.

Capt. Robert E. Grinstead, Infantry, from October 9, 1919.
Capt. Albert S. Williams, Infantry, from October 11, 1919.
Capt. William B. Graham, Infantry (General Staff), from October 16, 1919.
Capt. Charles J. Nelson, Infantry, from October 16, 1919.
Capt. E. Alexis Jeunet, Infantry, from October 26, 1919.

To be captains.

First Lieut. John A. Stewart, Infantry (subject to examination required by law), from August 21, 1919.
First Lieut. Francis G. Bonham, Infantry, from August 29, 1919.
First Lieut. Norman D. Cota, Infantry, from September 1, 1919.
First Lieut. Robert B. Ransom, Infantry (subject to examination required by law), from September 4, 1919.
First Lieut. Carleton Coulter, jr., Infantry, from September 5, 1919.
First Lieut. James H. Frier, jr., Infantry (subject to examination required by law), from September 5, 1919.
First Lieut. Leo J. Erler, Infantry (subject to examination required by law), from September 5, 1919.
First Lieut. Robert D. Newton, Infantry (subject to examination required by law), from September 8, 1919.
First Lieut. Willis R. Slaughter, Infantry, from September 9, 1919.
First Lieut. George H. Weems, Infantry, from September 9, 1919.
First Lieut. Roy L. Bowlin, Infantry, from September 10, 1919.
First Lieut. William C. McMahon, Infantry, from September 16, 1919.
First Lieut. Francis M. Brennan, Infantry (subject to examination required by law), from September 16, 1919.
First Lieut. Milton B. Halsey, Infantry (subject to examination required by law), from September 19, 1919.
First Lieut. Charles L. Mullins, jr., Infantry (subject to examination required by law), from September 20, 1919.
First Lieut. Thomas S. Sinkler, jr., Infantry, from September 20, 1919.
First Lieut. Sterling A. Wood, jr., Infantry, from September 23, 1919.
First Lieut. William F. Redfield, Infantry, from September 25, 1919.

To be colonels.

Lieut. Col. Palmer E. Pierce, Infantry, from November 1, 1919.
Lieut. Col. Charles G. French, Infantry, from December 1, 1919.

To be lieutenant colonels.

Maj. Oscar J. Charles, Infantry, from November 1, 1919.
Maj. Thomas A. Pearce, Infantry, from November 25, 1919.
Maj. Robert H. Allen, Infantry, from December 1, 1919.

To be major.

Capt. Charles H. Danforth, Infantry, from November 1, 1919.

NOTE.—The foregoing nominations are made in the regular order of seniority.

For provisional appointment, by promotion, in the Regular Army of the United States:

To be first lieutenants.

Second Lieut. Levie W. Foy, Infantry, from September 27, 1919.
Second Lieut. Wilbur H. Vinson, Infantry, from September 29, 1919.
Second Lieut. John C. Blizzard, jr., Infantry, from September 30, 1919.
Second Lieut. Howard Clark, jr., Infantry, from September 30, 1919.
Second Lieut. Thomas E. Clark, Infantry, from September 30, 1919.
Second Lieut. Thomas L. Urquhart, Infantry, from October 1, 1919.
Second Lieut. Robert I. Stack, Infantry, from October 1, 1919.
Second Lieut. Paul W. Warren, Infantry, from October 1, 1919.
Second Lieut. John Huling, jr., Infantry, from October 1, 1919.
Second Lieut. Orryl S. Robles, Infantry, from October 1, 1919.
Second Lieut. Horace K. Heath, Infantry, from October 1, 1919.
Second Lieut. Harry R. Evans, Infantry, from October 1, 1919.
Second Lieut. Bartholomew R. De Graff, Infantry, from October 1, 1919.
Second Lieut. George LaF. O'Connor, Infantry, from October 1, 1919.
Second Lieut. Harold N. Gilbert, Infantry, from October 1, 1919.
Second Lieut. Charles E. Rust, Infantry, from October 1, 1919.
Second Lieut. Joseph B. Thompson, jr., Infantry, from October 1, 1919.
Second Lieut. Isaac Schechter, Infantry, from October 1, 1919.
Second Lieut. William A. Collier, Infantry, from October 1, 1919.
Second Lieut. John H. Atkinson, Infantry, from October 1, 1919.
Second Lieut. Archibald M. Mixson, Infantry, from October 1, 1919.
Second Lieut. Albert G. Wing, Infantry, from October 1, 1919.
Second Lieut. William F. Rehm, Infantry, from October 1, 1919.
Second Lieut. Edward N. Fay, Infantry, from October 1, 1919.
Second Lieut. John F. Lancaster, jr., Infantry, from October 1, 1919.
Second Lieut. Thomas G. Cherry, Infantry, from October 1, 1919.
Second Lieut. George C. Nielsen, Infantry, from October 1, 1919.
Second Lieut. Raymond G. Sherman, Infantry, from October 1, 1919.
Second Lieut. Errol E. Crouter, Infantry, from October 1, 1919.
Second Lieut. Earl C. Horan, Infantry, from October 1, 1919.
Second Lieut. William J. H. Ryan, Infantry, from October 1, 1919.
Second Lieut. Coleman F. Driver, Infantry, from October 1, 1919.
Second Lieut. Wallace W. Millard, Infantry, from October 1, 1919.
Second Lieut. Robert M. Burrowes, Infantry, from October 1, 1919.
Second Lieut. Walter W. von Gremp, Infantry, from October 2, 1919.
Second Lieut. Kie Doty, Infantry, from October 2, 1919.
Second Lieut. Albert E. Holleman, Infantry, from October 2, 1919.
Second Lieut. George H. Ferguson, Infantry, from October 2, 1919.
Second Lieut. Arthur G. Hutchinson, Infantry, from October 3, 1919.
Second Lieut. Owen G. Smith, Infantry, from October 3, 1919.
Second Lieut. Norman M. Nelsen, Infantry, from October 4, 1919.
Second Lieut. Harvey L. Littlefield, Infantry, from October 4, 1919.
Second Lieut. Roy N. Hagerty, Infantry, from October 4, 1919.
Second Lieut. Ronald L. Ring, Infantry, from October 5, 1919.
Second Lieut. Alfred T. Wright, Infantry, from October 6, 1919.
Second Lieut. John A. Andrews, Infantry, from October 6, 1919.
Second Lieut. George A. Lockhart, Infantry, from October 6, 1919.
Second Lieut. Robert W. Miller, Infantry, from October 6, 1919.
Second Lieut. Mark M. Potter, Infantry, from October 6, 1919.
Second Lieut. James J. Pirtle, Infantry, from October 6, 1919.
Second Lieut. Alfred E. Dedicke, Infantry, from October 6, 1919.
Second Lieut. George F. Macdonald, Infantry, from October 6, 1919.
Second Lieut. Richard O. Bassett, jr., Infantry, from October 6, 1919.
Second Lieut. Jerome H. Joyce, jr., Infantry, from October 6, 1919.
Second Lieut. Harry Boissonnault, Infantry, from October 6, 1919.
Second Lieut. Arnold R. C. Sander, Infantry, from October 7, 1919.
Second Lieut. Ceryl B. Godfrey, Infantry, from October 9, 1919.
Second Lieut. Stanley M. Prouty, Infantry, from October 9, 1919.
Second Lieut. William H. Thomas, Infantry, from October 9, 1919.
Second Lieut. Wilbur E. Bashore, Infantry, from October 9, 1919.
Second Lieut. Harold Head, Infantry, from October 9, 1919.
Second Lieut. William H. Crampton, Infantry, from October 9, 1919.
Second Lieut. Walter W. Beon, Infantry, from October 9, 1919.

Second Lieut. Hugh McC. Evans, Infantry, from October 9, 1919.
Second Lieut. Michael J. Mulcahy, Infantry, from October 9, 1919.
Second Lieut. Harold S. Wright, Infantry, from October 9, 1919.
Second Lieut. Lois C. Dill, Infantry, from October 9, 1919.
Second Lieut. Edward J. Maloney, Infantry, from October 9, 1919.
Second Lieut. Richard A. Jones, Infantry, from October 9, 1919.
Second Lieut. Lloyd D. Yates, Infantry, from October 9, 1919.
Second Lieut. Clarence O'Leary, Infantry, from October 9, 1919.
Second Lieut. Hugh Barclay, Infantry, from October 9, 1919.
Second Lieut. Lawrence W. Jenkinson, Infantry, from October 9, 1919.
Second Lieut. Nelson M. Walker, Infantry, from October 9, 1919.
Second Lieut. James H. Drake, Infantry, from October 9, 1919.
Second Lieut. Francis W. Chatham, Infantry, from October 9, 1919.
Second Lieut. Henry J. Morgan, jr., Infantry, from October 9, 1919.
Second Lieut. Donald H. Williams, Infantry, from October 9, 1919.
Second Lieut. Milton B. Goodyear, Infantry, from October 9, 1919.
Second Lieut. William E. G. Graham, Infantry, from October 9, 1919.
Second Lieut. Jesse R. Lippincott, Infantry, from October 9, 1919.

SIGNAL CORPS.

To be colonel.

Lieut. Col. Daniel J. Carr, Signal Corps, from December 1, 1919.

To be lieutenant colonel.

Maj. Alfred T. Clifton, Signal Corps, from December 1, 1919.

CHAPLAIN.

Chaplain Wallace H. Watts, Infantry, to be chaplain with rank of captain, from September 23, 1919, after seven years' service.

APPOINTMENTS AND PROMOTIONS IN THE NAVY.

Capt. Clarence A. Carr, an additional number in grade, to be a rear admiral in the Navy, for temporary service, from the 25th day of September, 1919.
Capt. Harry A. Field to be a rear admiral in the Navy, for temporary service, from the 25th day of September, 1919.
Capt. Casey B. Morgan to be a rear admiral in the Navy, for temporary service, from the 20th day of October, 1919.
Capt. Alexander S. Halstead to be a rear admiral in the Navy from the 1st day of July, 1919.
Capt. Robert E. Coontz to be a rear admiral in the Navy from the 25th day of September, 1919.
Capt. William H. G. Bullard to be a rear admiral in the Navy from the 20th day of October, 1919.
Lieut. Thaddeus A. Thomson, jr., to be a lieutenant commander in the Navy from the 1st day of July, 1919.
The following-named ensigns to be lieutenants (junior grade) in the Navy from the 3d day of June, 1919:
Leon F. Brown and
Carlyle Craig.
Medical Inspector John B. Dennis to be a medical director in the Navy, with the rank of captain, from the 11th day of March, 1919.
The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, from the 1st day of July, 1919:
Eugene J. Grow and
Frank E. McCullough.
Surg. Winfield S. Pugh to be a medical inspector in the Navy, with the rank of commander, from the 11th day of March, 1919.
Capt. Gustav Kaemmerling, an additional number in grade, to be a rear admiral in the Navy, from the 1st day of July, 1919.
The following-named captains to be rear admirals in the Navy, from the 1st day of July, 1919:
Roger Welles and
Edward W. Eberle.
Capt. Benjamin C. Bryan, an additional number in grade, to be a rear admiral in the Navy, from the 20th day of July, 1919.
Capt. Edward Simpson to be a rear admiral in the Navy from the 20th day of July, 1919.
Lieut. Commander William S. Pye to be a commander in the Navy from the 15th day of August, 1918.
Lieut. Commander John C. Fremont to be a commander in the Navy from the 28th day of November, 1918.
Lieut. Commander Frank R. McCrary to be a commander in the Navy from the 1st day of July, 1919.
The following-named lieutenants to be lieutenant commanders in the Navy from the 1st day of July, 1919:
Bryson Bruce,
Arie A. Corwin,
John S. Barleon,
Charles C. Slayton,
Frank D. Pryor, and
George C. Logan.
Lieut. (Junior Grade) Alexander W. Loder to be a lieutenant in the Navy from the 8th day of June, 1918.
Lieut. (Junior Grade) William H. Burtis to be a lieutenant in the Navy from the 1st day of July, 1918.
The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 7th day of June, 1919:
Henry L. Abbott,
Joseph Y. Dreisonstok,
James H. Strong,
William B. Jupp,
John L. Hall, and
Samuel N. Moore.
Lieut. (Junior Grade) Gordon Hutchins to be a lieutenant in the Navy from the 1st day of July, 1919.
Lieut. (Junior Grade) Ralph Martin to be a lieutenant in the Navy from the 30th day of July, 1919.
Ensign Samuel R. Deets to be a lieutenant (junior grade) from the 5th day of June, 1918.
Ensign Horace E. Burks to be a lieutenant (junior grade) from the 30th day of July, 1918.
Ensign Lewis L. Stedman to be a lieutenant (junior grade) from the 5th day of December, 1918.
The following-named ensigns to be lieutenants (junior grade) from the 3d day of June, 1919:
Henry M. Mullinnix,
Ralph E. Davison,
George F. Hussey, jr.,
Hugo Schmidt,
William M. Fechteler,
Gerald F. Bogan,
Walter E. Borden, jr.,
Bartley G. Furey,
Bertram J. Rodgers,
Lew W. Bagby,
Gail Morgan,
Clifford H. Roper,
George F. Martin,
Edward L. Ericsson,
Richard R. Claghorn,
Webster M. Thompson,
William R. Casey,
Dennis L. Ryan,
Arnold H. Bateman,
Alva J. Moore,
Benjamin R. Holcombe,
William L. Keady,
Van Hubert Ragsdale,
William P. Bacon,
Fred D. Kirtland,
Arthur D. Burhans,
T. De Witt Carr,
Norman P. Earle,
Don P. Moon,
Osborne B. Hardison,
Lawrence F. Safford,
Frank W. Wead,
Paul R. Glutting,
Arthur C. Geisenhoff,
Willard A. Kitts, 3d,
Clinton H. Havill,
Frank E. Beatty,
Gilbert F. Bunnell,
John H. Carson,
Boyd R. Alexander,
Frederick B. Craven,
Jesse L. Kenworthy,
Albert E. Schrader,
Archibald E. Fraser,
Andrew De G. Mayer,
Charles T. Joy,
Walter W. Webb,

Archer W. Webb,
Henry B. Broadfoot,
John Wilkes,
Maxwell Cole,
James M. Steele,
Thomas D. Warner,
Charles P. Cecil,
Humbert W. Ziroli,
George F. Chapline,
Richard E. Webb,
Gilbert C. Hoover,
Martin B. Stonestreet,
Lowell Cooper,
Herbert J. Grassie,
George D. Price,
James A. Scott,
James B. Ryan,
Edwin F. Cochrane,
Thomas V. Cooper,
Richard H. Jones,
Andrew C. McFall,
Robert N. Kennedy, and
Cassin Young.

The following-named assistant surgeons to be passed assistant surgeons in the Navy with the rank of lieutenant from the 30th day of July, 1918:

Lawrence F. Drumm,
Walter A. Vogelsang, and
Elphege A. M. Gendreau.

The following-named passed assistant paymasters to be paymasters in the Navy with the rank of lieutenant commander from the 1st day of July, 1918:

Raymond E. Corcoran and
Spencer E. Dickinson.

The following-named ensigns to be assistant naval constructors in the Navy with the rank of lieutenant (junior grade) from the 27th day of August, 1919:

Joseph W. Paige,
James E. J. Kiernan,
James R. Allen,
Paul W. Haines,
Charles H. Cushman,
William R. Nichols,
Richard McK. Rush,
Charles A. Nicholson, 2d,
Leslie C. Stevens, and
Thomas P. Wynkoop.

Gunner James L. McKenna to be a chief gunner in the Navy from the 13th day of January, 1919.

Pay Clerk Hilton P. Tichenor to be a chief pay clerk in the Navy from the 9th day of May, 1919.

Pay Clerk Michael J. Kirwan to be a chief pay clerk in the Navy from the 26th day of May, 1919.

Maj. James McE. Huey to be a lieutenant colonel in the Marine Corps, from the 23d day of November, 1919.

The following-named second lieutenants to be first lieutenants in the Marine Corps, from the 18th day of November, 1918:

John M. Arthur,
Thomas P. Cheatham,
Louis W. Whaley,
William C. James,
Thomas E. Bourke,
James F. Jeffords, and
Benjamin T. Cripps.

First Lieut. John M. Arthur to be a captain in the Marine Corps, from the 10th day of January, 1919.

First Lieut. Thomas P. Cheatham to be a captain in the Marine Corps from the 8th day of February, 1919.

First Lieut. Louis W. Whaley to be a captain in the Marine Corps from the 9th day of March, 1919.

First Lieut. William C. James to be a captain in the Marine Corps from the 5th day of April, 1919.

First Lieut. Thomas E. Bourke to be a captain in the Marine Corps from the 12th day of July, 1919.

First Lieut. James F. Jeffords to be a captain in the Marine Corps from the 1st day of August, 1919.

First Lieut. Benjamin T. Cripps to be a captain in the Marine Corps from the 1st day of September, 1919.

Lieut. Col. James T. Bootes to be a colonel in the Marine Corps, for temporary service, from the 23d day of November, 1919.

Maj. Frank Halford to be a lieutenant colonel in the Marine Corps, for temporary service, from the 23d day of November, 1919.

Capt. Woolman G. Emory to be a major in the Marine Corps, for temporary service, from the 23d day of November, 1919.

The following-named former captains in the Marine Corps to be second lieutenants in the Marine Corps, for temporary service, from the 15th day of November, 1919:

Clifford O. Henry,
Gilbert D. Hatfield,
Sidney W. Wentworth, and
James A. Poulter.

HOUSE OF REPRESENTATIVES.

FRIDAY, *December 5, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Let thy spirit, Eeternal God, our Heavenly Father, possess our souls. Remove all petty desires, selfish ambitions, that we may concentrate our minds upon the eternal verities and meet the obligations Thou hast laid upon us, to the good of our Republic.

Eliminate all wrongs, increase the just rights of every citizen throughout the land, that peace, harmony, brotherly love may obtain and thus reflect glory upon Thee. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3427. An act to establish a commission to report to Congress on the practicability, feasibility, and place, and to devise plans for the construction of a public bridge over the Niagara River from some point in the city of Buffalo, N. Y., to some point in the Dominion of Canada, and for other purposes.

SALE OF CERTAIN LANDS NEAR MINIDOKA, IDAHO.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate bill 1300, an act to authorize the sale of certain lands at or near Minidoka, Idaho, for railroad purposes, and put it on its passage, a similar bill, H. R. 2945, almost in identical language, having already passed the House.

Mr. GARD. Mr. Speaker, can we have the bill reported?

The SPEAKER. The Clerk will report the bill.

The Clerk reported the title of the bill.

The SPEAKER. The gentleman from Idaho asks unanimous consent that the Senate bill 1300, an act to authorize the sale of certain lands at or near Minidoka, Idaho, for railroad purposes, may now be taken up for consideration, a similar House bill having already passed the House. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, what is the bill about?

Mr. SMITH of Idaho. Mr. Speaker, it is a bill to authorize the sale of 67 acres of land to the Oregon Short Line Railroad Co. at Minidoka, a junction point, on which the company desires to build a roundhouse and switches.

Mr. GARD. The bill has already passed the House?

Mr. SMITH of Idaho. The bill passed the House a month ago, and the Senate inadvertently passed a similar Senate bill, instead of passing the House bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to sell and convey to Oregon Short Line Railroad Co., a corporation organized and existing under the laws of the State of Utah and authorized to do business in the State of Idaho, its successors and assigns, for railroad purposes, and at a price to be fixed by the Secretary of the Interior in order to return the expenditure heretofore made or proposed for the irrigation of the lands at not less than $50 per acre, and under such terms, conditions, and regulations as the Secretary of the Interior may prescribe, the following-described land, situated in Minidoka County, Idaho:

All that part of the west half of the southeast quarter and the southeast quarter of the southwest quarter of section 2, and the northwest quarter of the northeast quarter and the north half of the northwest quarter of section 11, all in township 8 south, range 25 east of the Boise meridian, within the following-described area:

Beginning at the intersection of the present southeasterly right of way boundary of the Twin Falls Branch of the Oregon Short Line Railroad Co. with the section line common to said sections 2 and 11, 100 feet southeasterly from and at right angles to the center line of main track of said railroad, said intersection also bearing north 89° 5' west, 460.1 feet from the quarter section corner common to said sections 2 and 11; thence north 40° 25' east along said southeasterly right of way boundary, being 100 feet southeasterly from and parallel to said

center line of main track, for a distance of 1,726.8 feet; thence south 0° 1′ east, and parallel to the north and south center line of said section 2, for a distance of 1,332.6 feet, to a point in the section line common to said sections 2 and 11; thence continuing south 0° 1′ east, and parallel to the north and south center line of said section 11, for a distance of 1,320 feet, to the south line of the northwest quarter of the northeast quarter and the north half of the northwest quarter of said section 11; thence north 89° 5′ west, along said south line, for a distance of 2,229.5 feet, to a point in the present southeasterly right of way boundary of said railroad; thence north 40° 25′ east, along said right of way boundary, and being 100 feet southeasterly from and parallel to said center line of main track, for a distance of 1,710.4 feet, to the point of beginning, and containing in all 67.87 acres, more or less, within the proposed pumping unit of the Minidoka project of the United States Reclamation Service.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

Mr. MANN of Illinois. Mr. Speaker, a parliamentary inquiry. What is the matter now pending before the House?

The SPEAKER. The House has given unanimous consent for the consideration of the Senate bill 1300.

Mr. MANN of Illinois. Without having it read?

The SPEAKER. It has been read.

Mr. MANN of Illinois. It was not read before unanimous consent was given. We could not hear what the Chair said. I did not know that unanimous consent had been given.

The SPEAKER. It was read by title before the consent was given.

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, what is the bill?

Mr. SMITH of Idaho. Mr. Speaker, the bill provides for the sale of 67 acres of land to the Oregon Short Line Railroad Co. at Minidoka, a junction point, on which they desire to build tracks and a roundhouse. The bill passed the House about a month ago, and the Senate a few days later passed a similar bill, introduced in the Senate, and we are now considering the Senate bill, which has been on the Speaker's table for the last three weeks.

Mr. MANN of Illinois. Why was it not referred to the committee so that it could come up in the regular way or put on the Unanimous Consent Calendar?

Mr. SMITH of Idaho. Because a similar bill has already passed the House, and it was not deemed necessary to send the Senate bill to the committee, but it was held on the Speaker's table to come up under the rule.

Mr. MANN of Illinois. But it is not coming up under any rule. There is no rule providing for its coming up in this way. The rules specifically provide for the contrary. The rules provide that this bill should be sent to the committee. I shall not object, since consent has been given for the consideration of the bill without the knowledge of the House, but it is mighty poor practice. There is a unanimous-consent day in the House, when bills of this sort should properly come before the House, so that Members may have notice. This bill does not come within the rule for two reasons: First, it is not a House Calendar bill, and, second, there is no bill on the calendar from the House committee.

Mr. SMITH of Idaho. A similar bill has already passed the House.

Mr. MANN of Illinois. But the rule provides that in such case Senate bills shall be sent to the committee and reported to the House.

The SPEAKER. Is there objection to the bill being considered in the House instead of in the Committee of the Whole?

Mr. WINGO. Reserving the right to object, out of curiosity, I want to know how this bill does come before the House, for I may want to use the same process myself in the future.

Mr. SMITH of Idaho. It is a Senate bill and has been on the Speaker's table for some time, a similar bill having already passed the House and was pending in the Senate Committee on Public Lands, but through an inadvertance the Senate considered the Senate bill instead of the House bill.

Mr. WINGO. Will the gentleman please tell me where he finds any rule that will permit this kind of procedure?

Mr. SMITH of Idaho. Under the rules of the House that a similar bill having been reported to the House it would be proper to call up the Senate bill.

The SPEAKER. It was done by unanimous consent. Unanimous consent was given.

Mr. WINGO. I am not quibbling, but I want to know.

The SPEAKER. The gentleman from Idaho asked unanimous consent for its consideration and that unanimous consent was granted.

Mr. WINGO. And the Speaker holds that is a matter of discretion with the Speaker, if he desires to submit the request for unanimous consent?

The SPEAKER. The Chair thinks so. The gentleman from Idaho now asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk again read the bill.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. SMITH of Idaho, a motion to reconsider the vote by which the bill was passed was laid on the table.

BILLS ON THE PRIVATE CALENDAR.

Mr. EDMONDS. Mr. Speaker, on Friday, October 31, when the bills on the Private Calendar were before the House, there were a number of bills left over for third reading, and I would like to have them called up at the present time.

Mr. WALSH. Mr. Speaker, is the gentleman endeavoring to take up claims bills for consideration?

Mr. EDMONDS. No; this is the unfinished business.

Mr. WALSH. Well, I make the point of order that the House has adopted resolution 408 for the consideration of this grain standard package bill. It provides that after general debate the bill shall be read under the five-minute rule. That is a continuing order even though the rule does not specifically say so.

Mr. BLANTON. Mr. Speaker, I make the point of order that the rule not having made this bill a continuing order it would not be a continuing order. I make the point of order that the rule must provide that it be the continuing order of the House.

Mr. MANN of Illinois. Mr. Speaker, the rule provides that immediately upon the adoption of this rule the House shall resolve itself in Committee of the Whole House on the state of the Union. That is the rule requiring the Speaker to declare the House is resolved into the Committee of the Whole House on the state of the Union upon the demand for the regular order, whenever the stage of unfinished business is reached in the House, after business on the Speaker's table is disposed of. That ruling was made first, I believe, by Speaker CANNON. It was made many times and acted upon many times by Speaker CLARK that the House having adopted a rule providing that it shall immediately consider a bill in Committee of the Whole House on the state of the Union it does not even require a motion to go into Committee of the Whole House on the state of the Union, but the House automatically resolves itself into Committee of the Whole House on the state of the Union without motion.

The SPEAKER. Can the gentleman cite the Chair to one of those precedents?

Mr. MANN of Illinois. I can not cite the Chair to the RECORD where it contains the precedent, but I know the precedents have been so all the time, commencing years ago. The purpose of that was this, and it is perfectly simple, that when the House adopted a rule—often a partisan one, adopted as a party proposition—it was not then proposed to have the House take the time to vote upon the question whether it should resolve itself into the Committee of the Whole House on the state of the Union, that having just been decided that they would resolve into Committee of the Whole House on the state of the Union it was not again to take up the time of the House where there was an effort for obstruction.

Mr. CAMPBELL of Kansas. Mr. Speaker, what the gentleman from Illinois says as to precedents is entirely correct, but at the time the ruling was made by Speaker CANNON, followed by Speaker CLARK, it had been the custom to bring in rules without differentiating between a rule that made a bill a continuing order and a rule that made a bill in order. Beginning some time during the Sixty-fifth Congress the Committee on Rules adopted the policy of specifying in the rule whether or not a bill should be the continuing order under the rule, and during this Congress it has been the practice of the Committee on Rules in preparing a rule to ascertain whether or not it was desired or desirable that the bill in question should be made a continuing order.

Mr. WALSH. Will the gentleman yield?

Mr. CAMPBELL of Kansas. If so, the rule so specifies; if not, the rule simply made the bill in order. I yield to the gentleman from Massachusetts.

Mr. WALSH. I think the gentleman has in mind, as he is the gentleman who has reported most of the rules, rules which read that it should be in order to move that the House go into the Committee of the Whole House on the state of the Union, it having been held by the Chair in the Sixty-fifth Congress that

this does not make the business a continuing order, but where the rule reads that upon the adoption of this rule the House shall resolve itself into the Committee of the Whole House on the state of the Union, I think invariably in the Sixty-fifth Congress, and I think the present Speaker has ruled early in the first session of this Congress, that it made the matter a continuing order.

Mr. CAMPBELL of Kansas. The construction suggested by the gentleman from Massachusetts is not the construction placed by the Committee on Rules upon the declaration in the rule that immediately upon the adoption of the rule the House should resolve itself into Committee of the Whole House on the state of the Union. That declaration in the rule has of late years been for the purpose of avoiding, perhaps, a roll call on a motion to go into Committee of the Whole House on the state of the Union. The one motion adopting the rule would resolve the House into the Committee of the Whole House on the state of the Union rather than to adopt the rule and then require the House to have another roll call or motion to go into the Committee of the Whole. As I say, the purpose of the House has been expressed in this Congress in the rule itself when it was the intention that the bill should be made a continuing order.

Mr. MANN of Illinois. Mr. Speaker, I am sure the gentleman from Kansas upon reflection will see that his argument falls to the ground. There were times under the old rules of the House when it was decided that a rule was only for the day or only for a particular occasion. Now, here comes the form of a rule which says that the House shall immediately resolve itself into the Committee of the Whole House on the state of the Union. The gentleman from Kansas, with a good deal of authority as chairman of the Committee on Rules, says that it is not a continuing order because it does not so expressly state. Then the rule is dead if that is the case. That ends the consideration of that bill unless a new rule comes up. That is not all. Under the expression of the gentleman from Kansas if yesterday the House during the consideration of that bill in the Committee of the Whole House had risen, as it frequently does if an appropriation bill or something else came in, it could not go back into the Committee of the Whole House on the state of the Union because the order would be defunct, having been exercised once under the gentleman's contention of not being a continuing order, and therefore it is dead. Now, that was not the intention of that form of rule. It has been frequently the case where the committee or the House went into the Committee of the Whole House on the state of the Union for the consideration of bills of this sort, that the committee rose and automatically went back into committee from the House; where the next day the House automatically resolved itself into Committee of the Whole House on the state of the Union.

If the gentleman's committee desires that a rule shall be only for the day, they ought to so state, but here they put it that the House shall consider this bill through the stage of the five-minute rule, and when they are through report back to the House, and this order continues until the bill is reported back to the House in some shape.

Mr. CAMPBELL of Kansas. Will the gentleman from Illinois yield for a question?

Mr. MANN of Illinois. Certainly.

Mr. CAMPBELL of Kansas. If this bill had been made an order on Tuesday instead of on Thursday, the House would not have considered the bill on Wednesday, would it?

Mr. MANN of Illinois. I do not know whether it would or not. I am not sure about that; but I think Speaker CLARK held—I am not sure what he held—that the rule providing for Calendar Wednesday shall not be set aside except by express vote of two-thirds of the Members, and a rule of this sort did not set it aside. I am not sure whether he held that or whether he held it was set aside and the two-thirds vote so presumed. I know the rule subject to that would not be in order to set aside Calendar Wednesday.

Mr. CAMPBELL of Kansas. The general rules of the House have set apart to-day for bills from the Committee on Claims and the Committee on War Claims.

Mr. MANN of Illinois. The general rules have not set apart Fridays for the consideration of such bills. They made it in order to consider such bills on Friday, but an appropriation bill or revenue bill on to-day would have preference in making the motion.

Mr. CAMPBELL of Kansas. If a motion were made. The House could decide whether to consider one or the other.

Mr. MANN of Illinois. The House has passed a rule, and there is no escape from it.

Mr. TOWNER. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. TOWNER. The chairman and members of the committee will understand that Calendar Wednesday stands in a very different relation to the business of that day than that which occurs upon the assignment of other days for particular purposes. There is no other place where it says that no business shall be in order except, as provided in paragraph 4, and so forth. Calendar Wednesday is an express exception to the general assignment of the business of the House.

Mr. MANN of Illinois. Undoubtedly.

Mr. TOWNER. And, of course, what would occur with regard to the cessation of business on Tuesday evening, being confronted by Calendar Wednesday, would not be the rule in regard to any other days.

Mr. MANN of Illinois. Certainly not.

Mr. TOWNER. Mr. Speaker, the question that is before the House is not quite clear under the precedents. I think it is within the fact to say that the line of precedents and the line of reasoning supporting them would go to the extent of holding that in a case such as we have before us now it would be the duty of the Chair, upon the disposition of the morning business, to say that the House should resolve itself automatically into the Committee of the Whole House for the purpose of considering a bill that has been reported by rule, making it especially in order. The report of the Committee on Rules to the House supersedes the general rules of the House in almost every case, and it would certainly, as the gentleman from Illinois has so well pointed out, be an exceedingly dangerous thing to say that a bill should not be a continuing order except when the report of the Committee on Rules so expressly stated. When we have determined that at a certain time the House shall resolve itself into the Committee of the Whole House for the purpose of considering a bill, that of itself makes it a continuing order, unless it is superseded by some superior authority, and it seems to me that the rule for to-day could not be considered as such a superior authority.

Mr. MONDELL. Mr. Speaker, I do not think it at all important, from the standpoint of the business of the House, whether we proceed with the consideration of the bill that was considered yesterday or take up the consideration of the Private Calendar. Eventually we will arrive at the same place. It is just a question of which class of business shall be first considered. But I can not agree with the gentleman from Iowa [Mr. TOWNER], who has just spoken, or the gentleman from Illinois [Mr. MANN] in their interpretation of the rule. If this rule makes this bill a continuing order as against anything and everything else, I am at a loss to know just what language the Committee on Rules could use to simply make a measure in order in the House.

Mr. WALSH. Will the gentleman yield?

Mr. MONDELL. I yield.

Mr. WALSH. Does the gentleman recall the language used in the rule making the railroad bill in order?

Mr. MONDELL. Yes.

Mr. WALSH. Why would not that answer the gentleman's question?

Mr. MONDELL. Well, the two rules are not similar, and therefore the gentleman's reference to the railroad bill does not answer my query.

Mr. LONGWORTH. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. LONGWORTH. Would not what the gentleman suggests be carried out by language in this rule that, instead of "upon the adoption it shall resolve itself," should say "it shall be in order to move"?

Mr. MONDELL. I was just coming to that.

What gentlemen are arguing is this: That because the rule, instead of providing that it should be in order to go into Committee of the Whole House on its adoption, it places the House in the Committee of the Whole; that therefore the rule and the authority that it gives are altogether changed and different from what they would be if the rule simply provided that a motion might be made to go into Committee of the Whole. Now, I can not agree with that. The Committee on Rules in adopting a rule of this sort intended to avoid the necessity of a vote on the motion to go into Committee of the Whole, and that is all.

Mr. WALSH. Will the gentleman yield?

Mr. MONDELL. In just a moment.

It did not intend by using that language to give the rule any higher privilege or any greater potency than it otherwise would have, but, in my opinion, all it then did was to make this bill in order yesterday, which makes it the unfinished business for the future. The gentleman from Illinois [Mr. MANN] said

there was no time when it could be taken up. It could be taken up to-morrow.

Mr. MANN of Illinois. How?

Mr. MONDELL. It could come up to-morrow as unfinished business.

Mr. MANN of Illinois. How would it come up?

Mr. MONDELL. It would come up by a motion made by the gentleman in charge of the bill that the House resolve itself into Committee of the Whole House on the state of the Union and take the bill up. And the fact that the rule provided that at the time the rule was adopted the House should go automatically into Committee of the Whole does not mean that thereafter, and for the entire session of Congress, if this bill should remain before the House, the House must always go automatically into Committee of the Whole the moment it met for the consideration of this bill, to the exclusion of appropriation bills and bills from the Committee on Ways and Means and all the other business of the House.

That is unthinkable. If the Committee on Rules intended to make this bill a continuing order to the exclusion of all other business, the committee would have used language indicating its intent. It had no such intent, as has been stated by the chairman of the committee.

Mr. WINGO. Mr. Speaker, will the gentleman yield for a question?

Mr. MONDELL. Yes.

Mr. WINGO. I understand the gentleman argues that the rule gave this bill priority just for one day.

Mr. MONDELL. No; not priority just for one day. The rule brought the bill before the House for consideration.

Mr. WINGO. Did it not go further?

Mr. MONDELL. Bills come before the House for consideration in a great variety of ways, but they are not necessarily made a continuing order. Will the gentleman from Massachusetts [Mr. WALSH] indicate how the Committee on Rules can bring a measure into the House without making it a continuing order if the simple language of this resolution makes it a continuing order?

Mr. WALSH. It can do so by bringing in a rule providing that on the adoption of this rule it shall be in order for the House to move to resolve itself. That puts it up to the chairman of the committee to make that motion or not. That is what has been done heretofore.

Mr. MONDELL. Mr. Speaker, it strikes me as a very strained construction of that language to say that language, the only intent of which was to avoid a possible roll call, entirely changes the character of a rule and invests it with a dignity and potency and effect that it would not otherwise have. If that is true, then how can the Committee on Rules make a provision for going into Committee of the Whole without by so doing making a bill a continuing order?

Mr. WALSH. Will the gentleman give me a citation of the authority that he finds in this rule for anybody to make a motion to go into Committee of the Whole after the House has once gone into the Committee of the Whole automatically?

Mr. MONDELL. Oh, I do not think it is at all necessary in the adoption of a rule to have any provision in the rule under which various motions may be made. I do not think that is essential. But, Mr. Speaker, I do not think the matter is important. Depending upon what the decision of the Chair may be, the Committee on Rules will govern itself accordingly in the future; and so far as the business of the House is concerned, I think it is entirely immaterial whether we take up the Vestal bill to-day or go to the Private Calendar. But I am sure that the Committee on Rules had no thought of making this a continuing order, particularly a continuing order under which the House must automatically take it up every time it meets.

Mr. SINNOTT. Mr. Speaker, I wish to cite to the Speaker section 3201 and the following section, Volume IV of Hinds' Precedents, which would seem to indicate that before a regular day set apart by the rules of the House for the consideration of business is to be eliminated by a rule there must be some particular language in the rule eliminating that day.

Now, section 3202 shows that Mr. Reed, of Maine, made a point of order that the consideration of the bill then in question was not in order, the day being Friday and set apart under the rules of the House for the consideration of private business. The Speaker overruled Mr. Reed, but he overruled him because the special order made the bill a special order "to continue from day to day until finally acted on."

Now, that shows that the rule contained specific language eliminating Friday from the regular business to which that day was devoted.

The SPEAKER. The Chair is ready to rule. This rule is not entirely explicit, and perhaps the Chair could rule either way; but the Chair is disposed to think that, in order to have an unbroken line of precedents and in order to make easier the task of the committee in the future in drawing rules, it would be wisest to hold that this rule does order that the House automatically go into Committee of the Whole.

If the Committee on Rules desires to make a bill privileged, it is easy to state that it shall be in order to move to go into Committee of the Whole, and that would always allow the House to exercise its will, because, particularly in the case of a bill which is likely to take up time, it is important that the House should each day have an opportunity to set it temporarily aside and not be obliged automatically to go into committee when there is other business it might desire to dispose of first.

Moreover, the Chair is troubled with the question which the gentleman from Massachusetts [Mr. WALSH] asked—that if the Chair should hold that we did not automatically go into Committee of the Whole, inasmuch as the previous question has not been ordered on the bill and it is not unfinished business, just what claim would the bill have for consideration. The Chair would probably rule as he has before, that it was the intention, as was stated by the gentleman from Kansas [Mr. CAMPBELL], to give it that privilege.

But the Chair finds a precedent back in 1894 holding that on just such a resolution as this the House does automatically go into Committee of the Whole, and the Chair is informed and thinks he remembers, although no precedents have been cited, that under the administrations of Speaker CLARK and of Speaker CANNON that precedent was followed. So the Chair rules that the House automatically resolves itself into Committee of the Whole under the rule, and the gentleman from New York [Mr. HICKS] will take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9755, with Mr. HICKS in the chair.

The CHAIRMAN. The House having automatically resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9755, the Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 9755) to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes.

Mr. GARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARD. Is there any amendment to section 1 now pending for action by the committee?

The CHAIRMAN. The Chair will state that last night, immediately before the committee rose, the gentleman from Arkansas [Mr. WINGO] offered an amendment to the section. A divisional vote being asked for and taken, the lack of a quorum was disclosed, whereupon the gentleman from Arkansas made the point of order that no quorum was present; thereupon the committee rose. Under Rule XXIII, section 8, it provides that "the rules of proceeding in the House shall be observed in Committee of the Whole so far as they may be applicable."

Paragraph 503, Jefferson's Manual, provides that "when from counting the House on a division it appears that there is not a quorum, the matter continues exactly in the state in which it was before the division and must be resumed at that point at any future day." Were it necessary to further fortify the Chair's ruling, he would refer to volume 4 of Hines, paragraph 2974, where in a similar case it was decided that the vote was made invalid on the establishment of a point of no quorum. The Chair rules that the vote now comes upon the amendment offered by the gentleman from Arkansas.

Mr. WINGO. Mr. Chairman, I ask unanimous consent that the amendment be reported.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent that the amendment be now reported. Is there objection?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 2, line 2, after the word "pounds," strike out the remainder of section 1.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The question being taken, the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer an amendment to strike out the section.

Mr. GARD. I have several perfecting amendments, which, probably, should be considered first.

Mr. BLANTON. They should be considered first, of course.

The CHAIRMAN. Will the gentleman from Texas withhold his amendment?

Mr. BLANTON. I withhold my amendment pending the consideration of the perfecting amendments.

Mr. GARD. I desire to offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 2, line 3, after the word "only," insert "in packages of."

Mr. GARD. Mr. Chairman, I desire to call the attention of the chairman of the committee to this amendment, which, to my mind makes the language clear. The language now reads:

And in addition, but for commercial feeding stuffs only, 60, 70, or 80 pounds.

The amendment I offer is to make the language more clear and the intention more clear by inserting the words "in packages of," before the words "60, 70, or 80 pounds."

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GARD. Surely.

Mr. MANN of Illinois. The bill provides that these articles shall be in packages containing net avoirdupois weight 100 pounds, or a multiple of 100 pounds, or certain fractions thereof, but it is all in packages. Now, if the gentleman inserts the words "in packages of" where he proposes, would not the inference be that the former part of the bill providing for 100 pounds and multiples of 100 pounds and fractions of 100 pounds did not apply to commercial feedstuffs, because the word "packages" is inserted a second time?

Mr. GARD. I do not think so.

Mr. MANN of Illinois. It seems to me that would be the inference, because if you find it necessary to insert the word "packages" the second time the word "packages" the first time does not apply, or else you would not insert it the second time.

Mr. GARD. I am very glad to have the suggestion of the gentleman.

Mr. MANN of Illinois. In line 9, page 1, it is provided that these articles must be in a package containing 100 pounds, or a multiple of 100 pounds, or certain fractions thereof. Then, in addition, in certain cases it is provided that it may be 60, 70, or 80 pounds. But if you insert the word "package" there it seems to me you indicate that it does not relate to the term "a package" on the first page.

Mr. GARD. I do not see how there can be any separation of the ideas. My amendment is simply to clarify and make certain the language. If the committee think it is unnecessary I withdraw the amendment and offer another one.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. GARD. I offer another amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 2, line 3, after the word "pounds" strike out the period and insert a comma and the following language: "and each of which packages shall bear a plain, legible, and conspicuous statement of the net weight contained therein."

Mr. GARD. Mr. Chairman, this amendment is offered so that the buyer of these packages, whether they be food packages or whether they be feed packages, will be entitled to knowledge, to be contained in a plain, legible, and conspicuous statement, of the net weight contained therein.

Mr. RAKER. Will the gentleman yield?

Mr. GARD. I yield to the gentleman from California.

Mr. RAKER. Inasmuch as the act provides a penalty for failure to insert the prescribed net weight, is it not to be presumed that it will contain it, and therefore that the extra trouble and expense of requiring the seller to put the statement on the package may be unnecessary?

Mr. GARD. No; I think by all means it should be stated on the package. I think if we are to get any benefit from this bill reported by the Committee on Coinage, Weights, and Measures, the packages submitted for sale should actually bear upon their faces a statement of the true net weight of the contents.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GARD. I yield to the gentleman from Illinois.

Mr. MANN of Illinois. I am informed by the gentleman from Indiana [Mr. VESTAL] that in his opinion commercial feedstuffs are not covered by the pure-food law. I was under the impression that they were.

Mr. GARD. No; I do not think they are.

Mr. MANN of Illinois. The net weight of packages is required to be stated on all articles covered by the pure-food law. The enforcement of that law, of course, is in the Department of Agriculture.

Mr. GARD. This is a different proposition, to be enforced by the Bureau of Standards, as the gentleman knows.

Mr. MANN of Illinois. Yes.

Mr. GARD. And it seems to me that the same rule should apply, that the consumer should have the benefit of knowing what is the actual net weight of the contents of the package he buys.

Mr. MANN of Illinois. I agree with the gentleman about that proposition.

Mr. TILSON. Will the gentleman yield?

Mr. GARD. Yes.

Mr. TILSON. How does the gentleman read section 3 in this connection? Will this be in conflict with the supplementary legislation contained in section 3?

Mr. GARD. No; it will not. I will say that the reason I offered the other amendment is that the gentleman from Indiana [Mr. VESTAL] yesterday said he had been in communication with the Agricultural Department, and he intended to offer an amendment which would strike out some language in section 2, after the word "hereof," in lines 20, 21, and 22, and including the word "therein." So that it would in effect be a transposition, except that it would make it entirely sure in the first paragraph, which fixes the standard of packages. It would make it entirely sure that the man buying flour, hominy, grits, or meal in small packages—and the great bulk of the purchases in this country are in small packages, since they have no room for storage—it would make sure that the buyer of the package was buying honest weight.

Mr. VESTAL. Will the gentleman yield?

Mr. GARD. Yes.

Mr. VESTAL. I will say to the gentleman from Ohio that at the time I made the statement yesterday I was misinformed as to the provisions of the pure-food law taking care of commercial feedstuff, and so the amendment I stated yesterday I would offer I shall not offer. I have no objection to this amendment, for I do not think it hurts anything.

Mr. WINGO. Mr. Chairman, I rise in opposition to the amendment. I think everybody else will be opposed to the amendment if they stop long enough to read the bill fully and see what you are going to do. This amendment will go to the matters on page 1 so far as the classification of what you are doing. You cover the packing, you cover the shipping, you cover the selling and the offering for sale. To come within the provisions of this bill you do not have to offer it for sale. If a farmer packs his feedstuff for his own use, if he packs it, he is subject to the provisions of the bill. Now, you do not intend to do that, but that is what you are doing. There is not a man on the floor who will sit down and read carefully who will doubt that you are covering the packing, you are covering the shipping, you are covering the selling, you are covering the offering for sale. You use the alternative "or" and not the conjunctive "and." It is beautifully written, but if you add on this amendment what happens? The farmer can not actually pack his own feedstuff, grown on his own farm, worked up in his own mill, unless he puts it up in packages and marks it as indicated. The American Congress has come to a wonderful pass when it enacts such legislation as this. It is bad enough as it is, but this would make it worse. I am going to offer later an amendment knocking out the packing and the shipping.

There can be some argument to control the sale of stuff for public use to different people throughout the country, but in the name of high heaven, what public good can be subserved, how can the health of this country be subserved, how can the people be protected against fraud, to say that a man must pack his stuff in a certain way, although he is to use it himself? That is what you do in the bill. This bill is like the ways of God, it passes all understanding, and the more you study it the worse mess it is.

Mr. CANNON. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. CANNON. In lines 7 and 8 it says "when the same are packed, shipped, sold, or offered for sale in packages."

Mr. WINGO. That is it, "packed, shipped, sold, or offered for sale"—not "and" but "or."

Mr. CANNON. And would not the law only apply in the event that it is packed for sale?

Mr. WINGO. Does the gentleman think that?

Mr. CANNON. It seems to me so. If it is not so I am against it.

Mr. WINGO. Is there any lawyer in the House will say, where the word "or" is used instead of "and," that it does not mean that every one of the separate substantive propositions would be an offense, and he would not have to sell it?

Mr. TILSON. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. TILSON. Is not there an additional difficulty in the way of the interpretation proposed by the gentleman from Illinois? The word "sold" comes in there, and if his interpretation is correct it would mean, if written out in full, "packed" for sale, "shipped" for sale, "sold" for sale, and "offered" for sale.

Mr. WINGO. I am not making any criticism of the gentleman from Illinois. Even an old experienced legislator as he is will get the headache when he comes to try to analyze this bill. [Laughter.] It is like the famous snake railroad, which wriggled in and wriggled out and left the people all in doubt whether in its zigzag track it was going east or coming back.

My object was to call the attention of gentlemen to what we are trying to do. I am unable to find that what you want to do is not covered by the pure-food law. But you say if you pack it, ship it, or sell it you have got to do it in a certain way, put it up in a certain kind of a package. Why not go the whole length and describe the color of the package?

Mr. MANN of Illinois. That might be well, so that the gentleman could recognize it.

Mr. WINGO. No; I am color blind; and if many more bills are introduced like this it will be enough to make any legislator legally blind.

The idea of saying that if you pack it or ship it or sell it you must put it in a certain kind of package! Why do you not provide that you must have red ribbons on it or a piece of cardboard? Why do not you require that it shall have a verse upon it? It would protect the public health and the people against fraud just as much as this.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. GARD) there were—ayes 30, noes 7.

So the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 1, line 4, strike out the word "flours."

Mr. BLANTON. Mr. Chairman, I have offered this amendment merely as a pro forma one for the purpose of enabling me to call attention to the statement made yesterday concerning this bill by the gentleman from Iowa [Mr. TOWNER]. Flour now, as it is sold throughout the country, is put up in packages of 3 pounds, 6 pounds, 12 pounds, 24 pounds, and 48 pounds. The gentleman from Iowa said that there was a reason for changing this system to packages, where it was under 100 pounds, of 5 pounds, 10 pounds, 25 pounds, and 50 pounds, so that the customer could easily ascertain on buying the flour whether or not he was getting the full amount for which he was paying. In other words, the gentleman from Iowa would have us believe that a purchaser in going into a store could better tell whether a sack of flour presumed to contain 50 pounds did actually contain 50 pounds than he could tell whether or not a sack of flour presumed to contain 48 pounds actually contained 48 pounds. His argument, it seems to me, is ridiculous. The people of the country know now that when they buy flour generally known as a quarter of a barrel, they are presumed to get 48 pounds. How on earth could they better tell they are getting 50 pounds in a 50-pound sack than they are able now to tell whether they are getting 48 pounds in a 48-pound sack, and so on down the line with the smaller sacks? I do not see how this particular bill helps the situation at all.

With regard to wheat and corn, every business man knows that with respect to every bushel of these crops the manufacturers of sacks have already made their arrangements to handle the entire crops, so far as sacks are concerned. The sacks are either manufactured or are now in the process of manufacture. We know that upon these sacks each mill places its distinct printed label, which costs much money. Not only is this true with respect to flour, but it is likewise true with respect to meal and corn products of all kinds. There is an apparent distinction made in the bill with regard to corn products as distinguished from wheat products. In other words, in section 8 of the bill it is provided that the act shall not take effect so far as corn products are concerned until 90 days after its passage, but with respect to wheat flour and wheat products it is to take effect 12 months after its passage. So far as the corn crop is concerned, so far as the corn-meal sacks and the corn-products containers—the hominy containers and the grits containers—all of which are corn products——

Mr. LAYTON rose.

Mr. BLANTON. I yield to the gentleman from Delaware.

Mr. LAYTON. I was wondering whether the gentleman from Texas has looked at section 8 of the bill. Does he not think that that provides for the difficulty in respect to the matter of sacks?

Mr. BLANTON. I am just calling attention to the fact that the bill in section 8 has made a distinction between corn products, because it says that in so far as corn products are concerned the bill shall take effect 90 days after the passage, but with regard to wheat and all other products it does not take effect until one year after its passage.

Mr. LAYTON. The gentleman knows the reason why, does he not?

Mr. BLANTON. And I am calling attention to the fact that there are many sacks, containers for corn flour, grits, and hominy, which are already in existence, which means an outlay of an immense amount of money, all of which would probably be lost if they had to be disposed of within 90 days after the passage of the act, as it would be impossible to dispose of them through regular channels of trade within that short limit of time.

Mr. LAYTON. Does the gentleman not understand that for the protection of the public it is made 90 days, because corn products and corn will undergo fermentation in much less time than wheat?

Mr. BLANTON. I knew that corn was probably undergoing fermentation in some of the mountains of northern Alabama and in other secluded places, but I did not know that that process was being carried on in Delaware.

Mr. LAYTON. It goes on in Texas, a great deal of it.

Mr. BLANTON. No; we have other use for our corn there.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. VESTAL. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that all debate upon this section and all amendments thereto close in 10 minutes. Is there objection?

Mr. STEVENSON. Mr. Chairman, reserving the right to object, I have an amendment which I desire to offer.

Mr. WINGO. Mr. Chairman, there are several amendments to be offered.

The CHAIRMAN. Does the gentleman from South Carolina object?

Mr. STEVENSON. I object.

The CHAIRMAN. The gentleman from South Carolina objects, and the question now is on the amendment offered by the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, that was merely a pro forma amendment, and I ask unanimous consent to withdraw it.

The CHAIRMAN. Is there objection to the withdrawal of the amendment offered by the gentleman from Texas?

There was no objection.

Mr. WINGO. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 1, line 7, strike out the words "packed, shipped."

Mr. WINGO. Now, Mr. Chairman, I would like to ask the chairman of the committee if it is intended to apply the penalty of this act to a man who simply packs for his own use, not for public consumption and sale?

Mr. VESTAL. It certainly is not, nor does the language here apply that way at all.

Mr. WINGO. Will the gentleman be willing to say, when the same are packed or shipped for sale, sold, or offered for sale?

Mr. VESTAL. I think the language in the bill is preferable.

Mr. WINGO. Mr. Chairman, I will ask the lawyers to examine the language on the first page, "packed," and a comma after it, "shipped," and a comma after it, "sold," a comma after it, "or offered for sale in packages," and so forth. Now, what does that do? Just what the gentleman says it is not intended to do. Of course the gentleman does not intend it. What the gentleman wants to do is to cover commodities that are packed for sale for consumption by the public. He does not intend to cover the mere packing of it. He does not intend to require the small miller or farmer to pack it in a certain sized package or to ship it, even though he may ship it from his farm to his feeding yards. What the gentleman intends to do is to cover the question of the package when it is packed and shipped for sale and consumption by the general public. Now, if you knock out the words "packed and shipped" it will read this way: "And the standard measure for such commodi-

ties, when the same are sold or offered for sale." Now, if you prohibit the sale of it, offered for sale, except in your standard packages, you have done everything that you want to do. Why penalize the man if the packing is for himself and the shipping is to himself for his own consumption? Do you want to protect him against fraud or against himself? Mr. Chairman, I ask for a vote.

Mr. MANN of Illinois. Mr. Chairman, just a word. The gentleman has hammered at this so long that somebody might believe he was serious, although he and I both know he is not. If you are going to have a law, you want to have a law that can be enforced, and the desirable thing is not to enforce it against the retail dealer, but enforce it against the miller who puts up the packages, enforce it by examining the package in his mill not offered for sale. Nobody knows it will be offered for sale. There will be no way of proving it is offered for sale, because it is not yet offered for sale. It is some of the large millers, who, if anybody, violate the law when they put up the package, when they put it upon cars for shipment, should be liable to the law. Now, the farmer putting wheat flour which he grinds—and I believe there are many of them—in a barrel will not be affected by this bill if he consumes his own flour. The gentleman need not be so unduly sensitive on that subject. Let us have a law that can be enforced.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The question was taken, and the amendment was rejected.

Mr. WINGO. Mr. Chairman, I desire to offer another amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 7, after the word "packed," insert the words "for sale."

Mr. WINGO. Now, Mr. Chairman, the gentleman from Illinois [Mr. MANN] seems to be so constituted this morning that he thinks everybody is joking about this bill. Now, I am serious, though it requires an effort to be serious about this bill, a joke itself. If the gentleman had had the experience that some of my constituents have had on a similar proposition under a Federal statute he would see the necessity. He says of course they catch them—but who is going to punish the farmer?—that it is intended to catch the big miller. No; the big miller wrote this bill. Now, if you are sincere and you do not want to penalize the farmer, then accept the words "packed for sale." Now, we will see whether you are serious, whether or not you are sincere. Now, that will carry out the gentleman's argument. That will make it what the gentleman from Illinois and what the chairman of the committee himself says they want to do, and it will prevent the doing of what he says they do not intend to do. Of course, nobody wants to do that. Of course, Congress did not intend when it once passed a law to penalize the local selling organizations of peaches, and yet on the platform in my town we almost had a riot among farmers who were incensed by a combination of shippers who were threatening them with a Federal statute that had in it loose language just like this.

If the gentleman lived among agricultural people and knew the problems that confronted them upon the question of shipping and packing and these little cooperative associations, then he would understand that there are some things that are very serious to them that may be a matter of mere levity to the gentleman. Now, if you want to do this, if you think your present laws do not already protect men against fraud, if you think the system as it is to-day does not protect him, all right; but when you are going to the extreme of fixing the size of packages and penalize him for not using that package, for God's sake let us limit it to those packed for public consumption and not when packed for personal or home consumption.

The CHAIRMAN. The time of the gentleman has expired. The vote now comes on the amendment offered by the gentleman from Arkansas [Mr. WINGO].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. VESTAL. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 29, noes 10.

So the amendment was agreed to.

Mr. WINGO. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from South Carolina [Mr. STEVENSON] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. STEVENSON: Page 1, line 5, after the word "stuffs," insert the words "intended to be used in interstate commerce."

Mr. STEVENSON. Mr. Chairman, the amendment which I have proposed merely makes it conform to what I conceive Congress has the power to do, and that is to regulate the size of packages that enter into interstate commerce. I know that the contention is made that Congress has the right to regulate the standard of weights and measures. That is true. Now, let us see what that is in the Constitution:

To coin money, to regulate the value thereof and of foreign coin, and to fix the standard of weights and measures.

Now, does that have reference to the size of packages in which people are allowed to sell their stuffs? There was no such question ever conceived by the constitutional convention. They can fix the number of ounces that it will take to make a pound, the number of pounds that it will take to make a ton; they can fix the number of cubic feet that it takes to make a cord, the number of inches in a foot, and the number of feet in a yard.

Now, to say that they can fix the number of tons of coal, for instance, that can be put on one freight train unless it is going into interstate commerce, or on one freight car, is entirely beyond the mark. To say that they can fix the number of pounds which they can put in a package of flour for sale, if it does not go into interstate commerce, is simply regulating a purely State matter and one that Congress has no right to regulate. It has no reference to the fixing of standards of weights and measures.

You take another instance. Under the right to fix the standard of measures they can say how many cubic feet shall go into a cord of wood, but would you undertake to say by congressional legislation that they can fix the number of cubic feet in a load of wood that a farmer could put on his wagon and offer for sale in his own community or town? I submit not. And this is not a regulation of standard of weights nor of measures. It has no relation to either of them. It has relation to the packages in which goods shall be put up, and those packages are measured by weights that are already fixed, and fixed by law.

Now, I submit that Congress has no power to do it. And some reference has been made to the pure food and drugs act. That is put expressly upon the question of interstate commerce, and the prohibitions contained therein are prohibitions against putting those things into interstate commerce. And, therefore, Mr. Chairman, I desire to make this question, because I do not want to be confronted some day with having voted for a measure that the Supreme Court will say is unduly interfering with the local affairs of the States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. Mr. Chairman, there has been a great deal of controversy for a great many years over the power of Congress in regard to commerce between the States. The language of the Constitution was not very broad or defining. Gradually a great many powers have come to be exercised by the General Government under the commerce clause of the Constitution. But there is no such difficulty in reference to the weights-and-measures provision of the Constitution. The Constitution expressly authorizes Congress to establish standards of weights and measures. Congress has practically the same power, if it chooses to exercise it, over weights and measures that it has over coinage. We have the absolute power. To hold we can only say how many pounds there are in a bushel is a ridiculous proposition.

Mr. STEVENSON. Will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. STEVENSON. The gentleman says that we have the same power over packages of flour as we have over coinage. Can the gentleman explain why it is, then, that explicit authority is given the Government to provide for the punishment of the counterfeiting of the coin in the very next clause and it does not make any provision for violating any regulation over standards of weights and measures?

Mr. MANN of Illinois. That is a provision in reference to counterfeiting. But there is the positive provision that Congress may establish, that Congress is the only power in the Government generally that can establish, standards of weights and measures.

Mr. BENSON. Will the gentleman yield?

Mr. MANN of Illinois. I yield.

Mr. BENSON. Do you think that Congress should pass a bill that puts over 25 gold dollars into a bag?

Mr. MANN of Illinois. I do not know. That is not a pertinent question.

Mr. BENSON. The question here is that they can only put 25 pounds of flour in a bag.

Mr. MANN of Illinois. That is not the question and that is not the bill, either. Congress has the power, under the Constitution, to establish a standard of weights and measures. It can say what shall be the standard of any kind of an article that is put in packages or measures. Now, this is not a new proposition here.

Mr. WALSH. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. WALSH. Does the gentleman contend that by saying that flour shall be put in a package, weighing a certain number of pounds, Congress is thereby establishing a standard of a measure?

Mr. MANN of Illinois. Why, certainly; that is exactly what it is doing.

Mr. WALSH. What measure is being standardized?

Mr. MANN of Illinois. The standard of measures for flour.

Mr. WALSH. What measure is being standardized?

Mr. MANN of Illinois. The standard of measures for flour. I can not be any more explicit than that. You create a standard of measures. That is what you do.

Mr. WALSH. What measure?

Mr. STEVENSON. Does not this bill recognize that the standard of measure for flour has already been fixed in pounds and undertakes to prescribe how many of those measures shall be put in a package?

Mr. MANN of Illinois. No. It fixes the standard of measure for flour. That is exactly what it does. It fxes how you measure flour, and you sell by measure.

Mr. WALSH. If the gentleman will permit, does it not, as a matter of fact, simply standardize the package and is not a measure at all?

Mr. MANN of Illinois. Well, a package is a measure. No; it standardizes the measure. It creates a measure.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. LAYTON. You have got your pounds and quarts and gallons and pecks and half bushels and your bushels. This only just simply establishes the sack of 5, 10, 15, 20 pounds, and so forth. It is on the same line precisely.

Mr. WALSH. That does not establish any standard at all.

Mr. MANN of Illinois. The difficulty the gentleman has is that it is a measure of flour.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The question is on agreeing to the amendment offered by the gentleman from South Carolina [Mr. STEVENSON].

The question was taken, and the Chairman announced that he was in doubt; and on a division (suggested by the Chairman) there were—ayes 29, noes 22.

Mr. MANN of Illinois. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Illinois makes the point of order that there is no quorum present, and the Chair will count. [After counting.] Seventy-five Members are present—not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Dupré	Johnson, Ky.	Reavis
Anthony	Eagle	Johnson, S. Dak.	Rowan
Ayres	Ellsworth	Johnston, N. Y.	Rubey
Bacharach	Elston	Jones, Pa.	Sabath
Barbour	Evans, Nev.	Juul	Sanders, Ind.
Barkley	Fairfield	Kahn	Sanders, La.
Black	Ferris	Kendall	Schall
Blackmon	Flood	Kennedy, R. I.	Scott
Bland, Ind.	Frear	King	Scully
Bland, Mo.	Fuller, Mass.	Kraus	Sears
Bland, Va.	Gandy	Kreider	Siegel
Booher	Garland	LaGuardia	Smith, Mich.
Bowers	Garner	Langley	Smith, N. Y.
Briggs	Glynn	Lazaro	Snell
Britten	Godwin, N. C.	Lehlbach	Stedman
Burke	Goldfogle	Luhring	Steele
Candler	Goodall	McClintic	Stephens, Ohio
Cantrill	Gould	McKeown	Stoll
Caraway	Graham, Pa.	McLane	Strong, Kans.
Christopherson	Green, Iowa	Mays	Sullivan
Clark, Fla.	Greene, Mass.	Mead	Sumners, Tex.
Classon	Hadley	Merritt	Taylor, Ark.
Cole	Hamill	Miller	Thomas
Collier	Hamilton	Moon	Thompson
Cooper	Harrison	Moore, Pa.	Upshaw
Costello	Haskell	Moore, Va.	Vare
Crisp	Hays	Morin	Venable
Crowther	Hernandez	Murphy	Voigt
Dallinger	Hersman	Nicholls, S. C.	Volstead
Davey	Hill	Nichols, Mich.	Wason
Dempsey	Houghton	Nolan	Watson, Va.
Denison	Howard	O'Connor	Webster
Dent	Huddleston	Olney	Wheeler
Dewalt	Hudspeth	Osborne	White, Kans.
Dickinson, Iowa	Hulings	Overstreet	Winslow
Donovan	Humphreys	Peli	Wise
Dooling	Igoe	Porter	Young, Tex.
Doremus	Jacoway	Ramseyer	
Dowell	James	Randall, Calif.	

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 9755) to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes, and finding itself without a quorum, he had ordered the roll to be called, whereupon 276 Members—a quorum—had answered to their names, and he presented a list of absentees for printing in the Journal.

The SPEAKER. The committee will resume its sitting.

Thereupon the committee resumed its session.

Mr. HUTCHINSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Chair will state that, on the amendment offered by the gentleman from South Carolina [Mr. STEVENSON], a division disclosed the fact that no quorum was present and a point of order that no quorum was present having been made, the committee rose, and the Chair now holds that the vote comes back on the amendment offered by the gentleman from South Carolina [Mr. STEVENSON]. Those in favor of the amendment——

Mr. STEVENSON. Mr. Chairman, I would like to have the amendment reported again.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 1, line 5, after the word "stuffs," insert "intended to be used in interstate commerce."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that he was in doubt; and on a division (suggested by the Chairman) there were—ayes 56, noes 85.

Mr. STEVENSON. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from South Carolina asks for tellers.

Tellers were ordered, and the Chairman appointed Mr. STEVENSON and Mr. VESTAL to act as tellers.

The committee again divided; and the tellers reported—ayes 64, noes 85.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. HUTCHINSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New Jersey offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUTCHINSON: Page 1, line 3, after the word "weights," insert "when packed."

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose, and Mr. WALSH having taken the chair as Speaker pro tempore, a message in writing from the President of the United States, by Mr. Sharkey, one of his secretaries, was received.

STANDARD OF WEIGHTS AND MEASURES.

The committee resumed its session.

Mr. HUTCHINSON. Mr. Chairman, the object of this amendment is to protect the retailer or the small grocery man. This puts it up to the miller to have the weight according to the bill. But as most of all the products that this bill covers dry out, by reason of the moisture drying out, it is impracticable to keep the weight as packed.

Our friends on the other side say that the Bureau of Standards will tolerate any loss by drying out. We have had some experience in that regard under the food-control act. When the food-control act was before our committee an amendment was offered to the bill introduced to repeal the mixed-flour law, and also to reduce the size of the packages of flour made by the miller, and we finally provided that the miller could make any kind of flour out of wheat. We all know the results of that rule and regulation of the food-control act, and I am sure that we dread this very thing, because, as I said, take flour put up in a 10-pound package and put it in a grocery store behind the stove and it will dry out between 2 and 3 pounds. This bill makes that man liable to a penalty of $500. This amendment protects him without any question, because it requires that the miller shall have standard weights when packed. I trust that the amendment will be adopted.

Mr. WALSH. I should like to have the amendment read again.

The CHAIRMAN. Without objection, the amendment will be reported again.

The amendment was again read.

Mr. MANN of Illinois. Mr. Chairman, I do not think the amendment offered by the gentleman from New Jersey [Mr. HUTCHINSON] will accomplish the purpose which he desires to accomplish, and I do not think any amendment should be inserted in the bill which will accomplish the purpose that he has in mind.

As I stated the other day, you can not make two packages of exactly the same size, and there is a variation in weight ac-

cording to the moisture content in everything. That is already covered by the provisions in the bill which provide practically that the Bureau of Standards, under the Secretary of Commerce, shall provide for reasonable variations or tolerances, and I assume that in fixing the standard of weight for flour, for instance, the standard will be fixed upon a basis of moisture content, and that variations will be allowed. But if you require the Government to prove the amount of the exact weight at the time an article was packed, of course you know that can not be done. The Government will not have any facilities for obtaining any such proof at all. They can not establish the weight when the article was packed in the mill, and in order to have a workable law you have got to have it so it can be operated and enforced.

Now, if a barrel of flour dries out and the moisture content weighs less, there is no difficulty at all in fixing the variation or tolerance to provide for that, and that is exactly what will be done; but while the Government can establish what the moisture content is at the time the package is weighed it can never establish what the weight was when the article was packed, unless it is weighed by a Government officer at the time it is packed.

All these questions were gone over thoroughly when the matter was up in reference to the pure-food law and the amendments to that law. Originally people insisted that it would be impossible. They used to say that you could not put the same quantity of tomatoes in each of two tomato cans, because there might be a variation in the weight of the tomatoes, an increase in moisture content in one over the other. But there never has been the slightest difficulty in reference to these matters since the tolerances were fixed by the department. As a rule these things are done by averages, and to say that you invite millers to make overmoist flour in order to weigh more heavily would be a grave mistake, but to insert this provision in the bill would be to say that it will be absolutely impracticable to enforce it as a law.

Mr. VESTAL. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HUTCHINSON].

The amendment was rejected.

The Clerk read as follows:

SEC. 2. That the standard packages for the following wheat-mill and corn-mill products, namely, flour, hominy, grits, and meals, and all commercial feeding stuffs, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over, shall be those containing net avoirdupois weight 100 pounds, or multiples of 100 pounds, or the following fractions thereof: Five, 10, 25, and 50 pounds, and in addition, but for commercial feeding stuffs only, 60, 70, and 80 pounds.

Mr. WALSH. Mr. Chairman, I move to strike out the last two words. I do so for the purpose of directing attention once more to the language of the bill, which, according to my interpretation of it, fails to fix a standard of measure; and while I appreciate that it is rather taking a chance to disagree with the distinguished gentleman from Illinois in his interpretation of language in a measure—because when one does so he generally finds he is on the wrong side—yet I submit that there is nothing in this bill which can be interpreted as fixing a standard.

In 1912 the Congress passed a law fixing the standard barrel for apples and also a standard crate. In fixing the standard it used language as follows:

The standard barrel for apples shall be of the following dimensions when measured without distention of its parts: Length of staves, 28½ inches; diameter of head, 17⅛ inches; distance between heads, 26 inches; circumference of bulge, 64 inches, outside measurement, representing as nearly as possible 7,056 cubic inches: *Provided*, That the steel barrel containing the interior dimensions provided for shall be construed as a compliance therewith.

Now, that fixed the standard of the package, or of the measure, that measure being the barrel.

It fixed the standard, prescribed dimensions, and fixed its contents. In this bill here we say that a barrel shall weigh 200 pounds, but you could put those 200 pounds into a barrel that would hold 250 pounds, under the language of this bill, simply saying that a barrel of flour shall contain net avoirdupois 200 pounds, and these other various packages shall contain net avoirdupois 5, 10, 25, or 50 pounds, and then for commercial feedstuffs 60, 70, or 80 pounds.

I can not see where we are standardizing anything except to say that certain packages shall contain net avoirdupois 60 pounds or 25 pounds. But those pounds may be in a package capable of holding very much more. It seems to me that if we are going to fix the standard of a measure we should adopt language similar to that employed in the standard apple barrel bill, in which we stated what the dimensions of the barrel should be and prescribe the distance between the heads and the length of the staves. That bill, as I understand it, either as originally drafted or as afterward amended, provided for variations and tolerances, just as this does, but I have been unable to find the language in this proposed measure which would prohibit putting 200 pounds of flour into a barrel that might contain 215 pounds or 230 pounds.

Mr. BANKHEAD. Do I understand the logic of the gentleman's position to be that under the guise of exercising a constitutional authority to fix weights and measures this bill, as a matter of fact, exceeds our constitutional authority?

Mr. WALSH. I do not think it does what it purports to do or what it is claimed that it will do, and therefore it does not come within the constitutional provision, in my opinion.

Mr. BEGG. Will the gentleman yield for a question?

Mr. WALSH. Yes.

Mr. BEGG. Is it the intention of the bill to establish a new standard of measurement, or is it intended to fix the number of units of measure of these different ingredients?

Mr. WALSH. If you are going to fix the units of measurement of the ingredients you are not fixing a standard measurement.

Mr. BEGG. I agree that the standard unit of weight is the pound.

Mr. WALSH. I suppose Congress has the right to say that it will fix the standard measure of a barrel of flour of 200 pounds, of the following dimensions, and to provide variations and tolerances, but I have been unable to find in this language, either in section 1 or 2, anything that restricts the container which is supposed to be the standard measure, restricting that to a certain size. It might permit 200 pounds of flour to be put into a barrel that would hold 230 pounds, and still you would say that was the standard measure of flour under this bill.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. NEWTON of Minnesota. Is not the aim of this to fix the number of units that must be sold as a barrel and no attempt made to fix the dimensions of the barrel?

Mr. WALSH. Then I do not think you are establishing a standard of weights as is claimed.

Mr. TILSON. Will the gentleman yield?

Mr. WALSH. I will.

Mr. TILSON. Where in the bill does the gentleman find anything about a barrel of flour and weighing 200 pounds? I have studied the bill carefully, and I can not find where it fixes the standard of a barrel of flour at 200 pounds.

Mr. WALSH. One hundred pounds and multiples thereof.

Mr. TILSON. Yes; but it does not mention the barrel or 200 pounds.

Mr. WALSH. I assumed that was the language taken in conjunction with the remarks of the gentleman from Indiana who opened the discussion on the bill, also in conjunction with the tables printed in the RECORD to which he referred. I took it that that was one of the prime purposes and that it was done in that way. If that be not so then you could put up these products in a tube 10 feet long, 4 or 5 inches in diameter, or put it in a big box, or any kind of a package whatever. I think it is a wise thing to standardize the measures. I would like to be assured that the language which is employed here does it. If so, how can it be claimed that this language does it when we standardize the apple barrel by fixing the dimensions of the barrel.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. HARDY of Texas. Is it not possible that section 2 instead of being a standard of measures would come under the head of a standard of weights. It is not a standard of measure since there are no actual dimensions.

Mr. WALSH. That is true.

Mr. HARDY of Texas. It is a standard of weight.

Mr. GARD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 4, after the word "standard" strike out the word "packages" and insert the word "weights."

Mr. GARD. Mr. Chairman, there has been some criticism that the language of the bill exceeds the constitutional authority conferred on Congress as to fixing weights and measures. Unquestionably we have the right to fix the weight and prescribe the measures. Some criticism has been leveled at the bill because it was contended that we were seeking to provide for a standard package instead of a standard of weight or a standard of measure. The amendment I offer—and I call the attention of the membership of the committee to it—provides that the word "package" be stricken out and the word "weight" put in, so that it will read:

SEC. 2. That the standard weights for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over, shall—

And so forth.

Mr. GARRETT. Will the gentleman yield?

Mr. GARD. Yes.

Mr. GARRETT. Does not the word "those" in line 8 refer back to the word "packages" in line 4?

Mr. GARD. I think so.

Mr. GARRETT. If that be the case and the gentleman's amendment prevails, would it not be necessary to substitute something for the word "those"?

Mr. GARD. Yes; possibly that is true; but I am convinced that the proposition I have laid down by changing the word "packages" to the word "weights" is putting in better language under the intent and authority of the Constitution.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GARD. Yes.

Mr. MANN of Illinois. If the gentleman will look down the section he will find that under his amendment it would read like this—

That the standard weights shall be those containing net avoirdupois weight 100 pounds, or multiples of 100 pounds, or the following fractions thereof.

What goes between is simply explanatory.

Mr. GARD (reading)—

That the standard packages for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over.

Mr. MANN of Illinois. That is all explanatory; you skip from "packages," which is the subject, down to the phrase "shall be those containing net avoirdupois weight 100 pounds." That is the predicate.

Mr. GARRETT. In other words, as I attempted to call the attention of the committee, the word "those" in line 8 refers back to "packages" in line 4.

Mr. MANN of Illinois. Certainly.

Mr. GARD. The word "those" could be stricken out.

Mr. MANN of Illinois. It would still be the same thing. The purpose is to establish a standard package.

Mr. GARD. Under the amendment I have offered, and I submit it for the consideration of my fellow members of the committee, it would be necessary, I see, to strike out the word "those" in line 8, so that the amendment as completed would say that the standard weight for certain wheat-mill and corn-mill products when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over shall be those containing net avoirdupois weight 100 pounds, and so forth.

Mr. MANN of Illinois. If the gentleman would change it so that he would put it in grammatical terms, still it would read that the standard weight shall contain net avoirdupois weight of 100 pounds. What you want to do is to provide that the package shall contain so many pounds in weight.

Mr. TILSON. Would not the purpose be served by inserting "weight of" between the words "standard and packages," so that it would read "the standard weight of packages"?

Mr. GARD. That might be better.

Mr. GARRETT. Mr. Chairman, as I understand the intention of this section, it is not as was suggested a few moments ago by the gentleman from Texas [Mr. HARDY] and acquiesced in by the gentleman from Massachusetts [Mr. WALSH], namely, that this section was to deal with a standard weight, but it is to fix a standard package.

Mr. WALSH. And measure.

Mr. GARRETT. It seems to me that the purpose is to fix a standard package. If it is to be changed so as to fix a standard weight, if the amendment of the gentleman from Ohio [Mr. GARD] is to prevail, striking out the word "packages" in line 4 and inserting the word "weight," so as to make it a standard weight and not a standard package, I should think that he would want to strike out not only the word "those" in line 8 but also the words "containing net avoirdupois weight." Then the section would read:

That the standard weights for the following wheat-mill and corn-mill products, viz, flours, hominy, grits, and meals, and all commercial feeding stuffs, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over shall be 100 pounds, or multiples of 100 pounds, or the following fractions thereof—

And so forth.

Mr. GARD. Mr. Chairman, I ask unanimous consent to modify the amendment that I have offered by so changing it as to have the amendment authorize the insertion of the words "weight of" before the word "packages" in line 4 and to strike out on lines 8 and 9 the words "those containing net avoirdupois weight."

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to modify his amendment in the manner indicated. Is there objection?

Mr. GARRETT. Mr. Chairman, reserving the right to object, may I suggest to the gentleman that if he strike out the words "those containing net avoirdupois weight" in lines 8 and 9 it would not be necessary to insert the words "weight of" before the word "packages" in line 4, as he requests. If you insert the word "weight" instead of the word "package" and then strike out the words "those containing net avoirdupois weight," the section will read:

That the standard weight for the following wheat-mill * * * and all commercial feeding stuffs * * * shall be 100 pounds—

And so forth.

Mr. GARD. I prefer to have the weight refer to packages, and I think probably the language that I offer more completely expresses my desire.

The CHAIRMAN. In order that the Members may clearly understand the amendment, without objection the Clerk will read the amendment.

Mr. MANN of Illinois. But it has not yet been reported as modified.

The CHAIRMAN. The first amendment was reported. The gentleman from Ohio then asked unanimous consent to modify it, and the Chair now suggests that the whole amendment as modified be read for the information of the Members. Is there objection?

There was no objection.

The Clerk read as follows:

Modified amendment offered by Mr. GARD: Page 2, line 4, after the word "standard," insert the words "weight of," and in lines 8 and 9 100 pounds or the following fractions thereof.

Mr. MANN of Illinois. Mr. Chairman, I do not quite get what this does yet, but I know that it entirely changes the purpose of the section. The purpose of this section is to fix a standard measurement in which flour shall be put——

Mr. GARD. Package.

Mr. MANN of Illinois. Oh, well, a package is a measure. That is what a package is, an inclosure in a measure. The purpose is to fix the standard of measure. I do not see what is accomplished by saying that 100 pounds of flour shall contain 100 pounds. Everybody knows that 100 pounds of flour weighs 100 pounds, and that is all it amounts to.

Mr. GARD. No; it will not. This is the way that it will read if the amendment prevails:

That the standard weight of packages for the following wheat-mill and corn-mill products * * * shall be 100 pounds or multiples of 100 pounds or the following fractions thereof.

In other words, it gives a complete expression to what I assume was the legislative intent to prescribe a weight for a package, since that is what is carried out in the latter part of the bill. It is true, as I read upon more serious consideration of section 2, that it applies to a package, but nevertheless that which is proposed to apply to the package as contained in the latter part of section 2 is to designate its weight, because as section 2 now is it provides that these packages of 5 pounds or more shall be of weights of 100 pounds or multiples or fractions thereof.

Mr. MANN of Illinois. Yes; but section 2 is to establish the size of a package.

Mr. GARD. Not the size of a package; the weight of a package.

Mr. MANN of Illinois. Absolutely the size of the package.

Mr. GARD. Oh, no.

Mr. MANN of Illinois. It is to establish the size, not the weight of the package. One package may weigh 10 pounds and another half a pound, but the purpose of section 2 is to establish the size of the package. It establishes the size of the package by the weight of the flour that goes into it. The package may be empty. Section 3 then provides that the size of the packages shall be used in packing flour.

Mr. GARD. Section 3 is a penalty section.

Mr. MANN of Illinois. It is more than a penalty section.

Mr. GARD. I do not think it is.

Mr. MANN of Illinois. There is a provision in section 3 against the use of other sizes of packages. Section 2 establishes the size of the package. The gentleman from Massachusetts [Mr. WALSH] said this bill did not establish the size of a package. This says that a certain package shall be one that will contain 100 pounds of flour. It does not say it in quite that language, but it says "containing 100 pounds of flour" and another containing 5 pounds of flour. That is the size of the package, and that is the standard of measure. That is exactly what the bill is to accomplish.

Mr. GARD. There is no designation of size, except the size as determined by the weight inclosed in the package.

Mr. MANN of Illinois. Oh, certainly; but that 100 pounds of flour will be the same size if put in a bag, a box, a barrel, or other container.

Mr. GARD. Oh, no. I can see where 100 pounds in a bag or a sack might be an entirely different size as we understand the word "size"——

Mr. MANN of Illinois. Oh, no; it would occupy the same amount of space and that is a question of size.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. TREADWAY. Mr. Chairman, I move that all debate on this section and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. GARD].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 3. That it shall be unlawful for any person, firm, corporation, or association to pack, or cause to be packed, to ship or offer for shipment, or to sell, or offer for sale, the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, which, when in package form, shall not be one of the standard sizes established in section 2 hereof and bear a plain, legible, and conspicuous statement of the net weight contained therein; and any person, firm, corporation, or association guilty of a violation of the provisions of this act shall be deemed guilty of a misdemeanor and be liable to a fine not exceeding $500 in a court of the United States having jurisdiction.

Mr. WALSH. Mr. Chairman, I move to strike out the last word——

Mr. GARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARD. Is it proper procedure to correct the text of the bill before striking out the last word?

Mr. WALSH. This is perfecting it.

The CHAIRMAN. Did the gentleman from Ohio have a perfecting amendment?

Mr. WALSH. That does not give priority of recognition.

The CHAIRMAN. The Chair will rule that, having recognized the gentleman from Massachusetts, the gentleman from Massachusetts can proceed.

Mr. WALSH. Mr. Chairman, I desire to ask the gentleman having this measure in charge if the language on page 3, lines 1 and 2, means that prosecutions for violations of this act are confined to the Federal courts?

Mr. VESTAL. I think so; certainly.

Mr. WALSH. And it is not intended to provide any punishment other than a fine, no matter how often and how grossly this act may have been violated?

Mr. VESTAL. I think that is the plain language of the bill and shows it.

Mr. WALSH. Well, the reason I asked the question was that certain intentions have been ascribed to this measure from the language which it contains which I have been unable to find are borne out by a reading of the bill, and I would like to ask the gentleman if he does not think the penalty here for violating the provisions of section 2 ought to be more severe for a second or third offense?

Mr. VESTAL. The language of the bill provides that the fine shall not exceed $500, but the fine for the first offense might be $50 or $100.

Mr. WALSH. I will ask unanimous consent to withdraw the pro forma amendment, and yield the floor.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARRETT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, lines 15 and 16, after the word "association," strike out the words "to pack or cause to be packed, to ship or offer for shipment, or."

Mr. GARRETT. Mr. Chairman, as one who is in sympathy with proper legislation upon the subject matter of the bill, I wish to ask the particular attention of the committee having it in charge to that amendment. I think that all the beneficial purposes of this legislation can be accomplished with that language omitted. What the committee desires to do evidently is to bring about uniformity for the purpose of commerce. It is for the convenience of the public, the producers and consumers alike, that this bill is designed. But if this language which I move to have stricken out is retained in the bill, it seems to me that it may cause a great deal of annoyance without accomplishing any good purpose whatever. What harm can there possibly be in putting these materials in packages other than the standard size if those packages are not placed on the market in any way? If some one desires to send to a friend or a member of his family in another State or another town a sack of flour or barrel of flour as a gift, not for sale, not in a commercial way, what harm can there possibly be in permitting the sending or giving it away in any size package he may desire? I ask the gentleman, will not the purpose of the bill be accomplished with that language left out? But as it is now, if some person down in my country, if there were any who would have such a kind thought, desired to send me a barrel of flour or a sack of flour, why, he would have to go out and hunt up a package, a container, of the standard size in order to ship it to me. It occurs to me no good purpose can be served by requiring that, and you have accomplished everything that is necessary if you have protected the commerce of the country.

Mr. VESTAL. Mr. Chairman, it does not seem to me, I will say to the gentleman from Tennessee, that the language in this bill as it is drawn will bear out the construction that the gentleman gives it. It is not for the purpose of affecting a private person who wants to give somebody a package of flour or meal, but it is for the purpose of taking care of the miller or manufacturer who is packing or offering to pack or causing to pack or offering to ship or shipping these different packages. Now, it seems to me we ought to get right at the root of the thing so as to prevent the manufacturer from putting up in packages other than the packages provided for under his bill.

Mr. GARRETT. Will the gentleman yield?

Mr. VESTAL. I will yield.

Mr. GARRETT. I am in perfect sympathy with that. I think the manufacturers themselves would desire that. Let me call the attention of the gentleman—and I think it is worthy of very serious attention. This says that it shall be unlawful for any person, firm, and so forth, "to pack or cause to be packed." This, literally construed, would mean that the individual could not carry his own turn of wheat to the mill and have it ground and let it be packed in other than the standard package, even though for his own use. There is not any doubt about that if this language is literally construed; and that is not intended by the committee, I am sure, but that is what it says.

Mr. FESS. If the gentleman will yield, I would like to ask the gentleman from Tennessee whether, in line 19, there is any saving clause, "when in package form"?

Mr. GARRETT. That refers to commercial feed stuffs when in package form; and the way I construe it, if this language is left in the bill—and, I repeat, I am speaking as one friendly to the legislation—it will be absolutely an offense for a man to pack the materials that are involved in the bill in anything except a standard package, even though it is not intended to be offered for sale or shipment.

Mr. BEGG. Will the gentleman yield?

Mr. GARRETT. The gentleman from Indiana [Mr. VESTAL] has the floor.

Mr. VESTAL. I will yield to the gentleman from Ohio.

Mr. BEGG. I would suggest to the chairman of the committee that he can cure the supposed ills of the gentleman's contention if he will add the words "for sale" in line 15, after the word "packed," so that it will read:

Or association to pack, or cause to be packed, for sale.

That will care for the proposition you are raising, will it not?

Mr. GARRETT. Perhaps; then, down further, there ought to be the same words after "shipment."

Mr. BEGG. That is true.

Mr. GARRETT. That might meet the situation.

Mr. WALSH. Will the gentleman yield?

Mr. GARRETT. I will.

Mr. WALSH. The gentleman from Tennessee uses the term "standard package." Does the gentleman think we have any right to establish a standard package?

Mr. GARRETT. Well, I do not know. We have the right to establish standard weights and measures. A package, I suppose, is, in a sense, a measure.

Mr. WALSH. It is constantly referred to as "standard package."

Mr. GARRETT. The word "package" is used in section 2.

Mr. WALSH. It certainly is.

Mr. GARRETT. And I am meeting the condition that is set forth by the language of the bill.

Mr. MANN of Illinois. Mr. Chairman, the gentleman from Tennessee wants to strike out the packing and shipping provisions, as I understood him? That was his amendment?

Mr. GARRETT. Yes, sir.

Mr. MANN of Illinois. What is the point in striking out the shipping provision?

Mr. GARRETT. Well, because I do not think that there is any necessity, unless it is in commerce, for fixing the size of the package in which it shall be shipped.

Mr. MANN of Illinois. But here, after all, is the situation about all these things. Possibly it would cover the case if you would simply provide in reference to the package for sale. But once in a while there may be a prosecution under a law like this. The whole theory of our legislation for years has been to so provide as not to encourage prosecution against the little fellow, but to encourage, if prosecution is to be had, that it shall be against the man behind.

Mr. GARRETT. Yes.

Mr. MANN of Illinois. Now, nobody wants the retail dealer handling flour that is short in weight to be prosecuted. It never has been the policy of the departments in forcing these laws to go after that man. They go after the man who has sold to him and go back, if they can, to the man who produced it in the first instance, such as the manufacturer. They are the fellows we ought to get.

Now, they are not guilty. Oh, they may have been guilty of sales. You frequently want to catch them if they have a carload of stuff before it gets into the hands of the retailer. They ought to be subject to the prosecution. Now, as a matter of fact, of course, if a law of this sort is passed there probably will not be very many prosecutions if the miller feels that he is obliged to follow the law. Let us make him obliged to follow the law. If you insert the words "for sale" after the word "packed," it seems to me it would cover the objection offered by the gentleman from Tennessee, but to say that they shall be inserted also after the word "shipment" does not mean anything.

Mr. GARRETT. I did not myself suggest that it should be inserted after the word "shipment." Merely being on my feet, and inquiry being made about whether if it were inserted after the word "packed" in line 15 it would meet the condition, I said it might require some additional amendment further on; that that would meet the situation. That is all I am interested in doing.

Mr. MANN of Illinois. I understand.

Mr. GARRETT. I do not think anybody wants innocent people to be subjected to the possibility even of annoyance.

Mr. MANN of Illinois. Of course not.

Mr. LAYTON. I just want to ask a question for a little information. Suppose, for instance, I want to ship to a son or a relative some miles away from where I live. This now says it is unlawful, if I offer for shipment, unless it is in a standard package. Suppose I want to send 95½ pounds of buckwheat for winter use, am I making a breach of law?

Mr. MANN of Illinois. If you want to send 95½ pounds of buckwheat to somebody, you ought to have another guess coming. What sense would there be in weighing out 95½ pounds of buckwheat?

Mr. LAYTON. The sense would be this, that I would not be measuring my buckwheat when I was giving it away.

Mr. GARRETT. Or if you wanted to ship it to a friend.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GARRETT. Mr. Chairman, I ask unanimous consent for five minutes more, so that we can get this matter worked out.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to be allowed to proceed for five minutes. Is there objection to the request?

There was no objection.

Mr. VESTAL. I think if the words "for sale" were placed after the word "packed," it would probably accomplish what the gentleman wants. It would read "or cause to be packed for sale."

Mr. GARRETT. I think that amendment meets the situation in part.

Mr. LAYTON. I think it would meet both, because it is to be packed before it is shipped.

Mr. GARRETT. Probably that might be true. I ask unanimous consent, Mr. Chairman, to withdraw my amendment. Let the gentleman offer that amendment.

Mr. VESTAL. Mr. Chairman, I offer it.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to withdraw his amendment. Is there objection? [After a pause.] The Chair hears none.

Mr. VESTAL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. VESTAL: Page 2, line 15, after the word "packed," insert the words "for sale."

The CHAIRMAN. Does the gentleman from Indiana desire to be heard on the amendment?

Mr. VESTAL. I ask for a vote.

The CHAIRMAN. The vote comes on the amendment offered by the gentleman from Indiana.

The question was taken, and the amendment was agreed to.

Mr. GARD. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 2, line 19, after the word "in," insert the words "original unbroken."

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes.

Mr. GARD. Mr. Chairman and gentlemen of the committee, in the discussion in general debate on this bill questions were asked as to whether a grocer, for instance, who had purchased a barrel of flour could sell an amount of flour to a customer other than 5 pounds, 10 pounds, or any other fractional number of pounds authorized by this bill. It is to protect the sale in small amounts, or broken amounts, if one may use that word, to the consumer that I have offered this amendment, which is taken from the rules and regulations as to unbroken packages. I read from the laws relative to the control of food, regulation 2 as it appears on page 100 of the compilation that I have in my hand, which provides that—

The term "original unbroken package" as used in this act is the original package, carton, case, can, box, barrel, bottle, phial, or other receptacle put up by the manufacturer, to which the label is attached, or which may be suitable for the attachment of a label, making one complete package of the food or drug article. The original package contemplated includes both the wholesale and retail package.

Now, it is my idea that this amendment takes care and provides merely that it shall be in the original unbroken wholesale package as it comes to one who may afterwards sell to the retail trade. If the amendment is not included, this section 3 is open, at least, to the technical accusation that every package offered for sale, no matter where it may be or by whom, shall be one of the standard sizes established in section 2. It would seem to me that the purpose would be manifestly and properly carried out if the standard sizes set out in section 2 were the sizes made for shipment by the original manufacturer or wholesaler, so that when the package was put up at the place where it was manufactured it should be of the standard size and should contain the standard weight as set out on page 2, and for that purpose I offer the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from Texas asks for a division.

The committee divided; and there were—ayes 21, noes 0.

So the amendment was agreed to.

Mr. WALSH. Mr. Chairman, I offer the following amendment: On line 20, after the word "standard," strike out the word "sizes" and insert the word "measures."

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 2, line 20, after the word "standard" strike out the word "sizes" and insert in lieu thereof the word "measures."

Mr. WALSH. Mr. Chairman, in view of the fact that this bill purports to fix standards of measures, I think we would clarify the language in section 3 if we should recognize, at least in the section fixing the penalty, that we are attempting to do that which the Constitution permits us to do. In trying to establish a standard package we should make it clear that we are establishing a standard of measurement.

Now, the gentleman from Illinois [Mr. MANN] suggests that "a rose by any other name may smell as sweet." It may be true; but the language of the Constitution is specific, and I think we might well follow that phraseology.

I want to direct the attention of the committee to another act of Congress whereby we fixed the standard of measure. In passing the act of March 4, 1915, known as the "standard fruit and vegetable barrel law," we provided that the length of staves should be 28 inches and the diameter of the head and the distance between the heads and the thickness of the staves should be so much, and then provided that even though we fixed that as a standard, any barrel of a different form which had a capacity of 7,056 cubic inches should be considered as a standard barrel. Then we fixed the dimensions, size, cubic contents, and thickness of the staves of the barrel of cranberries, which are a product which makes a certain portion of my district famous, and in that respect we followed the precedent when we established a standard apple barrel bill, and there is an entire absence of any such detail in this legislation.

For that reason I think this amendment ought to appeal to gentlemen who are anxious that a standard shall be known, definite, and fixed. Let us make it clear that we are not establishing a standard of weight but a standard of measure.

Mr. WELLING. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. WELLING. If you changed the word "sizes," in line 20, to "measures," you would then refer to the measures presumably established in section 2. Will you please point out where any measures are established in section 2?

Mr. WALSH. Well, I think myself that I have not changed my mind since I discussed section 2 with the gentleman from Illinois [Mr. MANN]. We have not definitely fixed any measure in section 2.

Mr. WELLING. You have fixed weights in section 2.

Mr. WALSH. We have fixed containers—standard packages.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WELLING. Mr. Chairman, I ask unanimous consent that the gentleman may have two minutes more.

The CHAIRMAN. The gentleman from Utah asks unanimous consent that the gentleman from Massachusetts may have two minutes more. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts is recognized for two minutes more.

Mr. WELLING. We have fixed weights at least in section 2—standard weights. Would not the gentleman be willing to substitute "weights" for "measures" on line 20? Would he not be willing to substitute the word "measures" in place of the present word "sizes"?

Mr. WALSH. I do not think we have fixed any standard weights in section 2.

Mr. WELLING. We refer to them.

Mr. WALSH. We refer to standard packages. We have not fixed any standard weights in section 2. The standard of weights has already been fixed.

Mr. WELLING. In section 2 it is provided that they "shall be those containing net avoirdupois weight 100 pounds, or multiples of 100 pounds or the following fractions thereof: 5, 10, 25, and 50 pounds, and, in addition, but for commercial feeding stuffs only, 60, 70, and 80 pounds."

Mr. WALSH. That is the content of a standard package.

Mr. WELLING. No. A standard package is prescribed.

Mr. WALSH. That is the content of a standard package.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Mr. Chairman, will the gentleman yield there?

Mr. WALSH. I will, if I have any time left.

Mr. GARRETT. It seems to me that the gentleman's amendment would be still happier by using the word "packages."

Mr. WALSH. I think it would be very unsafe to use "standard packages." I contend that we have not the right to establish standard packages, but we have the right to establish standard measures.

Mr. TREADWAY. Mr. Chairman, I rise to oppose the amendment.

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes.

Mr. TREADWAY. Mr. Chairman, I think it is of very little consequence whether we use the word "size" or the word "measure." I would like, however, to call attention to the fact that for two days, now, the House of Representatives has been devoting its time to legislation contained in this bill of four pages. We have managed to finish up two pages. Now, if we have not any more important business before us than a bill of this nature, to take up two days of the time of the House of Representatives, I suggest that we recess for a week or two, and let us get caught up with our committee work. [Applause.]

Mr. BLANTON. I suggest that the gentleman come over and sit with us. [Laughter.]

Mr. TREADWAY. I am not a member of the steering committee, and I do not want to criticize that committee or offer any criticism about any individuals, but it does seem to me that the playful manner in which this discussion has gone along for two days is quite manifest. My colleague from Massachusetts, Mr. WALSH, is one of the ablest men in consuming time when he knows that that is the only object, to kill time. He is very clever at it. [Laughter.]

The amendment under consideration is an indication of his ability along that line. But in all seriousness I do want to suggest to the House that Members of Congress have work to do in addition to sitting here on the floor. But we are criticized if we are not here on the floor when the House is in session. If there is nothing better to do than to occupy two days with a bill of this nature and importance, I say let us recess and catch up with our office work three days at a time. [Applause.]

Mr. SAUNDERS of Virginia. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Indiana [Mr. VESTAL] a question for information. Suppose I purchase from my grocer in the little village where I live, 12 pounds of hominy. How would that grocer send the amount of that purchase to me?

Mr. VESTAL. I do not know how he would send it.

Mr. SAUNDERS of Virginia. What sort of a package would he put it in?

Mr. VESTAL. I could not tell the gentleman what sort of a package he would put it in, because I do not know the gentleman's grocer, and I do not know what kind of packages he is in the habit of using.

Mr. SAUNDERS of Virginia. I am supposing that my grocer is conforming his business to this proposed statute. Under the terms of this law how would that grocer send me 12 pounds of grits, or hominy, that is to say what sort of package or container would he be compelled to use?

Mr. VESTAL. I do not know anything in this law that would prevent him from sending 12 pounds of hominy in any way he chose.

Mr. SAUNDERS of Virginia. Let us see.

SEC. 3. That it shall be unlawful for any person, firm, corporation, or association to pack, or cause to be packed, to ship or offer for shipment, or to sell, or offer for sale, the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, which, when in package form, shall not be one of the standard sizes established in section 2 hereof and bear a plain, legible, and conspicuous statement of the net weight contained therein.

Now this section prescribes standard packages, or containers—and there is no 12-pound package, or 2-pound package.

The food must be in a package when he sends it to me, whether that be a box, or bag. I repeat my question. How would that grocer send me 12 pounds of hominy, having in mind that it must be dispatched in a package, or packages, designated as standard? Would he send it to me in a 15-pound container bearing an inscription showing that the contents were only 12 pounds? The bill does not give him that authority. What would he do, in order to be on the safe side of the law?

Mr. MANN of Illinois. I want to ask the gentleman a question.

Mr. SAUNDERS of Virginia. I would like to have my question answered by the gentleman from Indiana.

Mr. MANN of Illinois. The gentleman from Indiana answered the question.

Mr. SAUNDERS of Virginia. How did he answer it?

Mr. MANN of Illinois. That there was nothing in this law that would affect it.

Mr. SAUNDERS of Virginia. Is it the answer of the gentleman from Indiana that the grocer can send me 12 pounds in a 15-pound container?

Mr. VESTAL. He can send it to you in a tub if he wants to, or a washboiler.

Mr. LAYTON. Or an egg box.

Mr. MANN of Illinois. Would the gentleman permit his grocer to send him 12 pounds of hominy loose out of a barrel, or something of that sort?

Mr. SAUNDERS of Virginia. Certainly, just as your grocer sends you 12 pounds of sugar loose out of a barrel. The gentleman's question does not indicate that he is very familiar with the way in which business is done by grocers handling small orders.

Mr. MANN of Illinois. In my part of the country they do not permit that sort of thing, in the interest of pure food and the public health.

Mr. SAUNDERS of Virginia. Well in the country if a customer asks for sugar, the grocer goes to his barrel, and weighs it out. If you make an order, he weighs it from his barrel, and sends it to you in a bundle. That is the ordinary, customary way in which the business is done. But under this bill, in the case suggested, and it is one that will often arise, whenever you order an odd number of pounds of a mill product, the grocer will not know how to send the goods, and at the same time be within the terms of this act. You may say that there will be no prosecutions upon the state of facts supposed. That presents another question. The grocer may be willing to take a chance on being prosecuted, but that does not answer my question. Either he can, or can not send the goods in a 12-pound bundle. If the law does not give him the authority to fill a 12-pound order, by sending it in a 12-pound sack, or other container, or in a larger container suitably marked to show the actual contents, then when he undertakes to do so, he violates the law and is subject to prosecution, whether or not an actual prosecution ensues. It seems to me that the only thing he can do, as the law is worded, will be to ignore my order, and send me a standard package or packages of goods that will approximate as to weight most nearly to that order.

Mr. WINGO. Mr. Chairman, it has been frankly admitted that the legal effect of this bill is to make it illegal to put up any of these articles in irregular containers, but it is said that

nobody would want to prosecute an innocent man. In other words, you propose to make it a criminal offense for the housewife to do this, in order to catch the big miller who wrote the bill.

Mr. SAUNDERS of Virginia. That is a pitiful confession for the friends of this measure to make, that it is necessary to write a law in such terms that the usual things done in ordinary, everyday business, will be illegal, in the hope of discouraging, or deterring illegal practices on a larger scale. If that indeed is the attitude of the members of the committee which fathers this bill, then they are entitled to our sympathy.

The CHAIRMAN. The question is on the amendment of the gentleman from Massachusetts [Mr. WALSH].

The amendment was agreed to.

Mr. BANKHEAD. Mr. Chairman, I offer an amendment in lines 1 and 2, page 3, to strike out the words "in a court of the United States having jurisdiction."

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. BANKHEAD moves to amend line 1, page 3, after the figures "$500," by striking out the words "in a court of the United States having jurisdiction."

Mr. BANKHEAD. Mr. Chairman, I suggest this amendment for the reason that as a matter of course a violation of this statute could not be taken jurisdiction of in any other forum except a court of the United States having jurisdiction. It seems to me in the interest of good verbiage and good construction these words which appear in the bill are absolutely unnecessary and that they may be stricken out, because as a matter of fact any prosecution would have to be in a district court of the United States in the first instance. It seems to me that the language—

Shall be deemed guilty of a misdemeanor and be liable to a fine not exceeding $500—

should end the sentence.

Mr. WINGO. Mr. Chairman, I think it is unfortunate that the gentlemen in charge of the bill do not recognize the plain meaning of the language that they have used. I think also it would be more fortunate if some gentlemen who have attempted to defend the bill were more familiar with country life and with the habits of people who live in small communities. For illustration, following the suggestion of the gentleman from Virginia [Mr. SAUNDERS], section 3 provides—

That it shall be unlawful for any person, firm, corporation, or association to pack.

Now, let us paraphrase a little bit, and instead of saying—

Unlawful for any person, firm, corporation, or association—

let us take the individual farm wife who packs great quantities of hominy at one time. There are some cities of the country where it is poisonous to expose anything to the public gaze, and they think it is terrible for a farm wife to do what all farm wives do, and what those familiar with farm life know they do when they make hominy in large quantities. It is the best hominy on earth, far superior to this stuff that you can get in the city markets.

Mr. LAYTON. Undoubtedly.

Mr. WINGO. Now, let us paraphrase a little—

That it shall be unlawful for any housewife * * * to pack hominy.

In other words, if she does not pack her hominy in one of these packages they can hale her into court. Gentlemen say we have got to do that in order to prevent fraud on the part of the large miller. I am not interested in the solicitude of the large miller to protect the public against fraud, because the miller is the author of the bill. But gentlemen say that no district attorney, nor the Department of Justice, would prosecute the farmer who packs feed in sacks that are not of standard size, nor the housewife who packs hominy in nonstandard containers; that we can depend on the Department of Justice not to prosecute. Oh, we have had things like that, and it is a cause of trouble all the time. I had a case this morning where a little fellow runs the mail line and has to climb mountains with a Ford car, running between two trunk railways. It takes two days to go and return. A representative of the Government came around and said, "You have got to pay a tax; you are running in competition with the railway." Now, what has happened? I have got to send that man an affidavit, he has got to swear to it, and I have got to go and tell the department that there is no competition. In other words, you turn the Government agents into a judicial tribunal. God deliver us from a Government by agents and representatives going snooping around over the country. We have too much of that. If you want to fix a bill that will standardize the size of commercial products, you can say so in plain language—products that go into interstate commerce and that are put up for general consumption. You could do that, if you have not already gone far enough. You overlook the present law that protects a man from defective weight, impure stuff, but if you think it is more delectable and better for the public health and better for everything else that he must have it in certain sized packages, say so, and that it is for commercial transactions and not little transactions.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WINGO. I ask unanimous consent for 5 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARRETT. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. GARRETT. I desire to call the attention of the gentleman from Arkansas to the fact that an amendment has been adopted in line 15, after the word "pack," to insert the words "for sale."

Mr. WINGO. I am glad that that was offered. I was out of the Chamber for a few moments eating lunch.

Mr. GARRETT. I think the gentleman from Virginia [Mr. SAUNDERS] raised a very serious question, and the gentleman from Arkansas has also raised a serious question, if it had not been that this amendment was adopted.

Mr. WINGO. As I understand the gentleman, the words "for sale" have been inserted after the word "pack."

Mr. GARRETT. Yes; that it shall not be packed for sale.

Mr. WINGO. Let us see. Frequently the farmer's wife makes hominy in my country and sends it to town for sale. If she packs it and sends it to town for sale she would have to pack it in a standard container.

Mr. GARRETT. Yes; it probably ought not to be, but I think that is true. The suggestion of the gentleman from Virginia, I hope, was met in a measure by the amendment proposed by the gentleman from Ohio [Mr. GARD].

Mr. SAUNDERS of Virginia. Will the gentleman yield in that connection?

Mr. WINGO. I will yield.

Mr. SAUNDERS of Virginia. I had in mind an amendment to meet that suggestion and I went to the desk to find if any amendment had been adopted in that line. If the gentleman from Indiana had been aware of that amendment he would have been in a position to answer my question.

Mr. VESTAL. If the gentleman had been on the floor he would have known of the amendment.

Mr. WINGO. The gentleman from Virginia should not be too severe on the gentleman from Indiana. He suggested that the hominy might be packed in a tub. Now, I do not know what kind of a tub they have in Indiana, but in my part of the country a tub could not be used for ground sorghum stalks or ground feed, and would not be considered a proper receptable for packing hominy.

Mr. McLAUGHLIN of Michigan was recognized.

Mr. VESTAL. Mr. Chairman, I ask unanimous consent that all debate on this section and amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that all debate on this section and amendments thereto close in 10 minutes. Is there objection?

Mr. SAUNDERS of Virginia. Reserving the right to object, I would like to have five minutes.

Mr. VESTAL. I will make it 15 minutes, Mr. Chairman.

The CHAIRMAN. The gentleman modifies his request and makes it 15 minutes instead of 10. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Chairman, is not the regular order a vote on the amendment that I offered? I think debate has been exhausted on that amendment.

The CHAIRMAN. The Chair apologizes to the gentleman from Alabama. The question is the amendment offered by the gentleman from Alabama.

The question was taken, and the Chairman announced that the noes had it.

Mr. BANKHEAD. Mr. Chairman, inasmuch as I only heard one vote in the negative and two or three in the affirmative, I ask for a division.

The committee divided; and there were 25 ayes and 19 noes.

So the amendment was agreed to.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I wish to call the attention of the committee to the use of two small words that I think is wrong. This is a criminal statute and must be strictly construed. We find in line 17, on page 2, the following language:

It shall be unlawful for any person, firm, corporation, etc., to pack, or cause to be packed, etc., the following wheat-mill and corn-mill products, etc.

I think the word "and," in line 17, should be "or"; otherwise, in case of arrest and prosecution, unless it can be shown that the defendant has both packed and shipped—that is, unless he has violated all these provisions or in all respects—it will not be possible to convict him. In line 18 the word "and" occurs after the word "grits" and also after the word "meals," and if a man is to be prosecuted it must be shown that he is guilty of selling wheat-mill products and corn-mill products and commercial feed products. I think the word "and" should be changed to "or." I have had some experience in drawing indictments, and I have had some experience in prosecuting under criminal statutes. I have also had a little experience here in drafting statutes to which criminal penalties are attached, and in my judgment the several different things that are hereby made unlawful should be connected, or rather separated, by the word "or"; they should not be connected by the word "and."

I would never draw a criminal statute in the way in which this one is drawn.

Mr. VESTAL. Mr. Chairman, the gentleman will find that following the words "wheat-mill and corn-mill products" the various things are specifically named.

Mr. McLAUGHLIN of Michigan. But they are not the same; they are different products. One might violate respecting one and not the other. As the section is now drawn, in order to convict a defendant, it must be shown that he has violated respecting all of them; and the same is true in line 18 in respect to commercial feeding stuffs.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. WINGO. The language "and all commercial feeding stuffs" is purely surplusage. The courts would hold that you are limited to the divisions named—flour, hominy, grits, and meals. The court has decided that question time and time again. That is surplusage. This is a penal statute, and you would have to show it was either flour, hominy, grits, or meals, because you have undertaken to set out certain classes, and where you have named the classes that excludes all others.

Mr. McLAUGHLIN of Michigan. The naming of certain things excludes others that are not named; that is true, but a man may violate respecting one of these things when he is not violating another.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. You would have to put it all into the indictment, and by your proof you could not show his guilt. I yield to the gentleman from Texas.

Mr. BLANTON. Following the criticism made by the gentleman from Massachusetts [Mr. TREADWAY], I would like to ask the gentleman whether, inasmuch as this bill deals with chicken-feed containers, he would designate this as chicken-feed legislation?

Mr. McLAUGHLIN of Michigan. I would characterize some of the criticisms as chicken-feed criticisms by those who wish to attract attention to themselves as being more industrious and virtuous than others. I think this is an important bill, but if it is passed in its present form it will contain serious faults, in my judgment. I agree with the criticism of the gentleman from Arkansas [Mr. WINGO] respecting it. It is carelessly and improperly drafted. There ought to be some amendments, and I am suggesting one that I think is pertinent and necessary. It can be laughed out of court, as some of the gentlemen have tried to laugh away some of the amendments offered, like the criticism made by the gentleman from Virginia [Mr. SAUNDERS] when he points out that it will be impossible for a man to buy 8 pounds of hominy. He must buy a "standard" package containing 10 pounds, otherwise he and the merchant who sold it to him would both be subject to prosecution. He raised that question and he was laughed out of court, but he was right.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. HARDY of Texas. Would it not be better to strike out "wheat-mill and corn-mill products" and just say "flour and meal products, namely"?

Mr. McLAUGHLIN of Michigan. It should read, "Any of the following mill products," and not all of them. Otherwise a man could not be convicted unless he had violated the statute respecting all of them. That is my criticism.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CONNALLY. Mr. Chairman, I offer an amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 3, after the figures "$500," insert the following: "By the term 'in original unbroken package form,' as used in this act, is meant any form of original package or carton or other container made or prepared to contain products for sale in such original package or other container and purporting to contain any specific weight or measure."

Mr. CONNALLY. Mr. Chairman, the purpose for which I offer this amendment is to obviate some of the objectionable features that have been pointed out by the gentleman from Arkansas [Mr. WINGO] and others in respect to inhibiting the farmer or the farm wife from packing and selling products in whatever available vessels or containers may be at hand. The bill has already been amended in section 3 to provide that these acts which are denounced shall be unlawful only when goods are packed for sale in original, unbroken package form. Under the amendment I propose that term is defined so that if this amendment is adopted the merchant could sell 3 or 6 or 8 or 9 pounds of any product in his store without violating the law, unless that product was packed in an original box or carton or package which was manufactured to contain such article and purported to contain a specific number of pounds. So that under the terms of the amendment a farm wife could sell the hominy that is home manufactured in any kind of container, so long as that container was not specifically manufactured to contain some particular number of pounds of hominy, or was not manufactured for use in containing such article in an original package. In the event such a package is used, then it would conform to the bill. It seems to me that if you adopt this amendment you will remove those objections to this bill which have been pointed out, and they ought to be removed. The miller is not concerned with sales in communities and is not concerned with the retail dealer selling articles in bulk, and it would not at all interfere with the requirements as to his business which the bill imposes. We all know, of course, that this bill was proposed by the millers. It is claimed that they want some standard measurement fixed for their products, so that there will be uniformity throughout the country.

But if the farmer's wife or somebody in the great city should want to go to a grocery and buy 3 pounds of flour or 7 pounds of flour or any number of pounds of an article which is shipped by the dealer in bulk, she ought to have the right to do so and the dealer ought to have the right to make such sales. There is no imposition involved in a sale when a purchaser comes and says he wants 6 pounds of some particular article. The dealer weighs out 6 pounds, sells it to her, and he ought to be permitted to do that and he is violating no law now on the statute books, and under my amendment he will be violating no law proposed to be enacted in this measure.

Mr. HARDY of Texas. Will the gentleman yield.

Mr. CONNALLY. I will.

Mr. HARDY of Texas. Under this measure, if the housewife here in Washington went down to her grocery that she deals with having 50 cents in her pocket and flour was worth 8 cents a pound and she wanted to buy 50 cents worth of flour, could the dealer weigh it out, put it in a paper bag as a package, and sell it to her?

Mr. CONNALLY. I rather think under the amendments already adopted he could do that, because it would not be in the original unbroken package, and my amendment is to amplify and clarify what is meant by the original unbroken package, so as to permit her to do that very thing and to remove, so far as possible, the annoyances and inconveniences which the bill would otherwise impose on the retailers and their customers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SAUNDERS of Virginia. Mr. Chairman, I desire to ask the gentleman from Michigan [Mr. MCLAUGHLIN] the question that I rose to ask him a moment ago in line with the suggestions he was making—the merits of which I think will be conceded by every lawyer on this floor—Would it not be also true that in line 18 the word "all" ought to be "any," otherwise for the purpose of conviction the prosecuting officer would have to show that the wrongdoer had sold all of these commercial feedstuffs?

Mr. McLAUGHLIN of Michigan. I think the gentleman from Virginia is right in line with my suggestion and my idea of the bill.

Mr. SAUNDERS of Virginia. I desire to offer the following amendment. Strike out the word "all," and insert the word "any."

Mr. BANKHEAD. There is an amendment pending.

Mr. SAUNDERS of Virginia. I am offering it in my time, and am not interfering with any other amendment.

The CHAIRMAN. The gentleman from Virginia offers the amendment which the Clerk will read for information.

The Clerk read as follows:

Page 2, line 18, strike out the word "all" before the word "commercial" and insert in lieu thereof the word "any."

Mr. SAUNDERS of Virginia. Now, Mr. Chairman, the gentleman from Massachusetts [Mr. TREADWAY] seemed disposed to

criticize the committee for taking an undue amount of time in the consideration of this bill. I think this discussion has been one of the most fruitful discussions that I have ever followed because it has served to reveal the utter lack of comprehension of his task by the person or persons who originally submitted this bill to the committee, a bill which the gentleman from Indiana proudly states was unanimously reported by that committee. [Applause.] Without the amendments which have been added by the Committee of the Whole by the votes of Members on both sides of the aisle, this bill would impose the very greatest hardships and injustices in its practical operations upon small dealers, and that portion of the public dealing with small dealers. [Applause.]

As has been pointed out by the gentleman from Texas [Mr. HARDY] and by others, it would be illegal under this act as drawn for a grocer in a village, or small town, or for that matter in a city to send out 6 pounds of sugar in any package other than a standard package.

Mr. BLANTON. Flour.

Mr. SAUNDERS of Virginia. I should have said flour. We all know that in the small villages of the country these mill products are handled in bins. Think of the hardship involved in forbidding a grocer to send out a 6, or 7, or 11 pound package of grits, or hominy, or flour, but limiting his sales, and therefore the orders of his customers to the standard packages. So I say that the discussion in this body and the various amendments which have been offered, the amendments of the gentleman from Michigan, the amendment of the gentleman from Ohio [Mr. GARD], and other amendments correcting the original crudities of this measure, have been of the very greatest value. I do not think, Mr. Chairman, that there can be any question that the amendments offered by the gentleman from Michigan, and the amendment offered by myself ought to be adopted. Otherwise, when the officers of the law seek to secure a conviction under this act, they will be required to show that the defendant has sold all of the articles referred to. Such is not the real intent of the law. That intent is effectuated by the amendments proposed.

The CHAIRMAN. The time of the gentleman has expired; all time has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I do not wish to occupy time, but I wish to offer an amendment without debate.

Mr. MANN of Illinois. There are two amendments pending.

The CHAIRMAN. They were merely offered for information.

Mr. McLAUGHLIN of Michigan. If I have an opportunity to offer it after the others——

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken, and the amendment was agreed to.

Mr. McLAUGHLIN of Michigan. Mr. Chairman I offer the following amendment: Page 2, line 17, strike out the word "and" and insert the word "or"; line 18, after the word "meals," strike out the word "and" and insert the word "or."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan [Mr. McLAUGHLIN].

The Clerk read as follows:

Amendment by Mr. McLAUGHLIN of Michigan: Page 2, line 17, after the word "wheat-mill," strike out the word "and" and insert in lieu thereof the word "or"; line 18, after the word "meals," strike out the word "and" and insert the word "or."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division, just for the purpose of checking up the committee.

The committee divided; and there were—ayes 22, noes 0.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That the provisions of this act shall not apply to packages of the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, when intended for export to any foreign country, and packed according to the specifications or directions of the foreign purchaser, agent, or consignee; but if said wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, shall, in fact, be sold or offered for sale for domestic use or consumption, then this exception shall not exempt said articles from the operation of any of the other provisions of this act: *Provided, however,* That when packages of said wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs originally intended for export, have been packed in the packages customarily used in any foreign country, and it becomes necessary to offer these for sale or to sell them for domestic use or consumption, then such export packages may be sold for domestic use or consumption by special contract, if approved by the Director of the Bureau of Standards.

Mr. GARRETT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARRETT: Page 3, line 22, after the words "by the," strike out "Director of the Bureau of Standards" and insert "Secretary of Agriculture."

Mr. GARRETT. Mr. Chairman, if this amendment shall prevail, of course it would logically be followed by amendments to subsequent sections changing the administration of this law from the Director of the Bureau of Standards and the Secretary of Commerce to the Secretary of Agriculture.

Now, I am not clear in my recollection as to where the enforcement of these prior standard laws that Congress has passed has been placed. Perhaps the gentleman from Indiana [Mr. VESTAL] can tell me whether they have been placed under the Director of the Bureau of Standards.

Mr. VESTAL. The Bureau of Standards in all these weight and measure bills.

Mr. GARRETT. Well, that being the case, possibly it should be continued as regards this measure, and yet somehow, Mr. Chairman, I am impressed with the thought that the Congress ought to try to centralize the enforcement of acts of this character in some one department in order to prevent a duplication of work.

Now, the Department of Agriculture is charged with the enforcement of the pure-food act. It is charged with the enforcement of various acts, and the duties of the agents of the Department of Agriculture in enforcing those acts will be exactly in line with the duties of the agents who will be employed in the enforcement of this act. And I am exceedingly anxious to do all that we can to prevent duplication and to prevent the building up in different departments here of large machines at the public expense for the enforcement of these simple statutes. I believe that this act may very properly, dealing, as it does, wholly with food and feed stuffs, be placed in the Department of Agriculture for enforcement.

Mr. WALSH. Will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. WALSH. What does the gentleman understand by the language in this proviso:

When approved by the Bureau of Standards, that it may be sold by special contract.

Does that mean that a person going into a grocery store to get some of these meals, and they have them in these packages, there has got to be some special transaction before he can purchase them different than if they were put in a regular package?

Mr. GARRETT. I suppose that the common-sense meaning of it would be this, that if a miller has prepared certain of these stuffs for export, to be sold in a foreign country, and has packed them according to the provisions of that country, and then for some reason finds that he can not export them, he will be permitted by a special contract to sell them to retailers in domestic consumption. And then I presume that there would necessarily have to be something to show that the retailer was in lawful possession of them, so that he would have the right to resell them without violating any law. And I presume that is what it means. If it does not, it does not mean anything. For the reason stated, in order to prevent the duplication, unless the gentleman from Indiana [Mr. VESTAL] or some other gentleman can give me some good reason why another organization should be built up in another department, employing the Lord only knows how many agents for this enforcement, going out over the country and duplicating work, I shall insist upon my amendment.

Mr. FESS. Will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. FESS. I am inclined to agree with what the gentleman says. The Agricultural Department has the administrative feature very well organized, while the Bureau of Standards is more of a research institution. There is no particular research demanded here, is there, and no technical knowledge?

Mr. GARRETT. None whatever that I can see. It is plainly detective or investigating work, just exactly like that which the Department of Agriculture is carrying on every day in the enforcement of the pure-food act and other similar laws.

Mr. FESS. It strikes me the gentleman's suggestion is a good one, and unless there is reason why it should not be voted down it should be voted up.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DAVIS of Tennessee. Mr. Chairman, I move to strike out the last word.

I do that for the purpose of making an announcement. The State Department and the Associated Press have received a telegram to the effect that Consular Officer Jenkins was released on the order of the court last night at 10 o'clock and immediately went to his home. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. GARRETT].

The question was taken; and the Chair announced that the ayes seemed to have it.

Mr. MANN of Illinois. Division, Mr. Chairman.

The committee divided; and there were—ayes 20, noes 16.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the enacting clause of the bill.

The CHAIRMAN. The gentleman from Alabama moves to strike out the enacting clause.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, it seems to me from the discussion that has been had upon this bill, that the proponents of the measure have failed absolutely to show any convincing reasons why this bill should be enacted at the present time.

There is an absolute lack of any evidence to show that there is any general demand on the part of the people of this country, who will be in large measure affected by the drastic provisions of the propositions contained in this bill; but, on the other hand, it is practically admitted that the bill itself has been initiated and sponsored and drafted in a large measure by the large milling interests of this country.

Gentlemen, I want to say to you that I believe if there is anything that the people of this country as a whole are sick and tired of it is a continuance of these stringent governmental regulations in the private business affairs of the people of this country. During the operation of the war measures extraordinary powers were conferred on the centralized Government here in Washington, and the people bore a great many of those things wth patience because they recognized them as necessary. But here, under a program of reconstruction, gentlemen, there is deliberately brought in for permanent use in this country a series of regulations that violate absolutely, in my judgment, not only the provisions of the Constitution but violate any existing necessity for the passage of this legislation.

Mr. Chairman, I think that is all I have to say on the proposition. There has been enough discussion here to show the absence of any necessity for this legislation.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Alabama.

Mr. MONDELL rose.

The CHAIRMAN. Does the gentleman from Wyoming desire to speak in opposition to the proposition?

Mr. MONDELL. I do.

The CHAIRMAN. The gentleman from Wyoming is recognized for five minutes.

Mr. MONDELL. Mr. Chairman, it is very easy to find fault with a bill like this. I do not know of anything easier or simpler. We all know that it is tremendously important to have a flour and feed products standard established. Everybody knows that. A barrel of flour does not mean the same thing in the various States in the Union. The people of the country are being constantly imposed upon because there is no standard, and every profiteer and every dishonest dealer in the country can impose upon those to whom he sells goods. Everybody is agreed that this is an intolerable condition. We set about to establish standards of one kind and another years ago. We have advanced along that line until now we have reached this bill and the matters it refers to, and as I recollect it no one appeared in the committee against the bill.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield for a question?

Mr. MONDELL. The gentlemen who fear that somewhere sometime some housewife may have some difficulty because she loans to a neighbor a cupful of flour, or some country grocery man sells a pound or two, are willing to sacrifice the whole matter of standards out of that fear, which reminds one of the ancient maiden lady who was found in a flood of tears, explained by the fact that it had just occurred to her that she might have been married in her early years, and, having been married happily, she might have had a child, and that some serious accident might have occurred to that child, and the thought of it drove her to tears; her fears had just about as much basis and foundation as most of the fears that have been suggested in connection with this legislation; just about as much. They are in the realm of fancy and imagination and improbability.

And yet gentlemen have conjured up these fears, and having brought themselves to believe that there is some basis for them they are willing to have the present unsatisfactory condition continued, under which the people of the country can be cheated, and cheated continuously, by dishonest dealers, because there is no standard established for products of this kind.

Now, if gentlemen want to go before the country defending the defeat of legislation that is intended to compel honest dealing, well and good. That is all there is in a situation of this kind. Shall we or shall we not know what constitutes a barrel of flour or a sack of flour in America? We never have known nationally; it is about time we should know, and this bill attempts to make provision for it. If the bill is not in entirely proper form, let us put it in proper form. We have been discussing and amending it for two days with that object in view.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. And gentlemen have very little faith in their amendments if, after having amended it numerous times, they now think it is unsatisfactory.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. BLANTON. After this bill is passed, will the gentleman from Wyoming kindly tell the committee what will constitute a barrel of flour under the provisions of this bill?

Mr. MONDELL. It provides for various standard packages.

Mr. BLANTON. Then we will have a barrel of flour in half a dozen different packages.

Mr. KNUTSON. What is the difference, as long as it weighs the same?

Mr. BLANTON. But, unhappily, nowhere does the bill provide what constitutes a barrel of flour.

Mr. MONDELL. Well, if the gentleman wants just exactly that provision in the bill, why does he not offer a provision stating what a barrel of flour shall weigh? It is not necessary in the establishment of a standard to do that.

Mr. BLANTON. If it were amended in any other particular, the committee would not know its own child. [Laughter.]

Mr. MONDELL. That may all be.

Mr. KNUTSON. I do not know that any committee could bring in a bill that would meet with the supreme wisdom of the gentleman from Texas.

Mr. BLANTON. Oh, yes; I have been associating with the gentleman from Minnesota lately. [Laughter.]

Mr. KNUTSON. Yes; and if the gentleman will associate a little longer, he will get a little wisdom. [Laughter.]

The CHAIRMAN. The committee will be in order.

Mr. SINNOTT. Mr. Chairman, I rise to a point of order against the motion to strike out the enacting clause, that it is not in order under the rule; and I wish to cite——

Mr. WINGO. I make the point of order, Mr. Chairman, that the gentleman is too late. The motion to strike out the enacting clause is an amendment.

Mr. SINNOTT. No; I am not too late.

The CHAIRMAN. Will the gentleman from Oregon cite his authority?

Mr. SINNOTT. I wish to cite to the Chairman section 3215 of Hinds' Precedents, volume 4:

A special order providing that a bill should be open to amendments in Committee of the Whole was held to prevent a motion to strike out the enacting clause. * * *

After debate the Chairman held:

The Chair would like to call the attention of the gentleman from Texas to the reading of the special order under which we are operating. The Chair will hold that under the provisions of the special rule under which the committee is now operating the motion of the gentleman is not now in order.

This rule provides for the consideration of this bill, and the motion to strike out the enacting clause would now set aside the rule adopted by the House to consider the bill. The rule provides that at the conclusion of the general debate the bill shall be read for amendment under the five-minute rule, and thereupon the committee shall rise and report the bill to the House with amendments, if any, that have been agreed upon.

This motion to strike out the enacting clause, especially before the bill has been fully read, is surely not in order, because it sets aside the special order adopted by the House for the consideration of this bill.

Mr. WALSH. What is to prevent the committee rising and reporting to the House that the bill has been amended by striking out the enacting clause?

Mr. SINNOTT. This motion has been made before the bill has been read.

Mr. WALSH. It is being read under the five-minute rule, and under the five-minute rule a motion to strike out the enacting clause is in order after the first section has been read.

Mr. SINNOTT. The rule provides that the bill shall be read; that is, that it shall be read through.

Mr. WINGO. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. There is one point of order pending now.

Mr. WINGO. I make the point of order that the point of order comes too late. The point of order might have been good if raised at the proper time, but there has been debate upon the amendment to strike out the enacting clause. Now, the House can waive a point of order. The Chair is familiar with that rule. The point of order should have been made the very moment the motion to strike out the enacting clause was made. Debate has intervened, and there is absolutely no question that this point of order comes too late. I make the point of order that it does.

Mr. MANN of Illinois. Mr. Chairman, the gentleman from Arkansas just stated, as I understood him, that the point of order made by the gentleman from Oregon would have been good if made in time.

Mr. WINGO. I am inclined to think, at first blush, it might have been if it had been made at the time the motion was offered, though I am not sure at the moment.

Mr. MANN of Illinois. The point of order goes to the authority of the committee.

Mr. WINGO. Is not that true on every amendment?

Mr. MANN of Illinois. If the rule forbids the committee considering a motion to strike out the enacting clause before it finishes the reading of the bill, then the point of order does not come too late, and it would be the duty of the Chair, without any regard to the point of order, if his attention was directed to it, to declare the committee to be without the power to do a thing which the House had ordered should not be done.

Mr. WINGO. What the gentleman says is true, and it is also true that the rules of the House forbid an amendment which is not germane; but if the House sits by and permits an amendment to be offered that is outlawed by the rules and permits debate, then the rules of the House say that the House is estopped from raising the point of order.

Mr. MANN of Illinois. The House did not sit by. The House is not here. This is the Committee of the Whole.

Mr. WINGO. Well, the Committee of the Whole. Let me give the gentleman an illustration. Suppose when we are in Committee of the Whole an amendment is offered which is not germane. Under the rules of the House we are limited to the consideration of matters germane to the bill under consideration; but if the committee permits an amendment to be offered that is not germane, an amendment that is contrary to the rules, and no point of order is raised, then after debate has intervened it is estopped from raising the point of order. That is the rule of the committee itself.

Mr. MANN of Illinois. That is true, and that is the common practice of the House, but it is not this case at all.

Mr. SINNOTT. Mr. Chairman, this is an effort in the Committee of the Whole to set aside a special order of the House. The Committee of the Whole has no jurisdiction to do that.

Mr. GARRETT. Mr. Chairman, I do not know the form of the rule or the character of the bill which was involved in the case that has been cited by the gentleman from Oregon [Mr. SINNOTT].

Mr. SINNOTT. It is very much like the special order in question. Here is the rule under which the House was acting at the time that decision was made:

* * * That general debate shall continue on said bill during each day until 5 o'clock p. m., and at evening sessions, to which a recess shall be taken, to be held from 8 o'clock till 11 o'clock p. m., until and including Thursday, the 25th day of March, unless sooner concluded; that from the conclusion of general debate until the 31st day of March there shall be debate upon the said bill by paragraphs, and during this time the bill shall be open to amendment as each paragraph is read, but committee amendments to any part of the bill shall be in order at any time.

There is very little difference.

Mr. GARRETT. I think there is a very great distinction between that resolution and the resolution under which the committee is now proceeding. That resolution fixed a definite time during which the bill was to be considered. It fixed a particular day. The distinction between that and this case is that this fixes no time limit. Unless I am very much in error in my recollection, it has been uniformly held that any bill which comes up under the general rule of the House on the Union Calendar and is considered in the House in Committee of the Whole may be amended by striking out the enacting clause in committee at any time during the progress of the bill. That is under the general rules of the House where it comes up for consideration under those general rules. Take an appropriation bill. It would be in order at any time during the consideration of an appropriation bill to move in Committee of the Whole to strike out the enacting clause. This special resolution under which this bill is being considered does not fix any time limit, does not provide that the consideration shall conclude at any particular time, but it provides that the bill shall be considered under the five-minute rule. What five-minute rule? Why, the five-minute rule prescribed by the general rules of the House. Therefore the fact that this is being considered under a special order, that special order being worded as it is, does not change its status from that of a bill privileged under the general rules of the House. And while I shall vote against the motion to strike out the enacting clause, I respectfully submit that the motion offered by the gentleman from Alabama is in order.

Mr. SAUNDERS of Virginia. Mr. Chairman, while I recognize the plausible character of the suggestion made by the gentleman from Illinois [Mr. MANN], I submit that the suggestion is merely plausible and nothing more. It is perfectly true that a question of authority is presented, but all things proposed to be done that are contrary to the rules present a question of authority. Permit me to illustrate. Section 776 of our House Manual provides that no motion, or proposition on any subject different from that under consideration shall be permitted under cover or guise of amendment. Suppose a bill relating to fisheries is before the House, and some Member offers an amendment that effects a radical reorganization of the Army, or Navy.

This amendment is plainly open to the objection that its consideration is contrary to the rules and in excess of the authority of the House. A question of authority is therefore presented, if objection is made in time. But if debate is allowed to proceed, the point of order will not be entertained thereafter. When such an amendment is offered, an opportunity is afforded to make the point of order, but if no one rises to make the point, and debate proceeds, the time has passed in which the point of order can be made, and thereafter the Members are estopped from raising the point of order, or if it is raised from having it considered by the Chair. That is this situation. An amendment was offered under the five-minute rule and discussed as an amendment for fully five minutes. The proponent of the amendment thereupon took his seat. Another Member was then heard in opposition for five minutes. At the conclusion of the debate the question of order that the amendment was not in order under the special rule was raised for the first time. I submit that the gentleman from Oregon was estopped from making the point of order at the time he raised it, in other words, the gentleman had slept on his rights.

The question of authority presented, if raised in time, might have sustained the point of order, just as a point of order to a non-germane amendment is good, if raised in time. The Chair can not now entertain a point of order which should have been made at the time prescribed by our rules and precedents. The gentleman has lost his day in court.

Mr. WALSH. Mr. Chairman, I would like to ask the gentleman from Virginia a question. Suppose somebody in Committee of the Whole made a motion to lay the bill on the table, a motion which is clearly out of order, and nobody made a point of order against it, and it was voted to lay it on the table. Would the gentleman claim that that could be reported to the House?

Mr. SAUNDERS of Virginia. The gentleman from Massachusetts has presented a proposition to which I can not agree. I am aware that it is commonly said that it is not in order to lay a matter on the table in Committee of the Whole, but conceding that the motion is made, and the bill without objection is laid on the table, then that is the end of the matter in the committee, unless a motion to reconsider can be made. Any question thereafter must be raised in the House. Now if in the Committee of the Whole we do something contrary to the instructions of the House, then any question over that action, if it can be raised at all, must be raised in the House.

Mr. WALSH. Suppose a member of the committee should now get up and make a motion to adjourn. Nobody raises the point of order and the motion is carried. Would the gentleman state, then, that the House had adjourned?

Mr. SAUNDERS of Virginia. No, the House would not have adjourned, but if the committee votes to adjourn and actually rises, that session of the committee would certainly be terminated. The gentleman's questions are interesting, but the situations presented by him are not analogous to the pending situation, which is one of an amendment that may, or may not be subject to a point of order, but as to which no question of order was presented until debate on the merits had been concluded.

Mr. MANN of Illinois. Mr. Chairman, we are not entirely without a precedent in this matter. On June 11, 1902, the Committee of the Whole House on the state of the Union was considering under a special rule of the House a bill providing for the construction of a telegraph or cable line between the United States and the Philippine Islands. The gentleman from Georgia, Mr. Adamson, at one time in debate moved to strike out the enacting clause. I made the point of order that the special

order under which the bill was considered provided for the consideration of the bill under the five-minute rule, and that therefore the motion to strike out the enacting clause might in effect be the means of abrogating that provision of the order—the precise question that is raised here now. But before I made the point of order debate had begun on the motion to strike out the enacting clause.

The Chairman, Mr. Lacey, of Iowa, one of the best chairmen that the House ever had in parliamentary matters, held:

Without deciding the question as to whether under the special rule under which we are proceeding, objection would have been in order if it had been made in time, the Chair is of opinion that the point of order not having been made, it is now too late to make it, just the same as in case of the rule forbidding legislation on an appropriation bill, if the point is not made when such amendment is offered, or until after debate, it comes too late. The Chair therefore holds that the point of order is not well taken.

I probably did not fully agree with the ruling of the Chair at the time. But, after all, that is the ruling of the House. Personally I am inclined to think that under the rule adopted by the House the motion to strike out the enacting clause is in order at any time, because it is a question which can be made under the rules of the House when the bill is being considered under the five-minute rule. I believe in giving the Committee of the Whole the widest latitude that is possible under the rules of the House.

The CHAIRMAN. The Chair is ready to rule. The question raised here is rather involved, but the Chair has consulted several authorities referred to in the debate and feels clear on the point involved. The gentleman from Oregon properly refers to the paragraph 3215 of Hinds' Precedents, volume 4, in support of his contention. It seems to the Chair that in the decision rendered, referred to in that paragraph, the whole matter hinged on whether or not the point of order was made before debate had begun. We must concede in the point of order now before the committee that debate had taken place before the point of order was made. The gentleman from Alabama [Mr. BANKHEAD] had made his motion to strike out the enacting clause and had debated it for a number of minutes. Therefore, as debate had taken place, in the Chair's opinion the citation of paragraph 3215 does not parallel the question now under discussion, because debate had already been had, while in that reference the decision was based on the fact that debate had not taken place previous to the point of order being made.

Mr. BANKHEAD. Mr. Chairman, the gentleman from Wyoming had also discussed it for five minutes.

The CHAIRMAN. It makes no difference how many people discussed it; if it was discussed at all, that is sufficient. The Chair now refers to volume 5, Hinds' Precedents, section 6902, which was referred to a moment ago by the gentleman from Illinois [Mr. MANN], and the Chair had this ruling in mind before the gentleman from Illinois called his attention to it. It seems to the Chair that this case is almost a parallel case to the one now presented to the committee. As the gentleman from Illinois [Mr. MANN] has quoted it in full, the Chair will not repeat the ruling rendered at that time, a ruling on which he founds his own ruling, but will insert it as part of his decision, as the reason why he is going to overrule the point of order. The Chair therefore overrules the point of order made by the gentleman from Oregon [Mr. SINNOTT], on the ground that the point comes too late.

Section 6902, volume 5, Hinds' Precedents:

A point of order against the motion to strike out the enacting clause must be made before debate has begun.

On June 11, 1902, the Committee of the Whole House on the state of the Union was considering the bill to authorize the construction, etc., of telegraphic cables, etc., when, the reading of the bill for amendment having begun, Mr. Adamson, of Georgia, moved to strike out the enacting clause. Debate having begun on his motion, Mr. MANN of Illinois made the point of order—

And so forth.

In deciding the point the Chairman said:

Without deciding the question as to whether, under the special rule under which we are proceeding, objection would have been in order if it had been made in time, the Chair is of opinion that the point of order, not having been made, it is now too late to make it, just the same as in the case of the rule forbidding legislation on an appropriation bill, if the point is not made when such an amendment is offered, or until after debate, it comes too late. The Chair therefore holds that the point of order is not well taken.

The question now is on the motion made by the gentleman from Alabama to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. BANKHEAD) there were—ayes 19, noes 95.

So the motion was rejected.

Mr. STEVENSON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 3, line 6, after the word "intended," insert the words "for sale within the State where packed or."

Mr. STEVENSON. Mr. Chairman, this brings up again the question of whether this shall be a regulation of interstate commerce or a regulation of all of the details of milling within every State, regardless of whether the goods shall go in interstate commerce or not. It is only justified when it is frankly admitted that it is for the purpose of regulating all packages, whether they go into interstate commerce or not, under the right provided in the Constitution to fix the standard of weights and measures.

I contend that it is not a bill to fix the standard of weights and measures, but it is a bill to standardize the packages in which these products shall be sold. The first provision is that the standard of weights shall be 100 pounds avoirdupois. That looks like the regulation of the standard of weights, and if you would stop there you might be fixing a standard weight for a package of flour at 100 pounds, but you go on to say that you can not sell it unless you sell it in a standard-weight package or in four or five other sized packages. You have five or six standards or you have none, if you are fixing a standard size or weight, and therefore you are simply regulating the size of the package. You are not regulating the number of ounces in a pound nor the number of pounds in a ton nor the number of pounds even in a sack. You allow seven or eight different sized packages, and it is not a regulation of the standard of weights or measures. As I said a while ago, you can fix at 128 the number of cubic feet in a cord of wood, but do you think you could fix the number of feet in a load that a man would be allowed to sell? Would that be fixing a standard of measure or regulating the amount sold?

I bring this matter up. The committee has already voted upon it once in another form, but it seems to me that it ought to be included, so that we can protect the people of any State from the importation in interstate commerce of dishonest packages, just as you fix an apple barrel at so many cubic feet, but when you come to regulating packages that are put up in local mills to sell to local people you are simply regulating that which the State itself should regulate in order to protect its own citizens, and if it does not protect its own citizens, I contend that the Congress has not been given that right to protect them in this matter.

Mr. VESTAL. Mr. Chairman, I move that all debate upon this section and all amendments thereto now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from South Carolina.

The question was taken, and the amendment was rejected.

Mr. WELLING. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WELLING: Page 3, line 4, strike out "and" and insert "or"; line 5, after the word "grits," strike out "and" and insert "or"; line 5, strike out "and all" and insert "or any"; line 9, strike out "and" and insert "or"; line 10, after the word "grits," strike out "and" and insert "or"; line 10, strike out "and all" and insert "or any"; line 15, strike out "and" and insert "or"; line 16, strike out the first word "and" and insert "or"; line 16, strike out "and all" and insert "or any."

Mr. VESTAL. Mr. Chairman, I accept that amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Utah.

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. That rules and regulations necessary for the enforcement of this act, not inconsistent with the provisions hereof, shall be made by the Director of the Bureau of Standards and approved by the Secretary of Commerce, and that said rules and regulations shall include reasonable variations or tolerances which may be allowed.

Mr. GARRETT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GARRETT: Page 3, line 24, strike out the words "Director of the Bureau of Standards and approved by the Secretary of Commerce and that," and insert in lieu thereof the following: "The Secretary of Agriculture and."

Mr. GARRETT. Mr. Chairman, the amendment offered by myself to section 4 and adopted by the committee renders necessary the adoption of this amendment.

Mr. VESTAL. Mr. Chairman, I accept that amendment.

Mr. WINGO. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I admire very much and respect both the ability and high character of the gentleman from Wyoming [Mr. MONDELL], and I was very much surprised to see him come in here and criticize those of us who called attention to defects

in the bill. His own speech shows that he has not read the bill. He made the most remarkable statement. He said that nobody knew before this bill was brought in what constituted a barrel of flour, how many pounds. In 31 States of the Union the schoolboys have been taught all my years that 196 pounds constituted a barrel. He says that this bill will fix a standard for barrels. I will ask the gentleman from Wyoming [Mr. MONDELL] now, What does this bill provide shall be the standard barrel of flour—how many pounds?

Mr. MONDELL. Before the gentleman asks the question, will he be good enough to quote me correctly. I said nothing about its fixing the standard——

Mr. WINGO. What did the gentleman state, if I did not quote him correctly? Did not the gentleman state that we did not know before what constituted a barrel of flour, or what did the gentleman say?

Mr. MONDELL. I said there was a great deal of question of what constitutes a barrel of flour in America, and that is true. There is no such thing as a standard.

Mr. WINGO. Did not the gentleman say that before this bill was brought in we did not know how many pounds constituted——

Mr. MONDELL. The gentleman is much more interested in quibbles than in securing a standard for flour and feedstuffs.

Mr. WINGO. I decline to yield for a lecture.

Mr. MONDELL. I am interested in getting a standard.

Mr. WINGO. I decline to yield to a man who knows confessedly nothing about the bill under consideration. I will eat the bill if the gentleman can point to a single line that specifies a standard for a barrel of flour.

It is not in here, and if the gentleman had read the bill he would have known it. That is the trouble with the gentlemen who assume that they have all the sum total of human intelligence, that they can sit in their offices while others of us are on the floor protecting the public welfare, and they come in occasionally and read a lecture like a school professor to naughty boys. That is the trouble. If the gentleman had read the bill, he would have seen that when he stated that we changed the standard from 196 pounds to 200 pounds that the bill does not do that. I will eat the bill if any man can show wherein this bill fixes a standard for the barrel. If you will undertake to do that, I will join you, because there is a difference in the States in regard to a barrel of flour. Thirty-one States recognize 196 pounds; others are accustomed to 200 pounds. But you do not do that. That is not what you are trying to do in this bill, and the gentleman could serve a more useful purpose if he would be here listening to attempts made by capable, serious men upon his side, as old and experienced as he is, who have made serious efforts to try to correct this foolish, slipshod legislative freak brought in here under a special rule by the Republican Party as a great reconstruction war measure, I presume. Let the gentleman study legislation before he undertakes to lecture those who stay upon the floor and try to assist in framing legislation. If you bring in a bill for a standard barrel of flour, I will help you, for we have constitutional authority for that, but I would not vote for a miserable makeshift that imposes a $500 penalty on a Wyoming housewife who packs in a package not of the size prescribed by this bill homemade hominy to send to her home town for sale, and neither will the gentleman when he reads the bill, which I hope he will when he goes to vote for it.

Mr. VESTAL. Mr. Chairman, I move that all debate on this section and all amendments thereto now close.

The motion was agreed to.

The CHAIRMAN. The question is on the motion of the gentleman from Tennessee.

The question was taken.

The CHAIRMAN. The Chair is in doubt.

Mr. GARRETT. The committee accepted the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 6. That it shall be the duty of each district attorney to whom satisfactory evidence of any violation of this act is presented to cause proper proceedings to be instituted and prosecuted in a United States court having jurisdiction of such offense.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word for the purpose of suggesting to the chairman of the committee the propriety of inserting the words "United States district attorney" after the word "each," in line 4, because in some States they have a State attorney. I do not know that it appeals to the gentleman as necessary.

Mr. PARRISH. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. PARRISH. As a friend of the measure I want to see it perfected as much as possible, but I would like to ask the gentleman from Alabama and also the chairman of the committee if they do not think the elimination of section 6 entirely would be the proper thing to do, inasmuch as obviously under the present law it is the duty of the district attorney to enforce all the laws of the United States, and it is also the duty of the district attorneys to enforce them in different courts; and if section 6 were eliminated entirely would not the present law take care of the situation? I ask it as a friend of the bill, because I am for the bill and am voting for it.

Mr. BANKHEAD. Having the floor, in answer to the suggestion of the gentleman from Texas, I will say that the suggestion meets my cordial approval, but it seems to me that the section is unnecessary in the bill. It is always the duty of the district attorneys to take cognizance of all violations of the law.

Mr. WINGO. If section 6 is out, the district attorney would have to ask for instructions of the Department of Justice, but if section 6 stays in the Attorney General would not have any control over these prosecutions as he has now under the general statute. I think it would be better to strike section 6 out and modify this law so as to be enforced under the general supervision of the Department of Justice, as all other criminal statutes are and as the present food law is enforced.

Mr. BANKHEAD. Mr. Chairman, in order to get it before the committee, I move to strike out section 6. I withdraw the pro forma amendment.

The CHAIRMAN. The gentleman from Alabama withdraws the pro forma amendment and offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 4, lines 4 to 8, inclusive, strike out all of section 6.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. That this act shall not be construed as repealing the act of July 28, 1866, chapter 301, Revised Statutes United States, sections 3569 and 3570, authorizing the use of the metric system, but such sections shall not be construed as allowing the packing, shipment, or offering for shipment, sale or offering for sale of packages of any sizes other than those established as standards herein.

Mr. BENSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to vote for this bill, and would do so if certain amendments had been passed that would bring it under the interstate commerce law; but being thoroughly convinced that there is no fixing of the standard either of weights or measures under this law, and that the passage of this law is nothing but a pretense and will bring about litigation, possibly carrying it to the Supreme Court, and when it goes there that it will be declared to be unconstitutional, and believing that the bill as a whole is one that will simply tend to interfere with business, I shall vote against it. It will put additional burdens upon the people, and will be a waste of the time of the court, and a great hindrance in every way to business generally.

I believe it will interfere largely with the small millers throughout the United States, where there is no occasion or necessity for having packages that are stamped with a certain amount of weight on them, because those millers grind for the local trade, grind by the pound, and the farmers who buy of them have intelligence enough to know what 25 pounds or 50 pounds are. I would like to vote for the bill, and would do so if the amendment suggested by the gentleman from South Carolina [Mr. STEVENSON] had been passed, and which would have put this bill under the interstate-commerce law, and not using the pretense of putting it under the provisions of the Constitution that provide for fixing the standard of weights and measures, which I do not believe this bill does.

I withdraw the pro forma amendment.

The CHAIRMAN. The gentleman from Maryland withdraws the pro forma amendment, and the Clerk will read.

The Clerk read as follows:

SEC. 8. That this act, in so far as it affects the following corn-mill products, namely, corn flour, hominy, grits, and meals, shall be in force and effect 90 days from and after its passage and approval, and with respect to the other commodities affected shall be in force and effect one year from and after the passage and approval of this act.

Mr. WELLING. Mr. Chairman——

Mr. VESTAL. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. VESTAL: Page 4, line 16, after the word "act," strike out the remainder of the section and insert in lieu thereof the following: "shall be in force and effect one year from and after the passage of this act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. VESTAL].

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman——

Mr. VESTAL. Mr. Chairman, I move that the committee do now rise.

Mr. BLANTON. As a pro forma amendment, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. I just wanted to call the attention of the gentleman from Indiana to the effect of the amendment which he has just had adopted to this bill, which, as I understood it through the noise and commotion, was to strike out the last clause allowing one year before this act would go into effect respecting flour and wheat products. Under the terms of the bill, now that said last clause is eliminated, every single flour sack in existence at the time that this bill is approved and becomes a law will be absolutely wasted and thrown away. Under the provisions of section 8 a whole year was given in which to dispose of the flour sacks now in existence. Right to-day, as I have already taken occasion to call to your attention, there are in existence enough containers in the way of flour sacks already manufactured, and in the process of manufacture, and already stamped, with the special mill stamp of each particular mill upon them, to take care of the present wheat crop in this country, and under the terms of this bill now, since this last clause has been stricken out, not a single sack or container can be used after this law goes into effect and is approved.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I do.

Mr. TILSON. Is not the gentleman laboring under a misapprehension as to what this amendment means? As I caught the meaning of it, it extends the one-year privilege to the corn-mill products and feed products as well as flour products.

Mr. BLANTON. Oh, no. I did not so understand it.

Mr. TILSON. It gives one year for all the products.

Mr. BLANTON. Did it not strike out the last clause?

Mr. TILSON. No. It struck out the three-months provision.

Mr. BLANTON. I am glad the gentleman called my attention to it. I did note that the gentleman from Utah [Mr. WELLING], who is not a lawyer, but who is a very close observer, offered an amendment here a while ago which contained 14 different vital changes to one page of this bill, and if each and every one of those amendments had not been adopted—and every one of them was a necessary life-giving amendment to this bill—without their being adopted the bill would have been farcical, and there have been so many amendments offered and so many amendments accepted by the committee, and offered and accepted in such quick succession, that I was not able to keep up with them. [Laughter.] That being the case, Mr. Chairman, I withdraw my pro forma amendment, but since the gentleman from Minnesota is now attempting as usual to butt into this debate, I am glad on behalf of his absent colleagues to see the gentleman from Minnesota [Mr. KNUTSON] back in the House again, because when we have been voting on these various amendments to-day this active, efficient Republican whip has been able to corral his colleagues in here out of the cloakroom and have them vote at the crucial time when they did not know what on God's earth they were voting for. [Laughter and applause.]

The CHAIRMAN. The gentleman from Texas withdraws his amendment.

Mr. GOOD. Mr. Chairman, I ask unanimous consent to proceed out of order for 10 minutes on a matter of appropriations.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for 10 minutes on a matter of appropriations. Is there objection?

Mr. SAUNDERS of Virginia. Reserving the right to object, Mr. Chairman, why can not that be done in the House? Let us dispose of this matter in the committee first. Let us dispose of the bill, and then let the gentleman from Iowa have the 10 minutes. I say we had better have it in the House. I will object, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Virginia object?

Mr. SAUNDERS of Virginia. Yes.

Mr. VESTAL. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 9755) to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. The gentleman from New York [Mr. HICKS], Chairman of the Committee of the Whole House on the state of the Union, reports that that committee, having had under consideration the bill H. R. 9755, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass. By the rule——

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. On such an important question I think we ought to have a quorum from now on. I think before further consideration of such an important measure as this we ought to have a quorum.

The SPEAKER. The gentleman from Texas makes the point that there is no quorum present. In the opinion of the Chair a quorum is not present. Does the gentleman from Indiana [Mr. VESTAL] wish to move a call of the House?

Mr. VESTAL. I move a call of the House.

The SPEAKER. The gentleman from Indiana moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Ackerman	Eagle	Kendall	Riddick
Anthony	Ellsworth	Kennedy, Iowa	Rogers
Ayres	Elston	Kennedy, R. I.	Romjue
Bacharach	Fairfield	King	Rowan
Barbour	Ferris	Kreider	Rubey
Barkley	French	LaGuardia	Sanders, Ind.
Bee	Fuller, Mass.	Langley	Sanders, La.
Black	Gandy	Lee, Ga.	Schall
Blackmon	Garland	Lehlbach	Scott
Bland, Ind.	Garner	Linthicum	Scully
Bland, Mo.	Glynn	Luce	Sears
Bland, Va.	Godwin, N. C.	Luhring	Siegel
Booher	Goldfogle	McClintic	Sims
Bowers	Goodall	McKenzie	Slemp
Briggs	Goodwin, Ark.	McKeown	Smith, Mich.
Britten	Gould	McLane	Smith, N. Y.
Browning	Graham, Pa.	McPherson	Stedman
Butler	Greene, Mass.	Mead	Steele
Candler	Griest	Merritt	Stephens, Ohio
Caraway	Hadley	Miller	Stiness
Casey	Hamill	Minahan, N. J.	Stoll
Christopherson	Hamilton	Montague	Strong, Kans.
Clark, Fla.	Harrison	Moore, Pa.	Sullivan
Classon	Haskell	Moore, Va.	Sumners, Tex.
Cole	Hernandez	Morin	Taylor, Ark.
Collier	Hersman	Mudd	Thompson
Cooper	Hill	Murphy	Upshaw
Copley	Houghton	Nicholls, S. C.	Vare
Costello	Howard	Nichols, Mich.	Venable
Crisp	Huddleston	Nolan	Volgt
Crowther	Hudspeth	Oldfield	Volstead
Dallinger	Hulings	Olney	Wason
Davey	Humphreys	Osborne	Watson, Va.
Denison	Hutchinson	Padgett	Weaver
Dent	Igoe	Pell	Webster
Dewalt	Jacoway	Porter	Wheeler
Dickinson, Iowa	James	Pou	White, Kans.
Donovan	Johnson, Ky.	Radcliffe	Winslow
Dooling	Johnson, S. Dak.	Rainey, H. T.	Wise
Doremus	Johnston, N. Y.	Ramseyer	Yates
Dowell	Jones, Pa.	Randall, Calif.	
Dupré	Kahn	Reavis	

The SPEAKER. Two hundred and sixty-six Members have answered to their names, and a quorum is present.

Mr. MONDELL. I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will unlock the doors.

ADJOURNMENT UNTIL MONDAY NEXT.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns this evening it adjourn to meet on Monday next.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns to-night it adjourn to meet on Monday next. Is there objection?

There was no objection.

WHEAT AND CORN MILL PRODUCTS.

The SPEAKER. Under the rule the previous question is ordered.

Mr. WINGO. Mr. Speaker, may I suggest that by unanimous consent the gentleman from Iowa [Mr. GOOD] may make his statement now?

Mr. GOOD. I ask unanimous consent to address the House for 10 minutes on a matter of appropriations.

The SPEAKER. The gentleman from Iowa asks unanimous consent to address the House for 10 minutes. Is there objection?

Mr. CALDWELL. Reserving the right to object, on what subject?

Mr. GOOD. On the subject of an appropriation.

Mr. CALDWELL. Is it partisan?

Mr. GOOD. On the subject of a report with regard to an appropriation that it has been stated Congress failed to make.

The SPEAKER. Is there objection?

There was no objection.

Mr. GOOD. Mr. Speaker, this morning's press carried the following statement:

The Government will not attempt to control the distribution and sale of sugar after the Sugar Equalization Board is dissolved December 31.

Attorney General Palmer in making this announcement yesterday said that as no funds had been provided by Congress for carrying on the work of handling sugar, the Department of Justice would confine its efforts to the punishment of profiteers.

In explaining the abandonment of the program for defeating the sugar shortage, Mr. Palmer said he had put the proposition up to Congress and funds were not forthcoming.

While Mr. Palmer's action was generally accepted as opening up the sources of more sugar supplies by permitting refiners to pay more for the Cuban raw stock, it also was believed to mean sugar prices would soar. The department will continue to hunt down profiteers, but without means of checking up on the cost to the refiner or without control of the price at which the supplies come into this country, it was believed domestic consumers would be forced to pay high prices after January 1.

Mr. Speaker, one of three things is certain. Either the newspaper reporter who wrote that article misrepresented the Attorney General, or the Attorney General spoke without knowledge, or he willfully misrepresented the action of Congress.

No appropriation has been asked for by the Attorney General for carrying on this work. When he appeared before the Committee on Appropriations in June, when the sundry civil bill was under consideration, he said:

I should like to be heard on three matters. One is the matter of the fees of clerks. Another is the increase of appropriations for attorneys from $125,000 to $300,000, which I believe is carried in the bill as reported to the House in the last Congress, and the third is a supplemental estimate which we have submitted for an additional appropriation for the detection of crime.

Again, when he submitted his estimates for the deficiency bill the latter part of August he asked for the following sums and Congress appropriated the amounts, which I shall indicate. He asked for clerical and subclerical employees, $16,000, and Congress gave him $12,000. He asked for an increase of pay for the chief clerk of $833.34, and Congress refused to give it. He asked for an increase in salary of his private secretary of $833.34, and Congress refused to give that. He asked for an increase in the contingent expenses of $28,000, and Congress gave him $17,000. He asked for enforcement of the antitrust laws $200,000, and Congress gave it to him. He asked for transportation of aliens $250,000, and Congress gave him $200,000. He asked for the detection and prosecution of crime $1,000,000, and when explaining that estimate he said he expected to secure the punishment of profiteers and to establish fair prices of necessaries, and Congress gave him every penny that he asked for for that purpose. [Applause on the Republican side.]

He asked for $100,000 to repair the penitentiary at Fort Leavenworth injured by fire, and Congress gave him $100,000. He asked for $60,000 for equipment at Atlanta Penitentiary, and Congress gave him $50,000. He asked for United States court marshals and deputies $245,000, and Congress gave him $245,000. He asked for the district attorneys $35,000, and Congress gave him $35,000. He asked for clerical expenses in the office $150,000, and Congress gave him $150,000. He asked for special assistants to the Attorney General $345,000, and Congress gave him $325,000. He asked for miscellaneous expenses $15,000, and Congress gave him $15,000. He asked for guards at Fort Leavenworth Penitentiary $10,875, and Congress gave him the amount. He asked for the salary and maintenance $272,000, and Congress gave him that amount. He asked for the McNeill Penitentiary salary and clothing $2,234.99, and Congress gave him to the penny all that he asked.

The Attorney General asked for no further or additional appropriation in that bill.

Congress did cut estimates in the deficiency bill, but not in the estimates made by the Department of Justice, except as I have stated. We gave the Attorney General every dollar he asked for for the enforcement of laws and the punishment of profiteers.

I want to say to the membership of the House that we are living in rather peculiar times, when conditions of men's minds are unsettled, when there is great unrest, and it ill becomes a member of the executive branch to criticize the legislative branch when he bases his criticism on a misstatement of facts. It ill becomes a great Attorney General of the United States intrusted with the enforcement of the criminal laws of the United States, to go before the country misrepresenting Congress and saying that Congress declined to give him money, when Congress gave him every penny that he asked for for the enforcement of law. [Applause on the Republican side.]

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. BYRNS of Tennessee. I believe the Food Administration has been turned over to the Department of Justice. Does not the gentleman think it is fair to the Attorney General to state that in the last sundry civil bill Congress did either decline to appropriate money or continue money which had been appropriated for the Food Administration, and that evidently the Attorney General in his statement was referring to that and not to any specific recommendation that he made, but rather to the failure of the Congress to furnish money for the Food Administration? [Applause on the Democratic side.]

Mr. GOOD. I will say to the gentleman that question occurred to me; that was the reason I read from the hearings on the sundry civil bill that failed. The Attorney General was asked to make a statement in support of the estimates, and while the last Congress did not carry any provision for the very obvious reason that no estimate was made for that purpose by the Attorney General, and at the subsequent hearing it was seen that he never asked for a penny for such purpose. The only thing he wanted in addition to the appropriations carried in the sundry civil bill were the three things that I have enumerated, and none of them had the remotest relation to the question involved.

Mr. BYRNS of Tennessee. In order to be entirely fair, at the time the Attorney General appeared before the committee in the hearings last June, I take it that neither the Attorney General nor anyone else expected that the Department of Justice would ever be called upon to perform any duty in reference to the price of sugar. [Applause on the Democratic side.] The Attorney General at that time was asking only for appropriations necessary for the ordinary and customary duties of the Department of Justice, without any reference to the enforcement of the food law.

Mr. GOOD. But the Attorney General came before the Committee on Appropriations when the deficiency appropriation bill was under consideration and asked for $1,000,000, and at that time he said that the United States was divided into 82 judicial districts, and that in every district he would have his fair-price committee and through that fair-price committee he intended to enforce fair prices of all of the necessaries of life, and we gave him every penny that he asked for.

Mr. BYRNS of Tennessee. Even at that time the gentleman knows that it was not anticipated by the Attorney General that he would have anything in particular to do concerning the price of sugar. He was asking for certain specific appropriations for the enforcement of the war prohibition law and also against profiteering.

Mr. GOOD. Oh, yes; he was asking for that, but he was asking for the other thing, and in his statement in the clipping from which I read, if the gentleman will follow his language, he is quoted as saying:

In explaining the abandonment of the program for defeating the sugar shortage, Mr. Palmer said he had put the proposition up to Congress, but funds were not forthcoming.

The Attorney General never put the matter up to Congress, and Congress has never denied the request, for no request was ever made. It is unqualifiedly untrue. [Applause on the Republican side.]

Mr. BYRNS of Tennessee. The Attorney General and also the President of the United States, on August 8, put the matter up to Congress, and it was more than three months before they got an appropriation to enforce the food-control law. [Applause on the Democratic side.]

Mr. GOOD. Oh, yes; and we gave them the appropriation, and the Attorney General has also been complaining through the press of our failure to appropriate money so that he could deport the reds abroad, and yet we gave him $200,000 out of $250,000 asked for that purpose.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask unanimous consent that I may address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNES of South Carolina. Mr. Speaker and gentlemen of the House, I was out of the Chamber a part of the time when the gentleman from Iowa [Mr. GOOD] was speaking. Therefore I do not know whether he said to the House that he

had or had not inquired of the Attorney General if he had made this statement. While the newspaper clipping the gentleman read from does not disclose the name of the newspaper, I take it for granted that it is a clipping from the Washington Post, and therefore I know that it can not be relied upon to state the truth. [Applause.] I am glad to see that some of my friends on the Republican side of the House also applaud that statement. It shows that at last they are realizing where the truth can and can not be expected.

Knowing that the Attorney General had not made any such statement, I telephoned to him, and he read to me the statement that he gave to the press, and nowhere in that statement did the Attorney General say that he had asked Congress for any funds for that purpose. He did say that he had called the attention of the Congress to the necessity of extending the powers of the Sugar Equalization Board after December 30, when those powers expire. Before the Senate Agriculture Committee he made a plea for the extension of the powers of that board. That extension has not been granted, and neither the gentleman from Iowa [Mr. GOOD] nor any other Member of Congress will assert that the Attorney General has any powers other than those he states he possesses in this statement published this morning.

Not having those powers, he made the statement to the country that he had asked the Congress for that extension. He did not say that he had asked the Appropriations Committee for it. His statement is in writing, and if the gentleman from Iowa had been fair enough and square enough to ask the Attorney General if he had been correctly quoted in the Post he would never have made the statement that he has just made on the floor of the House. [Applause on the Democratic side.]

Mr. SNELL. Mr. Speaker, I would say to the gentleman that the Evening Star carries practically the same article that was carried in the Washington Post of this morning.

Mr. BYRNES of South Carolina. Why, my good friend, I have a great deal of respect for the Star, but that does not change the fact that the Attorney General has a copy of the statement that he made, in writing, on his desk, and has just read it to me. Nowhere in that statement did he say that he had ever asked the Committee on Appropriations for funds, and the chairman of the Committee on Appropriations could have ascertained that if he had done the Attorney General the justice of asking if he was correctly quoted before coming here and denouncing him.

Mr. GOOD. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of South Carolina. First, I ask permission, before I forget, to extend my remarks in the RECORD by inserting the statement of the Attorney General, so that the House and the country can see exactly what it was.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MADDEN. Has the gentleman a certified copy of the Attorney General's statement?

Mr. BYRNES of South Carolina. No. Whenever I get a statement from the Attorney General I do not have to have it certified. His word is good enough for me and for the country. [Applause on the Democratic side.]

Mr. MADDEN. Is his statement signed?

Mr. BYRNES of South Carolina. When he turns over to me the statement I shall insert it in the RECORD.

Mr. MADDEN. Mr. Speaker, I object unless it is signed.

Mr. GOOD. I hope the gentleman from Illinois will not object.

The SPEAKER. The Chair had already put the request and it has been granted.

Mr. MADDEN. I do not think that ought to go unchallenged. [Cries of "Regular order!"]

I was asking the gentleman about the statement of the Attorney General.

Mr. BYRNES of South Carolina. I do not yield the floor to the gentleman from Illinois.

The SPEAKER. The Chair put the question before the gentleman rose, of which the gentleman was doubtless unaware.

Mr. GOOD. Will the gentleman yield?

Mr. BYRNES of South Carolina. I will yield.

Mr. GOOD. I want to ask the gentleman if he is willing to state to the House that the Attorney General has said to him that he did not criticize Congress for its failure to make an appropriation in the statement which he made?

Mr. BYRNES of South Carolina. In the statement which he made there is absolutely no criticism of Congress for failure to make any appropriation. The statement is simply that he had requested that the powers of the Sugar Equalization Board be extended, and that the failure of Congress to extend the powers of that board placed him in the position set forth in that statement. There is no mention of any appropriation at all. The chairman of the Committee on Appropriations never would have taken offense at the statement the Attorney General authorized, which I will put in the RECORD to-morrow morning.

Mr. GOOD. If the gentleman will yield further, I will say to the gentleman the Attorney General has been quoted very frequently in his criticism of Congress because of the failure to give money to deport aliens who were not desirable citizens——

Mr. BYRNES of South Carolina. The gentleman was discussing sugar and has now switched to aliens. As I am not informed on that subject, I can not answer.

The SPEAKER. The time of the gentleman has expired.

Mr. BYRNES of South Carolina. In accordance with permission granted by the House, I insert the statement issued by the Attorney General.

The Attorney General to-day authorized the following statement:

A conference has been held this morning between representatives of the Sugar Equalization Board and the Department of Justice, in which the sugar situation was reviewed. The Department of Justice has neither the power nor the facilities with which to control the purchase or distribution of sugar. The only governmental body having this power is the Sugar Equalization Board, and its control terminates on December 31. The Congress, although requested to do so, has failed to extend the life of the board. The Department of Justice will confine its efforts in the future, as it has in the past, to the enforcement of the provisions of the Lever Food-Control Act, as amended, by prosecuting all instances of sales of sugar for an unjust or unreasonable profit.

The Department of Justice has never attempted to fix the price of sugar. It has accepted in the past the recommendations of the Sugar Equalization Board very largely in determining maximum fair prices. The fair margins of profit allowed are those established by the Food Administration. When such determinations were made they have been communicated to the district attorneys, who were advised that any sales in excess of the maximum figure set should be considered unfair and unreasonable. The early termination of the board will make it impossible to set any definite price on sugar in the future or control its distribution. Every sale will be treated on its own merits, and in all cases where the district attorney has evidence indicating an unfair profit or withholding of sugar from the normal consumptive channels, or any discrimination in price to the manufacturer or to the jobber supplying the domestic consumer, he will proceed under the Lever Food-Control Act.

The SPEAKER. The previous question was ordered on the bill H. R. 9755 by the rule. The first question is on the amendments adopted in the Committee of the Whole House on the state of the Union. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time.

Mr. BLANTON. Mr. Speaker, I request a reading of the engrossed copy.

The SPEAKER. The gentleman from Texas demands a reading of the engrossed copy of the bill.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 3427. An act to establish a commission to report to Congress on the practicability, feasibility, and place, and to devise plans for the construction of a public bridge over the Niagara River from some point in the city of Buffalo, N. Y., to some point in the Dominion of Canada, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 6857. An act to authorize the change of the name of the steamer *Charlotte Graveraet Breitung* to *T. K. Maher*.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2129. An act to amend an act approved March 26, 1908, entitled "An act to provide for the repayment of certain commissions, excess payments, and purchase moneys paid under the public land laws"; and

S. 183. An act providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Peck Indian Reservation, Mont.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.) the House, under its previous order, adjourned to meet on Monday, December 8, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a report of the Surgeon General of the Public Health Service for the fiscal year 1919 (H. Doc. No. 436); to the Committee on Inferstate and Foreign Commerce and ordered to be printed.

2. A letter from the managing director of the War Finance Corporation, transmitting report covering operations from December 1, 1918, to November 30, 1919, inclusive (H. Doc. No. 479); to the Committee on Ways and Means and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Acting Secretary of the Interior, submitting a supplemental estimate of appropriation for tunnel investigations by the Bureau of Mines, fiscal year 1921 (H. Doc. No. 476); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of Labor, submitting a supplemental estimate of appropriation required to defray the expenses of the second industrial conference, called by the President to meet December 1, 1919 (H. Doc. No. 477); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Interior, submitting a supplemental estimate of appropriation for fuel inspection, Bureau of Mines, for the fiscal year 1921 (H. Doc. No. 478); to the Committee on Appropriations and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 10574) granting a pension to Harlem L. Gorham, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PETERS: A bill (H. R. 10916) authorizing the Secretary of War to donate to the third congressional district in Maine 25 cannon or fieldpieces; to the Committee on Military Affairs.

By Mr. TOWNER: A bill (H. R. 10917) to amend an act entitled "An act to incorporate the National Education Association of the United States" by adding thereto an additional section; to the Committee on Education.

By Mr. FORDNEY: A bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes; to the Committee on Ways and Means.

By Mr. CLARK of Florida: A bill (H. R. 10919) to require the Secretary of War to cause to be made a survey for a canal from Cumberland Sound to the mouth of the Mississippi River, and to make full and complete report to Congress of the most feasible route and cost of construction; to the Committee on Railways and Canals.

By Mr. BOOHER: A bill (H. R. 10920) declaring Platte River to be a nonnavigable stream in the State of Missouri; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: A bill (H. R. 10921) to create a national department of highways and a national highway commission therein, to promote and organize a national system of highways, to increase the economy and efficiency of transportation, to assist industry and commerce, to improve the facilities for postal service, and to provide additional means for national defense; to the Committee on Agriculture.

By Mr. BRAND: A bill (H. R. 10922) to grant the consent of Congress to the Alfords Bridge Co. to construct a bridge across the Savannah River; to the Committee on Interstate and Foreign Commerce.

By Mr. CRISP: A bill (H. R. 10923) to repeal the tax on oleomargarine; to the Committee on Agriculture.

By Mr. REBER: A bill (H. R. 10924) to amend an act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892; to the Committee on the District of Columbia.

By Mr. TOWNER: A bill (H. R. 10925) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States; to the Committee on Interstate and Foreign Commerce.

By Mr. PLATT: A bill (H. R. 10926) for the purchase and erection of an armor plate security vault building for the use of the Treasury Department; to the Committee on Public Buildings and Grounds.

By Mr. CRAMTON: Resolution (H. Res. 412) directing the Secretary of the Interior to send forthwith to the House of Representatives certain information with reference to any fraud in the former Uintah Indian Reservation; to the Committee on the Public Lands.

By Mr. RAKER: Joint resolution (H. J. Res. 255) proposing an amendment to the Constitution of the United States relating to citizenship of children of foreign parentage; to the Committee on the Judiciary.

By Mr. ROUSE: Joint resolution (H. J. Res. 256) to extend and make applicable to those who rendered honorable and faithful services with the American Red Cross, Young Men's Christian Association, Knights of Columbus, Salvation Army, and other like auxiliary organizations during the World War, the benefits of certain existing laws; to the Committee on Reform in the Civil Service.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 10927) granting a pension to Walter Barbo; to the Committee on Pensions.

Also, a bill (H. R. 10928) for the relief of Robert B. Griggs; to the Committee on Military Affairs.

By Mr. BLAND of Indiana: A bill (H. R. 10929) granting a pension to Charles S. Porter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10930) granting a pension to Jane Burton; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 10931) granting a pension to Mary A. McGill; to the Committee on Invalid Pensions.

By Mr. BURROUGHS: A bill (H. R. 10932) granting an increase of pension to Eben N. Higley; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Kansas: A bill (H. R. 10933) granting a pension to Columbus Brundage; to the Committee on Pensions.

Also, a bill (H. R. 10934) granting an increase of pension to Harry A. Smith; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 10935) granting a pension to Anna Sharp; to the Committee on Pensions.

By Mr. EDMONDS: A bill (H. R. 10936) for the relief of the Liberty-loan subscribers of the North Penn Bank; to the Committee on Claims.

By Mr. ELLIOTT: A bill (H. R. 10937) granting an increase of pension to Martha J. James; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 10938) granting an increase of pension to Margaret Goldie; to the Committee on Pensions.

By Mr. KING: A bill (H. R. 10939) granting a pension to William O. Wallace; to the Committee on Pensions.

By Mr. McKINLEY: A bill (H. R. 10940) for the relief of Charles L. Moore; to the Committee on Claims.

Also, a bill (H. R. 10941) granting a pension to Elizabeth Shaw; to the Committee on Pensions.

Also, a bill (H. R. 10942) to correct the military record of Frederick Bruns; to the Committee on Military Affairs.

By Mr. MICHENER: A bill (H. R. 10943) granting a pension to Betsey Palmer Mason; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 10944) granting a pension to Edward C. Crawford; to the Committee on Pensions.

By Mr. MOORES of Indiana: A bill (H. R. 10945) granting a pension to Elsie C. Bright; to the Committee on Pensions.

By Mr. RICKETTS: A bill (H. R. 10946) granting an increase of pension to Whitney P. Carroll; to the Committee on Pensions.

Also, a bill (H. R. 10947) granting a pension to William N. Hupp; to the Committee on Pensions.

By Mr. RIORDAN: A bill (H. R. 10948) granting a pension to Ella E. Carbonell; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 10949) granting an increase of pension to Joseph Phillips; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 10950) granting an increase of pension to Merritt A. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10951) granting an increase of pension to George W. Flack; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 10952) granting an increase of pension to Robert W. Gibbs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10953) granting a pension to Tom S. Bailey; to the Committee on Pensions.

By Mr. TINCHER: A bill (H. R. 10954) granting an increase of pension to William A. Coddington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10955) granting an increase of pension to Christopher Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10956) granting a pension to Charles A. Heiland; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 10957) for the relief of Mark A. Skinner; to the Committee on Claims.

By Mr. WELTY: A bill (H. R. 10958) granting a pension to James A. Franklin; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

111. By the SPEAKER (by request): Petition of Middle Atlantic States Federation of Young Men's Hebrew and Kindred Associations of Norfolk, Va., protesting against pogroms against Jews in eastern Europe; to the Committee on Foreign Affairs.

112. By Mr. BABKA: Petition of Brooklyn Post, Department of Ohio, Grand Army of the Republic, favoring the payment of $50 to Civil War veterans and $30 to their widows, to all who served 90 days or more; to the Committee on Invalid Pensions.

113. Also, petition of Lodge No. 215 of the Switchmen's Union of North America, favoring Government ownership of railroads and opposing antistrike legislation; to the Committee on Interstate and Foreign Commerce.

114. By Mr. BURROUGHS: Petition of the members of the New Hampshire Conference of Social Work in convention assembled in Portsmouth, N. H., on November 21, 1919, requesting the Government to take such measures as will give immediate protection to American relief workers and American property and to the stricken people in Armenia; to the Committee on Foreign Affairs.

115. By Mr. FULLER of Illinois: Petition of George H. Thomas Post, No. 5, Illinois Grand Army of the Republic, for increase of Civil War pensions; to the Committee on Invalid Pensions.

116. By Mr. McGLENNON: Petition of Contemporary Club of Newark, N. J., favoring the Jones-Raker bill regarding Army nurses; to the Committee on Military Affairs.

117. Also, memorial of Henry Joy McCracken Branch, Friends of Irish Freedom, Newark, N. J., commending the Senators who defeated the league of nations; to the Committee on Foreign Affairs.

118. Also, memorial of Pierce McCann Branch, of the Friends of Irish Freedom, of Jersey City, N. J., thanking the Senators who caused the defeat of the league of nations; to the Committee on Foreign Affairs.

119. By Mr. MacGREGOR: Petition of Licensed Tugmen's Protective Association of Buffalo, N. Y., opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

120. Also, petition of International Union of Steam and Operating Engineers, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

121. Also, petition of Brotherhood of Locomotive Engineers, of Albany, N. Y., favoring two-year extension of Government control of railroads; to the Committee on Interstate and Foreign Commerce.

122. Also, petition of Buffalo Federation of Churches, of Buffalo, N. Y., urging limitations upon immigration; to the Committee on Immigration and Naturalization.

123. Also, petition of Buffalo Chamber of Commerce, favoring Plumb plan of railroad control; to the Committee on Interstate and Foreign Commerce.

124. Also, petition of Buffalo Lodge, No. 23, Benevolent and Protective Order of Elks, urging deportation of disloyal aliens; to the Committee on the Judiciary.

125. By Mr. RAKER: Petitions of Keystone Parlor, No. 173, Native Sons of the Golden West, of Amador City, Calif.; Sacramento Post, No. 61, American Legion; Hiawatha Parlor, No. 140, Native Daughters of the Golden West, of Redding, Calif.; Laurel Parlor, No. 6, Native Daughters of the Golden West, of Nevada City, Calif., all relative to Asiatic immigration; to the Committee on Immigration and Naturalization.

126. Also, petition of A. J. Harder, editor of the Roseville Register, Roseville, Calif., for retention of zone system for second-class mail; to the Committee on the Post Office and Post Roads.

127. Also, petition of the Riverside Chamber of Commerce, Riverside, Calif., for creation of Federal Highway Commission and the adoption of a Federal highway plan; to the Committee on Roads.

128. Also, petition of Salinas Valley Merchants' Protective Association, opposing House bill 8315; to the Committee on Interstate and Foreign Commerce.

129. By Mr. REBER: Petition of Pottsville Chamber of Commerce, Pottsville, Pa., favoring House bill 6852; to the Committee on Rivers and Harbors.

130. By Mr. ROWAN: Petition of S. C. Schwed, of New York, for increase in salaries to Federal employees; to the Committee on Reform in the Civil Service.

131. Also, petition of Elisha K. Kane, of Kusheqna, Pa., concerning strike situation; to the Committee on the Judiciary.

132. Also, petition of Union of Technical Men of New York opposing antistrike legislation in railroad bill; to the Committee on Interstate and Foreign Commerce.

133. Also, petition of Order of Sleeping Car Conductors of New York concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

134. Also, petition of National Association of Owners of Railroad Securities presenting facts concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

135. By Mr. VAILE: Petition of Denver Civil and Commercial Association indorsing Townsend bill for construction of national highways; to the Committee on Roads.

SENATE.

SATURDAY, *December 6, 1919.*

(Legislative day of Thursday, December 4, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Vice President being absent, the President pro tempore (Mr. CUMMINS) took the chair.

LAWRENCE Y. SHERMAN, a Senator from the State of Illinois, appeared in his seat to-day.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Capper	Johnson, Calif.	New	Sherman
Chamberlain	Jones, Wash.	Newberry	Smoot
Cummins	Kellogg	Norris	Sterling
Curtis	Keyes	Nugent	Swanson
Dial	Kirby	Overman	Thomas
Elkins	La Follette	Page	Walsh, Mass.
Frelinghuysen	Lodge	Pomerene	Warren
Gay	Moses	Reed	Watson
Hale	Myers	Sheppard	Williams

Mr. CURTIS. I was requested to announce the absence of the Senator from Maryland [Mr. FRANCE] on account of illness. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Thirty-five Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. RANSDELL and Mr. WALSH of Montana answered to their names when called.

Mr. DIAL, Mr. JOHNSON of South Dakota, Mr. KENYON, Mr. FLETCHER, Mr. STANLEY, and Mr. KING entered the Chamber and answered to their names.

The PRESIDENT pro tempore. Forty-three Senators have answered to their names. There is not a quorum present.

Mr. SMOOT. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Mr. SHEPPARD. I wish to announce that the Senator from Delaware [Mr. WOLCOTT] is detained from the Senate on public business.

Mr. KING. The Senator from Arizona [Mr. ASHURST], the Senator from Kentucky [Mr. BECKHAM], the Senator from Ne-

braska [Mr. HITCHCOCK], the junior Senator from Tennessee [Mr. MCKELLAR], the Senator from North Carolina [Mr. SIMMONS], the senior Senator from Tennessee [Mr. SHIELDS], and the Senator from Maryland [Mr. SMITH] are detained on official business.

Mr. SMITH of Georgia, Mr. SUTHERLAND, Mr. PITTMAN, Mr. HARRIS, Mr. MCLEAN, Mr. BANKHEAD, Mr. CULBERSON, Mr. UNDERWOOD, and Mr. FALL entered the Chamber and answered to their names.

The PRESIDENT pro tempore. Fifty-two Senators have now answered to their names. There is a quorum present.

PETITIONS AND MEMORIALS.

Mr. TOWNSEND presented a petition of sundry citizens of Muskegon, Mich., praying for the ratification of the treaty of peace with Germany, which was ordered to lie on the table.

He also presented a memorial of Local Lodge No. 29, International Timberworkers' Union, of Manistique, Mich., and a memorial of sundry citizens of Escambia, Mich., remonstrating against the passage of the so-called Cummins railroad bill, which were ordered to lie on the table.

Mr. CAPPER presented a petition of Earl W. Taylor Post, No. 1, American Legion, of Seneca, Kans., praying for the enactment of legislation providing for the deportation of disloyal aliens, which was referred to the Committee on Immigration.

He also presented a memorial of Local Lodge No. 13, International Association of Railroad Supervisory Foremen of Mechanics, of Parsons, Kans., praying for the enactment of legislation providing for the establishment of wage-adjusting boards, which was referred to the Committee on Interstate Commerce.

He also presented a resolution passed by the Local Shop Federation of Topeka, Kans., favoring the adoption of the so-called Plumb plan for the control of the railroads of the country, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of Local Union No. 1476, United Brotherhood of Carpenters and Joiners of America, of Abilene, Kans., remonstrating against the passage of the so-called Esch railroad bill and also against the adoption of the antistrike amendment in the so-called Cummins railroad bill, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of Olatha Lodge, No. 842, United Brotherhood of Maintenance-of-Way Employees and Railway Shop Laborers, of Olathe, Kans., remonstrating against the passage of the so-called Esch-Cummins railroad bills, which was referred to the Committee on Interstate Commerce.

He also presented memorials of sundry citizens of Pottawatomie and Riley Counties, in the State of Kansas, remonstrating against universal military training, which were referred to the Committee on Military Affairs.

GOLD CERTIFICATES.

Mr. MCLEAN, from the Committee on Banking and Currency, to which was referred the bill (S. 3458) to make gold certificates of the United States payable to bearer on demand legal tender, reported it without amendment and submitted a report (No. 316) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 3492) granting a pension to Arthur A. Rock (with accompanying papers); to the Committee on Pensions.

By Mr. SHERMAN:

A bill (S. 3493) granting an increase of pension to Mary F. Mitchell; to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 3494) granting a pension to George Seward (with accompanying papers); and

A bill (S. 3495) granting a pension to James H. Seward (with accompanying papers); to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 3496) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; to the Committee on Education and Labor.

INCOME-TAX RETURNS.

Mr. HARRIS. Mr. President, I ask unanimous consent to offer a resolution, and I ask that it lie on the table.

The resolution (S. Res. 247) was ordered to lie on the table and be printed, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish the Senate the following information to be secured from the income and profits tax returns for the taxable year 1918 of all corporations engaged, exclusively or principally, in the mining of bituminous and lignite coal:

Capital stock; invested capital; net income; tax (1) income, (2) excess profits, (3) total; per cent of total tax to net income; net income, after deducting tax; per cent of net income to capital stock; per cent of net income to invested capital; per cent of net income after deducting tax to capital stock; per cent of net income after deducting tax to invested capital; capital stock 1917; net income 1917; per cent of net income to capital stock 1917; excess of the per cent of net income to capital stock for 1918 above the percentage for 1917.

That the information be transmitted in form similar to that obtaining in Senate Document No. 259, Sixty-fifth Congress, second session, which contains the information transmitted by the Secretary of the Treasury in response to the resolution of the Senate of June 6, 1918, and that the corporations be listed in the same sequence and under the same symbols, as far as possible, as obtain in Senate Document No. 259.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Friday, December 5, 1919.

Mr. KELLOGG. Mr. President, I would not take the time of the Senate to discuss the pending bill were it not for the fact and I desire to place in the RECORD certain data which I believe will be of aid to Senators in considering this bill.

We are now facing the most tremendous economic problem ever presented to this country for solution, to a large extent incident to the direct result of the Government's operation of the railways during the last two years. When the President indicated, in December, 1917, his intention to take over, for Government operation, all the railways of the United States, many were convinced that there was no necessity for it and that it would be disastrous. The experiment has amply justified all our fears. It has cost the taxpayers of this country hundreds of millions of dollars, destroyed the efficiency of the service, and placed the railroads to-day in a position where unless some drastic steps are taken this country faces a financial crash, which will not only destroy hundreds of millions in property held by the people of the United States but destroy the efficiency of our transportation system.

Mr. President, I am aware that usually little is to be gained by the discussion of things which have already happened. But in this case these events may point us toward the proper remedy.

Mr. President, I shall try, in this address, to describe the condition of the railroads at the time they were taken over by the Government, the effect of Government operation, the present condition, and the provisions of this bill reported by the committee and designed to afford a remedy. I shall not, to any extent, discuss the subject of Government ownership and operation of the railroads, because that question has been answered in the last two years and settled by the judgment of the American people.

When the war broke out we had in this country, all in all, the best, cheapest, and the most efficient transportation system in the world. That it was not perfect goes without saying. But this is true, and will be conceded by substantially all the experts in the world, that nearly all the inventions, improvements, and advancements of transportation facilities have resulted from American incentive, genius, and energy and enterprise. An efficient and constantly growing transportation system is absolutely necessary to the very life and prosperity of this Nation and must be had to maintain the growth of the country. In the main, the present deplorable condition of the railroads is due to inefficient and extravagant Government management and stupid bureaucratic control. There was no necessity for taking over the railroads any more than there was for taking over the telegraphs, telephones, and cables, which has now been demonstrated beyond question, and which proved so expensive to the Government and disastrous to good service. The Postmaster General reports a loss to date of $14,418,237 in the operation of telephone, telegraph, and cable systems, and there are many companies with which a settlement has not yet been made. Because there was temporary congestion on account of the sudden and enormous increase of business in a comparatively small territory, the President took over all the railroads of the United States for Government operation, created a great central bureau, which, as everyone knows, always is inefficient. I do not claim that after the war broke out the transportation system of this country was sufficient to effectively take care of the sudden increase of business. But during the first nine months of the war the railroads themselves, with all the handicaps of Government interference, priority orders, and laws which prevented the coordination of their facilities, handled as great a business under

more adverse conditions at a less expense than has been handled by the Railroad Administration since that time.

Nineteen hundred and seven to nineteen hundred and sixteen were generally years of depression in railroad business, and according to the report of the Interstate Commerce Commission the number of cars in the country exceeded the demand. Then came, on account of the European war, a sudden and great expansion in our railroad transportation. The freight traffic increased about 50 per cent from 1915 to 1917, or, in other words, 135,164,000,000 ton-miles, which was equal to the entire traffic of all the railroads of Canada, Germany, Great Britain, Russia, France, and Austria, excluding Hungary. Then this country declared war in April, 1917. The railroads were deprived of 12½ per cent of their efficient men, the passenger and freight traffic suddenly increased, the mobilization of millions of troops placed an additional burden on the railways, there occurred a great increase in manufacturing and transportation, especially between Chicago and New York, and it is no wonder that our transportation systems could not handle all this traffic promptly and effectively. The railroads did organize immediately under the call of the Council of National Defense, by appointing a railway executive committee, which took charge, so far as the Government would permit, of all the railroads, intending to coordinate their facilities, and did handle the transportation more effectively than it has ever been handled since. One of the difficulties was that the Government kept interfering by priority orders issued by hundreds of the Government's agencies all over the country, until it was estimated that nearly 80 per cent of the traffic on some railroads was under priority orders, which largely interfered with the management of the systems. All that it was necessary for the Government to do was to appoint an agent with authority to see that the railroads gave preference to all Government business and such business as was incidentally necessary to carrying on the war. Had this been done and the various organizations of all the railroads availed of, instead of largely being scrapped and replaced by a new organization in Washington we should not only have had more efficient transportation but we should have avoided the financial disaster which has followed this Government operation.

During the first nine months of the war, from April, 1917, to January, 1918, while the railroads were under private management, with all the Government interference, priority orders, and inability, on account of the law, to coordinate their facilities, they handled substantially as much traffic as was handled in the same nine months of 1918, and more than was handled in the same period during 1919. In the year 1917 the railroads handled substantially as much business as they did in 1918, and more than they did in 1919, with about 190,000 less employees and $1,500,000,000 less cost.

In spite of the increase of from 25 to 50 per cent in freight and passenger rates, the net earnings of the railroads have constantly decreased under Government operation, until they are now so low that the Government is losing about $350,000,000 per annum, and if the roads were turned back to private ownership without adequate provision they could not pay the interest on their bonds.

I ask leave to place in the RECORD, at the end of my remarks, as Appendix A, a statement of the ton and passenger miles of the railroads during the years 1917, 1918, and 1919, compared with the average of the three preceding years.

It will thus be seen that in the year 1917 the ton and passenger miles of the railways were almost equal to 1918, and during the nine months of war in 1917 they were nearly equal to the same nine months of war in 1918, and the business of 1917 was greater than the business of 1919, the latter two months of which are estimated.

Let us therefore consider the financial condition of the railroads when the Government took them over and the present financial condition. In 1917 the gross earnings of all class 1 railroads totaled $4,050,463,579. The total operating expenses aggregated $2,858,212,210, and the net income equaled $974,778,937, while the best information we can get for 1919 will show that the railroads will earn substantially $5,232,000,000 with less business than in 1917. This estimate may be a little large on account of depression in November. This is on account of an increase in freight and passenger rates from 25 to 50 per cent. And yet the operating expenses of the roads have increased from $2,858,212,210 to an estimated operating expense, including taxes and rentals, of $4,695,500,000, leaving an estimated net income of only $536,500,000, or nearly $400,000,000 less than the guaranteed income which was the average of the net earnings of the roads for the years 1915, 1916, and 1917. In other words, the people of the United States were paying over a billion and a half dollars more for handling less traffic in 1919 than they were in 1917, and the owners of the roads but for the Government guaranty would receive about $438,000,000 less.

The following is a statement of the operating revenues, operating expenses, taxes, and net operating income of the roads for the test period of 1915, 1916, and 1917 and for the years 1917, 1918, and 1919:

Revenues and expenses of railways of class 1.

Operating revenues:	
Test-period average, 1915–17	$3,395,231,000
Year 1917	4,050,463,579
Year 1918	4,913,319,604
Year 1918 to Sept. 30	3,553,368,170
Year 1919 to Sept. 30	3,783,083,927
Per cent of increase, 6.5.	
Year 1919, estimated	5,232,000,000
Operating expenses:	
Test-period average, 1915–17	2,297,162,000
Year 1917	2,858,212,210
Year 1918	4,006,894,762
Year 1918 to Sept. 30	2,871,507,509
Year 1919 to Sept. 30	3,209,629,321
Per cent of increase, 11.8.	
Year 1919, estimated	4,470,000,000
Taxes:	
Test-period average, 1915–17	152,427,000
Year 1917	182,778,423
Year 1918	186,652,095
Year 1918 to Sept. 30	140,243,424
Year 1919 to Sept. 30	140,915,784
Per cent of increase, 0.5.	
Year 1919, estimated	187,500,000
Equipment rentals, etc.:	
Test-period average, 1915–17 (debtor)	36,450,000
Year 1917 (debtor)	33,996,916
Year 1918 (debtor)	28,740,762
Year 1918 to Sept. 30 (debtor)	20,670,458
Year 1919 to Sept. 30 (debtor)	27,301,740
Per cent of increase (debtor), 32.1.	
Year 1919, estimated (debtor)	38,000,000
Net operating income:	
Test-period average, 1915–17	905,160,000
Year 1917	974,778,937
Year 1918	690,418,778
Year 1918 to Sept. 30	520,481,487
Year 1919 to Sept. 30	404,673,385
Per cent of increase (debtor), 22.3.	
Year 1919, estimated	536,500,000
Operating ratios:	
Test-period average, 1915–17 ——per cent	67.66
Year 1917 ——do	70.57
Year 1918 ——do	81.55
Year 1918 to Sept. 30 ——do	80.81
Year 1919 to Sept. 30 ——do	84.84
Year 1919, estimated	85.44

In 1917 the percentage of operating expenses to gross earnings of all the roads in the United States was 70.57 per cent; that is, for each dollar earned it cost 70.57 cents to operate the roads. In 1918 this had risen to 81.55 per cent, and in 1919 it is estimated at 85.44 per cent.

In 1917 all of class 1 railroads of the United States earned 5.38 per cent on their property investment. This was the last year of private operation. In 1918 they earned 3.71 per cent, and during the first six months of 1919 they earned eighty-four one-hundredths per cent—of course I am taking book values because I have no others available—but the first six months of the calendar year is, on the average, the poorest half of the year. And the first nine months they had earned 2.19 per cent, which is estimated for the year to be 2.92 per cent, or less than the interest on the bonds and fixed charges of the railroads without paying anything at all on capital stock; and it is conceded by everyone that the bonded indebtedness of the railroads is six or seven billions less than the fair value of the properties.

I ask to have printed in the RECORD as a part of my remarks as Appendix B a statement showing the names of the railroads, the miles operated, the net operating income, the fixed charges, and the balance over fixed charges for the first nine months of 1919, and also a summary of this statement by districts; and as a part of the same statement Appendix C, showing the railroads which earned a greater or less sum than the standard return.

The VICE PRESIDENT. Without objection, the matter referred to will be printed in the RECORD.

Mr. KELLOGG. From these statements it is easy to determine the present status of the railroads, and it is perfectly evident that unless the net earnings are increased a very large percentage of the railroads, including some of the best, will be in the hands of a receiver within a few months for inability to pay their interest and fixed charges.

This statement shows that in the first nine months the railroads failed to earn their fixed charges in the sum of $56,658,204.

That means that they failed to earn their interest and those charges that are fixed, such as rentals, and so forth. But a glance at the individual railroads will show the startling condition. For instance, in the eastern district the Pennsyl-

vania Railroad had a deficit of $10,483,413; the New York Central had a surplus of $2,371,808; the Reading had a deficit of $2,860,863; the Baltimore & Ohio suffered a deficit of $13,394,762; the Chicago & Eastern Illinois had a deficit of $4,036,202; and the Panhandle—one of the Pennsylvania lines—$2,027,823. In the southern district nearly all of the railroads had a deficit. In the western district the Chicago, Milwaukee & St. Paul earned no interest on its bonds whatever. It had a large deficit of $11,466,252, which is, as I recollect, about the interest on its bonds. The Great Northern Railroad had a deficit of $365,240. The Northern Pacific just about earned its fixed charges and had a small surplus of $148,002. The Southern Pacific had a deficit of $13,088,404.

These tables show that 57 railroads in the United States earned $111,132,062 more than their fixed charges during these nine months, while 108 railroads earned $167,790,266 less than their fixed charges; so that practically two-thirds of the railroads of the United States must inevitably go into the hands of a receiver unless their conditions are improved—and these are not the poor railroads; they are such lines as the Pennsylvania, the Baltimore & Ohio, the Great Northern, the Southern Pacific, and many others. For immediately the railroads are turned back to their owners, unless Congress acts, the guaranteed return ceases and the railroads are dependent upon their earnings, which have been established by the Government. In other words, the operating expenses of a railroad are, of course, its first charge and must be paid before any interest on securities. The Government took over these railroads in a solvent condition, and while, of course, it has paid, during its operation, a fair rental for the properties, it has increased the operating expenses so greatly that when they are turned back they will be bankrupt and can not from their earnings pay their operating expenses and fixed charges, without one dollar for dividends. A railroad is worth what it will earn.

I do not mean that it should be capitalized on an earning basis; but if it earns nothing it is worthless; and the wages and expenses of operation, once increased, are very difficult to decrease. It is also difficult to increase rates, and it is a serious question in my mind whether rates can be raised sufficiently to make up the enormous deficit the railroads are now suffering. One thing is certain, that passenger rates can not be raised, and it is doubtful whether the rates on many of the leading staple commodities of the country can be increased, such as grain, coal, flour, meat products, and many others.

One of the questions we have been compelled to face involves the cause of this abnormal cost of operation and whether it can be reduced. The principal causes of the increase of operating expenses have been increase of wages, increase in number of employees to do the same or less work, decrease of efficiency, a large operating bureau in Washington, and increase in the cost of materials.

In the first place, when the Government took over the railroads it was supposed that the Director General would avail himself of the complete organizations of each railroad and confine his activities to such direction as was necessary to expedite Government transportation during the war. But in this the public was disappointed. Mr. McAdoo had more ambitious ideas, so he established a great central organization, with 2,600 employees in Washington and scattered over the country, which directly interfered with and benumbed the incentive and enterprise of every railroad organization. It went over the heads of local officials and was enormously expensive. It demonstrated beyond question that you can not efficiently operate 260,000 miles of railroad from a central bureau in Washington full of red tape and bureaucratic obstinance and interference.

The result met the expectations of those who were familiar with railroad operations; and not only was the public poorly served, but people living a long distance from the Capital wishing to obtain transportation facilities, changes in rates, or a hearing on questions of overcharges or damages found it impossible to break through the web of central bureaucratic control in Washington.

I am not blaming the men in charge of it. They are mostly able, conscientious workers and did their very best. I am blaming the men who created this impossible situation in order to build up the power of the Government.

Mr. McAdoo, speaking before the Interstate Commerce Committee in 1918, expressed the hope that very large economies would be practiced in railroad transportation. The fact is that not in one single department of railroad management, except possibly the legal department, which is of minor importance so far as expenses are concerned, has there been economy, but, on the contrary, enormous extravagance. It was claimed that great sums would be saved in the salaries of personnel. In fact, nothing has been saved, and at present, with less business than the railroads were doing in 1917, there were employed in July, 1919, the last month for which we have information, 190,539 more employees than in December, 1917, whose pay will average about $1,500 per annum, or $285,808,500, which is more than 4 per cent on all the capital stock of all the railroads in the United States.

Of course, as the chairman of the committee has said, quite a percentage of this increase was caused by the decrease of working hours, which I do not criticize; but if you will examine the figures, you will see it can not be accounted for altogether by the decrease in working hours, which, as I recollect, amounts only to about 4 per cent.

At the time the Government took over the roads the Director General appointed, by General Order No. 5, a wage commission, composed of Franklin K. Lane as chairman, Charles C. McChord, J. Harry Covington, and William R. Willcox. They made a thorough investigation and reported, on April 30, 1918, that the wage demands of the employees amounted to a billion dollars. They reported that there should be an increase of about $300,000,000 to meet the increased cost of living. This was a very carefully prepared and exhaustive report. This increase was put into effect, and immediately the Director General continued to increase the salaries of nearly all classes of employees, until he reached and passed the billion mark, and they are still demanding much more. It was stated this summer that the President had denied the shopmen any substantial increase and had only given them an increase of 4 cents an hour. But this amounted to $60,000,000 a year.

Mr. KING. Mr. President, will the Senator yield?

Mr. KELLOGG. I yield to the Senator from Utah.

Mr. KING. For information I am rather desirous of knowing how the increase could be from zero to $1,000,000,000 when the committee which presumably had charge of the entire field recommended an increase of only $300,000,000. When were the other increases made which raised the amount $1,000,000,000 above the $300,000,000 recommended by the committee?

Mr. KELLOGG. After the first increase recommended by the board on wages and working conditions in the Railroad Administration was made they started in and have been increasing wages ever since. I am not saying that they have been increased too much; I will come to that in a moment.

I am not contending that the general average of the principal employees is too high, although the increase as a whole since 1915 is equal to the increase in the cost of living—and I will give in a moment the exact figures—but what is subject to condemnation is this: First, the Director General has standardized the wages of practically all railroad employees throughout the United States in the same class, irrespective of the cost of living and local conditions.

Second, thousands of orders have been made reclassifying employees and taking them out of a lower class and placing them in a higher class of pay.

On the first point of standardization: For instance, the pay of many employees in remote districts, on branch lines, where traffic was light, the cost of living very low, and in many cases where employees devoted to their duties only a part of their time, has been raised equal to those in more densely populated districts, under more expensive living conditions. In some instances where station agents had other employment and only devoted a part of their time to railroad business their salaries have been increased from 100 to 200 per cent. Office boys 12 or 13 years of age, studying shorthand or going to school part of the time, have been raised from $35 and $40 a month to as high as $80 and $90, and in many cases men in subordinate positions have received a higher salary than their superiors.

These inequalities have added grossly to the cost of operation of the railroads, have created unrest, and have had a bad effect upon the morale of the service. But if the public thinks that wages are not being increased almost daily they should have access to the orders made by the authorized boards on wages and working conditions in the Railroad Administration. Men are constantly being taken out of one class and placed in a higher skilled class. For instance, in one case, men engaged in cleaning Pullman cars were taken out of the ordinary day-labor class and placed in the class of expert upholsterers and their pay raised from 40 cents to 68 cents an hour, and they still continue to perform their old duties. The fact is that this is going on all over the country to-day. These orders are being made reclassifying the men so as to add enormously to the cost of operation without justice to the great class of men themselves.

I ask to have printed in the RECORD, as Appendix D to my remarks, a statement showing the annual compensation of various classes of employees and the increases in their salaries

during the years 1915, 1917, and 1919. The increases in the salaries of employees during 1919, compared with the year 1915, amounted to 72.7 per cent, and as compared with the year 1917, 42.7 per cent. Of course, this does not show the inequalities, because the only information I have bears upon averages. Many men have been raised out of all proportion to their coemployees, and it is that which has created discontent and a large amount of the expense. This does not represent all of the increases now in effect, since it does not include the $60,000,000 given the shopmen in the way of increases which the Director General has put into effect since the 1st of July, 1919.

The chairman of the committee said the other day that he did not think these average wages were too high. I do not myself. For the benefit of the Senate I will state that the best information I can get, which is from the National Industrial Conference Board, Boston, Mass., shows that the cost of living, including all elements, such as food, shelter, heat, light, fuel, and sundries in July, 1919, was 73 per cent greater than in July, 1915, and 30 per cent greater than in July, 1917.

This statement, however, does not show what I consider the most unjustifiable phase of reclassification in many cases. This is general averages—the only way the information can be procured. To get this reclassification one must go through thousands of orders.

But the present deplorable financial condition of the railroads is not the only serious question confronting our transportation system. During the Government operation in the last two years the extensions, additions, and improvements in railroads, and especially in equipment, have been way below the average of previous years and below the demands of the transportation of the country. In other words, without regard to the physical condition, the Government has allowed the railroads to fall behind that normal increase necessary to the transportation of this country.

There is to-day a great shortage of cars all over the country. I doubt if there is a Senator in this Chamber who has not had demands from his constituents for cars.

In fact, there has existed during the last two years a shortage of cars, and yet the Railroad Administration has only purchased 100,000 cars in two years, which is much less than the average yearly purchases of the railroads before, and is about one-half of the deterioration or loss of cars by wearing out, destruction, and so forth.

On January 1, 1918, when the railroads were taken over, there was undoubtedly a great shortage of cars in this country. The cause was perfectly obvious. The years 1913, 1914, and 1915, especially the latter, were, as the Interstate Commerce Commission reported, years of great depreciation in railroad business, and there was a surplus of cars from 1907 to 1916. Then came the great increase of business on account of the war. What the Government should have done on January 1, 1918, was to have directed the railroads to let contracts for all the cars which the shops of the country could build. And this might have been done then at a fairly reasonable price. But what was done was to spend four or five valuable months in trying to standardize cars and locomotives, which has practically amounted to nothing. Committees of manufacturers and committees of railroad men were appointed by Mr. McAdoo and all this time wasted in a futile attempt to do something which decades of experts in railroad work could not accomplish, so that Mr. McAdoo might say that he had standardized the cars and locomotives of the country. The result was that not until May were any contracts let for cars, and during the last two years only 100,000 cars have been built, and I am not sure that all of these have been delivered, while during the years from 1899 to 1918 the average annual purchase of freight cars was 134,310.

I place in the RECORD, as Appendix H, a statement showing the average annual purchases of cars and locomotives from 1901 to 1918.

So far as permanent betterments and improvements to railroads are concerned, the administration has done better, although not all that the needs of the country demand. During the years 1912 to 1917 the railroads spent an average of $446,000,000 per annum on such betterments and improvements. As near as it can be estimated, the present administration has spent about $400,000,000 per annum, but from 1912 to 1917 a dollar would purchase much more in improvements than during the last two years, so that $400,000,000 per annum since 1918 is entirely disproportionate to the amount spent before that time and does not make up for the increased demands upon the transportation system of the country.

When the railroads are turned back to their owners with depleted earnings they are going to be confronted with car shortage due to the failure of the Government to purchase a sufficient equipment, and this car shortage must be made up if the business of the country is to be transacted. A call for cars is coming from all over the country. The Railroad Administration is doing nothing toward obtaining additional equipment, and therefore the railroads should be turned back as soon as possible, so that the companies may take steps to do so.

I have thus given a mere outline of the condition of the railroads and the difficulty confronting the Interstate Commerce Committee when it undertook to solve this problem. The committee took testimony for two months and, through its subcommittee or the whole committee, spent nearly four months in careful investigation and in drafting a bill to be presented to Congress.

Mr. KING. Will the Senator permit an inquiry before he leaves the subject of betterments and improvements?

Mr. KELLOGG. I yield to the Senator.

Mr. KING. I have heard the charge repeatedly made that the Railroad Administration has discriminated against a large number of roads which were under its control, and that the improvements which have been made have been confined to a few roads. I shall not mention a number of roads which have been brought to my attention, but the charge is made that there has been a deliberate purpose on the part of the Railroad Administration, or some of its subordinates, to build up some roads—that is to say, to give them proper betterments and the very best of equipment—and that at the same time they have failed to maintain other roads according to the standard that they were operating under prior to the Government taking them over. Does anything in the testimony indicate that there has been any discrimination, and if there has been no discrimination does the evidence show that some of the roads have been neglected, whether purposely or because of lack of funds?

Mr. KELLOGG. Mr. President, I do not think the testimony shows any intentional discrimination, and I have never heard any such complaint. Of course, the fact is that some roads have been maintained in better shape than other roads, which is probably due to many conditions, one of which would be the want of funds by the railroad, or earnings of the railroad for maintenance. Another might be that it was necessary that a certain road should be kept in much better condition so that the Government could transport material over that road. I know that a great deal of complaint has been made by some of the roads of discrimination in traffic, but it is inevitable that such complaints should be made, and I have no doubt that some discrimination has occurred.

Mr. NORRIS. I would like to ask the Senator another question before he leaves that subject. It may be that I ought to preface the question by saying that I have no other object in propounding any question except to get light on the subject, which I think possibly the Senator will be able to give.

In a conversation that I had with an employee of the Railroad Administration soon after the railroads were taken over he stated to me that at the time the Government took the railroads over they were in a very poor condition and that the engines and cars had not been kept up. He showed me at that time some photographs that he said were taken at various places along the Baltimore & Ohio Railroad, showing a large number of engines, which appeared in the photograph to be standing out on sidetracks, that were not in condition to be used; and that the Railroad Administration, when it took the roads over, first had to do a lot of repairing. In other words, his claim was that a great many of the roads were in such a condition at the time, from overwork and from the demands that had been made on them, although he did not say that it was intentional, of course, that the property was in very bad condition and had to be repaired before it could be used. Is there anything in that?

Mr. KELLOGG. Mr. President, the committee did not go into that subject. Undoubtedly there are some railroads that had not been kept up, and there are some that have not been kept up since. The best information I could get from the accountant of the Railroad Administration is that even at the present time maintenance is being what they call "scrimped." It is not what it should be to keep the railroads up to standard in some cases. But I have heard no general complaint that the railroads were in bad condition at that time and have been put in better condition since. I do not think that generally that is true.

Mr. KING. Mr. President, will the Senator permit a suggestion at this point which is somewhat in response to the inquiry made by the Senator from Nebraska [Mr. NORRIS]?

Mr. KELLOGG. Certainly.

Mr. KING. I made some inquiries just before the Government took the railroads over, and I found that many of the railroad companies had been denied the right of acquiring engines and other equipment, and had really been denied in part the opportunity to repair some of their equipment, because the demands of the Allies were so great that it was deemed im-

perative that they be supplied, even though it meant denying the right of some of our own railroads to obtain the things which they required.

Mr. NORRIS. Was that before the railroads were taken over?

Mr. KING. Yes; before they were taken over by the Government. I know that a number of the railroad companies had put in orders for engines, and the engines which they had ordered were transshipped and sent across the sea; at least, that is my information. They were ready to pay for them, and they needed them very badly, but it was thought that we should accede to the demands of the allied Governments. Indeed, Russia made some very important demands, and many of the companies that were engaged in constructing engines canceled their engagements with our domestic operations in order to build engines and other equipment for the allied Governments.

Mr. KELLOGG. Mr. President, of course that was true. After the war broke out, in 1917, the railroads were unable to get the materials they needed, and a like condition handicapped the Government to a considerable extent afterwards, and it hurt both the railroads and the Government.

The committee heard the committees of the railroad executives, railroad security holders, chambers of commerce, farmers' organizations, employees' organizations, State railway commissions, and many others, and has finally submitted a bill which is the product representing the consensus of opinion of the committee, although not unanimously concurred in in all respects.

I now desire to discuss the principal features of the railroad bill:

First. Guaranty during readjustment: I think it is evident to everyone that the Government, having produced this condition of the railroads, without regard to the merits of the increase of operating expenses, incurs the duty for a reasonable time, while the rates are being readjusted, to meet operating costs and continue its guaranty. We have no right to take over a public-service corporation and use it for Government purposes, increase its operating expenses so as to render the property valueless, and turn it back without any remedy. Furthermore, should this be done, a financial collapse in this country is bound to follow, and as the bonds of these railroads are held in savings banks, insurance companies, and by millions of individuals, and are a large basis of credit, the greatest care should be taken to preserve their integrity.

It may be said that the Government, having taken over the railroads and fixed the rentals, owes no duty after the properties are turned back. The railroads were not consulted about being taken over. The Congress practically fixed the terms of the agreement, and the agreement was presented to the railroads to accept or reject, as they saw fit. Their only remedy, if they refused to accept the agreement, was to go into the Court of Claims and sue the Government—a remedy which, of course, was entirely inadequate, as the roads needed their income to pay interest and taxes.

The true relation of the Government to a public-service corporation is that the Government has regulatory powers to prevent the companies from earning more than a reasonable income. But it has no right to reduce that income to the basis of confiscation or to take the property over and destroy it. So the least that can be done is to continue this guaranty for a few months while the rates and operating expenses are being readjusted.

For those who may desire to examine the result of this guaranty I ask to have incorporated in the RECORD as "Appendix I" a statement covering the principal railroads in the eastern district, the southern district, and the western district, which will show the total Government guaranty, the result if that guaranty should be reduced 25 per cent, and the rate of dividends that were paid by each one of the railroads, so that anyone can examine it and see whether the guaranty is fair and reasonable during that time. I will not stop to comment on it now.

Second. How should the rates be made? Section 6 of the bill directs the commission to divide the country into rate-making districts, to make rates that would produce 5½ per cent upon the aggregate value of the property within the districts, with permission for another one-half per cent for nonproductive betterments, improvements, or equipment, and takes from each carrier a certain percentage over and above 6 per cent of the earnings, to be used, one half for a trust fund for the purpose of securing interest and dividends, and the other half for the benefit of all the railroads in the country. This is one-half between 6 and 7 per cent and one-quarter above that. I shall discuss these provisions separately.

The commission has found, by experience, that it is necessary to divide the country into districts for the purpose of rate making.

I think there is some misunderstanding in the Senate as to what these districts mean. So far as consolidation of the railroads is concerned, either permitted or forced, they make no difference. These districts are simply traffic districts, which are now being used by the Interstate Commerce Commission for the purpose of adjusting rates which will pay a fair return upon the property in each district.

For instance, take New England, which is a district by itself. The district north of the Ohio River, west of New York, and east of Chicago is another district. South of the Ohio River and east of the Mississippi is another district. West of the Mississippi River and Chicago is another, and so forth. But these are only traffic districts for the purpose of arriving at how much revenue will be needed by the roads in each district. It would take a greater increase of rates in New England to make the roads solvent than it would in the districts west of the Mississippi River, and the commission therefore has in the past divided the country into such districts, and that is the only division of the country made anywhere in this bill. Consolidation follows along the lines of competition, the same as it has in the past and as I think it should continue to do in the future.

There is such a wide variance in the earning capacity and conditions of transportation in different parts of the country. To illustrate: New England is a country with many manufactories, large terminal expenses, and short hauls, while the district west of Chicago is a district of fewer manufacturing towns, long hauls, and different conditions of operation. These districts have already been unofficially recognized by the commission in rate adjustments, such as "Central Traffic Association," "Southern," and so forth. To illustrate, these districts would be substantially the following:

No. 1. New England.

No. 2. Between Chicago and New York, north of the Ohio River.

No. 3. South of the Ohio and east of the Mississippi.

No. 4. West of Chicago, which naturally divides into what is known as the western transcontinental and southwestern territories.

The transcontinental roads are taken by themselves. The western territory is the northern part, and the southwestern territory is Texas, Arizona, New Mexico, and so forth.

In these districts there is a wide variation between the roads. For instance, it would require a much greater increase in rates to make the New England roads solvent than it would the roads in the southern or western districts.

I ask to have printed in the RECORD as Appendix E and Appendix F, as a part of my remarks, two statements, one showing the result of operation of the roads in 1917, compared with 1918, in each district, the rate of return upon the value of the property in the district as a whole, and the percentage in increase of freight rates necessary to enable the roads in the whole district to pay 6 per cent upon their value, taking the cost as the value of the railroads.

I did not use 5½ per cent because it is easier to make these figures on the basis of 6 per cent, those calculations having been made many times, but Senators can see that by reducing them a certain percentage it would be easier to arrive at a different basis.

The other is the same statement for the nine months of the year 1919, the balance of the year estimated. It will thus be seen that in New England it would take 28.06 per cent increase in freight rates, assuming the same amount of business is handled as at present; in the central district, 15.73 per cent; in the southern district, 19.94 per cent; in the western district, which includes all railroads west of the Mississippi River—in fact west of Chicago and St. Louis—15.04 per cent. The western district is divided into three territories, viz, the transcontinental territory, which embraces all the principal lines running from the Mississippi River to the Pacific, the southwestern territory, and the western territory. The southwestern district would require an increase in freight rates of 28.05 per cent.

Mr. THOMAS. Does the Senator mean 28.05 per cent in excess of the present prevailing rate?

Mr. KELLOGG. Twenty-eight and one-half per cent in excess of the present prevailing rate, assuming there is the same amount of business. I do not intend to intimate that that can or should be effected, certainly not immediately.

These figures have, of course, been made up on the basis of present freight earnings and do not contemplate an increase of passenger rates. I am satisfied that no increase in passenger rates can be made. Of course, as I say, the percentage is higher than would be required to earn 5½ per cent or a little over 5 per cent, which the pending bill provides for.

The question of minimum guaranty and excess earnings: The most difficult problem confronting the committee was this: Owing to the wide variation in the earning capacity of different roads in the same district, how could a rate be made—which must, of course, be the same on all roads—which would

pay a fair return to the poorer roads and not yield excessive earnings to better roads? In fact, when this problem is solved all of the others will prove easy, and weeks of time and the opinions of the best experts in America were sought on this question.

Many plans were discussed, but finally the question resolved itself into two propositions: First, to make rates in each transportation district so as to produce revenue to pay the operating expenses, including the wages of labor and the cost of maintenance, a fair return upon the property, and to insure the investment of capital necessary to enable the carriers to adequately perform their duties to the public, and let each individual railroad, under this arrangement, earn what it could.

The second was to make rates which would yield 5½ per cent on the aggregate value of the property in each district, with authority of the commission to allow, in its discretion, one-half of 1 per cent more for nonproductive improvements, betterments, or equipment, and as to each individual road earning more than 6 per cent of the value of its property and not exceeding 7 per cent, one half of such excess is to go into its individual sinking fund, and the other half into a general sinking fund for the benefit of all roads.

I should explain that that belongs to the Government, of course, and though loaned to the railroads it still is a debt due the Government. Of all excess earnings above 7 per cent, one-fourth is to go into the individual sinking fund and three-fourths into the general sinking fund. The individual sinking fund is to be kept by each road and to be drawn upon for the purpose of paying interest and dividends whenever its individual income shall fall below 6 per cent. When this sinking fund shall equal 5 per cent of the value of the property the railroad company is to have one-third of all excess above 6 per cent, and two-thirds is to be paid into the general sinking fund, to be held and owned by the Government. The general sinking fund is to be invested under the authority of the board of transportation, to be used in the way of purchases, leases, or rental of transportation equipment and facilities or loans to carriers.

The question is, Which of these two plans is the best? I am prepared to support this bill, although it does not, in all respects, meet my judgment. It is the consensus of the opinion of the entire committee. Nevertheless, I deem it my duty to lay before the Senate the result of my experience and observation in railroad operations.

While there have been in the past, more especially in the earlier years of the development of our railroad systems, great abuses, such as overcapitalization and the payment of rebates, these abuses have been stopped. Since 1907 the Interstate Commerce Commission has kept accurate accounts of the annual money invested in railroad property, rebates have been eliminated, and the railroads are now being valued by the United States, and it is the purpose of this bill to place the issuance of securities entirely in the hands of the commission. But what has made our railroad systems great and developed the vast resources of this country? It has been individual enterprise and competition. Competition in every walk of life has been the mainspring of human progress, and while I realize perfectly that there can not be great competition in rates without discrimination, and that rates must be the same to all, yet there is great competition in service, in enterprise, in operation, in inventive genius, in labor-saving and life-saving improvements, and in betterment of service. It would not be possible to entirely equalize the earning capacity of all railroads and to coordinate the fields of individual enterprise without stagnation.

Of course, this bill does not seek to exactly equalize the earnings of all railroads. One road was wisely built as to territory, grades, and manner of construction, and is economically operated, or it was constructed in the early days and developed with the growth of the country. Another road was unwisely built for speculative purposes and is not economically operated. While it is undoubtedly necessary that it must continue to operate, it is neither fair nor just nor economically sound that the earnings of the better road should be taken and given to the poorer road. It is in direct conflict with all principles of fair dealing and would discourage enterprise, which is necessary to the progress of all human affairs.

Of course, it is fair to say that the bill before the Senate does not take from one road and give to another. It takes a part of the excess earnings, a part of what is supposed to be above a reasonable earning, and turns it over to the Government and provides that the Government may use it in the aid of the transportation systems of the country.

It was thought by the committee that fair rates could not be maintained which would establish the credit and maintain the railroads of the United States without producing to certain of those roads so great an income that it would be unfair to the public, and therefore a certain percentage of those earnings is taken and turned over to the United States, so that it may be used to loan to carriers for purposes of equipment or for acquiring additional facilities, but it belongs to the United States, as the Senator from Iowa stated.

Mr. KING. Will the Senator permit an inquiry?

Mr. KELLOGG. Certainly.

Mr. KING. The presumption is, I understand, that whatever earnings railroads may make, those earnings are made under regulations which are supposed to be reasonable and which provide that their earnings shall only be reasonable. The contention of the Senator and the pending bill therefore reach this ground, namely, that you deprive the railroad companies of their earnings, earnings which are supposed to be reasonable, or, rather, which are based upon reasonable rates, and you confiscate those earnings and give them to the weaker roads. Is not that the effect, legally and morally, of the proposed legislation?

Mr. KELLOGG. No; I do not think it is.

Mr. DIAL. Mr. President, I wish to ask the Senator if there is any question in his mind as to the constitutionality of that provision?

Mr. KELLOGG. I will answer both questions together. I have given a great deal of attention to the question of the constitutionality of that provision. I have read the opinion of Hon. Elihu Root; Mr. John G. Milburn, of New York; Mr. John S. Miller, of Chicago; Mr. Johnson, of Atlanta; and many others, that it is constitutional. I have read the opinion of Mr. Thom, who is a very able lawyer, and of ex-Justice Hughes, of the Supreme Court, to the effect that it is unconstitutional. After studying the question as carefully as I could I have come to the conclusion that it is constitutional; and I base my judgment on the decisions of the Supreme Court of the United States. I am not going to stop to review them; but the Government has the right to regulate the earnings of public-utility companies engaged in interstate commerce. It can not, of course, restrict those earnings below a point that would yield a fair return upon the investment, but within that sphere, allowing a fair return upon the investment, the regulation may be effectuated by fixing reasonable rates or by fixing a reasonable income.

As stated by the chairman of the committee, if there was but one railroad in the United States and Congress should come to the conclusion that 6 per cent or 7 per cent upon the value of its property was a fair return, Congress could so provide and allow it to make rates as it pleased, taking the balance, or Congress could fix rates which would produce 6 or 7 per cent. Can it be less within the power of Congress if there are a hundred railroads? Of course, Congress can not say to the Great Western Railroad that it shall accept 1 per cent, but it can fix a standard of earnings which will allow the fair return on all the properties in a district. If one railroad does not wish to accept it, it can go into court; but its competitor is bound to take it, and therefore it could not get any more.

Mr. OVERMAN. Are the earnings of railroads the property of the companies?

Mr. KELLOGG. The earnings of the railroads are undoubtedly the property of the companies.

Mr. OVERMAN. Under this bill are they the property of the companies?

Mr. KELLOGG. Certainly.

Mr. OVERMAN. And if the Government fixes the just earnings of a railroad at 6 per cent and they make 7 per cent, then the earnings over 6 per cent belong to that railroad; yet the Senator contends that the Government can take away from the railroads their property and use it as it determines for other railroads.

Mr. KELLOGG. This bill does not propose to give the roads the right to earn all they please. It proposes to fix a standard of earnings above which the Congress provides the return shall be unreasonable.

Mr. OVERMAN. But when the Senator from Minnesota admits that the earnings of the railroads are the property of the railroads, the Government by this action would be taking away the property of the railroads without due process of law.

Mr. WATSON. Is it not a fact, if the Senator from Minnesota will permit me, that this bill does not take the property of the railroads?

Mr. OVERMAN. But the Senator from Minnesota says that the earnings are the property of the railroads. Having admitted they are the property of the railroads, what right has the Government to take them away from the railroads?

Mr. WATSON. But the return over and above the standard return becomes the property of the United States.

Mr. OVERMAN. Then it resolves itself into a question of whether it is the property of the railroads?

Mr. WATSON. We have undertaken to provide in this bill that the excess earnings do not become the property of the railroads.

Mr. OVERMAN. That is where the Senator from Minnesota and the Senator from Indiana differ.

Mr. KELLOGG. Oh, no; I misunderstood the Senator from North Carolina. I stated that ordinarily, under the law as it now exists, if a rate is fixed and a railroad earns more than 6 per cent, the excess belongs to the railroad; but that does not prohibit Congress adopting the earnings as the basis for the regulation of the roads and providing that earnings above a certain amount shall not belong to the railroads. That is the point I wish to make.

I believe that to be constitutional—I am aware of the fact that eminent lawyers will disagree with me—but the question of its wisdom, of course, is entirely another thing. I am aware of the fact that there is much question in the minds of many men as to whether such a provision is wise, and, to be perfectly frank with the Senate, when the matter was discussed before the committee I thought that some other plan would be better in order to maintain the initiative and the enterprise of the railroads of the United States, but the majority of the committee disagreed with me. It may be, in order to stabilize securities and put the railroads upon a financial basis where they can handle all the business of the country without excessive charges being placed upon the people, that it is better to adopt this provision.

Mr. WATSON. Mr. President, is it not a fact that this entire difficulty, if there be a difficulty, results by reason of the law which compels a uniformity of rates? That is to say, if we made a rate for the Pennsylvania Railroad alone, and there were no other railroad in the country, we could provide rates, fares, and charges that would give a return that would be equivalent to 5½ per cent on the invested capital. We are, however, compelled to make uniform rates for all of the competing lines in the same rate district. If we were making a rate for the Baltimore & Ohio Road alone, we could, through the Interstate Commerce Commission, make rates and charges that would bring a return equivalent to 5½ per cent on the investment of that line; but inasmuch as rates must be uniform in the same district, if we fix a rate that will earn 5½ per cent for the Baltimore & Ohio investment, that of necessity would bring a return of 6 or 7 per cent on the investment of the Pennsylvania Line.

Mr. OVERMAN. Yes. I understood the Senator from Iowa [Mr. CUMMINS] contended the other day that the excess might be taken from one rate-making district and applied to another rate-making district—for example, to the southern district or to the California district—so as to assist in bringing about a uniformity of rates.

Mr. WATSON. But it is to go into a fund, and that fund is at the disposition of Congress.

Mr. DIAL. Does not the bill penalize the well-managed roads?

Mr. WATSON. Certainly not. As I explained a while ago, and I will explain again to the Senator, if we were fixing a rate for one road alone we could provide for a return of 5½ per cent on the invested capital, but inasmuch as rates must be uniform and one road may make more than 5½ per cent we have a right to put all of them on the rate-making basis or the earning basis, if you please, of 5½ per cent on the invested capital, and say we will take the excess and put it into a fund to be disposed of by Congress for the benefit of all the roads; that is, a portion of it, the other portion, going into a fund for the benefit of the particular road which makes it by way of dividends or improvements or betterments.

Mr. DIAL. I have no well-defined idea about it, but it seems to me that it is not rewarding industry, and that when a rate is fixed it ought to be uniform and let the roads make what they can above the minimum return.

Saturday, December 6, 1919.

Mr. KELLOGG. Mr. President, when the Senate adjourned yesterday we were discussing the constitutionality of the provision taking away part of the excess earnings of certain roads. The Senator from North Carolina [Mr. OVERMAN] evidently misunderstood what I said. As the law now stands, of course, but for Government control and operation whatever a railroad earns above the standard return belongs to it. That, however, does not militate against the position that the Government may change the basis of regulation and may provide a standard of earnings for public-service corporations, in which event a railroad would not have any property right in the earnings above the standard return fixed by the Government. That is the whole proposition. I think it is constitutional; the wisdom of it is entirely another question. As to that, undoubtedly, men who are familiar with the subject and students of railway operation may differ.

I was of the opinion, when the committee took up the question, that it would be better to have a simple rule of rate making; to provide that the railroads, as a whole, in a district should be entitled to earn a fair return, and that every road should keep what it earned, but after long discussion a majority of the committee concluded this provision to be wise, and I am not prepared to say that the committee is not right. In any event it will stabilize railroad securities; it will, undoubtedly, enable the roads to procure a fair return on the value of their property without any particular line of road obtaining more than a fair return; and if it leaves enough of the earnings with the individual road to encourage it to better its service, I think it will prove an acceptable and wise provision. The only question in my mind is whether it will work out in that way.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. SMOOT in the chair). Does the Senator from Minnesota yield to the Senator from Nebraska?

Mr. KELLOGG. I yield to the Senator.

Mr. NORRIS. I should like to have the Senator's views on this proposition: Is there any danger under that kind of a provision in the law of encouraging extravagance on the part of the railroads? In other words, if the excess of their returns above a certain fixed figure must go to the Government, would there be any incentive, as the Senator says, to go ahead and improve their service? Taking the best roads, so long as they felt that they were going to get only a certain return in any event, would there be any incentive to improve the roads?

Mr. KELLOGG. The Senator from Nebraska must remember that the only provision which bears any relation to a guaranty is that the rates shall be made as nearly as possible to yield 5½ per cent on the value of the property. Of course, as I shall be able to show the Senator in a moment, this bill does not provide for a 5½ per cent return, but if a road earns more than 6 per cent it gets one-half between that and 7 per cent, and above 7 per cent it gets one-quarter. I am inclined to think that may be insufficient to encourage competition between the roads. No man can tell exactly how it will operate, but I should not think it would tend to encourage extravagance or wastefulness. I may say that I still have some doubt about the wisdom of it.

Mr. NORRIS. If I may ask another question along the same line in regard to this surplus, would there be anything in the theory that this surplus, if it is made, above what is fixed as the return on reasonable rates is in fact money that belongs to the consumers, to the shippers, to the people, and that the taking of more than a reasonable rate is unfair to them?

Mr. KELLOGG. Of course, the Senator must remember that the Government takes this balance and the entire public gets the benefit of it.

Mr. NORRIS. How does the whole public get the benefit of it?

Mr. KELLOGG. Railroad facilities must be provided by some one, money must be borrowed for those facilities, and the Government simply takes the surplus and becomes, it might be said, the banker for the railroads; the Government owns it and the public gets the benefit of it.

Mr. NORRIS. The money is used, or at least a great portion of it is used, is it not, to help out the weaker roads; and, if that is true, does not the bill apply the same principle to the weaker roads that is applied to the stronger roads; that is, it gives them the right to get more money than the value of their property based on a fair return would give them?

Mr. KELLOGG. It is not given to the weaker roads; that is the point; it is loaned to them. The Government gets its return and the public gets the benefit of it, as I understand the bill. It is for the very reason mentioned by the Senator that I was opposed to the consolidation of all the lines in the country into one railroad system. That would equalize their earning capacity, of course, and it would permit rates to be made to produce exactly the same return on all the railroad property in the United States; but I was opposed to it and opposed to Government ownership, because it destroys the very initiative and competition which must exist if the public is to enjoy an efficient system of railroads. Show me a place in this country where there is good railroad service and I will show you a place where there is keen competition, and there is not a place in the United States where there is not competition that the railroad service is satisfactory.

Mr. NORRIS. Mr. President——

Mr. KELLOGG. I yield to the Senator.

Mr. NORRIS. Mr. President, the Senator's statement that a remedy for the difficulty suggested would be the organization of all the railroads into one corporation under one control interests me very much. I take it if that could be done it would solve this

difficulty that everybody admits is the great one. Now, the question I want to ask the Senator is, if the committee wanted to avoid Government ownership did they in their investigation consider the plan of organizing all the railroads under one system rather than under several systems with a view to obviating that difficult without entering upon Government ownership?

Mr. KELLOGG. The committee were of the opinion—and I am very firmly of the opinion—that we might just as well have Government ownership. If you consolidate all the railroads in the United States into one corporation, you will deaden every incentive to enterprise, to competition, to efficiency, and will have made it necessary to have a great central bureau to manage 260,000 miles of railroad, which can not be done. I would prefer to leave them as they are and let every road struggle for what it can get, even though some roads should not survive, rather than to bring about that condition in this country; in fact, I think we might just as well have Government ownership.

Mr. NORRIS. Is it not, after all, just a difference in the size of the corporation?

Mr. KELLOGG. The Senator will find, I think, that a railroad can be too large to be efficiently managed; and that is why I am not in favor of having all the railroads put into one corporation or into great regional corporations.

Mr. POMERENE. Mr. President——

Mr. KELLOGG. I yield to the Senator from Ohio.

Mr. POMERENE. If I may be permitted to say so, it seems to me that we have, in effect, now one great corporation operating, or perhaps I had better more correctly say attempting to operate, 260,000 miles of railroad. I say, as a result of a year's study of this problem, that there has never been in the history of the railroads of this country as much extravagance and inefficiency as there has been under this unified control, no matter what the merits may have been; and there have been merits in the unified operation.

Mr. KELLOGG. Mr. President, I shall try to proceed rapidly, because I do not wish to take too much time.

The Senator from Nebraska [Mr. NORRIS] the other day questioned the basis of comparison of earnings of different railroads made by the Senator from Iowa [Mr. CUMMINS] on the ground that the book valuation was not a fair valuation. It does not make any difference what basis you take. We are faced with the proposition that it is necessary to make rates that will enable all of the principal lines of railroads of the country to live. I do not mean that they should all earn the same rate of return on their investment.

It would not be fair that they should do so, because the Chicago Great Western ought not to earn as much as the Burlington, or the Western Pacific as much as the Union Pacific; but there is a great divergence in the earning capacity of different roads, which makes it most difficult to adjust rates that are not too high and permit all of the railroads to live; and it was for that reason that the majority of the committee finally concluded that this was the best policy.

There are, of course, many considerations which support that view. I shall not attempt to go into all of them; but let me illustrate this variation of earnings, and I will take another basis, not the one used by the Senator from Iowa.

During the nine months to September 30, 1919, in the eastern district between Chicago and New York and north of the Ohio River, the Baltimore & Ohio had a deficit of $13,394,762. That is, it lacked that amount in earning its fixed charges, without any dividends on stock, while the New York Central earned a surplus over its fixed charges of $2,371,808. The Erie had a deficit of $10,889,077, while the Delaware, Lackawanna & Western, its competitor, had a surplus of $3,192,520. These are extreme illustrations in this district.

Mr. POMERENE. That was last year?

Mr. KELLOGG. That was the first nine months of this year, and is a fair illustration of what the year will show. In the western district the Chicago, Milwaukee & St. Paul had a deficit of $11,466,252, while the Union Pacific had a surplus of $17,189,129.

Mr. STERLING. Was that for the like period?

Mr. KELLOGG. Exactly the same period—the first nine months of this year. The Southern Pacific had a deficit of $13,088,404, while the Atchison, Topeka & Santa Fe had a surplus of $13,439,073. The Chicago Great Western had a deficit of $299,629, while the Chicago, Burlington & Quincy had a surplus of $12,202,572. I think myself that those variations are more than would exist in ordinary times, but there is no use disguising the fact that 108 of the railroads of the United States to-day lack $60,000,000 a year in earning their interest, and only 57 of them earned more than their interest.

Mr. CUMMINS. Mr. President, the Senator means 108 of the class 1 roads?

Mr. KELLOGG. The class 1 roads. I do not mean little roads. The class 1 roads are those earning more than a million dollars gross; and the committee was confronted with the realization that it would be an appalling thing for 108 railroads to go into the hands of a receiver in six months. We could not fix a basis of rates in this country which would support all of those 108 railroads and not give the 57 a good deal more than the public interest would permit. That is why I was induced to consent to the report of this bill, which in some respects runs counter to my long-established economic ideas. I wished to save the railroad systems of this country from utter bankruptcy, because railroad efficiency is needed on every farm and in every village and in every single industry that exists in the country; and I doubt if Senators realize the serious condition confronting the country. I do not care what basis of value you take; I will take the valuation fixed by any board in the world that is fair. The railroads to-day are not earning anywhere near 4 per cent upon their value.

Mr. WATSON. What per cent of them are not earning enough to pay dividends?

Mr. KELLOGG. One hundred and eight roads out of 165 are not earning their interest and fixed charges, to say nothing about dividends, and all the railroads of the United States are lacking $60,000,000 of earning their interest and fixed charges, with not a dollar for dividends; and everyone knows, of course, that the bonded indebtedness of the roads is far below, six or seven billions below, any valuation which will be placed upon them.

Mr. FRELINGHUYSEN. Mr. President, are there not some that are not even earning their operating expenses?

Mr. KELLOGG. Oh, yes; many of them. The list appears in the RECORD.

Mr. CAPPER. How different is that from the prewar condition in this country?

Mr. KELLOGG. Under the prewar condition, the last year before the war, 60.38 per cent of the class 1 railroads were paying dividends, and practically all of the railroads were earning their interest. Of course, there were some poor lines which were not earning their interest, and some in the hands of receivers, which is a condition that always does exist. The roads for the three years before the war earned an average of 5.25 per cent upon their book values.

As I said, I do not favor this economic principle. I have many times thought that it would be better to give a fair return on all the property and let every road keep what it could get, because, after all, it is what are known as the rich roads that have to borrow the most money and buy the most equipment and terminals; but the committee thought otherwise, and there are, as I have said, some very strong reasons that make it imperative that the securities should be stabilized.

I realize that rates should not be made which will furnish the poorer lines 4 per cent or 5½ per cent or 6 per cent on the value of their properties. They are not worth it. They can not earn it under normal conditions of rates and traffic and should receive less than lines more fortunately situated with larger traffic. If the plan of the committee is to be adopted—and, as I said, I am prepared to support it—I think a sufficient percentage on the earnings above the 6 per cent should be left with the road producing the same, to encourage economical operation and good service. And I doubt very much if one-half of the increase between 6 per cent and 7 per cent and above that is sufficient. My own judgment would be to give them half of all they receive over and above 6 per cent, but I am not insistent upon it.

The plan which the majority of the committee thought best gives the roads, as I said, 5½ per cent upon the value of their property, with one-half of 1 per cent more, if the commission should so determine, for nonproductive betterments, improvements, or equipment. As to the last proposition, railroads are required to make a great amount of improvements from earnings which are called nonproductive improvements. This is a misnomer, and if the present clause in the bill should be retained that word should be stricken out, because no one can say that an improvement is entirely nonproductive.

Steel bridges in place of wooden bridges, stone culverts in place of wooden culverts, street elevations, new stations, and many other improvements which the public demand and to which they are entitled will pay little, if any, income on the investment. But no one can say they are entirely nonproductive. I do not believe that one-half per cent is sufficient among the roads as a whole in this country for such improvements. The best estimate I have been able to obtain is that prior to Government operation the railroads of this country, for 10 years, had spent about three-fourths of 1 per cent per annum as a whole. I mean three-fourths of 1 per cent on the value as it

appears on their books, which is about 18 billions. Of course, the best roads, which had the money to spend, invested much more than this. Some invested as high as 3 per cent, but undoubtedly the average was at least three-fourths of 1 per cent.

Now, it must be remembered that they have spent much more than this in betterments and improvements. The average for five years before the war was about $446,000,000, but it is not all taken out of earnings. It is impossible to borrow all the money that goes into betterments and improvements, because they yield such a small per cent of income, if any at all, that you are constantly increasing capital, on which you have to pay interest if you borrow the money. If it is paid in the form of rates, the public has the benefit of it, for under this bill it is not proposed that that money shall ever at any time draw any interest, or pay any income to the railroads, or be the basis of rates to pay any income. That half of 1 per cent does not belong to the railroads. It is not given to the railroads. It is taken from earnings and put into betterments and improvements. Of course, it would make the railroad property more valuable, but it never can be used under this bill, and never should be used, as a basis for earning in the future. Upon that principle the committee was unanimous, and I think it is one of the best principles in this bill. I have for years advocated that principle when we could have the railroads valued and get a basis upon which to act.

The next question is whether the 5½ per cent is too great an income for the roads. The chairman of the committee said that he was inclined to think that it was larger than it should be.

Mr. POMERENE. That is on the whole valuation.

Mr. KELLOGG. That is on the whole. The Senate must remember that this takes in entire traffic districts and involves the entire value of the railroad property. It is not the book value, it is not the capitalized value; it is the value which the Interstate Commerce Commission shall from time to time fix. They have the facilities and information so they can very accurately fix that value before their complete valuation is available.

But you must remember that while, of course, 5½ per cent on the value of that property at present will enable some of the railroads to pay dividends greater than 5½ per cent, railroad bonds in the future will draw a higher rate of interest than they have in the past.

Take the value of money to-day. Bank credits, the best in the world, pay 6 per cent. Government bonds exempt from all State and Federal taxation except surtaxes pay all the way from 4 to 4.75, and State and municipal securities which are exempt from all taxation, both State and Federal, are paying from 4½ to 5 per cent. Of course, no one would invest in railroad securities, subject to uncertainties, unless the stock at least will yield a good deal more than 5½ per cent. To-day no one could possibly sell a railroad stock, and the bonds have depreciated on an average of 25 to 30 per cent in the last five years. The Government itself is now charging the railroads 6 per cent, and in this very bill the railroads are funding their indebtedness to the Government for 10 years, with a provision that they shall give a first mortgage bond, if it is possible, and if not possible such security as the President shall demand, and the Government is charging them 6 per cent per annum. And yet some people criticize us because they say we are permitting the owners of the roads to earn 5½ per cent on the value of their property.

Mr. POMERENE. Mr. President, will the Senator permit me to suggest in this connection that notwithstanding the fact that the Government is charging 6 per cent interest on the indebtedness of these railroads to the Government, yet we have Mr. Plumb, representing the brotherhoods, going around over the country and insisting that if the country were to buy up the railroads and operate them under a scheme of Government ownership, it could be done on a 4 per cent basis?

Mr. KELLOGG. Mr. President, you could no more sell a Government bond to-day, even exempt from taxation, to the extent of $17,000,000,000, bearing 4 per cent, I was going to say, than you could sell a railroad stock. It could not be done.

Again, it must be remembered that 5½ per cent to-day is not equal to 5½ per cent five years ago. The great inflation of currency and the general rise in prices on all commodities have made a dollar very much less in purchasing power. Another thing should be borne in mind: This bill does not give the railroads 5½ per cent on the value of all railroad property in the United States. It provides that the commission shall fix rates which shall, as near as possible, allow 5½ per cent on the aggregate value of all the railroads in each traffic district. But if any one road receives more than 6 per cent, a part is to be taken over and become the property of the Government, and it is estimated—and I think with great accuracy—by the best expert that this will only leave to the railroads 5½ per cent on the value of their property. The balance is taken over to the Government. So that even the 5½ per cent is not guaranteed the railroads.

When we realize that this can not all be paid out in dividends and interest, but a part of it must be used for betterments and improvements, I am convinced it will be found that the rate of return is not too much, indeed if it is not inadequate.

Some have advocated that the Government guarantee 4 per cent on all railroad securities, and make the rates so as to produce this amount, and take all the earnings in excess of the same. But when the Government has to sell a 4¾ per cent bond at par, exempt from taxation, is it reasonable to suppose that it could sell railroad securities, subject to State and Federal taxation, for 5 per cent or even 5½ per cent? And I for one will never consent to exempt $17,000,000,000 or $18,000,000,000 worth of railroad securities from State taxation.

All these railroad securities are subject to State taxation and Federal income taxation. What would be said if the Congress undertook to guarantee railroads 4 per cent, 4½ per cent, or 5 per cent and exempted all their securities and property from taxation by the States? It can not be done and never ought to be done. They should be subject to local taxation.

I think the Government would save but little, if anything, by guaranteeing all the railroad securities of the country directly. It would destroy, as the Senator from Nebraska [Mr. NORRIS] said, all incentive for the railroads to try to make adequate earnings through good service to the public.

There are undoubtedly many considerations in favor of the plan in this bill. The minimum would insure the solvency of most of the roads and enable them to pay their fixed charges, and the maximum is sufficiently large to leave some incentive to better operation. Whether it is enough I can not tell. One thing is certain—enormous sums of money must immediately be obtained for the purchase of equipment and the furnishing of additional railroad facilities, or the business of this country will suffer beyond redemption.

There is no way to get the public to put money into the railroads except to make their securities safe and attractive. You may reduce the rate of return to the present owners to any basis which the Constitution will permit, but you can not make a man invest in railroad securities, and from half a billion to a billion dollars must go into the railroads of this country every year from now on, or the public must suffer. There are only two ways of doing it. You must make them safe or the Government must buy them.

Mr. CHAMBERLAIN. May I ask the Senator if he has compared the ratio of losses that the railroads were sustaining when they were taken over by the Government with the ratio of losses now? In other words, is the annual loss greater now than it was prior to the time the Government took the railroads over, and is it becoming greater?

Mr. KELLOGG. I put all that in the RECORD yesterday; but I will say for the benefit of the Senator that when the Government took over the roads the class 1 roads were earning an average for the three years of about $905,000,000. They are now earning a little over half of that. The Government is losing about $350,000,000 a year, and the railroads are not earning, as a whole, the interest on their bonds.

Mr. CHAMBERLAIN. Is the greater loss which they sustain now due to the increased cost of operation or due to the fact that the roads are not getting as much business as they did prior to the war?

Mr. KELLOGG. The business of 1918 was a little larger than the business of 1917. The business of 1919 is not quite as large as the business of 1917 or 1918. But the business is large to-day. The loss is due to increased operating expenses. I went into the details of that yesterday, and the Senator will find it in the RECORD.

Mr. CHAMBERLAIN. I am sorry I could not be here to hear the Senator.

Mr. POMERENE. It is due also to inefficiency.

Mr. KELLOGG. Now, Mr. President, just one word about the transportation board.

The bill creates a transportation board to study the general transportation problem and to perform many of the executive duties of the commission, leaving the commission to deal largely with the question of rates, earnings of roads, and valuation of properties. One of the weaknesses of the commission in the past has been that it has acted both as an executive and quasi judicial body. It should resemble a judicial body as nearly as possible, as far removed from political influence as can be, and its executive duties ought to be performed by another branch of the service. I do not know that a board of five members is necessary. I am inclined to think three would be better.

If this consolidation plan is adopted, and an opportunity is given to study the water and rail transportation and to coor-

dinate them, a good deal of work must be performed by the board, and in this regard I am prepared to support that provision.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER (Mr. SMOOT in the chair). Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. KELLOGG. I yield.

Mr. CUMMINS. I suggest to the Senator from Minnesota something he may have for the moment forgotten. One of the considerations which led the committee to make the board of five persons instead of three was that the board of transportation has the final word upon disputes between employers and employees, and it was thought safer to have a larger board to deal with that very important question.

Mr. KELLOGG. That is quite true; and for the moment it had slipped my mind. I did not intend, however, to discuss the transportation board, as it was fully discussed by the Senator from Iowa, and I fully indorse his views on the subject.

One of the important features of this bill is the plan of railway consolidation, and it contains two propositions: First, permissive consolidation; and, second, compulsory consolidation at the end of seven years.

On the general principle of consolidations I am of the opinion that much can be gained by the amalgamation of the lines of road into the principal competitive systems of the United States.

There seems to be some misunderstanding by some Senators. This bill does not propose to create regional railroads at all. It proposes to take all of the principal lines of competitive transportation and maintain them as they are, taking in a vast number of smaller lines which may be said to constitute feeders, many of which are weak lines, such as the Minneapolis & St. Louis, the Chicago & Great Western, and many others throughout the country that I could name. The committee felt as though there were some 20 or 35 of these principal competitive lines, though I doubt if there are 35. But this consolidation should not be permitted to the extent of depriving the country generally of competition in the service and in permitting the construction of lines of road to meet the growing conditions of the country. I am in favor of requiring a railroad company, before it undertakes to construct any considerable system of road or extension of its road, to obtain a certificate of public necessity, but this should not be done to the extent of repressing enterprise, but only to the extent of preventing useless duplication of roads built for speculative purposes. Many of the principal roads of the country have been constructed by people opening up and developing new industries where the old lines of railroad did not care to risk the investment. And that enterprise should be left so that if one wishes to open a mine, a manufactory, or a new agricultural district, he may build his own railroad, or some other system may build it. If you consolidate them all into a regional district, you have ended enterprise; and that is why the committee did not deem it wise to do so.

Hundreds of millions of dollars to-day are invested in such roads, which are prosperous, and which were constructed by individuals and corporations engaged in the industry of this country. Consolidation should only be permitted along the lines of natural competitive transportation. Let me illustrate what the bill proposes to do. Take the district west of the Mississippi River or west of Chicago, running from Chicago to St. Louis, down the Mississippi River, and all the country west thereof. There are 10 principal lines of railroad—the Great Northern, Northern Pacific, Burlington, Union Pacific, North Western, Southern Pacific, Santa Fe, the Missouri Pacific—known as the Gould System—the Chicago, Milwaukee & St. Paul, and the Minneapolis, St. Paul & Sault Ste. Marie.

I think that takes in all of the principal lines of competitive transportation. There are many other small roads, some of them quite large systems, but, as to every one of them, all of the territory which those systems occupy is adequately served and competition furnished by the larger systems.

Mr. WATSON. If the Senator will permit me, I think there was some confusion caused in the minds of some Senators by reason of the fact that certain rate districts were provided in the bill, and, further, that certain corporations were provided for; and Senators were inclined to believe that the corporations were to be regional or district corporations, resulting in district operation.

Mr. KELLOGG. I have already explained what are known as traffic districts, and I will say just a word about reincorporation.

It must be remembered that there is a limit as to size beyond which you can not have efficient management, and I would not permit this limit to be reached or the principal competitive lines to be consolidated beyond it. There are some lines which could undoubtedly be salvaged—part of the Western Pacific, between Salt Lake and San Francisco, which is utterly useless, both for competition and local service. But, generally speaking, the competitive systems of the country should and must be maintained. It is not practicable to say that they can be scrapped or sold. No one will buy them unless they will pay operating expenses and something upon the capital invested. No other company would buy a road if it did not earn its operating expenses. You can not tear up the Chicago, Milwaukee & St. Paul system, nor the Chicago Great Western, nor the Erie. As the Senator from Iowa said, you would create a storm that no other act affecting industry in this country would cause. It can not be done, and they must be maintained.

It is proposed to permit this consolidation only on a basis not exceeding actual value found by the commission. To be sure, if a road wishes to sell out for less than its value, it is to the advantage of the public, and I see no reason why it should be prohibited. There are many of these lines of road which are not worth what they cost. Their securities are selling on a basis far below their physical value, and I see no reason why, if they wish to sell out to a larger system, they should not take somewhere near the market value instead of the physical value if they are willing to do so. These consolidations are to be made after study by the transportation board, and this is one of the most important duties of that board.

Even though we conceded the right of a road to sell out to another, it should not be permitted until some board has found that it will not unnecessarily or unduly suppress competition to which the public is entitled, and that is one of the objects of the board.

This permissive consolidation is permitted under the following plan: If two or three roads wish to consolidate, they may do so on the basis of value found by the commission, provided they do not unduly suppress competition. They may file a charter with the Federal Government reincorporating them as a Federal entity, giving them all the power that they now have under their State charters, but simply making them a reincorporated Federal company. That is substantially the way the banks reincorporated during the Civil War. That is the permissive system. That goes on for seven years. It is manifestly impossible to have any compulsory system at present.

Mr. CUMMINS. May I remark there, simply that it may not escape the attention of Senators, that even that consolidation must have the approval of the Interstate Commerce Commission. It must find that it is in the public interest.

Mr. KELLOGG. Oh, certainly. No consolidation of competing lines of railroads can be made under the bill or should be made unless the board or the Interstate Commerce Commission find that it is in the public interest.

As to the compulsory consolidation, I must admit again that I personally did not think it necessary or wise, although, as I shall point out, it has some features which are greatly in the public interest.

The substance of this plan of compulsory consolidation is that the transportation board, after making its general plan of consolidation and permitting consolidations to occur during the first seven years, will then proceed to enforce a complete system of consolidation into not less than 20 nor more than 35 companies.

The capitalization of the consolidated companies in stock and bonds shall not exceed the value of the property ascertained by the commission under the act of March 1, 1913. This is to be accomplished through a Federal charter and condemnation proceedings. The board is authorized to organize a railroad company to take over any lines that it is desirous of consolidating. The modus operandi would be to organize the corporation and to condemn the properties of the companies thus to be consolidated, and then to issue and to sell new securities to pay for the properties so condemned. I know of no other legal way to compel such consolidation, and the bill provides that the same is not to be made until sufficient securities have been sold to pay for the properties thus taken. I think the Government has the power to compel consolidation by the system of condemnation.

Mr. CUMMINS. May I interrupt the Senator for a moment, though I am sorry to do so?

Mr. KELLOGG. I have no objection.

Mr. CUMMINS. There is power in the board for the exchange or substitution of securities, and it is believed by those who favor the plan that the power of eminent domain will not have to be resorted to in very many instances.

Mr. KELLOGG. Of course, I perhaps should have remarked that if the board comes to the conclusion that there should be a consolidation of certain lines of railroad it may deal with the railroads thus to be consolidated and exchange securities in the new corporation for those of the old, and if behind this proposed consolidation there is power to enforce it, I have no doubt that most of them could be accomplished. In fact, it is my opinion that we will never use this system of enforceable consolidation, and that it will never be necessary to employ it.

Mr. CAPPER. Does the Senator think the carriers generally are in favor of this consolidation feature?

Mr. KELLOGG. I think they are generally in favor of it. I have, however, heard many carriers say that they did not believe in the principle of enforceable consolidation.

Mr. CUMMINS. As I probably have had more conferences with the executives on that point than the Senator from Minnesota, possibly I can answer that question.

Mr. KELLOGG. Yes, better than I can.

Mr. CUMMINS. The railroad companies are, of course, desirous of having such a law as will permit voluntary consolidation; naturally they are; but so far as I know they are quite opposed to the compulsory consolidation feature, and that is just as natural as the former. Whenever the Government tries to do anything with a railway company against its will, it always meets opposition, and it has met it in this particular case.

I agree with the Senator from Minnesota that in all probability during the seven years allowed for permissive or voluntary consolidation the plan which we have proposed in the bill will be worked out; I think it will be substantially completed; but I believe it only because that after seven years there is power given in the bill to the Government to compel the consolidation which the transportation board and the Interstate Commerce Commission may have determined upon.

Mr. KELLOGG. I think the Senator from Iowa is quite right, although I was of the impression that, generally speaking, railroad executives believed that the companies should be consolidated into the present principal competitive lines. They are very much opposed to consolidating the big lines of road into one company.

Mr. CUMMINS. I am quite of their opinion in that regard. I think the consolidations must take place along the lines already established, and the bill expressly provides for that.

Mr. KELLOGG. It does.

Mr. CUMMINS. For instance, if we were consolidating the roads between New York and Chicago, no one would suggest that they should be consolidated into less than five systems. Those we have had before us have always indicated that that plan, as a general rule, ought to be followed; that will give competition to every community that has it now; and that will recognize the great trunk lines which now exist. That will be true of the West, as the Senator from Minnesota has said, just as it is true of the East.

Mr. KELLOGG. I did not wish to be understood as objecting to that at all. In fact, I think the consolidation must take place along those lines and in the principal companies which are now competing for the traffic of the country, because the country has developed with the construction of those natural competitive lines of transportation, not only competitive between the railroads but competitive between great manufacturing and agricultural and producing districts, so that Chicago, St. Louis, San Francisco, Minneapolis, St. Paul, and New York are all competing throughout the United States for the business of the country. These natural lines of competitive transportation have developed with the country, and it is and must be the object of the bill to maintain that competitive transportation.

Mr. KING. Mr. President, will the Senator from Minnesota permit me to make merely a brief statement as a predicate for the question which I am about to propound?

Mr. KELLOGG. I want to finish as soon as possible; I am nearly through, but I yield to the Senator.

Mr. KING. What I want to ask the Senator is this: Whether he finds any legal impediment to the consummation of the plan of involuntary consolidation suggested by the bill? The Senator knows that under the authorities a charter for a corporation is a contract between the State and the corporation, and that the stock and bonds which are issued and held by stockholders or by the public constitute property. Some railroad stocks and bonds represent holdings in very valuable and profitable companies. Enforced consolidation will compel individuals to surrender stocks and bonds which they own in corporations which are profitable, and will compel them to take stock or bonds in some consolidated company.

Mr. CUMMINS. No.

Mr. KING. The Senator from Iowa [Mr. CUMMINS], sotto voce, says no. I suppose he means by that that the power of eminent domain will be invoked and those individuals will be paid in cash for their holdings, and they will not take stock and bonds; but the point I am trying to get at is this: Does the Senator think that it is entirely constitutional to compel these corporations existing now under State laws—some of them being profitable—to disincorporate and come in under Federal charters and to dispose of their holdings to some other corporation?

Mr. KELLOGG. Mr. President, I do not think it would be constitutional to do that, nor do I think any such thing is intended. The power of the Federal Government under the commerce clause of the Constitution is supreme——

Mr. KING. It is supreme to regulate.

Mr. KELLOGG. Except as it is limited by provisions of the Constitution against taking private property without due process of law and in regard to the protection of personal and property rights, the means by which that regulation is to be carried out is entirely in the judgment of the Congress. Under the Constitution its power is supreme over all the power of the States. I have, therefore, no doubt of the constitutional power of the Federal Government, first, to take over all the railroads, to condemn them, and to pay for them and liquidate all stocks and bonds; and, second, to sell them to private ownership, for if the Government may buy it may also sell. I should doubt the power of the Congress simply to direct the consolidation of lines of railroad now existing without some such machinery.

Mr. POMERENE. Mr. President, may I suggest to the Senator from Minnesota also that in addition to the power to regulate commerce the Federal Government has the power to establish post offices and post roads?

Mr. KELLOGG. Yes; the power in that respect, of course, is plenary, so far as the commerce clause of the Constitution is concerned.

Mr. KING. I hope the Senator will pardon me for just one moment.

Mr. KELLOGG. Yes; though I have not yet answered the Senator's question in full.

Mr. KING. Excuse me.

Mr. KELLOGG. There might be some question with regard to authorizing a railroad to take over a competitor line as a whole while the competitor is owned by private individuals, its stockholders; and it may be that there may be difficulty in working out this proposition by reason of the fact that the Government must obtain the money with which to pay for the roads before they can be consolidated; in other words, that the stock, bonds, or securities of the consolidating companies must be sold and the money procured in order to pay for the properties before they are condemned.

It may be said that if the Government sells the securities before the properties are condemned it therefore is not the owner of the corporation condemned. That, I should think, is the only legal question involved in that case at all. The power, however, of course, is ample; and if this bill is unworkable in that regard, Congress has the power to change it. There is no doubt about the power of Congress to condemn two railroads, combine them, and sell their securities.

Mr. STERLING. Mr. President, will the Senator permit me to interrupt him?

Mr. KELLOGG. Yes.

Mr. STERLING. The statement just made by the Senator is a pretty broad one. I wonder if the Senator means that that shall also apply to roads whose business and whose lines are wholly intrastate, whose business is not interstate?

Mr. KELLOGG. I do not think it would apply unless such roads are engaged in interstate commerce; I have not made any such statement; but I doubt if the Senator would find a railroad in the United States—there may be a few—not engaged in interstate commerce. It would not, however, apply to purely intrastate property.

Mr. KING. Mr. President, if the Senator will pardon me, I can readily perceive that the Federal Government would have the right to condemn property which might be needed for the Federal Government's use, but it seems to me that the Federal Government would have no right, that it would be a usurpation and abuse of power for the Federal Government to condemn property merely for the purpose of getting title to it in order that it might sell it to somebody else. I can readily perceive that the Federal Government might condemn for its own use, and yet it would be an abuse of authority for it to use its power to authorize somebody else to condemn in order that a corporation might acquire the property of somebody else.

Mr. KELLOGG. I do not agree with the Senator. I think the Government has that power. I may be an extreme Federalist, but, in my judgment, it has that power. The Senator, of course, has to reach his own conclusion. I realize there are

some objections to this plan, and I am anxious to have everyone consider both sides of it. That it is necessary if we are going to have strong competitive lines of railroads that there should be some consolidation with the weaker lines, I am thoroughly convinced, and they will be more capable of competing for the business of the country.

Mr. CUMMINS. Mr. President, may I interrupt the Senator for a moment?

Mr. KELLOGG. I yield.

Mr. CUMMINS. I should like to suggest to the Senator from Utah that our power to regulate commerce among the States is a very broad one, as he undoubtedly recognizes. No one questions that under the power to regulate commerce among the States we can authorize the incorporation of a railway company. I assume that has been very well established. If we can authorize the incorporation of a railway company for the purpose of doing interstate business under our power to regulate commerce, it seems to me to follow almost inevitably that we can authorize that company to acquire the property which it must have in order that it may carry on interstate business. But I did not rise to discuss that particular question; I only want to say to the Senator from Utah that all the lawyers, so far as I know, who have appeared before our committee representing the railway companies, while somewhat disturbed with regard to the process of compulsory consolidation, agree—I do not remember a dissenting voice—that the Government of the United States can, in its exercise of the power to regulate commerce, condemn the property of a railway company already engaged in interstate commerce and chartered under the laws of a State. They all agree, so far as I can remember, that the power which the Government can exercise itself and for itself in that respect can be conferred upon a corporation organized under the laws of the United States. If I am not right in regard to that concurrence of opinion among the lawyers representing the railways, I hope I will be corrected by the Senator from Minnesota.

Mr. KELLOGG. Mr. President, no lawyer who appeared before the committee or with whom I have talked has seriously questioned the constitutionality of a law which prescribes a system of consolidation of railroads, and it is my opinion that such a provision is constitutional. As I have said, some of them seriously object to it on various grounds; and it may perhaps shock the sensibilities of men to say that a road which is poorly constructed or badly operated and not earning a good income shall be taken and a consolidation enforced with a prosperous road that was wisely constructed and is well operated. It may be that such consolidation will tend too much to deaden the enterprise of the prosperous and efficient roads in the country. My own judgment is that we will never have to resort—I doubt if we should resort—to compulsory consolidation.

Mr. KING. Mr. President, is it not somewhat of a shock also to follow this bill to its logical sequence, which would result in the affirmation of the doctrine that no State shall hereafter—that is, after the passage of this bill—have the power to incorporate a company to engage in interstate commerce?

Mr. KELLOGG. I do not think so; I do not see any reason why the Congress should not provide for the incorporation of interstate railways. We must remember that at the present time probably 85 per cent of the business of the country is interstate commerce. We have ceased to be provincial in any part of the country. What John Marshall foretold nearly a hundred years ago has come true: The products of the remotest parts of the country are used in every other part; the great wheat-producing and cattle-producing valley of the Mississippi is necessary to the life of New England and of California; the fruits from the sunny land of the Pacific are used everywhere; coal is transported to all parts of the country; and the very life of the people is dependent upon transportation all over the United States. The time has passed when railroads can be governed or controlled by any local or domestic conditions, because the great transportation of the country is interstate. I do not wish to build up the power of the Federal Government and extend the supervision of meddlesome, stupid boards over all the business of this country; not at all; it should not be done. I am desirous of maintaining the State commissions and State authorities in their police regulations, because they are at the door of the people and they can reach them; but it is impossible, in all respects, to have the great transportation systems of the country controlled by 48 separate States; it can not be done. I do not wish, however, to have the railroads managed by great central bureaus from Washington. I have seen too much of that in the last two years.

Mr. CUMMINS. Mr. President, if the Senator will pardon me once again, I want Senators who are here to bear in mind that the objection just made by the Senator from Utah is not to the consolidation feature of this bill. If the objection is well taken—and we can consider that hereafter—it relates to an entirely different part of the bill, namely, the one which requires the consent of the Interstate Commerce Commission before railroads are constructed. I do not want to get the consolidation section unduly mixed up with that proposition.

Mr. FRELINGHUYSEN. Mr. President——

Mr. KELLOGG. I yield to the Senator.

Mr. FRELINGHUYSEN. I should like to ask the Senator this question: Providing the constitutional objections are overcome, is it not true that the efficiency of the transportation systems will be greatly improved and the transportation systems more economically managed by consolidation than otherwise?

Mr. KELLOGG. To a certain extent I think that is true. Beyond a certain degree I think it would be inefficient. I think all the great principal lines of transportation should be managed in separate companies, as this bill proposes.

Mr. President, I do not wish to be understood as objecting to Government regulation. For many years I have been in favor of regulation of the issuing of securities, and I think it would have prevented many a scandal in our financial history. I recommended it more than 10 years ago and urged it upon the Interstate Commerce Commission. I, of course, realize that rates must be regulated, and service must be regulated to some extent, but we must not go too far. This bill, I think, goes to the limit. It not only regulates the issuance of securities and rates, which, of course, must be regulated, but it practically fixes the wages of employees, regulates the securities which are to be issued, takes away the percentage of earnings above 6 per cent, and gives the power to route traffic; and, in my judgment, while many of these provisions are wise they go as far as I am willing to go in public regulation if the competitive system is to be maintained.

Mr. President, I do not expect that these consolidations will produce as uniform a system of earnings or uniform earning capacity as the Senator from Iowa does. I think they will very greatly aid in equalizing the earning capacity of roads, and together with the permissive pooling, which must be done under the Interstate Commerce Commission, will go far toward securing these poorer systems which need help. I do not expect, however, that lines like the Chicago, Milwaukee & St. Paul, reaching from Chicago to Milwaukee, St. Paul, Portland, and Seattle, a great transcontinental system which to-day is not earning the interest on its bonds, can consolidate so that it will have the same earnings as the Union Pacific, which is earning $17,000,000 surplus over its fixed charges. The Milwaukee should have fair and reasonable rates, its share of what will produce a fair return on all property in the district, and it must hustle for business, improve its service, add to its earnings in that way, and get what it can. The object of this bill is not to take from the Union Pacific and give to the Milwaukee, although that might go much further toward equalizing earnings, but it is to take the surplus over and above what the Congress believes to be a fair return which the Union Pacific should earn. While I am willing to admit that there are grave objections to that, that is the plan provided in the bill.

There is one advantage to be obtained by the system of Federal reincorporation and consolidation provided for in this bill. There is a prevailing idea throughout the country that the railroads to-day are enormously overcapitalized and that the public has been paying excessive rates to pay dividends on watered stock. This system of reincorporation and consolidation proposes that the capitalization shall be on the basis of valuation by the Interstate Commerce Commission which was provided for in the act of 1913, and that hereafter no stock shall be issued which does not represent money or property for the face value thereof, and that the issuance of bonds shall be under the control of the commission. When this is done it will settle once and for all that question, and there will be an ascertained value of the property on which to base the rates of income of all railroads in the United States, for, after all, the value of the property devoted to the public use must be the controlling factor in making rates. It is all right to say that a reasonable rate should be fixed without regard to the value of the property devoted to the public use, but that is not done and never will be done, and as Congress has no power to fix a rate which will deny to a carrier a reasonable income upon its property, that value should be, in fact must be, determined. The valuation by the commission will be completed in a couple of years more, and in the meantime the commission may use all the information at its disposal in fixing the fair value of the roads in each district. There is no doubt that some roads are very much overcapitalized and some roads are very much undercapitalized. As a whole, from all the information I can gather from talking

with members of the commission and from my own experience, the total value of the railroads in the United States thus found will not be less than the present capitalization, stock, and bonds.

I ask to have printed in the RECORD, as Appendix G, as a part of my remarks, two statements showing the book valuation and the capitalization—stock and bonds stated separately—of all railroads in the United States—classes 1, 2, and 3—together with a letter from the secretary of the Interstate Commerce Commission explaining the same.

These statements include the capitalization and book value of all the railroads, while most of the statistics of the commission are made up on the basis of class 1 railroads. I believe that the class 1 roads in 1917 yielded, however, from 95 to 97½ per cent of the operating revenue and covered 89.52 per cent of the operating mileage of all roads.

Furthermore, these statistics do not show the money borrowed by railroads and carried in short-term notes as unfunded indebtedness, so that the capitalization is really somewhat larger than these figures.

This capitalization is also made up by excluding all duplications of stocks and bonds; that is, where one company is holding the stocks and bonds of another the stocks and bonds so held are excluded. It is only the stock and bonds in the hands of the public that are here given. The total capitalization of all the railroads on December 31, 1917, was probably about $17,000,000,000 and the book value about $18,500,000,000.

Mr. KING. Is that classes 1, 2, and 3, or just class 1?

Mr. KELLOGG. That is all railroads.

Now, it is contended that the book value is not a fair basis. It is not, of course. In the case of some roads the book value far exceeds the value of the roads. In respect of other roads it does not. The capitalization probably would be a fairer estimate of the value of the property, because many of the roads which issued stock in the early days without any value have been foreclosed and reorganized.

The water has been squeezed out during the last 40 or 50 years, and additional capital has been invested. Some roads have never capitalized all they have put in. For instance, the Burlington has a book value of about $475,000,000, which I do not think is excessive. Its stock and bond issue is about $275,000,000. It has followed the policy of not capitalizing all of the money put in. Many other roads are in the same condition, so I should say that the capitalization is more accurate than the book value; but in all the statistics which I have furnished to the Senate I have used book value, because it is on that basis that the commission has made up many of these statistics.

Mr. POMERENE. Mr. President, is it not a fact also that through the process of these receiverships many of these roads have been bought in at very much less than their actual value?

Mr. KELLOGG. Oh, yes. Take the Chicago Great Western Railroad, which went through the hands of a receiver a few years ago. It was recapitalized when it went through the hands of a receiver for much less than it was before, but I think much more than it was worth, and since then its capital has been charged off until I was informed by the president the other day that it is now charged down below what the commission probably will find its actual value to be and certainly below what it could be built for to-day; but there are others, like the Missouri, Kansas & Texas, which have a book value of $100,000 a mile, which is absurd on its face. So, I say, this bill does not propose to take those values, or stock and bond values, for the basis of rate making. It proposes to take the value which the commission shall find from time to time in each rate-making district.

Now, I wish to say a word about the Government control of issuance of securities.

It is proposed in this bill, section 24, that the issuance of all railroad securities shall be under the control of the board of railway transportation. It is perfectly evident and conceded by the States that the issuance of railroad securities can not be left to the conflicting laws of various States. For instance, the Milwaukee road would have to obtain the consent, on terms fixed by the State, of a dozen States, in order to issue any general security upon its property. The same condition, to a greater or less extent, exists as to all interstate roads. It is, therefore, proposed to place this under one Government board.

While the railroads should be given sufficient latitude to place their securities on different rates of interest and income, there should be some governmental authority to prevent the abuse of this power as it has existed in the years past. I realize, of course, when the country was new and men were building railroads ahead of civilization, that securities could not be sold except on a speculative basis, with an opportunity to make more than an ordinary rate of interest. I saw the first mile of railroad built west of the Missouri River. That great country has been developed by men who were willing to risk the investment in constructing lines of transportation into the country before it was settled. Most of these roads have been through the hands of a receiver one, two, or three times, and the water which was originally in the stock has been squeezed out, and in some cases the value of the property now exceeds the capitalization, while in other cases, of course, the capitalization far exceeds the value of the property. I think, however, the time has come when the interests of the railroad and the investor require Government supervision of the issuance of these securities, in order that they may inure to the benefit of the investing public and will prevent some of the gross scandals which have occurred in railroad financing as well as in other financing. There is no danger at this time of any such financing, because you could not sell railroad securities at any price. But when prosperity returns to the roads, it is wise to have such regulation.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from New Jersey?

Mr. KELLOGG. I yield to the Senator.

Mr. FRELINGHUYSEN. I should like to ask the Senator if he believes that the stock-jobbing exploitation of the Rock Island could have occurred if this provision had been in force at that time?

Mr. KELLOGG. It could not; nor of the Alton, nor of some other roads with which I am familiar. I was employed by the Interstate Commerce Commission some years ago, if I may be pardoned for mentioning it, to investigate the Alton when its capitalization was raised in a short time from about $24,000,000 to over $100,000,000—my recollection is to about $120,000,000—without adding more than $20,000,000 to the real value of the property, to the real investment. That could not occur under this provision

I may be mistaken in this, but my recollection is—and the chairman will correct me if I am wrong—that all of the State commissions approved this plan.

Mr. CUMMINS. I think the Senator is right about that. It is one of the few phases of the matter upon which there is practical unanimity among State commissions, so far as the enlargement of the Federal power is concerned. They are rather slow to concede that enlargement, but, as I recall it, the national association of State commissions and State utilities bodies has more than once passed a resolution providing for some such plan as is provided in the bill.

Mr. FRELINGHUYSEN. Mr. President, I might add that, in addition to that, the United States Chamber of Commerce took a referendum vote upon this question, and it was carried by a large majority, with very few votes in opposition.

Mr. KELLOGG. Undoubtedly there is necessity for such legislation, and, as I said before, some years ago I urged it upon the Interstate Commerce Commission after the investigation of the Alton, and my recollection is the commission recommended to Congress a uniform system. The House passed the bill, and I think the Senate committee approved the bill. But I am not sure about that; I was not in the Senate at that time.

Mr. CUMMINS. The Senator is right.

Mr. KELLOGG. One of the most important features of this bill is the provision for creating regional boards for adjusting the disputes between the railroads and their employees and the prevention of conspiracies for the purpose of hindering and delaying interstate transportation. These are sections 25 to 31, inclusive. It is unnecessary for me to discuss the details of the plans for the adjustment of wage disputes. Such provision is absolutely necessary, and the only question is the formation of such a tribunal. I understand this movement meets generally the approval of the employees, so far as the general construction of the boards is concerned, though I believe there are some changes recommended so that all employees, including unorganized employees, may be represented.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. KELLOGG. I yield to the Senator.

Mr. KING. I have wondered, in reading the bill, whether the committee, in the consideration of this branch of the bill, took into account the proposition that the public perhaps should be represented upon these boards. As I recall the provision now being discussed by the Senator, there are four members to be selected from the employees and four from the representatives of the corporations.

In view of the fact that there is so much governmental supervision here, and the theory of the bill revolves around the central proposition that the interests of the public are paramount, did it not occur to the committee that perhaps the interests of the Government would best be subserved if the per-

sonnel of this board should be changed somewhat and the public be represented?

Mr. KELLOGG. It did occur to the committee and was discussed at considerable length. The committee provided for representation on the part of the public on the transportation board. In other words, no finding of these boards affecting wages and working conditions can be put into force without the approval of the transportation board. It was thought that the public interests would be protected by that supervision. Of course, it is important that the railroads on the one hand and the employees on the other should not fix absolutely the burdens which are to be placed on the public in the nature of transportation charges.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Kentucky?

Mr. KELLOGG. Yes; I yield.

Mr. STANLEY. Does the right inure to the board except in cases where there is a division of opinion in the committee on wages and working conditions? Is the approval of the board still requisite?

Mr. KELLOGG. It is still requisite before they are put into force.

I understand this movement meets the approval generally of the employers and employees. But the feature which is to-day the strong center of discussion is that which prevents conspiracies and tie-ups of railroads by what are commonly known as strikes. Under our industrial and civic organizations, with large cities and manufacturing centers as consumers, and wide expanse of agricultural country producing necessaries of life, the daily operation of the transportation systems of the country is not only necessary to prosperity but it is necessary to the lives of the people of this country. If they were to be stopped for any considerable length of time, for any cause, our system of industrial organization and civic centers must be abandoned and the people resort to the primitive mode of life, where each man produces the necessaries sufficient for his existence.

I believe, of course, in the principles of personal liberty contained in the Bill of Rights above all other guaranties conceived by the minds of men. I believe those principles guaranteeing individual liberty, the right to labor and to enjoy its fruits, the right to home and property, to religious beliefs, and freedom of speech and action, to be the great principles on which our very Government and civilization depend, for which our race struggled for more than 600 years. I would not imperil those rights for any material advantages, but, under the modern system of transportation and communication, where the necessaries produced in one part of the country support life in another, where men in all parts of the country and the world may communicate with each other and act under common impulses and by common agreement, the Government in the past has been compelled to step in and prevent monopoly and restraint of trade by combinations, in order to protect the people in their individual rights. And I do not know of any reason why any class of people should not be prohibited from conspiring or confederating to paralyze the transportation of the country, to stop the wheels of industry of the country, and to overthrow our Government, because, if any class of men may do one of these things, we may find them in the halls of Congress, as we have done, demanding the enactment of laws under threat of starvation of the public.

I am not unsympathetic with the rights of labor. As the chairman of the committee said, I know what it means to labor. I earned my own living from the time I was 13 years of age. I firmly believe that labor should be well paid, prosperous, and happy, and families well educated, so that they will become good citizens, because upon their prosperity, their stability, their intelligence, rests the hope of the Nation.

The farmer's boy, the laborer's son, must have before him the hope of the highest places in industry and in civic life. These are the mainsprings which make a great progressive civilization. I am opposed to taking from them the right and the hope that every man may benefit by his own ingenuity, his enterprise, his brains, and his capacity. I would not allow anyone to level or attempt to level all human endeavor. The exploded theory of the socialists undertakes to do that. While I believe in collective bargaining and the protection of labor, the time has come in this country when we have to determine whether this Government is by all the people or by any class of people. It is in the interest of labor. It is in the interest of the great masses that they should have the opportunity to reach higher and better positions. That hope should always be held out to them by the Government by protecting them in their rights.

I am anxious to welcome the time when antagonisms between labor and capital disappear, so that the American people may enjoy happiness and prosperity, free from the menace of domestic disaster, induced by industrial differences of far-reaching effect.

APPENDIX A.

Traffic railways of Class I.

Ton-miles (revenue and nonrevenue):	
Test period average (1915, 1916, 1917)	363,538,162,000
Year 1917	427,341,924,000
Year 1918	434,997,928,000
Year 1918 to Oct. 31	367,802,998,000
Year 1919 to Oct. 31	328,792,002,000
Decreased, 1919 under 1918, per cent	10.6
Year 1919 (estimated on 10 months' results)	388,888,148,000
Passenger-miles:	
Test period average (1915, 1916, 1917)	34,286,109,000
Year 1917	39,480,197,000
Year 1918	42,605,902,000
Year 1918 to Aug. 31	28,793,142,000
Year 1919 to Aug. 31	30,617,955,000
Increase, 1919 over 1918, per cent	6.3
Year 1919 (estimated on 8 months' results)	45,290,074,000

Ton-miles (revenue and nonrevenue) of railways of Class I.

9 months' period ended Dec. 31, 1917	333,622,535,000
9 months' period ended Dec. 31, 1918	343,681,555,000

APPENDIX B.

Federal earnings compared with corporate fixed charges, 9 months to Sept. 30, 1919.

RECAPITULATION.

District.	Miles operated.	Net operating income (Federal operation).	Fixed charges for period.	Balance over fixed charges.
Roads showing balances:				
Eastern district, 23 roads	18,052.05	$95,008,866	$62,318,180	$32,690,686
Southern district, 12 roads	12,693.63	35,716,158	24,061,924	11,654,234
Western district, 22 roads	52,822.10	140,900,353	74,113,211	66,787,142
Total, 57 roads	83,567.78	271,625,377	160,493,315	111,132,062
Roads showing deficits:				
Eastern district, 42 roads	40,147.72	42,291,404	129,199,205	[1] 86,907,802
Southern district, 23 roads	30,292.43	19,275,888	41,813,954	[1] 22,538,066
Western district, 43 roads	74,946.03	65,790,482	124,134,880	[1] 58,344,398
Total, 108 roads	145,386.18	127,357,774	295,148,040	[1] 167,790,266
Net total:				
Eastern district, 65 roads	58,199.77	137,300,270	191,517,385	[1] 54,217,116
Southern district, 35 roads	42,985.06	54,992,046	65,875,878	[1] 10,883,832
Western district, 65 roads	127,768.13	206,690,835	198,248,091	[1] 8,442,744
Total, 165 roads	228,953.96	398,983,151	455,641,355	[1] 56,658,204

[1] Deficit.

NOTE.—"Net operating income" is the balance of operating revenues after payment of operating expenses, taxes chargeable to railway operation, equipment, and joint facility rentals, and is taken from the monthly returns of the roads to the Interstate Commerce Commission. The entries under "fixed charges" are based upon returns for the year 1918. They comprise interest on funded and unfunded debt, rents for lease of road, corporate and special war taxes not chargeable to railway operation, expenses of maintaining corporate organizations, and other income charges for the current year. Neither dividends nor lap-over accounts with the Railroad Administration relating to earlier years are included. Actual fixed charges for 1919 will be somewhat greater than indicated by these figures, and the relative ability of the railway companies to meet these charges somewhat less. "Balance over fixed charges" represents the amount available for dividends, for appropriations, and for surplus.

EASTERN DISTRICT.

Road.	Miles operated.	Net operating income (Federal operation).	Fixed charges for period.	Balance over fixed charges.
Ann Arbor	301.12	$393,893	$283,148	$110,745
Atlantic & St. Lawrence	172.11	[1] 711,407	417,597	[1] 1,129,004
Atlantic City	177.01	871,468	220,586	650,882
Baltimore & Ohio	5,151.66	3,178,338	16,573,100	[1] 13,394,762
Baltimore, Chesapeake & Atlantic	87.61	[1] 36,784	114,604	[1] 151,388
Bangor & Aroostook	632.35	46,868	799,382	[1] 752,514
Bessemer & Lake Erie	217.25	2,354,661	1,954,562	400,099
Boston & Maine	2,258.61	3,308,856	6,422,472	[1] 3,113,616
Buffalo & Susquehanna Corporation	296.56	[1] 232,523	248,077	[1] 590,600
Buffalo, Rochester & Pittsburgh	589.73	[1] 746,403	1,791,913	[1] 2,538,316
Central New England	301.30	[1] 106,989	624,430	[1] 731,419
Central R. R. of New Jersey	685.02	1,940,765	4,126,903	[1] 2,186,138
Central Vermont	411.20	[1] 716,634	583,613	[1] 1,300,247
Chicago & Eastern Illinois	1,131.46	[1] 742,921	3,293,281	[1] 4,036,202
Chicago & Erie	269.56	281,787	484,267	[1] 202,480
Chicago, Indianapolis & Louisville	657.96	602,510	845,216	[1] 242,705
Chicago, Terre Haute & Southeastern	374.18	[1] 213,151	579,643	[1] 792,794
Cincinnati, Lebanon & Northern	76.17	[1] 26,106	82,167	[1] 108,273
Cincinnati, Indianapolis & Western	321.68	[1] 387,341	155,271	[1] 542,612

[1] Deficit.

Federal earnings compared with corporate fixed charges, etc.—Contd.

EASTERN DISTRICT—continued.

Road.	Miles operated.	Net operating income (Federal operation).	Fixed charges for period.	Balance over fixed charges.
Cincinnati Northern	251.60	$363,384	$67,113	$296,271
Cleveland, Cincinnati, Chicago & St. Louis	2,395.77	10,216,706	4,484,384	5,732,322
Cumberland Valley	163.65	281,191	180,013	101,178
Delaware & Hudson	875.01	1,754,693	3,933,544	[1] 2,178,846
Delaware, Lackawanna & Western	956.04	8,697,026	5,504,506	3,192,520
Detroit & Mackinac	381.90	[1] 112,405	83,721	[1] 196,126
Detroit & Toledo Shore Line	61.90	795,398	137,743	657,655
Detroit, Toledo & Ironton	456.41	[1] 479,233	119,956	[1] 399,189
Elgin, Joliet & Eastern	823.52	3,015,854	1,817,843	1,198,011
Erie	1,989.12	[1] 179,252	10,709,825	[1] 10,889,077
Grand Rapids & Indiana	569.93	364,222	490,396	[1] 126,174
Hocking Valley	350.20	1,433,915	1,046,477	387,438
Kanawha & Michigan	176.60	132,532	301,364	[1]168,832
Lake Erie & Western	602.95	[1]38,022	655,131	[1]693,153
Lehigh & Hudson River	96.60	235,203	149,045	86,158
Lehigh & New England	231.25	580,523	368,663	211,863
Lehigh Valley	1,435.94	2,762,501	5,592,630	2,830,129
Long Island	398.38	2,980,730	2,237,645	743,085
Maine Central	1,216.16	[1] 991,743	1,486,980	[1]2,478,723
Maryland, Delaware & Virginia	82.62	[1]40,078	116,799	[1] 156,877
Michigan Central	1,861.77	12,453,062	4,782,675	7,670,387
Monongahela	108.25	802,958	265,331	537,627
New York Central	6,075.79	35,871,901	33,500,093	2,371,808
New York, Chicago & St. Louis	574.21	3,456,461	1,147,603	2,308,855
New York, New Haven & Hartford	1,965.79	4,361,478	15,337,916	[1] 10,976,438
New York, Ontario & Western	569.49	1,078,667	1,122,803	[1]44,139
New York, Philadelphia & Norfolk	121.57	669,111	197,471	471,640
New York, Susquehanna & Western	135.97	[1]76,905	519,262	[1]596,167
Pennsylvania Lines—East and West	7,122.34	22,326,695	32,810,108	[1] 10,483,413
Pere Marquette	2,232.44	5,230,161	1,465,991	3,764,170
Perkiomen	41.83	370,399	90,979	279,420
Philadelphia & Reading	1,127.17	2,041,895	4,902,758	[1]2,860,863
Pittsburgh & Lake Erie	224.56	2,759,655	2,035,219	724,436
Pittsburgh & West Virginia	63.23	[1]535,903	64,155	[1]600,058
Pittsburgh, Cincinnati, Chicago & St. Louis	2,383.61	2,820,832	4,848,655	[1]2,027,823
Pittsburgh & Shawmut R. R. Co	103.04	[1]167,442	583,311	[1]750,753
Port Reading	21.16	582,164	79,312	502,852
Rutland	415.11	120,411	404,350	[1]283,939
Staten Island Rapid Transit	23.54	134,560	270,652	[1]136,092
Toledo & Ohio Central	435.66	103,742	1,040,036	[1]936,294
Toledo, St. Louis & Western	454.17	471,553	847,505	[1]375,953
Ulster & Delaware	128.88	[1]120,663	106,751	[1]227,414
Wabash	2,503.86	204,421	2,619,146	[1]2,414,725
West Jersey & Seashore	361.18	593,039	301,775	291,264
Western Maryland	701.31	74,343	2,159,483	[1]2,085,140
Wheeling & Lake Erie	511.60	861,635	930,029	[1]68,394

SOUTHERN DISTRICT.

Road.	Miles operated.	Net operating income (Federal operation).	Fixed charges for period.	Balance over fixed charges.
Alabama & Vicksburg	141.49	$119,405	$131,516	[1]$12,111
Alabama Great Southern	312.41	827,624	515,432	312,192
Atlanta & West Point	93.19	384,991	23,205	361,786
Atlanta, Birmingham & Atlantic	639.88	[1]777,187	178,211	[1]955,398
Atlantic Coast Line	4,863.16	4,339,685	5,045,153	[1]705,468
Carolina, Clinchfield & Ohio	282.96	867,114	1,143,287	[1]276,173
Central of Georgia	1,918.29	1,209,512	1,958,439	[1]748,927
Charleston & Western Carolina	342.50	148,335	214,625	[1]66,290
Chesapeake & Ohio	2,503.10	8,142,932	6,992,071	1,150,861
Cincinnati, New Orleans & Texas Pacific	337.27	734,333	1,299,779	[1]565,446
Florida East Coast	764.75	865,618	1,496,462	[1]630,844
Georgia & Florida	348.10	[1]278,439	92,340	[1]370,779
Georgia Railroad	328.90	887,127	538,372	348,755
Georgia Southern & Florida	402.05	72,481	260,826	[1]188,345
Gulf, Mobile & Northern	428.23	[1]70,036	72,348	[1]142,384
Illinois Central	4,791.01	3,739,168	9,034,733	[1]5,295,565
Louisville & Nashville	5,013.35	7,443,393	6,502,724	940,669
Louisville, Henderson & St. Louis	199.80	352,127	143,197	208,930
Mississippi Central	164.00	[1]102,902	140,889	[1]243,791
Mobile & Ohio	996.39	[1]956,875	1,250,306	[1]2,207,181
Nashville, Chattanooga & St. Louis	1,247.03	590,390	1,124,582	[1]534,192
New Orleans & Northeastern	203.73	243,405	394,793	[1]151,387
New Orleans Great Northern	284.60	48,844	337,221	[1]288,377
Norfolk & Western	2,088.02	8,120,570	4,334,832	3,785,738
Norfolk Southern	906.92	[1]46,384	817,785	[1]864,169
Northern Alabama	112.50	41,435	84,827	[1]43,392
Richmond, Fredericksburg & Potomac	81.52	2,284,981	333,413	1,951,568
Seaboard Air Line	3,563.21	1,939,992	5,120,677	[1]3,180,685
Southern	6,982.87	7,016,567	11,106,284	[1]4,089,717
Southern Ry. in Mississippi	278.39	[1]101,776	9,438	[1]111,214
Tennessee Central	293.07	[1]366,858	499,433	[1]866,291
Virginian	522.36	1,730,427	1,444,152	286,275
Washington Southern	35.57	1,585,375	144,760	1,440,615
Western Ry. of Alabama	133.42	386,595	77,835	308,760
Yazoo & Mississippi Valley	1,381.99	3,570,016	3,011,931	558,085

[1] Deficit.

Federal earnings compared with corporate fixed charges, etc.—Contd.

WESTERN DISTRICT.

Road.	Miles operated.	Net operating income (Federal operation).	Fixed charges for period.	Balance over fixed charges.
Arizona Eastern	377.74	$417,998	$642,869	[1] $224,871
Atchison, Topeka & Santa Fe	8,645.81	25,897,394	12,458,321	13,439,073
Beaumont, Sour Lake & Western	118.75	[1]39,974	92,621	[1]132,595
Chicago & Alton	1,050.51	196,075	2,876,246	[1]2,680,171
Chicago & North Western	8,090.45	11,428,716	8,220,466	3,208,250
Chicago, Burlington & Quincy	9,372.31	19,349,915	7,147,343	12,202,572
Chicago Great Western	1,496.06	976,512	1,276,141	[1]299,629
Chicago, Milwaukee & St. Paul	10,647.66	2,037,833	13,504,085	[1]11,466,252
Chicago, Peoria & St. Louis	247.19	[1]663,936	151,051	[1]814,987
Chicago, Rock Island & Gulf	474.81	342,409	763,322	[1]420,913
Chicago, Rock Island & Pacific	7,594.60	7,022,600	7,910,448	[1]887,848
Chicago, St. Paul, Minneapolis & Omaha	1,749.19	1,882,688	1,942,141	[1]59,453
Colorado & Southern	1,100.05	1,303,732	1,763,151	[1]459,419
Denver & Rio Grande	2,595.11	4,079,076	6,545,247	[1]2,466,171
Duluth & Iron Range	292.49	3,078,008	527,817	2,550,191
Duluth, Missabe & Northern	411.06	19,230,271	1,290,587	8,939,684
Duluth, South Shore & Atlantic	599.29	66,036	678,010	[1]611,974
El Paso & Southwestern	1,027.87	2,389,008	2,429,945	[1]40,937
Forth Worth & Denver City	554.14	2,275,615	484,475	1,791,140
Fort Worth & Rio Grande	235.22	[1]21,219	134,682	[1]155,901
Galveston, Harrisburg & San Antonio	1,381.90	2,552,069	2,196,033	356,036
Great Northern	8,233.52	10,084,185	10,449,425	[1]365,240
Green Bay & Western	252.39	12,448	52,352	[1]39,904
Gulf, Colorado & Santa Fe	1,935.11	1,083,455	2,068,211	[1]984,755
Houston & Texas Central	847.06	829,116	489,491	339,625
Houston, East & West Texas	190.94	286,803	121,292	165,511
International & Great Northern	1,159.50	[1]1,042,424	1,153,062	[1]2,195,483
Kansas City, Mexico & Orient	272.16	[1]430,917	61,655	[1]492,572
Kansas City, Mexico & Orient Ry. of Texas	465.71	[1]553,912	190,082	[1]743,994
Kansas City Southern	774.40	966,696	1,592,307	[1]625,611
Los Angeles & Salt Lake	1,168.16	2,061,814	2,096,917	[1]35,103
Louisiana & Arkansas	302.34	[1]177,184	176,079	[1]353,263
Louisiana Western	207.74	849,059	126,440	722,619
Midland Valley	388.21	375,243	361,135	14,108
Mineral Range	101.11	[1]72,328	69,248	[1]141,576
Minneapolis & St. Louis	1,646.75	26,595	1,736,360	[1]1,709,763
Minneapolis, St. Paul & Sault Ste. Marie	4,243.41	3,465,239	5,487,165	[1]2,021,926
Missouri, Kansas & Texas	1,713.98	3,428,389	3,750,058	[1]321,669
Missouri, Kansas & Texas of Texas	1,796.04	[1]415,999	1,900,115	[1]2,316,114
Missouri Pacific	7,172.77	4,275,498	7,885,064	[1]3,609,566
Morgan's Louisiana & Texas Railroad & Steamship Co	400.67	438,611	410,924	27,687
New Orleans, Texas & Mexico	191.22	94,072	811,587	[1]717,515
Northern Pacific	6,581.24	12,371,141	12,223,139	148,002
Northwestern Pacific	527.37	838,953	1,031,839	[1]192,886
Oregon Short Line	2,347.59	7,005,515	4,902,713	2,102,802
Oregon-Washington Railroad & Navigation Co	2,070.02	2,689,385	3,381,528	[1]692,143
Pan Handle & Santa Fe	772.98	[1]504,482	774,369	[1]1,278,851
Quincy, Omaha & Kansas City	255.03	[1]136,737	40	[1]136,777
St. Joseph & Grand Island	258.46	24,614	176,066	[1]151,452
St. Louis, Brownsville & Mexico	548.18	993,843	592,502	401,341
St. Louis-San Francisco	4,761.28	10,812,975	9,973,408	839,567
St. Louis, San Francisco & Texas	134.41	[1]128,717	36,193	[1]164,910
St. Louis Southwestern	939.80	1,862,642	1,621,391	241,251
St. Louis Southwestern of Texas	814.70	[1]979,304	444,746	[1]1,424,050
San Antonio & Aransas Pass	736.52	[1]764,521	742,910	[1]1,507,431
Southern Pacific	7,049.60	20,616,640	33,705,044	[1]13,088,404
Spokane, Portland & Seattle	538.23	1,359,870	2,707,709	[1]1,347,839
Texarkana & Fort Smith	87.30	161,111	106,120	54,991
Texas & New Orleans	469.65	315,161	529,841	[1]214,680
Texas & Pacific	1,946.62	2,626,956	1,581,089	1,045,867
Toledo, Peoria & Western	247.70	[1]154,674	155,945	[1]310,619
Union Pacific	3,614.01	25,407,945	8,218,816	17,189,129
Vicksburg, Shreveport & Pacific	171.44	348,280	146,495	201,785
Wichita Falls & Northwestern	328.68	[1]180,171	259,004	[1]439,175
Western Pacific	1,041.86	1,719,125	913,214	805,911

[1] Deficit.

APPENDIX C.

RECAPITULATION.

Federal earnings compared with standard return, 9 months to Sept. 30, 1919.

District.	Miles operated.	Net operating income (Federal operation).	Standard return for period.	Amount by which net operating income is—	
				Greater than standard return.	Less than standard return.
Roads whose net operating income was greater than standard return:					
Eastern district, 14 roads	9,523.52	$41,814,425	$23,813,492	$18,000,933	.....
Southern district, 7 roads	2,254.39	9,451,212	5,212,471	4,238,741	.....

Federal earnings compared with standard return, etc.—Continued.

District.	Miles operated.	Net operating income (Federal operation).	Standard return for period.	Amount by which net operating income is—	
				Greater than standard return.	Less than standard return.
Roads whose net operating income was greater than standard return—Contd.					
Western district, 14 roads	14,245.89	$60,160,389	$40,814,888	$19,345,501	
Total, 35 roads	26,023.80	111,426,026	69,840,851	41,585,175	
Roads whose net operating income was less than standard return:					
Eastern district, 51 roads	48,676.25	95,485,845	233,676,112		$138,190,267
Southern district, 28 roads	40,731.67	45,540,834	94,465,589		48,924,755
Western district, 51 roads	113,522.24	146,530,446	245,295,566		98,765,120
Total, 130 roads	202,930.16	287,557,125	573,437,267		285,880,142
Net total:					
Eastern district, 65 roads	58,199.77	137,300,270	257,489,604		120,189,334
Southern district, 35 roads	42,986.06	54,902,046	99,678,060		44,686,014
Western district, 65 roads	127,768.13	206,690,835	286,110,454		79,419,619
Total, 165 roads	228,953.96	398,983,151	643,278,118		244,294,967

NOTE.—"Net operating income" is the balance of operating revenues after payment of operating expenses, taxes chargeable to railway operation, equipment and joint facility rentals, and is taken from the monthly returns of the roads to the Interstate Commerce Commission. The standard return for the first 9 months is computed as 72.276 per cent of the standard return for the year, in accordance with the practice of the United States Railroad Administration.

EASTERN DISTRICT.

Road.	Miles operated Sept. 30.	Net operating income (Federal operation).	Standard return for period.	Amount by which net operating income was—	
				Greater than standard return.	Less than standard return.
Ann Arbor	301.12	$393,893	$380,810	$13,083	
Atlantic & Lawrence	172.11	[1] 711,407	[1] 3,087		$708,320
Atlantic City	177.01	871,468	160,500	710,968	
Baltimore & Ohio	5,151.66	3,178,338	20,259,791		17,081,453
Baltimore, Chesapeake & Atlantic	87.61	[1] 36,784	62,625		99,409
Bangor & Aroostook	632.35	46,868	1,124,452		1,077,584
Bessemer & Lake Erie	217.25	2,354,661	3,378,696		1,024,035
Boston & Maine	2,258.61	3,308,856	6,850,373		3,541,517
Buffalo & Susquehanna Corporation	296.56	[1] 252,523	428,328		680,851
Buffalo, Rochester & Pittsburgh	589.73	[1] 746,403	2,368,053		3,114,461
Central New England	301.30	[1] 106,989	1,061,101		1,168,090
Central R. R. of New Jersey	685.02	1,940,765	6,759,469		4,818,704
Central Vermont	411.20	[1] 716,634	563,101		1,279,735
Chicago & Eastern Illinois	1,131.46	[1] 742,921	2,129,252		2,872,173
Chicago & Erie	269.56	281,787	162,714	119,073	
Chicago, Indianapolis & Louisville	657.06	602,510	1,171,058		568,548
Chicago, Terre Haute & Southeastern	374.18	[1] 213,151	666,952		880,103
Cincinnati, Lebanon & Northern	76.17	[1] 26,106	80,938		107,044
Cincinnati, Indianapolis & Western	321.68	[1] 387,341	305,159		692,500
Cincinnati Northern	251.60	363,384	229,569	133,815	
Cleveland, Cincinnati, Chicago & St. Louis	2,395.77	10,216,706	7,183,220	3,033,486	
Cumberland Valley	163.65	281,191	888,248		607,057
Delaware & Hudson	875.01	1,751,698	5,355,362		3,600,664
Delaware, Lackawanna & Western	956.04	8,697,026	11,383,092		2,686,066
Detroit & Mackinac	381.90	[1] 112,405	224,536		336,941
Detroit & Toledo Shore Line	61.90	795,398	329,949	$465,449	
Detroit, Toledo & Ironton	456.41	[1] 479,233	163,268		642,501
Elgin, Joliet & Eastern	823.52	3,015,854	2,068,667	947,187	
Erie	1,989.12	[1] 179,252	11,205,627		11,384,879
Grand Rapids & Indiana	569.98	364,222	671,722		307,500
Hocking Valley	350.20	1,433,915	1,906,039		472,124
Kanawha & Michigan	176.60	132,532	936,076		803,544
Lake Erie & Western	902.95	[1] 38,022	1,119,224		1,157,246
Lehigh & Hudson River	96.60	235,203	375,381		140,178

[1] Deficit.

Federal earnings compared with standard return, etc.—Continued.

EASTERN DISTRICT—continued.

Road.	Miles operated Sept. 30.	Net operating income (Federal operation).	Standard return for period.	Amount by which net operating income was—	
				Greater than standard return.	Less than standard return.
Lehigh & New England	231.25	$580,526	$820,883		$240,357
Lehigh Valley	1,435.94	2,762,501	8,182,534		5,420,033
Long Island	398.38	2,980,730	2,328,696	652,034	
Maine Central	1,216.15	[1] 991,743	2,136,260		3,128,003
Maryland, Delaware & Virginia	82.62	[1] 40,078	35,808		75,886
Michigan Central	1,861.77	12,453,062	5,819,755	6,633,307	
Monongahela	108.25	802,958	421,431	381,527	
New York Central	6,075.79	35,871,901	40,331,910		4,460,009
New York, Chicago & St. Louis	574.21	3,456,461	1,603,701	1,852,760	
New York, New Haven & Hartford	1,965.79	4,361,478	12,353,221		7,994,743
New York, Ontario & Western	569.49	1,078,667	1,520,390		441,723
New York, Philadelphia & Norfolk	121.57	669,111	719,906		50,795
New York, Susquehanna & Eastern	135.97	[1] 76,905	578,632		655,537
Pennsylvania Lines East & West	7,122.34	22,326,605	47,998,179		25,671,484
Pere Marquette	2,232.44	5,230,161	2,709,046	2,521,115	
Perkiomen	41.83	370,399	245,081	125,318	
Philadelphia & Reading	1,127.17	2,041,895	11,468,995		9,427,100
Pittsburgh & Lake Erie	224.56	2,759,655	6,490,543		3,730,888
Pittsburgh & West Virginia	63.23	[1] 535,903	171,301		707,204
Pittsburgh, Cincinnati, Chicago & St. Louis	2,383.61	2,820,832	8,191,830		5,370,998
Pittsburgh & Shawmut R. R.	103.04	[1] 167,442	348,961		516,403
Port Reading	21.16	582,164	170,353	411,811	
Rutland	415.11	120,411	740,022		619,611
Staten Island Rapid Transit	23.54	134,560	257,898		123,338
Toledo & Ohio Central	435.66	103,742	785,388		681,646
Toledo, St. Louis & Western	454.17	471,553	718,636		247,083
Ulster & Delaware	128.88	[1] 120,663	92,520		213,183
Wabash	2,503.86	204,421	4,233,763		4,029,342
West Jersey & Seashore	361.18	593,039	688,560		95,521
Western Maryland	701.31	74,343	2,225,807		2,151,464
Wheeling & Lake Erie	511.60	861,635	1,146,324		284,689

SOUTHERN DISTRICT.

Alabama & Vicksburg	141.49	$119,405	$233,346		$113,941
Alabama Great Southern	312.41	827,624	1,230,990		403,366
Atlanta & West Point	98.19	384,991	182,855	$202,136	
Atlanta, Birmingham & Atlantic	639.88	[1] 777,187	258,790		1,035,977
Atlantic Coast Line	4,863.16	4,339,685	7,358,358		3,018,673
Carolina, Clinchfield & Ohio	282.99	867,114	1,145,690		278,576
Central of Georgia	1,918.29	1,209,512	2,494,175		1,284,663
Charleston & Western Carolina	342.50	148,365	337,472		189,107
Chesapeake & Ohio	2,503.10	8,142,932	9,559,934		1,417,002
Cincinnati, New Orleans & Texas Pacific	337.27	734,363	2,559,322		1,824,959
Florida East Coast	764.75	865,618	2,054,692		1,189,074
Georgia & Florida	348.10	[1] 278,439	63,603		342,042
Georgia Railroad	328.90	887,127	620,578	266,549	
Georgia Southern & Florida	402.05	72,481	369,661		297,180
Gulf, Mobile & Northern	428.23	[1] 70,036	403,544		473,580
Illinois Central	4,791.01	3,739,168	11,768,249		8,029,081
Louisville & Nashville	5,013.35	7,443,393	12,511,333		5,067,940
Louisville, Henderson & St. Louis	199.80	352,127	248,569	103,558	
Mississippi Central	164.00	[1] 102,902	223,489		326,391
Mobile & Ohio	996.39	[1] 956,875	1,863,422		2,820,297
Nashville, Chattanooga & St. Louis	1,247.03	590,390	2,299,887		1,709,497
New Orleans & Northeastern	203.73	243,406	870,920		627,514
New Orleans Great Northern	284.60	48,844	416,275		367,431
Norfolk & Western	2,088.02	8,120,570	14,841,272		6,720,702
Norfolk Southern	906.92	[1] 46,384	843,454		889,838
Northern Alabama	112.50	41,435	109,725		68,290
Richmond, Fredericksburg & Potomac	81.52	2,284,981	822,048	1,462,933	
Seaboard Air Line	3,563.21	1,939,992	4,695,790		2,755,798
Southern	6,982.87	7,016,567	13,482,288		6,465,721
Southern Railway in Mississippi	278.39	[1] 101,776	5,052		106,823
Tennessee Central	293.07	[1] 366,858	117,618		484,476
Virginian	522.36	1,730,427	2,347,238		616,811
Washington Southern	35.57	1,585,375	338,565	1,246,810	
Western Railway of Alabama	133.42	386,595	208,327	178,268	
Yazoo & Mississippi Valley	1,381.99	3,570,016	2,791,529	778,487	

[1] Deficit.

Federal earnings compared with standard return, etc.—Continued.

WESTERN DISTRICT.

Road.	Miles operated Sept. 30.	Net operating income (Federal operation).	Standard return for period.	Amount by which net operating income was—	
				Greater than standard return.	Less than standard return.
Arizona Eastern	377.74	$417,998	$898,011		$480,013
Atchison, Topeka & Santa Fe	8,645.81	25,897,394	27,785,587		1,888,193
Beaumont, Sour Lake & Western	118.75	[1]39,974	[1]24,205		15,769
Chicago & Alton	1,050.51	196,075	2,297,159		2,101,084
Chicago & North Western	8,090.45	11,428,716	16,768,766		5,340,050
Chicago, Burlington & Quincy	9,372.31	19,349,915	24,111,767		4,761,852
Chicago Great Western	1,496.06	976,512	2,134,636		1,158,124
Chicago, Milwaukee & St. Paul	10,647.66	2,037,833	19,944,238		17,906,405
Chicago, Peoria & St. Louis	247.19	[1]663,936	92,181		756,117
Chicago, Rock Island & Gulf	474.81	342,409	702,170		339,761
Chicago, Rock Island & Pacific	7,594.60	7,022,600	10,778,071		3,755,471
Chicago, St. Paul, Minnesota & Omaha	1,749.19	1,882,688	3,566,669		1,683,981
Colorado & Southern	1,100.05	1,303,732	1,793,321		489,589
Denver & Rio Grande	2,595.11	4,079,076	6,012,913		1,933,837
Duluth & Iron Range	292.49	3,078,008	1,702,275	$1,375,733	
Duluth, Missabe & Northern	411.06	10,230,271	3,702,014	6,528,257	
Duluth, South Shore & Atlantic	599.29	66,036	429,780		363,744
El Paso & Southwestern	1,027.87	2,389,008	2,995,914		606,906
Fort Worth & Denver City	554.14	2,275,615	1,367,018	908,597	
Fort Worth & Rio Grande	235.22	[1]21,219	940		22,159
Galveston, Harrisburg & San Antonio	1,381.90	2,552,069	2,334,981	217,088	
Great Northern	8,233.52	10,084,185	20,719,130		10,634,945
Green Bay & Western	252.39	12,448	148,078		135,630
Gulf, Colorado & Santa Fe	1,935.11	1,083,455	2,044,123		960,668
Houston & Texas Central	847.06	829,116	1,241,345		412,229
Houston East & West Texas	190.94	286,803	271,444	15,359	
International & Great Northern	1,159.50	[1]1,042,424	1,008,211		2,050,635
Kansas City, Mexico & Orient	272.16	[1]430,917	108,414		1,093,243
Kansas City, Mexico & Orient Ry. of Texas	465.71	[1]553,912			
Kansas City Southern	774.40	966,696	2,324,901		1,358,205
Los Angeles & Salt Lake	1,168.16	2,061,814	2,472,141		410,327
Louisiana & Arkansas	302.34	[1]177,184	294,877		472,061
Louisiana Western	207.74	849,059	646,999	202,060	
Midland Valley	388.21	375,243	321,156	54,087	
Mineral Range	101.11	[1]72,328	106,558		178,886
Minneapolis & St. Louis	1,646.75	26,595	1,907,983		1,881,388
Minneapolis, St. Paul & Sault Ste. Marie	4,243.41	3,465,239	7,623,260		4,158,021
Missouri, Kansas & Texas	1,713.98	3,428,389	4,230,915		802,526
Missouri, Kansas & Texas of Texas	1,796.04	[1]415,999	449,393		865,392
Missouri Pacific	7,172.77	4,275,498	10,268,117		5,992,619
Morgan's Louisiana & Texas R. R. & Steamship Co	400.67	438,611	859,019		420,408
New Orleans, Texas & Mexico	191.22	94,072	158,120		64,048
Northern Pacific	6,581.24	12,371,141	21,747,626		9,376,485
Northwestern Pacific	527.37	838,953	892,682		53,729
Oregon Short Line	2,347.59	7,005,515	7,369,803		364,288
Oregon-Washington R. R. & Navigation Co	2,070.02	2,689,385	3,266,407		577,022
Panhandle & Santa Fe	772.98	[1]504,482	961,751		1,466,233
Quincy, Omaha & Kansas City	255.09	[1]136,737	21,247		157,984
St. Joseph & Grand Island	258.46	24,614	270,176		245,562
St. Louis, Brownsville & Mexico	548.18	693,843	711,116	282,727	
St. Louis-San Francisco	4,761.28	10,812,975	9,894,738	918,237	
St. Louis, San Francisco & Texas	134.41	[1]128,717	[1]236,368	107,651	
St. Louis Southwestern	939.80	1,862,642	2,425,401		$562,759
St. Louis Southwestern of Texas	814.70	[1]979,304	401,251		1,380,555
San Antonio & Aransas Pass	736.52	[1]764,521	269,627		1,034,148
Southern Pacific	7,049.60	20,616,640	27,480,736		6,864,096
Spokane, Portland & Seattle	538.23	1,359,870	1,352,344	7,526	
Texarkana & Fort Smith	87.30	161,111	230,365		69,254
Texas & New Orleans	469.65	315,161	516,872		201,711
Texas & Pacific	1,946.62	2,626,956	2,968,688		341,732
Toledo, Peoria & Western	247.70	[1]154,674	115,454		270,128
Union Pacific	3,614.01	25,407,945	17,129,419	8,278,526	

[1] Deficit.

Federal earnings compared with standard return, etc.—Continued.

WESTERN DISTRICT—continued.

Road.	Miles operated Sept. 30.	Net operating income (Federal operation).	Standard return for period.	Amount by which net operating income was—	
				Greater than standard return.	Less than standard return.
Vicksburg, Shreveport & Pacific	171.44	$348,280	$244,255	$104,025	
Wichita Falls & Northwestern	528.68	[1]180,171	104,977		285,148
Western Pacific	1,041.86	1,719,125	1,373,497	345,628	

[1] Deficit.

APPENDIX D.

Annual compensation per railway employee, Class I railways, 1915–1919.

Class of employees.	Fiscal year 1915 (average).	Calendar year 1917 (average).	Calendar year 1919 (July basis).	Per cent of increase 1919 over—	
				Fiscal year 1915.	Calendar year 1917 (average).
General officers	$4,528	$4,558	$4,315	[1]4.7	[1]5.3
Division officers	2,013	2,099	2,946	46.3	40.3
Clerks	832	932	1,342	61.3	44.1
Messengers and attendants	434	514	845	94.7	64.3
Assistant engineers and draftsmen	1,121	1,145	1,668	48.8	45.7
Maintenance of way and shop foremen	1,107	1,197	1,712	54.7	43.1
Section foremen	772	886	1,298	68.1	46.5
General foremen, mechanical engineering department	1,533	1,660	3,114	103.1	87.5
Gang and other foremen, mechanical engineering dept	1,167	1,352	2,345	100.9	73.5
Machinists	1,030	1,394	1,706	65.6	22.4
Boiler makers	1,076	1,425	1,773	64.8	24.4
Blacksmiths	927	1,258	1,636	76.5	30.1
Masons and bricklayers	789	932	1,384	75.4	48.6
Structural-iron workers	898	1,014	1,579	75.8	55.7
Carpenters	768	940	1,408	83.3	49.7
Painters and upholsterers	758	951	1,424	87.9	49.8
Electricians	941	1,030	1,728	83.6	67.7
Air-brake men	812	1,086	1,588	95.6	46.2
Car inspectors	887	1,140	1,749	97.2	53.3
Car repairers	751	994	1,480	97.1	48.9
Other skilled laborers	855	1,065	1,586	85.5	48.9
Mechanics' helpers and apprentices	607	822	1,142	88.1	38.8
Section men	454	601	934	105.7	55.3
Other unskilled laborers	560	695	1,051	87.7	51.2
Foremen of construction gangs and work trains	1,016	1,031	1,536	51.2	49.0
Other men in construction gangs and work trains	516	623	982	90.3	57.5
Traveling agents and solicitors	1,495	1,642	2,131	42.5	29.8
Employees in outside agencies	980	1,066	1,690	72.4	58.5
Other traffic employees	960	1,330	1,965	106.8	49.2
Train dispatchers and directors	1,606	1,802	2,738	70.5	52.0
Telegraphers, telephoners, and block operators	800	917	1,554	94.3	69.5
Telegraphers and telephoners operating interlockers	822	957	1,577	91.8	64.9
Levermen (nontelegraphers)	731	852	1,503	105.6	76.5
Telegrapher-clerks	797	892	1,551	94.6	73.8
Agent-telegraphers	828	949	1,676	102.4	76.6
Station agents (nontelegraphers)	937	1,038	1,674	78.7	61.2
Station masters and assistants	1,095	1,292	1,932	76.4	49.6
Station-service employees	605	710	1,122	85.5	58.1
Yardmasters	1,584	1,802	2,969	87.4	64.7
Yardmasters' assistants (not yard clerks)	1,428	1,705	2,594	81.7	52.1
Yard engineers and motormen	1,528	1,790	2,102	37.6	17.4
Yard firemen and helpers	916	1,093	1,512	65.1	38.3
Yard conductors (or foremen)	1,358	1,584	1,909	40.6	20.5
Yard brakemen (switchmen or helpers)	1,169	1,327	1,698	45.3	28.0
Yard switch tenders	720	846	1,449	101.3	71.2
Other yard employees	622	666	1,105	77.7	65.9
Hostlers	976	1,245	1,593	63.2	28.0
Enginehouse men	684	835	1,255	83.5	50.3
Road freight engineers and motormen	1,846	2,107	2,686	45.5	27.5
Road freight firemen and helpers	1,136	1,273	1,881	65.6	47.7
Road freight conductors	1,589	1,854	2,337	47.1	26.0
Road freight brakemen and flagmen	1,036	1,202	1,748	68.7	45.5
Road passenger engineers and motormen	2,141	2,232	3,077	43.7	37.8
Road passenger firemen and helpers	1,287	1,353	2,210	71.7	63.3
Road passenger conductors	1,850	1,966	2,714	46.7	38.1
Road passenger baggagemen	1,049	1,175	1,948	85.7	65.8
Road passenger brakemen and flagmen	1,026	1,093	1,817	77.1	66.2

[1] Decrease.

Annual compensation per railway employee, Class I railways, 1915–1919—Continued.

Class of employees.	Fiscal year 1915 (average).	Calendar year 1917 (average).	Calendar year 1919 (July basis).	Per cent of increase 1919 over—	
				Fiscal year 1915.	Calendar year 1917 (average).
Other road train employees	$840	$817	$1,441	71.5	76.5
Crossing flagmen and gatemen	476	535	944	98.3	76.5
Drawbridge operators	666	761	1,185	77.9	55.7
Floating equipment employees	775	923	1,623	110.1	75.4
Policemen and watchmen	713	896	1,413	98.2	57.8
Other transportation employees	634	845	1,170	84.5	38.5
All other employees	610	663	995	63.1	50.1
Average	830	1,004	1,433	72.7	42.7

Source: Data for 1915 from reports of the Interstate Commerce Commission covering all Class I railways; data for 1917 and 1919 from reports of the United States Railroad Administration, covering Class I railways under Federal control. Averages for 1919 are based on returns for month of July, 1919, multiplied by 12.

APPENDIX E.

Statement of income of all Class I railroads (all territories) for years ended Dec. 31, 1917 and 1918, showing also per cent of net return on property investment, amount required, and percentage thereof to freight revenue to earn a return of 6 per cent on property investment.

Item.	Year ended Dec. 31, 1917.	Year ended Dec. 31, 1918.
Freight revenue	$2,813,107,029	$3,427,043,446
Passenger revenue	826,363,964	1,029,909,885
Other revenue	353,711,226	393,623,990
Total operating revenues	3,993,182,219	4,850,577,321
Total operating expenses	2,816,554,333	3,953,120,638
Net operating revenue	1,176,627,886	897,456,683
Taxes	186,054,800	187,980,774
Rents, etc	42,153,546	39,089,145
Net return	948,419,540	670,386,764
Property investment	17,642,641,870	18,084,834,944
Per cent of net return on property investment	5.38	3.71
Amount required to earn 6 per cent on property investment	1,058,558,512	1,085,090,097
Additional revenue required to earn 6 per cent	110,138,972	414,703,333
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment	3.92	12.10
Revenue per mile	17,381	21,054
Property investment per mile	76,793	78,499

Statement of income of railroads in official classification territory for years ended Dec. 31, 1917 and 1918, showing also per cent of net return on property investment, amount required, and percentage thereof to freight revenue to earn a return of 6 per cent on property investment.

NEW ENGLAND LINES.

Item.	Year ended Dec. 31, 1917.	Year ended Dec. 31, 1918.
Freight revenue	$114,236,230	$138,248,366
Passenger revenue	67,566,643	74,840,380
Other revenue	23,736,791	26,804,059
Total operating revenue	205,539,664	239,892,805
Total operating expenses	155,867,171	215,414,255
Net operating revenue	49,672,493	24,478,550
Taxes	8,052,083	8,215,987
Rents, etc	9,195,353	7,033,713
Net return	32,425,057	9,228,850
Property investment	736,725,844	754,947,267
Per cent of net return on property investment	4.40	1.22
Amount required to earn 6 per cent on property investment	44,203,551	45,296,836
Additional revenue required to earn 6 per cent	11,778,494	36,067,986
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment	10.31	26.09
Revenue per mile	25,485	29,886
Property investment per mile	91,348	94,051

EXCEPT NEW ENGLAND LINES.

Freight revenue	$1,236,921,745	$1,543,465,837
Passenger revenue	310,658,128	400,571,929
Other revenue	159,894,548	182,894,927
Total operating revenue	1,707,474,421	2,126,932,693
Total operating expenses	1,265,616,804	1,797,354,081
Net operating revenue	441,857,617	329,578,612
Taxes	67,903,736	69,562,294
Rents, etc	31,783,068	28,528,266
Net return	342,170,813	231,488,052
Property investment	6,925,634,816	7,151,323,881
Per cent of net return on property investment	4.94	3.24
Amount required to earn 6 per cent on property investment	415,538,089	429,079,433
Additional revenue required to earn 6 per cent	73,367,276	197,591,381
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment	5.93	12.80
Revenue per mile	30,714	38,259
Property investment per mile	124,578	128,638

Statement of income of railroads in official classification territory for years ended Dec. 31, 1917 and 1918, etc.—Continued.

ALL ROADS.

Item.	Year ended Dec. 31, 1917.	Year ended Dec. 31, 1918.
Freight revenue	$1,351,157,975	$1,681,714,203
Passenger revenue	378,224,771	475,412,339
Other revenue	183,631,339	209,698,985
Total operating revenue	1,913,014,085	2,366,825,498
Total operating expenses	1,421,483,975	2,012,768,336
Net operating revenue	491,530,110	354,057,162
Taxes	75,955,819	77,778,281
Rents, etc	40,978,421	35,561,979
Net return	374,595,870	240,716,902
Property invetsment	7,662,360,660	7,905,271,148
Per cent of net return on property investment	4.89	3.04
Amount required to earn 6 per cent on property investment	459,741,640	474,376,269
Additional revenue required to earn 6 per cent	85,145,770	233,659,367
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment	6.30	13.89
Revenue per mile	30,051	37,014
Property investment per mile	120,368	123,645

Statement of income of railroads in southern classification territory for years ended Dec. 31, 1917 and 1918, showing also per cent of net return on property investment, amount required, and percentage thereof to freight revenue to earn a return of 6 per cent on property investment.

Item.	Year ended Dec. 31, 1917.	Year ended Dec. 31, 1918.
Freight revenue	$323,818,690	$405,091,118
Passenger revenue	109,555,999	160,414,086
Other revenue	37,223,257	42,191,022
Total operating revenues	470,597,945	607,696,226
Total operating expenses	324,388,494	478,032,590
Net operating revenue	146,211,452	129,663,635
Taxes	21,937,960	22,110,411
Rents, etc	Dr. 9,630,716	491,051
Net return	133,904,208	107,062,174
Property investment	2,084,688,177	2,149,239,978
Per cent of net return on property investment	6.42	4.98
Amount required to earn 6 per cent on property investment		128,954,399
Additional revenue required to earn 6 per cent		21,892,225
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment		5.49
Revenue per mile	12,537	16,170
Property investment per mile	55,511	57,183

Statement of income of railroads in western classification territory for years ended Dec. 31, 1917 and 1918, showing also per cent of net return on property investment, amount required, and percentage thereof to freight revenue to earn a return of 6 per cent on property investment.

TRANSCONTINENTAL LINES.

Item.	Year ended Dec. 31, 1917.	Year ended Dec. 31, 1918.
Freight revenue	$479,365,495	$564,758,050
Passenger revenue	143,677,919	165,394,936
Other revenue	56,902,755	59,549,470
Total operating revenues	679,946,169	789,702,456
Total operating expenses	422,187,275	566,293,474
Net operating revenue	257,758,894	223,408,982
Taxes	41,052,691	41,101,287
Rents, etc	596,886	Dr. 5,284,068
Net return	216,109,317	187,591,763
Property investment	3,478,405,670	3,560,058,225
Per cent of net return on property investment	6.21	5.27
Amount required to earn 6 per cent on property investment		213,603,494
Additional revenue required to earn 6 per cent		26,011,731
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment		4.61
Revenue per mile	14,434	16,666
Property investment per mile	73,839	75,048

SOUTHWESTERN LINES.

Freight revenue	$102,457,205	$115,387,112
Passenger revenue	34,066,409	40,970,797
Other revenue	9,740,146	11,090,293
Total operating revenue	146,263,760	167,448,199
Total operating expenses	101,100,374	137,099,651
Net operating revenue	45,163,386	30,348,548
Taxes	6,462,120	7,150,803
Rents, etc	2,600,501	966,142
Net return	36,100,765	22,231,513
Property investment	732,726,051	742,889,819
Per cent of net return on property investment	4.93	2.99
Amount required to earn 6 per cent on property investment	43,963,563	44,573,389
Additional revenue required to earn 6 per cent	7,862,798	22,341,846
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment	7.67	19.36
Revenue per mile	9,231	10,579
Property investment per mile	46,244	46,932

Statement of income of railroads in western classification territory for years ended Dec. 31, 1917 and 1918, etc.—Continued.

WESTERN LINES.

Item.	Year ended Dec. 31, 1917.	Year ended Dec. 31, 1918.
Freight revenue	$556,307,064	$660,092,963
Passenger revenue	160,838,866	187,717,757
Other revenue	66,213,729	71,094,222
Total operating revenues	783,360,259	918,904,942
Total operating expenses	547,396,215	758,926,587
Net operating revenue	235,964,044	159,978,355
Taxes	40,646,210	39,839,932
Rents, etc	7,603,454	7,354,041
Net return	187,709,380	112,784,382
Property investment	3,684,461,309	3,726,375,774
Per cent of net return on property investment	5.09	3.03
Amount required to earn 6 per cent on property investment	221,067,679	223,582,546
Additional revenue required to earn 6 per cent	33,358,299	110,798,164
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment	6.00	16.79
Revenue per mile	11,942	14,009
Property investment per mile	56,171	56,812

ALL RAILROADS.

Freight revenue	$1,138,130,364	$1,340,238,125
Passenger revenue	338,583,194	394,083,490
Other revenue	132,856,630	141,733,982
Total operating revenues	1,609,570,188	1,876,055,597
Total operating expenses	1,070,683,864	1,462,319,712
Net operating revenue	538,886,324	413,735,885
Taxes	88,161,021	88,092,082
Rents, etc	10,805,841	3,036,115
Net return	439,919,462	322,607,688
Property investment	7,895,593,033	8,029,323,818
Per cent of net return on property investment	5.57	4.02
Amount required to earn 6 per cent on property investment	473,735,582	481,759,429
Additional revenue required to earn 6 per cent	33,816,120	159,151,741
Percentage of increase in freight revenue necessary for return of 6 per cent on property investment	2.97	11.87
Revenue per mile	12,521	14,559
Property investment per mile	61,422	62,311

APPENDIX F.

Income account of all Class I railroads (all territories) for 9 months ended Sept. 30, 1919, property investment, per cent net return bears thereto, amount necessary to yield a return on basis of rate of 6 per cent per annum, and additional revenue needed, also percentage thereof to freight revenue to earn at rate of 6 per cent on property investment.

Freight revenue	$2,543,749,223
Passenger revenue	875,169,931
Other revenue	280,559,314
Total operating revenues	3,699,478,468
Total operating expenses	3,130,891,417
Net operating revenue	568,587,051
Taxes	137,493,644
Rents, etc	Dr. 35,636,240
Net return	395,457,167
Property investment (at Dec. 31, 1918)	18,084,834,944
Per cent of net return on property investment	2.19
Equal to, per annum	2.92
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	813,817,573
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	418,360,406
Percentage of increase in freight revenue required to earn at rate of 6 per cent per annum on investment	16.45
Revenues per mile of line	16,225
Investment per mile of line	79,315
Mileage operated	228,012.08

Income account of railroads in official classification territory for 9 months ended Sept. 30, 1919, property investment, per cent net return bears thereto, amount necessary to yield a return on basis of rate of 6 per cent per annum, and additional revenue needed, also percentage thereof to freight revenue to earn at rate of 6 per cent on property investment.

NEW ENGLAND DISTRICTS.

Freight revenue	$99,406,433
Passenger revenue	64,363,458
Other revenue	19,102,248
Total operating revenues	182,872,139
Total operating expenses	167,246,983
Net operating revenue	15,625,156
Taxes	6,321,257
Rents, etc	Dr. 3,227,290
Net return	6,076,609
Property investment (at Dec. 31, 1918)	754,947,267
Per cent of net return on property investment	0.80
Equal to per annum	1.07
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	$33,972,627
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	27,896,018
Percentage of increase in freight revenue required to earn at rate of 6 per cent per annum on investment	28.06
Revenues per mile of line	22,858
Investment per mile of line	94,365
Mileage operated	8,000.30

EXCEPT NEW ENGLAND LINES.

Freight revenue	$1,116,836,476
Passenger revenue	343,006,471
Other revenue	129,037,144
Total operating revenues	1,588,880,091
Total operating expenses	1,373,791,870
Net operating revenue	215,088,221
Taxes	52,056,791
Rents, etc	Dr. 16,933,713
Net return	146,097,717
Property investment (at Dec. 31, 1918)	7,151,323,881
Per cent of net return on property investment	2.04
Equal to, per annum	2.72
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	321,809,575
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	175,711,858
Percentage of increase in freight revenue required to earn at rate of 6 per cent per annum on investment	15.73
Revenue per mile of line	28,650
Investment per mile of line	128,951
Mileage operated	55,457.52

ALL ROADS.

Freight revenue	$1,216,242,909
Passenger revenue	407,369,929
Other revenue	148,139,392
Total operating revenues	1,771,752,230
Total operating expenses	1,541,038,854
Net operating revenue	230,713,376
Taxes	58,378,047
Rents, etc	Dr. 20,161,002
Net return	152,174,327
Property investment (at Dec. 31, 1918)	7,906,271,148
Per cent of net return on property investment	1.92
Equal to, per annum	2.56
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	355,782,202
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	203,607,875
Percentage of increase in freight revenue required to earn rate of 6 per cent per annum on investment	16.74
Revenues per mile of line	27,920
Investment per mile of line	124,591
Mileage operated	63,457.82

Income account of railroads in Southern classification territory for 9 months ended Sept. 30, 1919, property investment, per cent net return bears thereto, amount necessary to yield a return on basis of rate of 6 per cent per annum, and additional revenue needed, also percentage thereof to freight revenue to earn at rate of 6 per cent on property investment.

Freight revenue	$308,453,293
Passenger revenue	122,780,099
Other revenue	31,369,415
Total operating revenues	462,602,807
Total operating expenses	408,327,872
Net operating revenue	54,274,935
Taxes	16,724,237
Rents, etc	Dr. 2,326,195
Net return	35,224,503
Property investment (at Dec. 31, 1918)	2,149,239,978
Per cent of net return on property investment	1.64
Equal to, per annum	2.19
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	96,715,799
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	61,491,206
Percentage of increase in freight revenue required to earn at rate of 6 per cent per annum on investment	19.94
Revenues per mile of line	12,319
Investment per mile of line	57,236
Mileage operated	37,550.55

Income account of railroads in western classification territory for 9 months ended Sept. 30, 1919, property investment, per cent net return bears thereto, amount necessary to yield a return on basis of rate of 6 per cent per annum, and additional revenue needed, also percentage thereof to freight revenue to earn at rate of 6 per cent on property investment.

TRANSCONTINENTAL LINES.

Freight revenue	$418,785,689
Passenger revenue	140,669,849
Other revenue	41,249,999
Total operating revenue	600,655,537
Total operating expenses	454,763,121
Net operating revenues	145,892,416

Texas	$28,462,900
Rents, etc.	Dr. 1,688,733
Net return	115,740,783
Property investment (at Dec. 31, 1918)	3,560,058,225
Per cent of net return on property investment	3.25
Equal to, per annum	4.33
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	160,202,620
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	44,461,837
Percentage of increase in freight revenue required to earn at rate of 6 per cent per annum on investment	10.62
Revenues per mile of line	13,145
Investment per mile of line	77,912
Mileage operated	45,693.11

SOUTHWESTERN LINES.

Freight revenue	$93,949,585
Passenger revenue	34,663,147
Other revenue	7,674,192
Total operating revenues	136,286,924
Total operating expenses	121,434,742
Net operating revenue	14,852,182
Taxes	4,950,261
Rents, etc	Dr. 2,848,136
Net return	7,053,785
Property investment (at Dec. 31, 1918)	742,889,819
Per cent of net return on property investment	0.95
Equal to, per annum	1.27
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	33,430,042
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	26,376,257
Percentage of increase in freight revenue required to earn at rate of 6 per cent per annum on investment	28.07
Revenues per mile of line	8,884
Investment per mile of line	48,424
Mileage operated	15,341.35

WESTERN LINES.

Freight revenue	$506,367,747
Passenger revenue	169,686,907
Other revenue	52,126,316
Total operating revenues	728,180,970
Total operating expenses	605,326,828
Net operating revenue	122,854,142
Taxes	28,978,199
Rents, etc	Dr. 8,612,174
Net return	85,263,769
Property investment (at Dec. 31, 1918)	3,726,375,774
Per cent of net return on property investment	2.29
Equal to, per annum	3.05
Amount necessary for nine months to yield a rate of 6 per cent per annum on investment	167,686,910
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	82,423,141
Percentage of increase in freight revenue required to earn at rate of 6 per cent per annum on investment	16.28
Revenues per mile of line	11,038
Investment per mile of line	56,487
Mileage operated	65,969.25

ALL ROADS.

Freight revenue	$1,019,053,021
Passenger revenue	345,019,903
Other revenue	101,050,507
Total operating revenues	1,465,123,431
Total operating expenses	1,181,524,691
Net operating revenues	283,598,740
Taxes	62,391,360
Rents, etc	13,149,043
Net return	208,058,337
Property investment (at Dec. 31, 1918)	8,029,323,818
Per cent of net return on property investment	2.59
Equal to, per annum	3.45
Amount necessary for 9 months to yield a rate of 6 per cent per annum on investment	361,319,572
Additional revenue needed (requiring increase in freight rates) to earn rate of 6 per cent per annum on investment	153,261,235
Percentage of increase in freight revenues required to earn at rate of 6 per cent on investment	15.04
Revenues per mile of line	11,536
Investment per mile of line	63,221
Mileage operated	127,003.71

Roads included in territorial statements.

Official classification territory (New England lines):
Bangor & Aroostook.
Boston & Albany.
Boston & Maine.
Central New England.
Central Vermont.
Grand Trunk in New England.
Maine Central.
New York, New Haven & Hartford.
Rutland.
International Ry. of Maine.

Official classification territory (except New England lines):
Ann Arbor.
Baltimore & Ohio.
Bessemer & Lake Erie.
Buffalo & Susquehanna.
Buffalo, Rochester & Pittsburgh.
Chesapeake & Ohio.
Central R. R. of New Jersey.
Chicago & Erie.
Chicago & Eastern Illinois.
Chicago, Indianapolis & Louisville.
Chicago, Terre Haute & Southeastern.
Cincinnati, Indianapolis & Western.
Cincinnati Northern.
Cleveland, Cincinnati, Chicago & St. Louis.
Cumberland Valley.
Delaware & Hudson.
Delaware, Lackawanna & Western.
Detroit & Mackinac.
Detroit, Toledo & Ironton.
Detroit & Toledo Shore Line.
Erie.
Grand Rapids & Indiana.
Grand Trunk Western.
Hocking Valley.
Kanawha & Michigan.
Lake Erie & Western.
Lehigh & Hudson River.
Lehigh & New England.
Lehigh Valley.
Long Island.
Michigan Central.
Monongahela.
New York Central.
New York, Chicago & St. Louis.
New York, Ontario & Western.
New York, Philadelphia & Norfolk.
New York, Susquehanna & Western.
Norfolk & Western.
Pere Marquette.
Pennsylvania Railroad, East.
Pennsylvania Railroad, West.
Pittsburgh & Lake Erie.
Philadelphia & Reading.
Pittsburg & Shawmut.
Pittsburgh & West Virginia.
Pittsburgh, Cincinnati, Chicago & St. Louis.
Toledo & Ohio Central.
Toledo, Peoria & Western.
Toledo, St. Louis & Western.
Ulster & Delaware.
Virginian.
Wabash.
West Jersey & Seashore.
Western Maryland.
Wheeling & Lake Erie.
Southern classification territory:
Alabama & Vicksburg.
Alabama Great Southern.
Atlanta & West Point.
Atlanta, Birmingham & Atlantic.
Atlantic Coast Line.
Carolina, Clinchfield & Ohio.
Central of Georgia.
Charleston & Western Carolina.
Cincinnati, New Orleans & Texas Pacific.
Florida East Coast.
Georgia Railroad.
Georgia, Southern & Florida.
Gulf & Ship Island.
Illinois Central.
Gulf, Mobile & Northern.
Louisville & Nashville.
Louisville, Henderson & St. Louis.
Mississippi Central.
Mobile & Ohio.
Nashville, Chattanooga & St. Louis.
New Orleans & Northeastern.
New Orleans Great Northern.
Norfolk Southern.
Richmond, Fredericksburg & Potomac.
Seaboard Air Line.
Southern Railway.
Southern Railway in Mississippi.
Tennessee Central.
Yazoo & Mississippi Valley.
Western territory (transcontinental lines):
Arizona Eastern.
Atchison, Topeka & Santa Fe.
Great Northern.
Los Angeles & Salt Lake.
Northern Pacific.
Northwestern Pacific.
Oregon Short Line.
Oregon-Washington Railroad & Navigation.
Southern Pacific.
Spokane, Portland & Seattle.
Sunset lines: Galveston, Harrisburg & San Antonio; Houston & Texas Central; Houston, East & West Texas; Louisiana Western; Morgan, Louisiana & Texas R. R. & Steamship; Texas & New Orleans.
Union Pacific.
Western Pacific.
Western territory (southwestern lines):
El Paso & Southwestern.
Fort Worth & Denver City.
Fort Worth & Rio Grande.
Gulf Coast lines: Beaumont, Sour Lake & Western; New Orleans, Texas & Mexico; St. Louis, Brownsville & Mexico.
Gulf, Colorado & Santa Fe.
International & Great Northern.
Kansas City, Mexico & Orient.
Kansas City Southern.

Louisiana & Arkansas.
Midland Valley.
Missouri & North Arkansas.
Missouri, Kansas & Texas of Texas.
Missouri, Oklahoma & Gulf.
St. Louis-San Francisco & Texas.
St. Louis Southwestern.
St. Louis Southwestern of Texas.
San Antonio & Aransas Pass.
Texas & Pacific.
Trinity & Brazos Valley.
Vicksburg & Shreveport & Pacific.
Wichita Falls & Northwestern.
Western territory (western lines):
Chicago & Alton.
Chicago & North Western.
Chicago, Burlington & Quincy.
Chicago Great Western.
Chicago, Milwaukee & St. Paul.
Chicago, Peoria & St. Louis.
Chicago, Rock Island & Pacific.
Chicago, St. Paul, Minneapolis & Omaha.
Colorado & Southern.
Denver & Rio Grande.
Denver & Salt Lake.
Duluth & Iron Range.
Duluth, Missabe & Northern.
Duluth, South Shore & Atlantic.
Elgin, Joliet & Eastern.
Minneapolis & St. Louis.
Minneapolis, St. Paul & Sault Ste. Marie.
Mineral Range.
Missouri, Kansas & Texas.
Missouri Pacific.
St. Louis-San Francisco.

DETAILS FROM WHICH APPENDIX F IS COMPILED.

Statement of net income for 9 months ended Sept. 30, 1919, of railroads in official classification territory (New England lines), property investment, per cent of net return on property investment, net income required to earn return at rate of 6 per cent per annum on property investment, and results after an increase in freight revenue of 28.03 per cent is effected.

Road.	Net income 9 months ended Sept. 30, 1919.	Property investment (at Dec. 31, 1918).	Per cent of net return on property investment.	Net income required for 9 months to earn rate of 6 per cent per annum on property investment.	Results after increasing freight revenue 28.03 per cent, being the increase necessary to earn a return at rate of 6 per cent per annum.		
					Net income.	Excess over requirements.	Additional requirements.
Bangor & Aristook	$46,868	$30,172,818	0.16	$1,357,776	$845,876	$511,900	
Boston & Albany	1,173,492	59,234,657	1.98	2,665,560	4,094,944		$1,429,381
Boston & Maine	3,308,856	211,567,905	1.56	9,520,555	11,889,904		2,369,349
Central New England	[1] 106,989	27,320,263		1,229,412	1,134,014	95,398	
Central Vermont	[1] 716,634	17,397,035		782,867	150,795	632,072	
Grand Trunk in New England	[1] 711,407	9,091,108		409,100	[1] 195,081	604,181	
Maine Central	[1] 991,743	59,638,637		2,683,739	1,294,185	1,389,554	
New York, New Haven & Hartford	4,361,478	308,499,318	1.41	13,882,469	14,112,064		229,595
Rutland	120,411	23,805,659	.51	1,071,255	645,645	425,610	
International Railway of Maine	[1] 407,723	8,219,867		369,894	[1] 2,291	372,185	
Total	6,076,609	754,947,267	.80	33,972,627	33,970,035		

[1] Deficit.

Statement of net income for 9 months ended Sept. 30, 1919, of railroads in official classification territory (except New England lines), property investment, per cent of net return on property investment, net income required to earn return at rate of 6 per cent per annum on property investment, and results after an increase in freight revenue of 15.73 per cent is effected.

Road.	Net income 9 months ended Sept. 30, 1919.	Property investment (at Dec. 31, 1918).	Per cent of net return on property investment.	Net income required for 9 months to earn rate of 6 per cent per annum on property investment.	Results after increasing freight revenue 15.73 per cent, being the increase necessary to earn a return at rate of 6 per cent per annum.		
					Net income.	Excess over requirements.	Additional requirements.
Ann Arbor	$393,893	$17,664,580	2.23	$794,905	$779,341		$15,564
Baltimore & Ohio	3,178,338	633,381,906	.50	28,502,185	18,619,725		9,882,460
Bessemer & Lake Erie	2,354,661	53,965,045	4.36	2,428,427	3,827,105	$1,398,678	
Buffalo & Susquehanna	[1] 252,523	10,633,070		478,488	[1] 9,167		487,655
Buffalo, Rochester & Pittsburgh	[1] 746,403	66,439,337		2,989,770	663,239		2,326,531
Chesapeake & Ohio	8,142,932	263,916,160	3.09	11,876,227	14,342,044	2,465,817	
Central R. R. of New Jersey	1,940,765	145,329,949	1.33	6,539,848	5,728,795		811,053
Chicago & Erie	281,787	32,749,179	.86	1,473,713	1,249,482		224,231
Chicago & Eastern Illinois	[1] 742,921	84,266,677		3,792,000	1,362,866		2,429,134
Chicago, Indianapolis & Louisville	602,510	41,249,380	1.46	1,856,222	1,553,638		302,584
Chicago, Terre Haute & Southeastern	[1] 213,151	24,946,968		1,122,614	225,945		896,669
Cincinnati, Indianaoplis & Western	[1] 387,341	14,489,108		652,010	[1] 140,969		792,979
Cincinnati Northern	363,384	5,108,776	7.11	229,895	666,422	436,527	
Cleveland, Cincinnati, Chicago & St. Louis	10,216,707	196,966,776	5.19	8,863,505	15,919,800	7,056,295	
Cumberland Valley	281,191	11,627,309	2.42	523,232	801,872	278,640	
Delaware & Hudson	1,754,698	110,122,794	1.59	4,955,526	5,179,229	223,703	
Delaware, Lackawanna & Western	8,697,026	228,631,125	3.80	10,288,401	14,695,350	4,406,949	
Detroit & Mackinac	[1] 112,405	6,605,678		297,256	19,105		278,151
Detroit, Toledo & Ironton	[1] 479,233	22,770,038		1,024,653	[1] 96,538		1,121,191
Detroit & Toledo Shore Line	795,398	4,794,901	16.59	215,771	1,076,422	860,651	
Erie	[1] 179,252	398,320,302		17,946,914	7,825,549		10,121,365
Grand Rapids & Indiana	364,222	23,501,269	1.54	1,061,607	980,166		81,441
Grand Trunk Western	2,314,000	50,841,581	4.55	2,287,871	4,242,518	1,954,647	
Hocking Valley	1,433,915	48,132,337	2.98	2,165,955	2,558,693	392,738	
Kanawha & Michigan	132,532	20,911,837	.63	941,033	540,304		400,729
Lake Erie & Western	[1] 38,022	45,760,192		2,059,209	935,986		1,123,223
Lehigh & Hudson River	235,203	6,403,484	3.67	288,157	525,248	237,091	
Lehigh & New England	580,526	14,939,456	3.89	672,276	992,926	320,650	
Lehigh Valley	2,762,501	217,948,126	1.27	9,807,666	8,701,025		1,106,641
Long Island	2,980,730	83,892,005	3.55	3,775,140	3,689,639		85,501
Michigan Central	12,453,052	158,819,303	7.84	7,146,889	18,307,820	11,160,951	
Monongahela	802,958	16,690,354	4.81	751,066	1,182,567	431,501	
New York Central	34,698,409	983,001,939	3.53	44,235,086	54,779,937	10,544,851	
New York, Chicago & St. Louis	3,456,461	73,976,211	4.67	3,328,929	5,919,155	2,590,226	
New York, Ontario & Western	1,078,667	91,050,503	1.18	4,097,273	1,825,655		2,271,618
New York, Philadelphia & Norfolk	699,111	11,599,398	5.77	521,973	1,393,949	871,976	
New York, Susquehanna & Western	[1] 76,905	39,008,531		1,755,384	236,609		1,518,775
Norfolk & Western	8,120,570	289,247,036	2.81	13,016,117	15,224,979	2,208,862	
Pere Marquette	5,230,161	102,184,660	5.12	4,598,310	8,203,590	3,605,280	
Pennsylvania R. R., east	15,457,562	1,037,192,695	1.49	46,673,670	43,710,130		2,963,540
Pennsylvania R. R., west	6,869,133	259,214,694	2.65	11,664,661	15,735,505	4,070,844	
Pittsburgh & Lake Erie	2,759,655	75,637,321	3.65	3,403,679	5,541,954	2,138,275	
Philadelphia & Reading	2,041,895	212,831,658	.96	9,577,425	8,785,079		792,355
Pittsburgh & Shawmut	[1] 167,442	13,358,527		601,134	[1] 39,502		640,636

[1] Deficit.

Statement of net income for 9 months ended Sept. 30, 1919, of railroads in official classification territory (except New England lines), etc.—Continued.

Road.	Net income 9 months ended Sept. 30, 1919.	Property investment (at Dec. 31, 1918).	Per cent of net return on property investment.	Net income required for 9 months to earn rate of 6 per cent per annum on property investment.	Results after increasing freight revenue 15.73 per cent, being the increase necessary to earn a return at rate of 6 per cent per annum.		
					Net income.	Excess over requirements.	Additional requirements.
Pittsburgh & West Virginia	[1]$535,903	$28,912,043		$1,301,042	[1]$409,590		$1,710,632
Pittsburgh, Cincinnati, Chicago & St. Louis	2,820,832	244,619,666	1.15	11,007,885	10,048,429		959,456
Toledo & Ohio Central	103,742	29,933,472	.35	1,347,006	1,029,239		317,767
Toledo, Peoria & Western	[1]54,674	10,021,029		450,946	[1]44,382		495,328
Toledo, St. Louis & Western	471,553	40,451,078	1.17	1,820,299	1,284,501		535,798
Ulster & Delaware	[1]120,663	5,863,026		263,836	[1]43,171		307,007
Virginian	1,730,427	93,324,785	1.85	4,199,615	2,874,139		1,325,476
Wabash	204,421	207,972,735	.10	9,358,773	4,117,300		5,241,473
West Jersey & Seashore	593,039	24,159,280	2.45	1,087,168	1,007,603		79,565
Western Maryland	74,343	137,729,521	.05	6,197,828	1,514,295		4,683,533
Wheeling & Lake Erie	861,635	77,625,006	1.11	3,493,125	2,134,552		1,358,573
Total	146,097,717	7,151,323,881	2.04	321,809,575	321,776,093		

[1] Deficit.

Statement of net income for 9 months ended Sept. 30, 1919, of railroads in southern classification territory, property investment, per cent of net return on property investment, net income required to earn return at rate of 6 per cent per annum on property investment, and results after an increase in freight revenue of 19.94 per cent is effected.

Road.	Net income 9 months ended Sept. 30, 1919.	Property investment (at Dec. 31, 1918).	Per cent of net return on property investment.	Net income required for 9 months to earn rate of per cent per annum on property investment.	Results after increasing freight revenue 19.94 per cent, being the increase necessary to earn a return at rate of 6 per cent per annum.		
					Net income.	Excess over requirements.	Additional requirements.
Alabama & Vicksburg	$119,405	$5,799,434	2.06	$260,975	$386,284	$125,309	
Alabama Great Southern	827,624	25,961,391	3.19	1,168,263	1,885,221	716,958	
Atlanta & West Point	384,991	4,779,097	8.06	215,059	572,390	357,331	
Atlanta, Birmingham & Atlantic	[1]777,187	39,554,663		1,779,960	226,791		$2,003,751
Atlantic Coast Line	4,339,684	189,017,431	2.30	8,505,784	10,176,561	1,670,777	
Carolina, Clinchfield & Ohio	867,114	59,497,970	1.46	2,677,409	1,661,571		1,015,838
Central of Georgia	1,209,512	73,885,771	1.64	3,324,860	3,105,584		219,276
Charleston & Western Carolina	148,365	8,373,090	1.77	376,789	477,393	100,604	
Cincinnati, New Orleans & Texas Pacific	734,363	46,758,750	1.57	2,104,144	2,440,362	336,218	
Florida East Coast	865,618	52,734,311	1.64	2,373,044	1,728,490		644,554
Georgia R. R	287,127	5,950,798	14.91	267,786	1,443,494	1,175,708	
Georgia Southern & Florida	72,481	12,909,519	.56	580,928	480,778		100,150
Gulf & Ship Island	38,645	14,427,842		649,253	210,960		438,293
Gulf, Mobile & Northern	[1]70,036	23,845,108		1,073,030	225,507		847,523
Illinois Central	3,739,167	345,336,454	1.08	15,540,140	14,779,412		760,728
Louisville & Nashville	7,443,393	297,386,414	2.50	13,382,389	18,592,427	5,210,038	
Louisville, Henderson & St. Louis	352,127	8,120,896	4.34	365,440	647,360	281,920	
Mississippi Central	[1]102,902	8,322,121		374,495	[1]13,457		387,952
Mobile & Ohio	[1]956,875	47,661,565		2,144,770	805,865		1,338,905
Nashville, Chattanooga & St. Louis	590,390	42,234,663	1.40	1,900,560	2,476,630	576,070	
New Orleans & Northeastern	243,406	18,799,218	1.29	845,965	853,451	7,486	
New Orleans Great Northern	48,844	16,164,605	.30	727,407	298,403		429,004
Norfolk Southern	[1]46,384	31,525,612		1,418,653	559,029		859,624
Richmond, Fredericksburg & Potomac	2,284,981	10,188,922	22.43	458,501	2,852,997	2,394,496	
Seaboard Air Line	1,939,992	183,949,677	1.05	8,277,735	5,531,651		2,746,084
Southern Ry	7,016,567	487,458,780	1.44	21,935,645	18,599,895		3,335,750
Southern Ry. in Mississippi	[1]101,776	1,613,750		72,619	46,398		26,221
Tennessee Central	[1]366,858	19,815,712		891,707	[1]100,122		991,829
Yazoo & Mississippi Valley	3,570,015	67,106,414	5.32	3,022,489	6,232,350	3,209,861	
Total	35,224,503	2,149,239,978	1.64	96,715,799	96,730,093		

[1] Deficit.

Statement of net income for 9 months ended Sept. 30, 1919, of railroads in western classification territory (transcontinental lines), property investment, per cent of net return on property investment, net income required to earn return at rate of 6 per cent per annum on property investment, and results after an increase in freight revenue of 10.62 per cent is effected.

Road.	Net income 9 months ended Sept. 30, 1919.	Property investment (at Dec. 31, 1918).	Per cent of net return on property investment.	Net income required for 9 months to earn rate of 6 per cent per annum on property investment.	Results after increasing freight revenue 10.62 per cent, being the increase necessary to earn a return at rate of 6 per cent per annum.		
					Net income.	Excess over requirements.	Additional requirements.
Arizona Eastern	$417,998	$20,197,778	2.07	$908,900	$643,456		$265,444
Atchison, Topeka & Santa Fe	25,897,394	732,988,251	3.53	32,984,471	35,121,371	$2,136,900	
Great Northern	10,084,185	464,408,099	2.17	20,898,394	16,000,880		4,897,484
Los Angeles & Salt Lake	2,061,814	82,774,419	2.49	3,724,849	2,976,222		748,627
Northern Pacific	12,371,141	498,673,906	2.48	22,440,328	17,898,602		4,541,726
Northwestern Pacific	838,953	66,790,116	1.26	3,005,555	1,100,592		1,904,963
Oregon Short Line	7,005,515	118,944,808	5.89	5,352,516	9,200,030	3,847,514	
Oregon-Washington R. R. & Navigation	2,689,385	161,384,739	1.67	7,262,313	4,188,167		3,074,146
Southern Pacific	20,616,640	796,464,249	2.59	35,840,891	29,220,874		6,620,017
Spokane, Portland & Seattle	1,359,870	60,301,347	2.26	2,713,561	1,746,595		966,965
Sunset Lines	5,270,818	139,875,057	3.77	6,294,378	7,997,342	1,702,964	
Union Pacific	25,407,945	327,012,567	7.77	14,716,916	31,585,476	16,868,560	
Western Pacific	1,719,125	90,212,829	1.91	4,059,578	2,530,905		1,528,673
Total	115,740,783	3,560,058,225	3.25	160,202,620	160,210,513		

Statement of net income for 9 months ended Sept. 30, 1919, of railroads in western classification territory (southwestern lines), property investment, per cent of net return on property investment, net income required to earn return at rate of 6 per cent per annum on property investment, and results after an increase in freight revenue of 28.07 per cent is effected.

Road.	Net income 9 months ended Sept. 30, 1919.	Property investment (at Dec. 31, 1918).	Per cent of net return on property investment.	Net income required for 9 months to earn rate of 6 per cent per annum on property investment.	Results after increasing freight revenue 28.07 per cent being the increase necessary to earn a return at rate of 6 per cent per annum.		
					Net income.	Excess over requirements.	Additional requirements.
El Paso & Southwestern	$2,389,007	$56,138,114	4.26	$2,526,215	$4,413,379	$1,887,164	
Fort Worth & Denver City	2,275,615	25,650,941	8.87	1,154,292	3,738,883	2,584,591	
Fort Worth & Rio Grande	[1] 21,219	8,126,716		365,702	143,887		$221,815
Gulf Coast Lines	1,047,941	33,607,342	3.12	1,512,330	2,241,594	729,264	
Gulf, Colorado & Santa Fe	1,083,455	61,530,229	1.76	2,768,861	3,924,695	1,155,834	
International & Great Northern	[1] 1,042,424	41,617,445		1,872,785	995,890		876,895
Kansas City, Mexico & Orient	[1] 430,917	28,742,252		1,293,401	[1] 210,935		1,504,336
Kansas City Southern	966,696	83,030,410	1.16	3,736,368	3,292,742		443,626
Louisiana & Arkansas	[1] 177,184	12,203,522		549,158	141,758		407,400
Midland Valley	375,243	17,809,635	2.11	801,434	948,482	147,048	
Missouri & North Arkansas	[1] 537,367	18,071,940		813,237	[1] 339,732		1,152,969
Missouri, Kansas & Texas of Texas	[1] 415,999	67,008,793		3,015,397	2,668,971		346,425
Missouri, Oklahoma & Gulf	[1] 691,209	8,195,025		368,776	[1] 467,426		836,202
St. Louis-San Francisco & Texas	[1] 128,717	10,368,089		466,564	125,201		341,363
St. Louis Southwestern	1,862,642	72,451,320	2.57	3,260,309	4,003,255	742,945	
St. Louis Southwestern of Texas	[1] 979,304	30,660,374		1,379,717	[1] 32,571		1,412,288
San Antonio & Aransas Pass	[1] 764,521	24,456,142		1,100,527	[1] 176,257		1,276,784
Texas & Pacific	2,626,956	115,263,411	2.28	5,186,853	7,442,745	2,255,892	
Trinity & Brazos Valley	[1] 553,018	11,436,556		514,645	[1] 349,498		864,143
Vicksburg, Shreveport & Pacific	348,280	9,296,216	3.75	418,330	778,391	360,031	
Wichita Falls & Northwestern	[1] 180,171	7,225,346		325,141	141,981		183,160
Total	7,053,875	742,889,819	.95	33,430,042	33,425,435		

[1] Deficit.

Statement of net income for 9 months ended Sept. 30, 1919, of railroads in western classification territory (western lines), property investment, per cent of net return on property investment, net income required to earn return at rate of 6 per cent per annum on property investment, and results after an increase in freight revenue of 16.28 per cent is effected.

Road.	Net income 9 months ended Sept. 30, 1919.	Property investment (at Dec. 31, 1918).	Per cent of net return on property investment.	Net income required for 9 months to earn rate of 6 per cent per annum on property investment.	Results after increasing freight revenue 16.28 per cent, being the increase necessary to earn a return at rate of 6 per cent per annum.		
					Net income.	Excess over requirements.	Additional requirements.
Chicago & Alton	$196,075	$123,647,555	0.16	$5,564,140	$2,280,712		$3,283,428
Chicago & North Western	11,428,716	406,275,150	2.81	18,282,382	22,368,089	$4,085,707	
Chicago, Burlington & Quincy	19,349,915	513,205,990	3.77	23,094,270	31,931,685	8,837,415	
Chicago Great Western	976,512	70,000,000	1.40	3,150,000	2,670,653		479,347
Chicago, Milwaukee & St. Paul	2,037,833	609,443,985	.33	27,424,979	14,655,673		12,769,306
Chicago, Peoria & St. Louis	[1] 663,936	8,321,279		374,458	[1] 514,304		888,762
Chicago, Rock Island & Pacific	7,022,600	337,810,233	2.08	15,201,461	15,531,493	330,032	
Chicago, St. Paul, Minneapolis & Omaha	1,882,688	80,408,355	2.34	3,618,376	3,980,505	362,129	
Colorado & Southern	1,303,732	82,625,450	1.58	3,718,145	2,483,593		1,234,552
Denver & Rio Grande	4,079,076	180,244,717	2.26	8,111,012	6,845,361		1,265,651
Denver & Salt Lake	[1] 675,978	27,259,582		1,226,681	[1] 400,431		1,627,112
Duluth & Iron Range	3,078,008	29,929,305	10.32	1,342,319	4,074,222	2,731,903	
Duluth, Missabe & Northern	10,230,271	41,873,640	24.43	1,884,314	12,659,407	10,775,093	
Duluth, South Shore & Atlantic	66,036	48,510,603	.14	2,182,977	453,227		1,729,750
Elgin, Joliet & Eastern	3,015,854	43,792,541	6.89	1,970,664	5,108,997	3,138,333	
Minneapolis & St. Louis	26,595	70,460,452	.04	3,170,720	1,191,761		1,978,959
Minneapolis, St. Paul & Sault Ste. Marie	3,465,239	186,111,870	1.86	8,375,034	7,138,055		1,236,979
Mineral Range	[1] 72,328	3,547,852		159,653	16,778		142,875
Missouri, Kansas & Texas	3,428,389	176,040,953	1.95	7,921,843	6,308,961		1,612,882
Missouri Pacific	4,275,498	335,974,187	1.27	15,118,838	12,031,398		3,087,440
St. Louis-San Francisco	10,812,974	350,992,075	3.08	15,794,644	16,884,604	1,089,960	
Total	85,263,769	3,726,375,774	2.29	167,686,910	167,700,439		

[1] Deficit.

APPENDIX G.

INTERSTATE COMMERCE COMMISSION,
Washington, November 7, 1919.

Hon. FRANK B. KELLOGG,
United States Senate.

MY DEAR SENATOR KELLOGG: The inclosed statements show the net railway capital segregated as to stocks and bonds and the property investment of steam roads of Classes I, II, and III from 1910 to 1918. Switching companies are not included. The segregation between stocks and bonds as to net capital was not made prior to 1910.

The net capital can not be given for Class I roads and their subsidiaries separately. The property investment of such companies on December 31, 1917, was as follows:

Class I operating companies	$14,822,227,582
Nonoperating companies subsidiary to Class I	2,939,924,545
Total	17,762,152,127

Although the corresponding figure has not been published in statistical reports prior to 1917, a close approximation can be made on a percentage basis as follows:

Property investment of Class I roads and their nonoperating subsidiaries.

Dec. 31—	
1918	$18,119,269,921
1917	17,762,152,127
1916	16,884,440,038
June 30—	
1916	$16,688,440,056
1915	16,257,146,632
1914	15,842,127,273
1913	15,284,763,489
1912	14,632,497,022
1911	14,246,167,475

As to the proportion of the roads under Federal control, it may be of assistance to note that out of a total of $932,607,366 net railway operating income for the test period approximately $916,441,811, or 98.3 per cent, represents all steam roads under Federal control of Classes I, II, and III and switching and terminal companies.

Respectfully, GEORGE B. MCGINTY, *Secretary.*

Reported property investment of steam roads of Classes I, II, and III and their nonoperating subsidiaries.

Dec. 31—	
1918	$19,005,065,288
1917	18,574,297,873
1916	17,842,776,668
June 30—	
1916	17,689,425,438
1915	17,441,420,382
1914	17,153,785,568
1913	16,588,603,109
1912	16,004,744,966
1911	15,612,378,845
1910	14,557,816,099

Railway capital of steam roads of Classes I, II, and III and their nonoperating subsidiaries; net amount not held by railway companies.

	Total.	Per mile of line.	Stock.	Funded debt.
Dec. 31—				
1917	$16,401,786,017	$66,699	$6,582,809,245	$9,818,976,772
1916	16,332,578,328	66,591	6,415,963,044	9,916,615,284
June 30—				
1916	16,336,300,429	66,356	6,314,570,354	10,021,730,075
1915	16,307,802,580	66,447	6,125,570,387	10,181,932,193
1914	15,719,606,925	66,661	6,011,404,923	9,708,202,002
1913	15,330,131,446	65,861	5,810,231,391	9,519,900,055
1912	15,087,600,650	63,535	5,766,093,888	9,321,506,762
1911	15,008,707,570	63,944	5,644,247,369	9,164,460,201
1910	14,338,575,940	62,657	5,526,991,778	8,811,584,162

APPENDIX H.

Freight cars.

Domestic orders, annual average:

1901–1918	161,579
1910–1918	135,431

Domestic deliveries, annual average:

1899–1918	134,310
1910–1918	120,820

Passenger cars.

Domestic orders, annual average:

1901–1918	2,660
1910–1918	2,474

Domestic deliveries, annual average:

1899–1918	2,318
1910–1918	2,640

Domestic orders for freight and passenger cars, 1901 to 1918.

Year.	Freight cars.	Passenger cars.
1901	193,439	2,879
1902	195,248	3,459
1903	108,936	2,310
1904	136,561	2,213
1905	341,315	3,289
1906	310,315	3,402
1907	151,711	1,791
1908	62,669	1,319
1909	189,360	4,514
1910	141,024	3,881
1911	133,117	2,623
1912	234,758	3,642
1913	146,732	3,179
1914	80,264	2,002
1915	109,792	3,101
1916	170,054	2,544
1917	79,367	1,167
1918	123,770	131

NOTE.—Foreign car orders in 1918 amounted to 53,457 freight cars and 26 passenger cars. Detail of orders placed in 1918 were as follows:

Freight-car orders in 1918:		
Domestic—		
United States Railroad Administration	100,000	
United States Army or Navy	740	
Other railroad orders	1,227	
Private car lines and industrials	12,146	
Total, United States	114,113	
Canadian railroads	9,657	
Total, domestic		123,770
Foreign—		
Director General Military Railroads	36,875	
Other foreign	16,672	
Total, foreign		53,547
Total all orders		177,317
Passenger-car orders in 1918:		
Domestic, United States and Canada		131
Foreign		26
Total		157

Freight and passenger cars built, 1899 to 1918.

Year.	Freight.			Passenger.		
	Domestic.	Foreign.	Total.	Domestic.	Foreign.	Total.
1899	117,982	1,904	119,886	1,201	104	1,305
1900	113,070	2,561	115,631	1,515	121	1,636
1901	132,591	4,359	136,950	1,949	106	2,055
1902	161,747	2,800	162,599	(1)	(1)	1,948
1903	153,195	1,613	152,801	(1)	(1)	2,907
1904	60,955	1,995	60,805	(1)	(1)	2,144
1905 [2]	162,701	5,305	165,155	(1)	(1)	2,551
1906 [2]	236,451	7,219	240,503	(1)	(1)	3,167
1907 [2]	280,216	9,429	284,188	(1)	(1)	5,457
1908 [2]	75,344	1,211	76,555	1,645	71	1,716

[1] For years 1902 to 1907 passenger cars built for domestic and foreign service are included in corresponding freight-car columns.
[2] Includes Canadian output.

Freight and passenger cars built, 1899 to 1918—Continued.

Year.	Freight.			Passenger.		
	Domestic.	Foreign.	Total.	Domestic.	Foreign.	Total.
1909 [1]	91,077	2,493	93,570	2,698	151	2,849
1910 [1]	176,374	4,571	180,945	4,136	276	4,412
1911 [1]	68,961	3,200	72,161	3,938	308	4,246
1912 [2]	146,357	4,072	152,429	2,822	238	3,060
1913 [2]	198,066	9,618	207,684	3,076	220	3,296
1914 [2]	(3)	(3)	104,541	(3)	(3)	3,691
1915 [2]	59,984	14,128	74,112	1,935	14	1,949
1916 [2]	113,692	21,309	135,001	1,769	70	1,839
1917 [2]	119,363	32,038	151,401	1,969	31	2,000
1918 [2]	81,767	42,941	124,708	1,481	92	1,573

[1] Includes Canadian output.
[2] Includes Canadian output and equipment built in company shops.
[3] Data not available.

Domestic orders for locomotives 1901 to 1918.

1901	4,340
1902	4,665
1903	3,283
1904	2,538
1905	6,265
1906	5,642
1907	3,482
1908	1,182
1909	3,350
1910	3,787
1911	2,850
1912	4,515
1913	3,467
1914	1,265
1915	1,612
1916	2,910
1917	2,704
1918	2,802

Detail of locomotive orders in 1918.

Domestic:		
United States Railroad Administration	2,030	
Other railroad orders	525	
Industrials, etc	38	
Total United States	2,593	
Canadian railroads	209	
Total domestic		2,802
Foreign:		
Director general military railroads	1,404	
Other foreign	682	
Total foreign		2,086
Total of all orders		4,888

Locomotives built, 1896 to 1918.

Year.	Domestic.	Foreign.	Total.
1896	866	309	1,175
1897	865	386	1,251
1898	1,321	554	1,875
1899	1,951	514	2,475
1900	2,648	505	3,153
1901	(1)	(1)	3,384
1902	(1)	(1)	4,070
1903	(1)	(1)	5,152
1904	(1)	(1)	3,441
1905 [2]	4,896	595	5,491
1906 [2]	6,232	720	6,952
1907 [2]	6,564	798	7,362
1908 [2]	1,886	456	2,342
1909 [2]	2,596	291	2,887
1910 [2]	4,441	314	4,755
1911 [3]	3,143	387	3,530
1912 [3]	4,403	512	4,915
1913 [3]	4,561	771	5,332
1914 [3]	1,962	273	2,235
1915 [3]	1,250	835	2,085
1916 [3]	2,708	1,367	4,075
1917 [3]	2,585	2,861	5,446
1918 [3]	3,668	2,807	6,475

[1] Data not available.
[2] Includes Canadian output.
[3] Includes Canadian output and equipment built in railroad shops.

APPENDIX I.

INTERSTATE COMMERCE COMMISSION,
Washington, August 25, 1919.

Hon. FRANK B. KELLOGG,
United States Senate.

MY DEAR SENATOR KELLOGG: As requested in your letter of August 21, I have checked the statement which you inclosed, and am sending a new copy herewith. I have added the Pennsylvania Railroad and a few other companies and have also shown the dividend rate. I have omitted the Bessemer & Lake Erie from the statement, as the financial organization is such that the dividend rate is misleading. It has a capital stock of only $500,000.

The statement makes practically the same showing as the original which you submitted. The changes are chiefly due to the fact that I have shown the returns of the operating companies as reported to the Interstate Commerce Commission, whereas the statement you inclosed used system figures in some cases.

The dividends shown are the total declared during the year, regardless of whether shown in the income account or the profit and loss account.

It may be noted that in the year 1918 the income account of many of the railroad corporations contains a large deduction which will not obtain in 1919, namely, the net debit on account of revenues and expenses for 1917 carried over into 1918. In a few cases there is a net credit, and some of the roads put these items through the profit and loss account and not through the income account. The amount of this item (net) is shown on a separate sheet attached to the table. On the other hand, other items of fixed charges may be increased in 1919.

Yours, very truly,

M. O. LORENZ, *Statistician.*

Net debit or credit affecting net income in 1918 on account of lap-over revenues and expenses.

	Net debit.	Net credit.
Eastern district:		
Baltimore & Ohio		
Bangor & Aroostook		
Buffalo & Susquehanna		$10,627
Buffalo, Rochester & Pittsburgh		29,455
Central of New Jersey	$1,211,918	
Cleveland, Cincinnati, Chicago & St. Louis	1,616,343	
Delaware & Hudson	300,000	
Delaware, Lackawanna & Western	123,787	
Erie	5,286,568	
Lehigh Valley	1,502,621	
Michigan Central	2,021,705	
New York Central	6,548,223	
New York, New Haven & Hartford	1,157,833	
Pennsylvania R. R.		
Philadelphia & Reading	1,177,513	

Net debit or credit affecting net income in 1918 on account of lap-over revenues and expenses—Continued.

	Net debit.	Net credit.
Eastern district—Continued.		
Pittsburgh & Lake Erie	$1,767,377	
Pittsburgh, Cincinnati, Chicago & St. Louis	1,652,171	
Southern district:		
Alabama Great Southern		
Atlantic Coast Line	987,683	
Central of Georgia	340,732	
Chesapeake & Ohio	96,562	
Illinois Central	758,887	
Louisville & Nashville	2,445,157	
Nashville, Chattanooga & St. Louis	450,172	
Norfolk & Western		$113,248
Richmond, Fredericksburg & Potomac	9,685	
Western district:		
Atchison, Topeka & Santa Fe	2,416,101	
Chicago & North Western	4,671,889	
Chicago, Burlington & Quincy	1,921,290	
Chicago, Milwaukee & St. Paul	4,331,339	
Chicago, Rock Island & Pacific		
Colorado & Southern	147,718	
El Paso & Southwestern		180,540
Great Northern	1,273,301	
Kansas City Southern	263,302	
Minneapolis, St. Paul & Sault Ste. Marie	660,958	
Northern Pacific	544,247	
Oregon Short Line	486,814	
Southern Pacific	1,519,241	
Union Pacific	872,438	

Condensed corporate income account of 40 railway companies of Class I, calendar year 1918.

[Compiled from annual reports to the Interstate Commerce Commission, with changes as noted.]

Name of company.	Actual results for 1918.							If standard return were reduced 25 per cent.		Rate of dividends.	
	Standard return.	Other corporate income.	Gross income before tax deductions.	Deductions from gross income, including taxes.	Net income.	Dividends declared.	Balance after dividends.	Standard return.	Balance after dividends.	Common.	Preferred.
	a	b	c (a+b)	d	e (c−d)	f	g (e−f)	h $\left(\frac{a\times 75}{100}\right)$	i $\left(\frac{g-a\times 25}{100}\right)$		
EASTERN DISTRICT.										*Per ct.*	*Per ct.*
Baltimore & Ohio	$27,744,740	$5,200,951	$32,945,691	$21,920,288	$11,025,403	$9,191,964	$1,833,439	$20,808,555	[1] $5,102,748	4½	4
Bangor & Aroostook	1,555,775	3,399	1,559,174	1,075,081	484,093	398,000	86,093	1,166,831	[1] 302,851	4	7
Buffalo & Susquehanna	592,628	202,475	795,103	325,960	469,143	370,000	99,143	444,471	[1] 49,014	7	4
Buffalo, Rochester & Pittsburgh	3,276,410	279,208	3,555,618	2,407,307	1,148,311	885,000	263,311	2,457,308	255,792	5	6
Central of New Jersey [2]	9,352,301	2,106,067	11,458,368	6,919,571	4,538,797	3,292,415	1,246,381	7,014,225	[1] 1,091,694	12	.....
Cleveland, Cincinnati, Chicago & St. Louis	9,938,597	833,681	10,772,278	7,651,914	3,120,364	499,925	2,620,439	7,453,948	135,790	.....	5
Delaware & Hudson	7,415,149	1,400,103	8,815,252	5,863,895	2,951,357	2,868,926	82,431	5,561,362	[1] 1,771,355	6¾	.....
Delaware, Lackawanna & Western [3]	15,749,477	4,671,992	20,421,469	6,728,041	13,693,428	8,444,080	5,249,348	11,812,108	1,311,979	20	.....
Erie	15,503,939	5,927,547	21,431,486	20,341,693	1,089,793	.....	1,089,793	11,627,955	[1] 2,788,192	.....	.....
Lehigh Valley	11,321,233	3,113,332	14,434,565	9,344,071	5,090,494	6,060,800	[1] 970,305	8,490,925	[1] 3,800,611	10	10
Michigan Central	8,052,127	902,980	8,955,107	8,407,249	547,858	749,456	[1] 201,598	6,039,095	[1] 2,214,630	4	.....
New York Central	55,802,631	13,468,290	69,270,921	51,353,799	17,917,122	12,479,619	5,437,512	41,851,973	[1] 8,513,146	5	.....
New York, New Haven & Hartford	17,095,884	5,562,534	22,658,418	21,772,726	885,692	.....	885,692	12,821,913	[1] 3,388,279	.....	.....
Pennsylvania R. R. Co. (Includes 6,813.86 miles)	65,992,740	22,601,747	88,594,487	44,213,497	44,380,990	29,950,704	14,430,286	49,494,555	[1] 2,067,899	6	.....
Philadelphia & Reading	15,868,331	750,842	16,619,173	8,060,293	8,558,880	6,372,255	2,186,625	11,901,248	[1] 1,789,468	15	.....
Pittsburgh & Lake Erie	8,980,219	563,832	9,544,051	4,485,939	5,058,112	3,598,560	1,459,552	6,735,164	[1] 785,503	10	.....
Pittsburgh, Cincinnati, Chicago & St. Louis	11,334,094	416,492	11,750,586	8,672,777	3,077,809	3,380,971	[1] 303,162	8,500,571	[1] 3,133,685	.....	.....
SOUTHERN DISTRICT.											
Alabama Great Southern	1,703,180	153,584	1,856,764	687,339	1,169,425	784,725	384,700	1,277,385	[1] 41,095	7	7
Atlantic Coast Line	10,180,915	3,881,239	14,062,154	7,765,005	6,297,149	4,808,993	1,488,156	7,635,686	[1] 1,057,075	7	5
Central of Georgia	3,450,903	720,238	4,171,141	2,965,853	1,205,288	1,150,000	55,288	2,588,178	[1] 807,438	5	6
Chesapeake & Ohio	13,226,983	1,863,861	15,090,844	10,246,583	4,844,261	2,511,264	2,332,997	9,920,237	[1] 973,749	4	.....
Illinois Central	16,282,374	8,273,006	24,555,380	13,598,678	10,956,702	7,650,490	3,306,212	12,211,780	[1] 764,381	7	.....
Louisville & Nashville	17,310,495	3,212,630	20,523,125	11,345,132	9,177,993	5,040,000	4,137,993	12,982,871	[1] 189,631	7	.....
Nashville, Chattanooga & St. Louis	3,182,089	302,635	3,484,724	2,096,717	1,388,007	1,120,000	268,007	2,383,537	[1] 527,515	7	.....
Norfolk & Western	20,634,142	1,000,160	21,634,302	5,829,775	15,804,527	9,357,103	6,447,424	15,475,607	1,288,880	7	4
Richmond, Fredericksburg & Potomac	1,137,374	99,073	1,236,447	448,132	788,315	452,731	335,584	853,031	51,241	9	9
WESTERN DISTRICT.											
Atchison, Topeka & Santa Fe	38,493,725	9,171,733	47,665,458	19,340,159	28,325,299	19,498,280	8,827,019	28,870,294	[1] 793,412	6	5
Chicago & North Western	23,201,015	2,839,191	26,040,206	16,229,384	9,810,822	11,952,275	[1] 2,141,453	17,400,761	[1] 7,941,707	7	8
Chicago, Burlington & Quincy	33,360,683	3,202,348	36,563,031	13,770,531	22,792,500	8,867,128	13,925,372	25,020,512	5,585,201	8	.....
Chicago, Milwaukee & St. Paul	27,594,551	2,446,936	30,041,487	23,584,126	6,457,361	.....	6,457,361	20,695,913	[1] 441,277	.....	.....
Chicago, Rock Island & Pacific	14,912,379	1,322,670	16,235,049	10,945,329	5,289,720	3,566,027	1,723,693	11,184,284	[1] 2,004,402	(4)	(4)
Colorado & Southern	2,481,212	1,457,681	3,938,893	2,562,521	1,376,372	680,000	696,372	1,860,909	76,069	.....	4
El Paso & Southwestern	4,135,114	2,656,592	6,791,706	3,240,006	3,551,700	2,000,000	1,551,700	3,101,335	517,922	8	.....
Great Northern	28,666,681	6,068,938	34,735,710	15,941,773	18,793,846	17,462,842	1,331,004	21,500,011	[1] 5,835,665	.....	7
Kansas City Southern	3,216,698	390,942	3,607,640	2,626,805	980,835	840,000	140,835	2,412,524	[1] 663,339	.....	4
Minneapolis, St. Paul & Sault Ste. Marie	10,547,429	448,716	10,996,145	7,783,014	3,213,131	2,646,714	566,417	7,910,572	[1] 2,070,440	7	7
Northern Pacific	30,089,692	8,132,615	38,222,307	18,092,973	20,129,334	17,360,000	2,769,334	22,567,269	[1] 4,753,089	7	.....
Oregon Short Line	10,196,750	4,917,682	15,114,432	7,000,103	8,114,329	7,000,000	1,114,329	7,647,533	[1] 1,434,853	6	.....
Southern Pacific	38,421,847	32,766,901	71,188,748	47,098,219	24,090,529	16,404,055	7,686,474	28,816,385	[1] 1,918,983	7	.....
Union Pacific	23,700,009	17,933,166	41,633,175	12,206,400	29,426,775	26,210,900	3,215,875	17,775,007	[1] 2,709,127	10	4

[1] Deficit.

[2] This company has accrued in 1918 only 90 per cent of its standard return. In this statement this has been increased to 100 per cent.

[3] Div. ob. 5 per cent guar.

[4] 7 per cent on 7 per cent preferred stock; 6 per cent on 6 per cent preferred stock.

PROPOSED WATER-POWER LEGISLATION.

Mr. JONES of Washington. Mr. President, I would not do anything to delay or hinder the consideration and passage of the railroad bill. I understand, however, that there is no one who desires to discuss it this afternoon, and that but very little further consideration will be given to it to-day. So I am very much in the position of the gentleman who attended a meeting, and finding no one desirous of discussing the subject for which the meeting was called, decided that he would submit some remarks on another subject.

There is a bill on the calendar, Mr. President, that deals with a subject of scarcely less importance than this railroad legislation, which I hope to have the Senate consider as soon as the pending bill is disposed of. So I am going to discuss that measure for just a little while this afternoon in the hope that by taking the time that is not going to be used now I can save a little time when that bill comes up for consideration and get earlier action upon it.

I refer to water-power legislation. The House has already passed a bill dealing with that very important question. It has been the subject of discussion for many years, and we hope that at this session Congress will take action upon it. It may not be necessary, Mr. President, to point out the importance of water-power development, but its great need will justify me in doing so at this time.

Conflict is the zest of life between nations, whether it be on the battle field in time of war or fighting for world trade in time of peace. Plentiful cheap energy derived from hydroelectric power used for manufacture of explosives, munitions, and supplies and to release man power for the Army and Navy in war time and to turn the factory wheels to enable success in competition with other nations for the markets of the world in times of peace is one of the greatest aids to success that a nation can have.

If 10 years ago, instead of enacting restrictive laws which have prohibited development of our water powers, Congress had invited their development through fair and reasonable terms, the beginning of the World War would have found the United States with 20,000,000 developed hydroelectric power instead of 5,000,000. Indeed, it is not too much to say that Germany would have hesitated before entering the conflict with probability of having to face a Nation possessing such an enormous amount of harnessed physical force wherewith to back up its armies. As it was, the beginning of the Great War found us short of coal, short of oil, short of power, and half a billion dollars was expended inside of two years in the erection of steam-power plants, many of which, built haphazard under war-time stress, are now useless owing to unfavorable location. Through failure of Congress to pass water-power laws under which money could be safely invested with prospect of a fair return, water powers now wasting have been held back from development in at least 22 States of the Union, as follows:

Actual water-power developments which are projected to be undertaken upon navigable streams upon enactment of a rational Federal water-power act.

State.	River.	Horsepower to be developed.	Miles of inland waterway improved.
Washington	Columbia	410,000	160
Do	Pend Oreille	250,000	80
Montana	Missouri	100,000	110
Minnesota	St. Croix	30,000	26
Iowa	Des Moines	60,000	201
Maryland	Susquehanna	110,000	15
Massachusetts-Connecticut	Connecticut	30,000	23
Georgia	Chattahoochee	138,000	138
Alabama	Tennessee	410,000	35
Tennessee	Clinch	25,000	14
Alabama	Coosa	180,000	76
Kentucky	Cumberland	26,000	71
Georgia	Flint	20,000	12
North Carolina	Little Tennessee	200,000	84
Virginia	New	20,000	10
Do	Roanoke	35,000	20
South Carolina-Georgia	Savannah	78,000	85
		2,122,000	1,160

It is estimated that in addition to the above the development of over 2,000,000 horsepower would be undertaken upon nonnavigable streams in the States of California, Idaho, Oregon, Nevada, Montana, Utah, Colorado, and Arkansas.

The report of the Geological Survey shows that our consumption of coal for all purposes during the year 1913 was about 570,000,000 short tons, of which the railroads alone used about 20 per cent. This tremendous tonnage requires for mining and transportation the labor of 1,500,000 men and the use of over 1,000,000 freight cars and 40,000 locomotives. In addition to this the petroleum used in 1913 was equivalent to 24,000,000 tons of coal. Every water horsepower now going to waste which could be economically substituted for fuel power would represent approximately 5½ tons of coal per year, based on an average of 12 hours per day. The labor of one man is released for other uses every time 50 hydroelectric horsepower is developed, and every 150 water horsepower developed releases one freight car for other duty. To indicate what are the possibilities of conservation along this line we need merely to reflect upon the fact that the ultimate development of the 61,678,000 horsepower contained in the rivers and streams of the United States on the foregoing coal consumption basis of a 24-hour day is equivalent to the annual use of nearly 780,000,000 tons of coal—being a little more than the total amount of coal used in the United States—which at $2 per ton represents an annual value of $1,560,000,000. Of course this represents the maximum attainable development, which will not be approached for a long period, but it also represents the end which may finally be achieved.

The largest amount of water power in any one State is contained in my State of Washington, which has nearly 10,000,000 water horsepower, of which less than 3 per cent has been developed. There coal is mined and steam-power plants are operated within the sound of descending waters, and trainloads of coal are imported each day from British Columbia.

Through a silent, barren, desert country in the center of our State, where the rainfall is less than 5 inches per year, where the population does not average one person to the square mile, and where hundreds of thousands of acres of the best soil in the world lie parched and unproductive for lack of water, flows the mighty Columbia, twelfth largest river of the world. For 70 miles it washes desolate, arid shores, which if the water could be lifted from the river to the land would teem with agricultural life and population. And in the river in the midst of this desolation lies latent the means which, if utilized, would lift the water to the thirsty land in the great Priest Rapids water power, now wasting but capable of producing 250,000 primary—all the year round—horsepower, available for great industries which will be established as soon as the electrical energy is available for use. And, providentially, as the irrigation season begins in March, the melting snows and glaciers of the mountains on the northern Columbia cause the river to rise to double its winter volume, and from March to October make another 250,000 horsepower, together with abundance of water available for agricultural purposes. I give you this object lesson, because it is one that has come under my personal observation; but it is only one of many projects in many different States which have been held back from development for years solely because Congress has not enacted the legislation which would make it possible. Every undeveloped water power for which a market now exists represents a waste of an inexhaustible natural resource.

Mr. NORRIS. Is the Senator going to speak of any other river?

Mr. JONES of Washington. No; I am not going to refer to any other.

Mr. NORRIS. I notice in the table another river is mentioned——

Mr. JONES of Washington. The Pend Oreille River.

Mr. NORRIS. In the Pend Oreille River there seem to be more water-power possibilities than in the Columbia.

Mr. JONES of Washington. No; I think not.

Mr. NORRIS. Is not that true?

Mr. JONES of Washington. No; I think not.

Mr. NORRIS. I judged that from the table as I hurriedly glanced at it. I may be mistaken.

Mr. JONES of Washington. I think the Senator is mistaken. The Columbia has 410,000 horsepower and the Pend Oreille 250,000.

Mr. NORRIS. Then I was mistaken.

Mr. JONES of Washington. The utilization of even one-third of the enormous amount of energy latent but now wasting in our falling waters would make the United States the greatest manufacturing country of the world. The development of our water powers is intimately connected with the solution of such great national problems as the national defense; extension of inland waterways; shortage of food; conservation of coal, oil, and labor; irrigation of arid lands; and railroad car shortage. In addition to conserving vast quantities of coal and labor to mine and handle it, the hydroelectric energy existing in our running waters will, when developed, be utilized in the manufacture of explosives, fertilizers, wood pulp and paper, electro-

chemicals, copper and aluminum, and in other industrial applications.

I might say here that probably every Member of the Senate has had brought to his attention the very serious condition confronting the print-paper industry of the country. Newspaper plants are threatened with being closed on account of lack of paper supply. I desire to have printed in the RECORD as a part of my remarks at this point a letter from Samuel P. Weston, formerly manager of a great newspaper in my State, with reference to this particular situation and the particular importance of the development of water power in connection with wood-pulp and print-paper manufacture. I ask permission to print that in the RECORD without reading it.

The PRESIDING OFFICER (Mr. SMOOT in the chair). Without objection, permission is granted.

The letter referred to is as follows:

NEW YORK, *November 26, 1919.*

Senator WESLEY L. JONES,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: I have been delayed in writing you the letter with regard to the bearing the water-power legislation will have on the newsprint supply of this country, owing to having been called to Toronto on my return from Washington, where I was detained several days.

I will try to give you the information briefly and in a general way. First, it should be kept in mind that power is one of the main essentials in the manufacture of mechanical pulp. Next, the power should be situated as closely as possible to the pulp-wood stands.

The paper-making industry of the United States was centralized in the northern tier of States, more particularly in New York State, where there were large stands of spruce and pulp-wood timbers. During the past 25 years these pulp-wood stands have been in a large measure exhausted. Up to 1910 practically all the newsprint used in the United States was produced in this country. In 1918 the production of newsprint in the United States was less than in 1910. In other words, while the consumption was steadily increased, the production of American mills was decreased.

In the same period, between 1910 and 1918, the sales of Canadian mills of newsprint to the United States increased 2,600 per cent, Canadian production having gone from 161,000 tons in 1910 to 738,000 tons in 1918.

Up to 1910 Canada permitted the export of pulp cut from Crown lands. In 1910 the export of pulp-wood timbers from Crown lands was prohibited. Immediately following this came a rapid transfer of newsprint manufacture to Canada, with the result that practically all of the new paper-mill developments during the past 10 years have been made in Canada.

While the consumption of newsprint in the United States is, in round figures, 2,000,000 tons per year, of which the American mills manufacture 1,250,000 tons, these figures do not convey the real situation with regard to the industry, as in order to manufacture this amount of tonnage the American mills import from Canada 750,000 tons of ground wood pulp and sulphite, securing only 500,000 tons of their raw materials from the American pulp-wood stands.

The paper mills located in New York State produce practically one-half of the total tonnage of American mills, yet it is estimated by the Forest Service Department that the remaining pulp-wood stands in New York would not supply these mills beyond 10 years. The same estimates indicate that the pulp-wood stands of New York and the New England States will be exhausted within 20 years.

According to the general estimates of the Forest Service Department, there are pulp-wood timber stands in that portion of the country lying west of the Rocky Mountains and in Alaska to the extent of 244,000,000,000 feet board measure, over one-half of which is in the forest reserve. The estimate for the Tongas district of southeastern Alaska is 70,000,000,000 feet.

In order to make this vast resource available for paper making requires the passage of the water-power legislation, so that the necessary water-power developments may be financed.

It is not necessary to point out to you that the water powers lying in that section of the country west of the Rocky Mountains and in Alaska are practically all in the public domain, and the possibility of their development is dependent, in the first instance, on the passage of adequate water-power legislation.

Herewith is a table showing the estimated pulp-wood stands in the Western States, together with the estimated water-power possibility:

	Pulp-wood timber.	Water power.
	Feet b. m.	*Horsepower.*
Oregon	15,750,000,000	7,505,000
Washington	70,000,000,000	9,990,000
Idaho	12,950,000,000	2,919,000
Montana	15,750,000,000	4,809,000
California	32,617,000,000	8,865,000
Colorado	13,889,000,000	1,950,000
Southeastern Alaska	70,000,000,000	.....

As you are aware, the American Newspaper Association has for the past two years been very actively urging the passage of water-power legislation, and the members of this association, which includes the leading daily newspapers of the country, have hoped for early action on the measure, as it is believed that its passage will be of beneficial interest to the Nation at large and will make available for early utilization the vast pulp-wood-timber resources in the West and the production of news print and paper products will be increased in this country.

At the present moment the news-print paper situation in the United States is the most acute in the history of the country, jeopardizing the entire publishing business in all parts of the country and threatening to force the suspension of many papers, both large and small. It is stated by the paper manufacturers that the present demand for news print is more than 10 per cent in excess of the production capacity of the mills in United States and Canada. The prices, which were $40 a ton in 1914, now run from a minimum of $90 a ton to $150 a ton. In many instances publishers have been unable to secure contracts for their 1920 requirements. Publishers who have heretofore been able to contract on terms of one, two, and three years are now limited to contracts on three-months basis and for a reduced tonnage.

I am quite certain that it will appeal to you that under our form of government it is a serious matter to have the newspapers of this country, from the smallest country weekly to the largest metropolitan daily, put in jeopardy when we have within the borders of the United States unused resources the utilization of which to any large extent is denied on account of the inadequate laws with relation to the water-power development in the public domain. The place of the press in the political and economic operation of our Government is such that any disaster which threatens the well-being of the publishing business is a matter of direct and vital interest to every citizen of the United States.

I have not attempted to give you more than a general survey of the situation. If there is any other point that you desire more fully covered, I will be very glad to cover the same to the best of my ability. I would also point out to you that the newspapers of the country themselves are endeavoring to meet the present emergency by every possible economy in the use of paper. They are limiting the size of the editions, cutting down the amount of advertising space published, increasing the rates both for subscription and advertising. It seems to be the opinion, however, of the leading publishers that the only relief that can be expected will be the utilization of the western pulp-wood timber where the same is available. To that end certain large paper-mill undertakings to be located on the Pacific coast have been under consideration for the past two years, their establishment, however, being dependent on the passage of the water-power legislation under which the necessary water-power developments may be financed.

Yours, very truly,

S. P. WESTON.

Mr. JONES of Washington. Mr. President, under new electrical processes our deposits of phosphates, clays, and minerals would be used to an enormous extent. The power would also be used for electrification of thousands of miles of railroads. Pumping plants driven by this cheap hydroelectric power would furnish water to reclaim fully 10,000,000 acres of now desert lands in locations where the power is now wasting and the lands useless, though their shores are washed by great rivers, and this at a time when increase of crops is so much needed to bring down cost of living and to furnish homes and employment to thousands of agriculturists. Over 4,000 miles of the upper reaches of our streams would be opened to navigation. The cost of these river improvements would be upward of $800,000,000, and if accomplished by private capital for purpose of power production instead of through taxation would not cost the Government a dollar except for the bare locks and removal of minor obstacles in those portions of the streams not connected with power development.

If these river improvements were in one stream, it would be equivalent to creating a navigable waterway across the continent from New York to San Francisco. But in reality it means the extension of navigation for an aggregate of 4,000 miles in 35 rivers, traversing 20 States, in such widely different sections of the country as Connecticut, Massachusetts, Pennsylvania, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Alabama, Georgia, Tennessee, Florida, Arkansas, Ohio, Kentucky, Missouri, Wisconsin, Minnesota, Washington, and Idaho. In this way cheap water transportation would be afforded to districts but now sparsely settled and congestion of traffic relieved in thickly populated centers through the investment of private capital instead of through river and harbor appropriations by Congress.

Mr. WARREN. Has the Senator the names of those rivers and the approximate mileage that would be opened in each?

Mr. JONES of Washington. Not of the particular rivers. I am just submitting really a summary of my investigations.

Mr. WARREN. It is very interesting, and I thought perhaps the Senator has such a list.

Mr. JONES of Washington. I have not a detailed statement, but I will say to the Senator that the matter I am presenting is based upon a careful investigation of the different streams and different possibilities.

In view of the great economical success of the electrification of 1,000 miles of the Chicago, Milwaukee & St. Paul Railroad, it is almost certain that in the near future a majority of the railroads operating through the mountainous country of the far West, where hydroelectric power can be developed cheaply, will adopt electricity as motive power. Forty-eight thousand seven hundred miles of railroad are now being operated in the States of Washington, Oregon, California, Idaho, Montana, Wyoming, North Dakota, South Dakota, Utah, Arizona, Colorado, and Nevada. It is estimated that 10,000 horsepower is needed to operate 100 miles of single track, and therefore it will require 4,870,000 horsepower to electrify all of the railroads in these States, or one-ninth of the total hydroelectric power possible to develop in the territory traversed by these railroads.

Mr. FLETCHER. May I interrupt the Senator to inquire whether he has pursued his studies so as to enable him to answer a question as to how far we can transmit electric power, the distance of transmission, and the losses occurring by reason of transmission?

Mr. JONES of Washington. It is uncertain how far electric power can be transmitted, but it has been shown that it can be economically transmitted at least 200 or 250 miles.

Mr. FLETCHER. That is my recollection of it. It is my recollection that the power generated at Hales Bar, about 15 miles below Chattanooga on the Tennessee River, is transmitted to Nashville, about 150 miles away, and is there used to operate the street cars.

Mr. JONES of Washington. I think power has been transmitted as far as 400 miles, but I do not think it has been demonstrated conclusively that that is economically wise. The possibilities in that direction are really unknown as yet.

A great portion of the trackage is over mountain divisions, and the use of electricity in place of coal will result in great economy of operation, obviate the danger of forest fires, and by elimination of noise, smoke, gas, and dust, and through a more generous ventilation, which will be possible when the flying cinder need no longer be taken into account, will make travel far more safe, comfortable, and pleasant than at present, and it will go far toward curing the freight-transportation problem through relieving car shortage, as the cars now used for carrying coal for railroad use can be used to carry freight.

Great electrochemical manufacturing plants will be built in many different parts of the country, coincident with the development of hydroelectric energy, for the manufacture of such chemicals as calcium carbide, caustic soda, bleaching powder, abrasives, and electrodes; in electrolytic treatment of metals and alloys such as copper, zinc, aluminum, silicon, and vanadium; and in production of acetone and atmospheric nitric acid, used in making powder and explosives.

Other countries are awake to the necessity of developing their water powers. A French corporation with $250,000,000 of capital is about to undertake the utilization of 700,000 horsepower now wasting in the River Rhone, and incidentally these improvements will, through canalization, make it possible for boats to go up the Rhone to its connection with the River Rhine and thence down the Rhine. Italy, which is entirely without coal, is about to develop her water powers on an immense scale. Spain is offering liberal concessions looking to the development of her water powers now wasting in the Pyrenees and other mountain ranges. Great hydroelectric projects are about to be undertaken in the Scandinavian countries and in South America. American bankers are being pressed by advantageous offers to finance many of these foreign water-power developments. American engineers are being employed to construct them, and American manufacturers of water wheels and power machinery are booking orders for their capacity for foreign shipment. If Congress delays enactment of a workable water-power law the development of the water powers of this country may have to await completion of foreign hydroelectric projects before they can be begun, because the necessary money, skilled men, and machinery will have gone abroad and not be available here. Already American concerns because of lack of available water power in the United States, caused by its being impossible to develop them under present Federal laws, have been forced to establish electrochemical plants in Canada, Norway, and France. These expatriated plants, costing millions of dollars and employing thousands of men, have developed over 250,000 horsepower in foreign countries which should have been located in the United States.

Mr. President, at this point I desire to insert in the RECORD two or three letters which I have received with reference to this matter. One is from the William Cramp & Sons Ship & Engine Building Co., pointing out conditions that have been brought to their attention. One statement of the letter I wish to read, as follows:

You may be interested to know that at the present time this company is receiving about three foreign inquiries for water-power machinery to every one received from within the United States. Some of the countries from which such inquiries are coming are Canada, Spain, France, and Great Britain. If orders should be placed for manufacture in this country in a volume corresponding to the inquiries now being received we may see our shops filled with foreign orders instead of for machinery for use in this country.

Another letter is from the S. Morgan Smith Co., manufacturers of water wheels, power-transmitting machinery, and so forth. Another is from the Allis-Chalmers Manufacturing Co. (Inc.), the letter being written by the "assistant to chairman." I shall not take the time to read anything from the other letters, but I hope that Senators will read them.

The PRESIDING OFFICER. Without objection, the letters referred to by the Senator from Washington will be inserted in the RECORD.

The letters referred to are as follows:

THE WILLIAM CRAMP & SONS SHIP & ENGINE BUILDING CO.,
Philadelphia, October 9, 1919.

Subject: Bill (H. R. 3184) to create a Federal power commission, etc.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

SIR: On behalf of the William Cramp & Sons Ship & Engine Building Co., I desire to urge most strongly the passage of the above bill at the earliest possible date.

This company, as one of the largest, and probably the largest, manufacturer of water-power machinery in this country, is in close touch with the situation existing in the field of water-power development, both in this country and abroad. It would seem to us to require no argument that one of the most important elements during the present reconstruction period in this country is the immediate development of our natural resources, and of these none is more important than the development of our enormous potential water powers.

The utilization of our water-power resources has in the last few years come to a standstill, and at present there are practically no developments of major importance being carried out in this country. The shops of this company which are normally intended for the manufacture of the machinery required in water-power plants are almost completely idle, and we have been obliged to lay off a large part of our force in this department on account of the lack of orders; and we know that the same condition exists with all of the manufacturers in this country. This condition corresponds to a similar situation in the construction of the dams, canals, power houses, and other large works required in carrying out water-power projects. In the whole of this field idleness exists, and this is the condition at the very time when the country is faced with a serious fuel shortage and with extremely high costs of power throughout the industrial field. The chief cause in maintaining this situation is the delay of Congress in taking any measures which would relieve the water-power field from the artificial and obsolete legislative restrictions now existing.

The passage of the bill now before the Senate would effectually relieve the situation and its early adoption will be most earnestly advocated by all those who are conversant with the industrial situation.

A very practical and far from negligible means of offsetting the ever-increasing trend of prices is the reduction in the cost of power to our industries, which can be effected by the adequate use of our water-power resources. Until Congress enacts the necessary legislation, however, water-power projects will remain at a standstill awaiting the decision of Congress on this point. In contrast to the situation in this country, many foreign countries have adopted a governmental policy of active promotion of water-power projects. Instead of permitting restrictive legislation to prohibit such development, in a number of foreign countries aid and encouragement is given in order to promote such development. You may be interested to know that at the present time this company is receiving about three foreign inquiries for water-power machinery to every one received from within the United States. Some of the countries from which such inquiries are coming are Canada, Spain, France, and Great Britain. If orders should be placed for manufacture in this country in a volume corresponding to the inquiries now being received we may see our shops filled with foreign orders instead of for machinery for use in this country.

Assuring you of our earnest support in anything you may do to forward the development of water power in the United States, we are,

Yours, very truly,

THE WILLIAM CRAMP & SONS SHIP & ENGINE BUILDING CO.
J. H. MULL, *President.*

S. MORGAN SMITH & CO.,
York, Pa., October 18, 1919.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

DEAR SIR: We understand that the water-power bill which has been in Congress for several years will shortly come up again for consideration. As you have had to do with the framing of this bill, we thought it might be interesting to you to receive from us an expression on the subject as we see it at the present time.

We are one of the largest manufacturers of turbine water wheels in the country. We have a large plant equipped with machinery especially adapted to the building of turbine water wheels, and have worked, at times, as many as 900 men.

Ever since the passage of the bill restricting the development of water powers, about eight or nine years ago, the industry has suffered very much, until at the present time we are working less than 250 men in the manufacturing of water wheels, with no prospects of any improvement; in fact, there has been no new water-power development work east of the Rocky Mountains in the last five years worth speaking of, nor is there any going on at the present time. Some of the existing companies are making repairs and moderate extensions to their present developments, but the situation is such that it is impossible to get money into new development work, and we believe there will be no change until a favorable water-power bill is put through Congress, the delaying of which, in our opinion, may prove disastrous if not speedily acted on.

The manufacturers of water wheels can not hold their plants open indefinitely for water-wheel trade, and from the best information we believe that the major part of them, same as ourselves, are "casting around" for other lines of business, and if taken up, the hydroelectric people may find it impossible to secure equipment in the event they should suddenly require it.

Yours, very truly,

C. ELMER SMITH, *President.*

ALLIS-CHALMERS MANUFACTURING CO. (INC.),
New York, November 3, 1919.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

MY DEAR SIR: Understanding that you are interested in the proposed water-power legislation in the United States Senate, permit me to affirm my great disappointment in the continued postponement of said legislation, because, in my judgment, it is a matter of vital importance to our national prestige.

Both in my capacity as a private citizen of the United States, interested in the wise development of its natural resources in the public interest, and as an officer of Allis-Chalmers Manufacturing Co., a manufacturer of hydroelectric machinery, I have given much thought to water power for a number of years.

During the war I demonstrated the nationel need in this particular, and a considerable correspondence held with the Fuel Administration; Judge Parker, the then priorities commissioner; and the electrical and power-equipment section of the War Industries Board led to the appointment of a water-power expert to investigate the possible development of such power to meet a serious emergency.

I have been instrumental in interesting assemblies of the Chamber of Commerce of the United States, which led to the issuance of a referendum, educing the biggest vote ever cast by the organization membership up to that time—a vote that exhibited a remarkable unanimity of business opinion throughout the United States on the urgent need of legislation in expediting our water-power development.

I have participated in many discussions of our water-power situation before war conventions of business and other large conferences of national organizations which have furnished opportunities to test the general sentiment in this regard. This, I believe, makes me competent to assert a strong conviction that we are actually losing ground by allowing foreign nations to surpass us in the development of their water powers and eventually give them the advantage they seek in our competition for world trade. This is already appreciated, as the following proves:

In 1917 an expert commission reported to Parliament that the United States are markedly superior industrially because their workmen have behind them over 50 per cent more power than British workmen, and a strong plea was presented for a rapid development of more "motive" power with a minimum consumption of fuel. As water power alone fully meets this specification, without a doubt the present active interest in the British development of its water power finds its inception in this report.

A similar activity in foreign lands everywhere, stimulated greatly by a critical fuel situation, is evidenced by an increase in foreign orders with our hydroelectric machinery manufacturers. I am informed that some water-power machinery manufacturers have actually more foreign than domestic orders now on their books, and Allis-Chalmers for one is receiving to-day five times more foreign than domestic inquiries for such machinery. This is suggestive, and I leave it to your good judgment what situation may arise if our manufacturing capacity in water-power machinery be crowded by the greater enterprise of foreign nations at a time when our own needs become insistent. Although our present producing capacity in such machinery far exceeds any probable domestic demand, as such foreign demand can easily be ten times any possible home requirement the possibilities in this regard deserve our best consideration. Furthermore, the special engineerng and high mechanical skill required in this production prevents a quick expansion of such facilities, even if present manufacturers, who have suffered loss for many years from a stagnation in water-power development resulting from the uncertainty present laws induce, should care to undertake such expansion.

I may repeat much that you already know and only crave your indulgence on the ground that reiteration often emphasizes the need.

With great respect I beg to remain,
Faithfully, yours,

W. W. NICHOLS,
Assistant to Chairman.

Mr. JONES of Washington. Why not give those who would develop our wasting water powers the right to work, the right to build and expand and develop, the right to help create a greater and more powerful industrial Nation? Why not give them a law to work under which shall encourage and not hamper their just activities—a law which, while placing them under the constant supervision of the public authorities, and sufficiently safeguarding every public interest, yet shall be of such a fair and businesslike nature that under its operation men may hope for a generous return for their work and risk, and capital be assured of a safe investment? This done, they will open up deserts and make farms; they will build factories and cities, open up new reaches of inland waterways, employ labor, and reduce the cost of living.

The necessity for the development of our water power is of paramount importance to the people of the United States, and Congress should enact a law without further delay the terms of which will make the investment of capital safe and not prevent a reasonable return.

The bill now before the Senate is perhaps too restrictive in the terms and requirements it imposes on the capital invested and upon the details of operation, but water-power men tell me they can work under it, and I trust that the Senate may pass the committee bill without in any way making its terms more onerous.

Mr. President, I now desire to refer to the terms of the bill and to give a short synopsis of it for the RECORD.

The bill creates a Federal water-power commission consisting of the Secretaries of War, Interior, and Agriculture, to which is given authority over all matters over which the Federal Government has jurisdiction, pertaining to the development of water powers in navigable streams and the improvement of navigation incident thereto, over the development of water powers in the public domain, and the development of water powers in the national forests. Under the laws now in force the development of water powers contained in navigable streams is under the jurisdiction of the War Department, those in the public domain are under the Interior Department, and those in the national forests are under the Department of Agriculture. The establishment of this commission, according to those who strongly favor it, would promote unity of action, together with economy of operation, through segregating all authority in this board, whose members would bring to its aid the personnel and vast machinery of the three great governmental departments over which they preside. Personally, I doubt very much the wisdom of the establishment of this commission composed of Cabinet officers, but I am sure it is the best we can get and so I am willing to accept it in order to get legislation.

Under the bill the commission is granted authority to collect data concerning the utilization of the water-power resources of the Nation; to issue licenses for water-power development to citizens of the United States, to corporations organized under the laws of the United States or of any State thereof, or to any State or municipality for a period not exceeding 50 years; to issue preliminary permits for a period of not exceeding three years to enable applicants for licenses to secure necessary data, and to hold hearings and take testimony regarding applications for preliminary permits or licenses. The commission is required to submit yearly reports to Congress setting forth the permits and licenses issued under the act and the moneys received, if any, on account thereof.

Before issuing preliminary permits or licenses which have not been preceded by a preliminary permit to persons or corporations, the commission must give notice of such applications to any State or municipality likely to be affected or interested, and must also publish notice of such applications for eight weeks in a daily or weekly newspaper published in the county or counties in which the project is situated. The commission is obliged to give preference to applications from States and municipalities for preliminary permits or for licenses where no preliminary permit has been issued, provided the plans for the same are equally well adapted to utilize the water resources of the region.

Should, in their judgment, the development of any project be undertaken by the United States itself, the commission shall not approve any application for such project, but shall cause to be made such plans and estimates of cost as it may deem necessary and submit its recommendations to Congress.

The provisions of the act do not revoke any permit or valid existing right of way heretofore granted, but any person, corporation, State, or municipality holding such permit or right of way may apply for a license under the act.

No transfer of any license other than in connection with a mortgage or trust deed or under tax sale can be made without the written consent of the commission.

The commission is empowered to establish a system of accounts to be maintained by licensees, and to require them to make, upon oath, such reports and statements as it shall request.

Each applicant for a license is required to submit to the commission—

(a) Such maps, plans, and estimates as may be required for a full understanding of the project, to be made a part of the license, and not to be changed without the approval of the commission.

(b) Satisfactory evidence that the applicant has complied with the State laws within which the proposed project is to be located with respect to the use of water and the right to engage in the business of developing, transmitting, and distributing power.

(c) Such other information as the commission may require.

All licensees are required to maintain their project works in a condition of adequate repair and to make all necessary renewals and replacements for their efficient operation and to establish and maintain adequate depreciation reserves for such purposes.

Each licensee is liable for all damages occasioned to the property of others through the construction or operation of his project works, and in no event is the United States to become liable therefor.

After the first 20 years of operation the licensee is required to maintain amortization reserves out of any surplus earned in excess of a reasonable return on the investment.

No charge is to be made for licenses issued to States or municipalities, for State or municipal purposes, or for projects of not to exceed 200 horsepower capacity, but all other licensees are to pay such reasonable annual charges as may be fixed by the commission, for reimbursing the United States for cost of administration of the act and for use of Government lands, but the charges are not in any event to exceed 25 cents per developed horsepower. These charges are to be paid into the United States Treasury to be used as Congress may direct toward paying cost of the administration of the act, the remainder to be expended under direction of the commission in maintenance of dams or other navigation structures owned by the United States or in the construction and operation of headwater improvements of streams upon which the commission is authorized to issue licenses.

Licensees are to pay their proportionate share for benefits received from storage reservoirs or other headwater improvements constructed by the United States or by other licensees.

If the dam or project works are to be constructed in any of the navigable waters of the United States the commission may require that the licensee construct without expense to the United States such lock or locks, booms, sluices, or other structures as may be necessary for navigation purposes, or in the event that the United States makes such installation itself then the licensee would be obliged to convey to the United States free of cost such of its lands as might be necessary, together with the right of passage through its dams and structures. The War Department is given control under the act of the pools created by dams in so far as required in the interest of navigation. The commission may also oblige the licensee who operates in a navigable water to furnish power free of cost for operation of navigation facilities and to maintain and operate at their own expense lights, signals, and fishways.

The licensee must begin construction within the time specified in the license, not exceeding two years from its date, and complete such part of the ultimate development within the time specified as shall in the judgment of the commission be sufficient to supply the needs of the then available market, and must from time to time construct such portion of the remainder of such development as the commission may direct so as to supply market demands until the full development shall have been made.

In issuing licenses for a minor part only of a complete project, or for a complete project of not more than 200 horsepower, the commission is empowered to waive such conditions of the act, except the license period of 50 years, as it may deem best.

The act provides that the United States may take over and operate any project during such time as the President deems that the safety of the United States demands it, for the purpose of manufacturing nitrates, explosives, or munitions of war, or for other purpose, the licensee to be properly recompensed when the property is returned.

The exercise of the right of eminent domain is given where the licensee is a municipal corporation or a public-service agent of a State or a public utility or service corporation, for the acquirement of necessary lands or property of others.

The act provides that contracts extending for periods beyond the date of termination of the license may be entered into by licensees, upon approval of the public-service commission of the State in which the sale or delivery of the power is made, or if sold or delivered in a State which has no such public-service commissions then upon the approval of the Federal power commission.

As a condition of the license all licensees are placed under the control of the public-service commission or other duly constituted agency of the State in which the service is rendered as to regulation of service and rates to be charged for power, or, if the State has no such agency, then the Federal power commission is given authority to regulate rates and service and also the amount and character of securities to be issued by licensees until such time as the State does provide such agency.

The bill provides that when the sale of power enters into interstate or foreign commerce, the rates charged and service rendered by licensees or their customers must be reasonable, nondiscriminatory, and just to the consumer, and whenever any of the States directly concerned have not provided a public service commission or other agency having authority over rates, service, and issuance of securities, or where any of the States in which the service is rendered are unable to agree, then jurisdiction in these matters is conferred upon the Federal power commission.

Combinations, agreements, or understandings, expressed or implied, to limit the output of electrical energy, to restrain trade, or to fix, maintain, or increase prices for electrical energy or service, are prohibited. Heavy penalties are provided for noncompliance with the requirements of the act.

The bill expressly provides that nothing contained therein shall affect or interfere with the laws of the respective States relating to the control or use of water used for irrigation or for municipal purposes.

While the right to alter, amend, or repeal the act is reserved, it is provided that it shall not affect any license theretofore issued under its provisions.

The bill provides that nothing contained therein shall modify or repeal the act of Congress approved December 19, 1913, granting certain rights of way to the city of San Francisco, Calif., and the act repeals section 18 of the act approved August 8, 1917, making appropriations for the construction, and so forth, of certain public works on rivers and harbors, and for other purposes.

Upon the expiration of the license, which shall have been issued for a period of not to exceed 50 years, the act provides that the United States may—

(a) Upon two years' notice, purchase any project covered by any license, upon paying the net investment of the licensee not to exceed the fair value of the property taken, plus such reasonable damages, if any, to property of the licensee, dependent for its usefulness upon the continuance of the license, but not taken, as may be caused by the severance therefrom of property taken, and upon assuming all contracts entered into by the licensee with approval of the commission. The term "net investment" used as the basis of valuation in case of purchase, and as defined in the bill, is simply a "get-your-money-back proposition," and under it no licensee could secure more than the amount actually invested. Wishing to be sure of my ground in this matter, I submitted the question to the well-known firm of public accountants, Messrs. Marwick, Mitchell, Peat & Co., of New York City, and received the following reply from them:

[U. S. A.: New York, 79 Wall Street; Boston, 148 State Street; Philadelphia, 1421 Chestnut Street; New Orleans, Hibernia Bank Building; Pittsburgh, 248 Fourth Avenue; Chicago, 105 South La Salle Street; Milwaukee, Pabst Building; St. Louis, Federal Reserve Bank Building; Kansas City, Commerce Building; Detroit, Dime Savings Bank Building; Minneapolis, 115 South Fourth Street; Dallas, American Exchange National Bank Building; Salt Lake City, Walker Bank Building; Portland, Northwestern Bank Building; San Francisco, 310 California Street. Canada: Montreal, 260 St. James Street; Toronto, Royal Bank Building; Winnipeg, Northern Crown Building; Moose Jaw, Walter Scott Block; Calgary, Canada Life Building; Vancouver, Standard Bank Building. Europe: London, Pinners Hall, Old Broad Street; Glasgow, 135 Buchanan Street; Paris, 5 Rue Daunou Près l'Avenue de l'Opéra. Cable address, "Mawikmit" for all offices. Codes Western Union, A B C 5th edition.]

MARWICK, MITCHELL, PEAT & CO.,
ACCOUNTANTS AND AUDITORS,
79 WALL STREET,
New York, November 8, 1919.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

DEAR SIR: At your request we have carefully considered the term "net investment" as defined in H. R. 3184, Senate Calendar 155, a bill "to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power," etc.

We have studied the term "net investment" as defined in section 3 in its relation, where applicable to the remainder of the bill, and especially as to the establishment of accounts by the licensee as set forth in section 4, subsection F. The maintenance of the property and establishment of depreciation and other reserves, as provided in section 10, subsections C and D, and as to the financial conditions provided for in sections 14 and 15, relating to the purchase of the property of the licensee if taken over by the Government or by a new licensee after the expiration of the original license.

We give it as our opinion that under the term "net investment," if the property of the licensee were purchased by the Government or by a new licensee after the expiration of the original license, the owners of the property would be entitled to receive not more than the actual amount invested. If this is the object of the bill, then we think that the exact wording used in defining "net investment" accurately meets the condition.

Yours, very truly, MARWICK, MITCHELL, PEAT & CO.

(b) In case the Government does not purchase the project, it may issue a new license to the original licensee or to a new licensee upon such terms and conditions as may be authorized by the then existing laws and regulations, upon condition that any new licensee shall, before taking possession, pay such

amount and assume such contracts as the United States would be required to do if it purchased the project.

(c) In the event the United States does not at the expiration of the original license exercise its option to purchase the project, or if it does not tender a new license on reasonable terms to the original or to a new licensee, which is accepted, then the act provides that the commission shall issue from year to year an annual license to the then licensee under the terms of the original license until the property is purchased by the Government or by a new licensee or a new license is issued.

It will thus be seen that under the terms of the act the Federal Government has, through its commission, the first right to develop any of the water powers under its jurisdiction. Should the Federal Government elect not to do so, then States and municipalities are accorded a preference right to licenses on even terms over citizens, associations of citizens, or corporations organized under the laws of the United States or any of the States thereof. Neither the Federal Government, the States, nor municipalities would pay any charges in event of their developing water power, and the entire burden of sustaining the cost of administration of the act, in addition to payment for use of Government lands, would fall upon such citizens and private corporations as cared to enter the field of water-power development.

While the Federal Government, the States, and municipalities would be privileged to develop and operate water powers without any restrictions, and would not be under the regulation of any governing body as to rates and service, yet if citizens and private corporations undertake the development of water powers they would, from the date of the signing of the preliminary permit until completion of the period of license, be under the close supervision of both Federal and State authorities, not only as to the rates they would charge for power and the character of service they would render the public but also as to every detail of their business. They would be faced with heavy penalties, the revocation of their permit, and loss of their property if they failed to conform strictly to the terms of the act. They would have to take all the chances of failure in a somewhat risky business, for dams sometimes go out through floods; and if after a generation of hard work they should have at last established a substantial business they would be faced with the probability that the Government might exercise its option and take over their project for itself, or allow some new licensee to do so, and they would receive only the actual amount invested and nothing for the good will created by years of hard work.

The option which is granted through this act to the Federal Government to take over the water powers of the country at cost, after they have been developed, gone through the early years of hardship and difficulty of securing a market for the energy, and have been placed upon a successful basis, will prove of enormous value if the water powers of the country are developed through private enterprise and capital. A friend of mine much interested in water-power development, in whom I have the utmost confidence, assures me that a private corporation might undoubtedly be organized which would pay a billion dollars for such an option if it could receive it. The Government, therefore, is securing a tremendous bargain if it can induce the development of the water powers of the country under the terms of this bill. And, indeed, such restrictive terms as I have set forth, and which are contained in this act, do not constitute a very attractive proposition to enterprising men and to capital; but, as I said before, water-power men tell me they can work under it, and so I hope we may soon pass it.

Mr. WARREN. Mr. President——

Mr. JONES of Washington. I yield to the Senator from Wyoming.

Mr. WARREN. I understand from the terms stated by the Senator that the basis is actual cost, without any addition for the use of money, without interest. Now, I can easily imagine a corporation or an individual starting with a plant and running a great many years without any return whatever; and in case a concern had established a plant of that kind, and had run along 10 or 15 years without making any return whatever, and merely paid operating expenses after that, would the Senator think that it was very much of an inducement for individuals or corporations to take up water power at any point where there was any question of success? Of course, it would lead to the development of the most promising propositions, but would it lead to taking up those less promising unless they were assured at least a small interest on their money?

Mr. JONES of Washington. Mr. President, I am afraid it would not; but the provision relating to that subject has passed the House. It has passed the House several times, and that seems to be about the best provision that can be made; so the Commerce Committee of the Senate, instead of changing it, have reported that without any substantial change. As I say, while the men who are interested in water-power development think the terms are very onerous, yet they think they can work under the bill, and that there will be very substantial development under it.

Mr. WARREN. No doubt there will be; but I imagine that a great many of the locations that would be taken up if there were more liberal terms, conducing very greatly to the convenience of the public, will have to wait.

Mr. JONES of Washington. I think that is probably true.

Mr. NORRIS. Mr. President——

Mr. JONES of Washington. I yield to the Senator from Nebraska.

Mr. NORRIS. I was going to make the suggestion that the Senator from Wyoming has made; but is it not natural to expect that? Unless we gave a bonus for somebody to develop a water power, nobody would develop it unless he was convinced, the same as in any other business venture, that by its development he was going to make a reasonable return, at least, on his investment. We could not expect all the water powers to be developed under any kind of a bill unless we gave people a bonus for development; and, indeed, do we want to develop a water power that will not pay? Is it not better that it be not developed?

Mr. JONES of Washington. If it will not pay under reasonable terms and conditions, of course it had better not be developed; that is true. The only question about it is whether these terms are not really too restrictive, and whether the definitions of the net investment and the return which is to come back to these people in case such propery is taken over are not too onerous.

Mr. NORRIS. That is, after a 50-year lease has expired.

Mr. JONES of Washington. Yes.

Mr. NORRIS. I have no doubt but that the public-service commission, in fixing the rates that they will permit these people to charge, will take into consideration without any question the lean years and the years when they had no return on the investment.

Mr. WARREN. We have to remember, when we consider an undertaking of that kind, the undertakings of our railroads. There are so few of our railroads that have not gone through the lean years, and, for that matter, receivers' hands, bankruptcy. As the Senator from Nebraska says, these matters will be taken up only by those who expect returns in the long run; but I think it will be fair for business men to expect, in nine out of ten cases, that there will be very lean years for quite a long time after the installation of new plants.

Mr. NORRIS. It seems to me, however, that when the 50-year period has expired you will undoubtedly find that the returns, if it has been a successful venture, have been sufficient so that those who have invested their money have derived a reasonable interest upon their investment from the time they made it. Now, if the Government wanted to take it over and had to pay a bonus at that time above the investment, it seems to me that it would not induce the development of any power, because men will not go into it, even if there is going to be a bonus given by the Government, on the theory that at the end of 50 years they can make an advantageous sale to the Government. So I do not believe that Congress ought to be any more liberal at the expiration of the 50 years than they are under this bill. To me, the thing that seems weak in it is the commission.

The bill provides for a commission of Cabinet officers. I think it ought to be a permanent body of men who would become experts in that line after they have been in office a while, removed entirely from political control, taken entirely out of politics, and not confined to Members of the Cabinet, who, as everybody knows, change with every administration, and a good many times during an administration, and new men are put in who do not know anything about the business.

Mr. JONES of Washington. I agree absolutely with the Senator's idea in regard to that; but, as I said a while ago, this seems to be the best provision that we can get in the hope of securing legislation, so the committee very reluctantly accepted the House provision with reference to that. It will be remembered that a bill covering this subject passed the Senate at the last Congress, and then was amended very materially and passed the House, and went to conference, and that the conference committee agreed and submitted a report which was adopted in the House, but was not adopted in the Senate. The House, in passing this bill, took as its basis substantially the conference report. The Senate committee, in the hope of getting legislation, changed that in just as few particulars as it felt that it was proper to do in the hope of getting legislation.

As I say, I agree absolutely with the Senator with reference to the commission; but the House, as we understand, is very firm upon the plan which is embodied in the bill, and so we did not deem it wise to suggest a change.

Mr. President, that is all I wish to say to-day. I desire to give notice to the Senate, however, for what it is worth, that

I shall endeavor to have the water-power bill brought up for consideration immediately upon the disposition of the railroad bill. Of course, I do not know whether the railroad bill will get through before the holidays or not. I hope it will. I hope it will get through in time for us to consider the water-power legislation before the holidays; but, at any rate, just as soon as the railroad bill is disposed of I am going to do everything in my power to have the water-power legislation taken up and acted upon by the Senate.

GOLD CERTIFICATES.

Mr. SMOOT. Mr. President, the Senator from Connecticut [Mr. McLEAN] reported to the Senate this morning Senate bill 3458.

Mr. POMERENE. When was the report made?

Mr. SMOOT. This morning.

Mr. POMERENE. When was it taken up by the committee, if I may ask?

Mr. SMOOT. I will say to the Senator that I introduced the bill on December 2. It is a bill to make gold certificates of the United States, payable to bearer on demand, legal tender. If there is any objection to it on the part of the Senator, I will not press it at this time.

Mr. POMERENE. I do not know that I have any objection to it. I am very frank in saying that at the time we were framing the Federal reserve act I not only wanted these notes to be made legal tender but, if I could have had my way about it, I would have made the Federal reserve notes legal tender.

Mr. SMOOT. I will say to the Senator that the reason why I am asking for the consideration of the bill is that Gov. Harding, of the Federal Reserve Board, desires action upon it at the very earliest possible date. The holiday trade is on. The one and two dollar silver certificates are virtually withdrawn from circulation; and the business people of the country, from one end of it to the other, are begging the United States Government to send them one and two dollar bills. We are not in a condition to do so unless we pass this bill, as I explained the day that I introduced the bill; but if there is the least objection to it I will not ask for its consideration at this time.

Mr. POMERENE. The bill was introduced on December 2. I have had no notice of any meeting of the committee, and I should prefer to hear what the members of the committee have to say who were present or had notice about it.

Mr. SMOOT. I will say to the Senator that the report from the committee is a unanimous one, and was made this morning; but if the Senator does not want any action on the bill to-day, all he has to do is to say so.

Mr. POMERENE. No; I raise no objection to it, because I think, as I understand it, I am in sympathy with the purpose of the bill.

Mr. SMOOT. I ask unanimous consent that the bill be taken up at this time.

The PRESIDING OFFICER (Mr. STERLING in the chair). Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3458) to make gold certificates of the United States, payable to bearer on demand, legal tender, which was read, as follows:

Be it enacted, etc., That gold certificates of the United States, payable to bearer on demand, shall be, and are hereby, made legal tender in payment of all debts and dues, public and private.

SEC. 2. That all acts or parts of acts which are inconsistent with this act are hereby repealed.

Mr. FLETCHER. Mr. President, I was present at the meeting of the committee when the bill was considered. It is a very excellent bill, so far as I can understand. We did not have time to get a report from the department on it.

Mr. SMOOT. Yes; there is a report, and it is filed with the bill. I am going to ask that it be printed in the RECORD.

Mr. FLETCHER. I would like to have that done, and I am taking the assurance of the Senator from Utah with regard to the attitude of the Federal Reserve Board.

Mr. SMOOT. There is not a doubt about it.

Mr. FLETCHER. I think it is a good measure.

Mr. POMERENE. Mr. President, may not the report be read, if there is a report here?

Mr. CUMMINS. Mr. President, may I ask what has become of the unfinished business?

Mr. SMOOT. I asked unanimous consent that the bill might be considered.

Mr. CUMMINS. I am not going to object, but I do not want the unfinished business to lose its place.

Mr. SMOOT. Oh, no. I can assure the Senator on that point.

Mr. POMERENE. Mr. President, I have just received word that the senior Senator from Colorado [Mr. THOMAS] would like to be present when the bill is taken up.

Mr. SMOOT. I think the remarks of the senior Senator from Colorado the other day were rather of a facetious nature.

Mr. POMERENE. The word I have is that he desires to be heard on the bill.

Mr. SMOOT. Then, Mr. President, I will ask that no further consideration of the bill be had at this time and that it go to the calendar for the present.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. CURTIS. Mr. President, I prepared five amendments to the original Cummins bill, Senate bill 2906, and they were printed. I find that the necessity for a number of those amendments has been done away with by the provisions of the bill now being considered—Senate bill 3288. So at this time I do not desire to have them considered, unless the Senator from Iowa desires that they be disposed of. I do want to state, however, that during the consideration of this measure I want to move to strike out section 10. If that is successful, I will follow it with other motions with regard to the boards provided for in the bill.

Mr. CUMMINS. There is no amendment pending, so far as I know. Does the Senator from Kansas desire to offer an amendment?

Mr. CURTIS. There are five amendments printed and on the table is what I mean; there are six printed and on the table, as a matter of fact.

Mr. CUMMINS. I did not know whether the Senator from Kansas desired to offer one or more of them.

Mr. CURTIS. I say I do not at this time unless the Senator from Iowa wants to dispose of them. I would rather explain my objection to this provision of the bill and take up the other matters afterwards.

Mr. CUMMINS. Very well.

Mr. CURTIS. Mr. President, experience can alone disclose the extent of the benefits which new agencies bring to the world and the evil results from abuses of power or the neglect of duty can only be learned from their actual occurrence. This has clearly been demonstrated in the development and the management of the great railway systems in this country.

When the railroads were first built, no one foresaw their wonderful benefits, their growth, their power, and their influence; and no one dreamed of the abuse of power, the corrupt practices, and the neglect of duty which has occurred in the management of many of the great lines.

The good results should be preserved, faithful and good management should be encouraged, and the neglect of duty and the abuses of power should be prevented.

The country has seen the results of the different kinds of management of the great railroad systems; they have seen some of the best roads so poorly, if not criminally, managed that they were wrecked or thrown into bankruptcy; they have seen favoritism shown to great corporations; and they have seen one community built up at the expense of another. That there were actual abuses of various kinds in the management of many of the great lines will not be disputed, while, on the other hand, the country has seen some of the systems grow great and bring immeasureable benefits to different sections of the country through honest and fair management. The railroads have been a great benefit to the people of the various sections of the United States, but under good management and proper Government control and regulation they can and will be of greater benefit.

When our country became a party to the great World War the Government took over most of the railroads and has been operating them since January 1, 1918. In that time it has cost the Government in actual appropriations the sum of $1,250,000,000. The chairman of the committee says that it is estimated that the deficit will be about $650,000,000 for the two years. At this time no one can tell the amount of claims that will be filed. Many of the roads are claiming they have been greatly damaged and have suffered great loss in business. To say the Government operation has been unsatisfactory and extremely expensive would be putting it very mildly. The time has come to turn the roads back to their owners, and it is the duty of Congress to enact such legislation in regard to their control and regulation as will require the roads to give the public the service to which they are entitled and to prevent, as far as possible, the recurrence of well-known abuses that were practiced under the old managements. In short, the roads should be operated for the public welfare.

It has been demonstrated that the evils of the past in railroad management, such as the practice of discrimination, stock

watering, rebating, pooling, and railroad wrecking are not necessary, and the roads whose managers have followed such practices have suffered great losses. It has also been demonstrated that honest operation of railroads, good service to the traveling and shipping public, fair and just dealing with those who patronize the roads, reasonable wages, for the services rendered, to the employees will bring prosperity to the roads and provide ample return on actual and necessary investments. The ultimate power in this country still rests with the people, and they, through their representatives, may exert regulating control over the corporations created by the Government, and the Congress has the power and the right to bring such corporations into full harmony with commercial equality and public justice.

The question of providing for the turning of the roads back and the regulation of their operation in the future is now before the Congress, and it is for Congress to decide what legislation is needed to preserve the usefulness of the railroads to the public, what will enable the roads to do justice in the way of pay to the great army of men and women in their employ, to give the public good and efficient service, and at the same time protect the legitimate, honest, and actual investments of capital in the railroad properties of the country.

There are now virtually two plans before the Senate, one the Senate bill and the other the House bill. Both have been carefully considered by the committees having charge of them, and the House bill has come to the Senate with the approval of a good majority of that body, and it seems to me that the Senate should adopt the plan which will cause the least interference consistent with freedom of action and at the same time guarantee protection to the public. This can be done by enacting legislation which will meet existing conditions and by providing for such regulation and control as will bring fair and just treatment to all concerned.

It is not my purpose to discuss the bills in detail. That can be better done by members of the committee who have devoted much time and study to the question. It seems to me, however, that too many boards and commissions are provided in the measures. It would be better to vest the power and authority of the various boards in the Interstate Commerce Commission. It has been in existence for many years; it has considered many of the questions which are bound to arise under any legislation that may be enacted; it has the confidence of the people; and it is better equipped to consider and settle railway questions than any new board could possibly be.

There should be but one commission, and it should have full power to settle all disputes arising between the roads and the public and all questions of wages and labor conditions that can not be settled by the man and the management.

I doubt if the plans for the settlement of labor disputes suggested in the House or Senate bills will be successful. If you will read the sections covering this question, you will find that the men and the management are given the same number of representatives on the various boards.

The Senate bill provides for the creation of a committee on wages and working conditions and three regional boards of adjustment for the purpose of settling disputes and controversies between the railways and their employees.

The committee of wages and working conditions is to be composed of eight members, four to represent labor and four to represent the carriers. This committee is empowered to hear and determine cases on appeal from the boards.

The three boards of adjustment are to consist of six members each and are made up as follows:

Three of the members of each board are to represent labor and three are to represent the railways. The bill also creates a transportation board, which is to be composed of five members to be appointed by the President. This board is given great power, but it seems to me that the work assigned to it could be assigned to the Interstate Commerce Commission. Each member of this board is to receive a salary of $12,000, and it is empowered to employ assistants, clerks, stenographers, attorneys, and other assistants. There is transferred to it some 10 or more subjects that are now under the jurisdiction of the Interstate Commerce Commission. It would be better to let these duties remain where they are rather than to build up another board with an army of employees. Decisions of the various labor boards and the committee on wages and working conditions are to be certified to the transportation board and shall take effect when approved by it, and the decision of this board is final.

The members of the committee on wages and working conditions are each to be paid a salary of $7,500 per annum, and the members of the boards of regional adjustment are each to receive a salary of $5,000 per annum. The committee and each board may appoint a secretary and the necessary employees.

Under the House bill the railway board of adjustment No. 1 consists of 8 members, 4 to be selected by the carriers and 1 from each of the four organizations of the employees.

Board No. 2 is to consist of 12 members, 6 selected by the carriers and 1 each from the six organizations of employees.

Board No. 3 shall consist of 8 members, 4 to be selected by the carriers and 1 from each of the four organizations of employees.

Matters that can not be settled by the railway board of adjustment may be referred to the commission on labor disputes. There are three such commissions, and they are made up in the same manner as are the railway boards of adjustment.

The representatives being interested, there is great danger of a deadlock, and it seems to me that the Interstate Commerce Commission would be disinterested and would be in a much better position to determine what would be right, fair, and just to the roads and their employees.

If the questions of wages and labor conditions are not to be left to the Interstate Commerce Commission, and if settlements of grievances, controversies, and disputes arising between the officials of the railroad and its employees can not be handled and settled in the usual manner, then a board of disinterested persons should be created with power to hear, settle, and finally dispose of the question. The board so created should be composed of men of high standing and wholly disinterested, so that the rights of the public, the employees, and the railroads will be fairly, justly, and finally settled.

In the past it has been the policy of the Government to refuse to permit railroads to enter into combinations, but the Senate bill changes this policy, and instead of making combinations illegal, it requires the railroads to consolidate into not less than 20 nor more than 35 separate and distinct systems.

I have grave doubts about the provisions of the pending bill which provide for consolidation of railroads. I fear they will prevent competition. The legislation enacted should guarantee full and free competition. The people have freely voted bonds to assist in the building of railroads for the purpose of having competing lines, and the principle of competition should be maintained so that natural laws of trade may not be interfered with.

I do not believe in pooling agreements, because such agreements can mean but one thing, and that is the suspension of competition. There is no denying the fact that just as far as pooling is permitted, just that far competition is avoided. The question of pooling has been before the courts a number of times, and it has met with universal condemnation.

The law should prohibit abuses and leave legitimate investments open to all. Authority should be given the Interstate Commerce Commission to restrain the railroads whenever they threaten the public interest. The roads are chartered for the public welfare.

The people ask that all persons be given equal rights, and that the service rendered by the railways shall be performed impartially, and that the charges for such services shall be fair and reasonable and based upon the same standard of cost. The management and operation of railroads with due regard for the rights of the public is needed now more than ever before. The farmer who has grain and stock to ship is entitled to the same treatment that is afforded the largest corporation in the land; the rights of the small cooperative elevator are as sacred as are the rights of the biggest corporate owned elevator. In short, the right of the humblest shipper or traveler should be guarded against the encroachment of the most powerful.

The Congress should not enact a law which will prohibit capital from investing in any legitimate and lawful enterprise, for to do so would be to destroy the freedom of trade, and while the legislation enacted should not be oppressive to capital legitimately and actually invested in railroad property, yet it is clearly the duty of Congress to protect the public against abuses.

I have studied the two measures very carefully, and I find that each has some very good provisions, but I think some amendments are necessary. There are some provisions of the House bill which I prefer to the Senate bill. I hope some measure will be acted upon very soon, for all concerned have a right to know what legislation is going to be enacted.

If possible, I would like to see the best parts of each bill retained; this may be done upon agreement and recommendation of the conferees.

I might state in conclusion that I have prepared and had printed another amendment in reference to those boards in case they are retained. I hope they may not be retained. The Senator from Missouri [Mr. SPENCER] has prepared a substitute which I think will give better satisfaction than the provision of the House bill or the Senate bill or the amendment prepared by me. That amendment, I suppose, will be taken up on Monday or Tuesday when the bill is again up for consideration.

Mr. CUMMINS. Do I understand that the Senator from Kansas desires to offer the amendment to which he has just referred?

Mr. CURTIS. I move to strike out section 10 of the bill, but I ask not to be required to take it up now because the subcommittee of the Committee on Finance are waiting for me. If that amendment may be pending, I move to strike out section 10.

Mr. CUMMINS. I am, of course, very much opposed to striking out section 10, but I think in view of all the circumstances we can not proceed with the consideration of the bill this afternoon. There are two or three Senators who desire to address the Senate generally upon the bill who are not prepared to do so this afternoon. I believe that time probably will be conserved if just now I ask unanimous consent to temporarily lay aside the unfinished business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

GOLD CERTIFICATES.

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill (S. 3458) to make gold certificates of the United States payable to bearer on demand legal tender.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill.

The PRESIDING OFFICER. The bill has already been read.

Mr. POMERENE. The report of the committee has not been read.

The PRESIDING OFFICER. The report of the committee has not been read.

Mr. POMERENE. I ask that it may be read.

The PRESIDING OFFICER. The Secretary will read the report.

The Secretary read the report this day submitted by Mr. McLEAN from the Committee on Banking and Currency, as follows:

Mr. McLEAN, from the Committee on Banking and Currency, submitted the following report:

The Committee on Banking and Currency, to whom was referred the bill (S. 3458) to make gold certificates of the United States, payable to bearer on demand, legal tender, having considered the same, report favorably thereon, with the recommendation that the bill do pass without amendment.

The fact that silver certificates have been withdrawn from circulation and the silver dollars received in exchange have been broken up and sold as bullion for a price considerably above their coinage value has caused a marked shortage in notes of the smaller denominations.

Your committee is informed by the Treasury Department that the demand for one and two dollar notes is becoming more and more urgent every day. The one and two dollar Treasury notes can be issued only in exchange for unfit Treasury notes and Treasury notes of larger denominations. The Treasury notes of denominations above $2 now outstanding total $174,453,466, but these notes are largely retained by the banks because of their legal-tender quality.

It is urged by the Secretary of the Treasury in a communication to your committee, which is printed below, that these Treasury notes will be released by the banks if the gold certificates, payable on demand, are made legal tender, and, as these gold certificates can be redeemed in gold on demand, there would seem to be no good reason why this should not be done.

In addition to the need for an increase in the notes of small denominations to meet the ordinary trade requirements, it is claimed that it is difficult for persons desiring to make legal tender on contracts to get legal-tender notes for that purpose.

TREASURY DEPARTMENT,
Washington, December 5, 1919.

MY DEAR SENATOR: Answering your inquiry as to the position of the Treasury with reference to Senate bill, now before your committee, which proposes to make gold certificates payable on demand a legal tender for all debts and dues, public and private, I would state that I am in favor of this bill and hope very much it will be enacted into law at the earliest possible moment. The passage of this bill would not change in any way the present reserve situation, for section 19 of the Federal reserve act provides that all lawful reserves of national banks must be carried not in cash in their own vaults but exclusively in the shape of collected balances with the Federal reserve banks. Nor does the bill propose to give the legal tender quality to $10,000 gold certificates, which are payable to order and of which there are outstanding $654,670,000.

I think it is wise to confine the provisions of the bill to gold certificates payable to bearer on demand, thus avoiding any question as to the validity of indorsements, which would arise in the case of the order certificates. On October 31, 1919, the net amount of gold certificates in circulation was $424,439,732, the denominations of which range from $10 to $5,000. As these certificates are receipts of the Treasury for gold deposited with it and as each certificate must be redeemed in gold on demand, there seems to be no good reason why a gold certificate payable to bearer on demand and which can command the actual gold at any time should not be made a legal tender for all public and private dues. United States gold certificates are issued under the provisions of section 6 of the act of March 14, 1900, as amended by the acts of March 4, 1907, March 2, 1911, and June 12, 1916.

There is a most pressing need for notes of the smaller denominations. On October 31, 1919, there were outstanding notes of $1 and $2 denominations as follows:

United States notes (legal tenders)	$152,560,518
Treasury notes of 1890	525,832
Federal reserve bank notes	220,865,800
National bank notes	505,464
Silver certificates	121,869,917
Total	496,327,531

During the past two years there has been a heavy demand for silver, which has been met in part by the sale as bullion of standard silver dollars, as authorized under the act of April 23, 1918, commonly known as the Pittman Act. This act authorizes, also, the issue of Federal reserve bank notes in denominations of $1 and $2, which are secured by United States bonds and Treasury certificates and are taxed as national-bank notes are taxed. These notes, however, can be issued only as silver dollars, are sold as bullion, and can not increase the volume of circulation.

The demand for silver has resulted in a marked increase in the price of silver bullion, and quotations during the past 10 days have ranged between $1.29 and $1.37½ per ounce, and the average maintained was considerably above $1.2929, which is the coinage value. In consequence of the enhancement in the value of silver metal, silver dollars are now worth more as bullion than as currency, and silver certificates, which are redeemable in silver dollars, are fast disappearing from circulation. A large and immediate additional supply of one and two dollar notes is absolutely necessary to supply industrial and commercial needs. The Treasury has on hand an adequate supply of United States notes, or legal tenders, of the denominations of $1 and $2, but can issue them only in exchange for unfit notes or for notes of larger denominations. I transmit herewith a table, from which you will see that there are outstanding notes, or legal tenders, of denominations above $2, $175,453,466, which are held in large part by the banks because of their legal tender quality.

Should the pending bill become a law, the banks would no longer have any object in holding the United States legal-tender notes and would, without doubt, immediately release them to the Treasury in exchange for $1 and $2 notes. The supply of gold certificates would be more than ample for the needs of those desiring to make legal tenders on contracts or debts, and the gold certificates will be found much more convenient for such purposes than gold coin itself.

The demand for one and two dollar bills is becoming more urgent every day, and in order to enable the Treasury to meet these demands it is important that the pending bill be enacted into law at the earliest possible moment.

Very truly, yours,

CARTER GLASS,
Secretary.

Hon. GEORGE P. McLEAN,
Chairman Committee on Banking and Currency,
United States Senate.

Monthly statement.

[Paper currency of each denomination outstanding Oct. 31, 1919.]

Denominations.	United States notes.	Treasury notes of 1890.	Federal reserve notes.	Federal reserve bank notes.	National-bank notes.	Gold certificates.	Silver certificates.	Total.
$1	$111,905,415	$323,534		$174,241,436	$342,072		$95,981,177	
$2	40,655,103	201,998		46,624,384	163,392		25,888,740	
$5	149,534,940	429,948		37,423,160	142,272,305		39,516,477	
$10	27,051,541	427,940		6,274,800	282,460,600	$212,757,435	6,550,861	
$20	6,899,242	190,330		5,079,040	234,433,120	183,804,604	7,346,390	
$50	1,045,775	8,650			30,855,450	58,313,630	4,707,935	
$100	1,686,000	78,300			33,206,800	82,781,900	244,320	
$500	1,267,000				88,000	19,221,000	13,500	
$1,000	7,626,000	59,000			21,000	110,308,500	16,000	
$5,000						142,115,000		
$10,000	10,000					654,670,000		
Fractional parts					59,193			
Total	347,681,016	1,720,000		269,642,800	723,902,932	1,463,972,069	180,265,400	
Deduct:								
Unknown, destroyed	1,000,000							$1,000,000
Held in Treasury	18,667,032	10,907	$41,580,473	58,937,431	53,883,553	800,284,057	24,129,686	
Held by Federal reserve banks			178,175,380					178,175,380
Held by Federal reserve agents						239,248,280		239,248,280
Redeemed but not assorted by denominations				1,656,000	1,508,607			
Net	328,013,984	1,709,093		209,049,369	668,510,772	424,439,732	156,135,714	

Treasury Department, Office of the Treasurer of the United States.

Mr. POMERENE. Mr. President, I have no objection to the passage of the bill. I think it is a reflection upon the Treasury Department that they did not ask for this legislation long ago. There is no sound reason, at least in this day of financial operations, that can be urged why we should have gold as a legal tender and not have the certificates which represent that gold a legal tender. If it were within my power I would add Federal reserve notes as well.

Mr. THOMAS. Mr. President, the one significant feature of this measure is the time when presented for consideration. It comes when silver is worth in the market very much more than gold and when gold is the cheaper of the two metals. We are about, therefore, to bestow a faculty and virtue upon the representative of unsound money. There can be no doubt about that fact, because I have listened to its assertion iterated and reiterated for many years in the past, and particularly during the very exciting campaign of 1896.

In those days I ventured to question the soundness of the doctrine proclaimed with vehemence and an earnestness that frequently bordered upon personal resentment that only money worth 100 cents to the dollar should pass current or receive the sanction of governmental authority. In those days we were all assured that gold was the only thing in the world endowed with an absolute, constant, unvarying, unchanging, positive value. It was like the laws of the Medes and the Persians, exempt from human influence, from the effect of human industry, from the laws of supply and demand; and even the quantity in circulation in no way affected or impaired its actual or relative value.

We now confront the situation where the mutations of time have brought revenge, and the regnant metal of the hour is the despised white metal of the past, to which the doors of the mint were long ago shut and to suggest the reopening of which subjected one to the charge of idiocy or of lunacy or of knavery or of all those undesirable qualities.

I really think the word "gold" should be stricken out of the bill and the word silver inserted, because not otherwise can we keep faith with the public creditor, not otherwise can we pay him in sound money, not otherwise can we preserve the national honor. The fact is so patent, so mathematically demonstrable, that it is only necessary to state it when it will be generally accepted.

Let me, therefore, Mr. President, warn those responsible for this movement to give a legal-tender value to depreciated paper, that they are flooding the country with more unsound money, and the poor creditor, obliged to accept these certificates, will think twice before commending either the wisdom or the integrity of the Senate of the United States. It is a situation which I deplore.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield?

Mr. THOMAS. Just a moment. But, notwithstanding that result, in keeping with my past reputation as an advocate of dishonest money, I feel constrained to vote for the bill.

Mr. KENYON. Mr. President, does not the Senator from Colorado feel that some apologies are due to Mr. Bryan for attacking the position he took of paying debts with dishonest silver dollars when we now pay them in depreciated gold dollars?

Mr. THOMAS. If I may fall into the vernacular, I think it is Bryan's time to "crow." I notice he has been addressing some rather embarrassing queries to the magnates in the financial world in New York, some of whose answers are very characteristic. He is still "a dangerous citizen," whose financial views are too pernicious to demand serious consideration. My own judgment is that to Mr. Bryan and those of us whose mental limitations caused us to support his views it is a matter of considerable satisfaction to know that, even though the period may be brief, silver has come into its own and the standard gold dollar created by the act of 1900 is now the short-legged dollar of the country.

Mr. KING. Mr. President, will the Senator from Colorado yield to me?

Mr. THOMAS. Oh, I am through.

Mr. KING. Having listened to the exquisite piece of irony and satire of the Senator, I should like to propound a question to him before he concludes; and, in serious good faith, I will ask the Senator——

Mr. THOMAS. I have been speaking in good faith.

Mr. KING. Of course, the Senator from Colorado always speaks in good faith, but in a satirical vein he has, it seems to me, to use the vernacular of the street, "rubbed it into" the advocates of the gold standard. But the question I was about to propound to the Senator is this: The Senator will recall that when one of his illustrious predecessors from the State of Colorado was here he very earnestly sought the passage of a measure that would permit an international conference with a view to establishing silver as one of the bases of our financial system.

Mr. THOMAS. He passed that measure.

Mr. KING. He passed the resolution for such an investigation, but we did not secure international bimetallism. I was about to ask the Senator from Colorado whether he did not think it was a good time now to try to secure international bimetallism?

Mr. THOMAS. Mr. President, at the beginning of the special session of this Congress I introduced a resolution for the appointment of a commission to consider and, if possible, agree with other nations on some basis for regulating the rate of exchange between gold and silver using countries. If that is done, without regard to the ratio of exchange, it will steady those fluctuations, to the mutual benefit and prosperity of both the silver-using and the gold-using nations.

All nations are now nominally gold-using nations, but silver is just as much the currency of India and of China and practically of all the yellow races of the world as it ever was. Unquestionably, however, the present time is very appropriate for meeting and, by adjustment, doing away with that situation which has prevailed ever since silver fell below par.

My precedessor, the late Senator Wolcott, secured the enactment of a joint resolution, and its approval by President McKinley, providing for such regulation of exchanges which would very largely afford the equivalent of the fixity of ratios. That joint resolution received in the Senate, among others, the support of Senator Hoar, of Massachusetts. Senator Wolcott was made the chairman of the commission appointed by President McKinley for that purpose. In his autobiography or reminiscences Senator Hoar gives an interesting account of the tribulations of that commission and the difficulties which it encountered in the effort to secure recognition of its purposes in Great Britain. Senator Wolcott upon his return deliberately charged upon the floor of the Senate that his mission had been defeated by the intrigue of the then Secretary of the Treasury, Mr. Gage, and in his very impetuous and eloquent manner denounced the interference not only as an act of bad faith, but which should be visited with much more than mere denunciation. I am satisfied that if Senator Wolcott had had a free hand, if the financial interests of the Government and of the country had acquiesced, even passively, in his effort, he would have accomplished his great and beneficent object.

I think the suggestion of the Senator from Utah [Mr. KING] is a most pertinent one, and it is my intention, Mr. President, as soon as the unfinished business is disposed of, to address the Senate upon the metallic-money world situation, the need of the regulation of exchange, and the ease with which, in view of the present value of silver, it can now be accomplished.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

METHOD OF CAPITAL PUNISHMENT IN THE DISTRICT.

Mr. DIAL. Mr. President, I ask unanimous consent for the present consideration of the bill (S. 2756) to prescribe the method of capital punishment in the District of Columbia. It merely provides for a change in the method of inflicting the death penalty in the District. The bill has been favorably reported from the committee.

Mr. SMOOT. Mr. President, as I understand the bill, it merely changes the mode of capital punishment from hanging to electrocution.

Mr. DIAL. It changes it from hanging to electrocution, adopting the modern method employed in various States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That on and after the 1st day of January, 1920, the mode of capital punishment in the District of Columbia shall be by the process commonly known as electrocution. The punishment of death shall be inflicted by causing to pass through the body of the convict a current of electricity of sufficient intensity to cause death and the application of such current shall be continued until such convict is dead.

SEC. 2. That the Commissioners of the District of Columbia are authorized and required, on the approval of this act by the President, to provide a death chamber and necessary apparatus for inflicting the death penalty by electrocution, to pay the cost thereof out of any funds available and not otherwise appropriated, to designate an executioner and necessary assistants, not exceeding three in number, and to fix the fees thereof for services, which shall be paid out of any funds available and not otherwise appropriated.

SEC. 3. That upon the conviction of any person in the District of Columbia of a crime the punishment of which is death, it shall be the duty of the presiding judge to sentence such convicted person to death

according to the terms of this act, and to make such sentence in writing, which shall be filed with the papers in the case against such convicted person, and a certified copy thereof shall be transmitted, by the clerk of the court in which such sentence is pronounced, to the superintendent of the District Jail, not less than 10 days prior to the time fixed in the sentence of the court for the execution of the same.

SEC. 4. That at the execution of the death penalty as herein prescribed there shall be present the following persons, and no more, to wit:

The executioner and his assistants; the physician of the prison and one other physician if the condemned person so desires; the condemned person's counsel and relatives, not exceeding three, if they so desire; the prison chaplain and such other ministers of the gospel, not exceeding two, as may attend by desire of the condemned; the superintendent of the prison, or, in the event of his disability, a deputy designated by him; and not fewer than three nor more than five respectable citizens whom the superintendent of the prison shall designate, and, if necessary to insure their attendance, shall subpœna to be present. The fact of execution shall be certified by the prison physician and the executioner to the clerk of the court in which sentence was pronounced, which certificate shall be filed by the clerk with the papers in the case.

SEC. 5. That all acts or parts of acts inconsistent with this act are hereby repealed.

Mr. DIAL. Mr. President, it will be necessary to adopt an amendment as to the date when the bill shall take effect. As reported it provides that it shall take effect on the 1st day of January, 1920. I suggest that we will have to fix a later date, and I move to amend by striking out the word "January" and inserting the word "June."

Mr. SMOOT. Why should the date be placed so far ahead?

Mr. DIAL. In order that the bill may have an opportunity to pass the other House and become a law. Any other date that will afford the necessary opportunity will suit me, but I imagine that it will not be possible to secure the enactment of the bill by January 1. If the Senator has any suggestion to make in regard to the date, I will be glad to have him make it. I will suggest, if that is agreeable to the Senator, that the date be made March 1. I hope it will be possible to get the bill through by that time.

The PRESIDING OFFICER. The amendment proposed by the Senator from South Carolina will be stated.

The Secretary. On page 1, line 3, after the word "of," it is proposed to strike out "January" and insert "March."

The amendment was agreed to.

Mr. KING. Mr. President, I should like to ask a question of the Senator having the bill in charge. Has there been a recommendation of the officials of the District of Columbia in regard to this measure?

Mr. DIAL. Yes, sir. It was referred to the Commissioners of the District of Columbia and they favored it unanimously.

Mr. KING. As I understand, the Senator who offered this bill believes that electrocution is a more humane method of dealing with those upon whom the sentence of death has been passed than is hanging. I want to ask the Senator whether or not those who have made a study of the different methods employed in carrying out the death penalty have recommended in favor of electrocution rather than shooting or hanging or any other method that now obtains in the United States?

Mr. DIAL. I do not know, Mr. President, of any extensive study made or report submitted with regard to it, but the method of inflicting the death penalty proposed by the bill obtains in many States of the Union, for instance, Indiana, Kentucky, Massachusetts, Nebraska, New York, Ohio, Oklahoma, South Carolina, Vermont, Virginia, and possibly other States. It occurs to me that it is more humane to electrocute a person than it is to hang him. It is a mere matter of advancement and progress, I take it. I hope that none of the people who reside in the District of Columbia will have the death penalty inflicted upon them, but if that shall be necessary we are trying to make it as comfortable for them as possible.

Mr. KING. I am not sure that the method proposed by this bill has any more elements of humaneness in dealing with those who are to be executed than other methods now prevailing in the United States. I have talked with a number of men who have been present at electrocutions, and a majority of those with whom I have spoken have had no hesitancy in saying that they regarded hanging or shooting as humane as, and some of them said more humane than, electrocution. It seems to me that there is nothing that could be more frightful than to strap a man in a chair and adjust the mechanism there provided so that the current may pass through his body without obstruction and destroy his life. Nothing could be more frightful than that. It seems to me shooting or hanging would be as humane, and perhaps more humane, than electrocution.

I voted against this measure in the committee because I did not believe that the method provided possessed sufficient merit over the present method to commend itself to the judgment of the Senate. I do not object to the consideration of the bill, but, with my present information, humanity being the reason why this bill is urged, and feeling that electrocution is not more humane than the present method of inflicting the death penalty in the District, I shall not give it my support.

Mr. DIAL. Mr. President, I repeat, the bill has received the favorable consideration of the Commissioners of the District of Columbia, to whom it was referred and who made a favorable report on it. A large majority of the Committee on the District of Columbia also favored this bill.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL-BANK NOTES.

Mr. SMOOT obtained the floor.

Mr. McLEAN. Mr. President, I ask unanimous consent for the present consideration of Senate bill 2902.

Mr. SMOOT. I will yield for that purpose, if there is no objection to the bill.

Mr. McLEAN. This bill has been on the calendar for a long time. It merely permits the signatures on circulating notes to be engraved or written. I think the bill has already passed the House. There is no possible objection to it. It was introduced by the Senator from North Carolina [Mr. SIMMONS].

Mr. SMOOT. I will yield if there is no objection to the bill. If it leads to any discussion, however, I must object.

Mr. McLEAN. If there is any objection, I will withdraw it.

The PRESIDING OFFCER. The Senator from Connecticut asks unanimous consent for the present consideration of Senate bill 2902. Is there objection?

Mr. KENYON. Mr. President, I am not going to object to the consideration of this bill; but if this is to go on, and we are to continue to attempt to pass bills, I am going to begin objecting with the next one. I do not believe we ought to pass bills with only six or seven Senators in the Chamber; but I will not object to the consideration of this one.

Mr. McLEAN. I think, if the Senator will listen to the reading of the bill, he will have no objection.

Mr. KENYON. I have been informed by the Senator from New Jersey [Mr. FRELINGHUYSEN] as to what it is, and I am not going to object; but I do think that the practice of passing bills in the middle of the afternoon, with only five or six Senators present, is wrong.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2902) to amend section 5182, Revised Statutes of the United States, which was read, as follows:

Be it enacted, etc., That section 5182, Revised Statutes of the United States, be amended to read as follows:

"SEC. 5182. Any association receiving circulating notes under this title may, if its promise to pay such notes on demand is expressed thereon attested by the written or engraved signatures of the president or vice president and the cashier thereof in such manner as to make them obligatory promissory notes payable on demand at its place of business, issue and circulate the same as money. Such written or engraved signatures of the president or vice president and the cashier of such association may be attached to such notes either before or after the receipt of such notes by such association. And such notes shall be received at par in all parts of the United States in payment of taxes, excises, public lands, and all other dues to the United States, except duties on imports; and also for all salaries and other debts and demands owing by the United States to individuals, corporations, and associations within the United States, except interest on the public debt and in redemption of the national currency."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

ADJOURNMENT.

Mr. SMOOT. I move that the Senate take a recess until 12 o'clock on Monday.

Mr. KENYON. Mr. President, why not adjourn, so that we can have a morning hour?

Mr. SMOOT. The Senator's colleague, the senior Senator from Iowa [Mr. CUMMINS], desires a recess.

Mr. NORRIS. Mr. President, there are many Senators who have some business they desire to transact in the morning hour. The Senator from Massachusetts [Mr. LODGE] has just come in, and I am certain that under the circumstances he will favor an adjournment rather than a recess.

Mr. SMOOT. Then I will change the motion and move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 35 minutes p. m.) the Senate adjourned until Monday, December 8, 1919, at 12 o'clock meridian.

SENATE.

MONDAY, *December 8, 1919.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, let Thy gracious favor rest on these Thy servants this day. In the discharge of their duties may they feel that they have the leadership of God. May they have the satisfaction of working together with God, ever keeping in mind the great principles of Thy Word, the assurance written in promises large, promises that have ever been kept, that if we are faithful to Thee we will work out a destiny fit for those who are made in Thine own image. Grant us Thy grace to-day. For Christ's sake. Amen.

The VICE PRESIDENT resumed the chair.

BERT M. FERNALD, a Senator from the State of Maine; WARREN G. HARDING, a Senator from the State of Ohio; PAT HARRISON, a Senator from the State of Mississippi; PHILANDER C. KNOX, a Senator from the State of Pennsylvania; IRVINE L. LENROOT, a Senator from the State of Wisconsin; CHARLES L. MCNARY, a Senator from the State of Oregon; MILES POINDEXTER, a Senator from the State of Washington; PARK TRAMMELL, a Senator from the State of Florida; MEDILL MCCORMICK, a Senator from the State of Illinois; and ELLISON D. SMITH, a Senator from the State of South Carolina, appeared in their seats to-day.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Thursday, December 4, 1919, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Hale	McLean	Smith, Md.
Beckham	Harding	McNary	Smith, S. C.
Borah	Harrison	Moses	Smoot
Brandegee	Johnson, S. Dak.	Myers	Spencer
Capper	Jones, Wash.	Nelson	Sterling
Chamberlain	Kellogg	New	Sutherland
Colt	Kenyon	Norris	Swanson
Culberson	Keyes	Nugent	Thomas
Cummins	King	Overman	Townsend
Curtis	Kirby	Page	Trammell
Dial	Knox	Phipps	Underwood
Edge	La Follette	Poindexter	Wadsworth
Elkins	Lenroot	Pomerene	Walsh, Mont.
Fernald	Lodge	Ransdell	Warren
Frelinghuysen	McCormick	Sheppard	Watson
Gay	McKellar	Sherman	Williams

Mr. CURTIS. I was requested to announce the absence of the Senator from Maryland [Mr. FRANCE] on account of illness in his family. I will let this announcement stand for the day.

Mr. MCKELLAR. The Senator from Arizona [Mr. ASHURST], the Senator from Nebraska [Mr. HITCHCOCK], the Senator from Oklahoma [Mr. OWEN], the Senator from Missouri [Mr. REED], the Senator from Tennessee [Mr. SHIELDS], the Senator from North Carolina [Mr. SIMMONS], and the Senator from Kentucky [Mr. STANLEY] are detained from the Senate on official business.

Mr. SHEPPARD. The Senator from Georgia [Mr. HARRIS], the Senator from Florida [Mr. FLETCHER], the Senator from Nevada [Mr. PITTMAN], the Senator from Georgia [Mr. SMITH], the Senator from Delaware [Mr. WOLCOTT], and the Senator from Massachusetts [Mr. WALSH] are absent on public business.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

DEPENDENTS OF DECEASED SOLDIERS.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2497) entitled "An act to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct," which were, on page 1, line 7, to strike out "from and after October 6, 1917"; on page 2, lines 5 and 6, to strike out "or in other existing legislation"; and on page 2, to strike out lines 13 to 21, inclusive.

Mr. WADSWORTH. I move that the Senate concur in the motion of the House.

The motion was agreed to.

PAYMENT FOR COAL DIVERTED IN TRANSIT.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Director General of Railroads, transmitting, pursuant to a resolution of 3d instant, a report of the arrangements that have been made or will be made for the prompt payment for coal diverted in transit from the original consignee. The communication will be printed in the RECORD and referred to the Committee on Interstate Commerce.

The communication is as follows:

UNITED STATES RAILROAD ADMINISTRATION,
Washington, December 8, 1919.

The honorable the PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: In response to Senate resolution 243, directing report to the Senate at the earliest practicable moment of the arrangements that have been made or will be made for the prompt payment of coal diverted in transit from the original consignee, I beg to state as follows:

The Railroad Administration has been acting as the agency of the Fuel Administration in distributing coal to those users entitled thereto under the priorities prescribed by the Fuel Administration, and in performing this difficult work has been particularly solicitous to facilitate the promptest payment for coal by the users thereof to which the same might be diverted. Arrangements have been made to make sure that such users pay for the coal and pay for it promptly, and imperative instructions have been issued and reiterated that coal taken for railroad use should be promptly paid for. In addition, the Railroad Administration has cooperated with the Federal Reserve Board in adopting methods to facilitate the borrowing of money by the operators upon coal in transit. Further than this, the Railroad Administration has requested the coal operators to give specific information as to any mines actually in difficulty on account of inability to collect their coal bills with sufficient promptness, and in the only instances which have accordingly been reported to the Railroad Administration it has made arrangements to purchase for railroad use enough coal and make immediate payment therefor to furnish the operators affected sufficient funds to meet their immediate needs. The details of these various instructions and steps are as follows:

On October 31, 1919, Dr. H. A. Garfield, United States Fuel Administrator, issued an order reinstating his order of January 14, 1918, which read in part as follows:

"All shipments of coal, whether f. o. b. mines or otherwise, and all shipments of coke f. o. b. ovens or at place of storage or otherwise, shall be made subject to the diversion of such coal or coke by the United States Fuel Administrator or any persons acting under his authority to any persons or consumers and for any of the purposes heretofore or hereafter authorized by him. The title of the purchaser, consignee, or consumer, in the case of any such shipments of coal or coke, which by custom or law might become vested at the time and place of such shipment, shall from and after the effective date hereof be subject to the condition that the coal or coke so shipped may be diverted as aforesaid, and that in case of any such diversion the title and interest of such purchaser, consignee, or consumer with respect to any coal or coke so diverted shall be completely divested and terminated and his liability to pay therefor shall cease."

The Fuel Administrator by the said order of October 31, 1919, also designated the Director General of Railroads and his representatives "to carry into effect said order of January 14, 1918, and to make such diversions of coal as the railroads under his direction may, as common carriers, have in their possession, as may be necessary in the present emergency to provide for the requirements of the country in order of priority set out in the preference list included in the order of the United States Fuel Administrator May 25, 1918."

On October 31, 1919, the Director General of Railroads telegraphed all regional directors of the United States Railroad Administration, in part, as follows:

"When commercial coal is diverted to other than original consignee, promptly notify shipper and original consignee of each car and keep adequate record for later settlement. Coal diverted for commercial uses shall be paid for in accordance with the Fuel Administrator's order dated January 14, 1918. In order to insure payments, coal shall be diverted for commercial use to such applicants only who shall satisfy the Federal or general manager of their financial responsibility, or who shall deposit a certified check or other satisfactory security in such sum that will insure full payment for any coal furnished. The applicant shall make definite written obligation to pay the shipper for the coal promptly upon presentation of bill."

On November 3, 1919, the central coal committee which the Director General of Railroads appointed at Washington to supervise the distribution of coal telegraphed all regional directors as follows:

"The question which is being raised and which is deserving of immediate consideration is the prompt payment for coal confiscated by the railroads for fuel purposes. The point is made that

mines which continue to operate will have difficulty in meeting their pay roll if payment for such coal is withheld for any considerable length of time.

"The matter is, therefore, brought to your attention, with suggestion that arrangements be made with all your roads for the promptest possible payment for coal that is confiscated for railroad use."

On November 3 and 4, after representation by the National Coal Association and the Pocahontas Coal Operators' Association that coal operators were apprehensive about securing payment promptly for diverted coal, and in some instances that the operators might not receive such payment with sufficient promptness to enable them to meet their pay rolls and other production expenses, the central coal committee suggested that the operators in each district should interest themselves in this matter in their district, and arrange so that operators whose mines were working should be able to secure the needed financial assistance by borrowing money from banks against outstanding coal. It was suggested by the National Coal Association that payment for diverted coal would be facilitated if the railroads showed on the coal waybills the selling price of the coal when advised of this by the shippers, and on November 6 instructions were given all regional directors to see that this was done.

In order to protect consumers who might receive diverted coal from undue cost due to out-of-route movement which might occur on account of the exigencies of the situation Director Chambers, of the Division of Traffic, United States Railroad Administration, on November 12 notified all regional directors as follows:

"It has been decided that where coal is taken by the Railroad Administration and subsequently assigned to a consignee that the rate of freight to be charged such consignee should be the published freight rate from the mine at which the coal originated to the destination of such consignee regardless of any out-of-route or back haul which may have been involved in the movement while under charge of the Railroad Administration.

"I am sending you this information so that in case inquiry should be made you would be advised of this policy."

On November 20, after being advised by the representative of the National Coal Association that apparently some operators did not know of the arrangement permitting the price of coal to be shown on coal waybills, instructions were therefore sent to regional directors by the central coal committee to have agents advise shippers in writing of this arrangement.

On November 26 instructions were sent to the regional directors that as far as practicable they should dispose of the oldest coal on hand first when making diversions or deliveries.

On November 28 the central coal committee, on being advised that some operators were claiming to be financially embarrassed and this arrangement was desirable to assist them in securing their money, telegraphed the regional directors as follows:

"To avoid financial embarrassment to shippers of diverted coal and consequent restriction of production regional coal committees and Federal managers should be instructed to insure prompt payment of bills by final consignees by making delivery of coal conditional on such payment if necessary. Arrangement should also be made that shippers are immediately advised of consignees to whom their coal is diverted. Every effort should also be made to pay for railway fuel with utmost promptness. This repeats previous instruction and is sent to you to emphasize the importance of giving the subject special consideration."

On being informed that banks in coal-field districts were being drained of funds through loans to coal operators conferences were held with representatives of the coal operators and later with the Federal Reserve Board to see what arrangements could be made to relieve the situation. As a result of this the arrangements covered by the inclosed press notice of December 3 were made, and representatives of banks and operators agreed that this would be of material assistance.

Again, on December 3 telegraphic instructions were sent to all regional directors to put into effect at once the arrangements for issuing such form of receipt for coal shipments.

Further, on the same day the following telegraphic instructions were sent all regional directors:

"See my telegram, November 28, advising that prompt payment for diverted as well as contract coal was necessary to avoid financial embarrassment of shippers and consequent restriction of production. Also that every effort should be made to pay for railway fuel with utmost promptness. Our information is that operators are not receiving remittances promptly, and instructions should be given by you to have all bills prepared, vouchered, and paid immediately on receipt. That is of utmost importance."

At various times since this matter was brought up representatives of the coal operators have been requested to furnish information as to specific instances where there was a possibility the mines would be unable to obtain funds to meet pay roll and other operating expenses, and no such specific instances were reported to the central coal committee prior to December 4, when they were advised that two operators located on the line of the Chesapeake & Ohio Railroad were in such straitened circumstances that a shutdown might possibly occur. Arrangements were made with the Chesapeake & Ohio Railroad to purchase for railroad use and pay for immediately sufficient coal now being produced by these operators to furnish them sufficient funds to meet their immediate needs. In addition to written and telegraphic instructions sent to regional directors, the question of prompt payment for railroad coal and prompt notice to shippers of diverting of commercial coal has been made the subject of frequent telephone conversations with interested railroad officers.

The central coal committee has arranged to secure daily reports of the number of cars of diverted coal and information as to whether or not shippers have been notified so that delinquencies can be corrected.

As may be seen from the foregoing, the central coal committee and all representatives of the Director General of Railroads have appreciated the necessity and desirability of prompt payment for coal diverted, and every effort has been made and will be made to secure such prompt payment.

Truly, yours,

WALKER D. HINES,
Director General of Railroads.

PRESS STATEMENT.

WASHINGTON, *December 3, 1919.*

Walker D. Hines, Director General of Railroads, to-day authorized the following statement:

"The United States Railroad Administration is paying promptly and even on shorter time than under normal conditions for coal consigned to or diverted to railroads under Federal control for their own use. But because of some unusually long hauls to supply coal in portions of the country where production of coal has ceased, and because of other diversions, there are some inevitable delays in delivery to other consignees or divertees, and consequently there are some delays in payment for coal by the consignees receiving this coal so diverted. In order to remedy this situation and appreciating the necessity of coal operators who are now producing coal getting their money promptly in order to meet pay rolls and other production expenses, the Railroad Administration has arranged to give such coal operators a certificate evidencing the fact of the loading of cars and delivery to the railroads for transportation of such coal as they are producing and loading, so that such coal operators can secure such necessary money from banks on the basis of their notes supported by such certificates.

"This matter having been taken up with the Federal Reserve Board on the question of whether such notes are eligible for rediscount, the Federal Reserve Board has sent the following formal communication to the Railroad Administration:

"'The Federal Reserve Board has received and considered your letter of December 2, asking to be advised whether or not a Federal reserve bank may properly rediscount a note drawn by a shipper of coal under the following circumstances:

"'Because of the diversions of coal pursuant to the authority and order of the United States Fuel Administrator issued in consequence of the strike of the bituminous coal miners, it appears that shippers of coal are not receiving payment for the coal shipped as promptly as is customary when coal moves in its normal channels. In order to provide funds to cover the current cost of production it is contemplated that a shipper of coal issue his note accompanied by a certificate of the Director General of Railroads who is distributing coal for and on behalf of the United States Fuel Administrator, substantially to the effect that the shipper has loaded coal on cars of a specified railroad; that the coal is in the possession of that railroad to be transported, delivered, or diverted by the Director General of Railroads or his representatives subject to the order of the United States Fuel Administrator and that the shipper is to be paid for the coal by the consignee or divertee as provided in the orders of the United States Fuel Administrator. The proceeds of the note of the shipper are to be used by him for the payment of the current costs of production.

"'In the opinion of the Federal Reserve Board such a note, the proceeds of which are to be used by the drawer for the payment of the current costs of production, is a note issued or drawn for a commercial or industrial purpose within the meaning of section 13 of the Federal reserve act and is eligi-

ble for rediscount by a Federal reserve bank, provided that it otherwise conforms to the provisions of law and the regulations of the Federal Reserve Board issued in pursuance thereof. The Federal Reserve Board believes that in determining the eligibility of such a note it is immaterial whether or not it is accompanied by a certificate of the Director General of Railroads of the kind heretofore described.

"'In this connection, however, the board desires to point out the fact that under the terms of section 13 of the Federal reserve act a member bank is authorized to accept a draft or bill of exchange which grows out of a transaction involving the domestic shipment of goods, provided that shipping documents conveying or securing title are attached at the time of acceptance. Such a draft when accepted is eligible for rediscount by a Federal reserve bank at the established rate accorded to bankers' acceptances. In view of the fact, however, that the certificate which your letter states that the Director General of Railroads purposes to issue does not purport to be and is not a bill of lading conveying title to coal shipped, it can not be made the basis of a bankers' acceptance, but, as previously stated, a note drawn under the circumstances described, whether or not accompanied by a certificate of the Director General of Railroads, is technically eligible for rediscount if its proceeds have been or are to be used for the payment of the current costs of production of coal and if it otherwise conforms to the provisions of law and the regulations of the Federal Reserve Board.

"'Very truly, yours,

"'(Signed) W. P. G. HARDING,
"'*Governor.*'"

"The certificate which under the foregoing arrangement will be delivered by the local railroad agent to the shipper delivering the coal to the railroad will be in the following form:

"This is to certify that ——— ——— has loaded into cars No. —— on ——— Railroad, United States Railroad Administration, —— tons of coal, and said coal is in possession of said railroad as a carrier to be transported and/or delivered and/or diverted by the Director General of Railroads or his representatives, subject to and in accordance with the order of the United States Fuel Administrator, dated October 31, 1919, and to be paid for by the consignee or divertee to the above-named shipper, as provided for in the said order of the United States Fuel Administrator and in his order of November 12, 1919.

"———— ————, *Agent.*
"———— ————,
"Railroad, United States Railroad Administration.

"I hereby certify that no railroad bill of lading or other negotiable receipt has been issued to me by the railroad in respect of the above-described coal.

"———— ———— (*Shipper*)."

CIVILIAN EMPLOYMENT OF COMMISSIONED OFFICERS.

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of War, transmitting, pursuant to resolution of August 23, 1919, further information relative to the cost of maintenance and operation of the official establishment of the Chief of Staff of the Army, which, with the accompanying paper, was referred to the Committee on Military Affairs and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 9755) to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes, in which it requested the concurrence of the Senate.

WOMAN SUFFRAGE.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the secretary of state of the State of South Dakota, transmitting a joint resolution of the Legislature of the State of South Dakota ratifying the proposed amendment to the Constitution of the United States extending the right of suffrage to women, which will be printed in the RECORD and placed on file.

The joint resolution is as follows:

[Certificate.]

UNITED STATES OF AMERICA,
State of South Dakota.

SECRETARY'S OFFICE.

I, C. A. Burkhart, secretary of state, do hereby certify that the annexed bill, to wit, house joint resolution No. 1, was duly passed by the 1919 special session of the Legislature of the State of South Dakota and that the same is now in full force and effect.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of South Dakota at the city of Pierre this 4th day of December, 1919.

[SEAL.]

C. A. BURKHART,
Secretary of State.

House joint resolution 1.

A joint resolution ratifying a proposed amendment to the Constitution of the United States of America relating to the right of suffrage regardless of sex.

Whereas both Houses of the Sixty-sixth Congress of the United States of America, by a constitutional majority of two-thirds thereof, made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution extending the right of suffrage to women.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"Article ——.

"The right of citizens of the United States to vote shall not be denied or abridged by the United States, or by any State, on account of sex.

"Congress shall have power to enforce this article by appropriate legislation";

Therefore be it

Resolved by the House of Representatives of the State of South Dakota (the Senate concurring):

SECTION 1. That said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of South Dakota.

SEC. 2. That certified copy of this preamble and joint resolution be forwarded by the governor of this State to the Secretary of State at Washington, to the presiding officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

(Signed) LEWIS BENSON,
Speaker of the House of Representatives.
RAYMOND J. VAN ABEL,
Chief Clerk.
W. H. MCMASTER,
President of the Senate.
A. B. CLAKE,
Secretary.

Filed in the office of secretary of state on the 4th day of December, 1919, at 1.15 o'clock a. m.

C. A. BURKHART,
Secretary of State.
By GEO. F. SAYERS,
Assistant Secretary of State.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a resolution adopted by the American Mining Congress urging that the Government of the United States protect the constitutional rights of its citizens in foreign countries, which was referred to the Committee on Foreign Relations.

Mr. SHEPPARD. I present two telegrams relating to the coal strike, which I ask to have inserted in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MCALLEN, TEX., *December 4.*

Senators SHEPPARD and CULBERSON,
Washington, D. C.:

We urge the Senate to take action in bringing about an immediate settlement of the coal strike.

MCALLEN AUTO DEALERS' ASSOCIATION.

—

MCALLEN, TEX., *December 4.*

Senators SHEPPARD and CULBERSON,
Washington, D. C.:

We urge the Senate to take action in bringing about an immediate settlement of the coal strike.

HIDALGO COUNTY AUTO DEALERS' ASSOCIATION.

Mr. DIAL. I present a resolution of the Chamber of Commerce of Chester, S. C., in reference to shipping. I ask that it may be printed in the RECORD and referred to the Committee on Commerce.

There being no objection, the resolution was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolution.

Whereas the Chester Chamber of Commerce has been advised that there is a movement on foot having for its object the disposition and sale of ships owned by the Government of the United States through the United States Shipping Board, and that a bill has been introduced into Congress to that end; and

Whereas this would seriously interfere with the trade routes recently established from South Atlantic and Gulf ports, with the aid of United States Shipping Board, to the West Indies, Central and South America, and to European and other foreign ports; and

Whereas it is essential to the merchants, manufacturers, and farmers of the Middle West to have free access to foreign markets through the ports of the Gulf and South Atlantic States on the same terms as through North Atlantic ports, and export rates have been put into effect by the United States Railroad Administration, effective December 1, 1919, in the establishment of the new trade routes: Therefore be it

Resolved, That it is the sense of the board of directors of the Chester Chamber of Commerce that the United States Govern-

ment, for the present, make no disposition of the ships owned by it or operated by Shipping Board that would in any way militate against these trade routes or prevent their further development and maintenance, and we call upon our Senators and Congressmen to oppose any legislation to look into the sale of any of these ships operated on these trade routes until same has been fully established and developed.

J. M. LATHAM,
President Chester Chamber of Commerce.

Correct attest:

H. B. BRANCH, *Secretary.*

Mr. CAPPER. I present resolutions adopted by the National Farmers' Union in annual convention assembled in Memphis, Tenn., November 20, 1919, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

The National Farmers' Union in annual convention assembled in Memphis, Tenn., on November 20, 1919, hereby adopts these resolutions and recommendations:

First. We indorse the Kenyon-Anderson bill, which embodies important recommendations of the Federal Trade Commission designed to correct the abuses and extortions that exist in the meat-packing industry and urge its immediate enactment by Congress.

Second. We indorse the Capper-Hersman bill to give the farmers of the Republic the privilege of organizing and conducting collective bargaining associations, based on cooperative principles, but we ask that proper safeguards be included in such legislation to prevent corporations from taking advantage of its provisions.

Third. We favor an amendment to the Federal loan act that will enable a man without a farm but possessing an established reputation for honesty, frugality, and industry to secure loans from the Federal land bank up to 75 per cent of the appraised value of the land. We also ask that the maximum rate of annual payment, including amortization, shall not exceed 5 per cent.

Fourth. We insist that the Secretary of Agriculture should be a practical working farmer, and that the indorsement of farm organizations should receive due consideration in the selection of men for that office.

Fifth. That the highest rates of taxes levied during the war on incomes, corporations, and excess profits be continued until the full cost of the war has been paid, and that the Government also levy a tax on the value of land and other natural resources held for speculative purposes.

Sixth. We urge the adoption of a farseeing, patriotic policy for the reclamation of the waste lands of all sections of the country for the purpose of enlarging the area of agricultural productions.

Seventh. We demand the most vigorous enforcement of all Federal laws to prevent the immigration of undesirable aliens, and we also urge the prompt deportation of all aliens seeking to overthrow our Government and destroy our free institutions.

Eighth. We believe that the principle of cooperation should be applied to the solution of our marketing and industrial problems, to the advantage of the producing, consuming, and laboring classes.

Ninth. We are opposed to the maintenance of war-time armaments in time of peace and to any system of military organization that includes universal military training.

Mr. CAPPER presented a memorial of the Business Men's Club of Chanute, Kans., remonstrating against the enactment of legislation providing for the marking of cost prices on articles of merchandise offered for sale, which was referred to the Committee on Interstate Commerce.

He also presented memorials of sundry citizens of Melvern, Kans., and of Hawkeye Grange, No. 1050, Patrons of Husbandry, of Canton, Kans., remonstrating against compulsory military training, which were referred to the Committee on Military Affairs.

Mr. KNOX presented a memorial of Local Lodge No. 52, International Association of Machinists, of Pittsburgh, Pa., remonstrating against the deportation of certain Hindus, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Rotary Club, of York, Pa., and of Local Lodge No. 814, Benevolent and Protective Order of Elks, of Pottstown, Pa., favoring the deportation of certain aliens, which were referred to the Committee on Immigration.

He also presented a petition of the Chamber of Commerce of Pottstown, Pa., praying for the enactment of legislation providing for the construction and improvement of harbors and inland waterways, which was referred to the Committee on Commerce.

He also presented a petition of the Board of Trade of Philadelphia, Pa., praying that Congress formulate legislation defining "sedition," which was referred to the Committee on the Judiciary.

Mr. KNOX (for Mr. PENROSE) presented a petition of the Philadelphia Board of Trade, of Pennsylvania, praying for the enactment of legislation to increase the pay of the commissioned and enlisted personnel of the Army, Navy, etc., which was referred to the Committee on Military Affairs.

He also (for Mr. PENROSE) presented a petition of the Philadelphia Board of Trade, of Pennsylvania, praying for the enactment of legislation providing for the repeal of all emergency legislation, to enable the Shipping Board to carry out existing contracts, to permit the sale of all property, including ships, acquired by the Shipping Board, to confer the power to create an insurance fund, and to suspend all housing construction of the Shipping Board and to authorize the sale of all houses built, etc., which was referred to the Committee on Commerce.

Mr. WARREN presented a resolution adopted by Donald Garbutt Post, No. 7, American Legion, of Sheridan, Wyo., favoring the arrest and deportation of undesirable aliens, which was referred to the Committee on Immigration.

Mr. ELKINS presented a petition of Elkins Lodge 1135, Benevolent and Protective Order of Elks, of Elkins, W. Va., praying for the enactment of legislation to abolish Bolshevism, which was referred to the Committee on Immigration.

He also presented a petition of the Huntington Association of Credit Men, of Huntington, W. Va., praying for the enforcement of law and order by firm action, which was referred to the Committee on Immigration.

TREATY OF PEACE WITH GERMANY.

Mr. McLEAN. I present a petition from the officers of Yale University in favor of the ratification of the treaty of peace with interpretative reservations. The petition is very short, only nine lines, and I ask to have it printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HITCHCOCK. Mr. President, does the Senator ask to have the petition read?

Mr. McLEAN. No; I ask to have it printed in the RECORD.

Mr. HITCHCOCK. It is a petition from Yale University?

Mr. McLEAN. From the officers of Yale University, in favor of the ratification of the treaty of peace with reservations.

Mr. HITCHCOCK. Will the Senator permit it to be read at this time? It is very brief, is it not?

Mr. McLEAN. I have no objection. It is only nine lines.

The VICE PRESIDENT. In the absence of objection, the Secretary will read.

The Secretary read as follows:

We, the undersigned, officers of Yale University, are convinced of the supreme importance of the ratification by the Senate as soon as possible after the beginning of the next session of the treaty of peace with such interpretative reservations as may be proper and necessary, and we urge the Senators from Connecticut to promote such action. We believe that a majority of the most intelligent and public-spirited citizens of all parties in the State will support them in favoring a resolution ratifying the treaty of peace with the league of nations covenant in terms that will readily permit the other signatories to acquiesce in the conditions stated by the United States.

Mr. HITCHCOCK. Right in connection with that I should like to present and have read a resolution, of which a copy has been sent to me, which has been signed by 1,757 members of Harvard University, copies of whose names are on my desk. I ask to have it read.

The VICE PRESIDENT. In the absence of objection, the Secretary will read.

The Secretary read as follows:

Resolved, That the peace treaty, including the covenant for a league of nations, should be resubmitted to the Senate, and that the administration and the United States Senators should promptly agree to its ratification with reservations in such form as will enable the other signatories to acquiesce.

Mr. HITCHCOCK. I present that so that the expressions from these two universities may appear together.

The VICE PRESIDENT. The petitions will be referred to the Committee on Foreign Relations.

COST OF STRIKES.

Mr. THOMAS. Mr. President, I have received from the Shipping Board a statement, dated the 6th day of December, entitled "Statement on the cost of strikes." I ask unanimous consent for permission to have it inserted in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement referred to is as follows:

"STATEMENT ON THE COST OF STRIKES.

"UNITED STATES SHIPPING BOARD,
"*Washington, December 6.*

"The serious economic waste involved in marine and shipyard strikes during the period of reconstruction has recently been investigated by the United States Shipping Board.

"Since the 1st of January it is estimated that strikes have cost the Shipping Board a total of $37,000,000. There are included marine and harbor strikes, longshore strikes, and shipyard strikes. These have occurred on the Atlantic, Pacific, and Gulf coasts, but the results of the coal strike are not included.

"There are not included losses by foreign or privately operated American vessels, nor indirect losses to the public due to interruption of regular movement of shipping. Among such indirect losses are those due to congestion in port, and on inland transportation systems, spoilage of perishable cargo, and delays of food supplies needed in this country and abroad.

"The marine strikes include that on New York Harbor craft, tying up some 600 boats with approximately 16,000 men out for 13 days. A further marine strike occurred in July with a general tie-up of shipping on the Atlantic and Gulf coasts. Some 25,000 men were out for about three weeks.

"A longshore strike in New York during October involved 40,000 to 50,000 men for about 30 days. A further longshore strike occurred at New Orleans in the same month, lasting 31 days.

"Among the 200 strikes in the shipyards one of the largest was that in the Northern Pacific district beginning in January, lasting for 50 days and involving some 40,000 men. A further strike occurred in the San Francisco Bay and southern district in October, lasted 30 days, and involved 35,000 men. A strike in the shipyards in the New York district began in October, lasted about 30 days, and involved some 20,000 men."

HIGH COST OF LIVING.

Mr. THOMAS. I am in receipt of an article from the pen of former Senator Shafroth of my State on the high cost of living. I ask unanimous consent for permission to have it inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HIGH COST OF LIVING, ITS CAUSE AND REMEDY.

"The principal cause of the high cost of living is the fact that nearly all the European nations have been compelled to abandon redemption of their credit money in gold, and to issue in lieu thereof irredeemable paper currencies, thereby decreasing the demand for and the purchasing power of gold, and hence increasing the price of everything that gold will buy.

"It is a fundamental principle of political economy that the price of commodities—the demand remaining the same—varies in the inverse ratio of their production—that is, if the production is great the price is proportionately low, and if the production is small the price is correspondingly high.

The price of commodities also varies with the demand therefor, other things remaining the same; the price increasing if the demand is great and decreasing if the demand is small. All recognize these principles when applied to a single commodity. They are also applicable to gold, but as gold is the standard by which all commodities are measured, its increase or decrease in value can not be expressed in its own units, but only in the increased or decreased quantity of things the units will buy, which is manifested in a fall or rise in prices. Therefore, when all prices rise it means that there is an increase in the supply of, or decrease in the demand for, that which measures the price of all things, namely, money.

"Nearly all the European countries before the war were upon the gold standard, making demands upon gold as redemption money. During the war they each issued large quantities of irredeemable paper currency.

"According to the Gresham law, two legal-tender moneys of different value can not circulate in the same country. The cheaper will always drive out the dearer money. If a man has the option of paying his debts in legal-tender money of less value, he will always avail himself of that privilege, and hence the cheaper money becomes the sole circulating medium of that country. In accordance with that principle, gold, either in the form of coins or of paper money redeemable in gold, has gone out of circulation in nearly all the nations of Europe. This has decreased the demand for gold, decreased its purchasing power, and consequently increased the price of everything that gold buys.

"Before the war the commercial transactions of the European nations that were upon a currency redeemable in gold amounted to fully one-half of those of the world. The use of gold in monetary systems has been far greater than for all other purposes. These nations now make demand for gold only for the arts and to settle international trade balances. This change in demand has made gold cheap. The production of gold is so small, compared to the world's stock of that metal, as to be inconsiderable in its effect. It is stated that gold is worth $20.67 per ounce the world around, but that is only when measured in a currency redeemable in gold. As the value of all staple commodities is determined by world markets, the high cost of living becomes a world problem to be determined not only by the world's supply and demand of each commodity, but also by the world's demand for the one thing which measures all commodities.

"While profiteering affects, to some extent, the price of some commodities, and prosecutions may curtail the practice, and such prosecutions should be pursued with vigor, yet the result will be small compared to the remedy of increasing the demand for gold.

"Nine-tenths of the nations of the world, when the war began, were upon the gold standard, and hence silver was practically a commodity. The increase in the price of silver was due largely to the fact that the allied nations during the war purchased enormous supplies in China, Japan, and India, which had to be paid for in silver. This created a great demand for that metal, which was further increased by the decrease in the demand for that thing which measures silver as well as all other commodities, namely, gold. It is a mistake to assume that world prices of staple commodities can be materially reduced by legislation of one nation alone.

"In my judgment, there should be an earnest effort made to obtain an international agreement to retire all irredeemable paper currencies and to establish throughout the world circulating mediums based upon gold and silver, and, if possible, provide for coins of the same weight and fineness. The retirement could be made by each nation permitting the payment of taxes, partly in its irredeemable currency, which could then be canceled, and partly in gold, which would increase the demand for that metal. Let the financial strength or weakness of a nation be reflected in its bonds but never in its currency. Then will there be freedom from violent fluctuations in world prices.

"JOHN F. SHAFROTH."

STRIKE OF COAL MINERS.

Mr. MCKELLAR. Mr. President, I present a letter—a most thoughtful letter—from Mr. Pitt Henslee, a very successful banker of Dickson, Tenn., in reference to the coal strike and profiteering generally. The suggestions of Mr. Henslee I deem of great importance, and I ask unanimous consent that his letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE FIRST NATIONAL BANK,
Dickson, Tenn., December 5, 1919.

Senator K. MCKELLAR,
Washington, D. C.

DEAR MR. MCKELLAR: As you doubtless remember, I was your supporter and political friend, and being this I trust you will pardon me for writing you a few lines as to my judgment of conditions in this section of Tennessee.

There is more dissatisfaction and complaint than I ever knew before, and it appears to me that these conditions are brought about more on account of the greed and selfishness of the profiteers than anything else. I have been in the banking business for nearly 20 years. I am not a member of any labor organization and my health does not permit me to be a laborer in any line, but it appears to me, and it seems to be the unanimous opinion in this section, that the owners of coal mines are to blame for the present condition of scarcity of fuel. As I am informed, coal miners receive from 80 cents to 85 cents per ton for mining coal, and the mine owners sell this coal now at the mines, and have been for the last year or two, at from $2.75 to $3.50 per ton. This undoubtedly is too much profit and the public is suffering. A banker friend of mine, who lives in east Tennessee, writes me that a few years ago coal operators were satisfied to get from 25 cents to 50 cents per ton at the mines for their coal above the price paid miners.

Last summer hogs declined from 23 cents to 12½ cents, and yet the consumers of meat and lard did not buy this necessity any cheaper. Farmers in Dickson County this week sold beef cattle at 6 cents per pound, which they had raised and cared for two or three years, and yet butchers are selling this meat at a profit greater than the price received by the farmer for his cattle.

I have heard in the last few months more farmers say that they were going to vote the Republican ticket next time than I ever heard talk this before. They do not know that Congress is to blame for conditions, but think a Republican could not make it any worse. I have always been a Democrat and voted the Democratic ticket, and while I am interested in the success of the Democratic Party, yet I do not fear so much the defeat of the party as I do the spirit of socialism and Bolshevism that is growing with the people. We may not have a bloody revolution, but it seems to me that we are sure to have a political revolution unless conditions are relieved.

As your political friend, as a Democrat, and as a loyal American citizen, can not Congress do something to regulate and control the profiteers—by the profiteers I mean those who are nonproducers and who are getting rich by great profits derived from the products of the farm and labor.

Trusting you will consider this letter in the same spirit in which it is written, and hoping this will find you enjoying the best of good health, with most cordial good wishes, I am,

Very respectfully,

PITT HENSLEE.

Mr. McKELLAR. Mr. President, I also present for printing in the RECORD a well-considered communication from Mr. H. Waters, of Troy, Tenn. These letters are from men of influence and standing in my State, and show a state of mind that is becoming general. Tennesseeans are almost entirely native born. They are intensely American and are bitterly opposed to the isms so prevalent in certain parts of our country just now.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

TROY LUMBER CO.,
Troy, Tenn., December 4, 1919.

Senator McKELLAR,
Washington, D. C.

HONORABLE SIR: Belonging to the class of American people known as the middle class, I am, in common with probably 75,000,000 to 80,000,000 others, rapidly losing confidence in the ability or energy of the officials representing the people in Washington.

Food prices show a constantly rising level to the consumer, and the handwriting is on the wall for a condition bordering, if not the real thing, revolution of the sort they are having in foreign countries. The labor agitation in almost every branch where workers are unionized, even though they are receiving the highest wages ever known, shows plainly there is organized—and well organized at that—agitation afoot to place the unions in control of the laws and Government. Of the main happenings, the energetic action of Gov. Coolidge, of Massachusetts, proved successful, and is the only one showing successful handling. The steel strike fell through because the mill owners let the men break themselves. The coal strike affects nearly everyone, the poor more than the rich, and causes untold suffering. Why does the Government dillydally with these conspirators and allow them to run things as they will, at the expense of the great bulk of the people? Their union is certainly admirably organized when the strike will run itself successfully and in spite of the United States court mandates. Men certainly have a right to unionize if they want to. The queer part of it is that when they quit their jobs both the Government and the mine owners accept the situation and make no effort to work the mines. There is one way to handle matters of this sort besides holding hot-air conferences and trying to adjust matters by word of mouth, which simply brings on more talk and gets no coal.

When the miners walked out they quit their jobs. As a simple business proposition the operators should have given them notice to come and get their pay and vacate the company property, houses, etc.; then went on the market and recruited more men to take their places, and if the men who had left their jobs threatened trouble the military should have been called to protect the property and the workers.

Mining is healthy work, under fair conditions, but raising wages isn't going to cure the trouble, as the more they get the more they will demand—ditto with the operators—therefore, fair prices should be paid so that a man can make a decent living by his year's work, and the operators should be restricted to a reasonable profit, not over 12½ per cent on their investment in the gross. All work, so far as possible, should be done by piecework rates, and you would readily find the men who are howling for a 30-hour week would be glad to work 60 hours and not complain.

The railroad brotherhoods, already very highly paid and earning more than they are justified in getting, are pretending to hold sessions, while all the time they are watching for a favorable time to threaten to tie up the country if the Government don't give them exactly what they demand. I have even heard threats as to what they will do if they don't get what they want, and the funny part of it is by the very class of men who are most neglected in the various pay increases because they have no union—the section men.

We have heard here that railroad trainmen are delaying train movements so that coal now mined and loaded does not move, notably on the Tennessee Central.

It is equally true that operators or plant owners should not be allowed undue profits at the expense of the public, but in the course of a good many years experience handling large crews of men I should say it is disgraceful, because one man or the whole crew quit or struck, as the word may be, to let my plant lie idle. If they weren't satisfied with their wages or treatment they have a perfect right to quit their jobs; the plant owner also has a perfect right to get out and hire men to take their places as a common-sense proposition; and this is what the coal-mine operators should be doing, and the railroad men the same when they strike, which they certainly are all set for and expecting every day.

Energetic and intelligent action should be ready to meet the situation in the interests of the people.

Very respectfully, yours,

H. WATERS, *Troy, Tenn.*

P. S.—We have just read of an instance where the trainmen refused to switch passenger cars containing troops for the protection of the nonunion miners, taking the stand they wouldn't help the "scabs." If this is correct, it is time drastic action should be taken by the Government with United States troops to prevent noninterference, and also to punish under the severest law the responsible party or parties.

SCHOOL OF AMERICANISM.

Mr. KENYON. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Hon. Martin J. Wade, judge of the Federal court for the southern district of Iowa, delivered before the Rotary Club of Council Bluffs, Iowa, on the subject of "Americanism." It is the best address on this subject which I have seen. I also ask that the address be printed as a public document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

SHALL WE HAVE A SCHOOL OF AMERICANISM? (S. Doc. No. 167.)

"I am an optimist, and in what I shall say to-night there is no expression of pessimism. I have absolute faith in the American people. I know that, with a few exceptions, they are right at heart, and when aroused by the presence of danger they have a power for organization and achievement not equaled by any other people in the world.

"I am not a pessimist. I am only calling upon the American people to awake from their dream of security and to face a real danger which threatens our most sacred rights and the rights of our children in the years to come. Not only are the rights of America endangered, but civilization itself is threatened.

"We boast—and we have a right to boast—of the marvelous achievements of modern civilization. What is the most wonderful thing that civilization has brought to the human race? Is it our music, our literature, our sculpture, our architecture? No. Is it our accomplishments in science and inventions? No. The most wonderful, the most marvelous, thing which civilization has brought to the human race is a method and a tribunal for settling the differences between men in an orderly and a peaceful way. Men are so constituted that they will disagree. Perhaps the foundation of this human trait is selfishness; perhaps it is pride; perhaps it is the love—nay, the demand—for justice which exists in every human heart. In the olden days the differences between men were settled by brute force. Stung by wrong, or by fancied wrong, at the hands of a neighbor, the passion for revenge was aroused, and for centuries it was the recognized right of every man to wreak personal vengeance. This made the strong man the master. This was true not only of individuals but also of nations. War has been the only instrument known to settle international differences—war and blood and destruction and death. We have not yet an established tribunal to settle international disputes, but the great heart of humanity is filled with the hope that out of our recent World War will come the solution—that an international court will be established which will forever end the inhuman monster which has deluged the soil of the world with the blood of the fair and the brave and the true.

"But with reference to disputes between individuals, after centuries of crude efforts, the human race has found a way to protect right and to restrain and punish wrong; and this tribunal, now provided in all civilized nations of the world, is called a court. To define and direct and restrain human action, to provide for the punishment of wrongdoers, we have rules of conduct called laws. In this country these laws are enacted by the people. So that now, instead of grasping in angry passion the battle-ax or the bludgeon of our ancestors, we turn to the law and to the courts for punishment of those who do us wrong, and let us remember that the law and the courts are the only things that stand between us and barbarism. When men ignore the courts and defy the law in an attempt to impose punishment for wrongdoing they become savages. Mob rule is the rule of savage brutes, who, for the time being, have turned back the hands upon the great clock of time, who have torn down the only barriers which protect the weak against the strong, who have in angry passion swept away the greatest achievement of civilization. Confidence in the law and in the courts is the demand of this troubled hour, and the duty of every man and woman to aid in the maintenance of law and order in times of

peace is just as sacred as was the duty to uphold the power and the dignity of the Nation in the dark days of war's awful conflict.

"Am I unduly alarmed? Look around you! Why, the smoke seems to yet hang like a pall over the city of Omaha—the smoke arising from the burning temple of justice fired by the bloody hands of an infuriated mob. The diabolical roar of maddened men crying for vengence still rings in our ears. We can still hear the crash of destruction, the roar of guns, the curses, the shouts of defiance, the moans of terror. We can see the flashing, bloodshot eyes and the foam-flecked lips that cry out for human blood—the blood not only of a man charged with a brutal crime, but crying out for the blood of the chief executive of the city, a man selected by the people themselves but a short time before to preside over the destiny of the city and the homes and the lives of the people of the city; to administer the law; to maintain peace and order; to protect the liberties of the people, rich and poor, high and low. We have before our minds the picture of brutal men turned to jungle beasts dragging the brave mayor of the city to the lamp post, of the struggle of the police to save his life, of his final rescue when life was almost extinct. We see the final triumph of the mob; see the murder of the victim which they sought; we can smell the burning flesh, incense offered to the fiends of hell. Omaha is not alone in her shame. Chicago, Washington, and other cities of this free land bear the brand.

"Am I unduly alarmed? Samuel Gompers, the great leader of organized labor, a few months ago made this statement:

"'America has come out of the war renowned. It is more than a country; more than a continent; more than a name to call upon for freedom and justice to men. It is an ideal; the apotheosis of all that is right. * * * We realize fully that here in the United States we have not yet reached the acme of perfection, industrially, politically, judicially, or socially. But that is not a reason why we should be lacking in appreciation of that which has been accomplished. Regardless of what a man's philosophy may be, surely no reasonable man or woman now believes that we can get on very long or very successfully without some law and some authority vested somewhere. * * *

"'Democracy must be entrenched in the true freedom of the people, maintained by justice, law, and order.'

"This is a comprehensive statement of a great fundamental truth which underlies all human government. In this land authority rests with the people. They express their authority in constitutions and laws of the Nation and of the States, all of which can be changed or repealed by the people at their will. Under the Constitution and the law, courts are provided by the people, and judges are selected by the people to exercise the authority of the people as expressed in the laws which the people provide as rules of community life. And in face of the fact that authority must rest somewhere, and that in this country it rests with the people, and that the people have furnished laws and courts to exercise and enforce their authority, we behold the tragic spectacle of defiance of law—contempt for law and scorn for the courts, felt and openly expressed—by a large number of our people, not foreigners alone but those of American birth and blood.

"Am I putting it too strong? Why, the national convention of the American Federation of Labor, held at Atlantic City in June, 1919, adopted resolutions which contain this language:

"'The power of our courts to declare legislation enacted unconstitutional and void is a most flagrant usurpation of power and authority, and is a repudiation and denial of the principle of self-government recognized now as a world doctrine. The continued exercise of this unwarranted power is a blasphemy on the rights and claims of free men of America.

"'This usurpation of power by our courts to subordinate the legislative and executive departments to their will, and compel the activities of a free people to their whims and dictates, is paralleled and equaled only by the further usurpation of authority of our courts to legislate and punish people in direct defiance of constitutional safeguards to personal liberty and freedom of action.

"'By the issuance of injunctive decrees by our courts, by the restraint they place upon the normal and rightful activities of a free people, by the punishing of free men in the exercise of their constitutional rights without opportunity of a trial by jury, by the removal of the safeguards thrown around the individual against extreme and excessive punishment, and the denial of an opportunity of Executive clemency our courts have vested themselves with a power greater than any despot ever heretofore possessed.

"'The fate of the sovereignty of the American people again hangs in the balance. It is inconceivable that such an autocratic, despotical, and tyrannical power can long remain in a democracy. One or the other must ultimately give way, and we believe that this convention should declare that as wage earners and citizens of a free and democratic Republic we should stand firmly and conscientiously on our rights as free men, and treat all injunctive decrees that invade our personal liberties as unwarranted in fact, unjustified in law, and illegal as being in violation of our constitutional safeguards and accept whatever conclusions may follow.'

"In the last sentence of their resolutions this body of men said:

"'The public mind and conscience should be fully aroused to the dangers confronting the liberties of our people.'

"The public mind and conscience must be aroused, but the first thing which each and every man, woman, and child in America should do is to get into their hearts and souls these words of Chief Justice Marshall:

"'The very essence of civil liberty consists in the right of every individual to claim the protection of the laws whenever he receives an injury. One of the first duties of government is to afford that protection. The Government of the United States has been emphatically termed a government of laws and not of men. It will certainly cease to deserve this high appellation if the laws furnish no remedy for the violation of a vested legal right.'

"This is 'a nation of law.' It will live as 'a nation of law,' or it will go back into chaos. And yet upon the street corners and upon the platform and in the papers and periodicals we find a loud, defiant protest against the eloquent words of the martyred Lincoln, who, on the field of Gettysburg, proclaimed this to be 'a government of the people, by the people, for the people.'

"There is no concealment of the purpose of many to change our form of government—some wanting to substitute one scheme, some another, many advocating the abolishment of all government and the substitution of anarchy. Some plan to make the change through the medium of the ballot; others openly proclaim revolution, riot, and the torch.

"Many whose angry voices are heard are foreigners; many of them are not. Some of them are ignorant; many of them are educated; some of them are teaching our children in institutions of learning.

THE CAUSE.

"What is the cause of present dangerous conditions? Space will only permit suggestions rather than explanation. The war disturbed the lives of many of our people; unsettled their occupations; overturned ordinary economic conditions; produced confusion in arrangements for the future of many men and women. The war aroused many elements of human passion which, under the influence of Christian civilization, had long been dormant. War conditions brought large profits to many who have not hesitated to flaunt their good fortune in the face of those who toil. The passion of selfishness and greed seems to have been aroused to a degree never before existing in this country, and many do not hesitate to extort from their neighbors. The common interest in the lives and fortunes of our fellow men, which must exist in a democracy, seems to have faded away. The lesson that the war taught, that we are all 'our brother's keeper,' seems to be already forgotten.

"But the seed of all this has been sown through many years. The truth is that for 15 or 20 years the propaganda of the socialist, the anarchist, the rebel against society, has been consistently carried on without interruption and almost without protest. Millions of copies of socialist and even anarchistic magazines and papers have been going through the mails for a generation. I do not think it is an exaggeration to say that at the present time there is distributed throughout the United States, weekly and monthly, 8,000,000 or 10,000,000 copies of vicious periodicals and newspapers, under various names, representing various organizations. These papers and periodicals are carrying a message of despair and hate, contempt for law, and repudiation of the United States as a 'government by the people.'

"A few days ago I received an announcement of a special edition of the Appeal to Reason, which for years has flourished as a mouthpiece of socialism; and this special edition was to be 2,000,000 copies, 'filling 8,000 mail sacks,' taking 'a train of 14 mail cars, each filled to the top,' to haul. These newspapers and periodicals and other literature carrying the same poison are going into the homes of the workingmen and the farmers of this country; they are going into homes where large families of children are growing up; they are going into homes where they have little of any other kind of reading; and they are molding the mind, forming the temperament, and poisoning the souls of the millions who ponder over them under the lamp at night. These newspapers and magazines extend no ray of hope to the

ordinary man; they endeavor to array class against class. They try to make the farmer hate the banker, the banker the farmer, the laborer his employer, and the employer his workmen; and in them all we can not find one single word of pride or affection for the flag of our country.

"These are conditions now existing, and existing for a long time, and, frankly, what have we done about it? What are we now doing about it?

THE REMEDY.

"There is a remedy, and only one remedy. The evil can not be corrected by calling names nor by threatening force. Over the country we have a widespread movement for 'Americanism.' It is fine, though it is only at its beginning and needs steady, consistent work to have it bear fruit. But we must not assume that we can Americanize simply by teaching foreigners the English language. This is an essential, of course, but the truth is that in my whole experience through the war I never had a man or woman before me charged with defying the Government who could not speak the English language; most of them could speak it too fluently.

"What is the essence of accomplishment in this movement against the Government? 'Education' is the answer. They have educated, by the persistency of publication and spoken word, a large number of good people into a state of rebellion against their country, and this education is going on every day, and when we think of the little children whose view of life and whose view of their country is gathered from this sewer of poisonous literature, we must ask ourselves frankly, What of the next generation in this country?

"The evil being accomplished by education, it must be met by education. It is the only remedy. In some way we must get a hearing with these poor people who are being deluded. In some manner there must be carried into these homes where the poisoned sheets go a message of truth and enlightenment. It can not all be done in the schools, though much must be done which never has been done. In my judgment, some man or some body of men in this country must start a movement, township by township and ward by ward, throughout the United States, to ascertain the individuals who are the students to-day of socialism, anarchy, bolshevism, and treason. There must be then sent into the homes of these people without expense, every week or every month, wholesome literature answering in detail every falsehood and every argument presented by the treasonable literature which they are now consuming. This literature in behalf of Americanism must not bear the brand or spirit of malice; nor must it assume an attitude of superiority. It must be sympathetic and generous, honest, free from suspicion of being representative of anything of politics or politicians, classes, or trades, or interests. It must be so wholesome and inviting that the children will read it at the evening table. It must be continuous and insistent, and it must hold out the hand of fellowship and brotherhood. It must light the fires of hope in the heart. It must inspire faith and confidence, driving away despair. It must bring to those souls now wandering in darkness the great truth that this is now and always has been and always will be the land of opportunity for the humble as well as for the exalted. It must give a definite conception of the fact that authority here in this country exists in the people. It must drag law and legal relations out of the realm of mystery and superstition. It must exalt the place and the power of the Constitution as the bulwark, not of the rich, but of the poor—the bulwark of human liberty. We must give to these poor people the whole truth, and 'the truth shall make them free.'

"Success in this direction can come only when our loyal Americans, our men and women who are true to the flag, will themselves become better educated in the great truths of our national life, because only with a full realization of the true relation of the individual to the Government can we be the support and the help of those who may be about us, who may have been less favored in life, in the matter of education and experience. Every American should be a lamp lighting the way of freedom, as well as a stone wall resisting every attack upon the integrity of the Nation.

HOW SHALL WE GET THE NAMES?

"The distribution must be intelligent—definite. Millions of dollars are wasted every year in sending through the mail pamphlets, advertising matter, copies of speeches, and books to people who do not need them, who do not want them, who will not read them.

"How shall a mailing list be procured?

"I must here confess that I have had considerable experience in the distant past in assisting in the management of presidential campaigns. It may be assumed that the men of all parties engaged in managing political campaigns have developed the most effective means for carrying on educational propaganda. It is all very simple. In each voting precinct in city and county is a committeeman selected to assist the State and national organizations in campaign work of all kinds. Early in the campaign the bureau of publicity, or the bureau of organization, will send out to this precinct committeeman a questionnaire, with interrogatories, the answers to which will give, among other things, the names of 'independent voters,' 'voters who sometimes scratch their ticket,' 'first voters,' 'dissatisfied voters,' 'doubtful voters,' 'voters who only occasionally go to the polls'—this latter class assumed not to be strong partisans. The precinct committeeman calls to his aid active party workers, who make a canvass of their own neighborhoods; sometimes the work is divided by school districts.

"When the questionnaires, properly filled out, reach headquarters the names are classified and put in mailing lists. Immediately the publicity, or educational, bureau transmits a suitable personal letter—form letter, of course, though most of the recipients do not know it—this is followed by daily or weekly pamphlets, copies of speeches, statistics, appeals—all educational—in the hope that the voter may by election day become convinced that he should vote 'right.'

"In other words, instead of scattering educational matter broadcast, an effort is made to reach the 10 or 20 per cent in each community who may be free from absolute party ties.

"So in this Americanization campaign some staunch American should be selected in each precinct. A questionnaire should go to him, which, when answered by the committeeman, aided by other loyal men and women, will give the names of those who are 'socialists,' 'suspected of being socialists,' 'I. W. W.'s,' 'subscribers to socialist or other radical papers,' 'radicals not otherwise classified,' 'those who appear to be discontented with industrial conditions,' 'those who are heard criticizing the courts or condemning the law,' 'those not otherwise classified whose absolute loyalty is doubted in the community,' 'all those of foreign birth who need help, not otherwise classified.'

"From these answers a mailing list should be made, and every week or two the mails should carry to them something in the way of education, personal letters, periodicals, magazines, pamphlets—anything and everything which will help to bring to them something of the vision of their country as it really is.

"This community classification will not only supply a mailing list, but the names of those needing help being furnished to the local Americanization committees, they can do much to aid in bringing these lost sheep back into the fold.

NOT ALL WILL BE SAVED.

"I am not oversanguine; I expect opposition; I look for resentment at this 'interference.' I am sure that many will write stern letters demanding that their names be stricken from the list. But even these are not hopeless. When a person writes, he deserves an answer, written in the true spirit of brotherhood, making an appeal for a hearing, giving assurance of no offense, pledging sympathy, and expressing a desire to be helpful. To such an appeal many will listen. But even if no man or woman be brought back to the true faith, we may be able to save their children, or some of them, who in 30 years will be making the laws of this country. This generation is going to protect the flag; the next generation may substitute the red rag for the Stars and Stripes.

WHO SHALL BEAR THE EXPENSE?

"The expense of this great peaceful movement to save the Nation will be borne—willingly borne—by those who contributed to save the Nation in the dark days of the war. All that is needed is a realization of the danger and of the duty."

REPAYMENT OF ALLIED DEBT.

Mr. BRANDEGEE. Mr. President, I ask unanimous consent to have printed in the RECORD an article from yesterday's New York World in relation to the debt which the Allies owe to us and the probability of its repayment.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York World, Dec. 7.]

REPAYMENT OF ALLIED DEBT—NOT A CENT OF INTEREST YET PAID ON MORE THAN NINE BILLIONS LENT BY THE UNITED STATES TO THE ALLIES—BY JANUARY 1 THE AGGREGATE, WITH ACCRUED INTEREST, WILL HAVE REACHED $10,505,919,494—IT HAS BEEN DECLARED RECENTLY THAT NOT A DIME OF THE BILLIONS WE HAVE ADVANCED WILL EVER COME BACK TO US DIRECTLY—ALREADY IT HAS BEEN PROPOSED THAT THE DEBT BE CANCELED AND WAR OBLIGATIONS POOLED—MONEY WAS ALL SPENT IN THE UNITED STATES FOR SUPPLIES AND MUNITIONS—GREAT BRITAIN'S ADVANCES TO ALLIES EQUAL OURS.

[By W. P. Beazell.]

"The armistice was signed a year and a month ago, but the war debts of the Allies to the United States are still mounting at a rate of more than $850,000 a day.

"No actual advance to any of them has been made since October 18, when an additional $1,000,000 went to Italy, but interest on the billions which have already been supplied is accruing ceaselessly, is not being paid, and is being added to the total due.

"By the end of the current calendar year this item of interest alone will have reached $858,500,000. The $9,647,419,494 which represents the credits actually extended by this country to its partners in the conflict against the Central Powers will then stand on the books at $10,505,919,494 really due.

"Just now in Paris financial agents of the Entente powers are seeking a basis of agreement regarding these debts. Ostensibly they are trying to find a way in which they may be changed from their present temporary status into something permanent. In reality, as many believe who have had opportunities for knowing what is really in the minds of the officials, they are feeling their way toward some device for the wiping out of the debts in their entirety.

"One man, whose relation to interallied affairs was of the most intimate character, said this to the World not long ago:

"'Our credits to Europe may as well be regarded as outright contributions to the cause of democracy. Not a dime of the billions we have advanced will ever come back to us directly. By the time these debts fall due, if not long before, a proposal will be forthcoming that they be formally forgiven as representing only a fair apportionment to America of the burdens of the war before she came in, and that we will be getting off cheap, at that.'

PROPOSAL THAT ALL THE WAR DEBTS BE POOLED AS A SINGLE OBLIGATION.

"As a matter of fact, this proposal has already been made. It was put forward in France during the peace conference, although not in the course of the deliberations at Versailles, and it was dropped then only because it was regarded as having been brought up prematurely.

"Within the past fortnight, furthermore, there has been a renewal of the suggestion that all the war costs of the Allies should be pooled and funded as a single obligation. As financial conditions now stand, this may be considered as merely another way of proposing that the United States should underwrite the whole huge sum.

"The negotiations now under way in Paris are for the deferment of interest payments as a first step toward formalizing the loans. Rates of exchange are so high that even if payments were made they would greatly increase the burdens of the debtor nations, and it has been proposed that no payments be attempted even for three years. Beginning in 1923, the proposal adds, an agreed-on share of the previously due interest should be added to that belonging to the current year until all had been accounted for.

"This arrangement would mean that 'when and if' the Allies began to pay interest there would be arrears of $1,800,000,000 to be taken care of. Interest is now running at the rate of $312,000,000 a year, which would amount, for the three years, to $936,000,000 and would have to be added to the $858,500,000 which will be due at the end of this month.

BRITAIN'S ADVANCES EQUAL OURS.

"One other very important factor in the pending negotiations involves the advances that Great Britain has made to the Allies. These amount to almost exactly as much as the advances made by the United States, and the one point of agreement reached so far is that there must be harmony between the dates of maturity fixed by England and America. Otherwise there will not only be confusion but exactions that the other nations can not meet.

"Small progress has been made with the negotiations at Paris. An infinite number of details have arisen for consideration, each of the debtor nations having its own peculiar circumstances to put forward for consideration, and among New York financiers there is an expectation that the present discussion may not progress much beyond the reaching of some understanding with regard to the payment of interest. It is possible that not even this will be determined at this time.

"It ought, however, to be borne clearly in mind that when these credits were established for the Allies there was no thought that they might not be paid. The question was squarely raised in a hearing before the Ways and Means Committee of the House, and then Albert Rathbone, Assistant Secretary of the Treasury, in charge of foreign loans, who is the agent of the United States in the negotiations now under way in Paris, made this declaration:

"'All the statements made by representatives of foreign Governments—I have in mind particularly the British—have been to the effect that it would be unthinkable that their Governments should not pay their debts. They say they do not want charity; that they have borrowed the money and intend to pay. There is nobody under heaven who can forgive these debts except the Congress.'

UNDERSTANDINGS BUT NO AGREEMENTS.

"Nevertheless, it is nearly three years since the first of these credits was established, and they still remain merely as demand obligations of the nations to whom they were extended. There are understandings but no agreements as to when they shall be paid and what interest they shall bear in the meantime. They have never been put into the guise of permanent and formal obligations, and while the good faith of the Governments has been pledged the debts are, just the same, nothing but matters of bookkeeping record.

"In the meantime the United States is in the position of paying the interest on these debts, which are owed to itself. The money for these credits came from the various Liberty loans, each act authorizing a loan authorizing the Treasury Department to advance to our Allies a certain proportion of the money raised by that loan. Interest on the Liberty bonds is, of course, being paid, and will be, although no interest is coming in from those to whom the bulk of the money was turned over.

"It should also be borne in mind that while this money was loaned to our Allies it was all spent in this country. Great Britain needed munitions; they were bought here and paid for with the credit established for them. France needed horses; they were bought here and paid for in the same way. Italy needed coal; the same process was followed. The actual result of all this was that while a short cut—very desirable in time of war—was taken the supplies that were bought here were paid for by the United States, and that it remains for the future to disclose whether the United States will ever be repaid.

SLIDING SCALE OF INTEREST RATES.

"The first credit to the Allies was established in April, 1917, immediately after we entered the war. It was provided that interest on this should be paid at the rate of 3 per cent. Almost at once the rate was raised to 3½, and when it became necessary to make the bonds of the first Liberty loan bear interest at 3½ per cent the rate to the Allies was raised to that figure. At this rate advances of $400,000,000 were made.

"Then it became apparent that the rate to the Allies would have to be higher, since the bonds would have to have a greater yield. Under the terms of the act authorizing the second Liberty loan it was provided that $4,000,000,000 might be loaned abroad, and the rate for that was fixed at 4¼ per cent. In April, 1918, the rate was again increased, this time to 5 per cent, and at this $5,000,000,000, in round numbers, was loaned.

"But even though each loan was made at a fixed rate of interest, none has ever been paid. At intervals the Treasury Department would make an interest call, but this amounted to nothing more than a computation of what was due. The amount was merely added to the sum of the principal. The last call of this kind was made last May, and it was expected that another will be made the first of the year. The same procedure as before will be followed.

"Tentative times of maturity of the loans have also been fixed, approximating the time at which the Liberty loans must be paid off. The money advanced under the first loan is due June 15, 1947. That advanced under the succeeding loans is due in 1938. Nothing has ever been done, however, as to details of payment.

OUR VARIOUS DEBTORS.

"The desire to reach a harmonious understanding with Great Britain especially has been influenced to some extent by the fact that Great Britain is our largest debtor under these credits.

"The list of them all is as follows:

Great Britain	$4,316,000,000
France	3,047,974,777
Italy	1,620,992,872
Belgium	343,445,000
Russia	187,729,750
Czechoslovakia	55,330,000
Greece	48,236,629
Serbia	26,780,465
Cuba	10,000,000

"Credits of $25,000,000 for Roumania and of $5,000,000 for Liberia never had claims made against them.

"A clearer understanding is being gained of the extremity of Europe as time passes. This extremity obviously has a very direct bearing on her debts to the United States, quite aside from the after-the-war assistance that will have to come from this country. This assistance will amount, it is computed, to at least $9,000,000,000.

DEBTOR NATIONS IN DISTRESS.

"Raphael Georges Levy, testifying recently before the general council of the parliamentary conference on trade, estimated the

'total financial damage suffered by France during the five years of war' at $70,000,000,000, of which $40,000,000,000 was material damage to property and $30,000,000,000 actual war costs. Next year—the first during which any reparation measures will be possible—the budget will amount to at least $5,000,000,000, part of which will be met by taxation and part by borrowing.

"France is preparing to borrow by means of the lottery bond issue scheme, which was voted down last week in the British Parliament. The device is an old and popular one in France, drawing each year retiring bonds at bonuses which represent a substantial reward to the holders. It is expected that the first loan under this plan will be for $10,000,000,000.

"In Italy there seems every probability that a forced loan will yet have to be resorted to. The proposal has been brought up repeatedly, one plan which was worked out in detail providing that possessions up to $4,000 should be exempt, but from that figure up to $10,000 they would be subject to a levy of 5 per cent, rising gradually to 40 per cent in cases of fortunes of $10,000,000 and upward.

"The forced loan has been a nightmare in all the countries of Europe. It has seemed so inevitable in many cases that it is in itself largely responsible for the delay in working out any real plans for rehabilitation."

TREATY OF PEACE WITH GERMANY.

Mr. McCORMICK. I present and ask to have printed in the RECORD an article from Harvey's Weekly analyzing the proposed reservations to the peace treaty:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NULLIFICATION OR AMERICANIZATION.

"Let there be no misunderstanding! The treaty as submitted by the President is no longer an issue. It is dead. It can not be resuscitated. All admit that. The treaty as modified by the Senate is dormant but not dead unless the President so wills. That treaty is the issue. There can be no other.

"What would ratification of that treaty involve—complete nullification or mere Americanization? There the line is drawn, sharp-cut and clearly defined.

"'The resolution in that form,' the President asserts as his opinion, 'does not provide for ratification but, rather, for the nullification of the treaty.'

"'The reservations,' Senator LODGE declares with equal positiveness, 'are designed solely to Americanize the treaty and make it safe for the United States.'

"One or the other must be wrong. Which is right? Let us analyze and consider clause by clause. Take first the preamble:

"'*Resolved (two-thirds of the Senators concurring therein)*, That the Senate advise and consent to the ratification of the treaty of peace with Germany concluded at Versailles on the 28th day of June, 1919, subject to the following reservations, understandings, and interpretations, which shall be made a part of the instrument of ratification, which ratification is not to take effect or bind the United States until the said reservations and understandings adopted by the Senate have been accepted by an exchange of notes as a part and a condition of said resolution of ratification by at least three of the four principal allied and associated powers, to wit: Great Britain, France, Italy, and Japan.'

"This is not rejection. It is acceptance. It 'advises and consents' to ratification. The sole condition is that three of the principal allied powers shall signify acquiescence in certain 'reservations, undertakings, and interpretations' to be enumerated. What can be the real objections to that procedure? The first is that it is unnecessary because under custom and precedent silence gives consent. Granted, with respect to ordinary treaties. But this, as Senator BRANDEGEE said, is not an 'ordinary peace treaty.' It is a permanent engagement on the part of the United States to abandon the policy which it has maintained since its formation and to join a coalition of 40 or more nations scattered over Europe, Asia, and Africa.

"Is there anything unreasonable in asking that the only terms under which the United States is willing to do this should be specifically recognized and accepted by three of the other powers concerned? If silence really does give consent equivalent to that of a signed note, why should Great Britain or France or Italy decline or hesitate to grant the written assurance of understanding to which under the circumstances we feel entitled? The way is made easy. No 'opening up of the whole treaty' is called for—only an 'exchange of notes' through ordinary diplomatic channels, which could be made in effect by cable in 48 hours.

"But it is urged that Great Britain would not do this because she could not stoop to bind herself definitely to assent to a certain reservation which incidentally deprives her of exceptional privileges. What can this mean except that she has no intention of recognizing that reservation under the plan of tacit acquiescence?

"It is argued further that Japan would take the same position respecting another reservation which only withholds the approval of the United States of a special territorial concession to her carved ruthlessly out of another faithful ally. Obviously, the query raised with respect to Great Britain here also applies with increased force.

"Other disquieting portents, moreover, are visible—one notably of a most sweeping character. Only last week Col. Robert R. McCormick, one of the proprietors of the Chicago Tribune, cabled to his great journal from London:

"'The London papers widely display the suggestion of the Presse de Paris that if America does not require the acceptance of the reservations in the peace treaty, the Allies will allow the league to be formed and later refuse to recognize the validity of the reservations.'

"'Therefore,' added Col. McCormick, with peculiar urgency, 'it is vital that the Senate does not omit a clause requiring their acceptance. The majority of the league, otherwise, would demand obedience to those sections reserved against under penalty of war.'

"This is what America wishes to avoid beyond peradventure. She is not willing to take the remotest chance that her safeguarding reservations shall be treated as 'scraps of paper.' The pledge to recognize them, we are assured, is embedded with binding force in assenting silence. Then why, asks the United States, Yankee fashion, not 'put it in writing?' We stand ready to sign everything we agreed to. Why should not the others if they are, indeed, sincere? Are they so proud and haughty and superior that they will deign to put only inferences against our bond? Even for policy's sake might they not do well to heed the admonition of our self-designated apologist, Mr. Taft, who pleads with suffocating sycophancy, 'You must be patient with the United States'?

"But though we be considered unduly meticulous in our contention and slightly impolite in our insistence, surely there is nothing in this simple preamble to warrant the President's interpretation.

"It does not nullify. It does ratify. Nobody can deny that.

"'1. The United States so understands and construes article 1 that in case of notice of withdrawal from the league of nations, as provided in said article, the United States shall be the sole judge as to whether all its international obligations and all its obligations under the said covenant have been fulfilled, and notice of withdrawal by the United States may be given by a concurrent resolution of the Congress of the United States.'

"This is purely interpretative. Article 1 grants privilege of withdrawal if all international obligations have been fulfilled, but it does not designate the judge of what constitutes fulfillment. The natural impression is that the league itself, like the Senate or House of Representatives, respecting its membership, would possess this power of determination. If so, withdrawal by the United States without indorsement by its eight fellow members of the council of its claim of fulfillment could be accomplished only through repudiation of its obligation and would involve a declaration of war against the league itself. If not, that is to say if the United States should be the judge, as it is according to the President, the reservation only makes plain that which is implied. Again, there is not a vestige of nullification.

"'2. The United States assumes no obligation to preserve the territorial integrity or political independence of any other country or to interfere in controversies between nations—whether members of the league or not—under the provisions of article 10, or to employ the military or naval forces of the United States under any article of the treaty for any purpose, unless in any particular case the Congress, which, under the Constitution, has the sole power to declare war or authorize the employment of the military or naval forces of the United States, shall by act or joint resolution so provide.'

"Upon the fundamentals of this declaration there is no dispute. All admit that under the Constitution the United States can not engage in war 'to preserve the territorial integrity or political independence of any other country' or 'employ the military or naval forces for any purpose' except by affirmative action of the Congress. The sole point is one of moral, not legal, obligation, and even here there is little, if any, differentiation. Both President Wilson and Senator BORAH assert that a moral obligation transcends a legal obligation, and that the United States would be in honor bound to recognize and abide by that admitted principle.

"The vital difference lies between the two words 'until' and 'unless'—the Congress 'shall so provide.' The clause proposed

by Senator HITCHCOCK as acceptable to the President includes 'until,' thereby retaining and conceding the transcendent moral obligation and making its application solely a matter of time. The Lodge reservation, on the other hand, through the use of 'unless,' holds strictly in Congress its constitutional prerogative to act 'in any particular case' that may arise without being hampered in the slightest degree by any moral obligation arising from commitment of the treaty-making branches of the Government.

"There is yet another phase of this notorious article 10 which should not escape attention. The President, Mr. Taft, and Senator HITCHCOCK have harped persistently upon a single string, namely, that in case of aggression or threat thereof the council has no authority to require this country, except as we have noted in response to a call upon its honor, to use its Army and Navy in enforcing the council's decrees, and, in support of this contention, they plausibly instance the English version of the covenant to the effect that the council shall only 'advise' as to the means by which the United States shall fulfill its obligation.

"But wait a minute! The official French version of article 10 reads as follows:

"'Les Membres de la Société s'engagent à respecter et à maintenir contre toute agression extérieure l'intégrité territoriale et l'indépendance politique présente de tous les Membres de la Société.

"'En cas d'agression, de menace ou de danger d'agression, le Conseil avise aux moyens d'assurer l'exécution de cette obligation.'

"'Avise aux moyens.' What does that mean in plain English? Merely to 'give advice,' as the President and Mr. Taft and Senator HITCHCOCK assert? Not at all. It is a common French idiom and translated accurately reads:

"'In case of aggression, of menace, or of danger of aggression, the council discusses (deliberates upon) and decides upon the means of assuring the execution of this obligation.'

"The French word for 'to advise' is 'conseiller; donner des conseils; recommander.' (Clifton & Grimaux French-English dictionary.) The meaning of 'aviser' (advise) (conseiller, persuader) is obsolete, according to Larousse, Grande Dictionnaire Universal, and antiquated (Spiers & Surenne). The French-German, French-Portuguese, and all-French dictionaries show that 'aviser aux moyens' has only an intransitive meaning, 'think of, reflect on, provide for, look to, supply, etc., the means' to attain an object. It conforms precisely to the Old Testament phrase, appropriated somewhat amusingly at times by the President, himself a doctor of divinity, to 'take counsel together' upon the means, etc., i. e., to decide them—in the Old Testament days after, but in Mr. Wilson's practice generally before, discussion.

"We readily acquit Mr. HITCHCOCK, who was educated in Baden-Baden, and Mr. Taft, who grew up in Cincinnati, of suspicion of anything beyond ignorance of the nuances of a language less familiar to them than German, but the obvious imperfection of Mr. Wilson's command of the French language, acquired during his long sojourn in Paris, is most disconcerting.

"The salient fact, however, is that the Lodge resolution does not declare that the United States will not cooperate in the manner indicated. It simply reserves to Congress the moral as well as the legal right to determine each case upon its merits under the conditions that may at the time exist.

"Clearly there is no nullification here. There is nothing whatever beyond prudent avoidance of the possible necessity of exercising a legal right to offset fulfillment of an obligation confessedly moral in its making but quite likely to prove wholly wrongful in actual performance.

"'3. No mandate shall be accepted by the United States under article 22, part 1, or any other provision of the treaty of peace with Germany, except by action of the Congress of the United States.'

"This simply makes clear the fact that the Executive, be he Woodrow Wilson or John Smith, can not commit the United States to assumption of control by force of another country without the assent of Congress. It prohibits nothing. It nullifies nothing.

"'4. The United States reserves to itself exclusively the right to decide what questions are within its domestic jurisdiction and declares that all domestic and political questions relating wholly or in part to its internal affairs, including immigration, labor, coastwise traffic, the tariff, commerce, the suppression of traffic in women and children, and in opium and other dangerous drugs, and all other domestic questions, are solely within the jurisdiction of the United States and are not under this treaty to be submitted in any way either to arbitration or to the consideration of the council or of the assembly of the league of nations, or any agency thereof, or to the decision or recommendation of any other power.

"'5. The United States will not submit to arbitration or to inquiry by the assembly or by the council of the league of nations, provided for in said treaty of peace, any questions which in the judgment of the United States depend upon or relate to its long-established policy commonly known as the Monroe doctrine; said doctrine is to be interpreted by the United States alone, and is hereby declared to be wholly outside the jurisdiction of said league of nations and entirely unaffected by any provision contained in the said treaty of peace with Germany.'

"Nobody in America—we hasten to except M. Clemenceau's spokesman, M. Lausanne, and other Europeans who take the contrary view—has been more insistent than the President in iterating and reiterating that the Monroe doctrine is, as he admits it should be, fully safeguarded and that American control of all domestic questions is likewise guaranteed by the treaty as submitted. Very good! These reservations simply emphasize and in no sense nullify the understanding to that effect.

"'6. The United States withholds its assent to articles 156, 157, and 158, and reserves full liberty of action with respect to any controversy which may arise under said articles between the Republic of China and the Empire of Japan.'

"That is to say, the United States declines to condone the spoliation of our ally China by our ally Japan, sanctioned by the European powers, but it does not set up even that awful crime as a cause of refusal to ratify the treaty. Shocking and shameful as the President himself admits the outrage to be, the reservation does not hold it to afford sufficient reason for nullification. It merely withholds America's approval of the greatest crime ever committed by presumably civilized, professedly honorable, and hypocritically Christian nations.

"'7. The Congress of the United States will provide by law for the appointment of the representatives of the United States in the assembly and the council of the league of nations, and may, in its discretion, provide for the participation of the United States in any commission, committee, tribunal, court, council, or conference, or in the selection of any members thereof, and for the appointment of members of said commissions, committees, tribunals, courts, councils, or conferences, or any other representatives under the treaty of peace, or in carrying out its provisions, and until such participation and appointment have been so provided for and the powers and duties of such representatives have been defined by law no person shall represent the United States under either said league of nations or the treaty of peace with Germany or be authorized to perform any act for or on behalf of the United States thereunder, and no citizen of the United States shall be selected or appointed as a member of said commissions, committees, tribunals, courts, councils, or conferences except with the approval of the Senate of the United States.

"'8. The United States understands that the reparation commission will regulate or interfere with exports from the United States to Germany or from Germany to the United States only when the United States by act or joint resolution of Congress approves such regulation or interference.

"'9. The United States shall not be obligated to contribute to any expenses of the league of nations, or of the secretariat, or of any commission, or committee, or conference, or other agency organized under the league of nations or under the treaty or for the purpose of carrying out the treaty provisions unless and until an appropriation of funds available for such expenses shall have been made by the Congress of the United States.'

"These provisions are purely domestic. They simply constitute the Congress a working partner with powers equal to those of the Executive in transaction of the business. The mere method thus prescribed is, of course, no concern whatever of the other powers.

"'10. If the United States shall at any time adopt any plan for the limitation of armaments proposed by the council of the league of nations under the provisions of article 8, it reserves the right to increase such armaments without the consent of the council whenever the United States is threatened with invasion or engaged in war.

"'11. The United States reserves the right to permit, in its discretion, the nationals of a covenant-breaking State, as defined in article 16 of the covenant of the league of nations, residing within the United States or in countries other than that violating said article 16, to continue their commercial, financial, and personal relations with the nationals of the United States.

"'12. Nothing in articles 296, 297, or in any of the annexes thereto, or in any other article, section, or annex of the treaty of peace with Germany shall, as against citizens of the United States, be taken to mean any confirmation, ratification, or ap-

proval of any act otherwise illegal or in contravention of the rights of the citizens of the United States.

"'13. The United States withholds its assent to Part XIII (articles 387 to 427, inclusive) unless Congress, by act or joint resolution, shall hereafter make provision for representation in the organization established by said Part XIII, and in such event the participation of the United States will be governed and conditioned by the provisions of such act or joint resolution.'

"These are self-protective measures pure and simple. They have no bearing whatever upon the treaty in the sense of nullification.

"'14. The United States assumes no obligation to be bound by any election, decision, report, or finding of the council or assembly in which any member of the league and its self-governing dominions, colonies, or parts of empire in the aggregate have cast more than one vote, and assumes no obligation to be bound by any decision, report, or finding of the council or assembly arising out of any dispute between the United States and any member of the league if such member or any self-governing dominion, colony, empire, or part of empire united with it politically has voted.'

"This is adroit, we admit with regret, when it ought to be direct. And yet the mere fact that it is obviously a ruse tends to establish the sincerity of the Senate in supporting ratification with effectual reservations. To avoid the delay and disturbance likely to ensue from adoption of textual or technical amendments this method was devised of notifying the world that the United States considers itself the equal of any other nation. The reservation, of course, can affect only Great Britain, and the sole objection that can possibly be raised by that great and friendly Empire would lie in her honest belief that in a supergovernment of the world she is fairly entitled to six votes to one for this recalcitrant but moderately successful colony—a natural and characteristic proposition, but one somewhat difficult to put over on even an unsophisticated people whose forefathers had the audacity to object to taxation without representation.

"The reservation itself, of course, nullifies nothing but the technically numerical and proportionately effective superiority of Great Britain over the United States, and, Mr. Wilson and Mr. Taft to the contrary notwithstanding, we guess that will have to be done.

"Now, there is the whole story. And this is the incontrovertible answer to the query which we propounded at the outset:

"The treaty has not been nullified by the reservations as a whole or in any particular.

"It has been Americanized in part, though by no manner of means in full.

"It ought to be beaten entirely. We hope it will be. But that is beside the mark. All we have in mind at the moment and all we have tried to demonstrate is that the President is wholly wrong in his pronouncement that the reservations spell rejection. They don't. They include ratification. Even Mr. Taft's flatulent concern to 'enforce peace' says:

"'The treaty, even with the reservations now adopted, can accomplish this purpose (peace preservation) and should be ratified. There is no adequate reason why it should not be.'

"We note in conclusion that the President's cautious note to Senator HITCHCOCK did not declare a final judgment. It conveyed no more than a mere 'opinion,' and opinions sometimes change.

"We still think that Mr. Wilson will take what he can get—even the 'irreducible minimum.'

"Remember, he can not run again."

SUGAR SHORTAGE.

Mr. BORAH. Mr. President, I ask the indulgence of the Senate to call attention to a press dispatch, under date of December 5, from Washington, by the United Press:

UNITED STATES SUGAR EXPORTS NOW AT HIGHEST PEAK—FIGURES MORE THAN DOUBLED IN YEAR IS SHOWN.

[By United Press.]

WASHINGTON, *December 5.*

The United States now is exporting sugar in larger quantities than ever before, despite the nation-wide shortage, latest Government reports showed to-day.

Reports collected by the Commerce Department explained the situation through October. There is no reason to suppose that exports have dropped since, officials said. Exports in that month totaled 180,197,446 pounds. For October, 1918, exports were 80,105,729 pounds.

Sugar now is being sent out of the country at the rate of more than 50 per cent of the total product, according to reports to the Agricultural Department, which show that for the fiscal year ending June 30, 1919, total production was 2,099,000,000 pounds. Exports for this period totaled 1,119,000,000.

The beet-sugar crop this year will be greater, but there will be a great reduction in cane sugar, according to preliminary reports to the Agricultural Department.

I have a letter addressed to me by a business man in Pittsburgh in which this paragraph appears:

Here we are, exporting practically 100,000,000 pounds more per month than usual, and still there is not one family in ten that has a week's supply of sugar. In fact, Pittsburgh has not had for nearly four months the average of 1 pound of sugar to a family. I know this is true also in other sections, and still the exporting continues to increase. Why? Simply because the speculators can get more for their sugar as an export article than they can under the "sugar-control"—

And so forth.

Mr. President, I do not know whether or not this statement is accurate, but I assume, of course, that it is. It comes from a responsible source. If it is, it is certainly entitled to some consideration at the hands of those who have control of this situation. I should like to ask the Senator from Utah [Mr. SMOOT], who is doubtless familiar with this subject, and the Senators from Louisiana, both of whom are present, whether or not they are familiar with the facts, and whether or not it is true that we are now, at a time when the people of America are eating sugar made of corn, exporting 50 per cent more sugar than we exported for the same time during this period last year?

Mr. SMOOT. Mr. President, I will say to the Senator from Idaho that I have not the information to confirm the figures referred to in that article, but I do know that sugar has been exported, and I called the attention of the Senate and of the country to the fact about the 1st of October. I was assured at that time that the exportation of sugar from this country would cease; but the latest information I have is that it is still being exported from the United States to European countries.

Mr. KING. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. KING. I know that sugar is being exported, because I talked with one of the supercargoes only day before yesterday, and he stated that two vessels are now being loaded at New York for the purpose of being sent to the Mediterranean Sea; but I want to say to the Senator, if he will pardon me, that Congress is largely to blame, because we have refused to adopt such regulatory measures or pass such legislation as was necessary to control the situation.

Mr. BORAH. I am disposed to challenge that proposition, Mr. President.

Mr. POMERENE. Mr. President——

Mr. SMOOT. I should like to answer my colleague in the statement just made by him. I think my colleague is mistaken when he says it is the fault of Congress.

In the hearings it was positively testified that the sugar of Cuba was not to be purchased by the Government of the United States, although the Equalization Board has recommended that to be done, and the Cuban sugar was left to be purchased by the refineries of foreign countries as they saw fit; and the two cargoes of sugar that were loaded last week are made up of sugar that was purchased from Cuba by foreign countries and sent to America to be refined here and shipped from the refineries.

The great mistake was made when the administration refused to purchase the Cuban crop. The law is in force until the 1st day of January next. The Cuban sugar ought to have been purchased, but it was not done.

Mr. GAY and Mr. POMERENE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Idaho yield; and if so, to whom?

Mr. BORAH. I yield to the Senator from Louisiana, and then I will yield to the Senator from Ohio.

Mr. GAY. Mr. President, the Louisiana Senators will be very glad indeed to give the information.

The Government has been refining sugar on toll. There is about 50,000 tons of sugar belonging to the British Royal Commission which has been purchased in Cuba, and that sugar is being brought to this country and refined on toll and sent to Great Britain or to other points to which the British royal commissioners see fit to ship it. Mr. Zabriskie, the president of the Sugar Equalization Board, made the statement that there was no sugar being exported from this country except that which the British Royal Commission had already purchased and which was being refined in this country on toll, as stated before.

Now, there is a great difference of opinion with regard to the question of whether or not this sugar should have been bought months ago by the Sugar Equalization Board. If the Senator will allow me, I will be glad to read what Prof. F. W. Taussig, who is a member of that board, had to say on that subject:

I regret not to be able to reach the same conclusion as the other members of the Sugar Equalization Board. I believe that no negotiation should be entered into with the Cuban producers, and that the regulation and restriction of sugar prices should cease with the close of the present arrangement, December 31.

It is true that the evidence now available points to a shortage of sugar in 1920 and to a possibility of prices in that year as high as those of 1919, or even higher. But no certain conclusions can be reached about the future. Prices of sugar will be affected not only by the incoming supplies, but by the general political and monetary conditions of the whole world. The general level of prices in the United States and in other countries may be lower than it is now. Consumption may be reduced by changes in general business conditions or by restrictive measures in importing countries. The present recommendation of the board is that the United States (through the board) should repeat a huge commercial venture, in the hope of protecting conumers and of incurring no loss, but with the clear possibility of having to assume a loss. The operation would involve a guaranty by the Government of extremely high profits to the Cuban sugar planters, and also a virtual guaranty of similar profits to our beet-sugar producers as well as to the planters of Louisiana, Hawaii, and Porto Rico. It would necessarily lead to contracts with the sugar refiners which would guarantee good profits to them also. No doubt in the absence of Government regulation all these producers might make profits higher still; but prediction as to the outcome one way or the other can not be made with any confidence. Business of this kind may be undertaken by the Government under stress of war, but should cease now that we are at peace.

Moreover, the regulation of the price of sugar can not in my judgment stand alone. The whole relation of government to industry in time of peace is involved. If the price of sugar is to be specifically controlled, so should that of bread, of meat, of clothing. In the main we must look for a remedy to the natural development of production and to the return of the entire world to normal financial and economical conditions.

That is the statement of Prof. Taussig, a member of the Sugar Equalization Board, and that advice evidently was followed by the President.

Mr. BORAH. Who constitute that entire board?

Mr. GAY. I think the names of the members are in this report. Mr. Zabriskie is the president of the board. Mr. William A. Glasgow, of Philadelphia, is a member of the board. Mr. Herbert Hoover is a member. I do not recall the names of the others.

Mr. BORAH. I thank the Senator.

Mr. GAY. The names are published, however, in the hearings which were held recently before the Committee on Agriculture and Forestry. I shall be very glad, indeed, to insert the names if the Senator will permit me:

SUGAR EQUALIZATION BOARD.

George A. Zabriskie, president; Herbert Hoover, William A. Glasgow, Theodore F. Whitmarsh, Edgar Rickard, Dr. F. W. Taussig, Clarence Wooley, E. Edward Shattuck.

Mr. SMOOT. Mr. President, Mr. Glasgow, I think, has given more attention to this subject than Mr. Zabriskie, and I know that both of them have given more attention to it than Dr. Taussig. I know that all of the members of the board, with the exception of Dr. Taussig, were in favor of purchasing the Cuban crop of sugar.

There was a propaganda started—I do not know from what source it originated—with a view of creating in the minds of people the impression that there was going to be not a shortage of sugar for the year 1920 but a surplus; and Dr. Taussig seems to be the only member of the board who took that position. I want to say that the Equalization Board was told not once but many times that the beet-sugar producers of this country were ready and willing to enter into a contract with the Government of the United States that they would not sell sugar above a certain price, and they even went so far as to say that they would allow the board to fix the price, but nothing was done.

I have not any doubt but that there is a shortage of sugar in the world, and anybody else who has followed the question knows that the production of sugar in the world this year of 1919 is not sufficient to meet the needs of the people of the world, and some parts of the world will not be able to secure sugar sufficient for their wants.

Mr. HARRISON. Mr. President, will the Senator from Idaho allow me to ask the Senator from Utah a question?

Mr. BORAH. Certainly.

Mr. HARRISON. Does the Senator think it is too late now to purchase part of the Cuban crop of sugar?

Mr. SMOOT. Mr. President, I am fearful that it is, because of the fact that the great bulk of it has already been purchased, and the holders of the balance of the sugar realize the great advantage in the position they occupy. We have no power to compel them to sell sugar at any price lower than that at which they desire to sell it.

Mr. HARRISON. The Senator said that the fault was with the administration and was not with Congress.

Mr. SMOOT. Yes.

Mr. HARRISON. The Senator is aware of the fact that there was a bill introduced, either in the latter part of October or the first part of November, providing that the Government should purchase a part or all the Cuban crop of sugar.

Mr. SMOOT. No, Mr. President, the bill was not for that purpose. The bill was for the purpose of compelling sugar producers and purchasers to secure licenses before selling sugar.

Mr. HARRISON. Yes; it was for the purpose of compelling licenses to be issued, and at the same time to purchase the Cuban crop of sugar.

Mr. SMOOT. The board has that right now.

Mr. HARRISON. There is a difference of opinion as to that.

Mr. SMOOT. There is no difference of opinion with the members of the board. Dr. Glasgow does not think there is any difference, and Mr. Zabriskie, the chairman of the board, does not think there is any.

Mr. HARRISON. The Equalization Board came before the Committee on Agriculture, and they said they did not think it would be advantageous to purchase the Cuban crop of sugar unless they were given the authority to regulate the price of sugar in the United States, and the Committee on Agriculture reported out what is known as the McNary bill on November 3. That bill has been on the calendar ever since. We have been unable to get it up and pass it in the Senate. It would seem to me that we ought to pass that bill at the very earliest possible moment. It may be that we can give some relief to the people.

I want to say in this connection that when the Committee on Agriculture was hearing these gentlemen on that proposition they said that if we did not purchase the Cuban crop of sugar and did not have regulation touching the sale of sugar the price of sugar would not go over 11 or 12 cents a pound. That was presented to us not by the Equalization Board but by other people. Sugar has gone in some instances to 27 cents a pound. It is being sold in my State at 27 cents a pound. Some of the producers in Louisiana are charging 18, 19, and 20 cents a pound. It does seem to me that if in order to bring the price of sugar down we have to give authority to regulate the price that is to be fixed to the consumers we ought to do it, and I would go that far, even though I voted in the committee against it.

Mr. GAY. Will the Senator from Idaho yield, that I may ask the Senator from Mississippi a question?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Louisiana?

Mr. BORAH. I yield.

Mr. GAY. I would like to ask the Senator from Mississippi [Mr. HARRISON] if we should go that far in regard to cotton and other commodities?

Mr. HARRISON. I do not think it is necessary to go that far in regard to the price of cotton.

Mr. GAY. I wanted merely to get the Senator's view.

Mr. HARRISON. In this country we are not exporting sugar. We have not a supply of sugar on hand. We do export a great deal of cotton. If we have to purchase sugar from abroad, we ought to get it from abroad.

Mr. SMOOT. Mr. President, I wish to say to the Senator from Mississippi that if the people of his State are paying 27 cents a pound for sugar, I can not see why action is not taken against the people selling at that price, under existing law, as profiteers. I understand that the Equalization Board have stated that under the conditions existing in Louisiana, and affecting the Louisiana sugar crop, 17 cents would not be a profiteering price for the sugar.

Mr. OVERMAN. Why not?

Mr. SMOOT. I am going to show. The reason given is that the crop is a very limited one, and the expense of manufacturing sugar in Louisiana this year is such as to justify a charge of 17 cents a pound.

Mr. THOMAS. Mr. President, may I ask the Senator when the United States Government became a guarantor of profits in any business?

Mr. GAY. I can answer that question, if the Senator will permit me.

Mr. THOMAS. Let me ask, in another form, the same question which was asked just now by the Senator from Louisiana [Mr. GAY] of the Senator from Mississippi [Mr. HARRISON]. Suppose that weather conditions or other difficulties should result in a shortage of the cotton crop. Must Uncle Sam come forward with the Treasury containing money wrung from the taxpayers to make a profit to the cotton raisers or to please the wheat growers or any other producers of the country? If so, then we are certainly launching upon a governmental policy that has no limitations. And if my law practice fails, if I should ever go back to it, I will expect the Government of the United States to supplement my deficiencies with a very appropriate arrangement by which I could get money from the United States Treasury.

Mr. SMOOT. I want to say to the Senator from Colorado that if sugar took the same course that cotton is allowed to take, sugar would be selling all over the United States at 20 cents a pound.

Mr. THOMAS. That may be; and even more.

Mr. OVERMAN. Mr. President, if the Senator will yield to me, I wish to call attention to the question asked by the Senator from Louisiana [Mr. GAY]. This is a very interesting question to me. I received a letter from a constituent the other day saying that he could not buy any sugar where they had been buying it for 25 or 30 years, in New York, but they were required to go to New Orleans. They have adopted some zone system by which they have to buy it down there instead of buying it in New York. He stated that they could buy it in New York for 9 cents, but had to pay 15 or 20 cents in New Orleans. I referred the matter to the board, and they said we ought to buy it where we could get it and not buy it where we could get it cheapest, and we were forced to buy it in New Orleans instead of New York.

I would like to ask the Senator from Louisiana why that regulation? Where does it come from, and what authority have they to regulate my right to buy in a high market when I could buy in a low market?

Mr. GAY. If the Senator from Idaho will still yield, I will answer that question.

Mr. BORAH. I yield.

Mr. GAY. As the Senator from North Carolina well knows, we are presumably at peace but technically we are still at war. There are some commodities that are still controlled under war-time regulations, and sugar happens to be one, in so far as certain contracts that were made during the war with the Cuban planters and the bringing of sugar into this country are concerned.

The contracts which were made during the war with the beet people and with the sugar producers of Louisiana have expired, and the producers of sugar in the United States feel that sugar should be treated like every other American agricultural product; that it should be regulated according to the law of supply and demand.

Mr. KING. Mr. President, will the Senator yield? I want to correct one statement just made.

Mr. GAY. Will the Senator permit me to finish my statement?

Mr. KING. I think the Senator ought to have his statement corrected. I think he will be glad to do so. I think he is in error in saying that the sugar producers of the United States desire the law of supply and demand to take effect, if he means by that that the sugar producers all desire these high prices. I know that the beet-sugar people of the West were perfectly willing, and are now, to sell sugar at 9 and 10 cents a pound, and they do not want 15, 18, or 20 cents a pound. If the Louisiana sugar producers are charging that, I think it is an outrage.

Mr. GAY. The Senator may think that the people do not want the law of supply and demand to regulate, but on that I think the Senator is in error, for I have heard from some of his friends in the beet section that it is simply a case of trying to have the law of supply and demand go into effect.

In regard to the zone system, let me say that the Food Administration did divide the country into a zone system whereby sugar from the West should supply a certain territory, sugar produced in the South should supply a certain territory, and sugar that is manufactured or refined in the East should supply a certain territory.

That zone system will in all probability come to an end when the Sugar Equalization Board goes out of existence on the 1st of the coming January. It is my opinion that had the Sugar Equalization Board come to an end in August last, people who are in the business of importing into this country would have known the Government's policy, and we would not have had this great scarcity of sugar at this time.

Let us bear in mind that sugar has been the cheapest article of food in the United States. There is a world shortage of sugar. The price has been held down in this country by artificial means and consumption has been greater than ever before. This caused the American consumer to eat a normal year's supply in nine months, which is the admitted cause of the temporary shortage to-day.

Mr. OVERMAN. I wish to ask the Senator why, when the grocers in my part of the country have been buying their sugar in New York at from 50 to 75 per cent less than they can buy it at New Orleans, they should be compelled to buy it at New Orleans?

Mr. GAY. The sugar producers of Louisiana are not under any contract with the Government to supply sugars below the cost of production. However, they did agree that they would not sell their sugars above 17 cents for yellow sugars for this season. They could only be prosecuted under the law for profiteering, and even at 20 cents they would not be profiteers, for they have a crop failure throughout the State. There is no reason why the people of North Carolina can not buy sugars from New York when the zone system comes to an end, and that will be on the 1st of January, when the Equalization Board ceases to exist.

The reason why the sugar in New York is being sold at the price that it is is that there is a remnant from the contracts made during the war which is still being refined in this country and being distributed in that territory, and North Carolina, unfortunately, is not in that zone.

Mr. POMERENE. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. BORAH. I yield to the Senator from Ohio.

Mr. POMERENE. If I may be permitted to say a word, I have taken this subject up not only with the Attorney General but with the United States Equalization Board. It is not correct to say that the department fixed a price for Louisiana sugar, as I am informed, but they attempted to limit the profit which the Louisiana sugar producer should be permitted to get for his crop. It was said that the Louisiana crop was a 50 per cent failure. They have been selling at 17½ and 18 cents. Just within two or three weeks I had a letter from a prominent wholesale grocery firm of Columbus, Ohio, which inclosed a circular letter which had been issued by a sugar broker in which he stated that he had recently bought 18,000 barrels of Louisiana sugar at 17½ or 18 cents, although I am not entirely clear in my own mind at the present time as to the exact figure, and said that they could buy more if orders were placed promptly. At the same time in the beet-sugar district the price had been fixed at 10½ cents per pound. The result was that there was cane sugar from Louisiana, for which the dealer paid 18 cents per pound, or thereabouts, and beet sugar, for which he paid 10½ cents per pound. I know of no way whereby the ordinary consumer can distinguish between beet sugar and cane sugar. It can not be done. Those prices prevailing in a given locality would give a splendid opportunity for every dealer to profiteer when it came to the sale of beet sugar.

In addition to that, at the time when this price was fixed of 10½ cents by the Department of Justice, the United States Equalization Board had told the beet-sugar producers that they would give them 11 cents a pound for all they had on hand the latter part of November. The result of these statements has been that many of the beet-sugar firms have been withholding from the market their beet sugar, and that has led to the scarcity throughout the country.

We have in Ohio, I believe, five beet-sugar plants, and there are some in Michigan. They were supposed to supply that section of the country. I was informed that it was proposed to adopt some sort of a zone system whereby the beet sugar would be confined to one section, the Louisiana sugar to another, and the Cuban sugar to another.

I know that the subject of the hoarding of sugar has been investigated and is being investigated. I am satisfied that there is not such a scarcity of sugar in this country as dealers would make believe.

Further, as to the question of the shipping of sugar abroad, it is true that there was some sugar shipped abroad earlier in the season. My information from the United States Equalization Board was that the sugar which was being shipped was a part of last year's Cuban crop, and that when it was bought by this Government it was with the understanding that a certain portion of it—I think one-third—would be given to our allies.

I have been hoping that this matter would be pressed a little further and that we should buy the Cuban crop, if we could get it, though we have now to compete in the market with our allies to get it, and the probabilities are that we would have to pay more for it, if we could get it at all, than we would have had to pay a short time ago.

That is, in brief, the situation as I have understood it. I know people everywhere are having difficulty in getting sugar, but, in my judgment, there is at least enough sugar in this country so that the people do not have to be in want, as they are now in fact.

Mr. BORAH. If it were not for the speculators.

Mr. RANSDELL. Will the Senator from Idaho yield to me?

Mr. BORAH. Certainly.

Mr. RANSDELL. Mr. President, I want to say just a word in explanation about the situation in Louisiana. That State normally makes about 300,000 tons of sugar. This year it is going to make—I hope the Senator will give me his attention—

about 100,000 tons. We thought we would make about a 40 per cent crop when we began to harvest, but owing to the continued rains and very warm weather, which prevents the sugar cane from maturing, I am told by Judge MARTIN, who represents the sugar district where practically all the Louisiana sugar is made, that we will not get over a 25 per cent crop.

If it had not been for the understanding which the Louisiana sugar growers had with the Department of Justice, acting through the Federal district attorney in New Orleans, that the Louisiana crop might be sold at 17 cents per pound without fear of prosecution for profiteering, the Louisiana growers could have received a great deal more than 17 cents per pound. They were being offered more than 17 cents and were being begged to sell the sugar at more than 17 cents.

Mr. POMERENE. Mr. President——

Mr. RANSDELL. I wish to make my statement, and then I will yield.

The Department of Justice, seeking to do everything possible to straighten out the situation and intending to prosecute all profiteers, had the conferences with representatives of the Louisiana growers, and acting through the Federal district attorney of New Orleans, with several former high officials of the Government aiding him, on the one side, and a number of Louisiana planters on the other, it was decided that if the sugar producer sold at not more than 17 cents per pound he would not be guilty of profiteering, owing to the very, very small production. That is the Louisiana situation.

As to the beet crop, we are informed that the beet producers made more than the normal crop this year; as to the Hawaiian crop, they made more than normal; as to the Porto Rican crop, they made more than normal; as to the Cuban crop, they made more than normal. This country consumes normally in the neighborhood of 4,000,000 tons of sugar per annum. We raise in the United States and our insular possession—Hawaii and Porto Rica—about 2,000,000 tons. Cuba raises normally about 4,000,000 tons, and this year is producing about 4,500,000.

So the United States, outside of her continental and insular possessions, which, as I said, will produce 2,000,000 tons, will have to purchase about 2,000,000 to 2,500,000 tons from Cuba. Unfortunately this year we are consuming so much more sugar than ever before—about 92 pounds per capita for every man, woman, and child in the United States as against 84 pounds heretofore. You can make the calculation yourselves. That means 8 pounds per capita more for 110,000,000 people. It is an immense additional consumption of sugar.

We have in the United States available for use, in round numbers, 2,000,000 tons, and that does not take in anything from the Philippine Islands, which produce about 150,000 tons. We have available the Porto Rican crop and the Hawaiian crop and the beet crop and the Louisiana crop. Then, of course, we have available what we can buy from Cuba. We ought to buy about 2,500,000 tons from Cuba.

What is going to happen to the balance of the Cuban crop? There is a big demand from all over the world for sugar. Germany, as we all know, used to make an immense quantity of it. Her production of sugar has been practically destroyed. Austria used to produce a great deal of sugar, but her production has been practically destroyed by the war. France made plenty of sugar for home use, but her production has been cut down tremendously.

So there is a considerable demand for sugar in Europe, and I rather think there will be more effort and more demand on the part of European nations to buy the surplus of the Cuban crop over and above what we need than there has been heretofore. But I agree with the Senator from Ohio [Mr. POMERENE] that there is plenty of sugar. There is no reason why the tremendous apparent sugar shortage should exist. We have always had to go to Cuba for some of our sugar, and there is a large amount there now available.

Mr. POMERENE. Will the Senator yield now for a question?

Mr. RANSDELL. I yield.

Mr. POMERENE. My information from Ohio is that the beet sugar in that section can be sold at 10½ to 11 cents a pound for the refiner and at a very good profit. I want to confirm the statement made by the junior Senator from Utah [Mr. KING]. I have information corroborating what he has said as to the price of sugar in the far West. There is at least for the present a sufficient supply of beet sugar to meet all present demands in Ohio, Michigan, and that section of the country. Assuming that to be so, ought the public that consumes this sugar in Ohio, Michigan, and Indiana be required to pay the refiner either 17½ or 18 cents and give that exorbitant price to the refiners because, perhaps, unfortunately in another section of the country they had a partial failure of the crop and they can not make a profit out of that?

I would like to be just to all sections of the country if it is possible to be just to them, but I have not in mind now, at least, any plan whereby these prices can be fixed so that we can help the Louisiana producers make a large profit and not make an exorbitant profit for the beet-sugar people. Meanwhile the public is suffering for the want of sugar.

Mr. RANSDELL. In answering the Senator I would say that he is a little mistaken in assuming that the Louisiana planter is going to make a big profit on sugar at 17 cents a pound. Unfortunately a great many of them are going to lose money and would lose a great deal even if they got 20 or 25 cents a pound. I do not know just what is the solution of the situation.

It seems to me it is one of the troubles we have inherited from the war. I do not think it would be fair to the consuming public of America for the beet-sugar producers to get more than a just and proper price for their product. I believe every producer of an agricultural commodity ought to get a just and proper profit on his enterprise, but I understand, as does the Senator from Ohio, that 10½ cents per pound would give the beet-sugar producers a good profit. I am under the impression that 10½ cents a pound would give the Porto Rican producer of cane sugar and the Hawaiian producer of cane sugar a good profit, and that price would certainly pay very handsomely the Cuban producer of sugar, after deducting the duty and the transportation charge to this country. But that price would not let the Louisiana people out whole.

Just what the remedy is I can not say unless we wish to do violence to all the laws of supply and demand and pass arbitrary provisions permitting the Sugar Equalization Board to buy all the sugar crops in this country, dish them out at a price which would give a fair profit to all concerned, and have the Nation stand the loss on the extra price that would have to be paid to the Louisiana producer in order to save him from loss.

That in substance is what was contemplated by the McNary bill, that the Sugar Equalization Board would purchase all the sugar from our own producers and such amount of the Cuban crop as would be necessary. They would then sell it to the consumers of this country at, I suppose, 10½ to 11 cents per pound. I think there was some talk about selling the small Louisiana crop, which is not one-fortieth this year of what is needed by the American consuming public—it is a very small amount—to the sweet-drink men and the candy people. It was said they would gladly buy all the Louisiana sugar without any losses to the Equalization Board. I think that might have been arranged, but Congress did not see fit to pass the legislation.

The Equalization Board insisted that they could do nothing practical and successful unless given the power of control, the power of license, the power of regulation. Congress is not prepared—and I do not think the Senator from Idaho [Mr. BORAH] or the Senator from Utah [Mr. SMOOT] is prepared at this moment—to say that we should pass a law giving the power of license, regulation, and control to the Sugar Equalization Board, or to any other governmental agency, to interfere with the laws of supply and demand, to go into my place of business and tell me what I should do with it. These things were done during the war.

Mr. BORAH. If the law of supply and demand is going to be abrogated, I want it abrogated by the Government and not by profiteers.

Mr. RANSDELL. I assure the Senator there is no profiteering in Louisiana.

Mr. BORAH. I am not picking out particular places, because I have not the information to do so, but as I have sat here and listened to the different experts upon the sugar question I have no doubt in the world but what there is profiteering.

Mr. RANSDELL. I rather imagine there is some profiteering, but it is not by the Louisiana producers. I wish to say that I am now simply speaking for the men who produce sugar in Louisiana. They certainly are not profiteering in selling their crop at 17 cents per pound.

Mr. McNARY. Mr. President——

Mr. BORAH. I yield to the Senator from Oregon.

Mr. McNARY. Mr. President, I entered the Chamber a few moments ago, and I observe that the discussion has been concerning the sugar situation. Some time in October last I proposed three different measures authorizing the Sugar Equalization Board to acquire all sugars of the crop of 1920. I simply desire to notify the Senate that to-morrow, during the morning hour, I propose to ask permission to take up for consideration the so-called sugar bill. The reason I do not do so to-day is because of the fact that there are only 45 minutes left of the morning hour during which that bill might be considered. I desire to say something on the situation as I view it and in reference to the hearings which have been had on the subject before the subcommittee of which I was chairman. I shall ask

the privilege to-morrow morning in the morning hour of having the bill taken up for final consideration.

Mr. POINDEXTER. Mr. President, I call for the regular order.

The VICE PRESIDENT. Reports of committees are in order.

REPORTS OF COMMITTEES.

Mr. McLEAN, from the Committee on Banking and Currency, to which was referred the bill (S. 3109) to amend section 26 of the act approved July 17, 1916, known as the Federal farm-loan act, reported it without amendment and submitted a report (No. 317) thereon.

Mr. SUTHERLAND, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 1455) for the relief of John L. O'Mara (Rept. No. 319);

A bill (S. 2954) to remove the charge of desertion from the military record of Albert F. Smith, deceased (Rept. No. 320); and

A bill (S. 3152) for the relief of George W. Mellinger (Rept. No. 321).

Mr. MYERS, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1453) for the relief of Adolph F. Hitchler (Rept. No. 322); and

A bill (S. 1454) for the relief of John F. Kelly (Rept. No. 323).

He also, from the same committee, to which was referred the bill (S. 3176) to authorize the President of the United States to appoint Marion C. Raysor an officer of the Army, reported it with an amendment and submitted a report (No. 324) thereon.

Mr. NEW, from the Committee on Military Affairs, to which was referred the bill (S. 3348) to create a department of air, defining the powers and duties of the director thereof, providing for the organization, disposition, and administration of a United States air force, creating the United States air reserve force, and providing for the development of civil and commercial aviation, reported it with amendments and submitted a report (No. 325) thereon.

CONFERENCE ON INTERNATIONAL COMMUNICATION.

Mr. LODGE. From the Committee on Foreign Relations I report back unanimously without amendment the bill (H. R. 9822) to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication. I ask that it may have present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, requested and authorized in the name of the Government of the United States to call, in his discretion, an international conference to assemble in Washington, and to appoint, by and with the advice and consent of the Senate, representatives to participate therein, to consider all international aspects of communication by telegraph, telephone, cable, wireless telephone, and wireless telegraphy, and to make recommendations with a view to providing the entire world with adequate facilities for international communication on a fair and equitable basis.

SEC. 2. That the sum of $75,000, or so much thereof as may be necessary, is hereby appropriated out of any money in the Treasury not otherwise appropriated, the same to be disbursed under the direction and in the discretion of the Secretary of State for expenses incidental to the conference, including personal services in the District of Columbia notwithstanding the provisions of any other act: *Provided*, That no part of said sum shall be used in entertainment or for the purchase of medals and badges.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. LODGE. I ask leave to have printed in the RECORD a letter from the Secretary of State, the message from the President of the United States on the subject, and the House report on the bill.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, December 3, 1919.

The Hon. HENRY CABOT LODGE,
United States Senate.

MY DEAR SENATOR: You will recall the message which was sent to the Congress by the President on September 10 relating to a proposed international conference for the consideration of all aspects of communication by land, sea, and air. The message was printed as Senate Document 88 and was referred to the Committee on Foreign Relations. At your request a draft bill was later submitted to the Congress, and the House, on October 22, passed it with certain amendments.

I need hardly remind you of the very great importance and the extreme urgency of this matter. Because of the delicacy of the questions involved it is perhaps more difficult to go into them in a letter than it would be to discuss them with you personally or with the members of the Foreign Relations Committee. If there is any information which you desire and which I am able to furnish, I shall be most happy to see you or to appear before the committee for that purpose. If you desire more detailed and technical information than I am able to give, I will arrange to have the officials who have advised the Government on this matter appear before you at any time which may be convenient.

I am, my dear Mr. LODGE,
Very sincerely, yours,

ROBERT LANSING.

[Senate Document No. 88, Sixty-sixth Congress, first session.]

INTERNATIONAL TELEGRAPHIC CONFERENCE.

Message from the President of the United States, transmitting report from the Secretary of State with reference to the proposed international conference to be held in Washington, October, 1919, to consider all aspects of telegraphic communication by land, sea, and air.

To the Senate and House of Representatives:

In view of the provision contained in the deficiency act approved March 4, 1913, that "hereafter the Executive shall not extend or accept any invitation to participate in any international congress, conference, or like event without first having specific authority of law to do so," I transmit herewith for the consideration of Congress and for its determination whether it will authorize the extension of the invitation, and the appropriation necessary to defray the expenses incident thereto, a report from the Secretary of State with reference to the proposed international conference to be held in Washington during October next, or at such later date as may be convenient to the powers concerned, to consider all international aspects of communication by land telegraphs, cables, and wireless telegraphy and to make recommendations to the powers concerned with a view to providing the entire world with adequate facilities of this nature on a fair and equitable basis.

WOODROW WILSON.

THE WHITE HOUSE,
September 10, 1919.

The PRESIDENT:

During the course of the discussions in the council of five, regarding the disposition to be made of German cables, the following agreement was reached:

"The principal and allied and associated powers shall as soon as possible arrange for the convoking of an international congress to consider all international aspects of communication by land telegraphs, cables, and wireless telegraphy, and to make recommendations to the powers concerned with a view to providing the entire world with adequate facilities of this nature on a fair and equitable basis."

I learn that the four principal allies, namely, Great Britain, France, Italy, and Japan, have accepted, in principle, the suggestion to meet in Washington during October next, or at such later date as may be convenient to them, for the purpose of making a study of the entire communications problem in all its aspects, which would include a consideration of the broader activities of the international telegraph and radiotelegraph unions of the interallied radio commission. I am convinced that the proposed conference offers a rare opportunity not only to provide the entire world with adequate facilities of this nature on a fair and equitable basis, but to promote world peace, mutual understanding and fellowship arising from a communications system free from special privileges and placing each part of the world in immediate contact with every other part.

The Executive being prohibited by a provision of the deficiency act approved March 4, 1913, from extending an invitation of this nature without specific authority of law, I have the honor to request that, should you approve, this matter be laid before Congress for its decision as to whether it will authorize the extension of the formal invitation and will provide the appropriation of $75,000, which it is thought will be required for United States representation in this international conference.

Respectfully submitted.

ROBERT LANSING.

DEPARTMENT OF STATE,
Washington, September 4, 1919.

[House of Representatives, Report No. 387, Sixty-sixth Congress, first session.]

CONFERENCE ON INTERNATIONAL COMMUNICATION.

Mr. ROGERS, from the Committee on Foreign Affairs, submitted the following report to accompany H. R. 9822:

The Committee on Foreign Affairs, to which was referred the bill (H. R. 9822) to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication, reports it back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The amendment is as follows:

Page 1, line 6, after the word "appoint," insert "by and with the advice and consent of the Senate."

Your committee, in considering this bill, has heard the testimony of the Secretary of State and of Mr. Walter S. Rogers, who was special adviser to the peace commission at Paris on matters relating to international communication.

The general question of international communication was raised at a meeting of the supreme war council in Paris early in March last, in connection with the German submarine cables which had been taken over by Great Britain and France. The problem of the disposition of these cables was left to a special committee, which later made a report to the council of ten, consisting of the heads of state and ministers of foreign affairs of the five principal powers. In the course of the discussion it was suggested that there should be world arrangements made for the regulation of submarine cables.

It developed that there was no unanimity of opinion on the part of international lawyers and jurists as to the rights of property in submarine cables in times of war. There were two cables connecting Germany with the United States. Both of these cables were from Emden to the Azores and from the Azores to New York. Both were cut in the English Channel, and later one was diverted into Lands End, England, and the end of the cable going into New York was cut and diverted to Halifax. This gave the British an additional cable from Lands End to the Azores and from the Azores to Halifax. The European end of the other cable was diverted into Brest, France. This gave the French an additional cable from Brest to the Azores and from the Azores to New York. A more extreme case was presented by the cable from Liberia to Brazil. Both ends of this cable were in countries at war with Germany, and the cable was the only means of communication between parts of South America and Africa; yet because the cable in question was owned by a German company the Allies cut it and severed all means of communication previously utilized by means of the cable. The United States had seriously objected to the diversion to Canada of the German cable across the Atlantic by the British authorities, but owing to the lack of international law or agreement on the subject no redress was obtained. It may be said parenthetically at this point that Great Britain is the great world owner of submarine cables. France possesses some and the United States possesses some. Germany, until the war, was also the owner of several. Under these circumstances the internationalization of cables will, presumably, be to the advantage of the United States, and the American Government favored this step at Paris. At a later meeting of the council of five, held on April 30 last, during a discussion as to the disposition of the German submarine cables, Mr. Balfour, representing Great Britain, said that his country had no desire to monopolize the cables of the world and that all were in agreement that the multiplication of cables was beneficial to all. The outcome of the discussion was a proposal to negotiate an international convention upon the use of submarine cables and upon the rights of property therein in peace and war.

The arrangement was formulated by the council of five in the following words:

"The principal and allied and associated powers shall as soon as possible arrange for the convoking of an international congress to consider all international aspects for communication by land telegraphs, cables, and wireless telegraphy, and to make recommendations to the powers concerned, with a view to providing the entire world with adequate facilities of this nature on a fair and equitable basis."

The four principal allies, Great Britain, France, Italy, and Japan, have accepted in principle the suggestion that if an invitation is extended by the United States in the near future for the purpose of making a study of the entire communications problem in all its aspects, that invitation will be accepted by them.

The deficiency act, approved March 4, 1913, provides:

"Hereafter the Executive shall not extend or accept any invitation to participate in any international congress, conference, or like event, without first having specific authority of law to do so."

In order to obtain the necessary sanction, the President of the United States and Secretary Lansing have requested Congress to enact the present bill. Their recommendations are printed as an annex to this report. It was originally planned to hold the conference in question in Washington during the present month. For various reasons—one of which was the fact that the legislative authority was lacking—the conference can not be held as early as thus planned. It is believed, however, that if it is to be held at all, it is desirable that as early a date as possible be fixed. Consequently your committee recommends action upon this measure as promptly as convenient.

Your committee believes that it will be of great importance and advantage to the United States if, through the medium of some such conference as above projected, the question of international communication can be considered and disposed of and an international agreement or convention arrived at.

It will be remembered that the United States was the first to propose the International Postal Union, which has been in most beneficent operation for many years. In the opinion of your committee, the tendering of an invitation to the other powers to inaugurate plans for an international agreement affecting other means of international communication will be equally beneficent not merely to the United States, but to the entire civilized world. Your committee, therefore, recommends that the necessary authority be granted the President, and that an appropriation of $75,000 be made for expenses incidental to the conference. It is not possible at this time to indicate whether or not $75,000 is the requisite amount of money. It is, for example, not possible to forecast the length of the sessions of such a conference. They may continue for one month or three months. Obviously the expenses will depend very largely upon the duration of the meetings.

The Secretary of State, in a letter which is appended to this report, states that the delegates representing the United States at the telegraphic conference will probably receive no compensation, certainly not in any large amount. On the other hand, it will probably be necessary to pay compensation to technical experts and it will be expected that the expenses of delegates and experts should be paid. The number of delegates and experts will depend entirely upon the scope of the conference as it may be agreed upon by the participating Governments or limited by Congress itself. If, for example, its labors be confined to communication by submarine cable, the need of experts would be limited accordingly, but if the subject of radio telegraphy and telephony should be included, the number of technical experts and advisers, as well as of clerks and other employees, would necessarily be greatly increased. Then, too, there is the matter of preparation for the conference after a program shall have been adopted. It is known that at least one great Government has already a commission at work studying the whole subject of communication. As soon as Congress shall have authorized the holding of a conference, it will be necessary for the United States to organize a commission of the best-known experts of the Government to make immediate technical studies and collect and coordinate information for the use of the American delegates when appointed. This preliminary work will be of the utmost importance to the proper protection of American interests at the conference and will require the expenditure of a considerable sum of money for clerical assistants, printing, separate quarters, and compensation of experts.

As a slight guide to the expenses entailed by the holding of this type of conference, there are quoted herewith a summary of the expenses of the Fifteenth International Congress of Hygiene and Demography (held in Washington in 1912), and of the United States section of the International High Commission, 1916–1918:

Summary of expenses of the Fifteenth International Congress of Hygiene and Demography (held in Washington in 1912).

1. Personal services	$27,426.67
2. Postage and stationery, office supplies, miscellaneous	7,370.00
3. Advance printing	13,200.00
4. Exhibition, entertainment, medals, and badges	18,850.00
5. Post-adjournment transactions	23,000.00
6. Already expended for secretary general and preliminary work	15,770.61
	105,607.28

Table showing disposition of the appropriation made for the United States section of the International High Commission in the act approved Feb. 7, 1916 ($40,000), available Feb. 16, 1916, to Sept. 30, 1918.

Statement showing disposition of appropriation of $40,000 from Feb. 16, 1916, to Sept. 30, 1918 (a period of 31½ months):

Appropriation		$40,000.00
Salaries	$23,453.32	
Printing and stationery	3,744.74	
Telegraph and telephone	1,466.97	
Furniture and equipment	677.53	
Books and newspapers	76.83	
South American trip of United States section and staff (April, 1916)	8,668.73	
Domestic travel of members and staff, United States section	1,570.97	
Total expenditure		39,659.09
Balance unexpended		340.91

Your committee thinks further that the holding of this conference is desirable from the standpoint of the United States whether or not the treaty of peace, now pending before the United States Senate, is adopted either as submitted or in a modified form. Your committee, therefore, sees no reason (this question being, in its view, an independent one) for deferring the authority carried in this bill until after final action by the Senate upon the treaty of peace.

For the foregoing reasons your committee recommends early favorable action upon the bill.

So much for the history, occasion, and purposes of the conference.

The majority of the committee understands that the dissent of the minority is based not upon any opposition to the conference itself but solely upon the amendment to the bill stipulating that the representatives to the conference on the part of the United States shall be confirmed by the Senate. The suggestion will perhaps be made that in some way this involves an element of discourtesy to the President. Nothing can be further from the fact, as an examination of the precedents clearly shows.

One of the purposes of the proposed conference, and certainly the most important purpose, will be to draft some form of international treaty or agreement to which the several Governments participating will be invited to adhere. During Secretary Lansing's testimony concerning the conference the following colloquy occurred:

"Mr. TEMPLE. The questions to be taken up at that conference are such as would be put into an international agreement, like treaties?

"Secretary LANSING. Yes, sir."

Mr. Walter S. Rogers testified to much the same effect. (See p. 20 of his testimony.)

It is true that Secretary Lansing subsequently stated in a letter to the acting chairman of the Committee on Foreign Affairs that "it is not the purpose to have the delegates to the international telegraphic conference negotiate a treaty." Nevertheless it seems from the testimony of Secretary Lansing and others that the conference will fall short of its full measure of usefulness if it does not undertake to draw up, at least in a preliminary way, the basis for an international convention of some kind. And, as above stated, the testimony before the committee indicates that such an agreement, whether formal or informal, may be expected and hoped for as a result of the conference. Hence, whether or not the representatives of the United States are or are not technically commissioners to negotiate a treaty, the fact remains that their wisdom and foresight may go far toward establishing the permanent policy which the United States will maintain toward the other great powers of the world in this most important sphere of international relations. This being so, it is perhaps of secondary consequence whether the representatives of the United States may actually negotiate a treaty. The important fact is to recognize the magnitude and gravity of their problems and to insure, so far as possible, that the ablest and most experienced men available in the United States shall be called upon to represent this country.

But perhaps the gentlemen who deny the propriety of requiring confirmation by the Senate in this connection will point out the undoubted fact that even commissioners explicitly appointed and empowered to negotiate a treaty have not uniformly or even in the majority of cases been confirmed by the Senate. Whatever the method has been in the majority of such appointments in our history, there is a very numerous and respectable number of precedents for the method of appointment recommended in this instance.

In his message to the Senate January 11, 1792, President Washington nominated William Carmichael and William Short as commissioners to negotiate a treaty with the Spanish Government for the navigation of the Mississippi River.

In communicating May 31, 1797, to the Senate for confirmation the nomination of C. C. Pinckney, Francis Dana, and John Marshall as envoys extraordinary and ministers plenipotentiary to the French Republic, President Adams explained, in general terms, that they were appointed to "negotiate with the French Republic to dissipate umbrages, to remove prejudices, to rectify errors, and adjust all differences by a treaty between the two powers." The Senate on June 5 confirmed the nominations, and, on June 22, the substitution of Elbridge Gerry for Francis Dana. When negotiations were reopened in 1799 the Senate was called upon to confirm the new nominations. President Jefferson submitted to the Senate January 11, 1803, for confirmation the nominations of James Monroe and Robert R. Livingston as commissioners with full powers to enter into a treaty with the First Consul of France for the purpose of enlarging and more effectually securing our rights and interests in the River Mississippi and in the Territories eastward thereof. The nominations of J. Q. Adams, James A. Bayard, Henry Clay, and Jonathan Russell were advised and consented to by the Senate on January 16, 1814, and that of Albert Gallatin, who had been previously rejected on the grounds that the duties of an envoy were incompatible with those of the Secretary of the Treasury, on February 9, as ministers plenipotentiary and envoys extraordinary to negotiate and sign a treaty of peace and a treaty of commerce with Great Britain.

For other early cases of confirmations by the Senate of special commissioners appointed to negotiate treaties, see Executive Journal I, pages 265, 310, 311, 432, 440; II, pages 25, 29.

TREATY OF GHENT, DECEMBER 24, 1814.

WAR OF 1812.

On April 17, 1813, President Madison, having accepted the offer of the Russian Government to mediate between the United States and Great Britain, appointed Albert Gallatin, James A. Bayard, and John Quincy Adams as envoys extraordinary and ministers plenipotentiary to negotiate a treaty of peace with Great Britain. On May 29, 1813, Madison sent these nominations to the Senate for confirmation. A debate immediately arose as to whether the functions of the Secretary of the Treasury, which office Gallatin was then holding, were compatible with those of envoy extraordinary. On July 19, 1813, the Senate confirmed the nominations of Bayard and Adams, but by the close vote of 18 to 17 rejected the nomination of Gallatin. The British Government now refused to accept the offer of Russian mediation, and instead offered to treat directly with the United States. This offer President Madison hastened to accept, and on January 14, 1814, he nominated John Quincy Adams, James A. Bayard, Henry Clay, and Jonathan Russell as the new commissioners to negotiate directly with Great Britain. Four days later, January 18, 1814, with but little opposition in the Senate, these nominations were confirmed. On February 9, 1814, Gallatin was once more nominated by President Madison as one of the envoys to negotiate the treaty of peace with Great Britain, and on this occasion his appointment was promptly confirmed by the Senate. On December 24, 1814, the treaty was signed at Ghent, and on February 16, 1815, it was unanimously ratified by the Senate.

In 1826 President John Quincy Adams nominated Richard C. Anderson and John Sergeant as envoys extraordinary and ministers plenipotentiary to the assembly of American nations at Panama. Their power and duty were to conclude treaties of peace, friendship, commerce, navigation, maritime law, neutral and belligerent rights, and all other matter interesting to the American nations with the ministers of that assembly from all or any of the nations of America. These nominations were sent by the President to the Senate and were duly confirmed. Mr. Anderson died the following year, and his successor, Joel R. Poinsett, was similarly nominated by the President and confirmed by the Senate.

On February 9, 1871, President Grant sent the following message to the Senate with relation to the appointment of commissioners to consider the Alabama claims:

"The British minister accredited to this Government recently, in compliance with instructions from his Government, submitted a proposal for the appointment of a joint high commission, to be composed of members to be named by each Government, to hold its session at Washington and to treat and discuss the mode of settling the different questions which have arisen out of the fisheries, as well as those which affect the relations of the United States toward the British possessions in North America. I did not deem it expedient to agree to the proposal unless the consideration of the questions growing out of the acts committed by the vessels which have given rise to the claims known as the Alabama claims were to be within the subject of discussion and settlement by the commission. The British Government having assented to this, the commission is expected shortly to meet. I

therefore nominate as such commissioners, jointly and separately, on the part of the United States:

"Hamilton Fish, Secretary of State.

"Robert C. Schenck, envoy extraordinary and minister plenipotentiary to Great Britain.

"Samuel Nelson, an associate justice of the Supreme Court of the United States.

"Ebenezer Hoar, of Massachusetts.

"George H. Williams, of Oregon.

"I communicate herewith the correspondence which has passed on this subject between the Secretary of State and the British minister."

The following day the Senate confirmed all five nominations.

In 1880 President Hayes nominated James B. Angell, John F. Swift, and William Henry Trescot as commissioners plenipotentiary to conclude a treaty with China for the "settlement of such matters of interest as are now pending before the two Governments." These nominations were sent to the Senate and in due course confirmed.

It should be noted that in most of the foregoing instances the President and the Senate were, at the time, of the same political party. The consideration which led to the submission to the Senate could scarcely have reflected any partisan point of view. The submission must have resulted from the feeling that in so important matters as those pending the President would naturally welcome the advice and approval of the Senate. The majority of your committee thinks that precisely the same conditions exist in the present instance. It is true that in the majority of cases the nominations of the President have not been presented to the Senate. But this circumstance in no way alters the significance of the precedents cited, some of which involved the most crucial questions in our history, some of which involved, on the contrary, matters of relatively minor consequence.

Article 2, section 2, of the Constitution of the United States provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments."

Members of the House are familiar with the vast number of appointments, many of them to minor and inconsequential offices, which must nevertheless be confirmed by the Senate. By Revised Statutes, section 3830, for example, every postmaster of the first, second, and third class "shall be appointed and may be removed by the President, by and with the advice and consent of the Senate." Indeed, the foregoing language of the Constitution itself points out that appointments by the Executive alone—without the concurrence of the Senate—*should* be limited to "inferior officers" only. The majority of the committee is unwilling to belittle the representatives to the forthcoming international conference by regarding them as "inferior officers."

An additional reason for requiring confirmation in the case of representatives to future international conferences seems to result from the already quoted provisions of the deficiency act of 1913 requiring that thereafter all such conferences should be held only in the event that specific authority had been granted by Congress. If Congress deemed it important thenceforward to authorize the mere holding of a conference, it would seem natural and logical that Congress should all the more interest itself in the personnel of the Members who were to represent the United States at the conference.

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To the Senate and House of Representatives:

In view of the provision contained in the deficiency act approved March 4, 1913, that "hereafter the Executive shall not extend or accept any invitation to participate in any international congress, conference, or like event without first having specific authority of law to do so," I transmit herewith for the consideration of Congress and for its determination whether it will authorize the extension of the invitation, and the appropriation necessary to defray the expenses incident thereto, a report from the Secretary of State with reference to the proposed international conference to be held in Washington during October next, or at such later date as may be convenient to the powers concerned, to consider all international aspects of communication by land telegraphs, cables, and wireless telegraphy and to make recommendations to the powers concerned with a view to providing the entire world with adequate facilities of this nature on a fair and equitable basis.

WOODROW WILSON.

THE WHITE HOUSE,
September 10, 1919.

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THE PRESIDENT:

During the course of the discussions in the Council of Five, regarding the disposition to be made of German cables, the following agreement was reached:

"The principal and allied and associated powers shall as soon as possible arrange for the convoking of an international congress to consider all international aspects of communication by land telegraphs, cables, and wireless telegraphy, and to make recommendations to the powers concerned with a view to providing the entire world with adequate facilities of this nature on a fair and equitable basis."

I learn that the four principal allies, namely, Great Britain, France, Italy, and Japan, have accepted, in principle, the suggestion to meet in Washington during October next, or at such later date as may be convenient to them, for the purpose of making a study of the entire communications problem in all its aspects, which would include a consideration of the broader activities of the international telegraph and radiotelegraph unions of the interallied radio commission. I am convinced that the proposed conference offers a rare opportunity not only to provide the entire world with adequate facilities of this nature on a fair and equitable basis, but to promote world peace, mutual understanding, and fellowship arising from a communications system free from special privileges and placing each part of the world in immediate contact with every other part.

The Executive being prohibited by a provision of the deficiency act approved March 4, 1913, from extending an invitation of this nature without specific authority of law, I have the honor to request that, should you approve, this matter be laid before Congress for its decision as to whether it will authorize the extension of the formal invitation and will provide the appropriation of $75,000, which it is thought will be required for United States representation in this international conference.

Respectfully submitted.

ROBERT LANSING.

DEPARTMENT OF STATE,
Washington, September 4, 1919.

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DEPARTMENT OF STATE,
Washington.

MY DEAR MR. ROGERS: In reply to your oral request for an itemized estimate of the expenditures contemplated from the appropriation of $75,000 which I have recommended for the expenses of the proposed international telegraphic conference to be held in Washington in the near future, I take pleasure in inclosing, for the information of the committee, itemized lists of the expenses of two similar conferences, which may afford the committee some assistance.

There has, so far, been no meeting of the representatives of the Governments interested for the preparation of a program for the international telegraphic conference for the very obvious reason that there is as yet no legislative authorization for the holding of the conference. Therefore it is not possible to outline with any definiteness the manner in which the appropriation estimated is to be expended.

In a general way it is believed that the expenses of the Fifteenth International Congress of Hygiene and Demography and those of the United States section of the International High Commission, inclosed, may afford the committee a fairly accurate guide as to the manner in which the proposed $75,000 appropriation would be expended. It is not likely, however, that the delegates representing the United States at the telegraphic conference will be paid compensation, certainly not in any large amount, but it will be necessary, in all probability, to pay compensation to the technical experts, and it would naturally be expected that the expenses of delegates and experts should be paid. The number of delegates and experts will depend entirely upon the scope of the conference as it may be agreed upon by the participating Governments or limited by Congress itself. If, for example, its labors be confined to communication by submarine cable, the need of experts would be limited accordingly; but if the subject of radio telegraphy and telephony should be included, the number of technical experts and advisers would have to be greatly increased, as well as the number of clerks and other employees.

Then, too, there is the matter of preparation for the conference after a program shall have been adopted. It is known, for example, that at least one great Government has already a

commission at work studying the whole subject of communications. As soon as Congress shall have authorized the holding of a conference, it will be necessary for the United States to organize a commission of the best known experts of the Government to make important technical studies and collect and coordinate information for the use of the American delegates when appointed. This preliminary work will be of the utmost importance to the proper protection of American interests at the conference and will require an expenditure of a considerable amount of money for clerical assistance, printing, possibly separate quarters, and perhaps compensation of experts.

With reference to your inquiry as to whether delegates should be confirmed by the Senate, I would suggest that it is not customary to stipulate that delegates to the conference shall be appointed with the advice and consent of the Senate, and I think it would be wise to omit that stipulation. Even if we expected to negotiate a treaty, it would not, in my opinion, be customary or desirable that the delegates should be appointed by and with the advice and consent of the Senate, but it is not the purpose to have the delegates to the International Telegraphic Conference negotiate a treaty, but rather, by a consideration of the subjects of communications in all its phases in relation to the views held by other Governments, to develop a basis upon which negotiations for an international convention may be undertaken by the regularly constituted agencies of the Government, provided the international regulation of communications shall ultimately be deemed desirable and practicable.

I hope the foregoing may prove, in substance, a satisfactory answer to your inquiry, and that the committee may find it practicable to recommend the appropriation in accordance with the estimate. I am, my dear Mr. ROGERS,

Very sincerely, yours,

ROBERT LANSING.

Hon. JOHN JACOB ROGERS,
Chairman Committee on Foreign Affairs,
House of Representatives.

INCREASE OF PAY OF OFFICERS AND ENLISTED MEN.

Mr. WADSWORTH. From the Committee on Military Affairs I report back favorably with amendments the bill (S. 3383) to increase the efficiency of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, and Public Health Service, and I submit a report (No. 318) thereon.

This bill increases the pay of officers and enlisted men of all five of the services recited in the title. It may be said, probably with justice, that the Committee on Military Affairs invaded the jurisdiction of the Committee on Naval Affairs and the Committee on Appropriations, which ordinarily would have jurisdiction over any legislation affecting the pay of the Navy and the pay of the Coast Guard and the Public Health Service. We have taken this action after consulting with several members of the Naval Affairs Committee and of the Committee on Appropriations. We have done it primarily in order that there shall be embodied in one bill one system for increasing the pay of all these services. I invite the attention of Senators who are members of the Naval Affairs Committee and of the Appropriations Committee to the provisions of the bill and to the report which accompanies it, which will be printed, and which I will see is distributed to Members by to-morrow.

The VICE PRESIDENT. The bill will be placed on the calendar.

AMENDMENT OF COPYRIGHT LAW.

Mr. NORRIS. From the Committee on Patents I report back favorably without amendment the bill (H. R. 3754) to amend sections 8 and 21 of the copyright act, approved March 4, 1909, and I submit a report (No. 326) thereon. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. The Senator from Nebraska asks unanimous consent for the present consideration of the bill.

Mr. SMOOT. Let the bill first be read, Mr. President, in order that we may understand what it is.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That sections 8 and 21 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, be amended to read as follows:

"SEC. 8. That the author or proprietor of any work made the subject of copyright by this act, or his executors, administrators, or assigns, shall have copyright for such work under the conditions and for the terms specified in this act: *Provided, however*, That the copyright secured by this act shall extend to the work of an author or proprietor who is a citizen or subject of a foreign State or nation only:

"(a) When an alien author or proprietor shall be domiciled within the United States at the time of the first publication of his work; or

"(b) When the foreign State or nation of which such author or proprietor is a citizen or subject grants, either by treaty, convention, agreement, or law, to citizens of the United States the benefit of copyright on substantially the same basis as to its own citizens, or copyright protection substantially equal to the protection secured to such foreign author under this act or by treaty; or when such foreign State or nation is a party to an international agreement which provides for reciprocity in the granting of copyright, by the terms of which agreement the United States may, at its pleasure, become a party thereto.

"The existence of the reciprocal conditions aforesaid shall be determined by the President of the United States, by proclamation made from time to time, as the purposes of this act may require: *Provided, however*, That all works made the subject of copyright by the laws of the United States first produced or published abroad after August 1, 1914, and before the date of the President's proclamation of peace, of which the authors or proprietors are citizens or subjects of any foreign State or nation granting similar protection for works by citizens of the United States, the existence of which shall be determined by a copyright proclamation issued by the President of the United States, shall be entitled to the protection conferred by the copyright laws of the United States from and after the accomplishment, before the expiration of 15 months after the date of the President's proclamation of peace, of the conditions and formalities prescribed with respect to such works by the copyright laws of the United States: *Provided further*, That nothing herein contained shall be construed to deprive any person of any right which he may have acquired by the republication of such foreign work in the United States prior to the approval of this act.

"SEC. 21. That in the case of a book first published abroad in the English language on or after the date of the President's proclamation of peace, the deposit in the copyright office, not later than 60 days after its publication abroad, of one complete copy of the foreign edition, with a request for the reservation of the copyright and a statement of the name and nationality of the author and of the copyright proprietor and of the date of publication of the said book, shall secure to the author or proprietor an ad interim copyright, which shall have all the force and effect given to copyright by this act, and shall endure until the expiration of four months after such deposit in the copyright office."

Mr. SMOOT. Mr. President, I will say to the Senator from Nebraska that it is next to impossible to entirely understand the meaning of the bill without having the law which it seeks to amend before us. I will, therefore, ask the Senator briefly to explain just what changes in the copyright act of 1909 are provided for in the bill.

Mr. NORRIS. As I understand the only change is contained in the provisos. During the war, because of the interference with commerce and transportaion, it has been a physical impossibility for authors, particularly those of England and America, to comply with the copyright laws of the two countries and to copyright their works in both countries.

In the trading-with-the-enemy act we made provision for copyrights in the case of citizens of enemy countries during the war, so that at present authors in Germany and Austria have advantages over authors in the allied countries.

This bill merely extends the time within which authors may comply with the law. For instance, it gives an American author time to get his work to England and to comply with the English law, and the British author is given the same privilege here.

Mr. SMOOT. Then the bill affects only the copyrighting of books and periodicals from August, 1914, up to the date of the passage of the bill?

Mr. NORRIS. Yes. While I am not an expert and, therefore, am not familiar with the copyright laws, I do not think there can be any possible doubt about the necessity and advisability of passing this proposed law. I think that will be made entirely clear if the Senator from Utah will read the communications which have been received from the Secretary of State, from the registrar of copyrights, and also from the Librarian of Congress.

Mr. SMOOT. I think the Senator's explanation of the bill is entirely satisfactory, and that the bill ought to be passed.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STERLING:

A bill (S. 3497) to amend section 858 of the Revised Statutes, relating to the exclusion of witnesses in the courts of the United States; to the Committee on the Judiciary.

By Mr. McKELLAR:

A bill (S. 3498) for the relief of Thomas J. Hunt, surviving partner of Mosby & Hunt (with accompanying papers); to the Committee on Claims.

By Mr. POINDEXTER:

A bill (S. 3499) to retain in military service partially disabled men and officers able to perform certain classes of work; to the Committee on Military Affairs.

A bill (S. 3500) granting a pension to Joel F. Hampton; to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 3501) to correct the military record of Second Lieut. Van Buren S. Reber; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 3502) defining certain offenses committed by drivers of and persons in control of motor vehicles in the District of Columbia, and providing for the punishment of such offenses, and for other purposes; to the Committee on the District of Columbia.

By Mr. HALE:

A bill (S. 3503) granting a pension to Susetta Noyes (with accompanying papers); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 3504) granting an increase of pension to George W. James; to the Committee on Pensions.

By Mr. WATSON:

A bill (S. 3505) for the relief of Charles E. Reyburn; to the Committee on Post Offices and Post Roads.

By Mr. LODGE:

A joint resolution (S. J. Res. 131) making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States; to the Committee on Foreign Relations.

ENFORCEMENT OF PEACE TERMS UPON GERMANY.

Mr. KING. I introduce a joint resolution, and ask that it may be read and referred to the Committee on Military Affairs.

The joint resolution (S. J. Res. 132) authorizing the President of the United States to employ the armed forces of the United States in conjunction with the forces of the allied and associated powers for the enforcement of the terms of peace accepted by Germany was read the first time by its title and the second time at length, as follows:

Whereas the present Government of Germany is manifesting bad faith with respect to the execution of the terms of peace accepted by Germany, which condition may require the enforcement of such terms by military measures which should properly be taken by the allied and associated powers in concert, according to the recommendations of the supreme council at Paris: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States, as Commander in Chief of the Army and Navy, is hereby authorized to employ the armed military, naval, and aerial forces of the United States in conjunction with the forces of the allied and associated powers in any cooperative or joint measures which may be undertaken for the military enforcement of the terms of peace accepted by Germany.

The VICE PRESIDENT. Does the Senator desire the joint resolution to be referred to the Committee on Military Affairs?

Mr. KING. I think that is the proper committee.

The VICE PRESIDENT. The Chair is of the opinion that it ought to go to the Committee on Foreign Relations.

Mr. KING. I have no objection whatever to that course being pursued.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on Foreign Relations.

Mr. THOMAS. Mr. President, I wish to inquire of the Senator introducing the joint resolution by what rule of consistency the United States can be asked to enforce upon Germany the recognition and performance of a treaty which we ourselves have rejected?

Mr. KING. That may be the subject of consideration later.

The VICE PRESIDENT. Let us not go into that now. Let us close the morning hour. If there are no further bills or joint resolutions, concurrent and other resolutions are in order.

TREATY BETWEEN GREAT BRITAIN AND PERSIA.

Mr. BORAH. I offer a resolution and ask unanimous consent for its present consideration.

The resolution (S. Res. 248) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the President be, and he is hereby, requested to send to the Senate, if not incompatible with the public interest, a copy of all correspondence between the Governments of the United States and of Great Britain relative to the treaty negotiated between Great Britain and Persia during and about the time the treaty with Germany was being negotiated at Versailles.

WAR RISK BUREAU CLAIMS.

Mr. POINDEXTER. I offer the resolution which I send to the desk, and I ask unanimous consent for its present consideration.

The resolution (S. Res. 249) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Director of the Bureau of War Risk Insurance is directed to inform the Senate whether or not claims for compensation for total or partial disability under the war-risk act are promptly disposed of and acted upon by said bureau; and if not, what is the cause of the delay therein? The said director is also directed to inform the Senate in general the status of the work of said office, with reference to the disposition of claims pending therein, and if said work is not being conducted so as to act promptly upon claims as presented currently to inform the Senate the causes of said delay.

Also, the said director is directed to inform the Senate the nature of the administrative organization in the said War Risk Bureau for deciding upon the allowance or rejection of claims of soldiers for disability on account of sickness, wounds, or other injuries received in line of duty; the rules and regulations adopted by the said bureau for the determination of the amounts due to such claimants under the law; and whether or not the law is being administered liberally to accomplish the purposes and objects for which it was intended or whether it is being strictly construed by the said bureau with the object and purpose of reducing to the lowest possible limit the liability of the Government thereunder.

LIMIT OF APPROPRIATIONS.

Mr. KING. I offer a resolution, which I ask to have read and lie on the table.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 250) was read and ordered to lie on the table, as follows:

Resolved, That in the preparation of the appropriation bills for the fiscal year ending June 30, 1921, it is the sense of the Senate that the committees of Congress having in charge preparation of such bills should limit the amount of appropriations to the gross amount of not more than $3,000,000,000.

PERSONNEL OF EXECUTIVE DEPARTMENTS.

Mr. KING. I offer the resolution which I send to the desk, and I ask that it lie on the table for the present.

The resolution (S. Res. 251) was ordered to lie on the table and be printed, as follows:

Whereas the extraordinary expansion of the personnel of the various executive departments made necessary by the extraordinary services required during the prosecution of the war against Germany has fulfilled its purpose and the need for the services of numerous employees has ceased: Therefore be it

Resolved, That it is the sense of the Senate that the various executive departments in the city of Washington should forthwith dispense with and discontinue the services of at least 40,000 clerks and employees presently upon the rolls of such departments.

Mr. KING. I offer the following resolution and ask that it lie on the table.

The resolution (S. Res. 253) was ordered to lie on the table and be printed, as follows:

Resolved, That the Secretary of State, the Secretary of the Treasury, the Secretary of War, the Attorney General, the Postmaster General, the Secretary of the Navy, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor are hereby severally directed to ascertain and report to the Senate the names of all persons having official positions in their several departments who are authorized to exercise or do exercise any supervision over or direction of other employees and who are members of or affiliated with any labor union affiliated with the so-called American Federation of Labor or organized independent thereof, as the case may be.

REPORT OF COUNCIL OF NATIONAL DEFENSE.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, ordered to be printed, and, with the accompanying paper, referred to the Committee on Military Affairs:

To the Senate and House of Representatives:

In compliance with the provisions of section 2 of the act of Congress approved August 29, 1916, making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes, I transmit herewith the Third Annual Report of the Council of National Defense for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE,
8 December, 1919.

HOUSE BILL REFERRED.

H. R. 9755, an act to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes, was read twice by its title and referred to the Committee on Standards, Weights, and Measures.

AMENDMENT OF FEDERAL RESERVE ACT—CONFERENCE REPORT.

Mr. EDGE. Mr. President, I ask the indulgence of the Senate for just a brief moment. The chairman of the Committee on Banking and Currency, the Senator from Connecticut [Mr. McLEAN], is not at present in the Chamber, but I know that it had been his intention at this time to address the Senate briefly on the subject of the conference report on the bill (S. 2472) to amend the act approved December 23, 1913, known as the Federal reserve act.

I am not going to ask the Senate to consider the conference report at this time, but I do desire to leave this thought in the minds of Senators, and I think the importance of the measure justifies the very few moments that I shall take of the Senate's time.

Last week when the conference report was brought up for consideration the question arose as to the feeling and wishes of the Senator from North Dakota [Mr. GRONNA], who had been active in the Senate when the bill was before the Senate for discussion. The bill finally passed the Senate unanimously, went to the House, and passed the House with various amendments. It then went to conference; the conferees have now unanimously reported the bill; and the conference report likewise has been unanimously concurred in by the other House.

I thoroughly appreciate the ethics and courtesies of the Senate—it is unnecessary for me to make that statement, I am sure—and having been the sponsor for the bill, I want every courtesy to be shown the Senator from North Dakota. However—and I am sure the Senator from Utah will bear me out in my statement, for he discussed the matter briefly last week—when the question of the future action of the Senate on the conference report was taken up, I think on Thursday last, we waited for a day with the idea that the Senator from North Dakota should be apprised of the facts and in order that we might obtain his viewpoint. He replied by telegram—which was referred to in the debate on Friday last, as reference to the RECORD of that day will show—that his desire was that the conference report should be returned to the committee of conference. He expressed no desire in that telegram, as I recall—and I think I am correct—that we should await his return, but said that he should like to see the report returned to conference. On that question I would be more than delighted to have the Senate pass, for I have no desire whatever to deny any opportunity for the consideration of a question of that character, which, of course, must be left to the Senate's judgment. Rather I am anxious to secure action. Frankly, I think the Senator from North Dakota should be congratulated in that he expressed his opinion and did not ask the Senate of the United States to await his return. I understand, however, from the Senator from Connecticut [Mr. MCLEAN] that since then the Senator from North Dakota has wired that he expected to be here in a few days and would appreciate it if the Senate of the United States would await his return.

Of course, the only question which can be considered, as I understand the procedure, is the question whether the conference report shall be agreed to or whether it shall be referred back to the committee on conference. That is the only question that can arise in connection with the conference report, whether the Senator from North Dakota is here or otherwise. As I said in prefacing my remarks, I am not going to press the question this morning, but it does seem to me, in a matter affecting the business of this great country and of this body, that it is rather an unusual thing to wait 10 days on the personal convenience of any Senator, when the question can only be the one question which I have announced, namely, as to whether or not the report shall be agreed to or whether it shall go back to conference.

I should unquestionably object to its going back to conference, because, as I understand, there is only one question at issue at all, and that question I am fully prepared to discuss, but will not take the time of the Senate to discuss it now. I want, however, to leave this thought in the minds of the Senate; and I think it is extremely important. I appreciate the great importance of the railroad measure, and the country is awaiting to-day the official policy settled as to the future of railroad control and management; but I do not think, perhaps, in the midst of that discussion that we have appreciated fully the great importance of financing the ten billion dollar annual turnover of this country represented in exportations. Certainly every legislator knows and every business man knows that the condition of exchange as against this country is worse than it has ever been in the history of the world, with the pound sterling selling, according to the latest reports, at $3.87½, practically $1 under the average exchange of 4.86, or thereabouts, which, of course, is the normal rate. We can not sell American goods except where it is absolutely essential and imperative for foreign nations to buy them from us, when, because of the difference in exchange, they are compelled to pay to us from 25 to 100 per cent excess and more in order to pay for the goods. So there is not a question to-day of more importance for this body to settle and dispose of than to try to prepare the machinery—and this bill is designed to do that—so that we can, by taking over foreign securities and handling them in a banking manner, help to solve this great problem.

Our national prosperity unquestionably depends upon a condition of national contentment, and national contentment depends to a great extent upon production. You can not increase production, you can not stimulate production, if you are going to narrow the markets. We have a merchant marine to-day of thirteen hundred and odd ships. The whole purpose and thought back of the merchant marine when we spent hundreds of millions of dollars upon it—and we are now asked in the present budget to appropriate another half billion dollars for it—the only thought back of the merchant marine, of course, was to carry the goods of the American farmers and the American manufacturers to all parts of the world.

We have in the country a condition of social unrest and labor unrest which is more or less influenced by the conditions of production and employment, and we should not consume the time of the Senate on quibbles, on questions of detail concerning this measure, when it is so important to the future prosperity of the country to stabilize financial conditions.

Mr. McLEAN. Is the Senator referring to Senate bill 2472?

Mr. EDGE. Yes, sir.

Mr. McLEAN. I wish to say that on Friday last I gave notice that on Monday I would ask the Senate to consider the conference report, but on Saturday I received a telegram from the Senator from North Dakota [Mr. GRONNA] requesting that the report be withheld until his return to Washington some day this week. Under the circumstances, I felt that courtesy ought to be extended to the Senator from North Dakota, as he is deeply interested in this matter; but I sincerely hope that as soon as he returns the Senate will take immediate action upon the conference report, for its importance can not be minimized.

Mr. KING. Mr. President, will the Senator yield?

Mr. EDGE. I yield to the Senator from Utah.

Mr. KING. Perhaps the question I am about to ask is not a very fair one. I entirely agree with the Senator from New Jersey and think that the measure ought to be passed; we want to stimulate our export trade; but does not the Senator think that the argument which he is making will not commend itself to the extreme protectionists? Is not the disparity in exchange in harmony with the protectionist theory, in that it serves as a tariff barrier, and we do not need to pass any tariff legislation to keep out cheap products from abroad?

Mr. EDGE. I shall be glad to discuss the question of the tariff with the Senator from Utah at any time. I see its relationship perfectly clearly, but Europe can not import in great quantities until it is rehabilitated. But just a brief word in conclusion. This measure and its immediate importance certainly must appeal to the American Senate, as I am sure it does to the American people. We have advanced about $9,000,000,000 abroad. It is a well-known fact that they can not pay us unless we help to rehabilitate to some extent the industrial life and activity of the various countries abroad.

In general answer to the Senator from Utah, I will say that we can only stabilize exchange in three ways that I have ever heard of. One is by imports; and while of course we are getting a certain volume of imports, we will get more if we help rehabilitate them. The second way is by shipping gold, and they have not any gold to speak of. The third way, of course, is by our purchasing their securities.

These banks are to be organized under the supervision of the Federal Reserve Board. It is simply an evolution and a natural development of the banking system of the country, entirely in control of American interests, with American directors. The bill has been protected in both Houses with restrictive clause after restrictive clause. My only fear is that perhaps it is overrestrictive; but I do appeal to the Senate, in the interest of the business of the country, that there should be no further delay.

I am satisfied that the Senate of the United States shall await the return of the Senator from North Dakota [Mr. GRONNA]. I consider it the courteous thing to do; but, again, may I repeat, there is only one question that the Senate can then decide: Shall the bill go back to a conference committee which has reported it unanimously or shall such report be concurred in on the floor of the Senate? That is all we can decide with the Senator from North Dakota in the Chamber or out of the Chamber.

I sincerely trust, in the interest of stabilization, in the interest of the employment of labor, in the interest of using our merchant marine, in the interest of helping the producers and business men of the country, any little prejudice, if it does exist, any question of banking interests if such questions do exist, will be considered and balanced with our duty to try to help the farmer and the producer and the manufacturer to be paid for the goods they sell and produce.

I can not see how any friend of the farmer, when we consider the grain situation in the Northwest or when we consider the cotton situation in the South, can be in anything but absolute accord with the passage and the enactment into law as quickly as possible of this constructive measure. It is not in

the interest of the large banks, and I just want to refer to that in conclusion. It can not be in their interest. To-day the large banking concerns are organized under State charters, as is well known, and the Government has no supervision over them under a State charter. They go ahead and handle their financial and investment matters in their own way. Under this bill we immediately put under the supervision of a Federal board, and one that has certainly won the confidence of the country in its control and general supervision of the banking system of this country, every corporation organized under this act. For the first time we absolutely control the issue of debentures or bonds by a governmental body. So I can not see where there can be any justifiable reason for delay in the enactment and final passage of this important measure.

Mr. DIAL. Mr. President, I should like to ask the Senator from Connecticut when the Senator from North Dakota [Mr. GRONNA] is expected to return?

Mr. McLEAN. The telegram states that the Senator expects to return this week.

Mr. DIAL. I hope we will take up the bill this week.

Mr. McLEAN. I assure the Senator that as soon as the Senator from North Dakota returns, I shall ask the Senate to take up the matter and dispose of it.

Mr. DIAL. The holidays will soon be here, and it is very important that the bill should be passed before then.

The VICE PRESIDENT. Is there any further morning business? If not, morning business is closed, and the calendar under Rule VIII is in order.

THE CALENDAR.

The first business on the calendar was the resolution (S. Res. 76) defining a peace treaty which shall assure to the people of the United States the attainment of the ends for which they entered the war and declaring the policy of our Government to meet fully obligations to ourselves and to the world.

Mr. KING. I ask that that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 529) for the relief of the heirs of Adam and Noah Brown was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 600) for the relief of the heirs of Mrs. Susan A. Nicholas was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1223) for the relief of the owner of the steamer *Mayflower* and for the relief of passengers on board said steamer was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 174) for the relief of Emma H. Ridley was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1722) for the relief of Watson B. Dickerman, administrator of the estate of Charles Backman, deceased, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 168) to create a commission to investigate and report to Congress a plan on the questions involved in the financing of house construction and home ownership, and Federal aid therefor, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2224) to incorporate the Recreation Association of America was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1660) to provide a division of tuberculosis in, and an advisory council for, the United States Public Health Service, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1273) to prohibit intoxicating liquors and prostitution within the Canal Zone, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Let that go over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 41) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2457) to provide for a library information service in the Bureau of Education was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 131) to provide that petty officers, noncommissioned officers, and enlisted men of the United States Navy and Marine Corps on the retired list who had creditable Civil War service shall receive the rank or rating and the pay of the next higher enlisted grade, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved August 8, 1917, and for other purposes, was announced as next in order.

Mr. JONES of Washington. That bill we could not consider under the five-minute rule. I ask that it go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1448) for the relief of Jacob Nice was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 102) to equalize the pay and allowances of commissioned officers, warrant officers, and enlisted men of the Coast Guard with those of the Navy was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

AMENDMENT OF FEDERAL FARM-LOAN ACT.

The bill (S. 2377) to amend section 1 of the act approved July 17, 1916, known as the Federal farm-loan act, so as to provide for the payment of the expenses of the Federal Farm Loan Board and employees by the Federal land banks and joint-stock land banks was considered as in Committee of the Whole. It proposes to amend paragraph 8 of section 3 of the act approved July 17, 1916, known as the Federal farm-loan act, by striking out the words "the salaries and expenses of the Federal Farm Loan Board, and of farm-loan registrars and examiners authorized by this section shall be paid by the United States," and inserting in lieu thereof the following: "The Federal Farm Loan Board shall have power to levy semiannually upon the Federal land banks and joint-stock land banks, in proportion to their gross assets, an assessment sufficient to pay its estimated expenses and the salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the preceding year, the first assessment to be made for the half year beginning January 1, 1920."

Mr. SMOOT. The bill has already been read.

The VICE PRESIDENT. Yes; it has been read.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE COAST GUARD.

Mr. KING. Mr. President, if the Senator from Minnesota [Mr. NELSON] desires to make an explanation of Senate joint resolution 102 I shall withdraw my objection, reserving the right to object until I hear his explanation.

Mr. NELSON. I should like very much to have that joint resolution taken up. The situation is this:

During the war the Coast Guard Service was attached to the Navy, and the members of its personnel were getting the pay that naval officers and men were getting. Since the war, within the last three or four months, the Coast Guard Service was detached from the Navy, and that puts them back at the old pay that existed long before the war, which is much less than the officers and men in the Navy are getting. They perform as important a work and as hazardous a work as that performed in the Navy, and there is no reason why they should not be put on a par with the officers and men of the Navy.

The Coast Guard now is composed of two former services. The original service was known as the Revenue-Cutter Service,

and attached to that was the Life-Saving Service. Those two services together constitute the Coast Guard. They are performing a great work for the country, and there is no reason why the officers and men connected with this important service should not be put on a par with the officers and men in the Navy. That is the whole purpose of this joint resolution.

Mr. KING. Mr. President, will the Senator yield?

Mr. NELSON. Certainly.

Mr. KING. Does this joint resolution for all time fix the status of the officers and men in this service, or is it just for the current year?

Mr. NELSON. It is simply to put them on a par with the Navy. In case the Navy pay is reduced the pay of the Coast Guard would go with it. It simply puts them on a par with the officers and men of the Navy.

Mr. TOWNSEND. Mr. President, if the Senator will permit me, I think the Senator from Utah understands that this branch of the service was created out of the two divisions which the Senator from Minnesota has mentioned, namely, the Revenue-Cutter Service and the Life-Saving Service, on the theory that they were related to the Navy; that they were proper branches of the Navy under certain important conditions. They have been very useful in the service of the Navy during the late war and are very useful at all times—in fact, they are of the very greatest use—and there is no reason why one branch of the naval service should be treated differently from another branch. If the Senator looks into the matter he will be convinced, I am sure, that the Coast Guard is in the very nature of things of direct importance to the people of the United States not only in connection with the Navy but also in merchant marine and coastwise service. They are especially necessary in time of war, but their services in time of peace can not be overestimated. They save life and property, the latter a hundredfold of their expense to the Government

Mr. KING. Mr. President, if the Senator will pardon me, I do not agree with the position which he takes at all nor with the conclusions which he draws. It seems to me that the service of men in the Navy is entirely different from that of those engaged in the Coast Guard. I can not see why an officer in the Coast Guard should have the same grade or the same compensation as a naval officer. Naval officers give their lives to the service and are educated at the expense of the Government. It seems to me to take the Coast Guard and elevate it to the same status as that occupied by the Navy is wholly improper, and if this bill purposes to do that I shall object to its consideration. I will not object, because of the exigencies of the hour and because, as I understand, a good many of the employees in the service are leaving because of the superior compensation obtained elsewhere, to a measure which permits, for the current year, the same compensation as those in the Coast Guard have received during the war. But to put them on the same status as the Navy for all time I should object to.

Mr. TOWNSEND. Mr. President, let me say further to the Senator that I am sure he does not understand the real situation, or else he would not say that the man who enters the Navy, devoting his life to the service of the country in its naval department, is assuming greater risks or is offering greater service and sacrifice to his country than are the men in the Coast Guard. In the first place, the revenue-cutter men are educated at the public expense also, as I understand, the same as are officers of the Navy. But the dangers to life in the Coast Guard Service are very much greater, year in and year out, than those connected with service in the Navy, and service in the Coast Guard is for life or until retired under the law. The Coast Guard officers are given retirement similar to that given to men in the Navy, except that their retirement is less valuable, having fewer and smaller benefits.

Mr. KING. The Senator is referring to the officers now, I suppose?

Mr. TOWNSEND. I am speaking of the officers, who would be benefited by this bill. They do render naval service, and if the Senator was familiar with the work of the life savers and knew of the sacrifices they make and how they give up their lives in very many instances for the sake of the service in which they are engaged, I am sure he would not want to classify them below other officers in the Navy. It may not be exactly accurate to say that they are nominally officers of the Navy, but it is true in fact. During the recent war the Coast Guard Service was taken over by the Navy and its officers paid and ranked as naval officers. They should not now be discriminated against.

Mr. NELSON. Mr. President, I just want to add one or two words. During the war, although I do not recall the date, this Coast Guard Service was attached to the Navy and performed their duties with the Navy. About a week ago I noticed that one of the Coast Guard vessels and the whole crew were sunk by a mine over in European waters.

Some people have a notion that the Coast Guard Service perform their duties altogether ashore. That is not true. Their boats are constantly plying along the coast of the United States, in the Alaskan waters, and in the West Indies waters, and since the Life-Saving Service was attached to the Coast Guard they have important duties in relieving wrecks and taking care of vessels that are out in a storm.

I can not conceive of any service that is more important and more hazardous, even in time of peace, than the Coast Guard Service. This is simply for the time being to put them in a position where they were six months ago. They were then attached to the Navy Department, and this is to put them right back, so that they can get the pay that they were getting then.

Mr. THOMAS. Mr. President——

Mr. NELSON. There is another reason, if the Senator will allow me, and then I will yield to him. Owing to the matter of high wages prevailing throughout the country, it is very difficult now for the Coast Guard Service to get men to man their ships.

I want to say another thing before I sit down. The Coast Guard Service have a naval code of their own, prepared by the Committee on Commerce some years ago, and passed. Before that time they were simply in the condition of ordinary merchant sailors; but we prepared a naval code that regulates and controls the enlistment and discharge of the men, and they are now put on the retired list, but not on the same basis as officers in the Army and Navy.

Now I yield to the Senator from Colorado.

Mr. THOMAS. What I wanted to ask the Senator is what increase this bill would make in the annual expenditures.

Mr. NELSON. I am unable at this moment to give the Senator the figures. They will simply be put on a par with the officers and men in the Navy for the time being.

Mr. THOMAS. I understand the bill; but I was somewhat interested to know how much it would add to the public burden.

Mr. NELSON. I am unable at this moment to give the size of the force.

Mr. KING. Mr. President, I regret very much to be compelled to insist on my objection. I shall be very glad to take the matter up with the Senator from Minnesota and officials representing the Navy and the Coast Guard, and see if we can not prepare a bill at a very early date which will increase the compensation, or at least give these employees the same compensation for the coming year that they had during the war. But I am not willing to concur in legislation which would place them in the same category with the personnel of the Navy.

PROTECTION OF WILD BIRDS.

The bill (H. R. 1199) to prohibit the purchase, sale, or possession for the purpose of sale of certain wild birds in the District of Columbia was considered as in Committee of the Whole.

The VICE PRESIDENT. The bill has heretofore been considered and partly amended. The next amendment of the Committee on the District of Columbia will be stated.

The SECRETARY. On page 2, to strike out lines 22, 23, 24, and 25, and, on page 3, to strike out lines 1, 2, 3, and 4, and insert, on page 3, a new section, as follows:

SEC. 3. That nothing in this act shall prevent the sale at any time of Hungarian partridges, English, ring-necked, Mongolian, or Chinese pheasants, when the same shall have been raised in captivity, or the sale of birds mentioned in this act alive, for propagating purposes, under such regulations and requirements as shall be prescribed by the Commissioners of the District of Columbia.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL AND RESOLUTION PASSED OVER.

The resolution (S. Res. 172) for the selection of a special committee to investigate the administration of the office of the Alien Property Custodian was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 2978) to establish additional fish-cultural subsidiary stations in the State of Michigan was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

IOWA TRIBE OF INDIANS.

The bill (S. 806) conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in claims of the Iowa Tribe of Indians against the United States was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment, on page 2, line 5, to insert, after the word "Indians," the following proviso:

Provided, That the court shall also consider and determine any legal or equitable defenses, set-offs, or counterclaims which the United States may have against the said Iowa Tribe of Indians.

So as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment on principles of justice and equity and as upon a full and fair arbitration of the claims of the Iowa Tribe of Indians, of Oklahoma, against the United States, with the right of appeal by either party to the Supreme Court of the United States, for the determination of the amount, if any, which may be legally or equitably due said tribe of Indians under any treaties or laws of Congress or under any stipulations or agreements, whether written or oral, entered into between said tribe of Indians and the United States or its authorized representatives, or for the failure of the United States to pay any money which may be legally or equitably due said tribe of Indians: *Provided*, That the court shall also consider and determine any legal or equitable defenses, set-offs, or counterclaims which the United States may have against the said Iowa Tribe of Indians. A petition in behalf of said Indians shall be filed in the Court of Claims within one year after the passage of this act, and the Iowa Tribe of Indians shall be the party plaintiff and the United States the party defendant, and the petition may be verified by the attorney employed by the said Iowa Tribe of Indians to prosecute their claim under this act, under contract to be approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as provided by law, upon information and belief as to the facts alleged in said petition. Upon the final determination of the cause the Court of Claims shall decree such fees and expenses as the court shall find to be reasonably due to be paid to the attorney or attorneys employed by said Iowa Tribe of Indians, and the same shall be paid out of any sum or sums of money found due said Iowa Tribe of Indians: *Provided*, That in no case shall the fees and expenses decreed by said court be in excess of 10 per cent of the amount of the judgment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (H. R. 6863) to regulate the height, area, and use of buildings erected in the District of Columbia, and to create a zoning commission, and for other purposes, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2773) for the relief of Ethel Proctor was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2207) admitting civilian employees of the United States Government stricken with tuberculosis to Army and Navy hospitals was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2785) to provide aid from the United States for the several States in the prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 76) for the investigation of influenza and allied diseases, in order to determine their cause and methods of prevention, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The joint resolution (S. J. Res. 51) directing the Court of Claims to investigate claims for damages growing out of the riot of United States negro soldiers at Houston, Tex., was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2672) to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel M. White, deceased, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1302) for the relief of John H. Rheinlander was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

CLAIM OF OWNERS OF STEAMER "TEXAS."

The bill (S. 1255) authorizing the Texas Co. to bring suit against the United States was announced as next in order and was read:

The bill had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and insert:

That the claim of the owners of the steamer *Texas* arising out of a collision between said steamer and the U. S. S. *Frederick der Grosse* off Tompkinsville, Staten Island, in the harbor of New York, on the 3d day of September, 1917, for and on account of the losses alleged to have been suffered in said collision by the owners of said steamer *Texas* by reason of damages to and detention of said steamer may be submitted to the United States court for the district of New York, under and in compliance with the rules of said court sitting as a court of admiralty; and that the said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the legal damages sustained by reason of said collision, if any shall be found to be due either for or against the United States, upon the same principle and measure of liability, with costs, as in like cases in admiralty between private parties, with the same rights of appeal.

SEC. 2. That should damages be found to be due from the United States to the owners of said steamer *Texas*, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided*, That such suit shall be brought and commenced within four months after the passage of this act.

SEC. 3. That the mode of service of process shall conform to the provisions of the act of March 3, 1887, entitled "An act to provide for the bringing of suits against the United States."

Mr. KING. Let the bill go over.

Mr. SHEPPARD. Mr. President, I ask the Senator to allow the bill to be passed. It merely authorizes the bringing of a suit in the Federal courts in the State of New York.

Mr. KING. I will withdraw the objection for the present.

Mr. SHEPPARD. The Senator from Utah [Mr. SMOOT] raised the point a few days ago that the report does not show that these parties had taken up the matter with the proper department of the Government. I have since ascertained that they made application to the Navy Department for redress, and that the Navy Department replied that it could not consider the claim because it amounted to more than $500; that the claimants would have to get special authority from Congress to bring a suit, and have the matter tried on its merits. That is all the bill proposes to do. I hope there will be no objection to it.

Mr. SMOOT. Mr. President, this is not only for the repairs and the surveyors' fee in examining and reporting on the damages, and recommending the necessary repairs, but it is for $16,425.48 for the loss of the time the steamer was out of commission.

Mr. SHEPPARD. That is to be tried out in the courts. If there is no legitimate basis for the claim, it will not be sustained. The Navy Department held that special congressional authority would be necessary in order that a suit might be brought.

Mr. SMOOT. I will refer to the report in a moment.

Mr. KING. While my colleague is doing that, I should like to ask the Senator from Texas if he knows of any precedent for the Government being held liable for damages resulting from collisions of this character, and of loss of time growing out of the inability to use the vessel during the time it was being repaired?

Mr. SHEPPARD. That I do not know. But the passage of this bill would not of itself commit Congress to liability.

Mr. SMOOT. I will say to the Senator that whatever action is taken in this matter by Congress will virtually bind the Congress to pay the amount. I do not recall the Government ever having paid for the loss of time that it took to repair such boats. I know the general law authorizes the Navy Department to settle claims under $500, but in that settlement time is never considered in figuring an obligation against the Government.

Mr. SHEPPARD. If that be correct, I feel sure the court would not sustain that part of the claim in so far as it relates to loss of time.

Mr. SMOOT. I do not know about that, I am sure.

Mr. SHEPPARD. If the court should decide that the Government is bound, it would seem that these people would be entitled to redress. The bill provides for a trial on the merits.

Mr. OVERMAN. Mr. President, the court would make a reasonable allowance for damages suffered; but the question is whether it would be the policy of Congress to allow for such damages as are alleged here.

Mr. SHEPPARD. The object of the bill is not to commit Congress in any way, but to make possible a court decision. I assume the court will pass on the matter fairly and render whatever judgment is proper. How could the claim be properly adjudicated, except by the court, under the circumstances?

Mr. SMOOT. I notice that this boat is supposed to carry 9,770 tons, and they allow $6.50 per ton per month for the full tonnage of the boat and charge $2,116 per day, which is based

on the rate of $6.50 per ton per month for the total tonnage of the boat. I think that is unreasonable. It is not very likely that the boat would have a load to its utmost capacity, nor is it very likely that the boat would be in commission carrying freight every day during the time that it took to repair it.

Mr. SHEPPARD. Would not the Senator feel safe in permitting the court to investigate that and pass on it?

Mr. SMOOT. I think Congress itself has acted on this question. The Senator knows there are a good many things that Congress has well settled in paying claims against the United States. It is quite different from claims between individuals and corporations.

Mr. SHEPPARD. Would not the court examine into that?

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 3288.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

The VICE PRESIDENT. The pending question is the amendment of the Senator from Kansas [Mr. CURTIS] to strike out section 7 of the bill.

Mr. MYERS. Mr. President, I have some views to express about the pending bill, Senate bill 3288, a bill to provide legislation for the return to their owners of the railroads of the country and to provide regulation of the operation of the roads. It is a most important subject of legislation and requires the most careful and serious thought of Congress. The railroads are the arteries of the commercial and industrial life of the country. All commercial and industrial life circulates through them. Without natural and unimpeded circulation, stagnation would follow, and if all circulation were stopped death would ensue not only to commerce and industry but actual physical death to vast numbers of people would ensue from starvation. Much is involved. Stockholders in railroad corporations should have a fair and sure return upon their investments; employees should have reasonable compensation and fair working conditions; but the interest of the public is more extensive than that of either. It is highly important that there be adequate, continuous, unimpeded service.

I shall principally address my remarks to-day to that feature of the bill which is intended to prevent interference with interstate commerce by railroad strikes. I am very heartily in favor of that provision of the bill. I think it absolutely necessary to the welfare and life of the people of the United States and to the good order and domestic tranquillity of the country. I believe it within the power of Congress to enact such legislation. The preamble to the Constitution of the United States recites that the Constitution is adopted, among other purposes, to insure domestic tranquillity. Without some means of prevention of nation-wide railroad strikes there can be no assurance of domestic tranquillity in this country. By the Constitution Congress is given power to regulate commerce among the several States. To regulate commerce among the several States certainly includes the power to prevent interference therewith or extinction thereof; without railroad transportation there could be but little commerce among the States. Interference with the United States mail is unlawful and punishable. Why should not interference with interstate commerce be made unlawful and punishable? Transmission of the mail is only one phase of interstate commerce. Transportation of passengers and freight is of more vital importance than transmission of mail.

I think the time has come when Congress should create a tribunal to hear and determine disputes between railroad companies engaged in interstate commerce and their employees, about wages and working conditions, with power to decree and enforce the granting of reasonable wages and fair working conditions. That is provided in the pending bill. Jurisdiction over such matters is given to the proposed transportation board, the proposed committee of wages and working conditions, and the proposed regional boards of adjustment. The bill provides for equal representation of employers and employees on the committee of wages and working conditions and the regional boards of adjustment. By this method employees will have a voice in fixing their wages and working conditions. They will no longer be compelled to accept whatever wages and working conditions their employers may offer or to quit their jobs. What is right and reasonable is to be determined by a fair, impartial tribunal, sitting as a judicial body, taking into consideration the interests of the public, the rights of investors, and the rights of employees. A penalty is provided to enforce decrees.

Manifestly, I think, as a corollary, this should be accompanied by a provision to prevent a nation-wide or territorially extensive railroad strike from being suddenly and arbitrarily precipitated upon the people of the country, to the utter paralysis of business and imperiling by starvation the lives of the people. If we are to get away from the old, haphazard system of allowing railroad companies to fix wages and working conditions and compelling employees to accept what is offered or to strike, if we are to get into a higher and fairer arena of adjudication, if we are to take into consideration the paramount interest of the people, if we are to make the subject one of judicial action, we should not end with providing that railroad companies must pay whatever wages and grant whatever working conditions may be decreed by a judicial tribunal and leave employees still free to plunge the country into desperation and bring it to starvation by a nation-wide strike. It would not be fair to bind employers and not employees. To be workable, to be fair, and to obtain the desired benefits some compulsion must be applied to each side. Employees should not have the benefit of a compulsory law to require employers to pay adequate wages and grant fair working conditions and still retain the power to destroy through the strike.

In my opinion, the time has come when the people are entitled to know whether their Government is to be supreme in the realm of domestic tranquillity, general welfare, law, and order, or whether a class of citizens, only a small part of the people, banded together by class organization, are to be supreme, whether the Government or organized labor is more powerful. If the Government is not supreme and the more powerful, the people should know it in order that they may take counsel and decide to submit to the inevitable or undertake to seek a remedy. Undoubtedly for many years capital was largely disregardful of the rights of the people and the general welfare. It engaged largely in the formation of trusts, combinations, and monopolies, and thereby fixed prices and wages and restricted production and worked much hardship upon the people. This rapacity continued until public sentiment was so aroused that it was reflected in Congress, and laws were enacted which were intended to curb, and have in a measure curbed, the rapacity of capital and made it much more responsive to reason and justice.

A new menace, however, has arisen, and it bids fair to be more dangerous, more tyrannical, more oppressive, more terrible, than the old menace or any other our country has ever known. It appears to have the power to destroy; not merely to oppress or harm but the absolute power to destroy. Apparently it believes it is possessed of that power and is disposed to use it unless it can have its way, regardless of the views and judgment of the whole people. It is the menace of organized labor, with its present tendencies and under radical control. I think organized labor has for quite a number of years been very fairly treated by the executive, legislative, and judicial departments of the Government—nay more, generously treated. There had long been a feeling that there was an unequal distribution of wealth and opportunity in this country, and the whole trend of governmental action for a number of years has been to give labor a larger share of wealth and opportunity. This has continued until it appears to have created in organized labor a rapacity and greed that are appalling, accompanied by ominous threats that portend grave danger to the body politic.

Selfishness is not confined to capital. Selfishness is found in all elements of population. It is found in labor as well as capital. When unrestricted in either it is sure to go too far; sure to go so far as to interfere with the general good and welfare, which should always be supreme. Selfishness should be curbed in capital and labor alike. It should not be curbed in one and allowed to go unrestricted and run riot in the other. Selfishness is an element of human nature which should always be the care and object of legislation. It must be if popular government is to be a success. Unrestrained selfishness in any element of population will ruin fair and impartial government.

It was during the war with Germany that organized labor exhibited a rapacity that was not wholesome and appeared to become swollen with the consciousness of power. Undoubtedly there was extravagance on the part of the Government during that war. There had to be some. We had to win the war, regardless of cost. The winning of the war was paramount to all else. Cost was a minor incident. We entered the war late and had to make haste. Haste necessarily costs. It always does. Doubtless during the war there was some profiteering by capital. It was impossible to prevent all profiteering by capital. In gigantic contracts, hastily filled, there must be generally some large profit.

As a class labor was loyal during the war with Germany. It did its share toward the winning of the war and I give it credit for it. Without its help the war could not have been won, but in the main it was well paid for what it did. Its loyalty was

accompanied by the highest wages ever known. There were repeated demands for increased wages and nearly all of them were granted. Some of them were unreasonable. Some were accompanied by express or implied threats to quit work if not granted. The Government and employers were not in a position to quibble about wages and nearly every demand was granted. During the war there were many workmen who received quite as much, half as much, or a third as much wages in a day as soldiers fighting in the trenches in France received in a month. In some essential industries, such as shipbuilding, some workmen received a much greater wage in a day than soldiers in the trenches received in a month. There was no great exception taken to this, because we had to win the war, regardless of cost. However, the experience of labor during the war, the wages received, and the readiness with which nearly every demand was granted appears to have given labor leaders a new consciousness of power and appears to have caused radical elements in labor circles to determine to go to great and unreasonable lengths in time of peace and to use the power acquired under stress of war for purposes of downright extortion; and this spirit unfortunately appears largely to have pervaded the entire ranks of organized labor.

There appear to be in labor circles a belief that labor is in the saddle and has things going its way, and a determination to go to the uttermost extremity, regardless of consequences, regardless of right or wrong, and regardless of the welfare of the country and the interests of the whole people. Coupled with this determination seems to be a feeling in labor circles that the Government is either powerless to resist extreme and extortionate demands of labor or on account of timidity dare not do so. There is some ground for this feeling.

For a long time both of the leading political parties have made a specialty of catering to organized labor. Nearly every demand has been granted. Organized labor has been coddled, babied, and toadied to until it is no wonder, with the fresh prestige gained during the war, labor feels that it is foolish not to demand anything its fancy may want. Especially of late years has labor been humored to an unreasonable and unwholesome extent. Bids have been made for the labor vote until the leaders of organized labor are so swollen with real or imagined power that they apparently feel they are in a position to dictate to the Government and exact anything they may desire.

In my opinion some serious mistakes have been committed in the policy of the Government toward labor. While it was the duty of the Government to curb with a firm hand the greedy rapacity of capital, there was no reason why the Government should have given labor carte blanche to go to any length or should have humored its every whim. I think the Adamson law was a grave mistake, and I think we are now reaping its consequences. I think much of the trouble which has since arisen in regard to the operation of railroads; much of the enormous deficit resulting from Government operation of railroads, amounting to hundreds of millions of dollars; much of the net loss to the Government in the operation of railroads, at times amounting to more than a million dollars a day, may be traced to that act. It was the belief of many who acquiesced in the Adamson law that that was the last that would be heard of demands of railroad employees about wages for a generation or more; but immediately the Government took control of the operation of the railroads it was confronted by repeated demands for increased wages, and they were all granted, and the end is not yet.

I think it was a grave mistake to exempt farm and labor organizations from the provisions of the Sherman antitrust law—Republican—and the Clayton antitrust law—Democratic. In my opinion, each was largely a bid for political support. In my opinion, very much of our domestic trouble since the signing of the armistice with Germany arose from those mistakes. Each year they have been confirmed by the action of Congress in putting in the annual appropriation bill for the Department of Justice a provision that none of the money appropriated should be used for the prosecution of farm or labor organizations for acts contrary to the inhibitions of antitrust laws. This has continued until in the minds of the beneficiaries of such exempting provisions there has apparently been formed a firm belief that their right to do things forbidden to other and less favored citizens has ripened into a vested right. In recent years there has occasionally been some feeble opposition in Congress to the insertion of such exempting provisions in appropriation bills, but without effect. At the last preceding session of Congress, when there was before the Senate a bill to make a deficiency appropriation for the Department of Justice, a determined effort was made by a few Senators to prevent the inclusion in the bill of the usual clause of exemption in favor of farm and labor organizations, but it was defeated by a margin of three votes. There was but a small attendance. Twenty-eight of us voted to strike out the usual exclusion clause and 31 voted against striking it out. The vote showed that a good many Senators were awakening to the unwisdom of class legislation.

All of my life I have been opposed to class legislation. I had long understood democracy to mean equal rights to all, special privileges to none, and no class legislation. However, democracy seems to have grown to mean equal rights to none, special privileges for all who have enough votes, class legislation for those strong enough to get it. It is not, however, my ideal of democracy. If one political party has indulged in class legislation and granted special privileges to the wealthy, that is no reason why its opponent should indulge in class legislation and grant special privileges to the class which has the most votes. Republican concessions of special privilege to those who have the most wealth and Democratic bestowal of special exemptions upon those who have the most votes are, in my opinion, equally wrong.

I believe in the original democratic doctrine of equal rights to all and special privileges to none, no matter how wealthy or numerous claimants for special privilege may be. I believe it is the true theory of democratic government. None should be allowed to follow their selfish interest to such an extent as to interfere with the common rights and general welfare of the whole people. All classes should be amenable to the law and all should be made subject to the general welfare and common good. To do otherwise is to endanger popular government and destroy democracy.

As a result of class legislation in favor of wageworkers, there has grown up in this country an inner government. It is inside of the regular or constitutional Government. It is not an invisible government. It is very visible. It does not operate under the surface or behind the scenes. It is bold and open and very much aboveboard. The inner government consists of combined organized labor, and it is a grave question if the inner government to-day is not superior to and more powerful than the constitutional Government. The inner government issues edicts and makes demands, and in the past they have largely been honored by the constitutional Government. If this is to continue constitutional government can not survive. In my opinion, it is timely and opportune to determine whether or not this shall continue until it may reach the point of the utter subversion or destruction of constitutional government. Shall the inner government or the constitutional government rule? The time and the opportunity to make the test are now at hand.

I believe there should be a test of strength between our Government and organized labor. Organized labor has been growing in power at a prodigious rate. It has become arrogant and domineering. If the test be longer postponed, when it may come it may be disastrous to constitutional government. I think it imperative that a test be had as soon as possible. The radical element of organized labor is evidently in the saddle and it does not mince words in its threats or demands. It bodes no good for the common weal. It seeks only advantage, power, benefits for itself. It appears to have no thought of the common welfare. The chief labor organizations of the country appear to have passed under radical control and that radical control is in many instances closely linked or nearly related to sovietism, bolshevism, and communism, so much so as to give strong ground for the belief that many of the radical leaders who are now leading large organizations of labor at a reckless pace have in mind a covert or thinly disguised purpose to internationalize the proletariat of the world and put it on the throne and either overthrow this Government or materially alter it, so that sovietism and not democracy shall characterize it. Some openly avow their purpose to sovietize the United States. Others do not, but appear to be working to that end.

Great labor leaders, heretofore regarded as prudent and conservative, who now appear to be unable to stem the rising tide of radicalism, apparently are disposed to drift with the radical tide rather than fight against it. The greatest labor leader in this country has been Samuel Gompers, president of the American Federation of Labor. Heretofore I have had considerable respect for and confidence in Mr. Gompers. I thought his part during the War with Germany was well done, and I thought him entitled to much credit for it. I had regarded Mr. Gompers as a conservative force, a stabilizer of radical tendencies in labor circles, and thought him in a position to do great good. In fact, he has done some good, and I give him credit for it. Mr. Gompers, however, appears to have become unable or unwilling to stem the torrent of radicalism, and appears to have decided to drift with it rather than fight it.

In the great steel strike—a strike not conducted for higher wages or better working conditions, but to make the steel industry a closed industry, so no American citizen may obtain employment at it without first getting permission from an oli-

garchy of organized labor—Mr. Gompers joined hands with James Fitzpatrick, William V. Foster, and Jacob Margolis, and has stood for that for which they stand in that strike. He has stood shoulder to shoulder with them and has worked hand in hand with them. Margolis is a plain anarchist. I do not say Mr. Gompers subscribes to Margolis's anarchy, but he has stood with Margolis in the steel strike. Foster is a rabid syndicalist, a former avowed I. W. W., and, no doubt, still one at heart. Fitzpatrick was the ruling genius in the formation of a new labor party which recently held a national convention at Chicago and demanded the impeachment of Judge Anderson for issuing an injunction in the coal strike against the head officials of the United Mine Workers of America. Some of this convention's other demands were:

Abolition of the United States Senate.
Election of Federal judges by popular vote for terms not exceeding four years.
International solidarity of labor.
Maximum hours of labor for men and women to be 8 hours a day and 44 hours a week.
Minimum wage for workers to be fixed by law.
Old-age, unemployment, and sick pensions.
Government to own and operate the banking business of the country.
Nationalization of unused lands.
Incomes of individuals to be limited by law.
National initiative, referendum, and recall.
Application of the "home rule" principle in State, county, and city government.
Condemnation of government by injunction.
Repeal of the espionage law and all other repressive statutes passed during the war.
Condemnation of universal military training and conscription.
Immediate release of all political and industrial prisoners.
Nationalization of all public utilities and all basic industries.
Demand that all Government work be done by day labor instead of by contract.
The convention adopted a resolution condemning the peace treaty and league of nations covenant as at present drafted, for the reason that it did not conform with President Wilson's fourteen points and was not in the interest of the working classes of the world.

I do not say Mr. Gompers stands for Foster's syndicalism or all of the demands of Fitzpatrick's labor convention, but he has stood with those men in the steel strike. This goes to show that the radical, revolutionary element of labor is in control and that more conservative officials must submit to it or get out of the way. It shows the element of organized labor with which the Government has to contend. It shows the character of the menace.

When the unionized bituminous coal miners of the country, on the verge of winter, in violation of their express written contract, took advantage of the situation to undertake to freeze and starve the people of the country into submission to their most outrageous, extravagant, unreasonable, and extortionate demands, and when the Government, through the Department of Justice, a duly authorized agency, obtained an injunction against the leaders of that strike, from a duly constituted Federal court of competent jurisdiction, presided over by Judge Anderson—virtually an injunction against the action of a few men in undertaking to plunge the whole people of the country into starving and freezing conditions and to paralyze the entire industry and commerce of the country, in violation of law and of their contract—the executive council of the American Federation of Labor made common cause with the unlawful strike and, with Mr. Gompers presiding, defied the courts of the land and the Government. Mr. Gompers and his executive council openly assured the lawless strikers, who had their hands upon the throats of the Government and the whole people, that in their lawless stand they would have the absolute support and assistance in every possible way of the American Federation of Labor. The executive council of the American Federation of Labor issued a statement, which bristled in every line and sentence with defiance of the Government, the courts, and the law. It boldly challenged the Government to a test of strength.

I believe it was that action of the American Federation of Labor and those utterances of Mr. Gompers which caused the miners, despite the injunction, to remain on strike and defy the Government and bring its people, as they have, to the verge of death, through freezing and starving. It made a farce, a joke, of Judge Anderson's paper injunction. It was made nothing but a paper injunction. Organized labor defied the Government, and so far has made its defiance successful, successful to the verge of death and destruction. Is all of this to go unnoticed? Are we, the representatives of the people, the guardians of the Constitution, to take no heed of these things? Are we to take no warning? Are we to put a strait-jacket on railroad employers and say to them: "We will fix wages and working conditions of your employees and make you abide thereby, and at the same time leave this great power for destruction of all Government and society unbridled, unrestrained, and free to wreak its will upon the defenseless people at the dictate of tyrannical masters, some of them clearly bent on sovietism and bolshevism?"

Great as are the opportunities for arbitrary action of radical labor elements and scheming labor leaders, to the detriment of the general welfare, in coal mining, the steel industry, manufacturing industries, and other industrial lines, I believe the ability to wreck, ruin, desolate, and paralyze, and to bring to people death from starvation exceeds in railroad transportation that of all the others. I believe if a nation-wide railroad strike should be instituted, as has been more than once threatened, and if it should be successful in a complete tie-up of the railroads for a period of two weeks, it would cause the death by starvation of from five to ten millions of people of the country, mostly in the large cities. New York City, it is said, never has provisions on hand for more than 48 hours ahead. We have had a coal-miners' strike, contrary to law, for five weeks. Why not a nation-wide railroad strike for two weeks? If there are elements of organized labor which are determined, and if there are scheming labor leaders who are determined, to have their way or pull down the temple of Government in ruin upon the heads of all—and I think the events of the last few months leave no room to doubt it—I believe the railroads of the country afford the most effective avenue. That this avenue has been chosen by some appears plain.

Last summer, when crops were to be moved, when the cost of living was a sore burden to millions of people, when it was the duty of every patriotic citizen to struggle along for the time being as best he could and help to reduce the cost of living and help change war conditions to prewar conditions, when the Government had paid out of the Treasury hundreds of millions of dollars to operate the railroads and was then operating them at a loss of a million dollars a day, a sudden, unexpected, concerted descent was made upon Congress by the leaders of the railroad brotherhoods with demands for an increase of wages and for the adoption of the Plumb plan of so-called nationalization of the railroads; in fact, nothing but sovietism.

The imperious demand was made that these things be done at once, and, if not, a nation-wide railroad strike was threatened. President Wilson threw himself into the breach and, by appealing for time and promising to make every effort to reduce the cost of living in a short time, he succeeded in procuring an armistice, and the threatened calamity was held in abeyance, but kept over the heads of the people of the country.

Taking warning, very soon thereafter earnest work was begun and continuously prosecuted by the Senate Committee on Interstate Commerce, of which I have the honor to be a member, upon the framing of legislation to turn back to their owners the railroads of the country and to prevent the possibility of such a fearful calamity as a nation-wide railroad strike. The pending bill resulted. The brotherhood leaders, so far, have complainingly withheld direct action, but there are continual rumblings of a disposition to turn lose the thunderbolt. The taste of the Adamson law and subsequent successive tastes have whetted their appetites.

At a hearing which was granted to labor leaders by the Senate Committee on Interstate Commerce, which framed this bill, upon the proposed provision against railroad strikes Mr. Gompers and other labor leaders appeared before the committee and violently opposed the antistrike provision of the bill. Mr. Gompers, in particular—and others, too—said if the provision were enacted it would not be obeyed. They announced that they would defy it. Mr. Gompers said he would have no hesitancy in advising railroad workers to disobey it. In short, he and his associates defied the Government and set themselves up as more powerful than the Government. The inner government against constitutional government! The inner government professed to be more powerful than the constitutional government and declared a test of strength against the latter. I for one am in favor of accepting the challenge. I do not believe it should be passed over. I believe now is the time to make the supreme test. The majesty of the law has been challenged, is being challenged every minute!

In my State to-day the people are in the dire extremity of deep distress. Thousands of innocent, law-abiding men, women, and children are suffering cruel deprivation under the iron heel of a merciless oligarchy's tyranny. Thermometers register many degrees below zero. Deep snows cover the ground and biting blizzards sweep the State. Thousands of people are out of fuel. Many are tearing down their barns and other outbuildings and fences for fuel. Some are reported to be burning their furniture. Schools and churches are closed. Newspapers are suspended. My latest advices are that the large mines and smelters of the State have closed for lack of fuel, throwing thousands of workmen out of work, from 12,000 to 18,000, and stopping their wages. I have no doubt thousands are suffering misery. This is horrible, shocking, revolting! That such a state of affairs can exist in America is appalling. Did ever

people have greater cause for grievance against our Government that such things can be? Are we helpless to remedy this terrible condition, brought about by the merciless tyranny of the inner government? If not, the power of the constitutional government should be asserted and enforced.

If the law-breaking coal miners win their strike, constitutional government is ended in the United States; our liberty and security are gone. In that event we shall have to crawl submissively upon our hands and knees and servilely bow to the dictates of the inner government of organized labor, just as Congress has been crawling and bowing to its dictates, the result of which the country is now reaping.

Rebellion is in the land! It is bold, sullen, defiant. The United Mine Workers of America are openly defying constituted authority, law, Government, courts, a court injunction. I have no doubt their leaders and officials are conniving at, inciting, instigating, encouraging this defiance. I have no doubt there are other labor leaders in high places who are aiding and counseling. A decree of a high court has been ruthlessly trampled in the dust. The titanic grapple of our Government with a gigantic force within is at hand.

Shall the majesty of the law be upheld? There is no majesty more imposing, of greater grandeur, of more sublime proportions than the majesty of the law. Like divine omniscience, it may be defied, trampled upon, violated; it can not be destroyed. It is everywhere. It may be denied, but it exists. It may be pushed aside, but it resumes its sway. It is supreme in right and in conscience it will be vindicated. None can violate it without injustice to others, injury to themselves. America is going through an ordeal. Shall we be heedless, as in the past, and not prepare for the future? If the coal miners' strike should be by the Government compromised in such a way as to put one cent more of cost upon the public, in my opinion it would be a mistake that would return to plague it for many years to come. I do not believe it should be compromised. I believe the Government should stand on the offer made by Dr. Garfield, accepted by the operators, and fight it out on that. The Government has declared this an unlawful strike, and I do not believe in compromising with lawlessness.

Mr. FRELINGHUYSEN. Mr. President, will the Senator permit an interruption?

The PRESIDING OFFICER (Mr. POMERENE in the chair). Does the Senator from Montana yield to the Senator from New Jersey?

Mr. MYERS. With pleasure.

Mr. FRELINGHUYSEN. Has the Senator made any investigation as to the increased cost of coal, either to the operators or to the public, in the 14 per cent advance which has been suggested by the Fuel Administrator, Dr. Garfield?

Mr. MYERS. I have not. I have taken Dr. Garfield's statement.

Mr. FRELINGHUYSEN. Does the Senator know that that would increase the cost of production $107,000,000, in addition to the previous advance made by the Fuel Administrator?

Mr. MYERS. I have heard those figures given. I have no doubt they are correct.

Mr. FRELINGHUYSEN. I am leading up to this question: Is the Senator of the opinion that that $107,000,000 placed upon the operators is a proper charge against the operators? Should that increase be made if the miners are now getting sufficient wages?

Mr. MYERS. No; if the miners are receiving sufficient wages it should not be granted. I am only saying that the Government having seen fit to authorize and back up Dr. Garfield's statement and his attitude, it should fight it out on that stand and not recede one iota from it. I have simply taken Dr. Garfield's announcement of the result of his investigation of the cost of coal production; that is, that the coal operators could stand that much of an increase and have some profit left. I have not investigated the subject myself. I am relying upon Dr. Garfield's statement, which I have no reason to doubt.

Mr. FRELINGHUYSEN. I do not want to interrupt the Senator in his speech.

Mr. MYERS. I am quite willing to be interrupted to any extent.

Mr. FRELINGHUYSEN. But I think the Senate should understand this question, as the Senator has mentioned the fact.

Mr. MYERS. I would be pleased to have the Senator from New Jersey make any statement he may think would shed light on the question. I am sure anything he might say would be enlightening.

Mr. FRELINGHUYSEN. As I understand, the 14 per cent advance is supposed to be taken out of the income of the operators?

Mr. MYERS. That is my understanding.

Mr. FRELINGHUYSEN. It is imposed under war powers granted in the Lever bill, giving the Fuel Administrator power and authority to readjust the wage scale. The legislation will expire by limitation when the President shall proclaim peace, and therefore it is reasonable to assume that in six months, or a year at least, those powers will expire by limitation. But the advance imposed upon the public of $107,000,000 added cost is a wage agreement extending to two and a half years from the present time, and every effort to reduce the price of coal or readjust those wages is tied up under a contract for two and a half years, and there will be no authority of law to readjust them. I believe that at the present time the wages of the miners are sufficient, that they are earning war-time wages, and that they should not be increased. I intend to show definitely in the Senate at some future time what these miners have been making, wages the minimum of which is $1,500 a year and the maximum $4,500 to $4,800 a year.

Mr. MYERS. I agree substantially with what the Senator from New Jersey has said. I was merely saying that the Government having authorized Dr. Garfield's offer and having put itself back of it and having taken a stand on it I do not believe the Government should recede one iota from the stand it has taken, but believe the Government should at least fight it out on that stand and along that line; and if there be made any compromise which will go one particle beyond that I think it will rise to plague the Government for many years to come. It would be an abandonment of a stand as to principle.

Mr. FRELINGHUYSEN. I merely wish to say that I am entirely in accord with the Senator's view.

Mr. MYERS. I think this Government should show that it can take a stand for what is right and stay with it in the face of defiance.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. MYERS. With pleasure.

Mr. HITCHCOCK. This, of course, is true, that Dr. Garfield was better qualified, probably, than anyone else in the United States to ascertain what would be a reasonable advance to the men; and the fact that he made a decision which was not far from the reasonable one is indicated by the further fact that most of the operators indicated a disposition to accept his judgment in the matter. It may be that this 14 per cent increase in wages amounts to a very large sum—$107,000,000, or whatever it may be. But as large as it is, after all, it is only a 14 per cent advance, and it seems to me that the Senator from Montana is occupying a very strong position when he takes the attitude that this decision having been made by the proper constituted authority it is now the duty of everyone to stand by it and see that it is carried out.

Mr. MYERS. The duty of the Government, too.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Jersey?

Mr. MYERS. With pleasure.

Mr. FRELINGHUYSEN. I wish to point out to the Senator from Nebraska where I believe the weakness of Dr. Garfield's position exists at the present time. The 14 per cent advance was based upon the difference between the high cost of living and the average wage of the miner, as I understand it. Upon the figures which were compiled and analyzed by Dr. Garfield he based his offer of increase in the present wage schedule. The weakness lies in the fact that the operators are tied up for two and a half years on that wage scale, although the cost of living probably will come down during that period, or we hope that it will. But the American public will continue to pay the burden of cost imposed at this time under that contract.

Mr. MYERS. I see the conclusion reached by the Senator from New Jersey, and undoubtedly it is correct; there can be no doubt about it. I am not undertaking to analyze Dr. Garfield's statement and offer which was accepted by the operators. I am merely saying that the Government having accepted it, and announced that it would stand on it, and put its authority back of it, the Government should not back down from its position and compromise. I believe it should stand on the position it has taken. I am opposed to any compromise of the controversy. The Government has declared that this is an unlawful strike; the Government can not take back that declaration; and I am opposed to compromise with lawlessness. If the Government is right, it should maintain its stand for the right. I want to see no compromise of this vital question, this momentous contest, which would compromise principle. Such compromises are always inadvisable and harmful.

The majesty and supremacy of the law are at stake. The test of governmental authority is at hand. The provisions of this

bill which constitute the test are so plainly just, fair, equitable, and in accordance with democratic government, the rule of the majority, the common good, the general welfare, that I do not think a better test can ever be had than that here presented, a test from which I think no representative of the people should shrink. With provision for guaranteeing to railroad employees adequate wages and fair working conditions and enforcing them, and with provision for raising the revenue with which to defray the expense, something which the railroad employees have never had, I do not believe there can be any valid objection to a provision that two or more employees shall not conspire to interfere with interstate commerce or that others shall not incite, aid, abet, encourage, or advise them to do so.

That is the very foundation stone of just government. It is the embodiment of the principle of equal rights to all, special privileges to none, the general good of all. It does not mean that no railroad employee may quit his job. Under this proposed law any railroad employee not satisfied with the wages, conditions, or terms of his job or the character of his work could exercise the great American privilege of quitting his job and seeking employment elsewhere. That is a privilege which every employee should have. There is nothing in this bill to prevent it. It does provide, however, that under such conditions as are guaranteed railroad employees, conditions never before enjoyed by them, conditions not enjoyed by any other class of employees in this country, it shall not be in the power of anybody to precipitate suddenly upon the defenseless people of this country a nation-wide railroad strike, bringing utter paralysis of business and possibly starvation to millions of innocent men, women, and children. That is too much power to repose in anybody without some control and regulation by law. We know it, and the time has come to say so and to take action.

The time was when it was the privilege of employer to fix the wages and working conditions of employee, and if the employee did not like them he could quit. The modern tendency of organized labor is for the employees to fix their wages and working conditions and to make the employer grant them. Neither system is entirely just. The public has an interest and should be considered.

The time was when there was involuntary servitude, corporeal slavery, in this country and other parts of the world. The master was the owner. The worker was the slave. That time is passed. A new form of slavery, however, has grown up. The new theory is not that the master owns the worker but that the worker owns the job and that the employer is the employee's slave; that the employee has the right to fix his wages and conditions of work and that the employer must grant them whether he wants to do so or not, not that the employer owns the worker but that the worker is the owner of the job; that he has a life tenure to the job and that the employer must keep him in the job for life; that worker and job are not under any circumstances to be separated; that the employer dare not discharge the worker; that the job is a personal perquisite of the worker and that he may fix wages and conditions and they have to be granted. This form of slavery is quite as tyrannical as the old form of corporeal slavery and more detrimental to the general welfare. It is wholly unsound. Corporeal slavery, happily, having been abolished, the new form of industrial slavery should be abolished. The public has an interest and should have something to say. This bill undertakes to give the public its rights in the premises and to say neither employer nor employee shall be in slavery; that there shall be no slavery, but that there shall be fair and equal treatment of both employer and employee, and that if the employee does not like the terms of employment he can quit, but may not conspire to bring ruination upon all the people.

I do not believe that, as a class, railroad employees have unduly suffered from low wages. Since the outbreak in Europe of the European war all classes in this country, except the rich, have suffered more or less from the rising tide of high prices. Prior to that, though, I believe, railroad employees were fairly compensated as compared with other wageworkers. They did not have an opportunity to become rich; neither have the great majority of people in all vocations. I believe, though, that prior to that time a faithful railroad employee who stayed with his job and tried to rise on merit and who kept away from saloons and gaming tables and who lived economically and did not aspire to live in the same style as more fortunate people in higher positions of life, in the absence of prolonged sickness or other unusual calamity, could earn a good living for himself and family and pay for a home and in the course of time save a modest competency. I know some of them did so and in time accumulated quite a few thousands of dollars.

Since the outbreak of the European war railroad employees have, I think, been treated generously in the way of wage advances. Some of them may be entitled to more, under all of the circumstances, as they exist. I am sure there are some who are not. If not now, there may be some who should have more at some future time. To whatever extent any may be entitled thereto, within bounds of reason, I believe future advances should be granted, but I do not believe, in view of their ominous actions of the last few months, that railroad employees should be left with a club in their hands which is capable of demolishing the structure of Government and wrecking organized society and bringing death by starvation to millions if they do not get all they may think they should have, be they right or wrong. The great masses of the people have some rights.

Organized labor, with its operations conducted within the bounds of reason, has much of benefit in it for workers, but its power may be prostituted to the detriment of its own legitimate purposes as well as society at large. Some of its tendencies are harmful. Such should not be allowed unrestricted sway. One tendency of organized labor is to cause its members to be buoyed up together and to float together on a common level, regardless of merit, ability, industry, application, fidelity. It is destructive of initiative, self-reliance, all effort to succeed by merit. The individual is submerged in the class. He advances, recedes, or remains stationary as the class does. The frugal, sober, industrious, faithful have little, if any, more opportunity than those who are not so.

I know a young man, who is probably under 40 years of age, who holds a position as superintendent of telegraph of a short-line railroad. He gets a salary, I believe, of $3,000 per year. He does not belong and never has belonged to a union. He educated himself. He learned telegraphy in a country railway station. He took the first job he could get as a telegraph operator, at a country station, at a salary probably of about $50 per month. He has not worked up to his present position through the aid of a union, through striking or threatening to strike, through holding a club over anybody's head. He has advanced solely by merit, sobriety, industry, honesty, effort, application. I am sure there is yet higher promotion and greater success in store for him. He would never have attained his success by simply relying upon a union and blindly following some union leader, regardless of right or wrong, regardless of the welfare of the people; or by heckling his employers for higher wages and shorter work hours.

In Cooper County, Mo., the county in which I was born and grew to manhood, the original population was nearly altogether southern. However, in the decade preceding the Civil War and the decade following that war many people from the North and also from Germany settled in that county. They constituted a new element of population, strangers in a strange country, unaccustomed to the ways of the country. They nearly all came with little or no means. Almost invariably the newcomers hired out and procured employment upon farms or in trade. Wages were very low. However, the newcomers were almost invariably frugal, honest, faithful, industrious. They worked hard, early, and late. As a rule those who worked as laborers on farms, next rented, and then, in a few years, bought land. Those who secured employment in trade, in time opened shops, stores, or mills of their own. They prospered. Nearly all were successful.

These people, while working for wages, did not blindly follow and obey some dictatorial leader. They did not rely upon any union to buoy them up or carry them along. They did not strike. They did not spend their time in promoting discontent or complaining about conditions or bemoaning their fate. They did not evince any jealousy, envy, or hatred of their employers or of others around them, because their employers and others were better off, more fortunate, and had lands and wealth. They did not spend their time in persuading their fellow employees to demand shorter hours and higher wages. They were satisfied.

These people were or became good citizens. To-day their descendants—their children, grandchildren, and great grandchildren, and many of them are there—nearly all own fine farms or mills, factories, industries. They are farmers, merchants, bankers, manufacturers. Many of the finest farms of that county are owned by them. Many of them own thousands of broad, fertile acres. Nearly all are wealthy. Neither they nor their forefathers depended upon unions or legislation to give them success. They depended upon individual merit, frugality, honesty, industry, application.

One man whom I have in mind arrived in that county some years before the Civil War. He came as a young man. He was from New York, a stranger in the community. It is said he arrived with 50 cents, his sole capital, aside from honesty, integrity, industry, willingness to work, determination to succeed. I have heard that he hired out as a farm hand. I am

sure he worked early and late and faithfully. He probably received as wages about $8 a month and his board—now less than a day's wage of many a workman. Doubtless he began work before daylight the most of the year. He doubtless began work at 4 o'clock in the morning and worked until after dark. He did not heckle his employer with frequent demands for shorter hours and higher wages. He was contented. He did not spend his time in persuading the other employees to demand shorter hours and higher wages and to quit work if the demand were not granted. He was so faithful he was made foreman. Then he rented land. His industry, fidelity, and honesty became so well known that he was elected sheriff of the county. He discharged with fidelity and honesty the duties of that office.

This gentleman became a landowner; then a banker. In time he became the president of the principal national bank of that whole section. He became a man of wealth, standing, prominence, influence. Everywhere he was respected. His family was one of the best and most esteemed in that whole county. This gentleman would not have attained his success had he looked to the State legislature or to Congress to put him on a level of opportunity with more fortunate men, had he spent his time in complaining about social injustice and economic wrongs, and busied himself about theories of equality of opportunity and equable distribution of the fruits of toil. He was neither a theorist nor a complainer. He believed man to be the architect of his own fortune. He relied upon his own strong arm, clear mind, and indomitable will; upon honesty, industry, fidelity, application, economy to carve his fortune. He was not afraid of work. He did not want a six-hour or eight-hour workday so he could spend the rest of his time in idleness. He worked hard. When young and middle-aged he doubtless worked from 12 to 16 hours a day. His hard work did not hurt him. It was good for him. He lived to a good old age.

Such is the spirit that subdued, conquered, builded the great West. That spirit transformed this entire country west of the Allegheny Mountains and made it what it is. It has builded civilization. It has made this country. Work is to-day the secret of success no less than ever—unstinted work. Work is good for mankind. Work in this period of reconstruction is needed more than ever before. This is no time for six-hour days and five-day weeks. Our forefathers were hardy, healthy, and successful, and they never thought of such things—neither desired them. We should get back to good old ideas of work, economy, frugality, saving. We need more application and less extravagance.

We need more production, and must have it if the cost of living is to be reduced. The modern tendency of the union is to restrict production and increase the cost of living. Unions are almost continually demanding higher wages and shorter work hours. They restrict rigidly the number of apprentices who may learn trades. All of this is unwholesome and in the end will lead to disaster for employer and employee.

The average union is not content with going on a strike, but by picketing, boycotting, and, too many times, by force and lawlessness it tries to prevent from working others who want to work. This is unjust to American citizenship. If a man wants to work, he should be allowed to work, if he and his employer can agree upon terms. The old adage of an honest day's work for a fair day's wage seems to be largely a thing of the past in these days. The disposition now seems to be to get everything possible and give as little as possible in return. This is not economically honest. Plunder the public seems to be the disposition of the times. Trusts and monopolies did it, and now labor unions seem to think it legitimate. It is time for the public to receive some protection.

A great deal of class hostility has been engendered by labor unions. There may be cause for some of it. I think, though, much of it is due to envy, jealousy, or hatred of those who are more fortunate. Many incidents confirm this belief. God did not intend that all men should have equal opportunity. All can not be employers. Some must be employees. All can not do brain work. Some must do manual work. All can not be wealthy. Some must possess less than others, and some even must be poor. Different opportunities are given to men. Sobriety, industry, honesty, fidelity, application count for much. Ability counts for much. Some men are given more ability than are others. Even if men had equal opportunity, and if all of this world's goods were evenly divided and equally distributed among men, in three months some men would be riding at the head of the procession in Pullman cars, others would be riding in automobiles, others would be riding in carriages, others would be riding in ox carts, others would be riding horseback, others would be walking at the end of the procession, and some would be sitting on the fence and looking at the procession go by and complaining because they were not at the head of it.

Men should be satisfied with the opportunities God has given them; contented with their lot in life and determined to make the most of it and to do the best they can, instead of feeling envy, jealousy, or hatred of those who are more fortunate or more able and who have more of this world's goods, more success, and easier times. Each should make the most of life in the lot God has given him. I think everyone should strive to rise in the world and to better his condition and to provide a competency, but he should not continually complain that somebody else is better off than he, has more income, and lives in a finer house, and engender a feeling of hatred toward those more fortunate or more successful and expect legislation to make all equal. I am a poor man. I look around me and see Senators who are wealthy, Senators who ride in automobiles, while I ride in street cars, but that is no reason why I should have any feeling of envy, jealousy, or hatred toward them. I see around me in this Chamber men who have more ability than I, men who have had greater opportunities than I have had, but that is no reason why I should seek legislation to put me on a level with them.

I know there is a modern belief among many that legislation should equalize what God has not equalized. I know there are some who believe that if, in a country town, there are a banker who lives in a house worth $10,000 and has an income of $10,000 a year and a day laborer who lives in a house worth $1,000 and has an income of $1,000 a year legislation should be enacted which would cause each to live in a house worth $5,500 and each to have an annual income of $5,500; but it can not be done. That belief is economically unsound. It disregards the laws of nature and of economics. It disregards supply and demand, ability, merit, opportunity. This world was not intended for a paradise of equality, and it will not be until the millennium.

Covetousness is an insidious sin. It is generally accompanied by a spirit of hostility. While this bill was under consideration in committee I received from a union of trainmen a resolution strongly opposing a proposal to allow railroad investors to earn 6 per cent per annum on their investment. It was not a resolution in favor of allowing liberal wages and good working conditions to workmen, but was in opposition to a 6 per cent return upon railroad investment. I do not believe that is the proper spirit to prevail between employee and employer. It is a spirit of hostility which does no good. I can see no reason why employees should begrudge employers a fair profit.

I also received a resolution of a cooks' and waiters' union, in opposition to the pending bill and in favor of continued Government operation of railroads. All hail to the people who know how best to conduct railroads, at last discovered! The cooks and waiters of the country! When in need of a railroad president, look among cooks and waiters! It seems to me if cooks and waiters would devote their efforts to qualifying themselves for promotion in their own vocation they would do better. It may be that cooks and waiters know how railroads should be operated, but I believe there are others who know better. The action of those cooks and waiters in hotels and restaurants is indicative of the modern tendency of labor unions to stand together and control everything.

In pointing out, as I have, some of the harmful tendencies of labor unions as now conducted, I would not be understood as being hostile to organized labor as such. Within their proper sphere and within proper bounds, labor unions may be useful institutions and serve a good purpose. I have voted for many measures for the benefit of labor. When organized labor, however, undertakes to defy the Government, to bring ruin upon the country and starvation to the people, to flout courts and engage in lawlessness; when it undertakes to set up an inner government superior to constitutional government; when it seeks special privileges as a favored class, I for one am ready to say, "So far and no farther shalt thou go." It is time for us to put our backs to the wall and say, "You shall not pass." I know organized labor vows vengeance against all in public life who oppose its demands, but there are worse things than to give one's political life for his country. There are worse things than to give one's physical life for his country.

Labor unions, like all other organizations of people, should be restrained by law from going to hurtful excesses; from contravening the general welfare. They should be amenable to reason and to law. They should be subverted to the popular will, the rule of the majority. Within proper bounds and the scope of reason, they will not find the public or Congress, which represents the public, or is supposed to, inimical.

However, if organized labor would retain the good will of the public and not incur the opposition of the Government, it must

discard the leadership of radicals, reds, and syndicalists; it must quit holding a stop watch on the Government and saying, "Do as we say or take the consequences"; it must quit making outrageous, unreasonable, revolutionary demands and as an alternative threatening to ruin, wreck, starve, and freeze; it must abandon putting the inner government over constitutional government.

There is much evidence that the people are tiring of these excesses of organized labor. At last there is proof that the worm will turn when trod upon, for the Government has turned on the excesses of organized labor and asserted its authority.

Even Congress, which has long been submissive to the demands of organized labor, is beginning to show some sign of resentment. Upon the recent vote in the Senate upon a motion to strike from an appropriation bill a provision that none of the money appropriated should be used to prosecute farm or labor organizations for combinations in restraint of trade, contrary to the provisions of antitrust laws, the vote in favor of striking out such provision was the largest ever recorded in favor of such a motion in the Senate.

A few weeks ago, when extravagant demands of labor unions were being pressed to the utmost and dire threats were being made of the consequences if such demands were not granted, and when disaster seemed to be impending, there was suddenly sprung an effort to unionize the police forces of the country and have them affiliate with the American Federation of Labor. It was a movement fraught with much significance. It was plainly encouraged by the American Federation of Labor. Almost before it was known, the police forces of 37 cities had unionized and affiliated with the American Federation of Labor. Included in the number was the police force of the District of Columbia. I was one of the first Senators to oppose such action by the police force of the District of Columbia. I introduced a resolution to forbid it. At first my resolution received scant support. Since then, however, my action has been vindicated. Lately Congress has enacted a law forbidding such affiliation by the police force of the District.

The American Federation of Labor has invaded the ranks of Federal employees, and now nearly all of the employees of the Federal Government, or at least a very large proportion of them, are organized and affiliated with the American Federation of Labor and are subject to calls for strike benefits for strikers who are trying to bring ruin to the country, some of them lawless and defying court injunctions of the Government. This is ominous and dangerous. Startling are some of the revelations made to me of the terrorizing tactics of unionized employees of the Government, of the fear to which Government employees are subjected, and of the methods used to control departments and their employees by union influences. They portray a bad state of affairs. Recently the Senate put into a bill and passed a provision forbidding Federal employees to affiliate with a higher body of organized labor, meaning the American Federation of Labor, but the House of Representatives rejected it and the provision was dropped in conference. These things, however, show that Congress is awakening to dangers that menace the country.

By advocating action by Congress to curb excessive and harmful acts of organized labor I would not have it understood that I am unmindful of or opposed to restraining action as to capital when needed. I believe capital, too, should be restrained from flagitious acts harmful to the public. Both labor and capital should be treated alike. Both should feel the restraining arm of the law when disposed to interfere with the general welfare and contravene the rights of the public. Neither should be above the law's restraint nor beneath its protection. Both should be subject to the law.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Montana yield to the Senator from South Carolina?

Mr. MYERS. I yield, with pleasure.

Mr. DIAL. Does not the Senator think that it is time the legislatures of the various States should enact laws to cover some of the questions to which reference has been made by the Senator from Montana?

Mr. MYERS. I do. I think in matters of interstate commerce and in the field of legislation belonging to Congress the National Legislature should set the example for the State legislatures.

Mr. DIAL. The State legislatures are soon to meet. The legislatures of most of the States meet on the 1st of January, I believe.

Mr. MYERS. I think it would be well for them to take cognizance of the tendencies of the times and of some of the dangers that beset us. Congress can not legislate on all subjects of legislation. Meantime, let Congress do its duty and set an example.

I believe in equality of treatment, so far as are concerned the Government and its citizens. I believe all should be treated with equal consideration and fairness. I believe every man should have a fair opportunity, so far as the Government is concerned or may provide, to earn an adequate living by honest work. I believe, so far as the Government may be able to provide, each of its citizens should be provided impartial opportunity to rise in the world and better his condition and provide for his family and, by industry, thrift, frugality, application, fidelity, to provide a competency. I believe merit should be allowed opportunity for recognition. I believe every legitimate incentive should be offered to merit, honesty, industry, effort. If a man may have the ability, coupled with honesty, industry, sobriety, application, I believe he should be afforded every legitimate opportunity to rise in the world, advance his position, and better his condition.

I believe every citizen should be accorded by the Government every privilege which may better his condition and make a better citizen of him, which does not conflict with the common good and the general welfare of the entire population. I do not believe, though, that any individual or any combination of individuals or any class of individuals should be granted privileges or concessions by legislation which, while they might please the recipients or even make them better off, would be a positive detriment and injustice to the great body of the populace, the general public. Such legislation would be unsound, unjust, unwise, undemocratic, un-American. There are people who contend that labor should be given all it asks and thereby, they say, remove the cause of its discontent and avoid trouble. Of course, if a man be discontented, because he wants your house and does not possess it, and threatens to put you out and take possession, one way to remove his discontent and avoid trouble would be to move out and give him possession; but I do not believe that method commends itself to right or reason.

We are told by some that the only way to remove discontent is to remove the cause of the discontent. The only way to do that would be to give everybody everything they want. That was tried in Russia. The only way to remove the discontent of radicals, reds, and anarchists would be to take a scoop shovel and shovel out to them all the money in the United States Treasury; and when they had spent all of it repeat the operation. Soft words will not satisfy these people.

I believe people should be encouraged to labor as much as is wholesome, and not to labor as little as possible. The constant tendency to shorten work hours is unwholesome and should be discouraged. Especially now, of all times for generations past, the world needs all the labor it can get. It needs all the production it can get. The world must be rehabilitated. The cost of living must be reduced. The high cost of living affects poor people more than anybody else. The rich can stand it. The poor can ill afford it. Every advance in the cost of living inflicts upon millions of toiling poor people a hard blow and gives them many pangs of anguish. Every restriction of production, every advance of wages, enhances the cost of living and hurts somebody.

I believe in these times people should labor to the extent of their ability and try to live within their incomes, and not be threatening dire disaster if they do not get what would be pleasing to them and all they would like to have. It is a time for patience, patriotism, prudence, fairness, impartiality. It is a time when greed and the grabbing spirit should be discouraged. It is a time when the general good of all should be paramount. It is a time when men should be taught to be satisfied to render an honest day's work for a fair day's wage. That would remedy much of our trouble. Work is good for man. He should realize that it is the divine decree that he shall live by labor. More men rust out than wear out. I sympathize with working people. I have been a hard worker all of my life, and with little more result than a comfortable living. I grew to manhood on a farm, where I knew hard manual labor. I have worked hard ever since, and I have sympathy with those who toil, but they should not ask for what is not in the interest of the common good, simply that they may particularly benefit therefrom.

I want the railroads of this country to be successfully conducted and, to a reasonable degree, to be prosperous. I want railroad investors to have a fair return on their investments. I want the public to have good service at reasonable rates. I want railroad employees to have adequate wages and fair working conditions. This bill, carefully framed by those who have made a deep study of the subject of railroad legislation, some of whom have given it much more labor and attention

than I, is intended to produce those conditions, and I believe it calculated to produce them. I do not believe, though, it should leave in the hands of any of the parties interested power to wreck the country and bring misery to the public. None of the parties interested should want that power and, if they do want it, they should not have it. We are all partners in the operation of railroads engaged in interstate commerce, and we should all work for the common good, and none should seek his own good to the detriment of all others.

I believe this bill, if enacted into law, will be a blessing to the country. If enacted, I believe it will make railroad employees better off, more contented and satisfied, and give them a better opportunity and more equal justice than they have ever had in their lives. If enacted, I believe it will in a measure serve the ends of justice and promote the general welfare and will insure domestic tranquillity to an extent hitherto unknown in railroad circles. If enacted, I believe it will tend to abolish class hostility and friction and bring about an era of good feeling between the public, railroad investors, railroad employers, and railroad employees, and I believe it will save the country many anxious hours and avert a great, overshadowing menace.

This bill is not altogether as I would have it. It is not altogether as I strove for in committee. With some of its principles I do not agree. With some of its provisions I am not satisfied. In committee I voted against some of its provisions and voted for others which failed of adoption. I believe the return intended by it to be provided for investors upon their investments too small. There are other things in it which are not in accord with my views, but, upon the whole, I believe it meritorious. I believe there is much of good in it. I think it would work an improvement in railroad conditions.

The experience of the last two years has conclusively shown, I think, that Government operation of railroads is not a success and is not desirable. In two years the Government has been out of pocket the staggering sum of $1,250,000,000 for the operation of the roads, this in addition to all revenues derived from their operation. This money must be wrung from already overburdened taxpayers. The greater part of the time it has cost the Government a net loss of more than a million dollars a day to run the roads. At the same time wages have been increased, the number of employees to do the same amount of work has been enormously increased and freight and passenger rates have been greatly increased. For all of this the taxpayers must pay.

In view of this record I do not see how anybody can advocate further Government operation. If there be any reason to extend Government operation I fail to see it. It seems to me that those who have heretofore believed in Government ownership of railroads would be cured of their belief by this record. Our experience shows that private ownership and operation of public utilities is better and more to be desired. Hence, the necessity of legislation to return the roads to their owners, with proper safeguards and regulations.

I may support on the floor of the Senate some amendments to the bill. I may even offer some amendments to make it conform more nearly to my ideas of justice, and I think I shall. However, whether amended or not, I shall support it. Whether amended to suit my ideas or not, there is in it enough of good to command my support. I think it about the best that can be obtained and, amended or unamended, a vast deal better than restoring to their owners the roads without any safeguarding legislation, and vastly better than continued Government operation.

I am heartily in favor of the wage-fixing and antistrike provisions. I believe, if enacted, the measure will bring peace to the long-disturbed railroad industry and that it will benefit nobody more than railroad employees. "Let us have peace" applies to-day to industrial conditions in this country. This measure, if enacted, will make for it. I have tried to tell some plain truths to Congress and to the American people for the good of all concerned. My intent in doing so is good.

The PRESIDING OFFICER. The pending amendment is the amendment offered by the senior Senator from Kansas [Mr. CURTIS].

Mr. CUMMINS. Mr. President, the Senator from Kansas is engaged just now in the Finance Committee, and I suggest that he be sent for, because I desire to go on with the bill as rapidly as possible. In the meanwhile, I can say all that I desire to say with regard to the amendment that has been proposed by the Senator from Kansas.

His amendment proposes to strike out section 10 of the bill. Section 10 is that section which first refers to the transportation board, and I understand it to be the purpose of the Senator from Kansas to test the question as to the creation of the transportation board. I only desire to suggest that, entirely aside from the merits of the proposition, I sincerely hope that the Senate will not mutilate the bill in that way. If the amendment should prevail, it would become necessary to re-form the entire measure. I do not say that the Senator's amendment attacks the principle of the bill, but it would so destroy the machinery through which the bill is to be administered that it would become entirely unworkable.

In this connection it ought to be remembered that the bill passed by the House, instead of creating a transportation board, enlarges the membership of the Interstate Commerce Commission, and attempts in that way to make it possible to carry forward the regulation which is now in the statute and which is proposed in the bill of the House. In any event, the question is one which will be at issue between the House and the Senate, and I believe it ought at least to be settled in conference.

What I have said must not be understood as even intimating that I believe that the provisions of this bill are not as they should be. I am firmly persuaded that we ought to have a transportation board, as distinguished from the Interstate Commerce Commission. The time has come when the Interstate Commerce Commission must be largely occupied, and will be increasingly occupied, in what are known as quasi-judicial or semijudicial duties. It is a tremendous labor, vital to interstate commerce to perform in that respect, and it is in every way desirable to disassociate the purely administrative duties which fall upon a body engaged in administering the law which we have passed, and the law which I hope we will pass, from these judicial or semijudicial duties.

The question has received the earnest consideration of a great many public bodies, and I think it is the universal opinion among those who have given the subject matter study and great reflection that our system of regulation will be much improved by the substitution of a transportation board for the Interstate Commerce Commission in the respects which I have mentioned.

There was little difference of opinion exhibited in the long hearings which our committee held upon the matter, and that unanimity of judgment among the men who are best fitted to pass upon the subject influenced the committee, which, as I remember, voted unanimously in favor of a transportation board.

I do not care to discuss the matter at any very great length in the absence of the Senator from Kansas. I see no other way in which to proceed, unless someone desires to discuss the matter, than to ask a vote upon it. I am told that the Senator from Kansas is already on his way. And possibly some other member of the committee would desire to say a word about it.

The PRESIDING OFFICER. The pending question is the amendment of the Senator from Kansas [Mr. CURTIS] to strike out section 7 of the bill.

Mr. CUMMINS. I may say that the Senator from Kansas has advised me individually that if his motion prevails he then intends to follow the subject by making proper motions to strike out all those parts of the bill which contain any reference to the transportation board. This is just the beginning of the subject in the bill, and therefore he has attacked this section in the first instance.

Mr. CURTIS. Mr. President, the amendment that I propose is to strike out section 7, and I want to ask the chairman to excuse me for not being here. I have been attending a subcommittee of the Committee on Finance, and came over just as soon as I heard that the amendment had been reached.

I know that the vote on this amendment will, of course, settle the question as to the other boards and commissions. The position I take is this, that under the Senate bill, and the House bill, too, for that matter, entirely too many boards and commissions are provided for.

In the Senate bill there are three distinct boards. These boards, and especially the one provided for in section 7, are authorized to appoint secretaries and attorneys and have transferred to them some 10 or 12 agencies that are now performed by the Interstate Commerce Commission. The salaries of the members of the board provided in section 7 are $12,000 a year, and no doubt, if it goes through, there will be built up in Washington a board with more employees than are now engaged in the work of the Interstate Commerce Commission.

I believe that the Interstate Commerce Commision, if enlarged, could do all this work, and do it better, more cheaply, and more satisfactorily to the people of the country than any new board possibly could. The Interstate Commerce Commission has been organized for many years. It has studied all these questions. There is not a question that will come up under this bill that the Interstate Commerce Commission does not understand. If a new board is created, it will have to go over the work that has been done by the Interstate Commerce Commission.

So far as the other boards are concerned—those to settle wage and labor conditions, and the regional board to settle disputes—they are composed of exactly the same number of men representing the employees as represent the railroads, and will not likely come any nearer reaching an agreement than a committee appointed under the practice which is followed at this time. There is equal representation on the board and there will likely be a deadlock. This would be the case when the committees appointed under the present plan would be unable to agree. It would be better, therefore, to leave the question of wages, wage conditions, and disputes to the Interstate Commerce Commission. But if in the judgment of the committee the Interstate Commerce Commission has so much work that it will be impossible for it to dispose of this additional work, then a new board should be created, composed of men of high standing, who are disinterested, and the dispute should go immediately from the first committees appointed to represent the employees and the railway men to this board, and not to an intermediate board, the members of one of which are paid $7,000 a year and one of them $5,000.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. CURTIS. Certainly.

Mr. KING. The Senator will permit me to suggest that if the board should increase the amount of compensation to be paid the employees, that would necessitate an advance in the rates to be imposed upon shippers?

Mr. CURTIS. Certainly.

Mr. KING. Who is there who can better determine the burdens to which the public should be subjected than the Interstate Commerce Commission, which is entirely familiar with rates and with the shipping facilities and the industrial conditions of the United States, so far as a board of that character can be made acquainted with those matters?

Mr. CURTIS. I thank the Senator for making that suggestion. I had intended to refer to it a little later.

Mr. KING. I am in agreement with the Senator in some of his observations; but upon this point and others I have not yet reached definite conclusions. The questions involved in this bill are so important, indeed, so stupendous, that it is impossible for a man to grasp all of its provisions who has not made a life study of it, as some of the Senators have. But I am inclined to support the Senator's view that it is not wise to create a transportation board, and that it is wiser to leave to the Interstate Commerce Commission the functions that are devolved upon the transportation board. It would seem to be best to empower the Interstate Commerce Commission to determine the question of the wages to be paid to the employees; at least to confer upon it the final authority to act in the matter.

Mr. CURTIS. There is no question, as has been suggested by the Senator from Utah [Mr. KING], that the Interstate Commerce Commission is better equipped to settle this question than any new board could possibly be. And I believe, as I stated a moment ago, that the Interstate Commerce Commission has the confidence of the people of this country. If it is not large enough, then it would be easier to enlarge the commission than to create a new board; and you are bound to have a conflict of jurisdiction with the two boards, which is unfortunate in any branch of the Government.

But there is another thing. One on the appropriation committees, in going over the bills, finds page after page referring to boards and commissions. A few years ago I asked the clerk of the Senate Committee on Appropriations to make me a list of the boards and commissions and the amount of money that had been paid. I have been looking for that list in the last two or three days, but have been unable to find it.

I am afraid to tell the Senate, without again looking over it, the amount of money that has been paid in salaries and for help every year to the boards and commissions. I stated to the chairman of the Committee on Interstate and Foreign Commerce that there had been in existence one board, up to about eight years ago, for 20 years, that I do not think two Members of Congress knew was in existence. Possibly the members of the Appropriations Committees knew, but others did not. That is a fair sample. These boards are not needed; they are largely filled up by men who are not acquainted with the subjects which the boards are supposed to handle, and I believe it is the duty of Congress to do away with as many of the boards and commissions as possible, retaining those that have the confidence of the public and are doing good service; but create no more unless it is known that they are absolutely needed.

I will say frankly to the Senator from Iowa that if I thought the creation of one board or five boards, or of all the boards mentioned, would settle the labor question, I would favor them. Committees of employees and committees appointed by the management of the railways have been settling questions of disputes for years. They have been doing it, and if they can not settle them that way, you are not going to settle them by simply creating one, two, three, four, five, six, or seven more boards and paying the members large salaries. I do hope that this amendment will prevail, and that section 7 will be stricken out.

Mr. CUMMINS. Mr. President, I do not know whether the Senator from Kansas is opposed to the entire bill or not. The amendment he has proposed could have no other effect than to destroy the entire bill. I assume, therefore, in rising to discuss it seriously it is his purpose to overturn what I called the other day the central point in the bill, and I hope that the Members of the Senate will accept it accordingly and vote as their judgments tell them to vote upon that proposition. From the speech which the Senator from Kansas made two days ago, I assumed that his objection to the board of transportation was largely an objection of expense; but I now take it that I was mistaken with regard to that. Section 10 of the bill provides that—

> Immediately after its organization, as aforesaid, the board shall prepare and adopt a plan for the consolidation of the railway properties of the United States into not less than 20 nor more than 35 systems, according to the policy declared in the last preceding section.

I need not read more than that, because I commented somewhat fully on this part of the bill in my opening statement. It will be remarked that this amendment does not, therefore, relate to the organization of the board so much as it relates to the plan of the bill, and I assume that the Senator intends to controvert, as certainly he has a right to controvert, the general principle which is involved in section 10.

Mr. CURTIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Kansas?

Mr. CUMMINS. I yield to the Senator.

Mr. CURTIS. May I state to the Senator that I covered Saturday the two objections that I had to the bill, and the question of combining the railroads I covered in that statement. I confined my remarks to-day more to the board, together with the authority it is given later to perform, which includes, among other things, as I stated a few moments ago, some 10 or 12 subjects that are now under the Interstate Commerce Commission, but are transferred to this board. Also it has jurisdiction to settle appeals from the other two labor boards that are created, as I understand it.

Mr. CUMMINS. I now understand the Senator from Kansas. I misunderstood him entirely two days ago. I would just as soon have the test of the bill come now as at any other time, because, as I understand it, if the motion of the Senator from Kansas is sustained, the bill is defeated, and we will have no legislation probably at this session of Congress, because I can hardly conceive that if it is recommitted to the Interstate Commerce Committee that committee would be able to deal with it successfully for quite a time to come.

Mr. President, I do not regard the observations of the Senator from Kansas as in any degree just. There are certain things that the Government must do. Those things are growing in number with every day. Every appeal that is made to Congress for relief involves some additional function on the part of the Government. It is therefore, as it seems to me, quite aside from the merits of this proposal to suggest we have a great many commissions. Undoubtedly we have, and we may have some that ought not to exist; but the work of the Government must be done, and who will do it?

We can not pass a law that administers itself. The day is long gone by when we can simply commit to the courts the administration of the affairs of the United States. There was a time in the history of the country when we needed no commissions, when we needed no boards, when a law which Congress passed could be applied to the individual through the medium of the courts. In those times the remedy was sufficient, but in this complicated and intricate scheme of society into which we have now developed that procedure is impossible. It presents no remedy whatsoever for the ills which the people of the country suffer.

The same argument was made against the creation of the Interstate Commerce Commission that the Senator from Kansas now makes against the transportation board. The debates of that time are full of objections to regulating or attempting to regulate the railways of the United States through the medium of an interstate-commerce commission. I assume that we will continue to hear these protests for all time to come.

All that I ask of the Senate is to consider whether this is a proper function of the Government, and if it is, what body can best perform it without regard to the number of useless

commissions which may now be in existence. Let us survey the situation intelligently and then decide not by reason of the existence of useless commissions but whether this particular board ought to be created.

In considering the argument of the Senator from Kansas I reverse the order in which he took up the matter. He is very much opposed to the committee on wages and working conditions and the three regional boards of adjustment. If there is any one thing about which the people of this country should be concerned it is the settlement of disputes between employers and employees when the dispute concerns the very existence of society.

Mr. CURTIS. Mr. President——

Mr. CUMMINS. I yield to the Senator from Kansas.

Mr. CURTIS. Have not the railroads and the men been able for about 50 years to settle all their disputes?

Mr. CUMMINS. No; they have not, as I remember the matter.

Mr. CURTIS. It is my recollection that they have always been able to do so with the exception of two or three occasions.

Mr. CUMMINS. But the Senator from Kansas must remember that the real purpose of the bill is to forbid the strike. I do not know whether the Senator from Kansas is in favor of that policy or not. He has not mentioned that during the course of his remarks, and I have no right to infer what his position is with respect to it. But if we are to forbid the strike we must create a governmental tribunal, impartial and free, a tribunal that will adjudicate the merits of a dispute between the employer and the employee.

I should be the last man to advocate the prohibition of the right to combine for the purposes of influence with the employer if we do not at the same time provide a tribunal through which justice can be done to the employee. The whole plan of the bill, so far as that feature of it is concerned, is based upon the establishment of a court or a tribunal—I care not what it may be termed—that will do justice as between the employer and the employee. I am speaking now, of course, of the railway employer and the railway employee. That we must do if we are even to entertain the proposal to forbid the combination or the conspiracy which results in the common and simultaneous cessation of employment.

Mr. KING. Mr. President——

Mr. CUMMINS. I yield to the Senator from Utah.

Mr. KING. I hope it will not interrupt the Senator. I substantially agree with the position, just stated by the Senator, that there must be some tribunal having authority to determine the question of wages, and so forth, but the point that occurred to me as I read the provisions of the bill was this:

This tribunal is made up of employees and railroad officials. The public does not seem to be concerned or considered. It occurred to me that the Government having taken such a firm grip upon the entire railroad situation, treating the railroads of the United States as if they came under the jurisdiction of the United States, and that some sort of strong control ought to be exercised, there ought to be some provision made for the public to be represented upon these tribunals. I was wondering if that matter received attention, and what reasons the committee had for not giving the public representation upon these tribunals.

Mr. CUMMINS. Nothing was more carefully considered in the committee than the very thought suggested by the Senator from Utah. The public is not only represented in this plan for the settlement of disputes, but the public has the last and final word with regard to the matter.

Mr. CURTIS. Mr. President——

Mr. CUMMINS. I yield to the Senator from Kansas.

Mr. CURTIS. As the Senator will remember, my suggestion is that the work of adjustment of salaries and wages, working hours, and labor conditions and the settlement of disputes should be left to the Interstate Commerce Commission after a failure to settle between the employees and the railroad companies.

Mr. CUMMINS. I am coming to that. That, of course, is simply varying the matter, and it does not, as I look at it, quite reach the point. I will continue my answer, however, to the Senator from Utah.

The transportation board is peculiarly a public tribunal. It represents the public. It represents no one else. It represents no class, but represents the organized Government, the public, the general good; and that is the reason why I am so insistent that it shall remain. The transportation board is the final arbiter. Even if there is absolute agreement between the members of the regional boards of adjustment and the members of the committee on wages and working conditions, nevertheless their judgment or their finding must be approved by the transportation board before it becomes effective.

I think the Senator from Kansas probably has not closely observed what has taken place within the last few years. It is of the highest importance that in the first instance these controversies shall be considered by tribunals upon which the two sides to the controversy are represented—that is, by a tribunal made up of the classes that represent both sides of the controversy. The history of the last few years has shown that in tribunals so made up, in the very great majority of instances—I think the exceptions are so rare that they become negligible—there has been absolute unanimity as between the members of the tribunal representing the railway union and the members of the committees representing the railway corporations, or in this instance the Railroad Administration.

Mr. CURTIS. That is my contention, and that is why I say that they ought to be left to settle these questions.

Mr. CUMMINS. But, Mr. President, as they are now made up they are not Government tribunals, except as they have been appointed, and they are appointed, by the Director General of Railroads. When these properties are returned to their owners those committees must disappear necessarily. They are a part of the organization at the present time, and the bill, so far as it is thought wise by the members of the committee, perpetuates the same general plan, which is impossible after the railways are returned to their owners.

Now, Mr. President, I have a word to say, and a word only, with regard to the place which the transportation board occupies in this plan.

Mr. CURTIS. Mr. President, before the Senator proceeds with that discussion may I ask him a question? Why did the committee transfer to this board so many activities that are now under the jurisdiction of the Interstate Commerce Commission?

Mr. CUMMINS. We did it simply because we thought in that way the duties imposed could be more cheaply administered. The Senator from Kansas is a distinguished exponent of economy, and I will say to him that we did it because we believe that the duties allotted to them could be much more economically administered in the hands of the transportation board and much more effectively administered in the hands of that board. There is no sanctity about the Interstate Commerce Commission. I agree that it has or has had the confidence of the people, and I want it to continue to have the confidence of the people. It can not long have the confidence of the great general public, however, unless it can do its work with much more rapidity and much more promptly than it has done its work in former times. When it requires years to dispose of a rate controversy, as it has required in times past, the people will not be willing to suffer that delay very long. We have left with the Interstate Commerce Commission all that it can possibly do; we have left with it, in my judgment, more than it can do with promptitude.

We all realize that in the future the relations between the controlling or regulating board and the country must be more intimate and informal than they have been in the past. We must have a transportation board that can keep itself advised of the conditions of all the railways of the country, that can keep itself informed with regard to the necessities of every community in the land, and that can and will be inclined to take prompt action whenever the people in any part of the country are deprived of adequate facilities for transportation. We have had no such tribunal in the past. We may not have thought it necessary. We have charged the Interstate Commerce Commission with no such duties, and I do not think it would be wise to do so.

The Interstate Commerce Commission is in its essence a judicial tribunal, and it can not act in that summary way in which some board must act if the railroads of the country are compelled to do what they ought to do in furnishing transportation to all parts of the country.

Mr. CURTIS. If I may interrupt the Senator for just a moment, I desire to say that on Saturday I did not have the bill before me when I made my motion. I now see it is section 7 I desire to move to strike out instead of section 10. I was stating my motion from memory, and a fellow Senator has just called the matter to my attention. The argument, however, is just the same.

Mr. CUMMINS. Does the Senator desire to change his motion?

Mr. CURTIS. I repeat, it is section 7 of the bill which I desire to amend.

Mr. CUMMINS. I have no objection to the Senator changing his amendment. What I am now saying would be applicable

to an amendment of the kind now offered. Is it then understood that the amendment of the Senator from Kansas is to strike out section 7?

Mr. CURTIS. I desire to modify my amendment so as to make it apply to section 7 instead of section 10.

Mr. CUMMINS. What I am now saying will be strictly applicable to that amendment, which I sincerely hope will not be adopted.

We have reached the time in this country when the regulation of our railways must be more efficient than it has been in the past. We have suffered year after year from delinquencies in this respect. I am not accusing the Interstate Commerce Commission of a failure to do its duty, but we have not laid upon the Interstate Commerce Commission, nor can we properly lay upon that commission, the duties which are required of the transportation board in this bill. We want a Government tribunal which will know just what is being done in transportation in every part of the country. If a sidetrack is needed at one point, we want a board that can order it; if an extension is needed somewhere else, we want a board that has sufficient knowledge to determine whether or not it ought to be built; if there is a shortage of cars in one part of the country, we want a board which has kept itself so advised of the transportation situation that it can order the cars.

We have conferred upon this board the widest powers with regard to the disposition of the transportation facilities in the United States; and, after years of somewhat careful study of the subject, I say that it would be utterly impossible for the Interstate Commerce Commission to perform these duties.

It would not only be impossible, but it would be in the highest degree inappropriate, because the Interstate Commerce Commission must be the final judge of the revenues which these companies are entitled to receive. It acts after complaint; it acts upon hearing; it acts after evidence is introduced. It is in every way comparable with a judicial tribunal. The transportation board, on the other hand, is intended to act—if I may use the term, although I hesitate to use it—as a Government general manager of the railways of the country. I do not mean a general manager in the sense that it is to interfere with the ordinary movement of trains, but it is a general manager in the sense that it is watching for the public what should be added to our transportation facilities and opportunities as well.

I think the Senate would commit a grave error if it were to disintegrate this bill in the way suggested by the Senator from Kansas. I know that the House has not thought proper to provide for a transportation board; but I repeat what I said, I think before the Senator from Kansas came in, that every man, so far as I can remember, without exception, who has spoken before the committee upon the subject at all—I now refer to those who represent not the railway companies but the public in a qualified sense—has insisted that we organize a transportation board that would have in this broad way the supervision of the physical property—that is, the supervision of the physical operation—of the railroads, so that each could be made to conform to the law, and so that whatever was needed could be done with promptitude and the facilities be furnished that ought to be furnished.

If we commit this responsibility to the Interstate Commerce Commission we must simply divide the present commission into sections; everyone understands that; and there would be no more security to the public in making divisions of the Interstate Commerce Commission into sections of two or three or four than there is in creating the additional board. The truth is that we would shortly have to increase the Interstate Commerce Commission to 15 or 20, and they would operate not concurrently, not jointly, but would operate through sections or divisions. It has the right now, under a law which we passed, to operate through sections, and that movement would continue until we would have a great, unwieldy, inharmonious, disconnected body that would be, as it seems to me, far less efficient than the transportation board for which we have provided.

This bill provides that after the consolidation of the railways which is proposed is complete, then the number of the board is reduced to three automatically, and we would then have an Interstate Commerce Commission of nine members—and I think that might well be reduced to seven in the event this bill passes and these duties are assumed by the transportation board—and a transportation board of three members. I shall very much hope that the amendment of the Senator from Kansas will not prevail.

The VICE PRESIDENT. The question is on the amendment of the Senator from Kansas to strike out section 7.

The amendment was rejected.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, and read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. LA FOLLETTE. Mr. President, I call for a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Harrison	Moses	Spencer
Beckham	Johnson, Calif.	Myers	Sutherland
Capper	Jones, Wash.	New	Swanson
Chamberlain	Kellogg	Norris	Thomas
Colt	Kenyon	Nugent	Townsend
Cummins	Keyes	Overman	Trammell
Curtis	King	Page	Underwood
Dial	Kirby	Phipps	Wadsworth
Edge	Knox	Pomerene	Walsh, Mont.
Elkins	La Follette	Ransdell	Watson
Frelinghuysen	Lenroot	Sheppard	Williams
Gay	Lodge	Shields	
Hale	McKellar	Smith, S. C.	
Harding	McNary	Smoot	

Mr. SHEPPARD. The senior Senator from North Carolina [Mr. SIMMONS] is detained from the Senate on official business.

Mr. WALSH of Montana. I desire to announce that the Senator from Nevada [Mr. PITTMAN] is absent from the Senate and the city to-day by reason of the serious illness of his brother.

Mr. TOWNSEND. I desire to announce the absence of my colleague [Mr. NEWBERRY] and his pair with the senior Senator from Missouri [Mr. REED]. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. There is a quorum present.

Mr. CUMMINS. Mr. President, on the passage of the bill, since it has arrived at that stage, I ask for the yeas and nays.

Mr. LENROOT. Mr. President, I move to reconsider the action by which the bill passed from the Committee of the Whole into the Senate.

Mr. UNDERWOOD. Mr. President, I desire to make a point of order. I have no doubt the Senator's motion will be in order later on, at some other stage; but the request of the Senator from Iowa was before the Senate, asking for the yeas and nays on the passage of the bill, and I ask what conclusion was reached on that request?

The VICE PRESIDENT. There was not any, because the Chair did not count the hands that were up.

Mr. UNDERWOOD. Must not that request be disposed of prior to anything else?

The VICE PRESIDENT. The Chair thinks so.

Mr. UNDERWOOD. I ask, then, that that be done.

Mr. LENROOT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LENROOT. If this vote is reconsidered and the bill goes back to its original stage, would the action of the Senate with reference to ordering the yeas and nays any longer obtain?

The VICE PRESIDENT. The Senate several years ago overruled the opinion of the Presiding Officer on that question, and held that it would stand for the final vote. It only means that when the vote is taken it will be by yeas and nays.

Mr. LODGE. Mr. President, I desire to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LODGE. I was not here when the Senate acted. Has the bill passed the third reading?

The VICE PRESIDENT. It has, and is on its final passage.

Mr. LODGE. Then, of course, a motion to reconsider the vote by which it went into the Senate would not be in order. It would be necessary to reconsider the third reading.

Mr. LENROOT. I first move, then, to reconsider the vote by which the bill passed to a third reading.

The VICE PRESIDENT. The pending matter is the request of the Senator from Iowa [Mr. CUMMINS] for the yeas and nays on the final passage of the bill. Is it seconded?

The yeas and nays were ordered.

The VICE PRESIDENT. Now, the Senator from Wisconsin [Mr. LENROOT] moves to reconsider the vote whereby the bill passed to its third reading. [Putting the question.] The Chair is in doubt.

Mr. KING. Mr. President, is this question subject to debate?

The VICE PRESIDENT. The Chair knows no reason why it is not subject to debate.

Mr. TOWNSEND. Mr. President, as I understand, there are Senators here who desire to discuss this bill who have some further amendments, and the action was taken when there were very few Senators in the Chamber. It seems to me, in the interest of expedition and proper legislation, that this motion to

reconsider the vote by which the bill passed to its third reading should be adopted. I think we will expedite business in that way, and certainly we will get a better feeling and a better understanding of the measure.

Mr. CUMMINS. Mr. President, I have not opposed the restoration of this bill to the point at which amendments can be made. It is true that there were few Senators here when the Senate acted. That, however, was not my fault. It has been known from the beginning that I intended that we should proceed as rapidly as possible toward the disposition of the bill, and it was not my place to sit here and object to the bill going forward to the stage which it has now reached, inasmuch as no one presented any amendment whatever to it.

I shall not object to the motion of the Senator from Wisconsin, which, as I understand, will put the bill in the Senate and open to amendment. I shall object, however, to any motion that will restore it to the Committee of the Whole. Amendments are in order in the Senate, just as they are in Committee of the Whole, and I do not care to retrace our steps further than is absolutely necessary.

The VICE PRESIDENT. The Chair will put the question again and see if he can reach any conclusion. The question is on the motion of the Senator from Wisconsin [Mr. LENROOT] to reconsider the vote whereby the bill passed to a third reading.

The motion to reconsider was agreed to.

Mr. LENROOT. Now, Mr. President, I move to reconsider the action by which the bill passed from the Committee of the Whole into the Senate, and upon that motion I desire to say this:

No more important piece of domestic legislation, probably, was ever presented to the Senate of the United States. There are some of us who desire to participate in the debate of this bill and to offer amendments to it. We had every reason to believe that when the Senate has occupied months and months of time upon bills of very much less importance than this there would be some opportunity, further than has yet been offered, for the debate of the bill and the consideration of amendments. It is well known that we had no opportunity during the last session of Congress, while the peace treaty was before us, to give consideration to the details of this bill, and we ought to have at least a fair opportunity, further than we have yet had, to consider the bill in Committee of the Whole.

Mr. WILLIAMS. Mr. President, it is true that the Senate of the United States wasted a whole lot of time upon the treaty of peace. It is furthermore true that the Senate of the United States is in the habit of wasting a lot of time upon every subject which is presented for its consideration. It may be true that the Senate has wasted a lot of time upon this particular bill.

I am not one of those who have been constantly present and constantly seeking for an opportunity to amend this bill, but ever since this particular session of Congress met we have been considering this bill. There has been ample opportunity for every Senator to be present. Those Senators who were not present were not present because they voluntarily chose not to be present. This bill was brought before the Senate in the regular way, was considered in the regular way, and has reached its present stage in the regular way; and there is no excuse for any Senator, except his own neglect of duty—neglect of duty in the way of being absent, neglect of duty in the way of considering the evidence, neglect of duty in the way of being prepared with an amendment, whatever the neglect of duty may be—there is no excuse for any Senator, except a neglect of duty, in undertaking now, at the eleventh hour of the consideration of this bill, to start it all over again with an infinitude of senatorial talk about very nearly nothing. The bill has reached its present stage by regular course. Every Senator had a right to be present; but that was not all, every Senator had a duty to be present if he had an amendment to offer, and if the Senator from Wisconsin was not present it was his own fault. If I were not present, it would be my own fault.

Mr. LENROOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Wisconsin?

Mr. WILLIAMS. Of course.

Mr. LENROOT. The Senator from Wisconsin will say to the Senator from Mississippi that he has been much more regular in attendance on the sessions of the Senate than the Senator from Mississippi.

Mr. WILLIAMS. Mr. President, that is a mere ad hominem observation, which carries no weight and no influence with it. The Senator may have been much more often present—and I should like to have the attention of the Senator from Wisconsin, because his interruption was a bit personal—it may be true that the Senator from Wisconsin has been present more studiously than the Senator from Mississippi; but the Senator from Mississippi is not complaining of the fact that he was not present, and the Senator from Wisconsin is complaining of the fact that he has not been present. Whenever I choose to abstain from attendance upon the Senate, I choose to do it because I know that my presence is not absolutely necessary to the conduct of the public business at that particular moment. Whenever the Senator from Wisconsin chooses not to be present, he occupies an air to the effect that his presence was absolutely necessary to the conduct of the public business at that particular moment. There is a wide divergence.

Mr. President, taking my entire membership in this and the other House of Congress, I deny that the Senator from Wisconsin has been more studiously present than I. I have been present always whenever there was anything that I cared about interfering with, that I cared about amending, that I cared about inaugurating, that I cared about instituting or reinstituting. And I never have been known to plead the baby act.

But after the Senate of the United States or the House of Representatives had been considering a bill this long, over a week—and a week is a long time; it is the fifty-second part of a year—I have never felt that I have a right to come in at the last moment and say, "Mr. President, have pity upon me, poor little me. There has been pending a bill for a week or more, and I have not had an opportunity to say my little say about it and offer my little amendments to it." Nobody has ever caught me in that sort of an attitude, and that is the attitude which the Senator from Wisconsin now occupies.

What is this great deliberative body, anyhow? Can it do anything except deliberate? If it can, nobody has found it out. This bill ought to have been disposed of in three or four days. There is not a Senator of average intelligence in this body—and I say "average intelligence," with the emphasis upon the "average," for the benefit of the Senator from Wisconsin, who has not read the bill, who did not know where he stood upon every phase of it, who was not ready to vote upon every clause of it, and who, if he had any amendments to offer, did not have his amendments ready, and if there be a Senator here who occupies a different attitude he ought to have stayed at home.

While the league of nations question was being presented at the last Congress the Senator from Wisconsin, I presume, was thinking on the side about this legislation; at least everybody fit to be a Senator of the United States was thinking about it, ready to take it up just as soon as the malicious and venomous attempt to defeat the peace of the world had succeeded. He knew beforehand his opinions on the subject, and was ready to advance them.

Now, for God's sake, Mr. President, whenever the Senate can get ahead and to a point where it can dispose of something—and that is but once in 10 years—let at least my voice be raised to let the game go on to its finish.

Every Senator here who knows anything about the present bill, whether he learned a little about it inside of the Senate from idle talk or whether he learned a good deal about it outside of the Senate from deep reflection, knows what he wants to do. We have reached the present parliamentary stage, and I for one do not want to go back to another parliamentary stage and begin it all over, with a chance that Senators may talk two weeks more, not with the object of enlightening one another, not with the object of enlightening the country, but with the object of getting certain verbalities into the CONGRESSIONAL RECORD.

Mr. THOMAS. Mr. President, I was absent from the Chamber on committee business when the last vote was taken. I have been fairly regular in my attendance upon the sessions of the Senate, however, since this bill became the unfinished business. I heard the greater part of the presentation of the subject by the Senator having charge of the bill, feeling that it was one of the most tremendously important measures to come before us. The Senator from Iowa [Mr. CUMMINS] spent the greater part of three days in his speech upon the bill. It was exhaustive, it was illuminating, it was well prepared, and whether his auditors agree with him or not they must certainly concede that he has given the subject the most intensive study and was thoroughly prepared to discuss all its features, and did discuss all its features when he presented it to our consideration.

I think I can say with propriety and within bounds that except immediately after roll calls scarcely 10 Senators remained, on the average, to listen to what I consider one of the most important and one of the most informing discourses that I have heard since I have been a Member of the Senate. I wondered that the attendance was so small, for certainly there is no man who belongs to this body who does not appreciate how vastly important this measure is.

I tried to listen to the junior Senator from Minnesota [Mr. KELLOGG], who followed the Senator from Iowa with a very full and equally important discussion of the measure from his standpoint. I was not able, on account of committee work, to avail myself of the opportunity to hear all that the Senator from Minnesota had to say; but I have read the portion which I did not hear, and I owe him a very considerable debt for the illuminating character of his speech. He has evidently given it the greatest thought, and his views concerning it, both as a whole and in detail, are invaluable to me in determining my course upon the measure.

This afternoon the Senator from Montana [Mr. MYERS] addressed the Senate upon one feature of the bill for two hours—that is, on what is called the labor part, a very important portion of it—and during the Senator's discussion there were not to exceed six Senators upon the floor to listen to him at any one time. Yet his speech was one of absorbing interest. As a member of the committee he has also studied the proposition, and while the bill does not commend itself entirely to his approval, he nevertheless is sufficiently acquainted with it to give those who are not members of the committee a comprehensive idea of his point of view.

I have been amazed that a bill like this, dealing with the great transportation systems of the United States, involving not only hundreds of millions but literally billions of dollars and affecting the future industrial and economic and perhaps the social welfare of the entire country, should have received this discussion while the seats of Senators were practically vacant.

Under these circumstances I am not disposed to vote to carry the bill back to the Committee of the Whole, and particularly in view of the rules of the Senate, which permit amendments to be offered and discussed in the Senate. I have no doubt that a great many Senators were absent because of committee duties, and I have no doubt that many, knowing what the habits of the Senate for interminable debate have been, did not return to this session as early as they otherwise would have done. For my part I think that the progress which has been made on the bill constitutes a sort of landmark in senatorial work, and while I have no doubt that the bill could be improved by amendments, and certainly by discussion, I do not think the fault is either with the Senate or with the Senator having charge of the measure.

I recall that at the last session the Senator from Iowa notified this body on two occasions that just as soon as the treaty was disposed of he proposed to press the bill for consideration, and to keep it before the Senate constantly, if that were possible, until it was finally disposed of. There is a warning twice uttered. The Senator was justified in calling attention to the fact, for the reasons which I have stated. I think, therefore, that we should proceed from the stage which the bill has reached until it is finally disposed of.

Mr. CUMMINS. Mr. President, I suppose that I need not say a word further with regard to the importance of this subject. I have already exhausted all the adjectives I can command in order to impress the Senate with the importance of a speedy disposition of this measure.

Now, let us hear a little history about it. I think no one can accuse me of desiring to be unfair or desiring to prevent the latitude of debate which is necessary in order to fully explain the subject or to view it from every standpoint that any Senator can occupy. As the Senator from Colorado [Mr. THOMAS] has said, I did my best at the last session to advise the Senate that at the earliest opportunity I would bring the bill up for consideration. In the closing hours of the last session it was made the unfinished business, and the calendar of the Senate notified every Senator of its position in the business of the body.

Last Tuesday, having allowed it to go over Monday in order to conform to what seemed to be the proprieties of the opening of the session, I called it up formally at 2 o'clock, and I discussed it for three days, viewing it from every possible standpoint and explaining as fully as I am capable of doing anything my understanding of the bill and what it provides for. It was with the greatest difficulty that a quorum was maintained or secured at any time. Senators appeared to have so little concern with the subject that it seemed well-nigh impossible to secure their attendance in the Senate long enough to answer a roll call. I did not complain of that. I went forward with my opening statement as well as I could without any considerable number of Senators being here.

On Friday morning a Senator came to me and indicated that he would not be able to begin his discussion of the subject until Monday. I felt then that there was great danger that the bill might come to a final disposition on Friday or Saturday. The Senator from Minnesota [Mr. KELLOGG] made his address when he did largely at my suggestion in order that there might be given the completest opportunity for anyone in the Senate or in the city of Washington to prepare amendments and to present them. To use a familiar expression, I "eased" the matter over Friday and Saturday with the suggestion that on Monday I expected the bill to go forward in the regular way.

We took it up to-day at 2 o'clock. The Senator from Montana [Mr. MYERS] made an address upon it, and as I remember there were about three Senators here most of the time listening to his address. Then came the amendment proposed by the Senator from Kansas [Mr. CURTIS]. He discussed it, and I did so with as much fullness as seemed to me to be necessary, and it was submitted to a vote and the amendment was rejected.

What was I to do? I could not rise and say that because Senators did not see fit to present amendments which they might desire to present I wanted a suspension of proceedings. I simply allowed the bill to go then according to parliamentary procedure, and it proceeded to the point at which it was actually submitted to a vote and was about to be voted upon, when the Senator from Wisconsin [Mr. LA FOLLETTE] raised the question of the absence of a quorum.

I did not oppose the motion of the junior Senator from Wisconsin [Mr. LENROOT] that the action on the third reading of the bill should be reconsidered so that the bill might be in the Senate and open to amendment. It is now open to amendment. Any Senator can offer any amendment that he desires to present, and he can debate it at any length that he desires to debate it, but I am opposed to retracing our steps further than is necessary in order to give an opportunity to offer amendments and for debate.

With this short recitation of the history of the matter, I hope that the present motion of the junior Senator from Wisconsin [Mr. LENROOT] will be defeated, and that we may go forward with the bill with such amendments as may be offered and with as much speed as is consistent with a full understanding of the subject.

Mr. WILLIAMS. The Senator from Colorado [Mr. THOMAS] primarily and the Senator from Iowa [Mr. CUMMINS] incidentally are mistaken about one thing. A paucity of attendance in the Senate does not indicate a lack of interest in the subject matter nor a lack of knowledge about it. It generally indicates exactly the opposite.

When Senators have made up their minds about a bill and about its provisions, they stay in their offices and attend to their ordinary routine business which must be attended to or to their business downtown with the departments. When a question presents itself which is new to the average Senator, he attends, listens acutely to the discussions, and tries to make up his mind; but when a question presents itself like this one, concerning which he has long since made up his mind, he does not go any further than to read the RECORD. The Senator from Colorado seems to think that unless a Senator can hear a speech by some one, that he can not be informed. There are a few of us who can read better than we hear, and some few of those have read the speech or the several speeches, rather, on several days made by the Senator from Iowa, not with a view of getting any fresh information upon the subject matter which if they were men of every-day intelligence they already had, but with the view of seeking reinforcement of their present opinion or with the view of seeking reasons why they should oppose the present opinion of the chairman of the committee.

One of the heterodoxes of public life, it is true, is that a paucity of attendance in the Senate generally indicates a knowledge of the subject matter. The average Senator is not an ass. He wants information. If he has not got it already, he attends the Senate in order to get it. Upon this particular bill he already had it.

Every man in the Senate knows about the cardinal points of the bill. He knows whether he wants a league of peace amongst the industries of the Nation or not, or whether he desires to leave the question of transportation, upon which depends the milk of babes and the food of adults in the great cities of the United States, to depend upon strikes. He knows that already. If he does not know that, he is unworthy to sit here.

Knowing it already, he has no great ambition to attend the Senate day after day and hear men spout about it. Why should he? When a man is capable of thinking for himself and is acquainted with the subject matter, why should he neglect his correspondence and his departmental work to hear other men give their views upon a subject concerning which he has formed his opinion and formed it indisputably.

Mr. President, this is a wonderful body. Disraeli wrote his "Curiosities of Literature," but if anybody wants to write a book entitled "Curiosities of Legislation," he would write a history of the Senate of the United States during the last three years. "Curiosities of Legislation"—one Senator pretending like he has come into the Senate to hear another Senator talk about something that does not interest him and concerning which he has formed his own opinion; a man getting up in the Senate to talk not with the idea of informing the Senate and not with the idea of informing the country, but with the idea of semi-informing himself, is an actor in this drama book entitled "Curiosities of American Legislation."

The Senator from Colorado [Mr. THOMAS] is entirely wrong when he thinks that the absence of Members from this Chamber indicates a lack of interest in the subject matter. It generally indicates that they have taken an interest in the subject matter and have already come to a conclusion. That is proven by the fact that whenever you get a bill up on a vive voce vote, with trick amendments offered every now and then, the Senate is full of its Members, because every Senator wants to be there on that particular question. He has not considered it; he wants to hear what is said about it.

But when you come to a great question that the country has considered, that capital and labor and the public have considered and concerning which they have come to a conclusion in the opinion of the individual Senator, then he does not want to waste his time hearing another Senator verbalize.

There is no question presented to the Senate since I have been here that has been more thoroughly considered than this one, by the Senators, by individuals, by the newspapers, by the laboring men, by the capitalists, by the consuming public; and I deny that we ought to go backward in order to enable somebody like the Senator from Wisconsin, who imagines he has neglected to say something that he thinks is of great importance, to get an opportunity to say it.

I have not uttered a word upon the bill; I am not uttering a word upon it now, much; but I deny that simply because I am not gifted with an acute sense of hearing, I can not read. I also deny that because I am satisfied with my own opinion concerning the subject matter, that it is absolutely necessary for me to listen to somebody else's verbalization of his opinion—and "verbalization" is about the right phrase for it.

I do not know what one day's session of the Senate costs. I have never counted it up. I do know the annual expenses of the Senate of the United States are three times those of the House of Lords of Great Britain. I once had occasion to count that up when I was chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, and I put it in the RECORD long ago.

Why should the people be taxed to hear just mere verbalogy? When a man is here ready to vote, and when there is no issue on the particular question of real substantial importance, every amendment that any Senator wants to propose can be proposed and can be voted upon, and every amendment, according to the sacred and divine rules of the Senate, can be discussed ad infinitum—a sacred and holy right which nobody in all the world outside of the Senate reverences, worships, or icons.

It is said, or it was said at one time—though it is old-fashioned theology now—that God made man in His image. Later on some skeptic said that man made God in his image. If the Senate has made a god in its image, it is a work of the word—verbalogy, verbalization, constant talking, and constant talking to people who do not want to hear it, and generally constant talking to people who doubtless know more about the subject matter than the man who is talking.

So far as I am concerned, I am opposed to going one step backward, not only with this question but with any other, after this august and utterly impotent body has reached a certain stage in its part of legislation.

Mr. FRELINGHUYSEN. Mr. President, I do not know what are the plans of the Senator from Iowa [Mr. CUMMINS]; whether he intends to press this question to-night or to move a recess.

Mr. CUMMINS. I have no hesitation in telling the Senator from New Jersey what my plan is. If it is satisfactory to the Senate, as soon as the Senator from New Jersey shall have concluded his address I intend to move to take a recess until to-morrow morning at 11 o'clock.

The VICE PRESIDENT. There is a motion now pending.

Mr. CUMMINS. I presume, however, that a motion to take a recess would be in order even though there be a motion pending.

STRIKE OF COAL MINERS.

Mr. FRELINGHUYSEN. Mr. President, I desire to speak on the motion of the Senator from Wisconsin [Mr. LENROOT] that the vote whereby the Senate passed the pending bill from the Committee of the Whole to the Senate be reconsidered. Debate upon the advisability of that motion will undoubtedly delay the Senate for some time. The question I wish directly to bring before the Senate, however, in that connection is the proposed settlement of the coal strike which is now pending. In view of the lateness of the hour, I shall occupy the time of the Senate for only a few moments.

In view of the fact that it has fallen to my lot to study the coal situation, as chairman of the subcommittee of the Committee on Interstate Commerce which has been investigating this question, I had intended to address the Senate at some length to-day, presenting certain facts which should be in its possession and the possession of the public. However, in view of the fact that we are assured that negotiations are now on foot which are likely to bring the strike to a speedy end, I shall defer the remarks I had intended to make to some future occasion; but I wish to make a general statement for the information of the Senate and the country as a whole.

The existing strike is contrary to solemnly executed contracts between officials representing the mine owners and the United Mine Workers.

It is contrary to the advice and warning of the President.

It was carried into effect on the threshold of winter, when, by the stoppage of production, our transportation systems and our industries are crippled and great suffering and probably death will be the lot of tens of thousands.

It was begun in spite of the fact that the miners have already been given during the war wage advances aggregating 58 per cent. It has been precipitated upon the country in spite of the fact that the miners are now the best-paid workers in the United States, their wages running from $1,300 to $4,000 a year and averaging over $1,500 according to official statistics. It has been conducted for over a month in defiance of governmental authority and the decree of the Federal courts.

Dr. Garfield offered the miners an advance of 14 per cent, which they refused. I do not think such an offer was justified. The miners are not entitled to it. It is true this increase is not to be directly chargeable against the public, but against the mine operators. In the final analysis, however, the public will pay.

If the operators are earning too much and the miners are earning enough, as I am sure they are, the public should get the benefit of this 14 per cent, through a reduction of the price of coal. Instead of making such a reduction to the consumers, either now or hereafter, it is proposed to tie up the coal industry to the payment of this increase for two or three years under the contract which will be entered into.

I am more than anxious to learn the terms of the "deal" which I understand has been made between officials of this administration and the United Mine Workers. I look upon it with dread and fear its consequences.

In a public statement issued October 26, 1919, President Wilson said:

> A strike under these circumstances is not only unjustifiable, it is unlawful.

I agreed with him then and agree with him still. The strike was an "unlawful" act, and the continuance of the act was even worse—it was contempt of court and a revolutionary act of defiance.

If the representatives of the administration have entered into negotiations with these outlaws—for such are men guilty of "unlawful" acts—prior to their calling off this outrageous strike, then have they been guilty of a deplorable act, which will return to plague them in the months to come and which will be fraught with evil consequences to this country and its citizens.

There are two primary conclusions that I have reached. First, this strike is an unconscionable and brutal menace to the happiness, the comfort, yes, the lives, of hundreds of thousands of American citizens—men, women, and children—in no way a party to the existing controversy and in no manner responsible, not even in the slightest degree, for the conditions, actual or imaginary, which brought about this crisis. Thus the strike in this instance is an exhibition of inhuman selfishness which should awaken the indignation and arouse the antagonism of every right-thinking American citizen. Secondly, this strike, under the circumstances which characterized its inception and those attendant upon its subsequent conduct, has involved such an obvious rebellion against the law of the land and against the authority of the United States Government that we may well take pause to consider whether or not the seeds of revolution in this country have not only been planted but that the harvesting time is now at hand.

In many foreign lands to-day we see, as we have seen for some years, all the instincts of humanity and civilization ignored and trampled under foot, and the spirit of intolerable greed, of

bestial selfishness, become the ruling passion among men, with all the finer emotions of life cast to the winds. Thus innocent men, women, and children have been made the plaything of malice, to be crumpled and crushed and tossed aside, as though made of some base material instead of in the likeness of God.

So, too, in many foreign lands we have the hydrahead of revolution uplifted and upon the right hand and the left law and order have been laughed to scorn, threats against the government have been uttered and conspiracies concocted, all aiming at the subversion of lawful authority and the rule of forces which are but the harbingers of chaos and anarchy.

In what respect is the situation in America to-day different?

In soviet Russia they shoot down men, women, and children in cold blood. In America they commit an act which, in the final analysis, if consummated, will freeze and starve to death thousands, yes, tens of thousands; and, of course, it will be the weaker ones, the women and children, who will suffer most.

Wherein, Mr. President, is the course of those strikers less heinous than that of their brother conspirators in Bolshevik Russia?

In this controversy the fundamental problem is not an economic one. It is not a question of wages or profits. The real issue presented involves a continuance of a government of law and order, the rule of the majority, the preservation of our cherished institutions, the protection of our homes and those dearer to us than life itself.

In the settlement of the matter we can not afford to compromise or temporize with outlaws. If any American official, high or low, shall, for personal or partisan advantage, engage in trafficking with the enemies of constitutional government, then shall his name be anathema through all the ages to come.

In all seriousness, Mr. President, we should ask ourselves: Are we becoming a Nation of outlaws? Is the day near at hand when our laws shall be flouted without let or hindrance? Shall the Constitution, so long held to be a sacred document and the protector of our liberties, be justly looked upon as a scrap of paper, to be derided and cast aside as a bauble not worth preserving? Are we in America on the threshold of an era when government shall be treated as an unwelcome thing, anarchy the only desirable state, and license the solitary rule of human conduct?

Never ended a great war so disastrously. Never before was a titanic struggle among men followed by such a state of world anarchy. Speaking in the Senate two years ago, September 3, 1917, I said:

> I am willing, Mr. President, to help make the world safe for democracy, but I am not willing to make it safe for socialism. Socialism is no more the twin brother of true democracy than is autocracy.

I say here and now that it behooves us to prove that the war was not a lamentable failure, that those who gave up their precious lives did not make the supreme sacrifice in vain; that the war did in truth "make the world safe for democracy."

We have by no means demonstrated this. It remains for those in authority to demonstrate it. It remains for the executive branch of the Government to demonstrate it. It remains for this Congress to demonstrate it. If we fail, through personal fear or personal ambition, in the performance of this solemn duty, then sad, indeed, will be the lot of America in the years to come, and wretched will be the legacy which we will leave to our children and our children's children.

EXECUTIVE SESSION.

Mr. CUMMINS and Mr. LODGE addressed the Chair.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). The Senator from Iowa.

Mr. CUMMINS. I move that the Senate take a recess until 11 o'clock to-morrow morning.

Mr. LODGE. Will the Senator withhold that motion? I desire a brief executive session in order to dispose of some nominations. Then, of course, I shall be glad to have the motion made.

Mr. CUMMINS. Very well; I withhold the motion for that purpose.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After seven minutes spent in executive session the doors were reopened.

RECESS.

Mr. LODGE. I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, December 9, 1919, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate December 8, 1919.

COLLECTOR OF INTERNAL REVENUE.

William E. Byerly, of Velva, N. Dak., to be collector of internal revenue, district of North Dakota. New office.

UNITED STATES DISTRICT JUDGE.

Charles E. Bunnell, of Fairbanks, Alaska, to be United States district judge, District of Alaska, division No. 4. A reappointment.

UNITED STATES MARSHAL.

Edward Albright, of Gallatin, Tenn., to be United States marshal, middle district of Tennessee.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 8, 1919.

SECRETARIES OF EMBASSY OR LEGATION FOR PROMOTION IN THE DIPLOMATIC SERVICE.

FROM CLASS 2 TO CLASS 1.

Jefferson Caffery, of Louisiana.
Franklin Mott Gunther, of Virginia.
Warren D. Robbins, of Massachusetts.
Frederick A. Sterling, of Texas.
Hugh R. Wilson, of Illinois.

FROM CLASS 3 TO CLASS 2.

Elbridge Gerry Greene, of Massachusetts.
Hallett Johnson, of New Jersey.
Stewart Johnson, of Illinois.
John F. Martin, of Florida.
Oscar L. Milmore, of the District of Columbia.
Richard E. Pennoyer, of California.
Albert B. Ruddock, of Illinois.
H. F. Arthur Schoenfeld, of the District of Columbia.
Sumner Welles, of New York.
John Campbell White, of Maryland.
L. Lanier Winslow, of New York.

FROM CLASS 4 TO CLASS 3.

Philander L. Cable, of Illinois.
Williamson S. Howell, jr., of Texas.
G. Howland Shaw, of Massachusetts.
Curtis C. Williams, jr., of Ohio.
Joseph W. Carroll, of New York.
Samuel S. Dickson, of New Mexico.
J. Theodore Marriner, of Maine.
Henry I. Dockweiler, of California.

CLASS 4.

F. Lammot Belin, of Waverly, Pa.
Pierre de L. Boal, of Boalsburg, Pa.
Curtis C. Jordan, of Eagle Rock, Calif.
Robert F. Kelley, of Jamaica Plain, Mass.
Benjamin Reath Riggs, of Philadelphia, Pa.
Harry W. Robbins, of Minneapolis, Minn.
Herman U. Sartorius, of Brooklyn, N. Y.
William Shea, of Brockport, N. Y.
Frederick V. Slocum, of Ann Arbor, Mich.
George Wythe, of Weatherford, Tex.

HOUSE OF REPRESENTATIVES.

MONDAY, *December 8, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, touch the spark of divinity which Thou hast woven into our being with a flame of sacred fire, which shall illumine our minds, clarify our hearts, and bring us into closer communion with Thee.

Blessed are the pure in heart, for they shall see God—understand His purposes and be inspired to larger life, greater faithfulness and efficiency in the work He has given us to do.

> There lies in the center of each man's heart,
> A longing and love for the good and pure;
> And if but an atom, or larger part,
> I tell you this shall endure—endure—
> After the body has gone to decay—
> Yea, after the world has passed away.

And nothing that ever was born or evolved,
Nothing created by light or force,
But deep in its system there lies dissolved
A shining drop from the Great Love Source;
A shining drop that shall live for aye—
Though kingdoms may perish and stars decay.

Amen.

The Journal of the proceedings of Friday, December 5, 1919, was read and approved.

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS (S. DOC. NO. 166).

The SPEAKER laid before the House the following message from the President of the United States, which, with the accompanying document, was referred to the Committee on Appropriations and ordered printed:

To the Senate and House of Representatives:

In compliance with the provisions of the act of March 3, 1915, making appropriations for the naval service for the fiscal year ending June 30, 1916, I transmit herewith the Fifth Annual Report of the National Advisory Committee for Aeronautics for the fiscal year ended June 30, 1919.

The attention of the Congress is invited to the suggestion of the committee that the appendixes of the report be published with the report as a public document; and to the recommendations of the committee in the closing paragraphs of the report which have my approval.

WOODROW WILSON.

THE WHITE HOUSE,
5 December, 1919.

WOMAN-SUFFRAGE AMENDMENT.

The SPEAKER laid before the House a communication from the secretary of state of South Dakota announcing the ratification by the legislature of that State of the proposed amendment to the Constitution of the United States extending the right of suffrage to women.

LEAVE OF ABSENCE.

Mr. MCLAUGHLIN of Nebraska, by unanimous consent, was granted leave of absence for one day on account of important business.

ANTIDUMPING LEGISLATION.

Mr. FORDNEY, from the Committee on Ways and Means, presented a report on the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender;

S. 2902. An act to amend section 5182, Revised Statutes of the United States; and

S. 2756. An act to prescribe the method of capital punishment in the District of Columbia.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 9822. An act to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication; and

H. R. 3754. An act to amend sections 8 and 21 of the copyright act, approved March 4, 1909.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 2756. An act to prescribe the method of capital punishment in the District of Columbia; to the Committee on the District of Columbia.

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender; to the Committee on Banking and Currency.

S. 2902. An act to amend section 5182, Revised Statutes of the United States; to the Committee on Banking and Currency.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message in writing from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries, who also informed the House of Representatives that the President had, on December 5, 1919, approved and signed bill of the following title:

H. R. 9821. An act to amend an act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, and for other purposes.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that, December 6, they had presented to the President of the United States for his approval the following bill:

H. R. 6857. An act to authorize the change of the name of the steamer *Charlotte Graveraet Breitung* to *T. K. Maher.*

LEAVE TO ADDRESS THE HOUSE.

Mr. WHITE of Maine. Mr. Speaker, I ask unanimous consent that on January 5, after the reading of the Journal and disposition of matters on the Speaker's table, and subject to the right of way of conference reports and other privileged matters, I may be permitted to address the House for 15 minutes, and that on the conclusion of my remarks the gentleman from Massachusetts [Mr. LUCE] may speak for a like time.

The SPEAKER. The gentleman from Maine asks unanimous consent that on January 5, after the privileged business, he be allowed to address the House for 15 minutes, and that thereupon the gentleman from Massachusetts [Mr. LUCE] be allowed the same amount of time. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I ask the gentleman from Maine upon what subject?

Mr. WHITE of Maine. January 5 is the one hundredth anniversary of the adoption of the constitution of the State of Maine, that marked the separation of that State from the State of Massachusetts.

Mr. BLANTON. I have no objection as to that. Now, as to the other gentleman——

Mr. WHITE of Maine. He desires to speak on the same subject.

Mr. BLANTON. I have no objection.

STANDARD OF WEIGHTS AND MEASURES.

The SPEAKER. On Friday last, before the House adjourned, the bill before the House was H. R. 9755, relating to the standard of weights and measures. The previous question was ordered and the reading of the engrossed bill was demanded. Is that reading still desired?

Mr. BLANTON. Mr. Speaker, I withdraw the request.

The SPEAKER. The question is on the third reading of the bill.

The bill was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BANKHEAD and Mr. BLANTON demanded a division.

The House divided; and there were—ayes 67, noes 17.

Mr. LINTHICUM. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Maryland makes the point that no quorum is present. The Chair will count. [After counting.] No quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll. Those who are in favor of the passage of the bill will, as their names are called, answer "yea," and those opposed will answer "nay."

The question was taken; and there were—yeas 222, nays 80, answered "present" 1, not voting 129, as follows:

YEAS—222.

Alexander	Cooper	French	Hickey
Anderson	Copley	Fuller, Ill.	Hicks
Andrews, Nebr.	Cullen	Fuller, Mass.	Houghton
Anthony	Curry, Calif.	Gallagher	Howard
Ashbrook	Dale	Gallivan	Hulings
Babka	Darrow	Gandy	Hull, Iowa
Bee	Davey	Ganly	Ireland
Begg	Davis, Minn.	Gard	Johnson, Wash.
Benham	Dickinson, Iowa	Garland	Johnston, N. Y.
Black	Drane	Garrett	Jones, Pa.
Blanton	Dunbar	Goldfogle	Jones, Tex.
Boies	Dunn	Good	Juul
Box	Dyer	Goodall	Keller
Briggs	Eagan	Green, Iowa	Kelly, Pa.
Brooks, Ill.	Echols	Greene, Mass.	Kennedy, Iowa
Brooks, Pa.	Elliott	Greene, Vt.	Kettner
Brumbaugh	Elston	Griest	Kiess
Butler	Emerson	Griffin	Kinkaid
Caldwell	Esch	Hadley	Kitchin
Campbell, Kans.	Evans, Nebr.	Hardy, Colo.	Kleczka
Cannon	Fess	Hardy, Tex.	Knutson
Cantrill	Fields	Harreld	Kraus
Caraway	Fisher	Harrison	LaGuardia
Carss	Flood	Hastings	Lampert
Carter	Focht	Hawley	Lanham
Casey	Fordney	Hayden	Layton
Chindblom	Foster	Hays	Lea, Calif.
Classon	Freeman	Hersey	Linthicum

Little	Monahan, Wis.	Reed, W. Va.	Sweet
Lonergan	Mondell.	Ricketts	Tague
Longworth	Mooney	Riddick	Taylor, Colo.
Luce	Moore, Ohio	Robsion, Ky.	Taylor, Tenn.
Luhring	Moores, Ind.	Rogers	Temple
McAndrews	Morgan	Rose	Tilson
McArthur	Mott	Sabath	Timberlake
McCulloch	Murphy	Sanders, N. Y.	Tincher
McFadden	Neely	Sanford	Tinkham
McGlennon	Newton, Minn.	Saunders, Va.	Towner
McKenzie	O'Connell	Scott	Treadway
McKinley	Ogden	Sells	Vaile
McKinley	Olney	Shreve	Vestal
McLaughlin, Mich.	Paige	Siegel	Volstead
McLaughlin, Nebr.	Parker	Sims	Walters
McPherson	Parrish	Sinclair	Ward
MacCrate	Peters	Sinnott	Watkins
MacGregor	Platt	Slemp	Watson, Pa.
Madden	Purnell	Smith, Idaho	Welling
Magee	Radcliffe	Smith, Mich.	Welty
Maher	Rainey, H. T.	Smith, N. Y.	White, Me.
Mann, Ill.	Rainey, J. W.	Snyder	Williams
Mansfield	Raker	Stedman	Woods, Va.
Mapes	Ramseyer	Steenerson	Woodyard
Mays	Randall, Calif.	Stephens, Ohio	Yates
Mead	Randall, Wis.	Stiness	Young, N. Dak.
Michener	Reavis	Strong, Kans.	
Minahan, N. J.	Reber	Strong, Pa.	

NAYS—80.

Almon	Currie, Mich.	Lufkin	Rouse
Aswell	Davis, Tenn.	McDuffie	Rucker
Bankhead	Dent	Major	Sherwood
Barkley	Dewalt	Mann, S. C.	Sisson
Bell	Dickinson, Mo.	Martin	Smith, Ill.
Benson	Dominick	Montague	Smithwick
Blackmon	Doughton	Moon	Steagall
Bland, Mo.	Evans, Mont.	Nelson, Mo.	Stephens, Miss.
Bland, Va.	Evans, Nev.	Oldfield	Stevenson
Brand	Glynn	Oliver	Stoll
Buchanan	Goodwin, Ark.	Overstreet	Thomas
Byrnes, S. C.	Heflin	Padgett	Tillman
Byrns, Tenn.	Holland	Park	Vinson
Candler	Hull, Tenn.	Pou	Walsh
Clark, Fla.	Jefferis	Quin	Weaver
Clark, Mo.	Johnson, Miss.	Rainey, Ala.	Whaley
Coady	Kincheloe	Rayburn	Wilson, La.
Connally	Lankford	Rhodes	Wilson, Pa.
Cramton	Larsen	Robinson, N. C.	Wingo
Crisp	Lee, Ga.	Romjue	Wright

ANSWERED "PRESENT"—1.

Dowell

NOT VOTING—129.

Ackerman	Edmonds	Kennedy, R. I.	Rubey
Andrews, Md.	Ellsworth	King	Sanders, Ind.
Ayres	Fairfield	Kreider	Sanders, La.
Bacharach	Ferris	Langley	Schall
Baer	Frear	Lazaro	Scully
Barbour	Garner	Lehlbach	Sears
Bland, Ind.	Godwin, N. C.	Lesher	Small
Booher	Goodykoontz	McClintic	Snell
Bowers	Gould	McKeown	Steele
Brinson	Graham, Pa.	McLane	Sullivan
Britten	Graham, Ill.	Mason	Summers, Wash.
Browne	Hamill	Merritt	Sumners, Tex.
Browning	Hamilton	Miller	Swope
Burdick	Haskell	Moore, Pa.	Taylor, Ark.
Burke	Haugen	Moore, Va.	Thompson
Burroughs	Hernandez	Morin	Upshaw
Campbell, Pa.	Hersman	Mudd	Vare
Carew	Hill	Nelson, Wis.	Venable
Christopherson	Hoch	Newton, Mo.	Voigt
Cleary	Huddleston	Nicholls, S. C.	Wason
Cole	Hudspeth	Nichols, Mich.	Watson, Va.
Collier	Humphreys	Nolan	Webster
Costello	Husted	O'Connor	Wheeler
Crago	Hutchinson	Osborne	White, Kans.
Crowther	Igoe	Pell	Wilson, Ill.
Dallinger	Jacoway	Phelan	Winslow
Dempsey	James	Porter	Wise
Denison	Johnson, Ky.	Ramsey	Wood, Ind.
Donovan	Johnson, S. Dak.	Reed, N. Y.	Young, Tex.
Dooling	Kahn	Riordan	Zihlman
Doremus	Kearns	Rodenberg	
Dupré	Kelley, Mich.	Rowan	
Eagle	Kendall	Rowe	

So the bill was passed.

The Clerk announced the following pair:

Until further notice:

Mr. THOMPSON with Mr. JACOWAY.

Mr. WHITE of Kansas with Mr. PELL.

Mr. SANDERS of Indiana with Mr. WATSON of Virginia.

Mr. MILLER with Mr. HOLLAND.

Mr. NOLAN with Mr. IGOE.

Mr. NELSON of Wisconsin with Mr. MCCLINTIC.

Mr. DENISON with Mr. FERRIS.

Mr. MORIN with Mr. CAMPBELL of Pennsylvania.

Mr. MUDD with Mr. BRINSON.

Mr. KAHN with Mr. DUPRÉ.

Mr. COSTELLO with Mr. SEARS.

Mr. NEWTON of Missouri with Mr. BOOHER.

Mr. ZIHLMAN with Mr. GODWIN of North Carolina.

Mr. KEARNS with Mr. DOREMUS.

Mr. KELLEY of Michigan with Mr. DOOLING.

Mr. KENNEDY of Rhode Island with Mr. DONOVAN.

Mr. NICHOLS of Michigan with Mr. AYRES.

Mr. CRAGO with Mr. SCULLY.

Mr. KING with Mr. COLLIER.

Mr. CROWTHER with Mr. SANDERS of Louisiana.

Mr. ACKERMAN with Mr. YOUNG of Texas.

Mr. BACHARACH with Mr. WISE.

Mr. BLAND of Indiana with Mr. VENABLE.

Mr. DALLINGER with Mr. RUBEY.

Mr. DOWELL with Mr. ROWAN.

Mr. EDMONDS with Mr. RIORDAN.

Mr. OSBORNE with Mr. MOORE of Virginia.

Mr. BOWERS with Mr. UPSHAW.

Mr. PORTER with Mr. MCLANE.

Mr. FREAR with Mr. PHELAN.

Mr. LANGLEY with Mr. CLEARY.

Mr. GOULD with Mr. O'CONNOR.

Mr. RAMSEY with Mr. MCKEOWN.

Mr. BROWNING with Mr. TAYLOR of Arkansas.

Mr. RODENBERG with Mr. LESHER.

Mr. GRAHAM of Pennsylvania with Mr. NICHOLLS of South Carolina.

Mr. BURDICK with Mr. SUMNERS of Texas.

Mr. ROWE with Mr. LAZARO.

Mr. VARE with Mr. JOHNSON of Kentucky.

Mr. BURKE with Mr. SULLIVAN.

Mr. WASON with Mr. HUMPHREYS.

Mr. HASKELL with Mr. HERSMAN.

Mr. HUSTED with Mr. HERNANDEZ.

Mr. HUTCHINSON with Mr. HAMILL.

Mr. MERRITT with Mr. CAREW.

Mr. JOHNSON of South Dakota with Mr. EAGLE.

Mr. BURROUGHS with Mr. STEELE.

Mr. CHRISTOPHERSON with Mr. SMALL.

Mr. WHEELER with Mr. HUDSPETH.

Mr. WINSLOW with Mr. HUDDLESTON.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

On motion of Mr. VESTAL, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. BENSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on this bill.

The SPEAKER. The gentleman from Maryland asks unanimous consent to revise and extend his remarks in the RECORD on this bill. Is there objection?

There was no objection.

STANDARD WEIGHTS AND MEASURES, DISTRICT OF COLUMBIA.

Mr. MAPES. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8067) to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia; and for other purposes.

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8067, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8067) to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia; and for other purposes.

Mr. MAPES. Mr. Speaker, pending the motion, I would like to see if we can agree upon the time for general debate. The gentleman from Missouri [Mr. ROMJUE] I believe is the ranking minority member of the committee present. I have had no requests for time on this side, but I think perhaps I ought to ask for 15 minutes in which to explain the bill. If that is satisfactory to the gentleman from Missouri, I will ask for one-half hour's general debate.

Mr. ROMJUE. Yes.

Mr. MAPES. One-half to be controlled by the gentleman from Missouri [Mr. ROMJUE] and one-half by myself.

Mr. ROMJUE. I have had no requests for any time on this side thus far.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

LEAVE TO ADDRESS THE HOUSE.

Mr. MONDELL. Mr. Speaker, some days ago the gentleman from Idaho [Mr. FRENCH] informed me that he had been giving some consideration to the form of the soviet government of Russia, and at some convenient time he desired to discuss that matter before the House for about 40 minutes. He suggested

that he would be very glad to get in under general debate this morning; but, on taking up the matter with the chairman of the Committee on the District of Columbia, he expressed a disinclination to have a considerable time for general debate on the bill, and I suggested to the gentleman from Idaho that it might be possible for him to secure unanimous consent to address the House this afternoon after the conclusion of this measure, if there shall be time, on the subject referred to; and if the gentleman from Michigan [Mr. MAPES] will allow me at this time, I should like to submit a unanimous-consent request, pending his request, that the gentleman from Idaho may, after the passage of this bill this afternoon, should there be time, be given the opportunity to address the House for 40 minutes on the subject named.

Mr. CLARK of Missouri. If the gentleman will explain the government they have got over in Russia, I will have no objection.

Mr. MONDELL. I have not talked with the gentleman in regard to his speech, but I imagine that he has given the matter careful consideration, and I have no doubt that what he will say will be interesting to the House.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that at the conclusion of the consideration of this bill the gentleman from Idaho [Mr. FRENCH] may address the House for 40 minutes on the subject of the soviet government in Russia.

Mr. BLANTON. Mr. Speaker, reserving the right to object——

Mr. GARD. Mr. Speaker, I wish to ask the gentleman from Wyoming if there is to be any public business transacted after we shall have finished this bill, H. R. 8067?

Mr. MONDELL. I do not anticipate that there would be time for any other public business after this bill is disposed of and the speech of the gentleman from Idaho has been made, if the House gives the gentleman the opportunity to make it.

Mr. KITCHIN. If the gentleman from Idaho proposes to speak this afternoon, will we sit later than 8 or 9 o'clock tonight? This bill is of 23 pages.

Mr. GALLIVAN. Mr. Speaker, I object.

STANDARD WEIGHTS AND MEASURES, DISTRICT OF COLUMBIA.

The SPEAKER. Objection is made. The gentleman from Michigan [Mr. MAPES] asks unanimous consent that the general debate be limited to 30 minutes, half to be controlled by himself and half by the gentleman from Missouri [Mr. ROMJUE]. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Michigan, that the House resolve itself into Committee of the Whole House on the state of the Union.

The motion was agreed to.

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8067, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8067, a bill to establish standard weights and measures for the District of Columbia. The Clerk will report the bill.

The Clerk read the title of the bill, as follows:

A bill (H. R. 8067) to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia; and for other purposes.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. GARD. I object, Mr. Chairman. I think the bill should be read.

The CHAIRMAN. The gentleman from Ohio objects. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That there is hereby created an executive department in the government of the District of Columbia which shall be known as the department of weights, measures, and markets. Such department shall be in charge of a superintendent of weights, measures, and markets, who shall be appointed by and be under the direction and control of the Commissioners of the District of Columbia and shall receive a salary of $2,500 per annum. He shall have the custody and control of such standard weights and measures of the United States as are now or shall hereafter be provided by the District of Columbia, which shall be the only standards for weights and measures in said District.

The commissioners are also authorized to appoint, on the recommendation of the superintendent, such assistants, inspectors, and other employees for which Congress may from time to time provide.

SEC. 2. That the superintendent shall, before entering upon the performance of his duties, give bond to the District of Columbia in the penal sum of $5,000, signed by two sureties or by a bonding company, to be approved by the commissioners, conditioned on the faithful discharge of the duties of his office, and shall take and subscribe an oath or affirmation before the commissioners that he will faithfully and impartially discharge the duties of his office, which bond and oath shall be deposited with the commissioners.

SEC. 3. That the superintendent and, under his direction, his assistants and inspectors, shall have exclusive power to perform all the duties provided in this act. They shall, at least every six months, and oftener when the superintendent thinks proper, inspect, test, try, and ascertain whether or not they are correct, all weights, scales, beams, measures of every kind, instruments or mechanical devices for weighing or measuring, and all tools, appliances, or accessories connected with any or all such instruments or mechanical devices for weighing or measuring used or employed in the District of Columbia by any owner, agent, lessee, or employee in determining the weight, size, quantity, extent, area, or measurement of quantities, things, produce, or articles of any kind offered for transportation, sale, barter, exchange, hire, or award, or the weight of persons for a charge or compensation, and shall approve, seal, and stamp or mark, in the manner prescribed by the commissioners, such devices or appliances as conform to the standards kept in the office of the superintendent, and shall seize and destroy or mark, stamp, or tag with the word "condemned" such as do not conform to the standards, and shall also mark the date of such condemnation upon the same. Any weight, scale, beam, measure, weighing or measuring device of any kind which shall be found to be unsuitable for the purpose for which it is intended to be used or of defective construction or material shall be condemned. No person shall use or, having the same under his control, shall permit to be used for any of the purposes enumerated in this act any weight, scale, beam, measure, weighing or measuring device whatsoever unless the same has been approved in accordance with the provisions of this act within six months prior to such use.

Any person who shall acquire or have in his possession after the passage of this act any unapproved scale, weighing instrument, or nonportable measure or measuring device, subject to inspection or test under the provisions of this act, shall notify the superintendent in writing at his office, giving a general description thereof, and the street and number or other location where same may be found, and it shall be the duty of the superintendent to cause the same to be inspected and tested within a reasonable time after receipt of such notice. Any person who shall acquire or have in his possession after the passage of this act any unapproved portable measure or measuring device subject to inspection or test shall cause the same to be taken to the office of the superintendent for inspection and test.

Every peddler, hawker, huckster, transient merchant, or other person with no fixed or established place of business shall, before using any weight, scale, measure, weighing or measuring device for any of the purposes enumerated in this act, cause the same to be taken to the office of the superintendent for inspection and test semiannually, and shall not use for the purposes herein mentioned any weight, scale, measure, weighing or measuring device which has not been approved within six months prior to the time of such use.

Nothing herein shall be construed to require the superintendent to test any weighing or measuring device belonging to the United States.

SEC. 4. That no person shall use or, having the same under his control, permit to be used, any weight, scale, measure, weighing or measuring device, or any attachment or part thereof after the same has been altered or repaired without the same having been inspected and approved as provided herein after such alterations or repairs have been made, and no person shall alter, obliterate, detach, obscure, or conceal any condemnation seal, stamp, mark, tag, or label, attached or impressed by the superintendent or any of his assistants or inspectors, without written permission of the superintendent.

SEC. 5. That no person shall neglect, fail, or refuse to exhibit any weight, scale, beam, measure, weighing or measuring device, subject to inspection or test under the provisions of this act, to the superintendent or any of his assistants or inspectors for the purpose of inspection and test, and no person shall in any manner obstruct, hinder, or molest the superintendent or any of his assistants, inspectors, or other employees in the performance of their duties.

SEC. 6. That the superintendent shall keep in his office a record of weighing and measuring devices inspected, which record shall show the type of device, the name and address of the owner, the date of inspection, and whether the same was approved or condemned. Such record shall be open to the public during regular office hours.

SEC. 7. That no person shall sell, offer for sale, keep, or expose for sale anywhere in the District of Columbia any commodity of any kind as a weight, measure, or numerical count greater than the actual or true weight, measure, or numerical count thereof, and no person shall take or attempt to take more than the actual and true weight, measure, or numerical count of any commodity, when, as buyer, he is permitted by the seller to determine the weight, measure, or numerical count thereof.

SEC. 8. That when any commodity is sold by weight it shall be net weight. When any commodity, except coal, is sold by the ton, it shall be understood to mean 2,000 pounds avoirdupois. Coal shall be sold by the long ton, consisting of 2,240 pounds avoirdupois.

SEC. 9. That no person, firm, or corporation shall erect, operate, or maintain, or cause to be erected, operated, or maintained within the District of Columbia any coin-in-the-slot machine or automatic vending device without placing in charge thereof some responsible person. No such machine shall be maintained for use when the same is not in perfect working order, and the person in charge as well as the owner of such machine or device shall be held responsible for operating or maintaining any such machine or device which is not in perfect working order. A sign or placard shall be placed on every such machine or device in a conspicuous place and shall contain the name of the owner and of the person in charge of such machine or device, and shall state that the person in charge of such machine or device will refund to any person money deposited by him for which the commodity or service promised expressly or impliedly has not been received, and such person shall so refund such money.

SEC. 10. That every person, firm, or corporation shall, when a sales ticket is given with a purchase, cause such sales ticket to show the correct name and address of such person, firm, or corporation and the weight, measure, or numerical count, as the case may be, of each commodity sold to such purchaser, and every such person, firm, or corporation is hereby required to deliver such sales ticket to such purchaser when requested to do so by such purchaser at the time of the sale.

SEC. 11. That it shall be unlawful to sell or offer for sale in the District of Columbia any coal, charcoal, or coke in any other manner than by weight. No person shall deliver or attempt to deliver any coal, charcoal, or coke without accompanying same by delivery ticket and a duplicate thereof, the original of which shall be in ink or other indelible substance, on each of which shall be expressed distinctly in pounds, avoirdupois, the gross weight of the load, the tare of the delivery vehicle or receptacle, and the net weight of coal, charcoal, or coke contained in the vehicle or receptacle used in making delivery, with the name and address of the purchaser and the name and address of the person, firm, or corporation from whom or which purchased. Upon demand of the superintendent or any of his assistants or inspectors upon the person in charge of the vehicle of delivery, the original of these tickets shall be surrendered to the official making such demand. The duplicate ticket shall be delivered to the purchaser of said coal, charcoal, or coke, or to his agent or representative, at the time of delivery of such coal, charcoal, or coke. Upon demand of the superintendent or any of his assistants or inspectors, or of the purchaser or intended purchaser, his agent or representative, the person delivering such coal, charcoal, or coke shall convey the same forthwith to some public scale, or to any legally approved private scale in the District of Columbia, the owner of which shall consent to its use, and shall permit the verifying of the weight, and after the delivery of such coal, charcoal, or coke shall return forthwith with the wagon or other conveyance used to the same scale and permit to be verified the weight of the wagon or other conveyance: *Provided*, That when coal, charcoal, or coke is sold in a quantity less than 280 pounds and is not weighed in a wagon, cart, or other vehicle, it shall be sufficient for the seller to deliver to the purchaser, his agent or representative, a ticket showing the name and address of the vendor, the name of the purchaser, and the true net weight of the coal, charcoal, or coke so sold or delivered: *Provided further*, That when coal, charcoal, or coke is sold in packages of 50 pounds or less, it shall be sufficient to plainly mark each package with the name of the person, firm, or corporation making such package and the true net weight of the coal, charcoal, or coke contained therein.

No coal, charcoal, or coke shall be sold which contains at the time the weight is taken more water or other liquid substance than is due to the natural condition of the coal, charcoal, or coke.

Every vendor of coal, charcoal, or coke shall cause his name and address to be conspicuously displayed on both sides of every vehicle used by or for him for the sale or delivery of coal, charcoal, or coke.

SEC. 12. That it shall be unlawful to sell, within the District of Columbia, any ice in any manner than by weight, such weight to be ascertained at the time of delivery of such ice, and every person, or in case of a firm, copartnership, or corporation, the person in charge of its business in the District of Columbia, engaged in the sale of ice shall keep on each of his or its wagons or other vehicles used in the sale or delivery of ice, while in use, a scale suitable for weighing ice which has been tested and approved in accordance with the provisions of this act. Every scale used for weighing ice in making sales in quantities of 100 pounds or less shall have graduations of 1 pound or less. Scales used for weighing ice in making sales in quantities of more than 100 pounds may have graduations of 5 pounds or less.

SEC. 13. That the standard loaf of bread manufactured for sale, sold, offered or exposed for sale in the District of Columbia shall weigh 1 pound avoirdupois, but bread may also be manufactured for sale, sold, offered or exposed for sale in loaves of one-half pound, or in multiples of 1 pound, but shall not be manufactured for sale, sold, offered or exposed for sale in other than the aforesaid weight. Every loaf of bread manufactured for sale, sold, offered or exposed for sale in the District of Columbia shall have affixed thereon in a conspicuous place a label at least 1 inch square, or, if round, at least 1 inch in diameter, upon which label there shall be printed in plain bold-face Gothic type, not smaller than 12-point, the weight of the loaf in pound, pounds, or fraction of a pound, as the case may be, whether the loaf be a standard loaf or not, the letters and figures of which shall be printed in black ink upon white paper. The business name and address of the maker, baker, or manufacturer of the loaf shall also be plainly printed on each such label. Every seller of bread in the District of Columbia shall keep a suitable scale which shall have been inspected and approved in accordance with the provisions of this act in a conspicuous place in his bakery, bakeshop, or store, or other place where he is engaged in the sale of bread, and shall, whenever requested by the buyer, and in the presence of the buyer, weigh the loaf or loaves of bread sold or offered for sale. Nothing herein shall apply to crackers, pretzels, buns, rolls, scones, or loaves of fancy bread weighing less than one-fourth of 1 pound avoirdupois, or to what is commonly known as stale bread, provided the seller shall, at the time the sale is made, expressly state to the buyer that the bread so sold is stale bread: *Provided*, That any loaf of bread weighing within 10 per cent in excess or within 4 per cent less than standard weight shall be deemed of legal weight.

SEC. 14. That bottles or jars used for the sale of milk or cream shall be of the capacity of 1 gallon, half-gallon, 3 pints, 1 quart, 1 pint, half-pint, or 1 gill when filled to the bottom of the cap seat, stopple, or other designating mark. Such bottles or jars shall have clearly blown or otherwise permanently marked in the side of each such bottle or jar or printed on the cap or stopple the name and address of the person, firm, or corporation who or which shall have bottled such milk or cream. Any person who uses, for the purpose of selling milk or cream, bottles or jars which do not comply with the requirements of this section shall be deemed guilty of using false measure.

SEC. 15. That standard containers for the sale of fruits, vegetables, and other dry commodities in the District of Columbia shall be as follows:

(a) That standard barrel for fruits and vegetables, other than cranberries, shall be of the following dimensions when measured without distention of its parts: Length of stave, 28½ inches; diameter of heads, 17½ inches; distance between heads, 26 inches; circumference of bulge, 64 inches, outside measurement; and the thickness of staves not greater than four-tenths of an inch: *Provided*, That any barrel of a different form having a capacity of 7,056 cubic inches shall be a standard barrel. The standard barrel for cranberries shall be of the following dimensions when measured without distention of its parts: Length of staves, 28½ inches; diameter of head, 16½ inches; distance between heads, 25½ inches; circumference of bulge, 58½ inches, outside measurement; and the thickness of staves not greater than four-tenths of an inch. It shall be unlawful to sell, offer, or expose for sale in the District of Columbia a barrel containing fruits or vegetables or any other dry commodity of less capacity than the standard barrels defined in this act, or subdivisions thereof known as the third, half, and three-quarter barrel.

(b) Standards for Climax baskets for grapes and other fruits and vegetables shall be the 2-quart basket, 4-quart basket, and 12-quart basket, respectively.

The standard 2-quart Climax basket shall be of the following dimensions: Length of bottom piece, 9½ inches; width of bottom piece, 3½ inches; thickness of bottom piece, three-eighths of an inch; height of basket, 3¾ inches, outside measurement; top of basket, length 11 inches and width 5 inches, outside measurement. Basket to have a cover 5 by 11 inches, when a cover is used.

The standard 4-quart Climax basket shall be of the following dimensions: Length of bottom piece, 12 inches; width of bottom piece, 4½ inches; thickness of bottom piece, three-eighths of an inch; height of basket, 4½ inches, outside measurement; top of basket, length 14 inches; width 6¼ inches, outside measurement. Basket to have cover 6¼ inches by 14 inches, when cover is used.

The standard 12-quart Climax basket shall be of the following dimensions: Length of bottom piece, 16 inches; width of bottom piece, 6½ inches; thickness of bottom piece, seven-sixteenths of an inch; height of basket, 7⅛ inches, outside measurement; top of basket, length 19 inches, width 9 inches, outside measurement. Basket to have cover 9 inches by 19 inches, when cover is used.

(c) The 6-basket carrier crate for fruits and vegetables shall contain six 4-quart baskets, each basket having a capacity of 268⅘ cubic inches.

(d) The 4-basket flat crate for fruits and vegetables shall contain four 3-quart baskets, each basket having a capacity of 201⅗ cubic inches.

(e) The standard box, basket, or other container for berries, cherries, shelled peas, shelled beans, and other fruits and vegetables of similar size shall be of the following capacities standard dry measure: One-half pint, pint, and quart. The one-half pint shall contain 16⅘ cubic inches; the pint shall contain 33⅗ cubic inches; the quart shall contain 67⅕ cubic inches.

(f) Standard lug boxes for fruits and vegetables shall be the one-half bushel box and the 1-bushel box.

The one-half bushel lug box shall be of the following inside dimensions: Length, 17 inches; width, 10⅘ inches; depth, 6 inches.

The 1-bushel lug box shall be of the following inside dimensions: Length, 20⅝ inches; width, 13 inches; depth, 8 inches; and no lug box of other than the foregoing dimensions shall be used in the District of Columbia.

(g) The standard hampers for fruits and vegetables shall be the 1-peck hamper, one-half bushel hamper, 1-bushel hamper, and 1½ bushel hamper.

The 1-peck hamper shall contain 537⅗ cubic inches; the one-half bushel hamper shall contain one thousand and seventy-five and twenty-one one-hundredths cubic inches. The 1-bushel hamper shall contain two thousand one hundred and fifty and forty-two one-hundredths cubic inches, and the 1½-bushel hamper shall contain three thousand two hundred and twenty-five and sixty-three one-hundredths cubic inches.

(h) The standard round-stave baskets for fruits and vegetables shall be the one-half bushel basket, 1-bushel basket, 1½-bushel basket, and 2-bushel basket.

The one-half bushel basket shall contain one thousand and seventy-five and twenty-one one-hundredths cubic inches. The 1-bushel basket shall contain two thousand one hundred and fifty and forty-two one-hundredths cubic inches. The 1½-bushel basket shall contain three thousand two hundred and twenty-five and sixty-three one-hundredths cubic inches, and the 2-bushel basket shall contain four thousand three hundred and eighty-four one-hundredths cubic inches.

(i) The standard apple box shall contain 2,173⅗ cubic inches and be of the following inside dimensions: Length, 18 inches; width, 11½ inches; depth, 10½ inches.

(j) The standard pear box shall be of the following inside dimensions: Length, 18 inches; width, 11½ inches; depth, 8½ inches.

(k) The standard onion crate shall be of the following inside dimensions: Length, 19⅝ inches; width, 11⅘ inches; depth, 9⅛ inches.

(l) No person shall sell, offer, or expose for sale in the District of Columbia any fruits, vegetables, grain, or similar commodities in any manner except in the standard containers herein prescribed or by weight or numerical count; and no person shall sell, offer, or expose for sale, except by weight or numerical count, in the District of Columbia any commodity in any container herein prescribed which does not contain, at the time of such offer, exposure, or sale, the full capacity of such commodity compactly filled: *Provided*, That fresh beets, onions, turnips, rhubarb, and other similar vegetables, usually and customarily sold by the bunch, may be sold by the bunch.

All kale, spinach, and other similar leaf vegetables shall be sold at retail by net weight.

SEC. 16. That nothing in this act contained shall be construed as permitting the use as a dry measure or substituting for a dry measure any of the following containers: Barrels, boxes, lug boxes, crates, hampers, baskets, or climax baskets; and the use of any such container as a measure is hereby expressly prohibited, and the user shall be fined or imprisoned as herein provided for other violations of this act.

SEC. 17. That a cord of wood shall contain 128 cubic feet. Wood more than 8 inches in length shall be sold by the cord or fractional part thereof, and when delivered shall contain 128 cubic feet per cord when evenly and compactly stacked. Split wood, 8 inches or less in length, may be sold by such standard loads as shall be fixed by the commissioners.

That a barrel of flour shall contain 196 pounds avoirdupois, net weight, and fractional parts thereof shall contain proportionate net weight.

A standard sack or bag of potatoes shall contain 90 pounds of potatoes at the time of sale, and potatoes shall not be sold by the sack or bag in other than standard sacks or bags.

SEC. 18. That the standard liquid gallon shall contain 231 cubic inches; the half gallon, 115½ cubic inches; the quart, fifty-seven and seventy-five hundredths cubic inches; the pint, twenty-eight and eight hundred and seventy-five thousandths cubic inches; the half pint, fourteen and four thousand three hundred and seventy-five tens of thousandths cubic inches; the gill, seven and twenty-one thousand eight hundred and seventy-five tens of thousandths cubic inches; the fluid ounce, one and eight thousand and forty-seven thousandths cubic inches; and no liquid measure of other than the foregoing capacity, except multiples of the gallon, shall be deemed legal liquid measure in the District of Columbia.

SEC. 19. That shucked oysters shall be sold only by liquid measure or numerical count, and whenever there is included in the sale by measure of shucked oysters more than 10 per cent of oyster liquid of other liquid substance the vendor shall be deemed guilty of selling short measure.

All fish shall be sold by avoirdupois weight.

SEC. 20. That every user of an automatic measuring pump or similar device shall, when the supply of the commodity which he is measuring for sale with such pump or similar device is insufficient to deliver correct measure of such commodity by the usual or customary method of operating such pump or device, or when for any cause whatever such pump or device does not, by the usual or customary method of operating the same, deliver correct measure, place a sign with the words "Out of use" in a conspicuous place on such pump or device where it may readily be seen and shall forthwith cease to use the same until his supply of such commodity is replenished or until such pump or device is repaired, adjusted, or otherwise put in condition to deliver correct measure. All automatic measuring pumps or other similar measuring devices in use shall be subject to inspection and approval or condemnation, whether used for measuring or not.

SEC. 21. That whenever any commodity is offered for sale at a stated price for a stated quantity, a smaller quantity shall be sold at a pro rata price unless the purchaser is informed to the contrary at the time of sale.

SEC. 22. That the superintendent or, under his direction, his assistants and inspectors shall from time to time weigh or measure and inspect packages or amounts of commodities of whatever kind kept for sale, offered or exposed for sale, sold, or in the process of delivery, in order to determine whether or not the same are kept for sale, offered for sale, or sold in accordance with the provisions of this act, and no person shall refuse to permit such weighing, measuring, or inspection whenever demanded by the superintendent or any of his assistants or inspectors.

SEC. 23. That it shall be unlawful for the superintendent or any employee of his office to vend any weights, measures, weighing or measuring device, or to offer or expose the same for sale, or to be interested, directly or indirectly, in the sale of same.

SEC. 24. That there is hereby conferred upon the superintendent, his assistants and inspectors, police power, and in the exercise of their duties they shall, upon demand, exhibit their badges to any person questioning their authority; and they are authorized and empowered to make arrests of any person violating any of the provisions of this act. The superintendent, his assistants and inspectors, may for the purpose of carrying out and enforcing the provisions of this act and in the performance of their official duties, with or without formal warrant, enter or go into or upon any stand, place, building, or premises, except a private residence, and may stop any vendor, peddler, dealer, vehicle, or person in charge thereof for the purpose of making inspections or tests.

SEC. 25. That the commissioners are hereby authorized and empowered to establish tolerances and specifications for scales, weights, measures, weighing or measuring instruments or devices, and containers used in the District of Columbia not inconsistent with the provisions of this act, and such as conform thereto shall be approved.

SEC. 26. That the commissioners are authorized to appoint public weighmasters and grant licenses for the location of public scales in the District of Columbia under such regulations as they may prescribe, and authorize such weighmasters to charge such fees as the commissioners may approve and fix in advance, and they may grant permits, revocable on 30 days' notice, for the location of such public scales on public space under their control. No person other than a duly appointed and qualified public weighmaster shall do public weighing or make any charge or accept any compensation therefor.

SEC. 27. That no person shall, within the District of Columbia, upon any freight bill, express bill, or other bill for transportation, indicate the weight of any commodity upon which weight the freight, express, or other transportation charge or charges is or are based except the true gross weight of such commodity, and every bill for freight, express, or other transportation charge or charges shall have legibly written or printed thereon the name of the person indicating such weight on same; and no person shall collect or attempt to collect in the District of Columbia any bill for freight, express, or other transportation charge or charges unless the same is prepared in accordance with the provisions of this section. The word "bill," as used in this section, shall be construed to mean any printed or written or printed and written evidence of charge or charges for freight, express, or other transportation.

SEC. 28. That the powers and duties granted to and imposed on the superintendent by the act are also hereby granted to and imposed on his assistants and inspectors when acting under his instructions.

SEC. 29. That the superintendent, under the direction of the commissioners, shall have supervision of all produce and other markets owned by the District of Columbia, shall enforce such regulations regarding the operation of the same as the commissioners may make, shall make such investigations regarding the sale, distribution, or prices of commodities in the District of Columbia as the commissioners may direct, and shall make reports and recommendations in connection therewith.

SEC. 30. That wherever the word "commissioners" is used in this act it shall be construed to mean the Commissioners of the District of Columbia. Wherever the word "superintendent" is used in this act it shall be construed to mean the superintendent of weights, measures, and markets.

SEC. 31. That the word "person," as used in this act, shall be construed to include copartnerships, companies, corporations, societies, and associations. Wherever any word in this act is used in the singular it shall be construed to mean either singular or plural, and wherever any word in this act is used in the plural it shall be construed to mean either plural or singular, as the circumstances demand.

SEC. 32. That each section of this act and every provision of each section, is hereby declared to be an independent section or provision, and the holding of any section or provision of any section to be void, ineffective, or unconstitutional for any cause whatever shall not be deemed to affect any other section or provision thereof.

SEC. 33. That any person violating any of the provisions of this act shall be punished by a fine not to exceed $500, or by both such fine and imprisonment not to exceed six months. All prosecutions under this act shall be instituted by the corporation counsel or one of his assistants in the police court of the District of Columbia.

SEC. 34. That the act entitled "An act for the appointment of a sealer and assistant sealer of weights and measures in the District of Columbia, and for other purposes," approved March 2, 1895, as amended, is hereby repealed.

With a committee amendment, as follows:

On page 17, line 14, insert a new section, as follows:

"SEC. 16½. That no person shall sell, offer, or expose for sale in the District of Columbia any food in package form unless the quantity of contents is plainly and conspicuously marked on the outside of each package in terms of weight, measure, or numerical count. The commissioners are authorized to establish and allow reasonable variation, tolerances, and exemptions as to small packages."

Mr. MAPES. Mr. Chairman, this bill proposes to amend and to redraft the present law applying to the District of Columbia in relation to weights, measures, and markets. A bill very similar to the present one passed the last Congress. The law on this subject now in effect in the District was passed in 1895 and has proved quite insufficient to adequately prevent the short-weight and short-measure practices in the District. The District, in a great deal of its legislation, takes the lead over the States, but the law on this subject, so far as the District is concerned, is antiquated, and the District is behind a great many of the States in this class of legislation.

Mr. GARD. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Ohio?

Mr. MAPES. I will be glad to yield.

Mr. GARD. Does the gentleman say that the people who reside in the District of Columbia are now being treated to short measures and short weights, and that it is necessary to enact this legislation to correct that?

Mr. MAPES. Mr. Chairman, I did not say exactly that. But in some instances I think it is pretty generally known that that is the case. Of course, the District of Columbia is not different from any other community in that respect. There are some men who give full weight and full measure and there are some men who do not. There are instances in the District where it is known that short weights have been given.

One thing that the present bill proposes to do that is not done by the existing law is to standardize the measures used in the District. Under existing law there is nothing to prevent the use within the District of Columbia of any measure that human ingenuity can devise.

I have here a photograph showing a great many different containers that are in use. An examination of it will show how difficult it is for the unskilled eye to determine how much a container holds. There may be a variation of several quarts in containers that look very much alike, so much depends upon the size of the top or the size of the bottom of the container, or how far up the bottom extends, and several different things.

This bill proposes to standardize containers to be used in the District and to require the different dealers in commodities here to use the standards provided in the bill. Most of the States have legislation along this line, but unfortunately the District of Columbia has no adequate standardization law.

Mr. DUNBAR. Will the gentleman yield?

Mr. MAPES. I will yield to the gentleman.

Mr. DUNBAR. On page 18 the bill specifies that a barrel of flour shall contain 196 pounds avoirdupois.

Mr. MAPES. I will say to the gentleman that is somewhat different from the bill which just passed the House, and when we reach that provision I expect to move to strike that language out of the bill.

The bill requires ice to be sold by weight. I think it is quite notorious that one of the great abuses in the District is in the selling of ice by a great many concerns that refuse to sell it by weight. They insist upon selling ice by the piece, and the housewife can take it or leave it, as she sees fit. Some of them refuse to deliver ice unless it is accepted in that way. This bill proposes to make it unlawful for any dealer to sell ice except by weight.

It also provides that when articles are sold by weight they shall be sold by the net weight, and that the wrapper, whether paper covering or box, the cost of which is very much less than the cost of the article, shall not be weighed and sold as a part of the article and at the same price.

The bill also requires the merchant, when he gives a sales slip showing the cost of an article, to put on the amount that is sold, not to do as a great many do, put down "Potatoes, $1," or "Meat, 75 cents," so that there is no way of telling whether the amount purchased is a bushel of potatoes or half a bushel, or 1 pound of meat or half a pound. The bill requires the merchant who delivers a sales slip to put on the amount as well as the price.

It also fixes the standard of a loaf of bread within the District of Columbia.

Mr. GOLDFOGLE. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from New York.

Mr. GOLDFOGLE. Do I understand that it is contemplated by the bill that on each sale, large or small, there shall be delivered to the customer a sales slip?

Mr. MAPES. No; the bill does not require that. It simply requires that in case a sales slip is delivered to the customer it shall contain the true weight or measure as well as the price.

Mr. GOLDFOGLE. Is there any requirement that a sales slip shall be delivered?

Mr. MAPES. If the customer requests it, it shall be delivered, or if the merchant voluntarily delivers a sales slip he shall put on the slip the price and the amount of the article.

Mr. GOLDFOGLE. The purpose of this bill, of course, is to some extent——

Mr. MAPES. I have not time to argue the question, because I have only a few minutes, but that is the provision.

The bill also fixes the standard loaf of bread for the District of Columbia, fixes two standards, one of one-half pound and one of 1 pound.

It prohibits the use of baskets and other containers in place of the bushel and half-bushel measure. The practice at present is to use any sort of a container, any sort of a basket, which may in the course of time become very much out of shape and very much dilapidated. The bill proposes to prevent that.

The bill also extends the control of the superintendent of weights, measures, and markets over automatic measuring pumps and the automatic vending devices on the street and the coin-in-the-slot machines. My information is that with these automatic pumps, as the quantity of gasoline becomes less the tendency is for the pump to show a larger amount than there really is. Under the present law the superintendent of weights, measures, and markets has no jurisdiction over and no way of correcting or testing these pumps. This bill gives him that authority.

Mr. GARD. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from Ohio.

Mr. GARD. I do not understand what the gentleman says about the measuring pumps making the measure greater than it really is. Does the gentleman refer to these gasoline-measuring pumps? Is that what he had in mind?

Mr. MAPES. Yes; my information is that as the quantity of gasoline decreases the tendency is for the pump to overmeasure.

Mr. GARD. When the gasoline in the supply tank gets low the action of the pump shows a greater amount with a low tank than with a full tank?

Mr. MAPES. That is my information.

Mr. BANKHEAD. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. BANKHEAD. Section 1 provides that the commissioners are authorized to employ such assistants as Congress may provide. Is it anticipated that under this law there will be any considerable increase in the number of assistants?

Mr. MAPES. No; I will say to the gentleman that it is not. One feature of this bill which should be emphasized is the fact that it asks for no additional employees and for no increase of salary of the present employees. Section 1 is practically the same as in the existing law, with this exception: The existing law does provide for one inspector, but in practice that provision has been obsolete for a great many years, and the Appropriations Committee now appropriates for six inspectors, notwithstanding the existing law only authorizes one.

Mr. SNYDER. Will the gentleman yield?

Mr. MAPES. I will yield to the gentleman from New York.

Mr. SNYDER. Of course, with all these new restrictions that this bill calls for perhaps in time it would naturally demonstrate the necessity for a great many more inspectors and supervising inspectors?

Mr. MAPES. It might lead to that in time, although a great deal of this same work is now being done by the one superintendent and the present inspectors. The difficulty has been to enforce their regulations and to require men to give full weight and measure and to punish those who did not.

Mr. SNYDER. I have taken the pains to read this bill very carefully. It strikes me that it is going to put an additional burden on the people and an additional expense onto practically every item that a person must purchase in the city of Washington, in addition to the restrictions that we already have.

Mr. MAPES. I will say that most housewives would be willing to stand the little additional expense that the enforcement of this law will entail if they could be sure that they would get proper measurement and proper weight when making their purchases.

Mr. SNYDER. I am anxious that everybody should get proper weight and proper measure, but I am absolutely opposed to putting further restrictions, and therefore further burdens, on the people of this District or any other at the present time.

Mr. GOLDFOGLE. Will the gentleman yield?

Mr. MAPES. I can not yield further. I have only a few minutes left. The bill provides that where articles are sold by numerical count the count shall be correct. It further provides that when anything is sold by the pound or the bushel that one-half that amount shall be sold for one-half the price of the pound or bushel unless the dealer expressly states to the contrary. For instance, if a bushel of potatoes sells for $2, and the dealer tells his customer that potatoes are $2 a bushel, and the customer orders half a bushel, the dealer must sell the half bushel for $1 or notify her at the time that the half bushel will be more than one-half the price of the bushel.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ROMJUE. Mr. Chairman, I will yield the gentleman five minutes additional.

Mr. MAPES. Mr. Chairman, I will not attempt to go over the bill in detail, but as it is taken up under the five-minute rule, if the Members desire it, I will be glad to explain the difference between the sections in the bill and the existing law. The bill on the whole is a redraft of the present law, making it more workable and putting more teeth into it, so that the superintendent of weights and measures can enforce the law and regulations and prevent short weights and short measures, which are now, as the gentleman from Ohio has intimated, practiced to some extent throughout the District. They are practiced particularly upon the people who do their ordering over the telephone. Under existing conditions, unless the people go to the markets and do their buying personally, go into the stores and see what they are getting, they are not sure of getting what they order, and in a great many cases they do not get what they thought they were going to get.

Mr. TILSON. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. TILSON. Reading the bill, it seems that the schedule of fees heretofore collected has been abolished. Did the committee intend to abolish the schedule of fees, and provide that hereafter the expense instead of coming on the dealer shall come out of the Treasury?

Mr. MAPES. The committee thought that for the dealer whose weights and measures were being inspected to pay the expense was a vicious practice and ought not to be continued, and the bill provides for the abolition of that practice.

Mr. TILSON. The salaries do not seem to be increased. Where is the compensation to come from if the salary is not increased and you make no provision for the collection of fees?

Mr. MAPES. The gentleman may have a different view of it, but to me it is a vicious practice to have a man whose business is being inspected pay the inspector for the inspection.

Mr. TILSON. I do not dispute that; but how are the men going to receive anything more than the $2,500?

Mr. MAPES. They do not receive any more compensation. The bill does not change existing law in that respect, and does not provide that they shall receive any greater remuneration than they are now receiving.

Mr. TILSON. They receive only $2,500 and do not receive the fees?

Mr. MAPES. No.

Mr. TILSON. The fees now go into the revenues of the District?

Mr. MAPES. Yes. Mr. Chairman, as I said, as we proceed with the reading of the bill, I shall be glad to point out the differences between the different sections of the existing law and this bill, if the committee so desires.

The CHAIRMAN. The gentleman from Missouri [Mr. ROMJUE] is recognized.

Mr. ROMJUE. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, I wish to call attention briefly to one fundamental effect that the passage of this proposed legislation will have. Of course, it is not likely that even in the District of Columbia it will bring about those happy conditions which obtained in our boyhood, when one could go to market with a basket and a $1 bill and come back with the basket filled and change in one's pocket. To-day a man can go to the market with a $5 bill and he need take nothing but his vest pockets with him to bring home his purchases. The enactment of this bill is not going to take us to the Elysian fields or bring about a Utopia by rapidly reducing prices, but it seems to me there is one fundamental effect it will have which is desirable. It does not make much difference to the man who receives a large salary or to the man who derives a large income from his business whether or not the price of coal by the ton advances $1 or $2, but it is a matter of serious importance to the poor fellow, who buys his coal, so to speak, by the nugget rather than by the ton, to know that he will pay no more than a proportionate and corresponding price for the little bucketful that he buys from the huckster. This bill, it seems to me, in its fundamental purpose is praiseworthy because it seeks to protect the poor of the District of Columbia, who necessarily must buy in small quan-

tities and buy frequently as the daily or weekly or monthly wage comes to the family.

It was very interesting to me and very surprising also to note the difference in some of the containers which were presented before the committee during the hearings upon this bill by the superintendent for the District, and even the members of that committee, somewhat skilled perhaps in buying different commodities in different quantities, were deceived by the quantities which those measures really held.

The visual conclusion is often very erroneous. It seems to me, therefore, that these people who may be readily deceived visually, the poor people of the District, are entitled to the protection which a law of this kind will throw around them. Profiteering is necessarily magnified many times when a ton of coal, for instance, is peddled out in erroneous containers and through spurious weights and measures to the poor people of the District; and although the bill may need amendment—and I can see readily that, in view of the bill which we passed this morning, an amendment should be adopted in respect to the number of pounds in a standard barrel of flour, this bill fixing 196 pounds and the bill which we have just passed fixing 200 pounds—although it may need some amendment, I say the fundamental principle should be borne in mind that the purpose of the bill is to relieve the poor people, who are suffering most from profiteering, and to afford a remedy in those cases in which the establishment of such standards will do so. This bill has to do with the sale of ice, coal, oysters, fruits, vegetables, and so forth, the things that go into the homes of the humble of the District of Columbia, and it should be remembered that those who need protection are the ones sought to be protected by the proposed law.

Mr. BEE. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to my colleague.

Mr. BEE. Mr. Chairman, I have been very much impressed by the statement made by the gentleman from Michigan [Mr. MAPES] and by the statement made by the gentleman from Texas [Mr. LANHAM] in respect to the necessity arising from the conditions which they describe. I want to ask this question of the Committee on the District of Columbia: Is there not some way, while we are regulating weights and measures and other things in the District of Columbia, to regulate the street-car service of the city of Washington for the benefit of unfortunate Members of Congress who have not an automobile and who live some distance from the Capitol? Can not the District of Columbia give the Members of the House and the public some assurance that this continuous performance of inefficiency on the street cars of Washington will at some time cease?

Mr. LANHAM. I will say to the gentleman that, lamentable as the conditions may be in that respect, that would come under long waits rather than standard weights.

Mr. BEE. There is a good deal of long wait about it, I will say to the gentleman.

Mr. GARD. Mr. Chairman, will the gentleman yield further in that respect?

Mr. LANHAM. Yes.

Mr. GARD. In respect to the question of the gentleman from Texas [Mr. BEE], does not his colleague know that the Public Utilities Commission increased the price of fares 2 cents, which one company did not want and which the other company says is not sufficient to take care of its needs, and that notwithstanding that we have to pay 7 cents to ride a couple of blocks in the District of Columbia, with a very inferior service, notably on one line of street cars?——

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ROMJUE. Mr. Chairman, if I have any more time I yield the gentleman such time as he desires.

The CHAIRMAN. The gentleman has five minutes more.

Mr. ROMJUE. Then I yield the gentleman from Texas two minutes.

Mr. LANHAM. I yield to the gentleman from Ohio.

Mr. GARD. I was just interrogating the gentleman in respect to the question regarding street cars raised by his colleague [Mr. BEE].

Mr. LANHAM. I would state in reply to the gentleman that if by any of the measurements prescribed in this bill that matter can properly be determined, then we have endeavored to set a proper standard.

Mr. GARD. Under this bill what is the standard wait for passengers on the Washington Railway & Electric Co.?

Mr. LANHAM. I do not think there is any standard wait.

Mr. BEE. If the gentleman will permit, I would say that 30 minutes seems to be the standard, and I would suggest further that if the Public Utilities Commission further raises prices the gentleman from Ohio [Mr. GARD] and other gentlemen in the House are going to establish a reputation as long-distance pedestrians.

Mr. LANHAM. Well, there is getting to be some prestige in being a pedestrian.

The CHAIRMAN. The gentleman from Missouri [Mr. ROMJUE] has three minutes remaining.

Mr. ROMJUE. Mr. Chairman, I just desire to say in connection with what the gentlemen have just been discussing that I have recently introduced a bill which I think will regulate the street-car rates in the city of Washington, and if the three gentlemen will vote with me as enthusiastically as they have talked in the last few minutes I believe we will be able to bring about the passage of it soon. Hearings on the bill are to begin within about 10 days. I do not desire to use any further time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby created an executive department in the government of the District of Columbia which shall be known as the department of weights, measures, and markets. Such department shall be in charge of a superintendent of weights, measures, and markets, who shall be appointed by and be under the direction and control of the Commissioners of the District of Columbia, and shall receive a salary of $2,500 per annum. He shall have the custody and control of such standard weights and measures of the United States as are now or shall hereafter be provided by the District of Columbia, which shall be the only standards for weights and measures in said District.

The commissioners are also authorized to appoint, on the recommendation of the superintendent, such assistants, inspectors, and other employees for which Congress may, from time to time, provide.

Mr. GARD. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I have been investigating this bill, H. R. 8067, and have been considering it in reference to the provisions of the old bill, approved March 2, 1895, and I wish to ask those in charge of the bill whether there is any disposition to add an increased force in the office of the division of the executive department known as the department of weights, measures, and markets. I do this because the law of 1895 provided that this officer should be known as the sealer of weights and measures and should receive a salary of $2,500 per annum. I pote that is the same salary that is carried in this bill, and that which is new in the bill before us is the provision that the commissioners are also authorized to appoint, on the recommendation of the superintendent, such assistants, inspectors, and other employees for which Congress may from time to time provide. Now, I do not know whether the present superintendent of weights and measures has appeared before the Commission on the Reclassification of Salaries, which we are constantly advised in the prints is sitting in Washington, for an increase in compensation, and I would appreciate the information from members of the committee as to how many present assistants there are in the office of the superintendent of weights, measures, and markets, and what the plan is for the increase of assistants, inspectors, and other employees under the new matter contained in lines 6, 7, 8, and 9 of this bill on page 2.

Mr. MAPES. Mr. Chairman, I will say to the gentleman, as I said in my opening statement, that it is not the intent of this law to increase the number of assistants at all. The existing law, the law of 1895, that provides for one inspector, has in practice been a dead letter for a great number of years. There are now six assistant inspectors. They are provided for in the annual appropriation bill, and the appropriation for this department in the current appropriation law is something over $21,000. It is perfectly apparent that the superintendent and one assistant could not properly perform the duties which the sealer of weights, measures, and markets ought to perform here in the District. This bill does not purport to change the existing number, although it does not contain that provision which has been a dead letter for a great many years.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. MAPES. With the permission of the gentleman from Ohio.

Mr. McLAUGHLIN of Michigan. Then are we to understand that the law under which the sealer of weights and measures has been appointed and acted is still in force and there shall continue to be a sealer of weights and measures and also a head of this department of weights, measures, and markets?

Mr. MAPES. No; the superintendent of weights, measures, and markets is one official, and then he has some assistants.

Mr. McLAUGHLIN of Michigan. Well, is the sealer of weights and measures to continue in office?

Mr. MAPES. The superintendent of weights, measures, and markets is the correct designation. He used to be called the "sealer of weights and measures," but in 1910, by the passage of a very short law, the title of the office was changed to that of superintendent of weights, measures, and markets.

Mr. McLAUGHLIN of Michigan. Then will he continue in office after the passage of this law and the appointment of this——

Mr. MAPES. No; that law is repealed in the last sections of this bill.

Mr. McLAUGHLIN of Michigan. Then there is to be only one of these gentlemen in this office performing this duty?

Mr. MAPES. That is all.

Mr. BANKHEAD. Mr. Chairman, I desire to submit a parliamentary inquiry if the gentleman will permit.

Mr. MAPES. I understand the gentleman from Connecticut desires to ask a question?

Mr. TILSON. I wish to ask about the necessity for the creation of a new department known as the department of weights, measures, and markets. Heretofore there was a sealer of weights and measures retained under the commissioners. In this bill we provide a new department, which sounds rather large. I do not know what the importance of it may be that makes it necessary.

Mr. MAPES. The appointment is made in the same way by the commissioners. I imagine the change would be more nominal than anything else.

Mr. BLANTON. I move to strike out the last two words.

The CHAIRMAN. The gentleman from Alabama desires to submit a parliamentary inquiry.

Mr. BANKHEAD. Mr. Chairman, I desire to submit this inquiry: I notice sections 30 and 31 of the bill are matters of definition. It seems to me it would be more appropriate, as a matter of ordinary construction of legislation of this sort, to have had those sections, instead of being put in the back of the bill, come after section 1 of the bill; and I desire to ask if it would be in order to move or offer an amendment transposing those two sections and number them properly, so that they would follow immediately after the present text of section 1 of the bill?

The CHAIRMAN. That is a question that will properly arise when those sections are reached in the consideration of the bill for amendment.

Mr. BANKHEAD. I want to know if it can not be raised now?

The CHAIRMAN. Only by unanimous consent, by advancing to that portion of the bill.

Mr. BANKHEAD. I simply desired to call the attention of the chairman of the committee to it. It seems to me, in view of the subject matter of those two sections, they should properly be in the first part of the bill, and when it is reached it seems to me it ought to be transposed.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, mention was made a moment ago of the 7-cent fare which is charged on the street car lines in Washington. I am not at all surprised that we are paying 7 cents for passage on street cars here, because since last April, nine long months, the Washington Electric Street Railway Co. has been repairing its track on one short street here in this city—East Capitol Street—which faces the main east entrance of this building. They have had that track torn up for nine long months—since April. They have had at work there during that time—because I have seen them every day except a few days when there was bad weather and when they could not work—all the way from twenty-five to over a hundred workmen; and if every man in this House or in this city could have just gone up there day after day and watched that bunch of men fool away time they would not be surprised at 7-cent fares.

Out of the biggest number they ever had at work there at any one time, there was about the same percentage at work as there is a percentage of the Members of this House at work right now on the floor of this House. We have here on the floor 24 men, embracing the distinguished Republican leader from Illinois [Mr. MANN], whose presence here, I am sure, we are all glad of at this time. Out of 435 men, we have 24 Members here at work now on legislation, when the House on this, the Republican, side have been telling the people all over the country that they are much concerned about the affairs of the country. Are they concerned? Just so is the concern of the employees of this street railway company, and if the officials of that company, if the manager of that company, if the superintendent of it, would see to it that it gets proper service from its employees who are drawing money from the company, which many people of this city have to make good in 7-cent fares and in increases of fares, if they would see to it that the men who are working for them give a good honest day's work, and not fritter away their time in idleness, we would not have to pay 7-cent fares. They could cut the fare, if they would make all those men work, down below 5 cents and still make money. Any efficient street-railway contractor, with this big force of men, should have been able to have built twenty times as much new trackage as this company has been trying to repair on East Capitol Street during the last nine months. If all of its trackage has cost as much in repair as this small East Capitol Street sector, I am not surprised that this company must require a 7-cent fare to do business.

Mr. GARD. Has the gentleman read the bill with reference to the amount of water that may be in a package of shucked oysters, and does he know the amount of water there is in the stock of any of the street-railway companies here?

Mr. BLANTON. If there is half as much water in their stock as there is inactivity in their workmen, there is a plenty.

Mr. LAYTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. LAYTON. The point of order is that the gentleman is not discussing this bill, as I understand it, and I am trying to save the time of the 25 Members who are here at work.

The CHAIRMAN. The point of order is sustained. The time of the gentleman from Texas [Mr. BLANTON] has expired.

Mr. GARD. Mr. Chairman, I move to strike out the last three words for the purpose of asking a question of the chairman of the committee.

The CHAIRMAN. The gentleman from Ohio is recognized in opposition to the motion of the gentleman from Texas.

Mr. GARD. Mr. Chairman, I desire to ask the chairman of the committee whether there is any provision in this bill—I have read it as carefully as I could and I fail to find it—concerning a place—a room or rooms—where this division or department of weights and measures and markets may be carried on? The old law contained, in section 3, a provision that the commissioners should provide for the use of the sealer and his assistant, and so forth, a suitable room or rooms to be used for the business, and the commissioners should provide a horse and wagon for the use of the sealer and assistant sealer at such time as the business of their office should require. Now, it must be manifest that this department of weights, measures, and markets must have a place in which to carry on its business for two reasons—one that the public may know and the other that the business may be properly transacted. Now, there is no provision in the bill H. R. 8067, as I have read it, which provides that there shall be any recognized place for this division or department of weights, measures, and markets, nor is there any corresponding authority for the provision of a horse and wagon, or, as I suspect will be necessary to-day, an automobile, for the use of those that carry on this work. I call the attention of the chairman and the members of the committee to this apparent omission in order to learn if there is a desire to amend the bill to incorporate anything of this kind.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. GARD. Yes.

Mr. MAPES. I will say to the gentleman that that omission was intentional. The sealer of weights and measures thought it was unnecessary to carry that in the bill, and he assumed that his office would be in the District Building, the same as other employees of the District are in that building.

Mr. GARD. Does not the gentleman think that the bill should carry a designation as to where the office of this department of weights, measures, and markets should be, at least for the purpose of information? Should there not be some definite authority as to where he is and some definite authority for the provision of room, or of such transportation as is necessary for the business of the office?

Mr. MAPES. Personally I do not think it makes any difference. The sealer of weights and measures thought it was unnecessary.

Mr. McLAUGHLIN of Michigan. But the gentleman will notice that the office of the sealer of weights and measures is abolished, or will be if this act is passed, and he will no longer be in existence. What weight will his opinion of how and where the business is to be transacted have? I do not know that it is important that the bill should designate a place or that a place should be provided, but when the gentleman from Michigan says that the omission was on the expression of opinion of the sealer of weights and measures, he is the man who is abolished, and the place is abolished. He will not be here.

Mr. MAPES. Mr. Chairman, for the sake of my technical colleague from Michigan, I will say that my description was not entirely accurate. The superintendent of weights, measures, and markets is often referred to as the "sealer of weights and measures"; but, in fact, there is no such officer as the sealer of weights and measures and no such office. It is the "superintendent of weights, measures, and markets," and whenever the chairman of the District Committee speaks of the sealer of weights and measures he means the superintendent of weights, measures, and markets. It is the old law relative to the sealer

of weights and measures that this bill proposes to repeal. But it does not do away with the superintendent of weights, measures, and markets. This bill proposes to give him additional power.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. Mr. Chairman, I move to strike out the last four words.

The CHAIRMAN. The gentleman from Kansas moves to strike out the last four words.

Mr. LITTLE. Mr. Chairman, I am very much interested in the announcement of the gentleman from Texas [Mr. BLANTON] that there are only 24 Members here. I have read this bill through now. It is all right, so far as I can see, and I expect to vote for it.

I like the committee amendment, too, on page 17. If there is any necessity for me to vote on that, I will. That leaves me free to go away, and in a moment there will be only 23 here. Instead of sitting around and pestering the committee with points of order and advice about something that I do not know as much about as the members of the committee do, I shall go over to my office and attend to business there for awhile. The committee has studied the bill carefully, I hope. I could sit here and ask questions and make speeches, but instead of that I am going back to my office, and I am going to work. I have another bill before another committee that I think is more important than this, and for several days I have not had time to get at it. I thank the committee for getting the bill out in this way so that I can get back to my business. I have a lot of letters that I have to write to my constituents, people who need attention—business in the departments—and I can not get time to do it except when some bill like this is called up from a committee in which I have confidence and which commends itself to me when I have read it.

Mr. BLANTON rose.

Mr. LITTLE. I thank the committee for giving me this opportunity; and aside from that I want to say about the speech of the gentleman from Texas [Mr. BLANTON], now that I see he is on his feet, that he is quite right about the street railroads. Whether there is any other omission from the bill, there ought to be some way of getting at the railroads. What the gentleman says is all right. I would like the committee to tell us, some time during the consideration of some bill concerning the District, whether a Congressman has any rights in this town anywhere, on the street cars or anywhere else. I know of a Congressman who passed through the hands of three physicians in this town. One of them sent him a bill for $25 for an operation, and——

Mr. BEE. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. BEE. Is he still here? [Laughter.]

Mr. LITTLE. Yes. But there was no operation performed in that case. The gentleman from Texas [Mr. BEE] is lucky. He came safely through an operation here. Though there was no operation, this gentleman was charged $25 for an imaginary one. This Congressman asked that doctor if there had been any operation, and he answered, "No, there was no operation; but I always send in a bill for $25 in such a case, anyway." The gentleman paid a good-sized bill and the $25 more rather than go to law. This Congressman was sent to the hospital and was put in charge of a hospital doctor, and one day another doctor came in with a nurse, and he said, "Who are you?" The doctor said, "I am the doctor." The victim supposed he was the physician in charge in the hospital, but it turned out that he was just "snitching" a case. When the sick man went away from the hospital the other fellow turned up with a bill for $25. Rather than go through the trouble of a lawsuit, he paid that bill. He afterwards made inquiry of the authorities who have charge of such things. He said, "There is a law in this District that provides that for unprofessional or dishonorable conduct a doctor can be made to lose his license. Is it unprofessional or dishonorable to snitch a case and lie about it, and pretend that you are an official hospital physician when you are not, and send a man a bill for $25 for services never performed? Is there any law against that? Is it unprofessional or dishonorable in Washington for a doctor to charge for an operation he never performed or to snitch a case in a public hospital?" And the man answered, "No; there is not. The courts have decided that the law to take away a doctor's license in Washington for unprofessional or dishonorable conduct is unconstitutional."

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. BLANTON. Now that the efficient gentleman from Kansas has shown that he is one of the 24 men present, I would like to suggest to him that where we Members of Congress are not familiar with the provisions of the bill, by staying here and listening to the discussion of it we can gain some knowledge of it by absorption.

Mr. LITTLE. That is quite true. Most of the legislation is of such a character that it should have the careful consideration of all till it is completed. But here is a District of Columbia bill, purely local in its force. My constituents have about the same interest in it they have in the city ordinances of Chicago. Then, department needs, and the general legislation of the Nation now before committees of which I am a member, is vastly more needful of my time than this bill. Gentlemen who are on the committee, gentlemen who have time to spare are giving this their attention, and I shall keep in touch with the progress of this bill and be ready to vote on all important phases of it.

The CHAIRMAN. The time of the gentleman from Kansas has expired. All time has expired on the pending amendment.

Mr. LITTLE. I will say good-by now. [Laughter.]

Mr. MAPES. Mr. Chairman, I move that all debate on this section and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Michigan moves that all debate on this section and all amendments thereto be now closed.

Mr. BEE rose.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Michigan.

Mr. MAPES. Mr. Chairman, I will yield to the gentleman from Texas.

Mr. BEE. Just for one moment.

Mr. GARD. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The motion is not debatable.

Mr. MAPES. I will withdraw the motion if the gentleman has germane amendments. The gentleman from Ohio has had the floor twice on this section. I hope the gentleman will not bring in a lot of immaterial and irrelevant matters. This is an important bill. I know the provocation on the part of Members of Congress is great for calling attention to abuses here in the District, but here we have an opportunity this afternoon to remedy some of the principal abuses.

Mr. GARD. Mr. Chairman, I am in accord with the gentleman.

Mr. MAPES. Let us not by discussing irrelevant matters delay the passage of the bill, which is material and important. I will withdraw the motion, if the gentleman has a germane amendment.

Mr. BEE. I will not offer mine.

Mr. GARD. Mr. Chairman, I offer to amend, on page 2, line 9, after the word "provide," by inserting the following:

The said commissioners shall provide for use of the department of weights and measures and markets——

The CHAIRMAN. Will the gentleman from Ohio send his amendment to the Clerk's desk?

Mr. GARD. I think I can state it so it can be read by the Clerk.

The CHAIRMAN. Amendments must be reduced to writing and sent to the Clerk's desk and read. The Clerk will read.

Mr. GARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARD. Did the Chair indicate a moment ago that I must present my amendment in writing before it can be considered?

The CHAIRMAN. The Chair requested the gentleman to reduce it to writing.

Mr. GARD. I am offering what I think is a pertinent amendment.

The CHAIRMAN. The Chair is simply announcing the rule of the House. The gentleman can govern himself accordingly. The Clerk will read.

The Clerk read as follows:

SEC. 3. That the superintendent and, under his direction, his assistants and inspectors, shall have exclusive power to perform all the duties provided in this act. They shall, at least every six months, and oftener when the superintendent thinks proper, inspect, test, try, and ascertain whether or not they are correct, all weights, scales, beams, measures of every kind, instruments or mechanical devices for weighing or measuring, and all tools, appliances, or accessories connected with any or all such instruments or mechanical devices for weighing or measuring used or employed in the District of Columbia by any owner, agent, lessee, or employee in determining the weight, size, quantity, extent, area, or measurement of quantities, things, produce, or articles of any kind offered for transportation, sale, barter, exchange, hire, or award, or the weight of persons for a charge or compensation, and shall approve, seal, and stamp or mark, in the manner prescribed by the commissioners, such devices or appliances as conform to the standards kept in the office of the superintendent, and shall seize and destroy or mark, stamp, or tag with the word "condemned" such as do not conform to the standards, and shall also mark the date of such condemnation upon the same. Any weight, scale, beam, measure, weighing, or measuring device of any kind which shall be found to be unsuitable for the purpose for which it is intended to be used or of defective construction or material shall be condemned. No person shall use or, having the same under his control, shall permit to be used for

any of the purposes enumerated in this act any weight, scale, beam, measure, weighing, or measuring device whatsoever unless the same has been approved in accordance with the provisions of this act within six months prior to such use.

Any person who shall acquire or have in his possession after the passage of this act any unapproved scale, weighing instrument, or nonportable measure or measuring device, subject to inspection or test under the provisions of this act, shall notify the superintendent in writing at his office, giving a general description thereof, and the street and number or other location where same may be found, and it shall be the duty of the superintendent to cause the same to be inspected and tested within a reasonable time after receipt of such notice. Any person who shall acquire or have in his possession after the passage of this act any unapproved portable measure or measuring device subject to inspection or test shall cause the same to be taken to the office of the superintendent for inspection and test.

Every peddler, hawker, huckster, transient merchant, or other person with no fixed or established place of business shall, before using any weight, scale, measure, weighing or measuring device for any of the purposes enumerated in this act, cause the same to be taken to the office of the superintendent for inspection and test semiannually, and shall not use for the purposes herein mentioned any weight, scale, measure, weighing or measuring device which has not been approved within six months prior to the time of such use.

Nothing herein shall be construed to require the superintendent to test any weighing or measuring device belonging to the United States.

Mr. MAPES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MAPES: Page 3, after line 25, strike out the period, insert a comma and the following: "Or that does not conform to the standard kept in the office of the superintendent of weights, measures, and markets, or which having been condemned has not thereafter been approved as provided in this act.

Mr. MAPES. Mr. Chairman, the language of the bill apparently does not cover a case such as the amendment has in mind. The bill provides that these weighing devices must be approved by the superintendent of weights, measures, and markets once in six months, but there is no provision prohibiting the use of a device during that six months if it is defective, and this amendment proposes to make it unlawful for a user of a measuring device or scale to use it in case it gets out of order within the six months.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. MAPES. I yield to my colleague.

Mr. McLAUGHLIN of Michigan. On page 3, in lines 12, 13, and 14, I see authority is given to the superintendent of weights, measures, and markets to seize and destroy any of these scales or devices, tools, appliances, accessories, and so forth; or he may mark or stamp them with the word "condemned." It seems to me that is pretty large authority to put into the hands of a man, to permit him of his own motion arbitrarily and immediately to have the right to destroy these things.

Mr. MAPES. I will say to the gentleman that that is the existing law. There has been no change in that regard.

Mr. McLAUGHLIN of Michigan. I do not know that that makes it right. I am not prepared to suggest an amendment, but I am just wondering if the gentleman from Michigan, chairman of the committee, has thought of that matter and had his attention directed particularly to those words, and to that very large authority, to let the superintendent go into any place of business and seize any weighing device and any tools, appliances, and accessories and, in his judgment, immediately destroy them.

Mr. MAPES. In order to make the law effective it is necessary to give the inspector some broad powers. A dealer certainly ought not to use a weighing device that is not accurate.

Mr. McLAUGHLIN of Michigan. That is entirely true.

Mr. MAPES. There has been no abuse of the present law that has been brought to my attention.

Mr. McLAUGHLIN of Michigan. I have no amendment to suggest, but it strikes me as being a pretty broad power.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MAPES].

The amendment was agreed to.

Mr. BANKHEAD. Mr. Chairman, a few moments ago I submitted a parliamentary inquiry to the Chair, who decided that it was not in order to move a transposition of sections 1 and 31. I am now informed that the Chair thinks possibly he was inadvertent in that ruling, and in order to raise that question in its appropriate place, I ask unanimous consent to return to section 1, so that I may offer that motion.

Mr. MAPES. Reserving the right to object, I think we ought to go along and read these different sections in the order in which they appear in the bill.

Mr. BANKHEAD. I lost the opportunity to present the question by reason of the ruling of the Chair.

Mr. MAPES. I will say to the gentleman that the practice of the House in the majority of cases is to put the definitions in the latter part of the bill.

Mr. BANKHEAD. That has not been the practice latterly, I will say to the gentleman.

Mr. MAPES. I think the gentleman is mistaken.

Mr. BANKHEAD. It is a matter of no importance——

Mr. MAPES. For that reason I do not see why the gentleman from Alabama is making so much of it.

Mr. BANKHEAD. I am doing it simply in the interest of what I regard as the orderly method of consideration of the bill. Does the gentleman object?

The CHAIRMAN. The Chair will announce that when the parliamentary inquiry was made by the gentleman from Alabama the Chair stated that a subsequent section could only be inserted in the portion of the bill under consideration by unanimous consent. The Chair thinks he was in error, if the matter desired to be transposed is proper for consideration at the portion of the bill under discussion. It has been held in the consideration of bills in the House that a subsequent section might be offered in connection with the section then under consideration. The Chair wants to make that statement in connection with the present request of the gentleman from Alabama.

Mr. MAPES. Mr. Chairman, I think we will make better progress if we go along and read these different sections in their order, and for that reason I object.

The CHAIRMAN. The gentleman from Michigan objects.

Mr. WATSON of Pennsylvania. Mr. Chairman, I am somewhat interested in this bill as a moral thermometer of the American people, and I want to ask the chairman if there was any evidence brought before the committee to show increasing dishonesty amongst our people. It seems, if it is necessary to pass such legislation as this measure defines, and with a severe penalty attached, in order that a purchaser may buy an ounce for an ounce or a pound for a pound, civilization has not advanced very far. It occurs to me that the methods of education for the past 3,000 years and the culture and refinement surrounding our homes and the many forms of religion throughout the world have proven a failure if this bill is required to protect our people from exercising fraud one toward the other. Was there any testimony, Mr. Chairman, to show a lowering of the standard of business morality?

Mr. MAPES. In answer to the gentleman from Pennsylvania I will say that as far as I am concerned I continue to have a great deal of faith in human nature. But while the great majority of the people in the District of Columbia undoubtedly are honest, the same as the great majority of the gentleman's constituents are honest, there are always a few men in business and in trade who require a law of this kind to keep them from gouging the public. This is for the purpose of regulating those few men and not for those who are honest and do not require a law of this kind.

Mr. WATSON of Pennsylvania. I am glad the evidence showed that only a few people made this law necessary.

Mr. GARD. I ask unanimous consent to return to section 1, on page 2, for the purpose of offering an amendment.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to return to section 1 for the purpose of offering an amendment. Is there objection?

Mr. MAPES. Mr. Chairman, reserving the right to object——

Mr. GARD. I think if the gentleman hears the amendment he will agree to it.

Mr. MAPES. I hope we can finish the reading of the bill. Then if it is thought desirable to return to section 1 we can do so.

Mr. GARD. It is just a short amendment. I would be glad if the gentleman would hear it.

Mr. MAPES. Let us get through with the bill. For the present I object.

Mr. GARD. If it is desired to go ahead in a formal way and if we can not have the proper opportunity of offering amendments, then I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Ohio makes the point of order that there is no quorum present. The Chair will count. [After counting.] Eighty-one Members present. Not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Brumbaugh	Crowther	Ellsworth
Anderson	Burdick	Dallinger	Esch
Andrews, Md.	Burke	Davis, Minn.	Fairfield
Aswell	Burroughs	Dempsey	Ferris
Ayres	Butler	Denison	Frear
Bacharach	Carew	Dent	Gandy
Baer	Casey	Donovan	Garner
Barbour	Cleary	Dooling	Godwin, N. C.
Bland, Ind.	Cole	Doremus	Goldfogle
Bland, Mo.	Collier	Dunn	Goodall
Booher	Cooper	Dupré	Goodwin, Ark.
Brinson	Copley	Eagle	Gould
Britten	Costello	Echols	Graham, Pa.
Browning	Crago	Edmonds	Graham, Ill.

Hamill	Kennedy, R. I.	Osborne	Taylor, Ark.
Hamilton	King	Pell	Taylor, Colo.
Haskell	Kraus	Ramsey	Thompson
Haugen	Kreider	Randall, Calif.	Upshaw
Hernandez	Langley	Randall, Wis.	Vaile
Hersman	Larsen	Reed, N. Y.	Vare
Hickey	Lesher	Riddick	Venable
Hill	McClintic	Riordan	Vestal
Hoch	McKeown	Rodenberg	Voigt
Hudspeth	McLane	Rowan	Wason
Hulings	Merritt	Rowe	Watson, Va.
Humphreys	Miller	Rucker	Webster
Husted	Moore, Pa.	Sabath	Welty
Hutchinson	Moore, Va.	Sanders, Ind.	Wheeler
Igoe	Moores, Ind.	Sanders, La.	White, Kans.
Jacoway	Morin	Schall	Wilson, Ill.
James	Mudd	Scully	Winslow
Jefferis	Nelson, Wis.	Sears	Wise
Johnson, Ky.	Newton, Minn.	Snell	Wood, Ind.
Johnson, S. Dak.	Nicholls, S. C.	Steele	Woodyard
Kahn	Nichols, Mich.	Stevenson	Young, Tex.
Kearns	Nolan	Sullivan	Zihlman
Kelley, Mich.	O'Connor	Sumners, Tex.	
Kennedy, Iowa	Olney	Swope	

The committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 8067 and finding itself without a quorum, under the rule he had caused the roll to be called, whereupon 279 Members answered to their names, and he presented a list of the absentees.

The committee resumed its session.

Mr. GARD. Mr. Chairman, I desire to offer the following amendment.

The Clerk read as follows:

Page 4, line 26, insert a new section to be known as section 3½:
"The Commissioners of the District of Columbia are hereby empowered and directed to preserve a schedule of fees to be charged by the department of weights, measures, and markets for their services under the provisions of this bill, which schedules shall be printed and conspicuously displayed in the office of the department of weights, measures, and markets. Such schedule of fees shall be so arranged as to provide as nearly as may be for all the salaries and expenses connected with the office of the department of weights, measures, and markets, and no more. All fees collected by such department shall be paid over to the collector of taxes of the District of Columbia under regulations to be prescribed by the Commissioners of the District of Columbia and be covered into the Treasury of the United States as other revenues are now."

Mr. GARD. Mr. Chairman, the amendment I have offered as a new section is practically a reenactment of section 4 in the existing law approved March 2, 1895. It has for its purpose what I assume is the purpose of similar departments in every city in the United States, at least the cities with which I am familiar, and that is that the department should be self-sustaining as nearly as possible. In other words, where we create a public service, a service of a particular kind, to afford information or assistance to certain persons in carrying on their business, that service should be compensated for by the men for whose benefit it is. Now, the trouble with this bill is, as I view it, that the first paragraph of the bill says that it is to assemble here a great organization of people, paid by the United States of America, and no part of it should be paid by the men who directly receive the benefit.

On page 21 of the bill there is a provision for the appointment of weighmasters and for a schedule of fees to be arranged for weighmasters and those who have charge of the public scales. I assume that it is equally as proper for a man who has his goods weighed on the public scale to pay as it is for one who takes his measure and his scales under the law to the department of weights and measures in order that they may be made standard under the law. The basic idea of the bill is very good, and I am pleased to support it myself, because I think that the tendency in the development of every city is to afford the people of that city honest weights and measures. When weights and measures are fixed by legislation, they should be lived up to. That is the purpose of this bill, and the purpose is carried all the better, I think, by the provisions of section 3½, which I propose as an amendment.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GARD. Yes.

Mr. MANN of Illinois. Under the existing system we have what is called a fee system, have we not?

Mr. GARD. Yes.

Mr. MANN of Illinois. And that is what the language of the gentleman's amendment provides?

Mr. GARD. Yes. It is what is known as a fee system.

Mr. MANN of Illinois. Under the bill it is proposed to abolish the fee system and pay the entire expense out of the General Treasury?

Mr. GARD. Yes; that is the difference between the bill now pending and the amendment which I have offered. The bill as it comes from the District of Columbia Committee provides that all these fees shall be paid out of the general revenues of the District.

Mr. MANN of Illinois. Not out of the general revenues of the District of Columbia, but out of the General Treasury, one-half of which would be paid from the revenues of the District of Columbia.

Mr. GARD. Out of the General Treasury, of which the people of the District would pay one-half and the people of the States one-half under the general plan now in existence.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GARD. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARD. Mr. Chairman, I understand from what the gentleman said a moment ago that they thought it was not proper policy to have the fee system retained, but it seems to me it is in the interest of efficiency of service and in the interest of efficiency of public economy both to the District of Columbia and to the taxpayers throughout the United States that the people who get the benefit of the examination of scales and of all of the work that these inspectors and agents under this plan perform should pay the salary and the fees. The amendment provides that the schedule of fees shall be so arranged as to pay the salaries and expenses connected with the office of the department of weights, measures, and markets and no more. In other words, it is not a money-making enterprise, but it is an enterprise which seeks to impose upon every man who comes there to have his scales tested, to have his measures tested, the same burden as upon him who goes upon the public municipal scale with a load of merchandise and asks that it be weighed. Under the bill pending it provides that the man who takes his merchandise to have it weighed must pay for it, and under the amendment which I offer it would also provide that the man who goes down and gets the benefit of the expert opinion afforded by this department for the benefit of the people to whom he sells goods should pay the small charge for that service rendered.

Mr. MAPES. Mr. Chairman, as I said in my opening statement, it seems to me that the fee system in itself is vicious. The man whose business is inspected ought not to be called upon or allowed to pay a fee for that inspection, and a law which requires it proceeds upon a wrong theory. The inspection is required for the purpose of protecting the public, and no dealer or individual ought to be required to pay for the expenses incident to the inspection which is required for the protection of the public. Contrary to the belief of the gentleman from Ohio [Mr. GARD], the tendency of recent legislation has been to do away with the fee for the inspection, and in many of the larger cities, among them several cities of Ohio, they are abolishing the ordinances and requirements which provide that a merchant who is being inspected shall pay the fees. The Director of the Bureau of Standards in a communication to the superintendent of weights, measures, and markets went into this question very thoroughly, and without attempting to read his letter in toto I would like to read some extracts from it. He says:

In our opinion this system is a very unfortunate one and can not be recommended or defended in any case. It is in effect a tax upon the merchants for the primary protection of the general public. While it is a fact that the inspection of weights and measures undoubtedly protects the honest merchants from the injurious effects of dishonest competition by compelling all to give honest weight and measure and also protects the merchants from delivering overweight through ignorance of the condition of their apparatus, nevertheless the main object of inspection is to protect the consumer from being defrauded by the knowing use of false weights and measures by dishonest tradesmen, and this last-mentioned protection is probably the most important furnished by the department. When viewed in this light the only excuse for the fee system falls to the ground, since it is manifestly unfair to single out one class and burden them with taxes for the whole community. This service is of the character of police protection and all residents receive the benefits of the system. Therefore, the equitable way in which to distribute the cost of the system is by general taxation. * * *

Further along in his letter he says:

4. Nor can the system be defended in practice. Many of the abuses found in connection with the enforcement of the weights and measures laws throughout the country can be traced to the fee system. It prevents the largest measure of cooperation between the honest merchant and the department, which is necessary before the inspection service can reach the maximum efficiency. It discourages "surprise" inspections by the department, since the merchants keep very close watch that they are not required to pay fees any oftener than is required by law. Moreover, the inspectors are constantly tempted to strain a point and put the official seal on apparatus not exactly accurate, since they know that the success or failure of the office is often measured by the amount of fees turned in. Throughout the country this system is falling into disfavor and disuse because it does not produce the best results in practice.

To this letter he attaches a list of cities which have done away with the fee system, and that list includes Akron, Cin-

cinnati, Cleveland, and Columbus, in the State of Ohio, as well as other cities, such as Atlanta, Ga., Albany, N. Y., and a great many others.

The CHAIRMAN. The time of the gentleman from Michigan has expired. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. GARD) there were—ayes 6, noes 41.

So the amendment was rejected.

The Clerk read as follows:

SEC. 8. That when any commodity is sold by weight it shall be net weight. When any commodity, except coal, is sold by the ton, it shall be understood to mean 2,000 pounds avoirdupois. Coal shall be sold by the long ton, consisting of 2,240 pounds avoirdupois.

SEC. 9. That no person, firm, or corporation shall erect, operate, or maintain, or cause to be erected, operated, or maintained within the District of Columbia any coin-in-the-slot machine or automatic vending device without placing in charge thereof some responsible person. No such machine shall be maintained for use when the same is not in perfect working order, and the person in charge as well as the owner of such machine or device shall be held responsible for operating or maintaining any such machine or device which is not in perfect working order. A sign or placard shall be placed on every such machine or device in a conspicuous place and shall contain the name of the owner and of the person in charge of such machine or device, and shall state that the person in charge of such machine or device will refund to any person money deposited by him for which the commodity or service promised expressly or impliedly has not been received, and such person shall so refund such money.

Mr. GARD. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GARD: Page 6, line 16, after the words "section 9," strike out all of language in lines 16, 17, 18, 19, and 20, down to and including the word "person."

Mr. GARD. Mr. Chairman and gentlemen of the committee, the language contained in this bill, it seems to me, is unnecessarily drastic in this particular provision. It provides that all automatic vending devices shall be placed in charge of a responsible person and makes it a penalty under this law if they be not. Now, we are all familiar with these automatic vending devices. Coming down the street from where I live in Washington I pass vending devices which are of great benefit to people in the vicinity in the sale of newspapers. The newspapers in the city of Washington are placed on stands with a little cup, and there is an opening on one side of the cup where one may deposit 1 or 2 pennies, as the case may be, for the particular paper. That is an automatic vending device. Now, to say that with such a state of affairs as that—and that is not an extreme case, because more people buy newspapers in the mornings coming from their homes in the city of Washington from these little automatic corner venders than from any other source. In fact, the newspapers maintain automobiles which go about filling these automatic venders and return for those which may be left after the sales are presumably over for the time for which they are issued.

Now, under this law it would be necessary to put some responsible person on every street corner in the city of Washington where the Post or the Herald or the Times or such other papers as use these automatic venders are placed, and it seems to me that the subsequent provision can be so modified as to protect what is manifestly the intent of the law, and that is to protect the vending machine from getting out of order, for the benefit of the person, young or old, who puts 1 cent or 2 cents in the slot machine.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GARD. I do.

Mr. MANN of Illinois. Does not the gentleman think these newspaper machines are in charge of some responsible person?

Mr. GARD. No; they are not; no.

Mr. MANN of Illinois. Well, does the gentleman think the language means that somebody has got to stand over the machine all of the time?

Mr. GARD. I do not know that he has to stand over it all of the time, but the language says that some person must be in charge, must be placed in charge thereof, some responsible person.

Mr. MANN of Illinois. Some one is in charge of those machines who puts the newspapers in every morning, and I suppose takes the money out occasionally. Some one is in charge of all of those machines.

Mr. GARD. I do not think the gentleman's construction of this particular instance I cite can be the construction of this law.

Mr. MANN of Illinois. Why, it seems to me it is perfectly patent that it is the case. It is perfectly certain it is not the purpose of that language to say that some man shall stand by the machine all the time and do nothing else. Then what does it mean; that some one responsible has charge of the machine, looks after that machine, collects the money from the machine, and is responsible to know that the machine is in order and to safeguard its getting out of order? Now, the newspaper is the person here. It does not mean the newspaper agent has to stand by the machine. It means that the newspaper or whoever is in charge knows the machine is in order within a reasonable time after it gets out of order, and if it is out of order is responsible for the money which is put in there when it gets out of order.

Mr. GARD. I agree with the gentleman that is the intent of what the proper law should be.

Mr. MANN of Illinois. I think it is what it says.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LAYTON. Mr. Chairman, I move to strike out the last word. If the amendment of the gentleman from Ohio [Mr. GARD] should prevail, does not the gentleman think that after the word "no" in line 20 you should define the word "machine"?

Mr. GARD. Oh, yes. I say if this amendment should prevail there should be an amendment after the word "no" to carry what you have in mind, that a slot or automatic vending machine should be put in there, and I will say to the gentleman that unless this language goes out here that the section is absolutely meaningless, because if there is any purpose in this particular section at all it is that these automatic devices shall be in charge of some one who will see they are honestly conducted for the public benefit.

In other words, if your child goes to a corner where there is one of these devices and puts in a penny and seeks to get a piece of candy or a small section of chocolate, it should be in repair so that the child or anybody else would get the supposed value of the money put in there. Now, to say that this must be in charge of some responsible person is to say that some one must have supervision over the continued working of these machines, not that he should come once a day and look at them, or once a week or once a month.

Mr. LAYTON. I want to say to the gentleman, so far as my experience is concerned in reference to newspapers, I do not think there is anybody in charge of them at all, except that they carry the papers there, and it is the most blessed example of trust I ever saw in my life. You may take your newspaper and need not put down your 2 cents unless you wish to do so. There is not a soul there to see whether you do or not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. GARD].

Mr. MAPES. Mr. Chairman, without taking much of the time of the committee, I just want to call attention to the fact that in order to regulate this matter at all you have got to have somebody in charge of the machine that you can place the responsibility upon. The sentence that the gentleman from Ohio would eliminate does not mean, as the gentleman from Illinois has pointed out, that such person has got to be present all the time. Besides, I am not sure that the machines that the gentleman from Ohio has particularly referred to would come under the designation here as an automatic vending device. They are not much more of a vending device than we have down here at the foot of the stairs, where the papers are all on a table, and we go along, drop 2 cents down, and take up a paper. That is practically what is done at these paper stands on the street. But they are all in charge of somebody, I will say to the gentleman. Not long ago I was waiting for a street car on one of the corners up on the hill near where the gentleman from Ohio lives, and the man in charge of some of the paper stands to which the gentleman refers came along, unlocked the little tin can which was attached to the stand to receive the pennies, and took out the money along early in the forenoon for the papers that had been sold that day. He was in charge of that machine just as much as though he had been standing there all the time. He took the money out of the box on one corner and then went across the street and took the money out of the box there. He was just as much in charge and just as responsible for these particular machines as anyone could be.

Mr. EVANS of Nevada. I want to ask the gentleman whether regulation ought not to be given to the nickel that you drop into a telephone and do not get the hello for?

Mr. MAPES. You do not drop the nickel in, as a rule, until the operator has answered your call.

Mr. EVANS of Nevada. It seems to me that is a more important thing than these papers.

Mr. MAPES. It is true that it is a very annoying thing.

Mr. MANN of Illinois. Mr. Chairman, I make a motion to perfect the section.

I would like to call the attention of the gentleman from Ohio [Mr. GARD] to the latter provision of this section, which, it seems to me, is the real and only important part of it. It provides for naming some person who shall be in charge of a

machine. It then provides there shall be placed on such machine a placard or device of some kind giving the name of the owner and the person in charge. It then provides that if the machine does not work the money shall be refunded by the owner or person in charge.

Now, the language the gentleman proposes to strike out by his amendment is only preliminary to the essence of this section. It simply provides that you must name some one as the person in charge. Thereupon you must put upon the machine itself the name of the owner and the person in charge, and such person must be prepared to refund any money which is put into the machine without its operation. I do not know whether that ought to be done or not. I do not know how much intentional or unintentional fraud may be carried on by these machines. I seldom patronize any kind of slot machine myself and I have not any children to do it. But if we intend to say that the name of the person in charge shall be placed on the machine, then we ought to say as a preliminary that there shall be a person in charge.

Mr. GARD. Will the gentleman yield?

Mr. MANN of Illinois. I yield.

Mr. GARD. I agree with the gentleman that the latter part of the section, beginning on line 25, providing for the placing of placards of identification, is the important part of it. I am interested to know what is the gentleman's definition of the words "without placing in charge thereof some responsible person."

Mr. MANN of Illinois. I think that only means that you must put upon these machines the name of the owner of the machine and the name of some responsible person in the District of Columbia who will refund any money improperly collected. I think it is perfectly clear that is what it means.

Mr. GARD. No.

Mr. MANN of Illinois. Now, of course, if the owner is in the District of Columbia himself, he puts his own name as both the owner and the person responsible. But a large share of these machines are owned outside of the District of Columbia, and they ought to name somebody in the District to whom people will know they can go and collect the money. Ordinarily, probably, it might be a storekeeper in whose store the machine is kept or it might be they would have a general office in the District. That would be sufficient. That covers the trouble. It is the purpose of the section.

Mr. GARD. Does not the gentleman think that all the purposes of the section would be carried out by the language to which he has referred, and the language which I seek to strike out is but an unnecessary and confusing preliminary?

Mr. MANN of Illinois. No. You have got to say, first, that there shall be a person in charge before you say they shall name the person in charge. Unless you say there shall be a person in charge, you can not put any provision here that they shall put on the name of the person in charge, because if they do not have anybody in charge then they do not name anybody in charge, and they are not violating the law by not naming anybody in charge.

Mr. LAYTON. Will the gentleman yield for a moment?

Mr. MANN of Illinois. I think the gentleman from Ohio has in mind the fact that it is unnecessary to have a person in charge mentioned in the same section twice.

Mr. GARD. Yes. My contention is that the latter part of the section, beginning on line 25 and including the lines on page 7, is a complete statement of what is necessary and the proper one, because, as the gentleman from Illinois has indicated, the slot-machine business in the selling of candy and gum is, in some places, a very considerable business.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The question is on the amendment offered by the gentleman from Ohio [Mr. GARD].

The question was taken; and the Chair announced that the noes seemed to have it.

On a division (demanded by Mr. GARD), there were—ayes 11, noes 34.

So the amendment was rejected.

Mr. LANHAM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LANHAM: Page 7, line 2, after the word "name" insert the words "and business address."

Mr. LANHAM. Mr. Chairman and gentlemen, I think the purpose of this amendment is obvious. The name of the owner of one of these machines or the person in charge, for example, might be John Smith, but it would be very difficult to locate John Smith without the business address being given.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. CONNALLY. Mr. Chairman, I offer an amendment. In lines 19 and 20 strike out the words "placing in charge thereof" and insert in lieu thereof the word "designating," and after the word "person," in line 20, insert the language "who shall be responsible for the operation of such machine or device."

The CHAIRMAN. The gentleman from Texas will reduce his amendment to writing to send it to the Clerk's desk.

Mr. CONNALLY. It seems to me, Mr. Chairman and gentlemen of the committee, that there is merit in this amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNALLY: Page 6, line 19, after the word "without" strike out the words "placing in charge thereof" and insert in lieu thereof the word "designating," and after the word "person," in line 20, insert the words "who shall be responsible for the operation of such machine or device."

Mr. CONNALLY. Mr. Chairman and gentlemen of the committee, it seems to me that the objection of the gentleman from Ohio [Mr. GARD] is somewhat well taken. The language of this bill as it was drafted by the committee says that "no person, firm, or corporation shall erect, operate, or maintain, or cause to be erected, operated, or maintained within the District of Columbia any coin-in-the-slot machine or automatic vending device without placing in charge thereof some responsible person." It is explained that the object of this provision is simply to require that some responsible person be charged with responsibility for the operation of that machine.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY. I yield to the gentleman from Michigan.

Mr. MAPES. Does the gentleman think that his suggested amendment changes the intent of the law at all, or the language of the law, when you read the next paragraph in connection with it?

Mr. CONNALLY. I have read the other. I know what it means.

Mr. MAPES. You have read the sentence?

Mr. CONNALLY. Certainly.

Mr. MAPES. Does the gentleman think that it adds anything to the language of the bill?

Mr. CONNALLY. I do not pretend that I possess any power in framing language superior to the committee, but at the same time my amendment makes it clear and plain what the chairman of the committee says is meant by the bill. I think that the language used by the committee is unfortunate because it is not clear. If it would confuse a man of the legal attainments and erudition of the gentleman from Ohio [Mr. GARD], it would certainly confuse some of these weight-and-measure inspectors that the committee is going to have in charge of the execution of this bill.

Mr. MAPES. Of course, that is a very strong argument in favor of its being inserted. But it seems to me when you read the sentence the gentleman's language simply duplicates the language of the next section.

Mr. CONNALLY. That may be in a measure true. If you study and work over it and figure it out, you may probably arrive at what the committee wants to do, but why not say what you mean in plain language? Why employ language that requires a lawyer to construe the provisions of this act? I suppose this bill was written by the man who is going to have charge of its operation. I am almost sure of that, because the chairman himself has suggested that some other provision of the bill was written in a certain way because the man who will have charge of the enforcement of the act did not want it another way. When we make a penal statute it seems to me we should make it plain enough that any huckster could understand it. My amendment simply makes clear what the chairman says is meant by the bill. It would be absolutely foolish, of course, to require every owner of one of these devices to have a man in charge of it standing there over it to see that it properly operates, because it would absolutely destroy the use of that machine, because when you put a man in charge of it you destroy the automatic part of it and make it impossible to operate it profitably. Otherwise the man could go ahead and sell the products himself.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. CONNALLY].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. CONNALLY. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from Texas asks for a division.

The committee divided; and there were—ayes 13, noes 24.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. Mr. Chairman, we have just had an extensive debate, pro and con and con and pro, on the subject of automatic newspaper vending machines that are found on some of the street corners of the city of Washington. These machines sell the Washington Herald, which sells for 1 cent per copy in the morning, and also sell other of the Washington newspapers selling for 2 cents a copy, and we have now spent practically all of the day on this measure. We spent all of Thursday and all of Friday and part of this morning on a measure which changed the sacks containing flour and meal from 3, 6, 12, 24, and 48 pounds each to 5, 10, 25, and 50 pounds, and so on. I just want to ask our Republican friends on the other side of the House how much longer they think the country is going to stand for Congress wasting its time on such chicken-feed legislation? Last Thursday, Friday, Saturday, Sunday, and most of this Monday has been wasted with nothing accomplished except the chicken-food measure mentioned above.

Mr. LAYTON. Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman will state it.

Mr. LAYTON. The same point of order that I suggested some time ago, Mr. Chairman, and if the gentleman from Texas is trying to save time why does he not quit?

The CHAIRMAN. The Chair will rule. The gentleman from Texas is not discussing any matter germane to the bill.

Mr. BLANTON. I would like the gentleman from Delaware, without looking at the bill, to tell me what was the word I moved to strike out. He does not know whether I am discussing that very word in the sentence or not. If he looks at it, he might find out. I am discussing the proposition that the people of this country expect the Congress of the United States to get down to business, reconstruction business, that will bring about better conditions in this country. [Applause.]

Mr. LAYTON. We can not do it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 10. That every person, firm, or corporation shall, when a sales ticket is given with a purchase, cause such sales ticket to show the correct name and address of such person, firm, or corporation and the weight, measure, or numerical count, as the case may be, of each commodity sold to such purchaser, and every such person, firm, or corporation is hereby required to deliver such sales ticket to such purchaser when requested to do so by such purchaser at the time of the sale.

Mr. GARD. Mr. Chairman, I move to strike out section 10.

The CHAIRMAN. The gentleman from Ohio moves to strike out section 10.

Mr. GARD. I do this because I desire information as to just what the section means. It seems to me it is practically useless. It provides that certain things shall be done when a sales ticket is given with the purchase. In other words, it does not require a sales ticket to be given with the purchase unless the purchaser makes a request for it at the time of the sale. That appears in lines 16 and 17. Now, granting that there may be some benefit to come to one who buys from having this sales ticket, it seems to me the section as it now reads does not care for anybody, because it makes no provision for the compulsory giving of a sales ticket with each purchase. It provides that certain things shall be done when a sales ticket is given, but makes no provision that a sales ticket shall be given unless the purchaser demands it.

Mr. WOODS of Virginia. The last clause of the section requires the giving of a sales ticket whenever requested by the purchaser.

Mr. GARD. That does not mean anything, because not 1 person in 500 who goes into a grocery store or other place and buys 10 or 15 or 25 cents' worth of merchandise will request a sales ticket. Now, if it is the idea to make a system of identification necessary with every purchase, then it seems to me the law should be arbitrary and positive in requiring a sales ticket to be given.

Mr. WALSH. Will the gentleman yield?

Mr. GARD. I yield to the gentleman from Massachusetts.

Mr. WALSH. Does not the gentleman think we are going far enough when we give the purchaser the privilege of demanding a sales slip and then let him exercise his discretion?

Mr. GARD. I say that does not amount to anything. If we are to embark on this scheme of legislation at all, we should require sales tickets to be given with purchases.

Mr. WALSH. Does the gentleman think people going in to buy a yeast cake or 5 cents' worth of crackers will always want a sales slip?

Mr. GARD. No; I do not think so; and yet in many places sales tickets are given, as the gentleman knows. The tendency seems to be now that when you go to a store and buy from a clerk the clerk gives you a sales ticket, which you take to the cashier—it makes no difference whether you buy a cake of yeast or a ham, assuming that one is well enough off to buy a ham occasionally, as the gentleman from Massachusetts is. But my contention is that as this section 10 now reads it does not apply to anything except where a man asks for it.

Mr. WALSH. Why should it?

Mr. GARD. If it is to accomplish any purpose at all, it should be a general sales ticket to be given by the seller for the benefit of the purchaser, without the purchaser being compelled to ask for it.

Mr. REED of West Virginia. Will my colleague yield?

Mr. GARD. Yes.

Mr. REED of West Virginia. Does my colleague think every time a person makes a small purchase at a store he should be compelled to wait for a sales ticket? He may want to get something in a hurry and put it in his pocket and catch a street car in a few seconds, and he would not want to bother with a sales ticket; but when the housewife orders things by phone, as a great many of them do, she ought to be protected by demanding and receiving a sales ticket with the article she buys. Some of the articles might be lost by the carrier. She ought to be further protected as to the weights and quantities she ordered by 'phone, and thus be able to establish a claim for any false weights.

Mr. GARD. The only thing, in my mind, is whether you should make it general. A man does not want to make out a sales ticket unless he has to.

Mr. REED of West Virginia. I think the section is all right as it stands.

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio [Mr. GARD].

The question being taken, the amendment was rejected.

Mr. SAUNDERS of Virginia. Mr. Chairman, I move to strike out in line 13 the last word of the line, the word "such." I call the attention of the chairman of the Committee on the District of Columbia to the fact that the word "such" in that connection is not appropriate, and that instead of the word "such" the word "the" should be inserted.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SAUNDERS of Virginia: Page 7, line 13, strike out the word "such" at the end of the line and insert in lieu thereof the word "the."

Mr. MAPES. It seems to me that is all right, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. SAUNDERS].

The amendment was agreed to.

Mr. SAUNDERS of Virginia. As a consequential amendment the same thing should be done in line 15 and in line 16.

Mr. MANN of Illinois. Oh, no; it is all right there.

The CHAIRMAN. Does the gentleman from Virginia offer an amendment?

Mr. SAUNDERS of Virginia. It is suggested that it is not necessary in that connection. I will admit that the same reason for it does not exist as in the first instance.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 11. That it shall be unlawful to sell or offer for sale in the District of Columbia any coal, charcoal, or coke in any other manner than by weight. No person shall deliver or attempt to deliver any coal, charcoal, or coke without accompanying same by delivery ticket and a duplicate thereof, the original of which shall be in ink or other indelible substance, on each of which shall be expressed distinctly in pounds, avoirdupois, the gross weight of the load, the tare of the delivery vehicle or receptacle, and the net weight of coal, charcoal, or coke contained in the vehicle or receptacle used in making delivery, with the name and address of the purchaser and the name and address of the person, firm, or corporation from whom or which purchased. Upon demand of the superintendent or any of his assistants or inspectors upon the person in charge of the vehicle of delivery, the original of these tickets shall be surrendered to the official making such demand. The duplicate ticket shall be delivered to the purchaser of said coal, charcoal, or coke, or to his agent or representative, at the time of delivery of such coal, charcoal, or coke. Upon demand of the superintendent or any of his assistants or inspectors, or of the purchaser or intended purchaser, his agent or representative, the person delivering such coal, charcoal, or coke shall convey the same forthwith to some public scale, or to any legally approved private scale in the District of Columbia, the owner of which shall consent to its use, and shall permit the verifying of the weight, and after the delivery of such coal, charcoal, or coke shall return forthwith with the wagon or other conveyance used to the same scale and permit to be verified the weight of the wagon or other conveyance: *Provided*, That when coal, charcoal, or coke is sold in a quantity less than 280 pounds and is not weighed in a wagon, cart, or other vehicle, it shall be sufficient for the seller to deliver to the purchaser, his agent or representative, a ticket showing

the name and address of the vendor, the name of the purchaser, and the true net weight of the coal, charcoal, or coke so sold or delivered: *Provided further*, That when coal, charcoal, or coke is sold in packages of 50 pounds or less, it shall be sufficient to plainly mark each package with the name of the person, firm, or corporation making such package and the true net weight of the coal, charcoal, or coke contained therein.

No coal, charcoal, or coke shall be sold which contains at the time the weight is taken more water or other liquid substance than is due to the natural condition of the coal, charcoal, or coke.

Every vendor of coal, charcoal, or coke shall cause his name and address to be conspicuously displayed on both sides of every vehicle used by or for him for the sale or delivery of coal, charcoal, or coke.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee two questions with reference to the section. I should like to ask what is intended by the phrase in line 14:

Or of the purchaser or intended purchaser.

What significance has that in connection with the duty imposed? What is meant by "intended purchaser"?

Mr. MAPES. The gentleman from Alabama has probably as clear a notion of that as anyone.

Mr. BANKHEAD. No; I have not. I am asking for real information on it.

Mr. MAPES. The intended purchaser might not want the coal if it was not of full weight. He might change his mind and might not become a purchaser until the delivery was actually made.

Mr. BANKHEAD. In other words, he might make a tentative agreement to buy it, provided it came up to the weight?

Mr. MAPES. If he ordered a ton of coal and got only 1,900 pounds he might say he did not want it.

Mr. BANKHEAD. In lines 17 and 18 it provides that—

the person delivering such coal, charcoal, or coke shall convey the same forthwith to some public scale or to any legally approved private scale in the District of Columbia, the owner of which shall consent to its use.

Is that word "shall" there intended to mean that it is mandatory upon the owner of the private scale to consent to its use for that purpose without compensation and without regard to the convenience or inconvenience of its use?

Mr. MAPES. I should say not.

Mr. BANKHEAD. Does not the gentleman think the word "shall" should be changed to the word "may"?

Mr. MAPES. Personally I think it is quite immaterial.

Mr. BANKHEAD. If the language is left in its present form you are putting an imperative duty upon the owner of a private scale to consent to its use.

Mr. MAPES. I think nobody would construe the language to mean that.

Mr. BANKHEAD. That is what it says. Mr. Chairman, I move to strike out the word "shall" and insert the word "may."

The Clerk read as follows:

Page 8, line 18, at the beginning of the line strike out the word "shall" and insert the word "may."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was agreed to.

Mr. GARD. Mr. Chairman, I move to strike out the last word. I am asking the chairman of the committee whether there is sufficient protective legislation in the language of the bill as it appears on page 8, line 22, following down to line 4, on page 9. The gentleman has said—and, I presume, very well said—that much of the evil in the city of Washington is caused by people buying very small amounts of coal. This provides that where it is sold in quantities less than 280 pounds, not weighed in the coal wagon, it shall be sufficient to deliver to the purchaser a ticket showing the name and address of the vendor. What good is going to be done by giving the purchaser a ticket unless, to carry out the idea, as we did in regard to the weighing machines, we provide that he is entitled to full weight? Because if one buys 60 pounds of coal he gets a ticket for 60 pounds, but in fact only gets 50 pounds of coal. The only good he gets in addition to the burning of 50 pounds of coal is that he may burn the ticket. [Laughter.]

Mr. MAPES. If the gentleman will read the further provisions of the bill he will find that they require the dealer to put on the ticket that he puts on the sack the true net weight. The purchaser of small lots of coal put up in sacks does not have that protection under the existing law which the law gives to those who buy in large enough quantities to have their coal delivered in wagons. There is no law which requires a dealer who delivers coal in sacks to put in any specific weight. He does not often sell it by weight. The information that came to the committee was that dealers in some cases got as high as $25 a ton for coal put up in sacks and delivered to poor people who could not afford to buy coal in quantities of a ton.

Mr. GARD. What is the good of giving the man a ticket unless the ticket is going to accomplish something for him. The seller gives the purchaser a ticket, but the ticket may be willfully or mistakenly wrong.

Mr. MAPES. If the gentleman will read the subsequent part of the paragraph he will see that it requires the vendor to put in the true net weight.

Mr. GARD. That does not make any difference. Suppose he puts the true net weight on the ticket, there is nothing in the bill which provides that the vendor shall give to the purchaser that which is upon his ticket. There is no penalty attached to it.

Mr. MAPES. There is a penalty of $500 fine or six months in jail for the violation of any provision of the act.

The CHAIRMAN. The time of the gentleman from Ohio has expired, and the pro forma amendment is withdrawn.

The Clerk read as follows:

SEC. 12. That it shall be unlawful to sell, within the District of Columbia, any ice in any manner than by weight, such weight to be ascertained at the time of delivery of such ice, and every person, or in case of a firm, copartnership, or corporation, the person in charge of its business in the District of Columbia, engaged in the sale of ice shall keep on each of his or its wagons or other vehicles used in the sale or delivery of ice, while in use, a scale suitable for weighing ice which has been tested and approved in accordance with the provisions of this act. Every scale used for weighing ice in making sales in quantities of 100 pounds or less shall have graduations of 1 pound or less. Scales used for weighing ice in making sales in quantities of more than 100 pounds may have graduations of 5 pounds or less.

Mr. BANKHEAD. Mr. Chairman, I offer an amendment to correct a typographical omission.

The Clerk read as follows:

Page 9, line 19, before the word "manner," insert the word "other," so that it will read "ice in any other manner than by weight."

The amendment was agreed to.

The Clerk read as follows:

SEC. 13. That the standard loaf of bread manufactured for sale, sold, offered or exposed for sale in the District of Columbia shall weigh 1 pound avoirdupois, but bread may also be manufactured for sale, sold, offered or exposed for sale in loaves of one-half pound, or in multiples of 1 pound, but shall not be manufactured for sale, sold, offered, or exposed for sale in other than the aforesaid weight. Every loaf of bread manufactured for sale, sold, offered, or exposed for sale in the District of Columbia shall have affixed thereon, in a conspicuous place, a label at least 1 inch square, or, if round, at least 1 inch in diameter, upon which label there shall be printed in plain bold-face Gothic type, not smaller than 12 point, the weight of the loaf in pound, pounds, or fraction of a pound, as the case may be, whether the loaf be a standard loaf or not, the letters and figures of which shall be printed in black ink upon white paper. The business name and address of the maker, baker, or manufacturer of the loaf shall also be plainly printed on each such label. Every seller of bread in the District of Columbia shall keep a suitable scale, which shall have been inspected and approved in accordance with the provisions of this act, in a conspicuous place in his bakery, bakeshop, or store, or other place where he is engaged in the sale of bread, and shall, whenever requested by the buyer, and in the presence of the buyer, weigh the loaf or loaves of bread sold or offered for sale. Nothing herein shall apply to crackers, pretzels, buns, rolls, scones, or loaves of fancy bread weighing less than one-fourth of 1 pound avoirdupois, or to what is commonly known as stale bread, provided the seller shall, at the time the sale is made, expressly state to the buyer that the bread so sold is stale bread: *Provided*, That any loaf of bread weighing within 10 per cent in excess or within 4 per cent less than standard weight shall be deemed of legal weight.

Mr. GARD. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman what is meant by leaving out crackers, pretzels, buns, rolls, fancy bread, and so forth. I can see why pretzels should be left out at this time, but why crackers put up in standard packages, pounds and half pounds, made by bakers, should be left out I can not see. Can the gentleman advise me why these particular products should not be included in the weight measurement?

Mr. MAPES. Assuming that the gentleman from Ohio is asking the question in good faith, I will say that it would seem that if crackers were required to be of a pound or half pound weight, they would be some crackers.

Mr. GARD. Packages of crackers might weigh that.

Mr. MAPES. This section only proposes to fix the standard for loaves of bread, and does not provide for the sale of anything in packages.

Mr. GARD. The gentleman is following his own argument. This provides that it shall not apply to crackers, pretzels, buns, and so forth, weighing less than one-fourth of 1 pound avoirdupois; that is, it does not apply to a cracker weighing less than one-fourth of a pound. Those are things that we should take cognizance of, and I am speaking of the bill seriously, and I ask the gentleman what does the gentleman mean by crackers weighing a quarter of a pound and pretzels weighing a quarter of a pound?

Mr. MADDEN. What States do crackers come from?

Mr. GARD. They have crackers in Georgia.

Mr. MADDEN. That is what it refers to.

Mr. PLATT. Has the gentleman from Ohio taken into account the significance of the word "biscuit"?

Mr. GARD. Biscuit may be included under the common acceptation of the word bun.

Mr. PLATT. I do not think that is a satisfactory answer.

Mr. SAUNDERS of Virginia. Mr. Chairman, I want to offer an amendment to the section. I call the attention of the gentleman from Michigan [Mr. MAPES] to the fact that as the language is now it gives room to the interpretation suggested by the gentleman from Ohio [Mr. GARD].

Mr. MAPES. Let me ask the gentleman from Virginia this question——

Mr. SAUNDERS of Virginia. In a moment. I suggest that in line 10 on page 11 the word "to" be inserted after the word "or," so that it will remove all question as to the application of the section to the articles enumerated. It would then read:

Nothing herein shall apply to crackers, pretzels, buns, rolls, scones, or to loaves of fancy bread weighing less than one-fourth of 1 pound avoirdupois.

Mr. MAPES. Does not the gentleman think that when they weigh more than one-fourth of 1 pound they cease to be pretzels, buns, crackers, and so forth?

Mr. SAUNDERS of Virginia. Oh, very reasonably you might have a roll big enough to weigh one-quarter of a pound.

Mr. MAPES. I have no objection to the gentleman's suggestion.

Mr. SAUNDERS of Virginia. Then I move to amend in line 10 on page 11 by inserting the word "to" after the word "or."

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SAUNDERS of Virginia: Page 11, line 10, after the word "or" insert the word "to."

Mr. MANN of Illinois. Mr. Chairman, I do not oppose the amendment. However, I think it is entirely unnecessary. It only illustrates how important a comma sometimes may be. If the comma were stricken out after the word "scones" the language would mean entirely different from what it is with the comma there. With the comma there, the amendment offered by the gentleman from Virginia is unnecessary, and by leaving the comma in and inserting the word "to" you duplicate grammatically something that is accomplished by either one. It is rather dangerous, however, to legislate and fix the meaning of a statute so that a very important meaning may depend merely upon the insertion of a comma which might be left out, and inasmuch as the Printing Office is a law unto itself in regard to punctuation, as I suggest, it would be a dangerous thing. The Printing Office never has followed and never will follow the insertion of commas by a Member of Congress in bills which he introduces; and how this committee ever managed to get the interpretation of the Printing Office here that a comma is necessary after this word, and how it ever succeeded in having it put in instead of having it left out, I do not know, but it must have been by special dispensation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. GARD. Mr. Chairman, I move to amend, on page 11, by striking out the proviso beginning on line 15.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 11, line 15, after the semicolon, strike out the remainder of the section.

Mr. GARD. Mr. Chairman, this section 13 provides for a standard loaf of 1 pound avoirdupois, and in the provision it appears that 4 per cent less than that shall be deemed the legal weight. In other words, with 16 ounces in a pound, for bread, for legal purposes in this weight, 12 ounces shall do——

Mr. MAPES. Oh, no.

Mr. MANN of Illinois. Four per cent of 16 ounces is all that is meant.

Mr. MAPES. Four per cent of 16 ounces is 0.64 of an ounce.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

SEC. 14. That bottles or jars used for the sale of milk or cream shall be of the capacity of 1 gallon, ½ gallon, 3 pints, 1 quart, 1 pint, ½ pint, or 1 gill when filled to the bottom of the cap seat, stopple, or other designating mark. Such bottles or jars shall have clearly blown or otherwise permanently marked in the side of each such bottle or jar or printed on the cap or stopple the name and address of the person, firm, or corporation who or which shall have bottled such milk or cream. Any person who uses, for the purpose of selling milk or cream, bottles or jars which do not comply with the requirements of this section shall be deemed guilty of using false measure.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. I assume that the purpose of this bill is to establish some standard by means of which we will be able to get what we buy, reduce the cost of living, and make the standard of food better and the health of the people more secure; but I notice that the language of this section of the bill provides that the name of the person bottling milk must be clearly blown in the bottle or printed on the cap or stopple. Of course, that necessitates special bottles, or at least a special stopple, and all of that adds to the value or cost of the bottle, and, therefore, adds to the price of the milk. I do not know what the price of milk is, but it is so high that most of us can not buy it, and to get butter or sugar or anything of that sort is impossible. Every time we legislate here, however, we seem to be legislating to add new costs to the things that we have to eat or the things that we have to use in some way. This kind of legislation does not add anything to the value of the commodity that we have to use. It merely makes the price of living a little higher, as well perhaps as the price of dying. Why all these fads I do not know, except it be for the purpose of taking up the time of Congress. The interest manifested in this sort of legislation is indicated by the number of Members who are absent from their seats.

We just passed a nation-wide standard flour-barrel bill, which makes the standard barrel of flour weigh 200 pounds instead of 196 pounds, and provides that nothing in the shape of flour or bran or meal or corn products shall be shipped in anything else than a certain multiple of a 200-pound container. Of course, that does not apply to the farmer, and it is well, because he is the only man who is exempt from all kinds of regulations, as he ought to be, for he has no hours. He works when the world is asleep, and his farm is working while he is asleep, accumulating wealth by the development of newborn stock, by his growing fields of grain, while the dew dwells upon the fields in the morning and helps to fill the growing grain with riches. But here we are again this gloomy, rainy day——

Mr. REED of West Virginia. Oh, there is a rainbow somewhere.

Mr. MADDEN. Oh, no; you could not have a bow and you could not mix the bow with the rain. I can very well understand how after having a rainstorm the sun may shine through and we may have a rainbow, but——

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BLANTON. I want to suggest to the gentleman from Illinois that he ought not to call attention to the fact that there are but 14 Republican Members here to pass this legislation, or the gentleman from Delaware [Mr. LAYTON] might not want that to go into the RECORD. There are exactly 14 Republican Members sitting on the floor attending to business.

Mr. MADDEN. I really have not taken the pains to count the number either of Democrats or Republicans, but this is a nonpartisan measure.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to proceed for five minutes, as I desire to discuss this bill on its merits.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] asks unanimous consent for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. Now, you say "that bottles or jars used for the sale of milk or cream shall be of the capacity of 1 gallon." Now, most people can not afford to buy a gallon of milk, and certainly can not afford to buy a gallon of cream. We are very lucky in our house if we can get a 4-ounce bottle of cream, to say nothing about a gallon—"half gallon, 3 pints, 1 quart, 1 pint, half pint, or 1 gill"—that fills the bill as far as we are concerned at our place—"when filled to the bottom of the cap seat, stopple, or other designating mark." Most fellows are willing to stand up and drink cream or milk——

Mr. LAZARO. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. LAZARO. Does the gentleman mean to say that things are as bad as he has pictured?

Mr. MADDEN. That you can not sit down to drink——

Mr. LAZARO. And while the Republicans are in control of both Houses?

Mr. MADDEN. It is not a matter of who is in control. On the question of milk or cream whether you have got a place to sit upon has got nothing to do with politics. Now it says:

Such bottles or jars shall have clearly blown—

That is, I do not know whether they are to be fly blown [laughter] or not, or whether the name has to be blown in the bottle in the blast—

or otherwise permanently marked in the side of each such bottle or jar—

Now how you can mark it permanently without blowing in the bottle I do not know—

in the side of each such bottle or jar or printed on the cap or stopple the name and address of the person, firm, or corporation through or which shall have bottled such milk or cream. Any person who uses, for the purpose of selling milk or cream, bottles or jars which do not comply with the requirements of this section shall be deemed guilty of false measure.

You see it is not a question of measure we are dealing with; it is a question of whether you are going to authorize somebody or compel somebody to use a bottle with the name blown in it.

Mr. LAYTON. Not necessarily.

Mr. MADDEN. Oh, yes.

Mr. LAYTON. It may be marked on the paper.

Mr. MADDEN. This bill says if you use anything else except the bottle or jar or receptacle with the name blown in it, or plainly marked on the stopple——

Mr. LAYTON. Or the cap.

Mr. MADDEN. Or the cap.

Mr. LAYTON. The cap is paper.

Mr. MADDEN. Whatever it is. It comes directly to the point that we are not dealing with the question of whether the measure is correct or not. We are dealing with the question of whether it has a mark upon it. What does that mean? It means an addition to the cost. It means you compel the poor people of the District of Columbia to buy their milk or cream from those who can afford to have their own bottles made with their names blown in them. That is what it means. It does not say the bottle shall be of the size requisite to contain a given quantity of milk or cream. It says the name must be blown in the bottle, and so it is not the quality or quantity of the milk you are seeking to protect, but the monopoly of such dealers as can pay for having their names blown in the bottles. There is no consideration given to the mere consumer. All he is required to do is to pay the bills, while the milk baron who can have his bottles made with his name blown in continues to charge what he pleases while the children of the poor, who are unable to pay the price, go hungry. But who cares for that if the man with his name on the bottle is protected.

The CHAIRMAN. The time of the gentleman has expired; all time has expired.

Mr. LAYTON. Mr. Chairman, I move an amendment. Being in entire sympathy with the solicitude of the gentleman from Illinois with respect to this section, I move to strike out line 22, beginning with the word "such" and ending with the word "cream," on page 12.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LAYTON: Page 11, line 22, after the word "mark," strike out lines 22, 23, 24, and 25, and line 1, on page 12, to and including the word "cream."

Mr. MAPES. Mr. Chairman, I am sorry that the gentleman from Delaware [Mr. LAYTON] has been so overcome by the remarks of the gentleman from Illinois [Mr. MADDEN]. This provision of this bill I do not imagine will require a bit more work or more labeling on the bottles of milk delivered in the District of Columbia than are now put on them by every milk dealer in the District, and I hope the amendment will not prevail.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. MADDEN and Mr. BLANTON) there were—ayes 5, noes 18.

So the amendment was rejected.

The Clerk read as follows:

SEC. 15. That standard containers for the sale of fruits, vegetables, and other dry commodities in the District of Columbia shall be as follows:

(a) That standard barrel for fruits and vegetables, other than cranberries, shall be of the following dimensions when measured without distention of its parts: Length of stave, 28½ inches; diameter of heads, 17½ inches; distance between heads, 26 inches; circumference of bulge, 64 inches, outside measurement; and the thickness of staves not greater than four-tenths of an inch: *Provided*, That any barrel of a different form having a capacity of 7,056 cubic inches shall be a standard barrel. The standard barrel for cranberries shall be of the following dimensions when measured without distention of its parts: Length of staves, 28½ inches; diameter of head, 16½ inches; distance between heads, 25¼ inches; circumference of bulge, 58½ inches, outside measurement; and the thickness of staves not greater than four-tenths of an inch. It shall be unlawful to sell, offer, or expose for sale in the District of Columbia a barrel containing fruits or vegetables or any other dry commodity of less capacity than the standard barrels defined in this act, or subdivisions thereof known as the third, half, and three-quarter barrel.

(b) Standards for Climax baskets for grapes and other fruits and vegetables shall be the 2-quart basket, 4-quart basket, and 12-quart basket, respectively.

The standard 2-quart Climax basket shall be of the following dimensions: Length of bottom piece, 9½ inches; width of bottom, 3½ inches; thickness of bottom, three-eighths of an inch; height of basket, 3⅝ inches, outside measurement; top of basket, length 11 inches and width 5 inches, outside measurement. Basket to have a cover 5 by 11 inches, when a cover is used.

The standard 4-quart Climax basket shall be of the following dimensions: Length of bottom piece, 12 inches; width of bottom piece, 4½ inches; thickness of bottom piece, three-eighths of an inch; height of basket, 4⅛ inches, outside measurement; top of basket, length 14 inches; width 6¼ inches, outside measurement. Basket to have cover 6¼ inches by 14 inches, when cover is used.

The standard 12-quart Climax basket shall be of the following dimensions: Length of bottom piece, 16 inches; width of bottom piece, 6½ inches; thickness of bottom piece, seven-sixteenths of an inch; height of basket, 7 7/16 inches, outside measurement; top of basket, length 19 inches, width 9 inches, outside measurement. Basket to have cover 9 inches by 19 inches, when cover is used.

(c) The six-basket carrier crate for fruits and vegetables shall contain six 4-quart baskets, each basket having a capacity of 268.8 cubic inches.

(d) The four-basket flat crate for fruits and vegetables shall contain four 3-quart baskets, each basket having a capacity of 201.6 cubic inches.

(e) The standard box, basket, or other container for berries, cherries, shelled peas, shelled beans, and other fruits and vegetables of similar size shall be of the following capacities standard dry measure: One-half pint, pint, and quart. The one-half pint shall contain 16.8 cubic inches; the pint shall contain 33.6 cubic inches; the quart shall contain 67.2 cubic inches.

(f) Standard lug boxes for fruits and vegetables shall be the one-half bushel box and the 1-bushel box.

The one-half bushel lug box shall be of the following inside dimensions: Length, 17 inches; width, 10.5 inches; depth, 6 inches.

The 1-bushel lug box shall be of the following inside dimensions: Length, 20¾ inches; width, 13 inches; depth, 8 inches; and no lug box of other than the foregoing dimensions shall be used in the District of Columbia.

(g) The standard hampers for fruits and vegetables shall be the 1-peck hamper, one-half bushel hamper, 1-bushel hamper, and 1½-bushel hamper.

The 1-peck hamper shall contain 537.6 cubic inches, the one-half bushel hamper shall contain 1,075.21 cubic inches, the 1-bushel hamper shall contain 2,150.42 cubic inches, and the 1½-bushel hamper shall contain 3,225.63 cubic inches.

(h) The standard round-stave baskets for fruits and vegetables shall be the one-half bushel basket, 1-bushel basket, 1½-bushel basket, and 2-bushel basket.

The one-half bushel basket shall contain 1,075.21 cubic inches, the 1-bushel basket shall contain 2,000 inches, the 1½-bushel basket shall contain 3,225.63 cubic inches, and the 2-bushel basket shall contain 4,300.84 cubic inches.

(i) The standard apple box shall contain 2,173.5 cubic inches and be of the following inside dimensions: Length, 18 inches; width, 11½ inches; depth, 10½ inches.

(j) The standard pear box shall be of the following inside dimensions: Length, 18 inches; width, 11½ inches; depth, 8½ inches.

(k) The standard onion crate shall be of the following inside dimensions: Length, 19⅝ inches; width, 11 7/16 inches; depth, 9⅛ inches.

(l) No person shall sell, offer, or expose for sale in the District of Columbia any fruits, vegetables, grain, or similar commodities in any manner except in the standard containers herein prescribed or by weight or numerical count; and no person shall sell, offer, or expose for sale, except by weight or numerical count, in the District of Columbia any commodity in any container herein prescribed which does not contain, at the time of such offer, exposure, or sale, the full capacity of such commodity compactly filled: *Provided*, That fresh beets, onions, turnips, rhubarb, and other similar vegetables, usually and customarily sold by the bunch, may be sold by the bunch.

All kale, spinach, and other similar leaf vegetables shall be sold at retail by net weight.

Mr. MAPES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 12, line 8, after the word "vegetables" insert "and other dry commodities."

The question was taken, and the amendment was agreed to.

Mr. WALSH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 12, line 8, strike out lines 8 to 25, inclusive, and lines 1 to 4 on page 13.

Mr. WALSH. Mr. Chairman, this language which I seek to strike out is the language of the act fixing the standard barrels for fruits, vegetables, and other dry products, which passed March 4, 1915, and which is in effect and applies specifically by the provisions of the act to the District of Columbia. I can not quite see why it should be reenacted in this measure, because it applies here now and will apply hereafter, and if the gentleman desires to fix a standard for other dry commodities I submit that by eliminating this paragraph (a) and enacting the balance of the language of the section that he has taken care of the situation, but certainly it adds nothing to just reenact something that is already the law. It seems to me that it would be better to rely upon the standard vegetable barrel act that has already been enacted; so I would like to ask the gentleman, the chairman of the committee, if he thinks there is any serious objection to eliminating this language from the bill?

Mr. MAPES. Mr. Chairman, of course it is not very important if the law already applies in this language to the District of Columbia, but it does no harm one way or the other, it seems to me.

Mr. WALSH. I will say to the gentleman, I have here before me, in volume 38 of the Statutes at Large, section 2, the standard

which is fixed in the language as contained in the bill. It is as follows:

It shall be unlawful to sell, offer, or expose for sale in any State, Territory, or the District of Columbia, or to ship from any State, Territory, or the District of Columbia to any other State, Territory, or the District of Columbia, or to a foreign country, a barrel containing fruit or vegetables, or any other dry commodity, of less capacity than the standard barrel defined in the first section of this act.

And so forth.

Mr. MAPES. I will say to the gentleman it has been my understanding that this was the national law. The language is supposed to be the same as contained in the national act.

Mr. BLANTON. Will the gentleman from Massachusetts yield?

Mr. WALSH. Certainly.

Mr. BLANTON. What is meant by the term "and other dry commodities?"

Mr. WALSH. In this act it means grapes, and so forth.

Mr. BLANTON. Is it confined to fruits and vegetables?

Mr. WALSH. And products that are sold in baskets or barrels and containers.

Mr. BLANTON. The gentleman from South Carolina suggested a moment ago that it might be broad enough to embrace the CONGRESSIONAL RECORD.

Mr. MANN of Illinois. Well, if it was put up in barrels.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. WALSH].

Mr. GARRETT. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Michigan [Mr. MAPES] a question. Do these standards fixed here harmonize throughout with the Federal laws for the country generally, in so far as Federal laws have been passed?

Mr. MAPES. In so far as Federal laws have been passed they do. There are quite a number of cases where the Federal Government has not covered the subject. In those cases the provisions of this bill follow some of the State laws and are recommended by the Department of Agriculture and the Bureau of Standards.

Mr. GARRETT. Well, now, I had in mind, for instance, this specific situation: In my section of the country the sweet potato industry has in recent years become a very extensive one. There is a fixed size for the hampers in which potatoes are shipped.

Mr. MAPES. Which paragraph is the gentleman referring to?

Mr. GARRETT. Really I am just speaking generally of this act. The potatoes are shipped from the market there in hampers of a certain size. I do not know whether there is a Federal statute fixing the size of those hampers or not. I know that under a Federal law the quantity contained in the hamper has to be stamped upon it. I know that the hamper is supposed to contain a certain number of pounds. As I started to say, the custom is to ship these in the hampers, and those hampers, of course, go from the jobber in the city to which they are shipped to the retailer. Now, the question is, if you fix the size of a container here in which they may be sold in the District of Columbia and that does not happen to harmonize with the hamper in which they are shipped from the place of production, it seems to me it would bring about a great deal of inconvenience.

Mr. MAPES. There is a separate paragraph here that applies to potatoes, I will say to the gentleman, and requires that if they are sold in sacks the sacks shall contain 60 or 90 pounds.

Mr. GARRETT. Well, in the particular section with which I am familiar the potatoes are sold in hampers and are not shipped in sacks. I am speaking of the sweet potato.

Mr. MAPES. I do not see the language to which I was referring, but it is here somewhere.

Mr. GARRETT. You have a provision here, on page 15, as follows:

The standard hampers for fruits and vegetables shall be the 1-peck hamper, one-half bushel hamper, 1-bushel hamper, and 1½-bushel hamper.

I assume that would apply to potatoes. I do not know that any potatoes are shipped from my section to the District of Columbia, but I am saying this to illustrate the point.

Mr. MAPES. The purpose of that is not to cover commodities that come from other States, but that are sold and measured here in the District, and it aims to do away with a lot of the small and different shaped containers that are now used.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GARRETT. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MAPES. This exhibit, to which I have referred before and which was taken by the Department of Agriculture, contains the pictures of a lot of different containers, of varying sizes and construction. The purpose of this section is to do away with those and to establish a standard one-half bushel, 1-bushel, and 1½-bushel measure.

Mr. GARRETT. Well, I do not know whether I made myself clear or not. The point is this: I know that in the case of sweet potatoes they are shipped in hampers. They look something like the photographs on the sheet the gentleman has. Under the Federal law the content must be stamped upon the hamper.

Mr. MANN of Illinois. That is under the pure-food law.

Mr. GARRETT. Well, perhaps it is. Now, those hampers are worth this year 20 cents. That is what the basket or hamper costs. Now, they are shipped in that size. If you fix a different size here in the District of Columbia, then those hampers are worthless when they come here. If they are different, if the retail man can not take the hampers in which they come and sell the potatoes from those hampers, but must change them to another, there is a loss of 20 cents on every hamper.

Mr. MADDEN. Will the gentleman yield?

Mr. MAPES. I think that it is one of the objects of the bill to do away with the different sized hampers.

Mr. MADDEN. The thing that occurs to me in connection with this whole business is this: The gentleman from Michigan says it is not necessary to ship them in any particular kind of a carton or hamper into the District, but the bill requires the man who sells them in the District, after they get into the District, to put them into one of these hampers, and, of course, that adds to the cost. He can not sell them without putting them into the hamper prescribed. Of course, it amounts to an outrage to do this.

Mr. GARRETT. I will say to the gentleman that when I was at home recently sweet potatoes were in the local markets at that time, and the potatoes were selling for 50 cents, and the hampers were worth 20 cents, although the potatoes are worth two or three dollars a bushel here now.

Mr. MAPES. What is the capacity of that hamper?

Mr. GARRETT. It is not quite a half bushel. It is of a fixed size, and the content of the hamper must be stamped on the hamper before it is shipped. I do not know that any sweet potatoes are shipped from my section into the District of Columbia, but I know they are shipped to the East, particularly to Boston, and so on. I hope you are not bringing about a situation here that will destroy the value of the hamper, because the hamper is worth nearly half as much right now as potatoes.

Mr. MAPES. What we are trying to do here——

Mr. MADDEN. Is to make two hampers instead of one——

Mr. MAPES. Is not to get an additional hamper. The gentleman from Illinois [Mr. MADDEN] is mistaken about that. What we are trying to do is to assure the customer here, when he buys a bushel of potatoes, that he will get what he pays for—that those potatoes will be measured by a standard bushel basket and not by a hamper such as the gentleman from Tennessee [Mr. GARRETT] or the gentleman from Illinois [Mr. MADDEN] has in mind.

Mr. GARRETT. Let me say to the gentleman that the content of the hamper which is shipped in interstate commerce is marked plainly on it now, under the Federal law, the pure-food law. So long as it is in the original package the content would be known to the customer, because he could look at the top and see.

Mr. MCLAUGHLIN of Michigan rose.

Mr. MADDEN. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Michigan [Mr. MCLAUGHLIN] is recognized.

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, it seems to me the trouble the gentleman from Tennessee [Mr. GARRETT] speaks of will arise under this bill. The law cited by the gentleman from Massachusetts [Mr. WALSH] is a law passed some years ago fixing the standard measure of several different kinds of containers. As far as that law goes, and only as to containers named in that law, has the size and capacity of containers been fixed by Federal law, and they have been quite generally, or perhaps universally, accepted and adopted. They have, I think, been adopted by the laws of most of the States. But there are a number of measures, a number of kinds of containers, that are not mentioned in the law referred to by the gentleman from Massachusetts [Mr. WALSH]; their size and capacity have not been fixed by that statute. If the bill we have before us deals with none other than those that are dealt with in the law now in force, or deals with none other than those that are in universal use throughout the country, no trouble will arise. But it seems to me that this bill does deal with a lot of containers the capacity of which, the size and shape of which, have not been determined by Federal law nor have they been accepted by all the States. And shipments of products into the District of Columbia coming from a State in containers contrary to this bill, although of size

and style and capacity approved by the laws of that State, can not be sold or exposed for sale here in the containers in which they arrive.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. MAPES. Would the gentleman wait until every State in the Union had passed a law before protecting the inhabitants of the District of Columbia?

Mr. McLAUGHLIN of Michigan. Oh, I believe in universal standards in these matters, but I doubt if this bill as now before us is altogether a protection to the people of the District of Columbia.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Suppose from the State of Tennessee comes a container with so many pounds of sweet potatoes in it, the container being plainly marked, the capacity, size, and form of the container being legal and proper as fixed by law by the State of Tennessee and as used there ,a legal container; a shipment of potatoes in such a container is made to the city of Washington, with the number of pounds plainly marked. If such container differs in any respect from the containers described in this bill, those sweet potatoes in the container could not be exposed for sale in the city of Washington, although the number of pounds is clearly marked on the container. There is no way by which the purchaser could be deceived. If this bill becomes law, those potatoes must be taken from the container coming from the State of Tennessee and put in one of the containers described in this bill. Unless the containers are of the style, size, and capacity already fixed by Federal law, and therefore accepted and universally in use throughout the country, it seems to me we are treading on dangerous ground in enacting this law. I feel it will be imposing a burden not only upon those who produce the products in other States, upon those who ship them to the District of Columbia, but also upon the merchants here. In the end the trouble and expense will fall upon the consumers, the people of the District. It is intended by this bill to protect them from fraud and expense, but I fear instead we are imposing trouble and expense upon them.

Mr. MADDEN. Mr. Chairman, I move to strike out the section.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. What became of the amendment offered by the gentleman from Massachusetts [Mr. WALSH]? Is not that to be voted on now?

The CHAIRMAN. The amendment of the gentleman from Massachusetts is pending.

Mr. BANKHEAD. I think we ought to have a vote on that amendment.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] now moves to strike out the section. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Beginning on page 12 strike out all of section 15.

Mr. MADDEN. Mr. Chairman, I simply wish to call the attention of the committee to my interpretation——

The CHAIRMAN. The vote will first come on the amendment offered by the gentleman from Massachusetts.

Mr. MADDEN. Does the Chair rule that I can not debate this now?

The CHAIRMAN. The gentleman may debate it.

Mr. MADDEN. My interpretation of the section that I move to strike out is that if I were a truck gardener raising potatoes or any vegetables or fruits outside the District of Columbia, and came here with a wagonload loose, and came down here to the market, I could not sell them to consumers in the District of Columbia without putting them into one of the containers provided in this bill. Now, of course, that means an additional expense to the purchaser, and instead of surrounding the people of the District of Columbia with safeguards against those who seek to impose upon them you are giving all kinds of monopolies the right to impose upon the people. So I say that this section of the bill, instead of doing what it purports to do, does exactly the reverse of that. Why, a man might ship a carload of potatoes from Illinois or Michigan, for example, from the State where the distinguished chairman of this committee [Mr. MAPES] lives, and that is one of the great potato States of the Union. One of the gentleman's constituents might have worked hard all summer to raise these potatoes with a view to placing them on the market in the District of Columbia, thereby giving the people who bask in the sunshine of the Capital something to eat which they could not otherwise obtain, and they would not be permitted to buy these potatoes, the best in the world, coming from Michigan, raised in the sands along the shores of Lake Michigan, flavored by the breezes blown across the lake. So the Michigan farmer who has gone to all the trouble of raising these potatoes and bringing them all the way to the District of Columbia finds himself handicapped by one of his own Representatives here, the gentleman from Michigan [Mr. MAPES], chairman of this great Committee on the District of Columbia, preventing him from selling potatoes which he went to so much trouble and expense to raise, unless they are willing to pay for an additional container.

Mr. BLANTON. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. BLANTON. That is no worse than the condition with regard to flour. On the top of page 18 of this bill it provides that a barrel of flour shall be 196 pounds in the District of Columbia.

Mr. MADDEN. That is less than it is to be anywhere else.

Mr. BLANTON. Under the bill which we passed this very morning, everywhere in the United States flour must be sold in amounts of 100 pounds or 200 pounds. You can not sell 196 pounds of flour elsewhere, as you can in the District of Columbia.

Mr. MADDEN. Now, we come to the question whether the people of the District of Columbia are considered residents of the United States, whether as residents of the United States they are entitled to any protection from the Congress of the United States, and whether the people of Michigan, the greatest potato raisers in all the world, are to be mulcted out of the profits that they otherwise might be able to make, by being compelled to buy containers before they can sell the potatoes which they bring into this territory.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOODS of Virginia. Mr. Chairman, I hope the amendment offered by the gentleman from Massachusetts [Mr. WALSH] will not prevail. I appreciate his purpose in offering it, because it is simply a reenactment of the existing law as to the standard fruit and vegetable barrel; but the committee acted advisedly in this matter, knowing that they were reenacting the existing law, because they wanted to have a comprehensive statute fixing these standards, so that the inspectors and those who have to do with the enforcement of this law would have the entire law before them in one act. That was the reason for it. I do not think it is a matter of great importance.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. WOODS of Virginia. I yield to the gentleman from Illinois.

Mr. MANN of Illinois. The language of the law and the bill are the same as to this particular proposition; but the gentleman knows that it is necessary to have somebody with authority to fix tolerances as to the sizes of barrels, I take it. Now, the law applicable everywhere else and also applicable in the District of Columbia now provides that these tolerances and variations shall be fixed by the Bureau of Standards under the Department of Commerce, while this bill proposes to authorize the District Commissioners to fix the tolerances. Does my friend from Virginia think it is desirable for Congress to provide a standard of weights and measures which shall be in force everywhere in the United States except in the place where Congress has plenary power—in the District of Columbia?

Mr. WOODS of Virginia. I will say to the gentleman that I think the officers enforcing the law in the District of Columbia ought to have authority to regulate tolerances as well, because the whole statute comes before that inspector, and he can enforce the entire law.

Mr. MANN of Illinois. Of course, then that makes the law applicable outside of the District vary from the law inside of the District.

Mr. WOODS of Virginia. Vary slightly, but it does not vary except as to the manner of its execution, and as to that I think we ought to have the whole law before the inspector without requiring his resort to a general statute.

Mr. MANN of Illinois. Mr. Chairman, in the first place, I am very much in sympathy with the purpose of this bill. I think it is highly desirable as far as possible that the law should be codified and made uniform and explicit, so that people who sell commodities may know that they are within the law and people who buy may know the amount that they are getting.

But here is a proposition offered by the amendment proposed by the gentleman from Massachusetts. We have a national law, only recently passed, fixing the standard size of barrels for fruits, vegetables, and other dry commodities other than cranberries. That is the act approved March 4, 1915, not so very long ago. Now, as to the size of barrels, it was the purpose of the committee to have this act simply copy the present law. I can sympathize with the view they had in mind to have a whole law before the inspectors in one act, although it is quite as easy

to print a copy of the national law as it would be to insert this section in this bill. But here is the difficulty. You have got to have some provision for variations or tolerances when you fix the size of packages. The present national law provides that a reasonable variation shall be permitted and tolerances shall be established by rules and regulations made by the Director of the Bureau of Standards and approved by the Secretary of Commerce. Under that law they have fixed tolerances and reasonable variations that shall be allowed. This bill proposes that the District Commissioners shall fix the tolerances. It may be that they will fix the tolerances and variations the same as they have been fixed by the Director of the Bureau of Standards and the Department of Commerce, but they are not required to. Suppose they do not. Then we would be put in the anomalous position that the Congress of the United States, having exclusive jurisdiction of legislation in the District of Columbia, have provided a general law applicable outside of the District, where it is doubtful if we ought to exercise the power, fixing standards on one basis, and then inside the District standards of a different basis. It is unthinkable to me that a sensible body should establish such legislation. There is no harm in leaving this provision out of the bill, which is in the law now.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GARRETT. I ask that the gentleman from Illinois have two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARRETT. I should like to ask the gentleman while he is on the floor for his opinion as to the effect of this legislation on the containers in which products are shipped, where they do not happen to conform to the size laid down in this bill for the District.

Mr. MANN of Illinois. In the first place, as a matter of practice, unless I am mistaken, all of these things are taken out of the containers where they are shipped from outside into the city.

But I do not think there is any difficulty in people complying with the requirements as provided here. If, for instance, they ship sweet potatoes from the gentleman's district, they undoubtedly have hampers of a certain size, or various sizes——

Mr. GARRETT. It is a standard size.

Mr. MANN of Illinois. The standard size recognized in the East is based on the bushel basket.

Mr. GARRETT. I think these hampers are 30-pound hampers.

Mr. MANN of Illinois. I think the standard is usually based in the East on the bushel. But I do not think there is any difficulty even if the dealers have to get a few new hampers.

Mr. GARRETT. I suppose they could be retained in these hampers even if the hampers did not conform to the hampers provided here, and they could be sold from those hampers by weight or numerical count. I assume that to be true from the language on page 16, but I doubt whether they could be sold in the hampers themselves unless they happen to conform to the standards in the bill.

Mr. MANN of Illinois. There is no possible way of fixing the standard sizes for anything——

Mr. GARRETT. Without tolerances.

Mr. MANN of Illinois. Without cutting out some things in existence. Of course, it would be a desirable thing to get the same standards if possible all over the country.

Mr. MADDEN. Mr. Chairman, it is manifest that there is no quorum present, and that this bill can not be finished to-night. I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Illinois makes the point of order that there is no quorum present.

Mr. MAPES. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 8067) to establish standard weights and measures for the District of Columbia, to define the duties of the superintendent of weights, measures, and markets of the District of Columbia, and for other purposes, and had come to no resolution thereon.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 1300. An act to authorize the sale of certain lands at or near Minidoka, Idaho, for railroad purposes.

LEAVES OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. MCKEOWN, indefinitely, on account of illness (at the request of Mr. HASTINGS).

To Mr. HOCH, on account of illness (at the request of Mr. TINCHER).

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 9, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a tentative draft of a bill to provide additional hospital and out-patient dispensary facilities for all discharged, sick, and disabled soldiers, sailors, marines, Army and Navy nurses (male and female), and for other purposes, together with statement of the needs of the enactment of such legislation by the Surgeon General of the Public Health Service (H. Doc. No. 481); to the Committee on Public Buildings and Grounds and ordered to be printed.

2. A letter from the chairman of the National Advisory Committee for Aeronautics, transmitting the fifth annual report of the National Advisory Committee for Aeronautics, including statement of its expenditures for the fiscal year 1919 (S. Doc. No. 166); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of communication from the Acting Secretary of Commerce, reporting claim of Metropolitan Coal Co. for damage to wharf on April 10, 1917 (H. Doc. No. 482); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation for 30 additional money counters for the office of the Comptroller of the Currency (H. Doc. No. 483); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Patent Office for the fiscal year 1920 (H. Doc. No. 484); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of the Treasury, transmitting detailed statement of all receipts and expenditures under the war-risk insurance act during the fiscal year 1919 (H. Doc. No. 485); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

7. A letter from the Attorney General, transmitting his annual report to Congress (H. Doc. No. 412); to the Committee on the Judiciary and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GRIGSBY, from the Committee on the Territories, to which was referred the bill (H. R. 10746) to authorize the incorporated town of Wrangell, Alaska, to issue bonds for the construction, enlargement, and equipment of schools, the acquisition and construction of a water-supply system, the construction of a sewer system, the construction of a city dock and a floating dock, and to levy and collect a special tax therefor, reported the same with amendments, accompanied by a report (No. 480), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 2796) granting an increase of pension to Elijah Parrish; Committee on Pensions discharged and referred to the Committee on Invalid Pensions.

A bill (H. R. 6928) granting a pension to Agnes Eugenia Dinsmoor; Committee on Pensions discharged and referred to the Committee on Invalid Pensions.

A bill (H. R. 7692) granting a pension to Elizabeth Cravens; Committee on Pensions discharged and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. QUIN: A bill (H. R. 10959) for the enlargement of the Federal building and site at Natchez, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. ANTHONY: A bill (H. R. 10960) to limit the size of newspapers and periodicals entitled to the privileges of the second-class mail rate; to the Committee on the Post Office and Post Roads.

By Mr. KING: A bill (H. R. 10961) granting pensions to certain soldiers and sailors of the Civil War; to the Committee on Invalid Pensions.

By Mr. GANDY: A bill (H. R. 10962) to authorize the sale of Indian Reservation and Agency buildings and lands not longer needed for administrative purposes; to the Committee on Indian Affairs.

By Mr. DOMINICK: A bill (H. R. 10963) granting the consent of Congress for the construction of a bridge across the Savannah River at or near Haileys Ferry, and between the counties of Anderson, S. C., and Hart, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYDEN: A bill (H. R. 10964) to amend the Federal aid road act approved July 11, 1916; to the Committee on Roads.

By Mr. HICKEY: A bill (H. R. 10965) to amend section 8 of the act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors and for regulating traffic therein, and for other purposes," approved June 30, 1906; to the Committee on Interstate and Foreign Commerce.

By Mr. CALDWELL: A bill (H. R. 10966) authorizing the Secretary of War to donate to the Ridgewood Memorial Committee, of Ridgewood, Long Island, N. Y., three German cannon or fieldpieces; to the Committee on Military Affairs.

By Mr. MINAHAN of New Jersey: A bill (H. R. 10967) to provide for an examination and survey of Newark Bay, the Passaic and Hackensack Rivers, in the State of New Jersey; to the Committee on Rivers and Harbors.

By Mr. HARDY of Colorado: A bill (H. R. 10968) providing for the disposition of the present site and the acquisition of a new site and the erection of a public building thereon at Canon City, Colo.; to the Committee on Public Buildings and Grounds.

By Mr. PLATT: A bill (H. R. 10969) for the reduction of the weight of subsidiary silver coinage; to the Committee on Coinage, Weights, and Measures.

By Mr. STEENERSON: A bill (H. R. 10970) to authorize the acquisition of a site and the erection of a Federal building at Detroit, Minn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10971) to authorize the acquisition of a site and the erection of a Federal building at Thief River Falls, Minn.; to the Committee on Public Buildings and Grounds.

By Mr. CRAMTON: A bill (H. R. 10972) to require and empower boards of examining surgeons under the Commissioner of Pensions to make examinations for the Bureau of War Risk Insurance and the Federal Board for Vocational Education; to the Committee on Interstate and Foreign Commerce.

By Mr. WILLIAMS: Resolution (H. Res. 413) to allow the chairman of the Committee on Expenditures in the Department of Commerce to appoint a clerk to said committee; to the Committee on Accounts.

By Mr. LAYTON: Joint resolution (H. J. Res. 257) authorizing the Secretary of War to dispose of surplus Army and medical supplies; to the Committee on Military Affairs.

By the SPEAKER: Memorial from the Nobel Committee of the Norwegian Parliament respecting the proposal of candidates for the Nobel Peace Prize to be distributed December 10, 1920; to the Committee on Foreign Affairs.

By Mr. BRAND: Memorial from the Legislature of the State of Georgia to cede military reservation to the State of Georgia; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10973) granting an increase of pension to L. W. Severus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10974) granting an increase of pension to Samuel Gilbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10975) granting an increase of pension to Samuel J. White; to the Committee on Invalid Pensions.

By Mr. BLAND of Missouri: A bill (H. R. 10976) granting a pension to Rose A. Woods; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 10977) granting a pension to Ann Van Fleet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10978) granting a pension to Rebecca E. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10979) granting an increase of pension to James F. Jones; to the Committee on Invalid Pensions.

By Mr. CRAMTON: A bill (H. R. 10980) granting a pension to Harriett A. Lake; to the Committee on Invalid Pensions.

By Mr. DUNBAR: A bill (H. R. 10981) granting an increase of pension to Thomas W. Sample; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 10982) granting a pension to Leonidas Duncan; to the Committee on Pensions.

By Mr. IRELAND: A bill (H. R. 10983) granting an increase of pension to Murray A. Ringland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10984) for the relief of Ira M. Buckingham; to the Committee on Claims.

By Mr. JOHNSTON of New York: A bill (H. R. 10985) for the relief of Mrs. George E. Ruppert; to the Committee on Claims.

By Mr. KEARNS: A bill (H. R. 10986) granting an increase of pension to John B. Gillaspie; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 10987) granting an increase of pension to James D. Lafferty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10988) granting a pension to Martha I. Sexton; to the Committee on Invalid Pensions.

By Mr. MacCRATE: A bill (H. R. 10989) for the relief of the owner of a drill boat known as drill boat *No. 3* and a dredge known as dredge *No. 9*; to the Committee on Claims.

By Mr. MAPES: A bill (H. R. 10990) granting an increase of pension to Ida L. Crandell; to the Committee on Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 10991) granting a pension to John W. Mercer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10992) granting a pension to Seymour J. Hathaway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10993) granting a pension to Samuel H. Neese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10994) granting a pension to Julia Knox; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 10995) granting a pension to Joseph Doyle; to the Committee on Pensions.

By Mr. RHODES: A bill (H. R. 10996) granting a pension to Sarah A. Atchison; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 10997) granting an increase of pension to Jonathan Wolfe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10998) granting an increase of pension to Gustav Hamberger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10999) granting an increase of pension to Nicholas Scholl; to the Committee on Invalid Pensions.

By Mr. SCHALL: A bill (H. R. 11000) granting an increase of pension to William H. Hanson; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 11001) granting an increase of pension to John Bennett; to the Committee on Pensions.

Also, a bill (H. R. 11002) granting an increase of pension to Samuel Frazier; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 11003) granting a pension to Jack Hurley; to the Committee on Pensions.

Also, a bill (H. R. 11004) to grant certain lands to the village of Downey, State of Idaho, for the protection of its water supply; to the Committee on the Public Lands.

By Mr. SHREVE: A bill (H. R. 11005) granting a pension to Bridget E. Reid; to the Committee on Pensions.

Also, a bill (H. R. 11006) granting a pension to Augustus O. Hartel; to the Committee on Pensions.

By Mr. TILLMAN: A bill (H. R. 11007) granting a pension to Mary M. Newman; to the Committee on Pensions.

By Mr. TREADWAY: A bill (H. R. 11008) granting a pension to Edwin E. Warren; to the Committee on Invalid Pensions.

By Mr. WILSON of Louisiana: A bill (H. R. 11009) granting an increase of pension to George Wallace Paul; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

136. By the SPEAKER (by request): Petition of First National Labor Party Convention and other citizens, regarding the rights of citizens to strike; to the Committee on the Judiciary.

137. Also, petition of department executive committee of the District of Columbia department of the American Legion, condemning speech uttered by Victor L. Berger; to the Committee on the Judiciary.

138. Also, petition of employees of the United States Railroad Administration, Pullman car lines, East St. Louis, Mo., and Brotherhood of Railway Conductors of American, Local 605, opposing Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

139. Also, petition of the American Mining Congress, Washington, D. C., urging protection for the United States citizens in foreign countries; to the Committee on Foreign Affairs.

140. Also, petition of national convention, Patriotic Order Sons of America, held in Jacksonville, Fla., presenting resolutions on the high cost of living and the Mexican situation; to the Committee on Interstate and Foreign Commerce.

141. Also, petition of sundry citizens of New York City, white and colored, urging that the death sentence imposed on 11 negroes in Arkansas be stayed; to the Committee on the Judiciary.

142. Also, petition of Church of Christ (Disciple), urging the granting of full American citizenship to all American Indians; to the Committee on the Judiciary.

143. Also, petition of Military Order of the Loyal Legion of the United States, District of Columbia, urging passage of the Raker and Townsend bills; to the Committee on Military Affairs.

144. By Mr. CLARK of Florida: Petition of United Daughters of the Confederacy, seeking ratification of league of nations and treaty of peace; to the Committee on Foreign Affairs.

145. By Mr. DARROW: Petition of National Camp, Patriotic Order Sons of America, in behalf of strictest economy by all branches of the Government and demobilization of national troops detained in camps; to the Committee on Military Affairs.

146. Also, petition of National Camp, Patriotic Order Sons of America, regarding Mexican situation; to the Committee on Foreign Affairs.

147. By Mr. ESCH: Petition of National Camp, Patriotic Order Sons of America, regarding Mexican situation; to the Committee on Foreign Affairs.

148. Also, petition of National Camp, Patriotic Order Sons of America, regarding the high cost of living; to the Committee on Military Affairs.

149. Also, petition of Turlock Board of Trade, of Turlock, Calif., regarding Japanese immigration; to the Committee on Immigration and Naturalization.

150. Also, petition of Wisconsin Women's Temperance Union, urging passage of H. R. 8063; to the Committee on Foreign Affairs.

151. Also, petition of sundry citizens of Reedsburg, Wis., commending Congress for rejecting the league of nations; to the Committee on Foreign Affairs.

152. Also, petition of Elroy Lodge, No. 473, Brotherhood of Railway Conductors of America, opposing Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

153. Also, petition of American Public Health Association, regarding Public Health salaries; to the Committee on Interstate and Foreign Commerce.

154. By Mr. FULLER of Illinois: Petition of Paris Lodge, No. 812, Benevolent and Protective Order of Elks, concerning deportation of undesirable aliens; to the Committee on Foreign Affairs.

155. Also, petition of L. C. West, of Chicago, and G. W. Carlson, of Waukegan, Ill., favoring H. R. 4987; to the Committee on Military Affairs.

156. Also, petition of George Washington Brown, president of the Maimed Soldiers' League, favoring greater increase in pensions to maimed soldiers of the Civil War; to the Committee on Invalid Pensions.

157. Also, petition of Farragut Post, No. 25, Nebraska; Morton Post, No. 1, Indiana; General Lander Post, No. 5, Massachusetts, Grand Army of the Republic, all favoring Fuller pension bill; to the Committee on Invalid Pensions.

158. By Mr. HUTCHINSON: Resolution adopted by the National Camp, Patriotic Order Sons of America, urging the employment of the full force of the United States, if necessary, for the protection of American citizens and property from the intolerable outrages being perpetrated by the Mexicans; to the Committee on Foreign Affairs.

159. Also, resolution adopted by the National Camp, Patriotic Order Sons of America, urging the strictest economy in all branches of the Government, the demobilization of all emergency troops, and the revoking of all war powers over business and prices as a remedy for the high cost of living; to the Committee on Interstate and Foreign Commerce.

160. By Mr. LINTHICUM: Petition of Headquarters Post, No. 8, American Legion, of Baltimore, Md., demanding deportation of alien reds; to the Committee on the Judiciary.

161. Also, petition of sundry citizens of Maryland, favoring additional bonus of $360 to each soldier and sailor who served in the recent war; to the Committee on Military Affairs.

162. Also, petition of R. J. White, of Baltimore, Md., opposing any bill for universal military training; to the Committee on Military Affairs.

163. Also, petition of Baltimore Yearly Meeting of Friends (Orthodox), opposing universal military training; to the Committee on Military Affairs.

164. Also, petition of E. E. Jackson Lumber Co., of Baltimore, Md., regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

165. Also, petition of James Edgar Potts Post, No. 2, American Legion, favoring immediate deportation of alien reds; to the Committee on the Judiciary.

166. Also, petition of C. W. Braun, of Baltimore, Md., favoring bonus for soldiers; to the Committee on Military Affairs.

167. Also, petition of J. W. Downs, of Baltimore, Md., favoring universal military training; to the Committee on Military Affairs.

168. By Mr. MOORE of Pennsylvania: Petition of National Camp, Patriotic Order Sons of America, urging that steps be taken to reduce the high cost of living; to the Committee on Interstate and Foreign Commerce.

169. Also, petition of National Camp, Patriotic Order Sons of America, regarding Mexican situation; to the Committee on Foreign Affairs.

170. By Mr. MORIN: Petition of the National Camp, Patriotic Order Sons of America, urging, in view of the number of Americans killed, captured, and held for ransom in Mexico, that the Government employ its full force, if necessary, for the protection of the persons and property of American citizens wherever they may be, even though the result be war; to the Committee on Foreign Affairs.

171. Also, petition of the National Camp of the Patriotic Order Sons of America, urging immediate steps be taken for the reduction of the high cost of living and every effort made to restore business and industry to its prewar status; to the Committee on Interstate and Foreign Commerce.

172. By Mr. SCHALL: Petition of American Legion Post, No. 260, of Monticello, Minn., demanding legislation to rid the country of Industrial Workers of the World; to the Committee on the Judiciary.

173. Also, petition of North Branch and Monticello (Minn.) Posts of the American Legion demanding legislation to rid the country of Industrial Workers of the World; to the Committee on the Judiciary.

174. By Mr. SMITH of Idaho: Petition of Commercial Club, of Blackfoot, Idaho, urging completion of the Fort Hall irrigation project; to the Committee on Indian Affairs.

175. Also, petition of American Legion of St. Anthony, Idaho, for legislation providing for homes for soldiers, sailors, and marines; to the Committee on the Public Lands.

176. Also, petition of American Legion of St. Anthony, Idaho, for legislation providing for payment of war-risk insurance in lump sum; to the Committee on Interstate and Foreign Commerce.

177. Also, petition of American Legion of St. Anthony, Idaho, for legislation providing for deportation of disloyal aliens; to the Committee on Immigration and Naturalization.

178. Also, memorial of Brotherhood of Locomotive Engineers, of Glenns Ferry, Idaho, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

179. By Mr. WATSON of Pennsylvania: Petition of National Convention, Patriotic Order Sons of America, relative to the high cost of living; to the Committee on Military Affairs.

180. Also, petition of National Convention, Patriotic Order Sons of America, relative to the Mexican situation; to the Committee on Foreign Affairs.

SENATE.

TUESDAY, *December 9, 1919.*

(Legislative day of Monday, December 8, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

WILLIAM P. DILLINGHAM, a Senator from the State of Vermont, appeared in his seat to-day.

RAILROAD CONTROL.

The Senate resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. CUMMINS. Mr. President, on further reflection I have concluded that so far as I am concerned I am quite willing that the motion of the Senator from Wisconsin [Mr. LENROOT] shall prevail, and I am very glad to have the bill returned to the Committee of the Whole.

The VICE PRESIDENT. The Chair does not believe that that can be done before the roll is called, as the yeas and nays were ordered on the question.

Mr. CUMMINS. The yeas and nays were not ordered on the motion.

The VICE PRESIDENT. The Chair understands that they were ordered on the question of referring the bill back to the Committee of the Whole.

Mr. JONES of Washington. I ask unanimous consent to vacate that order.

The VICE PRESIDENT. Without objection, it is vacated, and the bill is back in Committee of the Whole.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Elkins	Lodge	Sheppard
Brandegee	Fernald	McNary	Sherman
Culberson	Hale	Moses	Smoot
Cummins	Jones, Wash.	Myers	Spencer
Dial	Keyes	Page	Thomas
Edge	Knox	Phipps	Wadsworth

Mr. SMOOT. The senior Senator from Indiana [Mr. WATSON], the junior Senator from Indiana [Mr. NEW], and the senior Senator from Kansas [Mr. CURTIS] are detained from the Senate on official business.

The VICE PRESIDENT. Twenty-four Senators have answered the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. BECKHAM, Mr. CAPPER, Mr. CHAMBERLAIN, Mr. COLT, Mr. FRELINGHUYSEN, Mr. JOHNSON of South Dakota, Mr. KELLOGG, Mr. LENROOT, Mr. MCKELLAR, Mr. NELSON, Mr. NORRIS, Mr. OVERMAN, Mr. STERLING, Mr. SWANSON, Mr. TRAMMELL, Mr. UNDERWOOD, and Mr. WILLIAMS answered to their names when called.

Mr. GAY entered the Chamber and answered to his name.

Mr. MYERS. The Senator from Delaware [Mr. WOLCOTT] is detained from the Senate on official business.

Mr. SHEPPARD. The Senator from Arizona [Mr. ASHURST], the Senator from Nebraska [Mr. HITCHCOCK], the Senator from North Carolina [Mr. SIMMONS], and the Senator from Kentucky [Mr. STANLEY] are absent on official business.

Mr. UNDERWOOD. I wish to announce that my colleague, the senior Senator from Alabama [Mr. BANKHEAD], is detained on official business.

Mr. WALSH of Montana. I desire to announce that the Senator from Nevada [Mr. PITTMAN] is detained from the Senate on account of the illness of his brother.

Mr. GAY. I wish to announce that the senior Senator from Louisiana [Mr. RANSDELL] is necessarily absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Forty-two Senators have answered to the roll call. There is not a quorum present.

Mr. SMOOT. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will carry out the instructions of the Senate.

Mr. MCCORMICK, Mr. WALSH of Montana, Mr. KING, Mr. KIRBY, Mr. POMERENE, Mr. LA FOLLETTE, Mr. WATSON, Mr. CURTIS, Mr. NUGENT, Mr. SUTHERLAND, Mr. HARRISON, and Mr. STANLEY entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty-four Senators have answered to the roll call. There is a quorum present.

ANNUAL REPORT OF THE ATTORNEY GENERAL.

The VICE PRESIDENT laid before the Senate the annual report of the Attorney General of the United States for the year 1919, which was referred to the Committee on the Judiciary.

PETITIONS AND MEMORIALS.

Mr. DIAL. I have received from Dr. Watson, secretary of the war work commission of the Methodist Episcopal Church South, of Washington, D. C., resolutions concerning the treaty of peace and league of nations, which I ask to have printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

RESOLUTIONS CONCERNING THE TREATY OF PEACE AND LEAGUE OF NATIONS.

"We stand to-day little more than a year removed from the date of the armistice—November 11, 1918—that marked the beginning of the successful termination of the greatest war of world history. In this awful conflict of the nations our country bore a most honorable and heroic part. Our sons leaped to the colors with wonderful enthusiasm; our people everywhere consecrated their all to the high purposes for which America entered the war; our ministers offered themselves without regard to sacrifice that they might serve our sons in camp and field, minister to them in service, bury them when dead, mark their graves, and comfort the loved ones bereft. Many of our ministers and consecrated laymen gave themselves wholly to service as soldier pastors, Young Men's Christian Association secretaries, Red Cross and all manner of welfare and relief work; while our women, young and old, at home and in the field, gave themselves in an unparalleled service to ameliorate the horrible conditions of war.

"Many priceless lives were given to accomplish the great ends of truth and righteousness for which we fought. These willingly laid down their lives for a cause so high, noble, and Christlike. They sleep across the seas amid the flowers of Flanders, and their graves are kept with loving care by those who were delivered from destruction by their valor. Others no less glorious in their sacrifice fell victims to disease in the camps, on the seas, or beyond. We cherish the memory of all as hallowed, forever immortal, in the sacrifice they made for world freedom.

"The survivors have returned to us with victory upon their banners. We give them glad welcome, and forever cherishing the memory of their valor and devotion to justice and freedom winning the applause of the world, we join with our returned sons in the great reconstruction made possible by them.

"We may never know how much of the glorious victory of our armies was due to the cooperation of the church, but the power of this divine agency has been abundantly and gratefully acknowledged by the Christian men who led our Army to battle and to victory. While we may not yet have sufficient perspective to estimate the hand of God in it all, and the passing years may demonstrate more fully and clearly the divine hand and purpose, already those who have eyes to see the movements of spiritual forces must see clearly the hand of God in gracious protection and in the final decision of His will to bring a righteous peace to the earth. When we were in the midst of the conflict the church uttered her voice in no uncertain sound, and with the command of spiritual authority bade her sons go forth to battle in the strength of her Lord.

"We would here review some facts bearing upon the church as an instrument of God in bringing peace. The year 1918 opened with the world in terror lest the aims of Germany be accomplished, the struggle of the Allies lost, and high principles of freedom perish. January 8, 1918, President Wilson, animated by the same high principles that had guided him throughout the terrible conflict, gave out the now world-famous 14 points of peace. February 15 Germany resumed aggression against Russia. April 14, showing the desperate character of the situation, the allied armies of France and England called Gen. Foch to the command of both armies as general in chief. May 25 German U-boats sunk 19 coastwise vessels, and May 27–30 German armies overran Chemin des Dames, enveloped Soissons, reached the Marne at Chateau-Thierry, divided the French and English Armies, put the English Army to fighting with backs to a tottering wall, and occupying both sides of the Marne were shelling Paris with a long-distance gun, and the world was paralyzed with horror at the thought of the end.

"But the American soldiers were being landed in France in such numbers as to make the world marvel. At this moment of supreme crisis May 30 was fixed as a day of humiliation and prayer to God by order of Congress and presidential proclamation, and the noon hour of each day was soon thereafter fixed as an hour of prayer. June 1 American troops went into action.

June 6–12 the Second Division of the American Army, including the American Marines, bent back the German lines at Chateau-Thierry and started the retreat of the German hordes that was kept up without real break until driven within their own territory, and an armistice was sought by Germany. October 14 Germany made overtures of peace to President Wilson, but was positively informed by him that there could be no peace until Kaiserism was ended. October 19 Austria's offer of peace was rejected, but October 23 President Wilson, standing absolutely alone and against the advice of his Cabinet, of Congress, and of popular feeling, made reply to Austria's further overtures, standing upon the original 14 points, but referring the decision to the Allies. This resulted in peace with Austria, after which Germany was compelled to accept terms, and the armistice was signed November 11, 1918. Thus, clearly through the church, and through a man born in a manse, reared in the faith and true to its high principles, not only was peace made but the lives of multiplied thousands of our sons saved who otherwise must have been sacrificed before the strong fortifications of Metz could have been taken.

"We are not willing to believe as we study these providential facts marking the hand and will of God that our high ends and God's gracious purpose will have been accomplished in a mere temporary victory over our enemies. Our President, our sons, we all, we confidently believe, had enshrined in our hearts the great principles of universal justice learned at the altar of the church of Christ and in our Christian homes. For these high things we consecrated all and demonstrated that consecration in deeds of physical valor and moral heroism that will be the theme of song and story to the end of the ages. It remains now for this Christian Nation to erect to the memory of those who died and to the honor of those who came back to us from the gates of death a nobler monument than a passing shout or an arch of triumph. The world lies plastic to our hand. It must be made anew. For the first time in the history of the world the statesmen of Christian nations have been moved to look upon the world's needs, and have the opportunity to establish in it a new order patterned after the teachings of the Prince of Peace. The peace conference at Versailles, led by our great President and influenced by the splendid ideals to which he consecrated all his masterful powers at tremendous cost, brought forth a treaty that embodies in a league of nations the nearest approach to the ethics of the New Testament ever promulgated in the history of nations. It is the first attempt to apply to the world in political relations God's thought for the world. It sets forth the divine plan in organized political life that the strong protect the weak, and looks toward the expression of the world's conscience in the dealing of one nation with another. It is an application to practical international politics of the Sermon on the Mount and of the supreme principle enunciated by Jesus, 'Whosoever loveth his life shall lose it.'

"We covet for our Nation the supreme distinction of transmuting into international custom the high ideals of our gospel. While we would not be impatient with any reasonable delay on the part of those representatives of our Government who are charged with the difficult task of consideration of the treaty and who would and should give the closest scrutiny to this momentous document establishing a great spiritual venture, we are disappointed that agreement has not been reached and that the future of this great document now appears in hazard.

"Believing that delay in reaching such agreement as will permit the adoption of the treaty with the league of nations without resubmission to the allied powers in peace conference will not only prevent speedy reconstruction in our own country but will breed incalculable disaster at home and throughout the world; and

"Believing that failure on the part of the Senate of the United States to reach an agreement will seriously embarrass this country in international relations, in that this Nation would thus be left without any pact or agreement to cover business relations with Germany; would be called upon to deliver all interned German ships and alien property into the hand of the Allies without power to call for return of property of this country in German hands; that all claims for damages would be practically nullified without recourse to war again with Germany; that the United States would thereby be robbed of the right of participation or representation on the reparations commission; would have to submit any separate treaty negotiated to the other allied powers for ratifications, thus losing prestige and finally holding up the final readjustment of the war-torn world conditions, and possibly plunging the world again into war before the desired ends for which we fought are accomplished: Therefore

"*Resolved* (1), That we urge the Senate of the United States, as that great body reassembles December 1, to immediate consideration of the great document of the treaty and the league of nations in such spirit of statesmanship as shall make possible a harmonious conclusion in the adoption of the treaty with such reservations as will not in any way weaken the high purposes of that document or make necessary its withdrawal or its resubmission.

"*Resolved* (2), That should no conclusion have been reached prior to that time, Sunday, December 14, be set apart throughout this conference as a day of special prayer for divine guidance in leading our Senate to a conclusion in harmony with God's will and purpose, and that should no agreement be reached prior to that time effort be made to have all churches throughout our country on Christmas Day, December 25, and on the Sunday of Christmas week, December 28, make special prayer for divine guidance that such conclusion may be speedily reached as will accomplish the will of God in this crisis of the nations.

"*Resolved* (3), That we assure President Wilson of our great appreciation of the service he has rendered at such cost to himself in behalf of the world in striving to bring the ideals and principles of the word of God into international relations, and that we earnestly pray God's blessing upon him in speedy restoration to perfect health, that he may lead on to fullest realization of the holy purposes for which our country gave her best."

Mr. CAPPER presented a memorial of sundry citizens of Isabella, Okla., remonstrating against universal military training, which was referred to the Committee on Military Affairs.

He also presented a petition of Victor Post, No. 293, Grand Army of the Republic, Department of Kansas, of Fort Dodge, Kans., praying for the enactment of legislation granting increased pensions to veterans of the Civil War, which was referred to the Committee on Pensions.

He also presented a memorial of Lodge No. 569, Benevolent and Protective Order of Elks, of Iola, Kans., remonstrating against the spread of disloyalty in this country and pledging allegiance to the cause of law and order, which was referred to the Committee on Education and Labor.

Mr. KIRBY. I ask to have inserted in the RECORD resolutions adopted by Lodge No. 380, Benevolent and Protective Order of Elks, of Hot Springs, Ark., favoring the deportation of undesirable aliens.

There being no objection, the resolutions were referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

"BENEVOLENT AND PROTECTIVE ORDER OF ELKS, No. 380,
"*Hot Springs National Park, Ark.*

"*Be it resolved by Hot Springs Lodge, No. 380, of the Benevolent and Protective Order of Elks,* That we view with deep concern the spread of disloyalty and of seditious sentiment promulgated by syndicalists, I. W. W.'s, and the Bolsheviki.

"We believe that the time has arrived when Americans should assert themselves and drive from these shores all disloyal aliens and adequately punish those who betray their country by disloyal acts. We hereby call upon the United States Congress to immediately enact a law providing for the summary deportation of every alien in this country who is a member of the I. W. W. or any other organization of like teachings and tendencies;

"That the law should further provide for the immediate cancellation of the citizenship papers of any naturalized citizen who shall affiliate with any such organization, and for drastic punishment of all persons who belong to or uphold the doctrines of such organizations.

"We believe that no person should be permitted to issue or to circulate any writing or pamphlet which has for its apparent object the undermining of American institutions or the inciting of rebellion.

"We further demand that Congress forthwith appropriate sufficient money to carry forward properly and promptly the deportation of undesirable aliens; be it further

"*Resolved,* That the entire membership of this lodge does hereby tender its services to the United States Government for any assistance which the said Government may desire.

"It is ordered that a copy of these resolutions be forwarded to the Senators and Representatives from this State in Congress, and to the Tacoma Lodge, No. 174, Benevolent and Protective Order of Elks."

Mr. WARREN presented a petition of the Business Men's Association of Cody, Wyo., praying that an increased appropriation be made for the United States reclamation fund, which was referred to the Committee on Appropriations.

He also presented a petition of the Alfalfa Commercial Club of Washakie County, Wyo., praying for the enactment of legislation for the prevention of strikes in the future, which was referred to the Committee on Education and Labor.

DISTRICT WATER SUPPLY.

Mr. SHERMAN. I submit a report (No. 328) from the Committee on the District of Columbia relative to the investigation of the subject of an increase of water supply in the District of Columbia. It is on the bill (H. R. 1713) authorizing and directing the Secretary of War to appoint a commission to investigate and report upon the available sources of water supply for the District of Columbia.

The VICE PRESIDENT. The bill will be placed on the calendar.

HIGH COST OF LIVING IN THE DISTRICT OF COLUMBIA.

Mr. SHERMAN. I also submit a report (No. 328) from the Committee on the District of Columbia on the investigation of the high cost of living in the District, which began under a resolution of July 15 last. This report is presented on behalf of the committee, and if any member of the Committee on Printing is present I wish to ask that there be printed for the use of the Senate document room 2,000 additional copies of the report. There have been considerable requests from outside for copies of the report.

Mr. SMOOT entered the Chamber.

Mr. SHERMAN. The Senator from Utah [Mr. SMOOT] has just come into the Chamber, and I desire to repeat the request which I have made for the printing of 2,000 additional copies of the report made under the resolution for an investigation of the high cost of living in the District of Columbia. I repeat, there have been considerable requests for copies of the report, but I think the printing of 2,000 additional copies will answer all purposes.

Mr. SMOOT. I have no objection to that request, Mr. President.

The PRESIDING OFFICER (Mr. WALSH of Montana in the chair). Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

BILLS INTRODUCED.

By Mr. KNOX:

A bill (S. 3506) granting an increase of pension to Albert B. Lawrence (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 3507) to limit the size of newspapers and periodicals entitled to the privileges of the second-class mail rate; to the Committee on Post Offices and Post Roads.

By Mr. REED:

A bill (S. 3508) to purchase a site for a United States post-office building in the West Kansas Addition to the city of Kansas City, Mo.; to the Committee on Public Buildings and Grounds.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS.

Mr. FERNALD submitted the following resolution (S. Res. 253), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the resolution of the Senate, No. 97, agreed to July 1, 1919, authorizing the Committee on Public Buildings and Grounds of the Senate, or any subcommittee thereof, to send for persons, books, and papers and to report such hearings as may be had in connection with any subject which may be before said committee, or any subcommittee thereof, be, and the same is hereby, amended to empower said committee to sit and act at such time and place as it may deem necessary, the expenses of travel incident to the sessions of said committee, or any subcommittee thereof, to be paid from the contingent fund of the Senate.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. JONES of Washington. I send to the desk sundry amendments which I desire to offer to the pending bill and which I was preparing when the bill reached the point of passage yesterday afternoon. I ask that the amendments may be printed and lie on the table.

The PRESIDING OFFICER. The amendments will be printed and lie on the table.

Mr. LA FOLLETTE addressed the Senate. After having spoken for about two hours,

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. SMITH of South Carolina in the chair). Does the Senator from Wisconsin yield to the Senator from Colorado?

Mr. LA FOLLETTE. I yield.

Mr. THOMAS. The Senator has been speaking now for nearly two hours, and I think it might be some relief to him to suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Harrison	McCormick	Sherman
Brandegee	Hitchcock	McKellar	Smith, S. C.
Capper	Johnson, Calif.	McNary	Spencer
Chamberlain	Johnson, S. Dak.	Moses	Stanley
Cummins	Jones, Wash.	New	Sterling
Curtis	Kellogg	Norris	Sutherland
Dial	Keyes	Nugent	Thomas
Elkins	King	Overman	Trammell
Frelinghuysen	Knox	Owen	Wadsworth
Gay	La Follette	Phipps	Walsh, Mont.
Hale	Lenroot	Pomerene	Wolcott
Harding	Lodge	Sheppard	

Mr. WALSH of Montana. I desire to announce that the Senator from Nevada [Mr. PITTMAN] is absent on account of the serious illness of a near relative.

The PRESIDING OFFICER. Forty-seven Senators have answered to their names. There is not a quorum present. The Secretary will call the names of absentees.

The Secretary called the names of the absent Senators, and Mr. KIRBY, Mr. SMOOT, and Mr. WATSON answered to their names when called.

Mr. BANKHEAD, Mr. BORAH, Mr. FALL, Mr. FERNALD, and Mr. PAGE entered the Chamber and answered to their names.

Mr. BANKHEAD. I wish to announce that my colleague [Mr. UNDERWOOD] is detained from the Senate on committee work.

The PRESIDING OFFICER. Fifty-five Senators have answered to their names. A quorum is present.

Mr. LA FOLLETTE resumed his speech. After having spoken altogether for nearly four hours,

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CAPPER in the chair). The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	Lodge	Smith, S. C.
Bankhead	Harding	McKellar	Smoot
Beckham	Harrison	McNary	Sterling
Brandegee	Hitchcock	Moses	Thomas
Capper	Johnson, Calif.	Myers	Trammell
Chamberlain	Johnson, S. Dak.	New	Underwood
Cummins	Jones, Wash.	Norris	Wadsworth
Dial	Kellogg	Overman	Walsh, Mont.
Dillingham	Kenyon	Owen	Warren
Edge	Keyes	Page	Williams
Elkins	King	Phipps	Wolcott
Fernald	Kirby	Pomerene	
Frelinghuysen	La Follette	Reed	
Gay	Lenroot	Sheppard	

The PRESIDING OFFICER. Fifty-three Senators have answered to their names. A quorum is present.

Mr. DIAL. Mr. President, we have been waiting a good long while for this bill to come before the Senate to be acted upon. I have such a high regard for the committee that I dislike to differ with them in their conclusions. I have, of course, no criticism to make of their motives, but I differ with them in their conclusions and in the foundation of this bill.

We have tried Government operation, and I think it is generally conceded that it is a failure, not so much, however, as it appears upon the record. During the progress of the war the rates paid to the railroads for carrying soldiers were greatly reduced, and that went into the deficit. Not only that, but when the Government took charge of the roads they were in a very run-down condition, a very congested condition. It was some six months before an increase of rates was granted to the railroads. Not only that, but during the war we operated the roads not for profit but to win the war, and that was a sufficient consideration. It matters not whether we lost $550,000,000 in the two years or did not lose it; we won the war, and that is what we were trying to do. It was not a question of running the roads economically; it was a question of getting the freight and the soldiers where we wanted them delivered. I believe in giving Government operation a fair trial, and giving it due credit for what it was entitled to; but outside of all that I think the consensus of opinion is against Government ownership or Government operation.

Now, Mr. President, we come down to the present bill. It occurs to me that this bill starts off out of tune. It is on the wrong basis. Of course, it is very much desired that we should get a bill that will be equitable to the owners of the railroads and will be just to the employees, and we would like to get the unsettled conditions that have prevailed in this country back to normal at as early a date as possible. I had hoped that this

bill would do it, but I feel that it is the most burdensome proposition that ever was presented to a United States Congress.

It starts off, Mr. President, on an ideal basis. It is a dream, as it were; it is an illusion to go ahead and undertake to say, as the bill does say practically, that every dollar invested in railroad property shall receive enough return to pay 5½ per cent interest on the actual value of the property.

Nothing is said in the bill as to how you shall get at the actual value of the property. We all know, or at least we were told, that heretofore the railroads were greatly burdened with watered stock, and all that kind of thing; but I need not go into all that now. We will just say to them: "Well, go and sin no more." If it is possible leave that out, but we must meet the conditions as they exist to-day.

This bill, as I understand, undertakes to let the roads make a return upon the actual value of the property; and it is one of the hardest things in the world to find out what the actual value of that property is. I believe that this Government has been trying to find that out for the last several years. It is not nearly through with the task now. I did not know at the time we passed the bill for valuing the railroad property of the country that it would do much good, but we have gone along with it. Before they got nearly through with the task, of course, the value of the property changes. It would cost now perhaps 50 per cent more to build a railroad than it would three or four years ago, and then the figures may vary considerably between now and the time they complete that estimate.

Not only that, Mr. President, but I can hardly see how it would be a practicable proposition for the Interstate Commerce Committee to fix the value of the property in order that this stipulated return may be made. They are very competent to deal with the question, but it seems to me that it would be impracticable for them to get at that.

Now, to say that it is desirable that every dollar's worth of property in the United States should receive a return equal to 5½ per cent of its actual value would be ideal. I would be very glad for every man in the United States to get a 5½ per cent return upon his money, or any other amount that would be adequate and just; but for the Senate to come here and say, "We now stamp a certificate of value upon every dollar invested in railroad property; we say that every dollar of that property is worth 100 cents," is entirely too advanced a proposition. We do not take into consideration whether or not it was necessary to build some of these railroads, we do not take into consideration whether it was necessary to maintain some of them, but we just go down and at one vote say that every dollar invested in railroad property in the United States is worth 100 cents, and by this bill we practically guarantee that it is worth 100 cents. We underwrite, as it were, the securities of the railroads of this country.

I have no ill will, Mr. President, against the railroads. In fact, I have no unkind feelings toward any investment. I feel rather favorable to railroads. We need them. But I must say that a great many errors have been committed in the name of interstate commerce in this country. We should not now, in this time of inflated values and in this period of hysteria, lose our judgment so much as to say that every road that has been built heretofore has been a good investment and that this Government should practically take it over.

I do not mean that the bill provides that the Government has to assume the debts of the roads; I do not mean that; but the bill does say that the Interstate Commerce Commission shall levy a freight rate sufficient to let the roads make a return upon their investment.

When we once take that step we practically guarantee, as far as we can by a moral obligation, that hereafter a freight rate will continue to be levied so as to let every dollar of investment and of value get a return for the balance of time.

Now, we let those railroads float their securities, and we encourage women and children and people who can not work, but who have means, to invest in railroad securities, and by this measure we will be in honor bound hereafter to keep up the freight rate to a sufficient amount to let them pay the 5½ per cent interest on that money. Every five years, I believe, they can revise it; but at the present time and for all future time we are committed to that policy.

We do not treat any other property that way in this country. When the war came on we told automobile factories to go and make trucks and munitions of war; we changed them over. We told cotton mills to change. I know of my own knowledge that the Government went to the cotton mills and said, "Make certain kinds of cloth and we will pay you so much for it," less than the market price. Yet the cotton mills did not complain. We went to the farmers and said, "Here, we want you to raise wheat instead of cotton, or something else. We want you to raise hogs, whether it is profitable or not." And no good American citizen complained.

The railroads did not complain, as I say; but we are putting them up here now in a higher class. We are making them a class unto themselves. We are giving them special privileges over any other class of property in this country.

Furthermore, Mr. President, this would be done irrespective of whether or not that railroad ought to have been built, whether the railroad has been properly managed, whether it is necessary to the commerce of this country.

Then, Mr. President, I believe the bill is wrong in this, that it guarantees to the owner of that property a certain return upon the value of the property, irrespective of the use of the property. It does not say that you will give a return upon what is handled, the number of passengers it carries, or the freight that it handles; but it says, "We will pay you a certain per cent upon your property." It is like hiring a dray and saying to the drayman, "We will pay you so much on the value of your truck for a day, whether you haul 1 load or 10 loads." It is contrary to business principles, Mr. President. So I say it is on a wrong basis. That is one of the main objections I see.

It does say that after they have earned a certain amount a certain part shall be put into a sinking fund or some other fund and a certain part shall be turned over in another way to help out weaker roads.

That, Mr. President, is going into paternalism. It is paternalism run mad. Not only that, but, to my mind, it is unconstitutional to take away from the railroads their well-earned receipts, to go to well-built and economically managed roads and say, "Here, you shall get so much upon your investment, and no more." I can not see it. I am somewhat of a lawyer, and although I do not profess to be a great constitutional lawyer, that does not sound constitutional to my mind.

It is certainly not for the best interests of this country that we destroy the initiative, the energy of people, their determination to make their property succeed and to get the greatest return upon it. When you say, "You shall get so much and no more; the balance will be turned over to a weaker road to help bring that up," it reverses all the teachings we have listened to for these 70 years of railroad operation. It destroys the inducement to succeed and try to excell that brought this country up to where we are now. We have developed the marvelous resources of the country by individual effort, and I would regret to see anything done that would put a stop to that effort.

Here we are dealing with the biggest proposition in the United States—the railroads. This is a most comprehensive bill, a bill dealing with the most comprehensive question that has ever been brought before the country, and now if we go and say to the railroads, "You shall not make any more than a certain amount," we will encourage extravagance in the management and we will destroy the inducement to build new roads and to develop other sections of our country. We have plenty of territory in this country that is not scratched by the railroads yet, and I do not see how, if this bill is passed, there will ever be another mile of railroad built. In fact, we have built very few miles of railroad since 1912.

That, to my mind, Mr. President, is a fatal defect in the bill. If we destroy an investment, as I say, the desire to succeed, the effort to give accommodation to the traveler and the shipper, to encourage prompt delivery, and things of that sort, then we have destroyed the great value of the railroads of this country. We shall have made drones out of the people who manage the railroads if we establish this principle here.

Not only that, Mr. President, but the American people are imitative. We imitate each other in dress, we imitate each other in architecture, and in other things; and when we stop railroad building here, and the inducement to build railroads, we are going to discourage the desire to build mills, to develop mining, and to carry on our wonderful development of this magnificent country of ours. It would be a sad day for the ingenuity, the intelligence, and energy of the American people, to my mind.

Now, of all times in our history, Mr. President, we ought to be working longer and we ought to be working harder and we ought to be saving more so as to be able to develop our trade and give employment to our people. When we establish this principle in regard to the railroads, I am afraid that it will be imitated by people who operate mills and are engaged in other enterprises. Therefore it would be a death knell to progress, as I see it.

Mr. President, I want every man in this country to have a fair opportunity to make his own fortune under the protection of the law. It is not the place of the Government to go into business. If a business is a legitimate one, it is the

province of the citizen to engage in it and not the business of the Government to compete with him. But this bill here is worse than governmental ownership. The Government guarantees the business and gets none of the profits.

Mr. President, this is too long a bill for discussion now in all its details. But the more I read it and think about it the less I am pleased with it. We have innumerable commissions provided for here. We take away from the directors their authority over the property and vest that authority in the board of transportation. The members of that board are to look after the details of the roads; they are to look after issuing the stock; they are to look after the helping of the weaker roads, and all that kind of detail, functions that ought to be exercised by the directors, and I am opposed to any proposition that would take the management of the property out of the hands of the people to whom it belongs and put it in the hands of somebody else.

The bill goes on and provides that there shall be two employees selected for the board of directors, men who have no financial interest in the property. That, Mr. President, is illegal in many States of the Union. In South Carolina you have to own stock in a corporation before you can become a director in it. Not only that, but to be a director in a national bank you have to own 10 shares of stock. You have to be a stockholder in it. The idea of taking away the control of property from the people to whom it belongs and turning it over to somebody else is revolting to my mind. That is not the way to encourage people to invest their money.

If the people in this country who had money were looking out for an investment, do you suppose that they would go and build a railroad or build a cotton mill or purchase a mine if they knew that they were to be told by the employees how many hours they would work, what output they would make, or what they should get for it? No. The capitalist would buy Government bonds. That is what I would do, instead of putting it in an enterprise where the management would be taken away from me and put into the hands of somebody else, and I think any other man who had any sense would do the same thing.

Mr. President, not only that, but the bill authorizes the formation of a wage commission, composed of four employees and four other men designated by the railroad company. They may go into a back room and fix higher wages or impose some other condition. The property has no representative there; it has nobody to speak for it. That committee goes then to the transportation board, a board the members of which are not directors. They are Government employees, and we have too many of those now.

Somebody would be appointed on that transportation board, some of these economic fellows whom you hear about, some fellow who talks about figures and who never earned a dollar and a half in the sunshine in his life. Yet, some long-haired, impracticable, visionary, ill-advised, good-meaning fanatic, with whom we have this country overridden to-day, will go and say that they should have higher pay, and bring up this brotherly love we are hearing of in every movement, and all that kind of slush, in the hysteria we are in. The owners of the road would have no say in that, the Interstate Commerce Commission would not have a veto upon it; but the employee and the Government's impracticable, visionary fellow would fix it up, and the Interstate Commerce Commission, under this law, would be compelled to levy a sufficient freight rate to pay the increased charges.

It is time, Mr. President, that the working people of this country, the people who do something, who have something, the people who pay taxes, were being heard.

I have no particular ill will against any class, but I am tired of hearing all the time of shorter hours, less work, and more pay. If we would follow the advice given by my friend the Senator from Montana [Mr. MYERS] yesterday in his admirable speech, this country would soon become normal and we would get back upon our feet; we would have our products for export, to fill our ships with; but as long as we are trying to work less with more pay, a kind of a tapeworm feeling, to get a dollar without equivalent labor, we will not be of any account. We will raise people in this country who are dependent, and not independent people.

Mr. President, the bill provides for yet another kind of a commission. There are so many that I can not keep up with them. I will not try to go into the details; it is too burdensome, and would take too much of the time of the Senate. But you can not turn around in Washington without running into a commission. I start out any morning and pretty nearly fall over a fellow talking about this or that commission. I want people to go home and go to work and be content with what they are getting. I want them to be in love with their work, and if you do not love your job, for God's sake resign it. You can quit and let somebody else have the position.

But, Mr. President, we are asked here to give the stamp of approval of the United States to every dollar invested or alleged to be represented by values in railroad securities in the United States. Look at it, Mr. President. I ask to have inserted in the RECORD the quotations of railroad stocks in the paper to-day, to show you how low they are quoted. The railroads must be overcapitalized or the stock must be selling at a very low price. I quote some closing quotations of yesterday:

Stocks: Atchison, 85½; Atchison, Topeka & Santa Fe, preferred, 78; Atlantic Coast Line, 92½; Chicago & Eastern Illinois, 5; Chesapeake & Ohio, 56⅞; Cleveland, Cincinnati, Chicago & St. Louis, preferred, 67; Chicago Great Western, 8⅝; Chicago, Milwaukee & St. Paul, 37½; same, preferred, 55½; Chicago & North Western, 89⅞; Chicago, Rock Island & Pacific, 25⅜; same, 6 per cent preferred, 62½; Erie, 14; same, first preferred, 21; second preferred, 15⅛; Great Northern, 80⅛; Lake Erie & Western, preferred, 16½; Lehigh Valley, 42½; Minneapolis & St. Louis, 14½; Missouri, Kansas & Texas, 10; same, preferred, 14½; Missouri Pacific, 25½; same, preferred, 41; New York Central, 70; New York, New Haven & Hartford, 29½; New York, Ontario & Western, 17; Norfolk & Western, 99⅜; Norfolk Southern, 10; Northern Pacific, 81⅛; Pennsylvania, 41⅝; Pittsburg & West Virginia, 78; Reading, 77½; Southern Railway, 22⅝; Texas & Pacific, 43⅜; Wabash, 8⅛.

Bonds: Atchison general fours, 77; Atlantic Coast Line first fours, 76½; Baltimore & Ohio convertible four-and-a-halfs, 56⅜; Central of Georgia consolidated fives, 84½; Central Pacific firsts, 75⅜; Chesapeake & Ohio convertible fives, 80; Chicago, Burlington & Quincy junction fours, 94½; Chicago, Milwaukee & St. Paul convertible four-and-a-halfs, 66⅛; Chicago, Rock Island & Pacific Railway refunding fours, 66; Chicago & North Western general three-and-a-halfs, 66½; Colorado Southern refunding four-and-a-halfs, 72½; Denver & Rio Grande refunding fives, 49⅞; Erie general fours, 43¼; Great Northern first four-and-a-quarters, 83; Illinois Central refunding fours, 75⅛; Kansas City Southern refunding fives, 72⅜; Louisville & Nashville un. fours, 80½; Missouri, Kansas & Texas first fours, 59⅛; Missouri Pacific general fours, 56; Montana Power fives, 86; New York Central debenture sixes, 90½; Norfolk & Western convertible sixes, 104½; Northern Pacific fours, 77¼; Northern Pacific threes, 54; Oregon Short Line refunding fours, 79; Pennsylvania consolidated four-and-a-halfs, 91⅜; Pennsylvania general fives, 90¼; Reading general fours, 79⅞; St. Louis & San Francisco Railroad adjustment sixes, 57; Seaboard Air Line adjustment fives, 38½; Southern Pacific convertible fives, 107; Southern Railway fives, 85⅛; Southern Railway general fours, 60⅜; Texas & Pacific firsts, 84⅛; Union Pacific fours, 84¼; Wabash firsts, 89⅞.

Not only that, Mr. President, but here and now, in this time of greatest inflated values in our history, after this war, when we all admit that everything is about 50 per cent higher than it has been heretofore or will be after a little while, we are asked to fix this rate.

Mr. President, I do not complain of the rate of 5½ per cent interest on money. If I could have gotten that rate on the amount I borrowed, I would be much better off to-day. I have been a pretty constant borrower for the last 30 years. But I do say, and I want to read to the Senate just a moment, that if you take the return from the railroads according to the chairman's speech you will develop this situation: He says they want to guarantee the freight—I do not mean guarantee it except by income; let them get enough freight to get 5½ per cent interest on the money. Three years before the war——

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Tennessee?

Mr. DIAL. Certainly.

Mr. McKELLAR. Does the Senator believe that the Interstate Commerce Commission will be compelled to raise the present very high rate in order to secure 5½ per cent?

Mr. DIAL. Absolutely. That is my understanding of the bill, that it gives them the power to do it.

Mr. McKELLAR. It is a mandatory provision that they can enforce in court?

Mr. DIAL. I think so. I think we have taken away from them all discretion.

Mr. McKELLAR. If the Interstate Commerce Commission fails or refuses to put in a rate sufficient to bring 5½ per cent, then they can file a petition in any United States court and mandamus the commission into producing the rate?

Mr. DIAL. I so understand the bill. According to the speech of the chairman of the committee, for three years previous to the war the No. 1 railroads of the United States made 5.2 per cent upon the value of their property. It is right interesting, though I never did like figures much, to look at some of these roads. Take the Southern Pacific, for instance; that earned

4.99 per cent. The Chicago Great Western earned 1.7 per cent, and various other roads earned various rates. I ask permission to insert this in my remarks, quoted from the report of the chairman of the committee on page 11, showing the incomes of the different roads in class 1 for three years previous to the war.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

In the test period for ascertaining compensation under the act of March 21, 1918, the average net annual operating income of the class 1 railways was 5.2 per cent upon the aggregate property investment account. There are, however, wide differences when the individual carriers are considered. Under this average the New York Central System earned 6.09; the Pennsylvania Co., 6.26; the Pennsylvania Railroad, 5.36; the Delaware & Lackawanna, 7.54; the Erie, 3.56; the Baltimore & Ohio, 4.67; the Chicago, Burlington & Quincy, 7.02; the Chicago & North Western, 6.13; the Missouri Pacific, 4.43; the Union Pacific, 6.72; the Southern Pacific, 4.99; the Northern Pacific, 6.27; the Great Northern, 6.70; Atchison, Topeka & Santa Fe, 6.16; Chicago, Milwaukee & St. Paul, 4.71; Chicago, Rock Island & Pacific, 4.72; Chicago Great Western, 1.77; Chicago & Alton, 2.64; Western Pacific, 2.28; Colorado Southern, 3.04; Missouri, Kansas & Texas, 2.81; Texas Pacific, 3.76; Wabash, 2.91; Western Maryland, 2.58; New York, New Haven & Hartford, 5.96; Boston & Maine, 4.80; Cincinnati, Hamilton & Dayton, 1.95; Atlantic Coast Line, 5.76; Seaboard Air Line, 3.68; Southern Railway, 4.12; Louisville & Nashville, 6.32; Illinois Central, 5.48.

This statement shows that some are away down as low as 1.99 per cent, and yet we are asked to fix it at one move at 5½ per cent. I am not complaining of money at 5½ per cent myself.

Another part of this proposition is this: They say that is a class 1 railroad. I presume that is one of the most prosperous roads; I do not know. But the chairman of the committee does say further on in his report that "railroads carrying 30 per cent of the freight of this country before the war were not self-sustaining."

That is the remarkable part of this bill to me. We come to admit that practically one-third—I do not know whether as to mileage, but it does not make any difference whether it is mileage or quantity—of the railroads of the country before the war were bankrupt, and yet here now we are asked at one vote to make these roads solvent and make their value 100 per cent on the dollar, and guarantee a 5½ per cent return on that for the balance of all time.

Mr. KING. Will the Senator yield?

Mr. DIAL. Certainly.

Mr. KING. I would like the attention of the chairman of the committee or some member of the committee, with the permission of the Senator from South Carolina.

Mr. DIAL. I yield for that purpose.

Mr. KING. I do not understand that the bill guarantees 5½ per cent upon all roads that are denominated class 1. It takes the aggregate value of the roads as it shall be determined by the Interstate Commerce Commission within the respective districts and guarantees 5½ per cent interest upon the aggregate stock; but some of the roads within the district will in the future, as in the past, do the greater amount of work; they will carry the larger part of the commodities within the district, so that other roads perhaps will only get 2 or 3 per cent upon the value of their property. The larger roads will earn very much more, but the excess goes into the fund which has been described. Do I interpret the bill correctly?

Mr. CUMMINS. The Senator from Utah has stated the matter correctly. There is no guaranty in the bill at all. There is a declaration of public policy to guide the Interstate Commerce Commission, which is that the net annual operating income on all the railroad properties within a given district shall be as nearly as may be 5½ per cent upon the value of all the railroad property in that district. But when rates are so based one road may earn 8 per cent upon the value of its property just as heretofore, and another road may earn 4 per cent upon the value of its property as heretofore.

What the bill does which has never been done before is to take from the railroads which earn more than we regard as a fair return upon the value of their property, the excess, and put it in the Treasury of the United States for the purpose of supplying a fund with which the weaker, the poorer, railroads may be furnished with a credit. It is not given to the weaker railroads, but it enables them to borrow money in order to enlarge or better their facilities under circumstances that would not enable them to borrow money in the general market. That is the whole scope of the bill.

Mr. McKELLAR. Mr. President, will the Senator from South Carolina yield further?

Mr. DIAL. Certainly.

Mr. McKELLAR. I desire to call the attention of the chairman of the committee to the latter part of page 13 of the bill. As I understood the Senator, he said that the provision about 5½ per cent was a declaration of a policy and was advisory to the commission. If I understand the meaning of the English language correctly, that can not possibly be true under the terms of the bill. I read——

Mr. CUMMINS. I did not say it was advisory to the commission. I said it was a declaration of public policy.

Mr. McKELLAR. And not a guaranty?

Mr. CUMMINS. It is not a guaranty. It can not be called a guaranty.

Mr. DIAL. It is a direction.

Mr. CUMMINS. It is a direction to the commission.

Mr. McKELLAR. I read the words of the bill, which I believe not only are a direction to the commission but are in such direct and positive language that it would require any court to which the matter might be appealed to issue a mandatory injunction to give such a rate as would produce the 5½ per cent. I read the language of the bill:

The commission shall—

"Shall"—there is no doubt about it—

The commission shall initiate, modify, or adjust rates, fares, charges, and classifications, as nearly as may be, so that the railway carriers as a whole allocated to each district and subject to this act shall earn an aggregate annual net railway operating income equal, as nearly as may be, to 5½ per cent upon the aggregate value, as determined in accordance with the provisions hereof, of the railway property of such carriers in the district held for and used in the service of transportation.

As I read that language I am compelled to the conclusion that it is an absolute guaranty enforceable in any court having competent jurisdiction.

Mr. CUMMINS. All I can say is that the lawyers upon the Interstate Commerce Committee do not agree with the Senator from Tennessee. It may be that the Senator from Tennessee is right about it, but that is not my opinion nor is it the opinion, so far as I know, of any of the lawyers upon the committee. However, that makes no difference. It is the intent of the bill that there shall be raised a revenue that will be equal to 5½ per cent upon the value of the railway property in a given district, and the merit of the bill can be tested by that assumption. I am sure that no member of the committee desires to escape from the responsibility of approving that proposition. If the Members of the Senate believe that 5½ per cent upon the value of the property which renders the service is too great a compensation for the use of the property, that is a matter for discussion and for settlement in the Senate, but there is no use to complicate it by the suggestion that resort can be had to the courts. I do not think there could be any such resort; but it makes no difference; we intend to try to raise 5½ per cent upon the value of the property which is devoted to the public service. If that is too much, it is for the Senate to express its judgment upon that point.

Mr. KING. The Senator's statement would seem to indicate that it is in perpetuity. As I read the bill, every five years thereafter the interest could be revised.

Mr. CUMMINS. Of course, that it true. There is no perpetuity in any bill. There is no talk about imposing conditions for all time. That is fanciful, to say the least. We have expressly provided that at the end of five years the Interstate Commerce Commission shall review the whole situation, and if it believes a 5½ per cent basis is too high it shall reduce it, and if it believes it is too low it shall raise it. There is no permanent condition being provided for here.

Mr. POMERENE. Mr. President——

Mr. McKELLAR. Will the Senator indulge me for just a moment?

Mr. DIAL. I will yield first to the Senator from Ohio.

Mr. POMERENE. I wish to suggest to the Senator from South Carolina [Mr. DIAL] and the Senator from Tennessee [Mr. McKELLAR] that if they have any notion that these railroads can be financed at less than an earning of 5½ per cent on the total railway valuation in their respective rate-making districts, I am satisfied that when they investigate it they will change their minds about it.

In the provisions in the bill for repayment to the Government of the money for which we have authorized the President to accept the notes of the companies, the Government is made to charge the railroad companies 6 per cent on that loan. That is not an unreasonable amount of interest to charge, and yet at the same time we say to the railroads, "You shall not earn on your property as a whole to exceed 5½ per cent."

Mr. DIAL. I do not say that.

Mr. POMERENE. That is the force of the Senator's position, nevertheless.

Mr. DIAL. Oh, no; not at all.

Mr. McKELLAR. If the Senator will permit me——

Mr. DIAL. Certainly.

Mr. McKELLAR. I want to ask the Senator from Ohio [Mr. POMERENE] and the chairman of the committee one question. The chairman of the committee says it is not a guaranty and

that it is not a mandatory provision, but that it was the intention of the committee and the lawyers of the committee to regard it as a declaration of policy. Is the Senator from Ohio or the committee willing to have it specifically stated in the bill that it is a declaration of policy?

Mr. POMERENE. It is a rule of rate making.

Mr. McKELLAR. Let us put it in the bill, then—a rule of rate making. Let us say what it is, and do not let us say "shall initiate," because when you use the language that is in the bill it is mandatory upon the commission, and any court will enforce it. I am convinced of that, the distinguished lawyers on the committee to the contrary notwithstanding.

Mr. CUMMINS. The Senator from Tennessee [Mr. McKELLAR] upon a moment's reflection will see that it is not susceptible of judicial enforcement. It is mandatory in a proper sense of that word because we intend that the commission shall do that thing. We do not attempt to conceal or avoid that fact. But the Interstate Commerce Commission must survey the situation and must look into the future; it must undertake to determine how much business shall be moved in the future for a year or two years. It must make up its mind, as best it can, with regard to the volume of commerce that will be moved upon the railways, and, taking all those uncertain things into consideration, it is charged with the duty of making rates that will create a net operating income of 5½ per cent upon the value of the property.

The Senator from Tennessee [Mr. McKELLAR], I am sure—for he is one of the best lawyers in this body—must at once see that it would be impossible for a court to declare what rate shall be fixed by the Interstate Commerce Commission in order to bring about the result which the proposed statute contemplates. May I add a word to the Senator from South Carolina while I am on my feet?

Mr. DIAL. Certainly.

Mr. CUMMINS. I have been very much interested in his discourse, and I want him to remember one thing; that is, that we have provided in this bill for a 5½ per cent basis upon the value of the railroad property that actually renders the service in transportation. The value of the property is to be determined by the Interstate Commerce Commission. The figures the Senator suggests with reference to the percentages of return in the test period of three years before the 1st of July, 1917, are comparisons with the property investment account of the railway. A great many people believe—and I am one of them—that the value of the railway property which renders the service—mark you, there is an immense outside or extrinsic investment in property which is not related to the work of transportation—I am one of the persons who believe that the Interstate Commerce Commission will find that the value of the railroad property which renders the service is much less than the property investment account. Therefore, when comparing percentages growing out of the test period with the percentages under this bill that fact ought to be borne in mind; and I have no doubt the Senator from South Carolina will have it in mind as he proceeds with his discussion.

Mr. DIAL. I desire to ask the Senator a question. I am not trying to find fault with the bill, but I am endeavoring to get a bill which we may all support. Will the Senator tell me upon what theory we can justify that feature of the bill which proposes to levy rates on the railroads in order to provide for the nonself-sustaining roads that carry 30 per cent of the freight? In other words, how can we justify the feature in this bill that proposes to take one road out of bankruptcy at the expense of other roads?

Mr. CUMMINS. Will the Senator again state the early part of his statement? I did not catch it.

Mr. DIAL. How can we justify ourselves in stabilizing, as it were, the roads carrying 30 per cent of the freight of this country which could not support themselves before the war? Are we justified in saying that their value is so-and-so, and that rates shall be levied sufficiently high to enable them to earn an income of 5½ per cent?

Mr. CUMMINS. I do not think it is possible to render that relief to those railroads which carry 30 per cent of the traffic which we ought to render. As I said in my opening statement upon the bill, there is but one way in which we can reach a safe position, and that is through the process of consolidation. With roads varying as widely as the roads of the United States do, you can not put upon the country a body of rates which will render justice to each of the railroads, but we must do the best we can; and the railroads which are now suffering from loss of credit and from underincome will do a little better under this bill than they ever did before. That is all we can promise them or hope for them until the consolidation in some form takes place.

Mr. DIAL. The point is this: We are making them special pets; we are making them our wards. The Government did not tell the owners to build the roads, and the Government is not responsible for their condition.

Mr. CUMMINS. The Senator from South Carolina does not have the same idea probably about the object or province of government that I do. I think that government is organized for the protection of the weak——

Mr. DIAL. It is organized for the protection of everybody, I think.

Mr. CUMMINS. For the protection of the weak as against the aggressions or the power of the strong. There are some people in this country, and there are some corporations in this country, that need no protection from the Government, that are abundantly able to protect themselves; but there are other persons and other corporations that are unable to protect themselves, and we must do the best we can to see that they are maintained if they are necessary to the public welfare.

I do not think that in trying to protect the weak we ought to do any injustice to the strong; but this bill does not do injustice to the strong. It provides that the roads may retain of their earnings all that common carriers ought to retain—a reasonable and fair return upon the value of the property which renders the service.

Mr. McKELLAR. Mr. President——

Mr. DIAL. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I should like to ask the Senator from Iowa [Mr. CUMMINS] a question. Take the 30 per cent of the railroads that were not self-sustaining before the war. As I understand the provisions of the bill at the bottom of page 12 and at the top of page 13, the reasonable income of 5½ per cent is given to those railroads, together with all the remainder of them. Is it fair or just for the Government to take practically one-third of all the railroads of the country that have not been self-sustaining in the past—perhaps because of inefficient management or improper service—and put them on a 5½ per cent basis whether they earn the money or not?

Mr. CUMMINS. They are not upon a 5½ per cent basis.

Mr. McKELLAR. This bill requires the rate to be fixed so as to bring them, together with all other railroads, upon a 5½ per cent basis.

Mr. CUMMINS. No; the Senator misunderstands the bill entirely.

Mr. McKELLAR. I will read it to the Senator, and see what he thinks about it.

Mr. CUMMINS. The Senator need not read it to me; I am perfectly familiar with it.

Mr. DIAL. If the Senator from Tennessee is not correct, then a good many of us misunderstand it.

Mr. CUMMINS. I had hoped that I had explained that so that it was fully understood. The value of all the railroad property in a rate-making district is ascertained. Then the Interstate Commerce Commission sits down to the labor of adjusting rates which will return or create a net operating income for all the railroads in that district.

Mr. McKELLAR. Including the 30 per cent which are not self-sustaining.

Mr. CUMMINS. I will have to go back, in view of the Senator's suggestion.

Mr. McKELLAR. I beg the Senator's pardon.

Mr. CUMMINS. The Interstate Commerce Commission then attempts to adjust rates so that the aggregate operating income of all the railroads in that district will be 5½ per cent upon the aggregate value of all the railroad property in that district. Those rates are then established, and the railroads begin to carry freight under them. Upon those rates one railroad will not earn 3 per cent upon the value of its property, while another railroad may earn 7 per cent upon the value of its property, just as we observed during the period before the war that all the railroads of the country earned 5.2 per cent upon their property investment account. That did not mean, however, that every railroad in the country earned a net operating income of 5.2 per cent; it meant that one railroad earned 6 per cent, another 8 per cent, another 9 per cent, another 4 per cent, another 5 per cent, another 3 per cent, and some of them less than 1 per cent. That is the way it would occur measurably under this bill until there can be such a process of consolidation as will make the various systems of railroads in this country bear the proper relation to each other. I beg the pardon of the Senator from South Carolina for interrupting him in this way.

Mr. DIAL. That is all right; I am glad to have the Senator's explanation. We are merely trying to get the best possible solution of this problem. I do not think I said, at least I did not intend to say, that the Government guaranteed a return of 5½ per cent. I meant to say that under the terms of this bill, in

case it passes, that would be the result; that we would instruct the Interstate Commerce Commission to levy rates that would yield that amount and then when we had once done so we would put the stamp of the Government's approval upon this investment; that it was worth a hundred cents on the dollar, and that thereafter it would earn that per cent. That is as far as I meant to go. Therefore it implies a contract to the public of this country and every other country that may buy our railroad securities that such action will be taken, although in the future, of course, it may be changed.

Mr. KING. Mr. President, will the Senator yield to me for a moment?

Mr. DIAL. Yes, sir.

Mr. KING. I apologize for interrupting the Senator.

Mr. DIAL. I am very glad to have the Senator interrupt me.

Mr. KING. Does not the Senator think that the statement which he has just made is rather inaccurate, namely, that it puts the Government's stamp of approval upon all the issues of the railroads and is a guaranty, in effect, that those issues will all earn 5½ per cent in the future? As just explained by the Senator from Iowa, there is no guaranty or promise that these roads will earn any figure. The rates will be adjusted so that 5½ per cent will be earned upon the value of the property in the various rate districts, as determined by the Interstate Commerce Commission, but many of the corporations unquestionably will not earn 5½ per cent; they may not earn 2 per cent or even 1 per cent. I know corporations, notwithstanding the so-called guaranty, that will not earn 1 per cent or certainly not more than 2 per cent.

This bill does not propose to make up the deficit between 2 per cent and 5½ per cent. Other roads in the various rate-making districts will earn much more than 5½ per cent, as they have done in the past——

Mr. DIAL. Then, they will have to lend it to the weaker roads.

Mr. KING. But the roads that have not had much traffic in the past, that have not earned any very considerable sum in the past, will not, in my opinion, by this bill be put in a position to earn relatively very much more in the future than they have earned in the past. The only advantage is, as the Senator from Iowa has said, that in a way it stabilizes conditions; it uses the amount above 5½ per cent which is earned by some roads as a Government fund for the purpose of loaning, if it sees fit—and perhaps that may be mandatory; I do not know as to that—for transportation purposes, so that the poorer roads may be permitted to borrow money from the Government when they can not borrow it from private banks. As I understand the theory of this bill—and there are many features of it I do not like at all—the plan is to preserve the weak roads from such delinquencies as would result in their abandonment. The theory is that the railroads in the United States are essential to the welfare of the people; that it is a sort of governmental function—and I do not quite agree with the broad statement of the chairman of the committee—to furnish transportation to the people; but, assuming that the Government is interested in the transportation problem, the theory of the bill seems to be to preserve the weak roads from destruction because their preservation is necessary for the welfare of the people.

Mr. DIAL. More than that, in this brotherly-love bill that we have here, one of these numerous commissions is allowed to divert freight from one road and give it to that weaker brother over there.

Mr. President, when I lived out in the country and read the newspapers I used to hear about protection, and that was a great issue along about presidential election years, but I think this is protection run mad. We heard about protecting our infant industries in this country, and things like that. I do not wish to inject politics into this debate at all; but here, just at one time, we are going not only to protect the income of the enterprise, but we protect the whole enterprise and practically become a guarantor of the investment. We have gone into partnership, and we stand behind, as it were, the whole investment here, and in the very short space of a few hours we are about to forget our history and become protectionists at one time. This is the biggest protectionist jump I ever saw.

Furthermore, Mr. President, under the provisions of this bill, if these roads are required to take out a Federal charter, I do not know whether that deprives the States of some rights or not; but certainly, if that goes through, there should be some provision whereby those roads may be sued in State courts as national banks are now sued.

Not only that, Mr. President, but I am very much afraid that if this bill goes through with a provision for railroad districts, dividing this country up into rate-making districts or zones—groups of roads, I believe is the wording of the bill—when that is done, then in the more populous parts of the country, where they have the richer roads, perhaps it will cost much less to carry produce to market and militate against the weaker parts of this country, where freight rates will have to be higher. That is to say, in order to make the 5½ per cent they would not have to levy nearly as much of a charge for freight where they have a thickly populated country as they would in the case of a thinly populated country; so I am somewhat skeptical about the future progress of this country under this bill.

Moreover, the bill changes the policy that we have taught here for the last 25 years. I have not sympathized with a good deal of this antitrust legislation debate. I believe in letting an enterprise, whether individual or corporate, get out and hustle for its living and do the best it can; but under the theory of Congress here we have been saying to capital, "You shall not consolidate over this country," and here, all at once, just at one breath, we are asked to do away with our independent railroad lines and at once consolidate the railroads of the whole country into a few systems.

Mr. POMERENE. Mr. President, does the Senator have in mind the fact that these consolidations can not be entered into except under a plan which has been theretofore prepared by the transportation board and the Interstate Commerce Commission, and which is subject to their supervision all the time; and does not the Senator further recognize it to be a fact that one of the things which were demonstrated during the so-called Government control of the railroads was that where there was greater consolidation in the management of the railroads there would be greater efficiency?

Mr. DIAL. Well, that is a pretty big proposition, Mr. President. I realize, as I remember the bill, that it has to be done under the supervision of somebody; but I have failed yet, in my limited experience, to find perfect men in this world. I do not find them here; I did not find them before I came here; and I do not expect to find them after I leave here; and I believe, Mr. President, that one of the troubles of this country to-day is that on account of a multiplied press sending all kinds of literature over this country we are teaching people ideas that are not practical, that are visionary, and when we get into Congress we hear speeches made every day complaining about the innumerable commissions and boards of investigation, and everything of that kind, and places where we put some fellow who knows theory and does not know practice, and we do not know what kind of legislation he will allow to be put upon the people of this country. I would rather trust men who have made something and who know what they are doing and who know more practice and less theory.

Mr. President, in regard to this 5½ per cent return, as I said before, I have no objection to 5½ per cent. In fact, it sounds like pretty small interest to me, and I am not objecting to the best roads making 5½ per cent. I do not care if they make 20 per cent if they do it under proper Government regulation and proper Government restrictions and proper freight-rate regulations. If we do our duty, and if the owner of that railroad employs less people and gives greater service and gives greater efficiency, let him make whatever he can make. It will be due the stockholders of that company.

I am not one of those who would go ahead and say because people own an enterprise that the Government should come in and take it away from them. I have a heart as big as the Atlantic Ocean for the man who goes out and puts his money into an enterprise and creates that enterprise and builds it up from the beginning. That is the kind of railroad we need in this country, and other industries as well. Let them have the actual dollars invested in the property, and put their reputation behind the property, and their energy, and their good will, and their decency, and the people will patronize it; and I am not envious of what per cent of return they make, if they are paying the Government their proper taxes like other people, and, of course, under Government regulation. I do not believe in special privileges at all, but I am teetotally opposed to the drone, and that is what this bill is coming to.

If you will allow me, Mr. President, I can think of one little illustration that describes this proposition very forcibly. It is a homely one. It is one that I heard my father tell many years ago. I was reared down in the country, and after the War between the States a few rich people down there owned rifles, and the poor white men owned single-barreled shotguns; and a farmer then was going to run for the legislature, and when he got there he was going to have a bill passed to top all the trees, so that a poor man could shoot a squirrel as well as a rich man who had a rifle. [Laughter.] That is about like this bill here now; it is going to take away from the rich road to help the poor along.

Mr. President, I have said more than I intended to say. I may have omitted some of the boards provided for in this bill; there are four or five of them; but it is a very easy matter, Mr. President and Senators, to find fault, and I am not of that class. I am glad to say that I am an optimist, and I always expect to be one. I have an abiding faith in the American people, and I feel that it would be one of the greatest imaginable calamities to do anything to chill their ardor; and I hope now that we will get back on our feet, and give ourselves time to cool off, and let everybody get his bearings, and we will get this thing straightened out in a short while, and we will be the most prosperous country in the world, as we are now, and should be, and we will be much more prosperous.

Mr. President, I would not care much myself if this Government would get out of all kinds of business. I do not believe in the Government tampering with business. We are scared to death now about getting along without sugar. It would not hurt us if we got along without it for a little while. It would not make much, if any, difference. We can do without many things. Why, we get scared to death if we can not buy clothes, and so on, and so on. I would not mind if Congress passed a law to-morrow taking the Government out of every kind of business, and out of the control of the commerce and the business of this country, and letting it go back in the hands of the people. It is true that some prices would soar, perhaps, sky-high; but it is also true that people would go to work then and start up new enterprises, and they would create more of those articles and put them on the market, and it would be only a little time until competition would regulate those things. I believe that would be about as good a thing as we could do. Of course, we do not want to freeze to death this winter, nor do we want to perish in any other way; but after a little while I think that is the best course this country could take. I believe that if you do not like a thing you ought not to buy it. You would not have to buy it.

Furthermore, Mr. President, in all seriousness—and I have said what I have said in seriousness—the way I feel about the matter is that if we go ahead right now and pass this bill we are practically making the United States guarantee billions of dollars. I do not like to say "billions," because I do not know what a billion is; but there will be a guaranty of billions of dollars entailed upon the people of this country, I feel, forever hereafter, and I do not believe it should be done.

Mr. POMERENE. Mr. President——

Mr. DIAL. I yield to the Senator from Ohio.

Mr. POMERENE. In the first place, I take issue with the Senator's statement that this is a guaranty. The distinguished chairman of this committee made it perfectly clear that this was not a guaranty; that it was simply a rule of rate making. But the Senator makes the statement that we are guaranteeing billions. If this be a guaranty of billions, how much less would the Senator make the rule for rate making, if he would reduce it below 5½ per cent?

Mr. DIAL. I will come to that a little bit later. I do not mean guaranteeing in the strict sense of sitting down and signing your name at the bottom of a document, but I mean morally. We have been hearing a good deal here—all last fall—about moral obligations in connection with the peace treaty. We all know something about moral obligations, and that is where we landed.

Mr. President, we ought to pass some kind of a railroad law. We all admit that, and I do not believe it is kind nor just to criticize a measure unless you have something better to propose. I have not written out anything, but I will give the Senate my views, just in a few words, as to what I think we ought to do.

As I said before, I feel kindly toward the railroads. I have no animosity whatever toward them. We need railroads in this country; but we must not go ahead and commit too many sins in the name of the railroads and in the name of interstate commerce. I believe that what we ought to do is this:

We took charge of the roads during the war. We had to take charge of the roads. I do not think the railroad people have any right to come in here now and complain. We were in a war. We did not want to get into that war. We did everything we could to stay out of that war, but we were forced into it; and if we had not gone in and had not taken charge of the railroads' property, and if the Germans had come in and captured us and had captured the railroads' property, then what would their property have been worth?

I think that the railroad owners of the country are no less patriotic than the rest of us. Whatever this Government wanted during the war, when they called on us as true American citizens, they got it. If they wanted my coat in order to win this war, they could have it; and I would have raised no objection, and no true, patriotic man would have raised any objection. The railroads did not do it then, and they should not now. We took their roads and we won this war, and that is a good answer to all these claims of extravagance and anything else about them. Just let us wipe it out, and pay the bills, and say no more about it.

We did go and establish a Railroad Administration. They did go and employ more people, perhaps, than should have been employed. They spent more money, perhaps, than they should have spent; and now this country is in an unsettled condition; but the railroads are not the only ones whose employees are disturbed. The employees of the rest of us who have enterprises are disturbed, too. Our boys went to the war. They shut down our production and our factories down home, as I know of my own knowledge.

What we ought to do, in justice to the roads and in justice to ourselves, is this: We ought to be honest with the roads, and with ourselves, and with the public, and with everybody. I think a short bill ought to be written here, to say to the railroads: "Here is your property, after so many days"—say, 90 days, or something like that. "Now, railroads, we will guarantee you the same return you have gotten heretofore"—the standard contract, I believe it is called—"we will guarantee you that return for six months, say, thereafter, to allow you to get your bearings, to go back home and to get back to your old basis of operation and to become normal again. Now, there is your property. Take it and run it like other people are doing."

I believe that would be equity to the railroads. I believe that is all they ask, or ought to ask. I believe that is all the burden you ought to put upon the American people. Then, Mr. President, if we decide that this anticombination law that we have had heretofore ought to be repealed, let us go ahead and repeal it. I wish we would repeal a number of the laws that we have passed, especially the Adamson law. We started out wrong there. Then, we ought to repeal any tariff regulation or any other law that interferes with the normal course of affairs and let our people get back to a normal condition, so that everybody can stand under the laws of this country on the same basis. I do not think we ought to say to the railroads, "We will guarantee you a return of so much on the money invested in your property." We have carried them along for a time. I have no objection to getting money at 6 per cent and loaning it to them at 5 per cent, so far as that is concerned. Let us throw them out a plank, if they need it, and help them along, but I do not know of any reason why we should guarantee them a sufficient rate to make 5½ per cent upon every dollar of their investment.

Let the Interstate Commerce Commission levy a fair rate, as it has been doing heretofore, and, if it is necessary to increase it, increase it. I do not believe in giving gratuities in any enterprise, in individual matters or other enterprises, but I believe in efficiency and economy, Mr. President.

Now, Mr. President, that would be, I think, justice to the roads. I do not care what you make it. Be more liberal with them, but do not put this Government into partnership, as you do in this bill, with the railroads of this country. The people are the silent partners; they pay the fiddler, Mr. President, if this bill passes. You take the road away from those to whom it belongs and put it into the hands of the Government.

Then, further, Mr. President, we have seen all these recent strikes in this country, and we think perhaps it is necessary to pass more laws. If necessary, then let us pass an antistrike law with reasonable restrictions in it. I do not believe in making any man work if he does not want to work, if he is able to make a living without working. On the other hand, I do not believe in the employees tying up the railroads or the shipping interests of this country, tying up the commerce of the country, and making the people freeze to death, and perhaps starve to death, certainly suffer great financial loss and injury. I believe in saying to a laboring man, "When you become an employee of a quasi-public corporation, you should enlist for a certain time, and then if you have any difficulty there should be some way to force an arbitration between you and the employer." Never take it away from the courts of this country, where our rights and liberties belong. "Furthermore, if you want to quit, quit, but you should resign and give a reasonable notice of intention to quit, so that the railroad can employ some one to take your place." I believe that we ought to advance that much, Mr. President.

I am a better friend of labor than a great many of these so-called friends of labor. I believe in creating enterprises and giving men employment to improve their conditions as to housing, education, conditions of living, and everything of that sort. I have practiced that for many years at home. I have a large

number of friends of that class who are friends, indeed, Mr. President. Then you will have nobody working for you who does not want to work for you. I have employed thousands of men in my life, and I can count on the fingers of one hand to-day those who do not want to come back to me. Treat them as you would like to be treated. Understand their necessities and their requirements. Pay them what your business will justify.

I would not want men to work for me, and the railroads would not want men to work for them, unless they want to. Therefore there ought to be good feeling, good fellowship, between the railroads and the employees and other employers and employees in this country. But when you say we believe in six hours a day and five days a week that is contrary to Divine Writ. You can not make a living that way; and when you go further and say that you do not want people in the penitentiary to work, I say that I believe everyone who is in prison ought to be made to support himself if it is possible to do so.

There is a good deal of nonsense and tommyrot about minors working. I wish the women and children did not have to work. But they tell me that a boy 13 or 14 years old, a great, big, strapping fellow, running around studying devilment, ought not to work. They ought to be made to work and to earn a living, and if you do not take them when they are young and make them earn their living they will not be worth hanging when they are grown, in all probability.

We listen too much to this effeminate business around here and all over the country. It is time we were wiping that out. Encourage people to work. I do not care to say anything about my experience. My father was a man of comfortable means, but he had me plow from sunup until sundown many a day, and that is about the best education I ever got, and I am proud of it. It served me in after life, and enabled me to know whether the men I employed were working or playing.

Then, Mr. President, we ought to say to the people, "You shall not strike and tie up the enterprises of this country." Strikes are becoming more noticeable all over this country. Down South we have not cared much about previous strikes of the longshoremen in New York, but this fall it tied up the cotton from going to Europe, and kept your wheat from going abroad, and a man in Ohio or South Carolina is as much interested in a strike in New York as he would be in a strike in his own State.

Not only that, but I deplore the tendency on the part of the States of recent years to look to Washington for everything. The governors of the States before long will be no more than chiefs of police of the States if the States continue to give up their rights. Congress is too anxious to assume rights that they ought not to take charge of, and the States are too ready to evade questions and shirk responsibilities that they ought to assume.

The legislatures in most of the States meet in January, I believe—certainly a large portion of them—and they ought to look after industrial legislation in this country, look after these people who rise up to despoil this Government, this red crowd, the I. W. W. crowd, and all of them, I do not care what they are. They ought to be put down there, and the States can get them quicker than we can get them here in Washington. They ought to put them on the roads and make them crack rock. This Government ought to send its agitating aliens back from whence they came.

Those are about my views on this bill, Mr. President. I think the Government ought to assist the railroads for a reasonable time. It is true they lost money. The roads were run down, the engines were broken, the cars gone to pieces, the tracks all lopsided, and things of that sort; but here in the last few months they have been making money. I believe they made something like twelve million or fourteen million dollars in the last month. They are beginning to make money. So I see no need to hurry to turn them back. Ask the President to give us a little more time and let us pass a sane law, a comprehensive law, and one that would be just to everyone.

Mr. CUMMINS. Mr. President, as I announced when we began consideration of the bill, it is the purpose of the committee, when the consideration of the bill draws near an end, to move to substitute this bill for the bill that has already passed the House. Accordingly I report from the Committee on Interstate Commerce the bill (H. R. 10453) to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and for other purposes, with the recommendation that at the time I have indicated all after the enacting clause of the House bill be stricken out and Senate bill 3288 be substituted in its stead. I make the report for the purpose of permitting the House bill to go on the calendar.

The PRESIDING OFFICER. It will be placed on the calendar.

Mr. MYERS. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. There is no amendment pending.

Mr. MYERS. I offer the following amendment, and ask that it be read.

The PRESIDING OFFICER. The Secretary will read.

The Secretary read as follows:

Strike out of the printed bill all of page 44 after the word "directors," in line 7, and before the word "the," in line 18; also all of page 44 after the word "prescribed," in line 20, and all of page 45 down to line 8.

Mr. MYERS. Mr. President, the object of that amendment is to strike out of the bill that provision which authorizes the appointment on the board of directors of each road which incorporates under the provisions of this bill two employees of the road and two directors from the public. The bill as it is provides that on the board of directors of each road which incorporates under the provisions of this measure there shall be at least two directors from among the employees of the road and two directors to be appointed from the public by the transportation board. The bill provides that the affairs of each corporation shall be managed by a board of not less than 11 nor more than 15 directors. It provides that two of those directors shall be taken from among the employees of the road and two from the public, to be selected and appointed by the transportation board.

Mr. NORRIS. Does this amendment strike out that provision?

Mr. MYERS. It does.

Mr. NORRIS. So it would take four directors off?

Mr. MYERS. It would leave the number 11 or 15, as the case might be, but none would be taken from among the employees or from the public.

Mr. NORRIS. No directors from employees and no directors representing the public?

Mr. MYERS. That is correct. It would simply do away with two directors from the employees and two from the public. I am a believer in the good old-fashioned Anglo-Saxon doctrine that a man who owns a business has a right to run it; that a man who owns property has a right to control it. The only interest employees have in the management of railroads is to get adequate wages and fair working conditions. They should have them. I am in favor of that. But that is absolutely provided for elsewhere in this bill. That is taken care of. That is not overlooked by any means. The bill provides that there shall be a commission on wages and working conditions; also a number of regional boards of wages and working conditions. On each regional board and on the commission of wages and working conditions the employees have one half of the membership. One half of the representation is to come from among the employees.

Thus they are to have a voice in the fixing of wages and working conditions. The other half of the membership of the commissions and regional boards is to come from the owners of the roads. So the owners of the roads and the employees are to be equally represented. Each will have an equal voice. The employees are to have an equal voice with the owners in fixing their wages and working conditions. That is all right. That is taken care of. The bill provides that if a regional board can not agree on wages and working conditions, there shall be an appeal to the commission on wages and working conditions, and if it can not agree an appeal shall be taken to the transportation board, which shall settle the question. So I do not see any necessity for having people from among the public or people from among the employees on the board of directors of a road.

I believe the people who invest money in a business should have the privilege of conducting and operating it and, if it be engaged in interstate commerce, that such privilege should be subject to control and recognition by the United States Government.

We are providing by this bill that the roads are to be managed by their owners and to be conducted by them, subject to control, regulation, and supervision by the United States Government, and when that is provided for and when provision is made that the employees shall have an equal voice in the fixing of wages and working conditions and that the employees shall have adequate wages and fair working conditions and that revenue must be raised with which to defray the expense, I do not see the necessity of going any further in interfeddling or interfering with privately owned business.

I do not see the necessity of going any further with paternalism. I agree with very much of the substantive principles underlying the remarks just made by the esteemed Senator from South Carolina [Mr. DIAL]. I am opposed to Government interference with business any more than is necessary. I am very much opposed to paternalism, and I do not desire to carry it any further than is absolutely necessary. It does seem necessary, though, for the United States Government to take supervision of the railroads of the country. It seems necessary to provide adequate wages and fair working conditions and to make provision for an adequate return on investment and to provide against railroad strikes, which interfere with interstate commerce, tie up the business of the country, and bring freezing and starving conditions upon the people.

On account of the necessity of providing for these things I am willing to support this bill. In principle I really agree with the theory of the Senator from South Carolina [Mr. DIAL] that people and business interests and corporations should stand upon their own merit and sink or swim without help or interference from the Government. But the railroad business of the country has gotten into such condition that it seems necessary for the Government to take some supervision over it, to control in a general way its operations, and particularly to prevent nation-wide railroad strikes and, as a corollary, hand in hand with that, to provide adequate wages and fair working conditions for the employees.

But I do not want to go any further in that direction than is absolutely necessary. This idea of saying that two members of the board of directors of each road shall be employees and two more shall come from the public I think is unnecessary. I can see no necessity for it. Wages and working conditions are provided for in another way. They are provided through other bodies, the regional boards, the commission on wages and working conditions, and the transportation board. They are amply taken care of, and I can see no reason for having representation of employees and the public on the board of directors.

You may say it is to represent the employees. All the employees are interested in is getting adequate wages and fair working conditions. If they get them, they are satisfied, and they are provided for.

You may say that it is to represent the public. The public is taken care of by the entire bill. The whole theory of the bill is to take care of the public, and I do not see that it needs these two representatives on the board of directors.

I think the provision which I am aiming to strike out is an unwarranted interference with the right of private property. I am willing to interfere with private property where the general good requires, where it is necessary for the general welfare, where it is necessary for the preservation of peace and the welfare of the whole people, but no further. I have always understood that in order to be a director of a corporation one must be a stockholder. It should be so. If there are no stockholders among the employees, how are you going to make an employee a director? Are you going to take a man who is not a stockholder and make him a director? Are the two men to be selected from the public not to be stockholders? Are you going to take from the public men who are not stockholders and make them directors?

I think every man who is a director of a corporation should be a stockholder in the corporation. He should be directly interested, financially interested, in the corporation. I believe it right and proper to take the directors of a corporation from among the people who have their money invested in that corporation, who have their money at stake, and who are financially interested in the economical management of the corporation.

If I get three or four neighbors, or whatever may be the required number, to go in with me, and they each put in a little money and I put in most of the money, and we organize a national bank, it is under the control of the Federal Government, and properly so, because it is a Federal corporation. But would you have any right to say to me that I must make my janitor and my bookkeeper directors of that bank, men who have no financial interest whatever in its success, men who were only interested in doing their work and getting their wages? I say the people who put their money into the bank, the people who are stockholders, have a right to say who shall be the directors of the bank. The directors of a national bank should be chosen from among the stockholders—people who have put their money into the institution and are pecuniarily interested. Let the bank be under Federal control. That is right and well enough, because it is a Federal institution. Make the Federal control as rigid as you may see fit, but let the conduct of the business be in the hands of the men who supply the money.

I do not see any warrant for going to this extreme paternalism and saying who shall be directors of a corporation, even though engaged in interstate commerce. You may provide what the directors have to do and how they shall conduct their business, and what the penalty shall be if they do not conduct their business in the way prescribed by law, but let the people who put up the money name the directors.

My father was a farmer. He had a farm and always employed help on his farm—some negro and some white. But would it have been right for the law to have said that he must take into consultation the men whom he employed on the farm and must let them have a voice in directing the operations of that farm and of running it—let them say this field should be put in wheat and that should be put in corn?

There are men in the Senate who own cotton plantations. Would they want their employees to be made, as it were, directors of their plantations and to have a voice in the conduct of those plantations?

There are men in the Senate who own ranches and farms in the West. Would they think it right to have to take their foremen and other employees into joint management and let them be made directors or managers of their ranches? No; the men who furnish the money have the right to say how those ranches shall be run and how they shall be conducted. But if they undertake to conduct them in contravention of the public interest or contrary to the general welfare, then let some legislative body say that shall not be done.

I believe the bill would be just as good a bill, just as good for the employees and just as well for all, without this paternalistic interference with private business. I was not present at all the hearings held by the committee on the bill, but I understand that representatives of organized labor appeared before the committee when this provision was being considered and said they did not want representation of employees on the board of directors; said they were not interested in it, and, in fact, objected to it. If the representatives of organized labor do not want it, why should anybody else want it?

Therefore I hope my amendment may be adopted.

Mr. LA FOLLETTE. Mr. President, if the Senate adjourns to meet at 11 o'clock to-morrow, as I understand is contemplated, I desire to say that I have not completed my observations upon the bill, and if I can get recognition at the expiration of the morning hour, at 1 o'clock, I will resume my discussion of the measure that is pending.

Mr. MYERS. I did not know that I was interfering with the remarks of the Senator from Wisconsin. I did not mean to get in ahead of him.

Mr. LA FOLLETTE. Oh, no; that is all right.

Mr. JONES of Washington. Mr. President, I desire to ask the chairman of the committee a question. I did not understand just how he reported the House bill awhile ago. As I studied about it, I wondered if he reported it simply striking out everything after the enacting clause and letting it go on the calendar in that way.

Mr. CUMMINS. That is the way I reported it, striking out all after the enacting clause and inserting the Senate bill in lieu of the part stricken out.

Mr. JONES of Washington. Inserting the Senate bill as it was reported to the Senate?

Mr. CUMMINS. Precisely. I could not do otherwise, because there have been as yet no amendments made to the Senate bill. When I call up the House bill, if there have been amendments in the meantime made to the Senate bill, I shall change the motion so that the Senate bill as approved by the Senate will be substituted for the House bill. I know of no other way in which to get the matter into the conference properly.

Mr. JONES of Washington. It occurred to me that the best way would be to withhold the reporting of the House bill until we had perfected the Senate bill, and then the Senator from Iowa no doubt could get unanimous consent to report the House bill with the Senate bill substituted as agreed to by the Senate. However, I do not know but that this probably can be done just as well.

Mr. CUMMINS. I hope it can be done in that way even with the House bill on the calendar.

Mr. JONES of Washington. I suppose it will have to be done by unanimous consent or else we may be tied up with a parliamentary situation.

Mr. CUMMINS. Yes; I think so.

Mr. JONES of Washington. I think the Senator will have no trouble about securing unanimous consent.

Mr. CUMMINS. I hope not to have any trouble about it.

Mr. JONES of Washington. I got the impression that the Senator was reporting the House bill just as it was and that it

was to go on the calendar in that way, and the country might get a wrong impression concerning the report of the committee.

Mr. CUMMINS. I think perhaps I did not express myself very well in making the report, but I intended to report it in the way I have suggested, and I think that is the proper way.

Mr. JONES of Washington. I got the impression that the Senator stated that he intended hereafter to substitute the Senate bill.

Mr. CUMMINS. Mr. President, I move that the Senate adjourn until 11 o'clock to-morrow.

Mr. MYERS. Will the Senator withhold that motion just a moment?

Mr. CUMMINS. Certainly.

Mr. MYERS. I should like to make the request that if the bill does go over until to-morrow my amendment may be printed.

The PRESIDING OFFICER. The amendment of the Senator from Montana will be printed and lie on the table.

ADJOURNMENT.

Mr. CUMMINS. I renew my motion that the Senate adjourn until to-morrow at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 15 minutes) the Senate adjourned until to-morrow, Wednesday, December 10, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 9, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, offered the following prayer:

Infinite Spirit, our Heavenly Father, from Whom cometh all wisdom, strength, courage, fortitude, right thinking therefore, and right living, we find ourselves as a people confronted with grave and momentous questions within our own borders and with our neighbors; hence we appeal to Thee, that our authorities in State and Nation may be able to solve them and establish peace within and without, loving mercy, doing justly, walking humbly with Thee. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT—ANNUAL REPORT OF THE COUNCIL OF NATIONAL DEFENSE.

The SPEAKER laid before the House the following message from the President of the United States:

To the Senate and House of Representatives:

In compliance with the provisions of section 2 of the act of Congress approved August 29, 1916, making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes, I transmit herewith the third annual report of the Council of National Defense for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE, *8 December, 1919.*

The SPEAKER. Referred to the Committee on Appropriations.

ANTIDUMPING LEGISLATION.

Mr. FORDNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10918, and, pending that motion, Mr. Speaker, I would like to arrange with the gentleman from North Carolina [Mr. KITCHIN] for general debate. I have requests for 1 hour and 40 minutes, including the giving of 40 minutes to the gentleman from Idaho to discuss a question he asked unanimous consent to present yesterday, but was unable to do so because of the bill taking all day.

Mr. KITCHIN. So the gentleman does not wish to confine general debate to the bill?

Mr. FORDNEY. Yes; except the gentleman from Iowa [Mr. GOOD] wants 15 minutes to make a statement with reference to appropriations, and I think Mr. CRAGO wants about 15 minutes also, but nothing of a political matter.

Mr. KITCHIN. If the gentleman from Idaho has 40 minutes to make a speech on another subject, and the gentleman from Iowa has 15 minutes to make another speech, and the gentleman from Pennsylvania has 15 minutes to make another speech, that will take 1 hour and 10 minutes.

Mr. FORDNEY. Yes; and then the discussion will be confined absolutely to the bill. I ask that chiefly for the reason that the Democratic members of the Ways and Means Committee unanimously favor this bill, and I would rather not see any politics come into the discussion.

Mr. KITCHIN. Suppose we have three hours, an hour and a half to a side, and let them talk on what they please. I am going to confine my remarks to the bill, and I suppose the gentleman is.

Mr. FORDNEY. I will also, and so will the gentleman. How much time does the gentleman say?

Mr. KITCHIN. An hour and a half to a side.

Mr. FORDNEY. That will give 50 minutes. We have got 1 hour and 10 minutes for these gentlemen on other matters, and that will only give me 10 minutes for discussion of the bill.

Mr. KITCHIN. I will give the gentleman some of my time for discussion of the bill.

Mr. FORDNEY. I would like not more than 30 minutes. Has the gentleman requests for all of the time or could he yield a portion?

Mr. KITCHIN. I have requests for about 30 or 40 minutes.

Mr. FORDNEY. Will the gentleman yield a portion of that time to the gentleman from Idaho [Mr. FRENCH]?

Mr. KITCHIN. I will say this: As far as Mr. FRENCH is concerned I will yield 20 minutes of my time to him and 20 minutes to the gentleman.

Mr. FORDNEY. Giving 40 minutes to this side for a discussion of the bill.

Mr. KITCHIN. Let the gentleman yield the gentleman from Idaho 20 minutes, and I will yield him 20 minutes.

Mr. GREEN of Iowa. Will the gentleman yield to me for a moment?

Mr. FORDNEY. I will.

Mr. GREEN of Iowa. I just want to say that I think our chairman is sometimes a little bit too good natured and accommodating, his nature being exactly that way, in yielding time. I wish those Members who wish time to talk on other subjects would not insist always on the Ways and Means Committee giving it to them, because they are always charging it up to the Ways and Means Committee, and they could get their opportunity just as well at another time.

Mr. HULINGS. I want about 10 minutes this morning.

Mr. GREEN of Iowa. The result is to cut out some members of the Ways and Means Committee themselves. I feel obliged not to ask for any time in general debate for the reason so many Members come in and insist on having time given them by the chairman. I shall not, however, object. I would be very much better pleased, and I think the House would be better satisfied, if these requests came in at another time and not when the Committee on Ways and Means has a matter under consideration.

The SPEAKER. The gentleman from Michigan asks unanimous consent——

Mr. FORDNEY. Would not the gentleman from North Carolina agree to make that an hour and forty-five minutes on a side, because the time agreed upon would only give me 10 minutes.

Mr. KITCHIN. Let us have an hour and forty-five minutes for each side, and I will yield the gentleman 20 minutes.

Mr. HULINGS. I want to ask the chairman of the committee if he could make arrangements to let me in there for about 10 minutes?

Mr. FORDNEY. I will arrange to get the gentleman in under the five-minute rule, because we want to get through the discussion of this bill to-day. I will arrange to get the gentleman in under the five-minute rule.

Mr. HULINGS. That does not suit me at all. I do not want to talk under the five-minute rule.

Mr. FORDNEY. I would like to accommodate the gentleman, but we must confine this debate to the bill.

Mr. HULINGS. I do not know what the bill is. I want to talk on something that is quite as important as the bill, I think.

Mr. FORDNEY. Well, I will try to get the gentleman in under the five-minute rule.

Mr. HULINGS. I do not want to get in under the five-minute rule.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the general debate be limited to three and a half hours, an hour and forty-five minutes to be controlled by himself and an hour and forty-five minutes by the gentleman from North Carolina [Mr. KITCHIN]. Is there objection? [After a pause.] The Chair hears none. The question is on the motion that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10918, the antidumping bill, with Mr. MANN of Illinois in the chair.

Mr. MANN of Illinois took the chair amid applause.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10918, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. FORDNEY. Mr. Chairman and gentlemen, I will be as brief as possible in my explanation of the purposes of this bill, after which, as far as I am able, I shall be glad to answer any questions that may be asked me by Members of the House.

The chief purpose of this bill is to prevent unfair competition from abroad when goods are sold here in competition with the products of this country. The bill provides that power be given to the Secretary of the Treasury to investigate, to examine the books and papers and documents of any firm in any country of the world engaged in exporting to the United States to determine whether or not the price at which such firm's goods are sold in this country is at least equal to the price at which they are sold in the country of production, and upon refusal of a firm or person to give to an authorized representative of our Government the right to examine their books and documents the Secretary of the Treasury is directed to prohibit the importation into the United States of the goods of that firm or person until such information is given.

If it is found that a foreign company or corporation or individual is selling an article in this country at a price less than that at which it is sold in the country of production, then the Secretary of the Treasury is authorized, through proper agents, to add an additional duty upon such imported article. In fact, the bill, if it becomes a law, gives power to the Secretary of the Treasury to prohibit importation in several ways: First, by a fine or imprisonment, or both, for a violation of the law. We do not object, and can not object, to a foreigner bringing goods into our country and selling them at a price equal to that charged for such goods in the country where they are made. If a foreign concern can make goods at a less price than we can, the difference in cost must be provided for in a tariff law. But no tariff rate that we have enacted or can enact will correctly anticipate the selling of goods in this country at a price less than their fair market value in the country of origin for the purpose of destroying an industry and competition in this country.

I will, if I have the time, call the attention of the House to several instances of unfair competition from abroad. We have upon our statute books what is known as the Sherman antitrust law, the purpose of which is to destroy or prevent monopoly in this country; to prevent large corporations from purchasing smaller ones, combining them, controlling prices, and then selling at an unfair profit to our people. But we have no law and we have no means for preventing concerns in a foreign country combining to sell their goods at a sacrifice in this country until competition here has been destroyed and thus control our markets at such prices as they wish to charge. I have in mind several instances of that kind which I can present to the House if I only have the time; among them are two presented by the now Attorney General, Hon. A. Mitchell Palmer, while he was Alien Property Custodian. He points out in his annual report that the chemical manufacturers of this country, who with American capital have attempted to produce chemicals of various kinds, and especially those used in the manufacturing of dyestuffs, have been embarrassed and have been destroyed by unfair competition from abroad. He gives a full and clear explanation of the unfair competition by German manufacturers, giving the names of the firms, the amount of the capital invested, and their location.

As illustration of unfair practices Mr. Palmer points out two different chemicals—salicylic acid and oxalic acid. He shows that American capital became invested in the production of salicylic acid at a time when such acid was selling in Germany, in round numbers, at 30 cents per pound. The import duty then was 5 cents per pound. Yet German manufacturers sold in our market, in competition with the American-made salicylic acid, at 25 cents a pound, paying 5 cents a pound duty; in other words, selling what would yield to them, less the tariff, 20 cents a pound when the price in Germany was 30 cents a pound, until our manufacturers closed their doors. Then the price went up to 30 cents and beyond that.

He points out, again, that there were five factories in this country—three owned by American capital, largely by Pennsylvania residents—manufacturing oxalic acid, which was selling at 6¼ cents per pound. When the three American manufactories started up the Germans cut the price to 4.7 cents per pound, which price remained for some time. Finally the price was reduced to 2.2 cents per pound, until the three American factories closed their doors. Then the price was put back by the Germans to 9 cents per pound and finally lowered to 7½ cents per pound, where the price remained for some time. When the war came on the three American factories again opened their doors and began operations. The Alien Property Custodian discovered that one of these factories was German-owned and a branch of a large corporation in Germany, and that the reduction of the price was carried on by the German institution, and that when the institutions of American ownership closed their doors and could no longer produce the article at the price obtaining the price by the German manufacturers went back to 9 cents a pound—higher than it had been before our people began the production of the articles in this country.

I have a letter from Mr. Dow, of the Dow Chemical Co., of Midland, Mich., a town about 20 miles from my home. The Dow Chemical Co., of Michigan, is a very large institution at the present time, making chemicals from salt brine. Mr. Dow was forced to meet a very bitter and determined fight against unfair German competition aimed to drive him out of the market. Upon request he gave me the details of that fight. The letter is as follows:

THE DOW CHEMICAL CO.,
Midland, Mich., July 18, 1919.

Hon. JOSEPH W. FORDNEY,
House of Representatives, Washington, D. C.

DEAR MR. FORDNEY: In reply to your letter of July 14, our experience with the German bromine trust was somewhat as follows:

Fifteen or sixteen years ago a German who spoke good English came into my office and introduced himself as a director in the Deutsche-Bromkonvention (Bromine Trust), and explained that the Bromkonvention was a subsidiary of the Kali Syndicate (potash syndicate). He elaborated somewhat fully on this point, explaining that the Prussian Government was a party to the potash syndicate and that the Bromkonvention was to the same extent a government institution. After some further preliminary remarks he stated that they had secured evidence that we had exported bromides. He did not complain that we had exported them to Germany, but that we had exported them out of the United States. I replied that I knew of no law in the United States that prevented Americans from exporting bromides, whereupon this German stated that he knew there was no United States law, but that he had come all the way from Stassfurt, Germany, to tell me that the Bromkonvention would not permit me to export bromides, and that if I persisted they would put 2 pounds of bromides in the United States for every 1 pound that we exported. I stated that we could make bromides just as cheap as he could, to which he replied that price was no consideration and had no bearing on the subject; that they would put 2 pounds in here for every 1 pound we exported, entirely irrespective of price.

I did not give the matter very serious consideration, and we continued to export bromides.

Some considerable time after this visit a big consignment of bromides was landed in New York and distributed by the Roessler & Hasslacher Chemical Co. at 15 cents a pound, the price in Germany being approximately 49 cents per pound and the import duty 25 per cent ad valorem. From this you will see that the price they received probably did not pay for import duty, transportation, and distribution expenses. I do not remember the American price at that time, but it was somewhere near 30 cents. Of course, many jobbers of pharmaceutical chemicals availed themselves of the opportunity of stocking up on a standard pharmaceutical product like potassium bromide, and, if I remember correctly, there was no method by which we could secure from the Government information in regard to the quantity imported. But almost simultaneously with the arrival of this bromide in the United States the same German referred to above visited one of our best customers, the Mallinckrodt Chemical Co., and Mr. Mallinckrodt wired me that he was there and asked me to join them in a conference, which I did, but would not agree to desist making exports. The Germans sold all the bromides they could at 15 cents per pound, and when they could sell no more at that figure reduced it to 14 cents, then to 13 cents, and I think the lowest offer made was 11 cents. This extended over a period of about three and three-fourths years, but in the meantime we had entirely ceased selling bromides in the United States and confined our efforts solely to the foreign market, and during the last year of that period we sold more bromides in Germany than the Germans sold in the United States, and it netted the Dow Co. very much more than the American price. Such a large quantity of bromides was brought into the United States during this time that for approximately three years thereafter there was no market in America for bromides. We, however, continued to sell moderate amounts abroad and have never desisted, and at the time Germany entered into war we had the usual amount of foreign trade, which suddenly increased to large proportions when German competition dropped out.

The only thing that prevented the Dow Chemical Co. from being eliminated from the bromide business was the high tariff, which handicapped the Germans to such an extent that they ultimately gave up the fight. If we had been less persistent and had dropped out, everybody would have said that the Americans could not compete with the Germans in this line and would have believed it sincerely.

The above are the main facts in regard to our bromide fight with the Germans, and I think more or less well known by most of the manufacturing chemists.

Very truly, yours,

HERBERT H. DOW.

I mention this instance, gentlemen, to show the unfair competition that some of our manufacturers in this country must meet.

The Alien Property Custodian points out that a chemical company in Germany—and you will find that statement on page

26 of the Alien Property Custodian's report for the year 1918—started in 1865 with five employees. That one firm in Germany to-day has a plant on the Rhine with one mile and a half frontage on the river and with 500 acres of a plant. In 1912 it employed 7,680 laborers, 307 chemists, 374 foremen, 74 engineers; had 30,000 horsepower and 42 miles of railroad within the limits of the plant. It made chemicals we purchased from Germany prior to the war, but many of which are now being made by American manufacturers. The world's production of dyestuffs before the war was $100,000,000, 75 per cent of which was made in Germany. We consumed from 15 to 25 per cent of these dyes. We must come in competition with those great corporations when once again trade relations are fully restored between this country and Germany. They started in, as I say, with a small capital, but the Alien Property Custodian points out that that combination to-day has $400,000,000 invested in the manufacture of chemicals in Germany.

Now, gentlemen, we are making dyestuffs in this country, we are making chemicals of various kinds in this country, that we did not make before the war. This bill will do much to protect those institutions if it is enacted into law and properly enforced. It will protect our American manufacturers against unfair competition. There is no other purpose in the bill. It will not permit a foreigner in any line of industry to come to our markets and sell his goods here at a less price than he sells them for in the country where they are made.

Canada has such a law to-day upon her statute books and strictly enforces it. If I had the time I could point out to you many instances where American manufacturers have attempted to sell goods in Canada at reduced prices and have been prohibited from doing so; have been directed to take their goods out of Canada or rebill them, reinvoice them, at their actual selling price in this country, pay an additional duty, and a penalty; either that or take the goods from Canada and cease further importations to Canada.

I have a statement which aims to explain the various provisions and sections of the bill, and will insert that statement in my remarks at this point:

The term "antidumping" is used in the title of this act as it indicates at once the popular understanding of the measure.

SECTION 1.

MERCHANDISE.

Imported merchandise is either free or dutiable at specific or ad valorem rates. In the act the special duty applies to "merchandise" without limitation, including within its provision merchandise free, specific, and ad valorem. Merchandise sold at a fair price might be entitled to importation into the United States free of duty, but when such merchandise is sold at less than its fair market value and no equalizing duty can be assessed, its entrance into the commerce of the United States might become disastrous to the producer of like merchandise in the United States. For this reason all classes of imported merchandise have been made subject to the special duties under the dumping act. This results in the equalization of the cost to the importer to the price of the American producer, providing that the action of Congress was correct in placing the article on the free list.

The bill should include such merchandise as is now assessed under the tariff act with specific rates. Specific rates do not, if their effect is proper, do more than equalize the cost of the foreign product to that of the domestic. Without the imposition of a special duty on goods subject to specific duties, unfair competition by reason of sale at a dumping price would bring imported merchandise into this market at a lower price, which might injure and destroy competition by an American produced article.

THE CLASS OR KIND.

The class or kind subject to special duties will be promulgated by the Secretary of the Treasury after investigation and comparison of the class or kind produced in the United States. This provision will make a definite classification for the appraising officer and the collector as to the imported merchandise upon which special duties shall be levied.

In the preparation and determination of the class or kind the Secretary of the Treasury will have to avail himself of the expert knowledge of the merchandise customs examiners and other Treasury investigating officers. The merchandise examiners form a body of experts, familiar with merchandise conditions throughout the world. This body of experts, on account of their long experience, would be best fitted to advise the Secretary of the Treasury. In our opinion it would be very difficult, and only after a long lapse of time possible, to build up a new force to determine comparability without using this splendid nucleus of expert knowledge.

Merchandise may be of a kind or class identical to a class or kind made in the United States, but not comparable from a dumping standpoint. To illustrate: A high-grade china might fall into the class or kind that includes low-grade china, semiporcelain, or earthenware, but if it is art china, not made in the United States, it would not be in competition. On the other hand, dinner ware manufactured in Limoges, France, or its imitation made in Japan, would come on the market in direct competition with the same kind of dinner ware made in the United States. Hotel ware also comes into competition with American hotel ware.

DEFINITIONS.

Sections 2 and 3 explain themselves. Sections 4, 5, 6, and 7 are definitions defining the terms "foreign home values," "values to countries other than the United States," "cost of production," and "sales price," thereby saving considerable phraseology and repetition in referring to their application later on.

SECTIONS 4 AND 5.

FOREIGN HOME VALUE—VALUE TO COUNTRIES OTHER THAN THE UNITED STATES.

Foreign home value is the first value to ascertain. If that value can be secured and the export price to the United States is maintained at that level there is no dumping, provided the value in the home country is the open value to all and not a restricted, conditional, or special value. Any deviation by lowering of price for sales to the United States would indicate and establish dumping. The value to countries other than the United States, in the absence of a foreign home value, should be the first alternative. It is quite manifest that the price at which merchandise is freely offered and openly sold to all countries other than the United States must constitute a fair return in value for the product sold. The provision to section 4 is important. Merchandise may not be sold in the country of production for home consumption, and therefore the price to countries other than the United States would be resorted to if it exists. In such event, if a concession in the form of rebate or the nonimposition of import duties is made, the provision in section 4 will make it mandatory to add to the export price any unpaid or rebate import duties to establish what may be termed a constructive home market value. This does not apply to an excise tax, for such tax has no relation to the value in connection with dumping.

PACKING CHARGES.

To the foreign home value or the value to countries other than the United States, the cost of packing and packing charges are added. In comparing either of these values as against the export value to the United States, packing charges must be taken into consideration. In some lines of goods their relation to the value is very high. When an export price to the United States is compared with the foreign home value or the value to countries other than the United States, packing and packing charges must be either included in both values or, if not, eliminated from both.

WHOLESALE QUANTITIES.

Under the present law market value is found in the usual wholesale quantities of the home country. It will be noted under this section that market value is found in the foreign country on the basis of the usual wholesale quantities of the same kind or class as sold to the United States. The purpose in substituting the wholesale quantities in the United States instead of the wholesale quantities in the foreign home market is to obviate the determination of value in retail quantities, which may be the wholesale quantity in which ordinarily bought and sold in the foreign market of production or sale. To illustrate: Books are sold in England in quantities of probably a dozen direct to the bookseller. The price in such quantity is far in excess of the price at which the publisher will sell in usual wholesale quantities to markets other than the home market. It can scarcely be contended that the price at which he sells the far greater part of his production is a dumping price simply because the merchandise is to be exported, and that the fair wholesale price is in the limited quantities in which sold in the home market.

In many countries, owing to the proximity of the market of production to the place of consumption and the absence of the jobbers as known in this country, the purchasers buy in extremely limited quantities. It is quite usual in England for the manufacturer to sell directly to the consumer in quantities as low as one. It would be very unjust to take the price at which the manufacturer sells one, which may be the usual wholesale quantity of the country of production or sale, and compare it with the price at which he sells the far greater part of his product to the United States, and because of the higher price at which he sells the one, assess a special duty under

the dumping act, where, in fact, no dumping has actually occurred and the price for export is a fair market price in the quantities in which sold to the United States.

SECTION 6.

The "cost of production" defined in this section is the third alternative. The foreign home value is first. If none exists, then the foreign value to countries other than the United States is resorted to. In the absence of these two values, the only method left to establish a value is through the medium of the cost of production, which involved the determination of cost of material, labor, and general expense of the merchandise similar in material and production or manufacture. The material, labor, and general expense are definite factors to establish as pertaining to a particular manufacture or article, but the addition of profit may involve dumping. The manufacturer in the foreign country, desiring to get into the American market, may make a very low price; he may even sell without any profit at all, or he may sell at a price even lower than the bare cost of production. Consequently it must be ascertained whether in addition to his costs he has added a fair profit. Section 5 provides that the profit to be added to the costs of material, labor, and general expenses is the average profit of manufacturers in the market of production producing articles from like material by similar methods of manufacture or production. In this manner the constructive home-market value is reached, it being assumed that manufacturers selling in the home market must add to their costs a legitimate profit to establish their selling prices in the home market. To illustrate: A particular style of ladies' handbag made of leather may be manufactured in France and sold only to the United States. No market value existing in the home market or for countries other than the United States, the cost of production must be established. The factors of cost can be ascertained from the books of the manufacturer, but to determine the amount of profit that should be legitimately added to make a fair home-market value the investigator would have to turn to the leather manufacturers in France, who, although they did not make the particular style of handbag for ladies, or possibly not any kind of handbag, would be making leather goods of like material and construction to the leather bag, and their manufacturing profits would be added to the cost established.

SECTION 7.

(A) SALES PRICE.

The true market value for home consumption or to countries other than the United States, or in the absence of these values, the cost of production having been found, such result must be compared with the sales price to the United States to establish whether the special dumping duty is to be assessed. This sales price must be the true price, and not a disguised price or simply an invoiced price. The special duties being 100 per cent of the difference between the sales price and the home-market value, and the import duties only a fractional part, the importer would be quite willing to invoice at the higher price, in order to avoid payment of a special duty. The price to the person in the United States buying the merchandise abroad on the face of it would appear to be the true price. However, if the person in the United States had an interest in the business abroad, or if the business abroad was one and the same with that in the United States, although both under separate entities and incorporated under the laws of the two countries, it can readily be seen that almost any price could be agreed upon as a sales price and the merchandise actually billed and paid at that price, and any losses adjusted at the end of the year by transfer of moneys, entirely unknown to the officials charged with the imposition of the special duties. For that reason the definition in A is set forth, limiting one of the sales prices to the person in the United States only if such person in the United States has no financial or other interest in the business of the shipper. The purpose for this exception is to forestall a practice whereby a foreign manufacturer may seemingly sell at a price which is fair home-market value, but subsequently make adjustments by credits and debits in his books for any loss incurred through the sale of the merchandise at prices less than the invoice value plus charges incurred in placing the merchandise in the hands of the buyer.

(B) SALES PRICE.

This subsection shows how the appraiser in instances where the person in the United States has an interest in the foreign business can disregard the apparent sales price and take the sales price of the importer in the United States, and after subtracting from that price the expenses incurred in placing the merchandise in the market of the United States will reach the real sales price at which the merchandise entered into competition with comparable merchandise in the United States.

(C) SALES PRICE.

This subsection defines how the sales price shall be found when the merchandise is shipped to the United States consigned or otherwise than by purchase. It can be readily seen that the manufacturer in the foreign country consigning his merchandise to the United States may consign on his consular invoice at the full foreign market value, let us say $1, and after the arrival of the merchandise in the United States dispose of it really at 90 cents or any lower price he desires. This is a condition which has never been provided against or obviated by any dumping law, and is the most important of all.

SECTION 8.

DATE OF SALE.

The present law provides that the market value is to be determined as of the date of exportation to the United States. Under this act provision is made that the foreign home value for goods actually purchased is to be found on the date of sale, distinguished from the present tariff law as on the date of exportation. For goods coming into the United States secured otherwise than by purchase or on consignment under this definition foreign market value is taken on the date of exportation, as there would be no date of sale, and the date of exportation would be the only date that it entered into competition.

Merchandise is rarely shipped on the date of its purchase. Shipment takes place a week or two or six months thereafter. The merchandise may not be in existence at the time of purchase, but to be manufactured for future delivery. During the time elapsing between date of purchase and the date of shipment the foreign home value may change, but to what extent no one knows. It may be higher; it may be lower. The importer in the United States, in order to conduct his business intelligently, must know very closely what the merchandise is to cost. If by reason of a change in price special duties are to be imposed it will be impossible for any importer to do business. The imposition of special duties between the price at the time of sale and the price six months hence will mean that the importer is not buying his merchandise at the price set at the time of purchase but at some unknown price in the future.

To establish whether dumping has actually occurred necessitates a comparison between the sales price and the foreign home value. This determination should be made by comparing the two values on the same date. The date of exportation has not been adopted, in view of the desirability of determining the relative prices for export and for home consumption on the same date.

SECTION 9.

The special duty is the difference between the sales price and the values provided for in this act on the date of purchase and sale. This in some instances may lead to the incongruous position that a special duty is imposed with the price on date of exportation lower than the market value on date of sale. It was originally contemplated to incorporate a proviso in section 9 that whenever the values on date of exportation were lower or equal to the sales price that no special duties shall be imposed, but upon further consideration it is deemed advisable to leave it out. Dumping occurs when merchandise is sold at less than its fair market value at the time of the transaction. A further argument in favor of the imposition of the special duties without regard to the market value condition on date of exportation is the fact that, as a rule, merchandise is produced previous to the exportation, and that merchandise manufactured in the United States on the same date must have relative costs similar to those in the foreign market.

The reduction of a price is usually the reflection of the lowering of some element of cost and should have no effect on merchandise which may be quoted on the date of exportation at a lower price as a result of the existence of merchandise created at a higher cost or to be created on the basis of lower cost. To further illustrate: Merchandise manufactured coincidently in the domestic and foreign markets; the difference of costs are presumably equalized by the imposition of an import duty. Involved, however, in the transaction in the foreign market is the element of sale at lower than the proper market price. For that purpose a dumping duty is provided. If the imposition of the dumping duty is not enacted the merchandise produced in the United States is meeting the unfair competition resulting from the dumping.

If in the judgment of Congress it is deemed desirable that no dumping duties shall be imposed in the event of a reduction in the market value between date of sale and the date of exportation, a proviso should be added to section 7, as follows:

Provided, That whenever the values on date of exportation are equal to or less than the sales price the special duty provided shall not be levied or collected.

SECTION 10.

This is the authority for the appraiser, or the person acting as such, to find either one of the three different values and the sales price. This authority is necessary, as the present law does not authorize the appraiser to find other than the market value on the date of exportation.

SECTION 11.

This authorizes the appraiser to find the sales price after the merchandise has been imported. This provision is most important, as without it dumping can not be prevented.

Sections 12, 13, 14, 15, and 16 are authority for the collector to assess the special duty and authority in cases of appeal, by either the importer or the collector, and for the general appraiser or the boards of general appraisers to find the particular kind of value provided for in this act. The already created tribunals for customs appeal are under this act authorized to determine the necessary values, and the machinery for this is set forth in practically the same phraseology as now appears in our present tariff act, paragraph M, section 3.

SECTION 17.

This section reaches the importer, the only person that can be reached, and denies him the right to import if his shipper or manufacturer refuses to open his books. To forbid the foreigner to send the merchandise to the United States might involve this country in serious controversy. Investigating officers are at present not clothed with the proper authority. Many foreign shippers do not respect nor accede to the request of a properly authorized Government officer that the papers and books be placed before him for inspection to ascertain facts necessary for proper appraisement.

The inability of investigators abroad to compel foreign manufacturers and shippers to open their books and give true values has been responsible for a large percentage of undervaluations. Where duty is based on value it is readily understood that if such value can not be ascertained, either by reason of an insufficient number of investigating officers abroad or through lack of authority for investigating officer to demand an inspection of the records of the sale, the administration of the law is greatly hampered. There are many instances where foreign shippers or manufacturers have refused to give the United States Government any information as to their foreign home value or values to countries other than the United States. As a result of such refusal no penalty has been imposed. If the merchandise were stopped at the border or turned back from the customhouse, the foreign shipper would soon realize that he will either comply with the laws of the United States or discontinue seeking business in the United States. At present our foreign investigators are given only what the foreign shipper desires to give them, and their work, for the reason that there is no way to enforce their demands, is very hard.

Along these lines a speech reported to have been made before the German chamber of commerce is inserted for information. Appraising officers say, whether this speech was actually made or not, that it expresses exactly the attitude of the German manufacturer or shipper and the attitude of many manufacturers and shippers in other foreign countries.

SECTION 18.

This is the same as 17, differing only in that it gives authority to secure the sales price in the United States. It is fully as important as section 17.

SECTION 19.

The present law requires that the purchase price be set forth on consular invoices where the goods are actually purchased and the market value where the goods are consigned. For the purpose of this act it will be necessary for the foreign exporter to place upon the invoice, in addition to the purchase price, either the home value or the value to countries other than the United States at date of sale, and, in the absence of either of these values, the cost of production at date of production. Such statement on the invoice will greatly expedite the passing of the goods and the return of the invoice by the appraiser.

SECTION 22.

We, the committee, believe that the special agents or other officers having expert knowledge of the administration of customs laws should be limited as far as practicable to those in the service, going out of the service and appointing from the civil-service list when such officers are not available. This will lead to better administration.

Mr. BANKHEAD. Mr. Chairman, would it disturb the gentleman to ask him a question right there for information?

Mr. FORDNEY. No, sir.

Mr. BANKHEAD. This is rather a complicated piece of machinery that is set up in this bill. I would like to have stated the method of determining the method of unfair rates, and upon whom that responsibility rests, and how it operates, or will operate, under this bill.

Mr. FORDNEY. We called upon the Secretary of the Treasury, and he very kindly permitted us to have the benefit of experts employed by the Government in the customs offices in New York, men who have been in the employ of the Government for 30 years, and who are very thoroughly conversant with the facts that would be brought out if this bill becomes a law. The bill gives the power to the Secretary of the Treasury to appoint proper officers to send abroad to any country in the world to investigate books of foreign firms and see at what price certain goods are sold in the country where they are made, and on their failing to give our representatives that information the Secretary of the Treasury is directed to prohibit the importation of that company's goods until we do get that information. Then if goods are imported into this country contrary to the provisions of this law, and the importer knowingly violates the law, he makes himself liable to fine and imprisonment. If he pays rebates contrary to law, he subjects himself to fine or imprisonment. Power is given to the Secretary of the Treasury to prohibit, as I have said, the importation of such goods made by people violating the law or refusing to give us the necessary information or the right to examine their books or their records.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman.

Mr. HARDY of Texas. There has been quite a good deal of statement and complaint to the effect that American manufacturers did this same thing.

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. That they have marked their goods here at one price, and in order to get into the markets of foreign countries they have reduced the price there far below the price in this country.

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. Have any of the foreign countries other than Canada, as mentioned by the gentleman, taken any steps providing for the inspection of the books of our manufacturers?

Mr. FORDNEY. Yes. Australia and New Zealand and the Union of South Africa have enacted such laws, but I believe no other country. I have frequently heard that American manufacturers often sell abroad cheaper than they sell at home; but there is less opportunity for the American manufacturer to sell abroad at a lower price than he sells here, as compared with the foreigner, because of the difference between our cost of production and the cost of production abroad. Our goods cost more on account of our higher labor cost—which is higher than the labor cost of any country in the world—and therefore we have less opportunity to sell at a sacrifice price abroad than foreigners have to sell at a sacrifice price here. But I believe this has often been done by our manufacturers, and we know of many instances where foreigners have practiced the same thing here. In order to run their establishment at the lowest possible cost of production, manufacturers find the best way is to run the entire plant at full blast. Many times a manufacturer finds himself with a surplus of goods on hand, made under those conditions. His output in this country exceeds the demand for his product here and he finds his warehouse filled to overflowing. In such a situation there is but one of two things to do, either to close down until he works off that surplus product or to dump the goods somewhere in the world at a sacrifice in price.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield again?

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. Could not the American manufacturer also reduce the price at home as well as abroad, and let the American people get the benefit of that surplus as well as the foreigner?

Mr. FORDNEY. Well, I will say to the gentleman that once upon a time Mr. Schwab came before the Committee on Ways and Means when our honored Member, Mr. CLARK of Missouri, was a member of that committee. Mr. CLARK said to Mr. Schwab: "I understand you sell steel rails abroad cheaper than you sell them in the United States. Is that true?" Mr. Schwab said, "No; that is not true." He said: "There had not for 10 long years been a pound of steel rails sold by an American manufacturer in any steel-producing country in the world except some sold by our company, the Bethlehem Steel Co., to northwestern Canada, for which we received $2 per ton more than we received in this country."

Then the question came up, if there was a reduction in the price, why not first reduce it to the home consumer? He re-

plied: "Our best market in the world is at home within a certain zone, in the territory surrounding our industry, and if we can not sell to the people in that territory at a profit we can not sell to any people in the world at a profit. Therefore we must maintain a price at which we can obtain a profit where we must look for the major portion of the sale of our product. So we can not reduce the price to our home customers and hope ever to make a dollar in the business. For that reason we maintain the price to our own people at home and dump our surplus product abroad in order to keep running and employ our labor and manufacture at the lowest possible cost."

Mr. HARDY of Texas. Then, the long and short of it is that they do sell higher here than they sell abroad—our own American manufacturers?

Mr. FORDNEY. No; I do not say that. I say we can not do that in Canada, we can not do that in Australia, we can not do that in any country that has an antidumping law, because they do not permit it if they know we are selling at sacrifice prices.

Mr. HARDY of Texas. Would the gentleman have any objection to incorporating in this bill a kind of mutuality, that whereas we forbid others to dump here we forbid our own manufacturers to dump elsewhere?

Mr. FORDNEY. No; we can not control export prices, nor should we try to. I have said that although we have to-day the Sherman antitrust law, which forbids combinations in this country to exact unfair profits from our people, we have no law whatever upon our statute books that protects our people against foreign combinations to put our industries out of business and then put the prices as high as they choose, as has been so fully set out and so clearly demonstrated by the report of the Alien Property Custodian, which I call to your attention and ask you to read.

Mr. HULL of Tennessee. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Tennessee.

Mr. HULL of Tennessee. The principal purpose of this bill, as I understand it from a very slight examination—for I was not able to participate with the committee in its consideration—is to protect the manufacturers or producers in the United States against "dumping" by those who produce similar articles in other countries, is it not?

Mr. FORDNEY. Yes; that is the sole purpose of the bill.

Mr. HULL of Tennessee. Does the gentleman place the construction on section 9, on page 5, that where articles are exported from other countries to the United States, which articles are not produced at all in the United States, the purchaser in this country would be required to pay a price equal to the price paid in the country from which the product is exported?

Mr. FORDNEY. No; but the invoice price is fixed for the purpose of collecting the correct amount of revenue on these imported goods.

Mr. HULL of Tennessee. In that connection, there are many articles imported into the United States and consumed here which are not produced in the United States?

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. Or if produced here are only produced in inadequate quantities?

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. Some of these same articles are shipped from the country which produces them and sold in other countries at prices lower than the domestic price. Now, under this bill would the American purchaser be required to pay the higher price which the domestic level suggests, or would he get the article at the lower price level at which the article is sold in other countries?

Mr. FORDNEY. My understanding is that the bill attempts in no way to fix the price on a noncompetitive product except for the purpose of collecting revenue. Revenue should be collected on noncompetitive products at the price for which they sell in the country of production, not the price for which it might be sold to foreign countries. That is for the purpose of collecting the correct amount of revenue due to our Government. For that purpose this measure would compel them to show on the invoice the price at which the article is sold in the country where it is produced.

Mr. HULL of Tennessee. I call the attention of the gentleman to this point, because I am not sure whether it would be fair to the business of this country, which purchases from abroad articles and commodities that we do not produce here for the purpose of manufacturing or otherwise consuming them, when it finds those articles are being exported from the country of production and sold at a lower price than the domestic price, to be compelled to pay the domestic price while other countries which purchase the article pay the lower price.

Mr. FORDNEY. I will say to the gentleman that the purpose of the bill is not that at all. Suppose we are importing an article like coffee from Brazil. We do not produce coffee in the United States. Suppose we find that Brazil is selling coffee in Brazil at 5 cents a pound, but in some foreign country at 4 cents a pound. If it was an article which paid duty—which coffee does not—then we would compel them to place on the invoice of the shipment to this country the price at which the article is sold in Brazil, in order that we might collect a duty on 5 cents a pound instead of on 4 cents. But the bill in no way attempts to fix the price at which noncompetitive articles may be sold in this country, because if they are noncompetitive articles then we want them sold to our people at the very lowest possible price for which we can buy them.

Mr. HULL of Tennessee. Just one word further, if the gentleman will permit.

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. Take the case of coffee. Suppose Brazil sold coffee in her domestic markets at 8 cents a pound. Suppose she prices it to the American purchaser at 7 cents a pound. Suppose she prices it to a purchaser in England and other countries at 6 cents a pound. Under that state of facts, when we apply section 9 of this bill, the American purchaser would have to pay, because of the revenue proposition, the difference between the price in Brazil and the price at which it is sold at home, although he ought to be allowed to purchase it at the price at which it is sold in England and other countries.

Mr. FORDNEY. I assume that if there was an instance where an article was sold in this country at a price less than that at which it is sold in the country where it is produced, if it is a noncompetitive product, we would in no way attempt to interfere with the price, but I do not believe any foreigner will sell his goods here at lower prices than at home if he has no competition here, which would be the case in noncompetitive articles.

Mr. REAVIS. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Nebraska.

Mr. REAVIS. Would the gentleman from Tennessee have any reason to apprehend that a foreign producer sending his product into this country, where there was no competition, where he had an exclusive field for his product, would be inclined to charge less for it here under those conditions than he would charge at home?

Mr. FORDNEY. No; the chances are that he would not sell for any less than he could sell at home, because he would enjoy full control of the market in this country on a noncompetitive product. He competes only with his own neighbor or some man from a foreign land.

Mr. KITCHIN. Will the gentleman from Michigan yield?

Mr. FORDNEY. I yield to the gentleman from North Carolina.

Mr. KITCHIN. The gentleman stated that where the article is noncompetitive—that is, where the article that is imported is not produced in the United States—this bill does not apply. That, of course, was the intention of the committee, but in reading the bill very carefully I think the committee omitted one very important amendment which should go into the bill to carry out the gentleman's idea.

Take coffee; coffee is free. If they are selling coffee in Brazil for 10 cents a pound and they offer to sell it to our people for 8 cents a pound, we ought not to object, because it is a noncompetitive article. Tea is the same way.

Mr. FORDNEY. And rubber.

Mr. KITCHIN. I think to cure that I would suggest this amendment, which the gentleman and the committee can think of: Add to section 9, page 5, these words, "*Provided*, That this section shall not apply to any article the like of which is not produced in substantial quantities in the United States."

That would cure it and do what the committee intended.

Mr. FORDNEY. I do not know that there is any serious objection to that amendment, but the bill has been carefully prepared, and I believe that we should be very careful about amendments.

But this is the point: I do not know of any article imported into this country, noncompetitive, which is not on the free list. Tea, coffee, and rubber are articles that we do not produce in the United States and are on the free list and would not be affected by this bill.

Mr. KITCHIN. Yes; the bill states in section 9—and I did not notice that in committee—that "whenever merchandise, whether dutiable or free, is exported to the United States," and so forth. The word "free" ought to go out.

Mr. FORDNEY. No; I do not think that language ought to go out, and for this reason: There are many articles that are admitted free of duty that are competitive, and if they

are competitive products, then the principle should apply and the penalty should apply if the articles are sold at a less price in this country than in the country where they are produced.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SMITH of Michigan. Have we not an antidumping law in this country?

Mr. FORDNEY. We have an antidumping law, enacted in 1916 in the revenue bill, but that law is inoperative, for the reason that a conspiracy must be proven between the exporter and the importer to lower the price for the purpose of destroying or injuring an industry in this country. That is impossible. You might be an importer of an article from abroad and the man in the foreign country offer you goods at a certain price. You know nothing about what the price of the article is in the country where it is produced. You buy because the price is attractive. It could not be proven that you had entered into a conspiracy to destroy an industry simply because you purchase the goods cheap. Therefore in not a single instance, so I am informed, has the law been enforced since it was enacted in 1916. It is not obligatory on the Secretary of the Treasury to enforce that law. This bill, if it becomes a law, directs the Secretary of the Treasury to proceed either to collect the extra amount of duty under the penalty imposed or prohibit the importation of the article altogether until a satisfactory settlement can be made by the importer or exporter—the foreigner. That is exactly what Canada does to-day.

I will give you an illustration on that point: There is a pottery manufacturer in New Jersey making lavatory or toilet stools, which are sold in this country at $5 each. He had a large surplus on hand and he sent a large consignment to a firm in Canada at $3 apiece. Immediately the Canadian Government sent a man to this pottery in New Jersey for the purpose of examining the books as to the price these articles were sold for in this country. The proprietor refused to let him see the books. The agent said, "I am going to the hotel and will be there until 10 o'clock to-morrow morning; if you want to see me you will find me there."

Late in the evening the manufacturer received a telegram from the party in Canada to whom he sold the goods, saying, "I am forbidden to unload the goods; what is the trouble?" He called on the agent at the hotel, and the agent said, "You will take your goods out of Canada or let me examine your books, because we are under the impression you are selling in Canada at a price less than you sell in the United States." The manufacturer admitted that that was true.

Then he was given the privilege of paying the duty and 50 per cent penalty, or taking his goods out of Canada and staying out.

That is very strict, very rigid, very proper, and a good protection to the industry in Canada. That is exactly what this bill does. It places the power in the Government of the United States to do that very thing and prevent unfair competition.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SMITH of Michigan. There is nothing in the bill to prevent the manufacturer from selling his goods at any price he wishes to in a foreign country, provided the foreign country does not complain about the price?

Mr. FORDNEY. He can sell his goods at any price obtainable, but they can not sell goods in our market for the purpose of destroying an industry here by selling at a price less than they sell for where the goods are produced. That is the whole gist of the argument in this bill.

Mr. HULL of Tennessee. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HULL of Tennessee. I am trying to get set right on the question I raised awhile ago and which I think the gentleman from North Carolina [Mr. KITCHIN] takes the same view that I do. Section 9 in this bill says:

That whenever merchandise whether dutiable or free is exported to the United States of the class or kind provided for in this act.

Here is the opening language of the Canadian law which I think is most drastic:

In the case of articles imported to Canada of a class or kind made or produced in Canada—

There is a difference in the language as there is in some other provisions in the bill.

Mr. FORDNEY. There are other provisions covering that same language, but it only applies when made applicable to dutiable and free goods when the free goods are competitive products. For instance, to-day wool is an article on the free list but produced in this country, and is a competitive product.

Mr. HULL of Tennessee. One further question in that connection. The gentleman expressed it as his opinion that this bill applies only to imports that are competitive. To what extent would a domestic product have to be produced in this country to be considered competitive?

Mr. FORDNEY. The bill provides in proper language in any reasonable or appreciable quantity. That is to say, an article made only occasionally in this country, or in a negligible quantity, perhaps, would not be considered, but that is left somewhat to the discretion of the Treasury officials. I think the language of the bill leaves it that way. I hope when this bill comes to a vote there will not be a man on either side of the House who will vote against it, because I think it is absolutely equitable and it is nonpartisan, and there should be no politics in the matter at all. Its only purpose is to protect the industries of the country against unfair competition. All that the industries of this country can ask in the way of a duty on an article subject to import duty is a duty sufficiently high to offset the difference between the cost of production abroad and the cost of production here. That is all that any manufacturer in this country ought to ask and that is all he is entitled to. If he is put on a fair basis with his foreign competitor, he ought to be able to control the markets of the United States as against the foreigner, especially so when conditions prejudiced as at present exist between this country and some foreign countries.

Mr. DEWALT. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. DEWALT. The provisions of section 9 are, in brief, this, as I understood the gentleman, that where an article is to be sold in this country at a less price than it is sold in the producing country, an equalization shall be made by way of the imposition of a duty to equal a price at which it is sold in the country producing it. Is that correct?

Mr. FORDNEY. Yes.

Mr. DEWALT. Would not the effect of that be—and I am asking the question for information—to increase the price in this country to the consumer?

Mr. FORDNEY. No. I wish to cite instances related by the Alien Property Custodian. He is a very high-class gentleman, for whom I have the highest regard, Hon. Mitchell Palmer, a good Democrat, as you gentlemen know, a long-time Member of this House. I have faith in the man's good intentions and in his honesty and fairness. In his report he points out the necessity for protection to our institutions because of unfair competition, and he cites that unfair competition. He sets forth fully that the industries in this country were destroyed by unfair competition from German manufacturers, and he calls the attention of the country to the fact that those institutions have been entirely undisturbed by the war; that they have $400,000,000 invested in those factories running to-day, or ready to run, and anxious—more so than ever before—to dump their products upon our markets and control our markets for the reason, more than at any time in the past, that Germany needs money. Germany's public debt to-day is 55 per cent of her total wealth, all caused by this war. She is in greater distress financially than any other people or any country in the world, and therefore she will seek our markets and will resort to anything and everything to control our markets and stifle competition here, and once in control will exact from our people high prices, as in the past.

Mr. DEWALT. Granting the effectiveness of the gentleman's argument, and granting the necessity for some such protection, is not the result precisely what I have tried to state, that when you impose the duty on the imported article here to equalize the price, namely, impose a duty equal to the price at which the article is sold in the foreign country, that instead of reducing the price here the effect will be to raise the price to the consumer in this country?

Mr. FORDNEY. That will be true if the foreigner after stifling competition here will sell his goods at the lower price, but as set forth by Mr. Palmer in his report, immediately after destroying competition here the foreigner put the price higher than ever before and exacted the difference in price from our people, because our people had no other market in the world to go to but that foreign market. Take the case of oxalic acid, which sold at 6½ cents a pound when our producers at home were compelled to go out of business because of that unfair competition. When that was accomplished the Germans immediately put the price up to 9 cents a pound—higher than ever before.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HARDY of Texas. It seems to me that the gentleman has not yet answered the question.

Mr. FORDNEY. If I have not made myself clear, I want to say this, that if after destroying American competition the

foreigner sells his goods in this country at the price at which he sells them at home, which would yield him a fair profit, then it would have a tendency to increase the price to the consumer if we destroyed that foreign competition, but generally that is not the result; that is not what happens.

Mr. HARDY of Texas. The question that I was about to ask was in a case where there was no domestic competition.

Mr. FORDNEY. Then this bill does not apply.

Mr. HARDY of Texas. Just one moment. Section 9 provides, in effect, if I understand it rightly, that goods admitted, either dutiable or free, shall have the amount of tax imposed upon them that represents the amount they are sold for here less than what they are sold for at home. Take coffee, for instance.

Mr. FORDNEY. Let me answer the gentleman right there, because I think I see his point, and I want to answer it thoroughly and correctly if I can. The bill provides for goods dutiable and free, but that should apply only, and would apply only, to such goods as come in competition with articles made here, a competitive product, and would not apply to a noncompetitive product.

Mr. HARDY of Texas. Will the gentleman refer me to the part of the bill which makes it apply to goods produced in this country only?

Mr. FORDNEY. There is such language in the bill, although I can not put my finger upon it now. The provisions of the bill apply only to an article that comes in competition, the kind or like of which is made in this country. If the kind or like is not made here, then the bill does not apply.

Mr. HARDY of Texas. When it came to the question of determining whether the goods were in competition, you might be able to utilize products filling the same use and say that they are competitive.

Mr. FORDNEY. If it were an article that came in competition or a like article, then it would apply, because a foreigner could destroy that competition here.

Mr. HARDY of Texas. Will not the result of that liberal interpretation of competition be that all articles will practically be subject to this same section 9?

Mr. FORDNEY. No; I would not say so; and neither did any of the experts who were here and who spent eight days with me in preparing this bill. There were three gentlemen from the customs office in New York, who were very clear and very thorough in their knowledge—Mr. Davis, who had been in the employ of the Government for 29 years; Mr. Fix, for 30 years; and Mr. Wolfe, for some twenty-odd years, as I remember.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes; although I am consuming too much time.

Mr. REAVIS. The first section of this bill provides:

That the "special duties" provided for in this act shall be levied upon all articles imported into the United States of a class or kind identical or comparable with a class or kind made or produced in the United States.

Mr. FORDNEY. Yes, sir.

Mr. REAVIS. That now constitutes a restriction of that kind?

Mr. FORDNEY. Yes, sir.

Mr. HARDY of Texas. Where is that?

Mr. REAVIS. On the first page of the bill, section 1.

Mr. FORDNEY. Under the five-minute rule I will answer any questions any gentleman may ask, if I can. [Applause.] In the course of my remarks I have made several references to the instances of unfair practices and dumping set forth in the annual report of Hon. A. Mitchell Palmer as Alien Property Custodian, and I will append some quotations from the report in question.

On pages 30 and 31 of this report Mr. Palmer makes the following statement with reference to the dumping of dyestuffs in the United States:

Overproduction led to determined effort to establish and maintain a large export trade. The natural advantages of the German industry, as compared to the industry in other countries, prevented serious competition in Germany itself. The Government's tariff and other policies enabled home prices to be kept up. It was then evidently to the advantage of any manufacturer to produce more than he could sell in the home market, even if his export trade had to be carried at a loss, when by doing so he could use a process so economical that its profits on home trade would be largely increased. Accordingly German dyestuffs began to appear in every country at prices which domestic manufacturers could not meet. The inevitable result was that in country after country the domestic manufacture was destroyed or stifled in its cradle. As soon as this had been accomplished it was no longer necessary for the German exporter to sell below cost. Prices were immediately raised and handsome profits realized. * * *

The methods under which this dumping policy was conducted, and its extent, may be illustrated by a few specific instances. Most of these occurred in branches of the chemical industry other than the manufacture of dyes, for the simple and sufficient reason that in this country, at least, the dyestuff industry never reached the point where it required much discouragement.

The report then proceeds to point out that in 1910 a group of men in the United States engaged in the manufacture of aniline oil, then selling at 11½ cents, and the Germans immediately began underselling this product, one of whose customers refused "an advantageous contract at 8½ cents, stating that he had assurance from the Germans that whatever price the Benzol Products Co. made would be met and bettered by them." This company struggled along without profits until the war gave it an opportunity to establish its business on a firm foundation.

In his report Mr. Palmer continues:

In 1903 there were in the United States five manufacturers of salicylic acid. By 1913 three of these had failed. * * * During the latter part of the decade referred to salicylic acid was selling in Germany at from 26½ to 30½ cents. During the same period the German houses were selling it in this country, after paying a duty of 5 cents, at 25 cents, or from 6 to 10 cents below what they were getting at home.

Of oxalic acid the report says:

In 1901 where there was no American manufacture it was sold by the Germans at 6 cents. In 1903, when the works of the American Acid & Alkali Co. was started, the price was immediately dropped to 4.7 cents, at about which figure it remained until 1907 when the American factory was shut down for a number of months. During this shut-down the price was instantly raised to 9 cents. When the factory reopened the price was again dropped until in 1908, when the company failed. * * *

The same process was carried on in regard to bicarbonate of potash. In 1900 there was no manufacture, and imports ran about 160,000 pounds. In 1901 American manufacture began. This succeeded so well that in 1906 imports had dropped to 45,000 pounds. At this time the American manufacturer's price was 6½ cents, while the import value was given at 4.9 cents. In the following year the Germans made a determined and successful onslaught. Their import value was lowered to 2.2 cents with the result that, instead of 45,000, 310,000 were imported. Accordingly in 1908 the American manufacturer failed. The price was immediately raised to 7½ cents and remained thereabout until the war.

Does the gentleman from North Carolina wish to use some time?

Mr. KITCHIN. No. Where is the gentleman from Idaho? I thought that he was to come in for 40 minutes. Let these other gentlemen——

Mr. FORDNEY. If agreeable, I will yield 30 minutes to the gentleman from Ohio [Mr. LONGWORTH], I yield that time to the gentleman from Ohio [Mr. LONGWORTH]. [Applause.]

Mr. LONGWORTH. Mr. Chairman, apart from its somewhat technical administrative details this bill is extremely simple. It provides that whenever goods are exported into the United States and sold here for less than their home value, or when that is not ascertainable the price for which they are sold in other countries, or if that can not be ascertained, then their cost of production, a duty shall be imposed upon them, in addition to all other duties, equal to the difference between the sales price here and the foreign home value, the value to countries other than the United States, or the cost of production, as the case may be. In other words, it is designed to prevent the capture of the American market by countries who are willing to sell their goods here cheaper than they sell them anywhere else.

This is good legislation. It is in line with that recently enacted and in process of enactment by many other countries to prevent the destruction of the home market for the home producer. It would be wise legislation under any conditions, but particularly so in anticipation of the return of peace conditions and the resumption of international competition. More than that, its passage becomes absolutely imperative, to my mind, in the face of the tariff policy announced by the President in his recent message to Congress, for without it there will be for the next year and a half no barrier to the inroads of the products of the world except that afforded by the entirely inadequate duties provided in the Underwood law. In that message the President went further than he has ever gone before in the direction of pure and absolute free trade. He virtually announces that he will veto any measure which has for its design the encouragement, by the use of the tariff or other measure for the restriction of imports, of any American industry except only the dyestuff industry. The position that the President now takes upon the tariff question is a complete reversal of that taken as late as the middle of the summer of 1916. On the 28th of July of that year he wrote a letter to the Illinois Manufacturers' Association, of Chicago, outlining his then position about the tariff, a sentence from which, a few days afterwards, I quoted in the House. Referring to the work expected to be done by the Tariff Commission, he said:

It ought to be possible by such means to make the question of duties merely a question of progress and development, a question of adopting means to ends, of facilitating and helping business, and employing to the utmost the resources of the country in a vast development of our business and enterprise.

I will concede that that sentence may be susceptible of different constructions, as sentences used by the President sometimes

are, but there is no question as to how it struck the country or this House at that time. Before I had announced its authorship, Mr. Sloan, a then distinguished Representative from Nebraska, undertook to guess that its authorship lay either with Mr. FORDNEY, of Michigan, or Mr. MOORE of Pennsylvania. When later I stated that it came from no less a person than the President of the United States my friend from North Carolina [Mr. KITCHIN] became very indignant. After questioning my authority, which I stated to be the Washington Post, from which I read the extract—and, by the way, I confirmed its authenticity through a telegram from the president of the Illinois Manufacturers' Association a few days later—Mr. KITCHIN said:

Mr. Speaker, I want to deny in the name of the President and the name of Democrats of this House and of former Congresses and in the name of Democrats throughout the country that the President ever uttered such language, because, in my judgment, it is impossible for any man who voted for the Underwood Act or indorsed the Underwood Act, much less one who signed it, to have conceived and expressed publicly such high protective tariff sentiments. I have never known even as high a protectionist as Mr. FORDNEY or Mr. MOORE, to whom the gentleman from Nebraska referred, to utter such a sentiment with regard to the tariff. The man who believes that import duties should be merely a question of progress and development of business is bound to favor the repeal of the Underwood Act, for not a section or paragraph or line in that act was conceived or written upon any such theory. Of course he never made such a statement as the gentleman from Ohio or the Washington Post attributes to him. I repeat my denial in the name of the President and the Democratic Party.

Little more than three years later, in the message delivered on the 2d day of this month to the Congress, the President takes precisely opposite ground. He opposes any use whatever of the tariff to build up the business of the country by hampering in any way shipments of goods here by foreign nations.

Mr. Chairman, at this point I ask unanimous consent to print in my remarks all that part of the President's message which deals with the tariff question.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. BLANTON. Mr. Chairman, reserving the right to object for the purpose of asking a question of the gentleman, does the gentleman from Ohio contend that the intervening world-wide war in which this country took part might not have changed conditions?

Mr. LONGWORTH. Not at all.

Mr. BLANTON. So as to have warranted a change in the position even on the part of the President of the United States?

Mr. LONGWORTH. The object of my remarks to-day is to show that no such conditions have arisen, even as a result of the war, as to warrant such a remarkable change of policy.

Mr. BLANTON. Much has transpired during the past few years.

Mr. LONGWORTH. I concede that and I shall elaborate upon it.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. LONGWORTH. At the outset of his discussion of the tariff question he says in his message:

The prejudice and passions engendered by decades of controversy between two schools of political and economic thought, the one believers in protection of American industries, the other believers in tariff for revenue only, must be subordinated to the single consideration of the public interest in the light of utterly changed conditions.

In other words, there is to be no longer any issue between the two parties upon the tariff. Our century-old policies are to be merged into the one vague policy of "the single consideration of the public interest," whatever that may mean. For myself I am prepared to concede that from the point of view of revenue the tariff question is not of the prime importance that it was before the war. The additional amount that could be raised from a tariff, if we Republicans could write it, as compared with the vast amount of revenue that must be raised for many years to come to pay for the expenditures, legitimate and illegitimate, contracted under this administration, would be relatively insignificant. That much I concede, but that there will be any abandonment by the Republican Party of the policy of protection I vigorously deny. [Applause.] You of the Democratic Party may throw your tariff-for-revenue planks into the waste-basket if you please, but I predict without hesitancy that in our next convention we Republicans will have in our platform a strong American protective plank, and upon that platform we shall sweep the country. [Applause on the Republican side.]

The President goes on in his message to elaborate upon the great increase in our balance of trade, due to our enormously increased exports, our loans of nearly $10,000,000,000 to the Allies, and the fact that we have now built our own ships. These balances, he says, can only be paid for in three ways—by extension of credits, importations of gold, or importations of goods. With one sweep of his pen he eliminates the first two of these from consideration.

Anything, therefore—

He says—

which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore of preventing the exports from being made. The productivity of the country, greatly stimulated by the war, must find an outlet by exports to foreign countries, and any measures taken to prevent imports will inevitably curtail exports. * * *

Later on he says:

Whatever, therefore, may have been our views during the period of the growth of American business concerning tariff legislation we must now adjust our own economic life to a changed condition growing out of the fact that American business is full grown and that America is the greatest capitalist in the world.

This means, if I can read the English language, but one thing, and that is that we must for the future abandon any effort through the tariff to conserve in any degree our home market for our own producers and seek only the development and extension of our export trade.

In the very next sentence he goes on and says:

The provincial standards and policies of the past which have held American business as in a strait-jacket must yield and give way to the needs and exigencies of the new day in which we live.

I confess I find it difficult to adjust my mind to the proposition that in the future, as American business is now "full grown" and we have become "the greatest capitalist in the world," that, therefore, we must at once cast off that "strait-jacket" of "provincialism" which has made us what we are. If the maintenance of our policy, established from the time of our beginning as a Nation, of noninterference in disputes between other nations in which we have no interest or concern is "provincialism"; if insistence upon the Monroe doctrine and of our right to determine for ourselves who shall and who shall not be admitted to our country and our citizenship is "provincialism"; if concern for the retention of the American market for the products of American industry and American labor is "provincialism," then I for one am willing to stay provincial for a while longer.

Of course conditions have changed, but that they have changed to the extent that we must abandon all the standards and policies of the past, so that, forgetting our home market, we are to enter into a mad scramble for the world market, I for one refuse to believe. I am willing to go to any reasonable extent to make the path of our allies toward industrial rehabilitation as easy as possible, but I balk at giving them free rein in the American market. I may be provincial, but I have not yet abandoned the belief that the American market is primarily for the American producer. Furthermore, I believe I am gifted with sufficient vision to see that the abandonment of any measures restricting importations into this country nominally in the interest of those of our allies who are our largest debtors would in the end redound not so much to their benefit as to the benefit of other countries who owe us nothing. Does it need argument to show that duties low enough to invite large importations from Great Britain and France would invite even larger importations from Japan? If it be good policy to turn over a portion of the American market to those of the nations who owe us money that they may thus more early cancel their debt to us why not do it through the medium of reciprocal trade agreements, which the President has the power to negotiate under existing law? Under such a policy, while sacrificing much, we would at least have received something in return. Under the policy announced by the President we sacrifice far more, and not only do we receive nothing in return, but those countries which deserve most at our hands will be the last to benefit.

Mr. HARDY of Texas. Will the gentleman yield right there?

Mr. LONGWORTH. I will.

Mr. HARDY of Texas. Does the gentleman mean by reciprocal relations—perhaps I should not hazard a guess at what the gentleman means by trade relations——

Mr. LONGWORTH. Trade agreements, I said.

Mr. HARDY of Texas. Does the gentleman mean that America should negotiate special trade agreements with certain nations giving them preferences over other nations, thereby abandoning the doctrine of equal treatment of other nations?

Mr. LONGWORTH. Oh, it has been the policy of this country for many years, both under Democratic and Republican administrations, to have reciprocal trade agreements with other nations that put their imports on a different footing from those of other nations.

Mr. HARDY of Texas. The point I wanted to get at was whether the gentleman was advocating the idea of negotiating

a great number of special trade agreements with the nations that owe us money so as to accept their imports while excluding those of countries such as Japan?

Mr. LONGWORTH. The President bases his main contention against the establishment of any protective tariff on the proposition that some of our allies owe us large sums of money, and the only way they can pay it is by the shipment of goods into this country. I have no particular plan, and I am not in a position to give advice to this administration. I merely say that under the Underwood law the President has the power to negotiate trade agreements with such nations as he pleases, and if the prime object now is to afford nations which owe us money the means to pay that money, why not make separate arrangements with those nations and not throw the entire American market open to the products of the world.

Mr. HARDY of Texas. I really wanted to get the gentleman's view, which is, as I understand him, that we should negotiate separate treaty and trade agreements with England, France, Italy, and other countries——

Mr. LONGWORTH. I do not say we should; I simply say that the President has the power——

Mr. HARDY of Texas. I thought the gentleman suggested that as an alternative. The gentleman remembers the great fight on the Canadian treaty.

Mr. LONGWORTH. I remember its final fate rested with Canada and not with this country.

Mr. HARDY of Texas. The gentleman also remembers the campaign afterwards, in which it was a very great issue?

Mr. LONGWORTH. I recall the fact that so far as the House and Senate was concerned, it passed in this country. It was beaten in Canada. I do not know what the result any treaty the President might negotiate with France would be in France.

Mr. HARDY of Texas. The gentleman knows that in the succeeding campaign, after Congress approved the Canadian treaty, that became a great issue, in which the portion of the Republican Party led by Mr. Taft was attacked by that portion of it which was led by Mr. Roosevelt.

Mr. LONGWORTH. I would not want to suggest anything that would bring the Democratic Party into any greater disrepute than it is in now.

Mr. HARDY of Texas. I think I realize the gentleman's solicitude, and this bill may aid the Democratic Party.

Mr. WINGO. Will the gentleman yield there?

Mr. LONGWORTH. I yield, although my time is almost up.

Mr. WINGO. I am not a free-trader myself——

Mr. LONGWORTH. I know the gentleman is not.

Mr. WINGO. Just following the gentleman's idea of the goods we could take from France, France has not the gold to meet the balance of trade against her, and has not had for some time. What goods can we take from France?

Mr. LONGWORTH. I do know that the President says that we must not use the tariff in any way to hinder importations from France, because that is the only way that France can pay her debts to us. I do not know what those goods may be. They may be textiles; they may be silks; they may be laces. They will not be wines. [Laughter.]

Mr. WINGO. There is no doubt about that. Here is the point I wanted to get at. The gentleman, of course, recognizes that there is a happy mean between two extremes. There is a practical middle ground between the absolute free-trader and the man who wants a prohibitive tariff, that will shut out everything. Now, can the gentleman suggest as a practical proposition—and I have an idea that is what the President had in mind—that our tariff laws should not be used as an absolute power to prohibit these nations from sending us the only thing they can pay us in; that is, commodities? Can the gentleman offer any plan that would meet that situation?

Mr. LONGWORTH. I refer particularly to what the President says, without qualification, which is this:

> Anything, therefore, which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore prevent the exports from being made.

Now, this is what I am particularly calling to the attention of Members of Congress: Assuming it to be wise to deal ultrafairly, so far as tariff duties are concerned, with those nations which owe us money, offering them thereby the means for settling their debts, if we establish such duties as will encourage high-cost countries like Great Britain and France to send their goods in here, how much more will it encourage Japan and the cheap-cost countries to flood our market? And will not those nations—Japan and the other cheap-cost nations—benefit very much more than would Great Britain or France or any of our other allies to whom we have loaned money? How can there be any question of that? I merely suggest this as to the question of reciprocal trade agreements, that whether or not it be a wise policy, at least it would be a better policy than that of throwing our market open to the world.

Mr. WINGO. Allow me to see if I catch what the gentleman means. Of course, we recognize that there is a lower cost, say, in Japan than in England or France.

Mr. LONGWORTH. Yes.

Mr. WINGO. The gentleman suggests that a better way, instead of having a tariff that would be low enough to permit England and France to meet the balances on commodities, which would at the same time permit Japan to flood us, we better have a separate reciprocal agreement with those countries that we want to sell to?

Mr. LONGWORTH. I think that would be better.

Mr. WINGO. Has this occurred to the gentleman? It seems to be pretty well understood by those who have studied the economic conditions of America, as well as of England, France, and Belgium, that the war added greatly to the productive capacity of American manufacture. Machinery and plants were put in operation primarily during the war for war purposes, yet were so constructed that with little changes they can be turned into industrial activities after the war. If that be true, it seems to be agreed by most of the authorities I have consulted that we will produce in eight months' time as much as the American market can consume, and must have some other market for the four months of products. The other nations being upon a paper basis, how are they going to settle their balance in return for this four months' surplus that we must find a market for in order to maintain the prosperity of the American manufacturer?

Mr. LONGWORTH. Well, the gentleman is assuming several things that I do not think ought to be assumed. He is assuming, in the first place, that all the equipment installed for the production of purely war material will be equally useful in producing peace material.

Mr. WINGO. Oh, I did not say "all." I say "some."

Mr. LONGWORTH. The gentleman is also assuming that conditions as to wages and the conditions of production are as favorable as they were before the war. I do not think that either of those assumptions can safely be made. I do not believe that the store of goods in this country under conditions as they exist to-day will be so much greater than the American demand that we will have to ship them abroad.

But that is not the point that I am endeavoring to bring out. I am going to repeat again: The President says that we must now seek export trade, because we can not afford to prevent the nations who owe us money from having a free rein in the American market. He says that there are only three ways to pay the debt that is owing to us: First, with gold; second, with extension of credit; and, third, with importation of goods. He says it is indefensible to further extend credit, that we would view with alarm the sending in by other nations of gold, and it is upon that theory perhaps that the Treasury Department is not receiving now, under this administration, any of the interest on our foreign obligations. They do not want it apparently. It is their policy not to accept shipments of gold from Europe. That leaves one alternative, that Europe must pay the amount owed to us by importing their goods into this country and thereby displacing to that extent goods manufactured in this country. My proposition is that even if that were good policy it would redound far more to the benefit of nations like Japan, who owe us nothing, than it would to Great Britain and France, who owe us largely.

Mr. WINGO. It is not the policy of the present administration not to take all the gold it can get from Europe, and as a matter of fact recently we have insisted upon arrangements which would give us the right to ship to this country, upon demand, certain sums of gold that we are having placed where we can control it.

Mr. LONGWORTH. That may be the gentleman's view, but it is not the President's.

Mr. WINGO. I beg the gentleman's pardon. It is the view of the Treasury, and the President is in harmony with that view, too.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GREEN of Iowa. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes more.

Mr. LONGWORTH. Whatever may be the view of the gentleman from Arkansas and the view of the Secretary of the Treasury, that is not the President's view as announced the other day to this Congress. He said specifically "Europe is in no position at the present time to ship gold to us, nor could we

contemplate further imports of gold into this country without concern."

Mr. WINGO. That does not seem to say that the President does not want it. He is recognizing the fact—and it is a fact, as the gentleman will find if he will investigate—that they have not the gold and can not procure it. On the contrary, we are getting all the gold from there that we can lay hands on.

Mr. LONGWORTH. I assume that it is proper to be indulgent to the Allies in view of their industrial conditions, but I am not willing to sacrifice the American market to accomplish that result. [Applause.]

I confess that I listened to the reading of this portion of the President's message with feelings of the keenest disappointment. I had sincerely hoped that there might have been cooperation between Congress and the Executive in the passage of some tariff measures designed to save at least those industries which are of peculiarly war origin, and whose destruction upon resumption of international competition without legislative assistance I fear is inevitable. The only exception the President makes is in the case of dyestuffs, and for that I am deeply grateful, for it insures the final enactment of some such measure as we passed here in the House not long ago; but so far as any other tariff measures are concerned we might as well face the inevitable. They are as dead as door nails.

Under these circumstances the passage of this bill becomes peculiarly imperative. It will not prevent the invasion of the American market by goods which can be made abroad cheaper than we can make them, but at least it will keep out goods to be sold here cheaper than our competitors can make them.

For these reasons, gentlemen, I earnestly advocate the passage of this bill. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield for just one question?

Mr. LONGWORTH. Yes.

Mr. GREEN of Iowa. The gentleman said the bills to which he referred were "dead." I understand he means because we can not ever expect to receive the approval of the President?

Mr. LONGWORTH. Yes; because the President in effect announces in his message that he will veto every one of them.

Mr. GREEN of Iowa. Mr. Chairman, I now yield 15 minutes to my colleague [Mr. GOOD].

The CHAIRMAN. The gentleman from Iowa is recognized for 15 minutes.

Mr. GOOD. Mr. Chairman, what I shall say while dealing with revenue and expenditures only in a remote degree, if at all, bears on this bill.

At the end of each session of Congress it has been customary to review the work of that Congress so far as appropriations are concerned. The burden of debt left by the war and the demand for increased appropriations occasioned thereby make it necessary that we fully understand at the beginning of this session of Congress what the estimated financial requirements of the Government are.

The Book of Estimates submitted by the Secretary of the Treasury a few days ago carries a total estimate for the regular annual appropriation bills and the permanent and indefinite appropriations for the fiscal year ending June 30, 1921, of $4,865,410,031.62. This sum does not include certain charges for the next fiscal year for which appropriations have been made and which have not been taken into account in arriving at this total.

The Post Office appropriation act approved February 28, 1919, carried an appropriation of $78,000,000 to be expended during the fiscal year ending June 30, 1921, and which is in addition to the $26,000,000 included in the total of permanent appropriations for road construction for the next fiscal year. This item is not included in the estimate referred to.

Under the law the Secretary of the Treasury is authorized to redeem war-savings certificates, and by his annual report, just submitted, he proposes to pay out during the next fiscal year $125,000,000 for such purposes. This amount is not included in the Book of Estimates.

So, too, under the law the Secretary of the Treasury has authority to retire Federal reserve bank notes and the notes of national banks, and by his annual report he expects to retire notes of this character during the next fiscal year aggregating $25,000,000, but no estimate is made for the money necessary to redeem such notes.

In addition, he proposes, as shown by his annual report, to expend $300,000 during the next fiscal year in the miscellaneous redemption of the public debt.

The Secretary of the Treasury estimates that $740,000,000 will be used for the present fiscal year in the exercise of the authority granted him by the act of April 4, 1918, for the period of the war and for one year thereafter to set aside a fund not to exceed 5 per cent of the amount of the bonds outstanding, to be used for retirement of such bonds. No estimate is made for such purpose for the next fiscal year because of the sinking-fund provision provided for in the act of March 3, 1919. The Secretary of the Treasury estimates that the sinking fund provided for in said act will require an expenditure of $287,500,000, and said sum is carried in the Book of Estimates. The necessity for the payment of the $300,000 above referred to is in the report of the Secretary of the Treasury but is not carried in the Book of Estimates.

These items that are not included in the Book of Estimates, aggregating $228,300,000, may be expended by the Secretary of the Treasury irrespective of any action by Congress.

Naturally, no estimate is to be found in the Book of Estimates for increased compensation to Government employees. The amount estimated to be expended during the current fiscal year because of the $240 bonus provision contained in the legislative, executive, and judicial act is $30,760,000. The Postmaster General states that if the increase to postal employees granted for the present fiscal year be reenacted for the next fiscal year it will require an appropriation of $40,000,000 in excess of the estimated expenditures of that department. Formerly the departments estimated for increases in compensation for certain Government employees in the District of Columbia. Because of the provision in the legislative, executive, and judicial act of March 1, 1919, providing for a Joint Commission on Reclassification of Salaries the executive departments have decided that no increases in compensation of Federal employees should be estimated for, leaving the entire matter open for the action of Congress. Conditions regarding the cost of living have not changed to any appreciable degree during the past year, and in all likelihood Congress will be compelled to grant increases in compensation to the Federal employees equal to the increases granted for the present fiscal year, which will mean an increase in the estimates of $40,000,000 for postal employees and $30,760,000 for employees in the other branches of the Government service.

As to expenditures for the United States Railroad Administration, in his annual report the Secretary of the Treasury says:

> No estimate of expenditures by the United States Railroad Administration for the fiscal year 1921 is included, because on the date of this report the Railroad Administration was unable to make an estimate for that fiscal year, inasmuch as the sums that will be required are almost entirely dependent upon congressional action in connection with the return of the railroads to private control.

In the absence of congressional action guaranteeing a return to the railroads after they have been restored to their owners there still remains enormous obligations of the Government to pay the deficit brought about by the operation of the railroads by the United States Railroad Administration. The amount required depends also on the settlements which the Railroad Administration may be able to make in the disposition of railroad equipment purchased by the Government during the war and in the collection of advances already made to railroad companies. The deficit in Government operation of the railroads, which is large, must be paid out of the Treasury. Unquestionably the expenditure during the next fiscal year for this purpose will be very large, but the sum that will be required for this purpose for the next fiscal year is so problematical and depends upon so many contingencies that it is not safe at this time to venture a conservative estimate.

Very naturally, too, the amount of supplemental and deficiency estimates are altogether problematical, and depend upon a great many contingencies. There is no accurate way of arriving at an estimate of the amount which may be requested for the next fiscal year. The highest amount in the aggregate requested in supplemental estimates in any year immediately prior to 1916 was $31,500,000, while the average per year for a period of 10 years prior to the war was $17,867,500. The largest amount of deficiency estimates sent to Congress for any one year immediately prior to the war was $57,000,000, while the average per year for a 10-year prewar period was $24,270,000. Is it not fair to assume that the supplemental and deficiency estimates for the next fiscal year as compared with the prewar estimates for like purposes will be twice as large as they were for the 10-year prewar average? Using this as a basis, I believe we may assume that for the next fiscal year the supplemental estimates will exceed $35,000,000 and the deficiency estimates will not be less than $50,000,000. To show that this estimate is conservative it is only necessary to remind the House that in the first week of this session of Congress one supplemental estimate was received for $10,000,000.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GOOD. I yield to the gentleman.

Mr. GREEN of Iowa. I do not know that I fully understand the gentleman. The matters that the gentleman has men-

tioned have included proposals that amount to $50,000,000, and the amount that possibly would be allowed on those omitted items, such as increased pay for the Army and Navy and the Shipping Board items, and so on, will aggregate, as they will be submitted finally to the country, somewhere to nearly half a billion dollars.

Mr. GOOD. I am not taking into consideration any of those things. I am only taking into consideration the payment of those things that are provided for by law, where appropriations have been made or where authority has been given to pay out the money. Before the House Committee on Interstate and Foreign Commerce Mr. Sherley estimated that there would be required to be paid by the Government not less than $371,000,000 and possibly $471,000,000 in order to have the Government settle accounts with the railroad companies; but how much of that will be required to be paid during this fiscal year and how much will hang over into the next fiscal year no one can tell. It is so problematical that I have not attempted to deal with it, because I am only dealing with the estimates for the fiscal year ending June 30, 1921, which will have to be dealt with, and in that regard I have limited my consideration to those items where we can, with some degree of accuracy, make an estimate.

Mr. FESS. Will the gentleman yield?

Mr. GOOD. I yield to the gentleman from Ohio.

Mr. FESS. Does the gentleman express a fear that the deficit will go beyond what the Secretary of the Treasury stated?

Mr. GOOD. I have no doubt that it will go beyond that unless the revenue receipts exceed the estimates.

Mr. FESS. Then does the gentleman know how we can act favorably upon the recommendation of the President that we reduce the income tax and the war excess-profits tax?

Mr. GOOD. I do not believe it will be safe to reduce any taxes at the present time unless some provision is made to supply the money from some other source that that reduction would take out of the Treasury of the United States.

I realize that some of these estimated requirements are only estimates, but if any error has been made in making them, it will be found, I am sure, on the part of conservatism.

Let us recapitulate them in order to see what our estimated requirements really are for the next fiscal year:

Recapitulation for 1921.

Total of estimates submitted in the Book of Estimates for 1921	$4,865,410,031.62
Construction of roads (carried in post-office act of February, 1919)	78,000,000.00
Redemption of war-savings certificates	125,000,000.00
Retirement of Federal reserve and national bank notes	25,000,000.00
Miscellaneous debt redemptions	300,000.00
$240 bonus, if repeated for 1921	30,760,000.00
Postal increase, if repeated for 1921	40,000,000.00
Supplemental estimates which may be transmitted during the session on account of 1921	35,000,000.00
Deficiency estimates which may be submitted against the revenues of 1921	50,000,000.00
Grand total	5,249,470,031.62

In order that we may see the entire picture as to our financial transactions it is interesting to know the sources from which the revenue must come with which to pay these extraordinary expenses. These estimated revenues are fully set forth in the annual report of the Secretary of the Treasury, and are as follows:

Customs	$325,000,000
Internal revenue:	
Income and excess profits	3,000,000,000
Miscellaneous internal revenue	1,190,000,000
Public-land sales	1,000,000
Miscellaneous sources (including estimated return of $500,000,000 of capital stock of Grain Corporation)	896,000,000
Panama Canal, tolls, etc	8,000,000
War-savings certificates	175,000,000
Deposits to retire Federal reserve and national-bank notes	25,000,000
Postal savings bonds	350,000
Postal revenues	415,500,000
Total estimated receipts	6,035,850,000

It will be observed that there is an excess of estimated revenue over estimated expenditures. But this surplus immediately disappears when considered in connection with the estimated deficit in the general fund of the Treasury on June 30, 1920. The Secretary of the Treasury estimates that on the 30th of June, 1920, there will be a deficit in the general fund of the Treasury of $3,155,888,543. If we deduct this surplus from the estimated deficit we have a total estimated deficit of $2,369,508,574.62. If to this amount we add the item for a working balance, which it has been found necessary to keep in the Treasury, of $500,000,000, we have a total estimated deficit on June 30, 1921, of $2,869,508,574.62.

I shall append to my remarks a detailed comparative statement with regard to the estimates for appropriations, and a comparative statement showing the estimated revenue and the sources from which it is derived, for the fiscal years 1920 and 1921.

It is not my purpose to comment upon these estimates. I present them for the study and consideration of the House. They should be studied and considered along with our consideration of such measures as the Fuller pension bill, the civil-service retirement bill, the bills providing for increases in pay to officers and men in the Army and Navy, the Mondell land bill, the Morgan housing bill, and numerous bills for the payment of bonuses to our discharged soldiers. Meritorious as some of these measures may be, every one of them should be considered only with respect to the condition of the Treasury of the United States and the demands that will be made upon it in the discharge of obligations already created by law. Whatever its legislative duties, no greater problem confronts this Congress than that of applying the pruning knife to the estimates of expenditures. It must be applied with intelligence, but with vigor and determination, for if this Congress shall appropriate more than $4,000,000,000 for the expenses of the Government for the next fiscal year over and above the necessary appropriations for the United States Railroad Administration it will fall short of its obligations to the taxpayers of the United States. After all, it is idle to reduce estimates if such reduction shall only result in the enactment of legislation whereby the Government is required to assume new duties that are no more meritorious than those curtailed or eliminated, and which may require even larger appropriations.

Table comparing by bills estimates of regular annual appropriations for the fiscal year 1921 with the appropriations made for the fiscal year 1920, during the third session of the Sixty-fifth Congress and the first session of the Sixty-sixth Congress.

The column of 1920 appropriations does not include the sums carried for that fiscal year in deficiency and miscellaneous appropriation acts for similar purposes.
The estimated appropriations for 1921 will be found in detail in the annual Book of Estimates, House Document No. 411, transmitted to Congress on December 1, 1919.

	Estimates, 1921.	Appropriations, 1920.	Increase, estimates 1921 over appropriations for 1920.	Decrease, estimates 1921 under appropriations 1920.
Agriculture	$37,523,102.00	$33,899,761.00	$3,623,341.00	
Army	982,800,021.00	772,324,877.50	210,475,142.50	
Diplomatic and Consular	11,243,250.91	9,843,661.67	1,399,589.24	
District of Columbia	19,179,716.03	15,364,421.00	3,815,295.03	
Fortification	117,793,330.00	11,214,291.00	105,579,039.00	
Indian	12,994,494.27	11,131,397.03	1,863,097.24	
Legislative, etc	122,242,849.02	97,963,831.77	24,279,017.25	
Military Academy	6,778,637.20	2,277,932.20	4,500,705.00	
Navy	573,131,254.80	616,093,838.88		$42,965,584.08
Pensions	215,039,000.00	215,039,000.00		
Post Office	391,713,673.00	609,465,149.00		217,752,476.00
River and harbor	42,841,565.00	33,378,361.00	9,463,204.00	
Sundry civil	905,725,387.10	607,160,207.95	298,565,179.15	
Total, regular appropriations	3,440,032,279.33	3,035,151,733.00	665,538,606.41	260,718,060.08
Permanent annual appropriations	1,425,407,752.29	1,938,907,780.00		543,500,027.71
Total, regular and permanent annual appropriations	4,865,410,031.62	5,004,149,513.00	665,568,606.41	804,308,087.79
Deficiencies		1,141,931,239.96		
Miscellaneous		1,123,478,632.41		
Amounts not included in Book of Estimates as enumerated	384,060,000.00			
Grand total	5,249,470,031.62	7,272,559,415.37		

[1] This sum includes $239,000,000 to be paid out of the Treasury for road construction for fiscal years and amounts as follows: 1919, $53,000,000; 1920, $78,000,000; 1921, $78,000,000.

Comparison of estimated revenues, fiscal years 1920 and 1921.

	1921	1920
Customs	$325,000,000	$275,000,000
Internal revenue:		
Income and profits taxes	3,000,000,000	3,750,000,000
Miscellaneous	1,190,000,000	1,240,000,000
Public land sales	1,000,000	1,250,000
Miscellaneous sources	896,000,000	834,000,000
Panama Canal, tolls, etc	8,000,000	7,200,000
Total	5,420,000,000	6,107,450,000
Public debt receipts:		
Third Liberty loan		1,365,293
Fourth Liberty loan		33,568,663
Victory loan		1,030,372,678
War savings certificates	175,000,000	125,000,000
Deposits to retire bank notes of Federal reserve and national banks	25,000,000	20,000,000
Postal savings bonds	350,000	250,000
Total, public debt	200,350,000	1,210,556,634
Postal revenues	415,500,000	386,600,000
Grand total revenues	6,035,850,000	7,704,606,634

Mr. GREEN of Iowa. May I ask how the time stands on the respective sides?

The CHAIRMAN. The gentleman from Michigan [Mr. FORDNEY] has eight minutes remaining, and the gentleman from North Carolina [Mr. KITCHIN] has used no time.

Mr. FORDNEY. I yield to the gentleman from Idaho [Mr. FRENCH] seven minutes.

Mr. KITCHIN. I yield to the gentleman from Idaho 20 minutes.

The CHAIRMAN. The gentleman from Idaho is recognized for 27 minutes.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. SMITH of Michigan having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2377. An act to amend section 1 of the act approved July 17, 1916, known as the Federal farm-loan act, so as to provide for the payment of the expenses of the Federal Farm Loan Board and employees by the Federal land banks and joint-stock land banks; and

S. 806. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in claims of the Iowa Tribe of Indians against the United States.

The message also announced that the Senate had passed with amendment the bill (H. R. 1199) to prohibit the purchase, sale, or possession for the purpose of sale, of certain wild birds in the District of Columbia, in which the concurrence of the House of Representatives was requested.

ANTIDUMPING LEGISLATION.

The committee resumed its session.

Mr. FRENCH. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, a point of order. I think it is a reflection, and that it shows a want of respect for the great Ways and Means Committee to discuss this important tariff measure with only 31 Members on the floor, and I make the point of order that there is no quorum present.

Mr. GREEN of Iowa. The gentleman from Idaho is not going to discuss the tariff bill.

Mr. BLANTON. He is going to discuss the question of the Russian soviet, and he ought to have an audience to hear him on that momentous question.

Mr. FRENCH. I request the gentleman not to make the point of order.

Mr. BLANTON. As the Republican whip is getting them in out of the cloakroom, I withdraw the point of order.

Mr. FRENCH. Mr. Chairman, some little time ago, purely as a matter for my own information, I made something of an analysis of the Russian soviet constitution. In talking the question over with various Members of the House, several of them were good enough to express the wish that at some time I would address the House on the subject, and it is with this in view that I have asked for a little time to-day.

It has been nearly three years since March 12, 1917, when the unrest in Russia culminated in the overthrow of the dynasty of the Romanoffs, and then with kaleidoscopic rapidity the Government was transferred from Czar Nicholas to Prince George Lvoff, from Lvoff to Kerensky, and from Kerensky to Lenin and Trotski, the leaders of the soviet form of government.

We are not surprised when extreme and radical groups of people applaud an extreme and radical type of government. We are not surprised that anarchists everywhere, that I. W. W.s everywhere, that the left wing of the Socialist Party of the United States, that the Social Democratic Party in the United States, and similar organizations in other countries heralded with delight the soviet government in Russia; but we are surprised when people who, we assume, have accurate habits of thought express their opinion as favorable to the soviet system.

Not very long ago a professor in one of the leading universities of our country spoke his mind in favor of soviet government. As soon as he understood a little more of what it meant he was just as ready to withdraw his approval.

Not many weeks ago the Postal Employees' Union of the city of Minneapolis, Minn., adopted a resolution pertaining to Russia that included the following:

> And whereas fully 95 per cent of the population of Russia fully supports the soviet government of Russia, be it resolved that the Minnesota Federation of Labor express its sympathy with the soviet Russia.

I understand that this resolution was strenuously advocated by four members of the Postal Employees' Union; that these four members, who were delegates from the union to the State convention of the American Federation of Labor of Minnesota that convened on July 22–23, 1919, presented the resolution to that organization and secured its adoption.

Now, I can not for one minute fail to think that the members of the State Federation of Labor of Minnesota were imposed upon and misled. It may be, too, that they did not intend to indorse the idea. In my judgment, one or two features of the soviet system may have been presented to the convention and a strong plea was then made in which the sorrows and horrors through which Russia has gone during recent years—yes, indeed, during centuries—were presented to the convention and with the idea that the convention was approving some action that the Russian people have taken looking to democracy, a favorable vote was had upon the resolution.

SOVIET OPPOSED BY AMERICAN FEDERATION OF LABOR.

But the attitude of the Minneapolis Postal Employees' Union and the Minnesota State Federation of Labor must not be taken as the attitude of the laboring men of the country or the American Federation of Labor.

The convention of the American Federation of Labor, that was held in Atlantic City in June of this year, very clearly indicated its opposition to Bolshevism and to the soviet government.

Quoting Mr. Walling, in the August number of the American Federationist:

> Bolshevism in America was buried on the 17th of June. And Bolshevism in Russia will receive no support from American labor until the soviets have repudiated sovietism and surrendered unconditionally to their deadly enemy, democracy. The convention of the American Federation of Labor, by a crushing majority, definitely refused its indorsement of the soviet government of Russia, "or any other form of government in that country, until the peoples of Russia, through a constituent or other form of national assembly, representing all of the people, through popular elections, shall have established a truly democratic form of government."

What is the soviet system of government, and do we want it?

A government has no right to exist save only as it serves the highest interests of the people who make up the government and who come into contact with it.

Now, if the soviet system is better than ours, by all means let us adopt it; let us lay aside the experiment in government that we have tried for over 100 years and take over the soviet system that promises so much.

It is, then, from the standpoint of a comparison of the essential principles of the soviet system with the essential principles of the representative system such as we know it in America that I want to consider the question.

In January, 1918, the group of Russian people headed by Lenin and Trotski adopted what might be called a declaration of rights, and on July 10, 1918, the All-Russian Congress of Soviets formally adopted a constitution, and this instrument recites that the bill of rights is part of the organic law. These documents are the basic foundation of the soviet government. The form of government is known as soviet, and the active leaders in its support are Bolshevists.

Strangely enough, a good many writers seem to assume that the only unique feature of the soviet government is group representation.

For instance, Mr. Oswald G. Villard, in a paper in the official organ of the Academy of Political and Social Science, the Annals, for July, 1919, on the "Need of social reorganization in America," said:

> There is something attractive in group representation, which is what the soviet is.

Again he says:

Yet the other day one of our own American officials at Paris solemnly assured the newspaper men that if the soviet type of government were made really representative, he saw no reason why it should not be as democratic as any government, if not more so. It was only to the men who were running the present unfair and undemocratic soviet government in Russia that our Government objected, he declared.

I desire to discuss group representation under the soviet government a little later on, and I think before I get through it will be quite clear that group representation is a mere feature of the soviet form of government. It is merely the sugar-coating to the pill.

The American officer referred to by Mr. Villard says if the soviet type of government were made "really representative, it would be as democratic as any government, if not more so." You had as well say that if black were made white it would be white.

The fact of the business is there is absolutely no philosophy by which the soviet form of government can be made representative unless the fundamental principles on which it rests shall be transformed and changed as completely as the changes of elements would be in color to make black white. [Applause.]

Surely the objection that a thoughtful American must have to the soviet form of government for America does not turn on anything other than the structure of the soviet government. For the purposes of my discussion, it is not material whether it is administered by good men or bad, by statesmen or reckless adventurers. What I want to discuss is the structure itself.

THE STRUCTURE.

From an examination of the soviet constitution, it appears that the executive authority is combined with the legislative, and there is no mention of a judiciary. Also it will be seen that Russia for its government is divided into units of various sizes, just as is the United States. We have the country as a whole, States, counties, and other local units such as districts, precincts, or parishes, or urban units, such as cities, towns, and villages, depending upon the State. Then we have the different bodies chosen to govern in these units. So in Russia.

Russia, considered as a whole, is divided into regions, provinces, counties, and rural and village units.

Then we have the governing body for each unit. This governing body is known as a soviet.

There is no magic in the word "soviet." It merely means a council. It means a legislative or deliberative body. It had as well be called a council, a congress, or a parliament. In Russia there are several different soviets—the local rural, the rural, the village or urban, the county, the provincial, the regional, and the All-Russian Congress of Soviets. These may correspond to deliberative bodies of our precincts, our counties, our States, and our Nation.

Now, so far there is nothing incongruous. But how are the soviets elected?

SOVIETS—HOW ELECTED.

In the first place, instead of the people voting by parties or by groups representing public opinion, they vote at least theoretically by trades or crafts. This point I want to discuss later. But for whom do they vote? For members of the All-Russian Congress of Soviets? No. For members of the regional or provincial soviet? No. For members of the county soviet? No. For members of the local soviet? Yes. That is, the people voting by trades elect members of the particular craft to which they belong to the local soviet. Now, this is all the part the people themselves have in this much heralded government.

The people, then, or, I shall say, those of the people who have the franchise, in theory have the right to vote for the members of the local soviet. The local soviet in the cities is called the urban soviet; in the country it is called the rural local soviet.

Now, this represents the final responsibility that is placed upon the people. There probably never was devised a clearer way to show the contrast between two objects being compared than to do as Hamlet did when he said, "Look here, upon this picture and on this." Having that in mind I am going to try to examine the Russian Government by placing it alongside the Government of your own country. Let me then direct your attention to the different units of government as they exist in Russia and the corresponding units of government as they exist in the United States.

COMPARISON OF LEGISLATIVE BODIES.

I want you to consider first the legislative bodies that exist in Russia and the subdivisions of government under Russia and the legislative bodies that exist in the United States from our Federal Government through the States on down to the officers elected in our precincts, villages, and towns.

LEGISLATIVE BODIES OF RUSSIA (UNDER SOVIET SYSTEM) AND THE UNITED STATES—HOW CHOSEN.

The deadly parallel.

RUSSIA.	UNITED STATES.
1. All-Russian Congress of Soviets. Members are chosen by members of— 1. Urban soviets. 2. Provincial soviets (but provincial soviet is not elected by the people).	Senate and House of Representatives. Elected by direct vote of people.
2. Regional soviet. Members are chosen by— 1. Urban soviets. 2. County soviets (but the county soviet is not elected by the people).	No governmental subdivision to correspond (would be like a group of States, as New England States).
3. Provincial soviet. Members are chosen by members of— 1. Urban soviets. 2. Rural soviets (but the rural soviet is not elected by the people).	State legislatures. Elected by the direct vote of the people.
4. County soviet. Members are chosen by members of— 1. Urban soviets (in cities of not more than 10,000). 2. Rural soviets (but the rural soviets are not elected by the people).	County commissioners or similar officers. Elected by the direct vote of the people.
5. Rural soviet. Members are chosen by members of— 1. Village soviets (of less than 1,000 people). 2. Rural local soviets (the people allowed to vote for village and local soviet members).	No corresponding governmental subdivision. (It is less than a county and more than a township.)
6. Local soviet. 1. Rural local soviet. Elected by part of the people. 2. Urban soviet. Deputies elected by part of the people.	Precinct, township, or other local organization. Officers elected by the people. City, town, and village offices. Elected by the people.

The deadly parallel to which I have called your attention is most striking. Take first the highest legislative body in the United States—the Congress. It is made up of Senators and Representatives elected by the direct vote of the people. For over a hundred years we chose our Senators in indirect manner; that is, the Senators were elected by members of the legislature who themselves were elected by the people.

In Russia the highest legislative body is known as the All-Russian Congress of Soviets. Do the people vote for the members of that body? Not at all.

The farmer in Russia votes for his rural local soviet member, and when he casts that ballot his power as a voter has come to an end. The members of that local soviet vote to elect members to the rural soviet; the members of the rural soviet then vote to elect members to the provincial soviet; and the members of the provincial soviet vote to elect members to the All-Russian Congress of Soviets.

In other words, as the Senators of the United States in the olden times were once removed from the American voter, the members of the All-Russian Congress of Soviets are three times removed from the Russian farmer. The city voter is trusted more than the farmer, for he votes direct for his urban representative, who in turn votes for the member of the All-Russian Congress of Soviets.

Is it possible that this learned professor to whom I referred had this in mind when he expressed his approval of the soviet system? Is it possible that members of such organizations as those to which I have referred had this in mind when they commended the soviet system?

In Russia the political organization that is less than the entire nation is what is known as a region. It would correspond in the United States to a group of States such as the New England States or the Pacific Coast States. In the United States we have no political organization that presides over or is responsible to a group of our States. The State itself is the only unit above the county between the county and the Federal Government. However, under the Russian soviet system the members of the legislative body known as the regional soviet are chosen not by the people but by the urban and county soviets, the urban soviet members being elected in the cities by the direct vote of those of the Russian people who are permitted the ballot, while the county soviets are twice removed from the farmer, who again can not be trusted with the responsibility of voting for so much as a county officer in Russia.

Mr. QUIN. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. QUIN. How do they elect the speaker or chairmen?

Mr. FRENCH. Each body has charge of and elects its own officers.

Mr. QUIN. How do they elect the president?

Mr. FRENCH. I will come to that a little later, if the gentleman will bear with me.

The next political unit in Russia is the Province. This unit corresponds with the State under our own system. In Russia the provincial soviet, a legislative body, is made up of members elected by whom? The people? Not at all. It is made up of members elected, first, by the urban soviets, who are elected by the people, and by the rural soviets, who are once removed from the people. In the United States our State legislatures are elected by whom? By the people.

In the translation of the constitution of Russia that I have, the word "county" is used as the English equivalent of the Russian word, and it corresponds with a small section of country similar to the county in our own Government. In the United States the persons who are intrusted with the supervision of county affairs are the county commissioners. These officers are elected by the people just as are our Senators and Members of the House and just as are members of the legislatures. In Russia we find that the members of the county soviet are not chosen by the people; they are chosen by the urban soviets and by the rural soviets.

We pass to the organizations that are less than the county soviet, and we find rural soviets made up of members who are elected not by the people but by two groups—first, the village voter from villages whose population is less than 1,000 people and by the rural local soviet.

In the cities of more than 10,000 people we find urban soviets. The members of the urban soviets, the members of the village soviets, and the members of the local rural soviets receive their franchise direct from the people. This is Russia. This is the soviet system.

The struggle for liberty, the struggle for the right to participate in government, is one that is close to the life thought of English-speaking people. It is close to the life thought of the American people. As we search the traditions that tell of the struggles for parliamentary government in Great Britain, we go back to the time when Magna Charta was snatched from the hands of King John. We go back to the time when Edward the First, I believe, called together the noblemen of Great Britain in repeated conclaves that could be considered a forerunner of the legislative bodies of to-day in Great Britain. And then we drafted our own Constitution, written by the lifeblood of the bravest of our land and amidst the suffering of all of our people. We drafted such a Constitution as would reserve to the people themselves the right to cast their votes for the Members of the most numerous branch of their national representative body and made only once removed from the people the Senate, and within the last six years that one barrier that has stood between the people and the Senate of the United States has been broken down, and to-day the American people vote not only for their precinct and village and city officers as do the Russian people, whose power is exhausted with such vote, but our people vote as well for their county officers, they vote for their State officers, and for the officers that represent them in the great legislative bodies of all the States and of the United States.

Gentlemen, there never was a system applied to any large country that was more free, more democratic than is the system applied in the United States, and there never was a system under which the people could hold their representatives to greater responsibility than in the United States. On the other hand, there never was a representative system in any government that is worthy of the name so tyrannical and so calculated to separate the people from their right to participate in government as the system that has been devised by the soviet rulers of Russia.

Gentlemen, there never was a corporation, trust, or monopoly so organized as to take from the stockholders of that organization the responsibility of sharing and having a part in the administration of affairs of the business as has been done in the constitution of the soviet government of Russia in taking away from the people of that great land the right to participate in the affairs of government, in the governing of all Russia, in the region, in the province, or in the county.

EXECUTIVE OFFICERS.

Now let us pass on to the executive officers in Russia and the executive officers in the United States.

For your comparison I have again presented what I have called the deadly parallel.

The executive officers of all Russia are what are termed in the constitution the commissars.

EXECUTIVE OFFICERS.

The deadly parallel.

RUSSIA.	UNITED STATES.
1. The executive officers of all Russia are chosen by the all-Russian executive committee, which is chosen by the All-Russian Congress of Soviets, which is chosen by provincial and urban soviets, etc.	The President is elected by electors chosen by the direct vote of the people to vote for a particular person.
(In Russia the chief executive is three times removed from the city voter and five times removed from the rural voter.)	(In the United States the President is once removed from the people.)
2. Regional and provincial executive officers are chosen by the respective soviets, which themselves are not chosen by the people.	Governors are elected by direct vote of the people.

The All-Russian Congress of Soviets is necessarily a very large body and it is an unwieldy body. For the purpose, then, of close executive administration the constitution provides that there shall be an executive committee appointed of 200 members. This executive committee is chosen by the All-Russian Congress of Soviets. As the congress itself is once removed from the city dweller and three times removed from the country dweller the committee chosen by the congress is two times and four times, respectively, removed from these groups of Russian people.

This committee then selects another committee of 17 members, which is called the council of people's commissars, each member of which presides over another committee chosen by the council and which exercises the function of a cabinet department of the government. The chairman of each committee is the chief executive of the particular department to which the business of the committee pertains. The chairman of the foreign affairs committee and the chairman of the committees on the army and the navy become necessarily the most important members of the Russian Government, and the chairmanship of the foreign affairs committee is the office that is now filled by Lenin. The chairmanship of the committee on military affairs is the office filled by Trotski. It is by virtue of being chairman of this commissariat that Mr. Lenin has become what we popularly call the premier, the head of the Russian Government.

Mr. Lenin, then, is responsible not to the people, not to the country, not to the State or Province. He is responsible to the executive committee of the All-Russian Congress of Soviets, which in turn is responsible to the congress. He is from three to five times removed from the voting power of the people of Russia.

Contrast this, if you please, with the Chief Executive of the United States. The President, it is true, is not elected by a direct vote of the people, but by electors, who are chosen with the specific duty of voting for a particular candidate for President. For more than a hundred years we have followed this system, and no man has ever failed to vote for the candidate for President for whom he was chosen to cast his ballot. It is practically the same as the people themselves voting direct for President. No choice is given to the elector. He becomes a sort of living ballot typifying the vote of the people. He expresses the voice, the wish, of the people. Is it possible that any thoughtful person can contrast this system with the system that obtains in Russia and find that the system in Russia is more democratic?

But how about organizations that are less extensive than all of Russia? As I said, we have no political organization that corresponds to the regional organization that exists in Russia, and I shall say in passing merely that the executive officers of the regional organization in Russia are appointed by the regional soviet in precisely the same way as the officers of all Russia are appointed by the All-Russian Congress of Soviets. But the title "people's commissar" belongs only to an officer of all Russia and may not be used by an officer of a lesser unit.

We then pass to the provincial government, which corresponds to the government of States. In the United States the chief executive of every State is chosen by the direct vote of the people. Not so in Russia. The executives of each Province are chosen by and are responsible to the provincial soviet, which, as I have already indicated, is a body that is not elected by the people.

I shall not pursue the matter further with the lesser organizations in Russia, other than to say that, while the people in the United States vote for their executive officers in precinct, in village, and in county, all the executive officers, from the local soviet through the urban and village soviets up to the county soviets, are chosen not by the people but by the soviets themselves of the region over which they are expected to preside.

REPRESENTATION.

From what I have said in the matter of the pyramidal system by which the power of the party in control is built up in Russia and from what I shall point out a little later when I shall speak of the franchise and in which it will be shown that craft groups, soldiers, and sailors are favored in unusual degree, we need not be surprised in turning to the basis of representation in the legislative bodies of Russia under the soviet system to find that this basis of representation is such as to place as much of the responsibility as possible in the groups of laborers who are organized by trades and in the hands of soldiers and sailors and as little as possible in the hands of the farmers.

I have prepared again what I have called the deadly parallel, and again I want you to "look on this picture and then on this"—the one being the method of apportioning representation to the legislative bodies in Russia and the other the method of apportioning representation to the legislative bodies in the United States:

BASIS OF REPRESENTATION IN THE LEGISLATIVE BODIES OF RUSSIA (UNDER SOVIET SYSTEM) AND THE UNITED STATES.

The deadly parallel.

RUSSIA.	UNITED STATES.
All Russian Congress of Soviets.	Senate.
Members chosen by—	Two Senators elected from each State.
1. Urban soviets (cities and towns).	House of Representatives.
(One member elected for every 25,000 voters.)	Representatives chosen from States on basis of population (farmers sharing equally in government with city population).
2. Provincial soviets (representing urban and country population).	
(One member elected for every 125,000 inhabitants.)	No similar body in United States.
Regional.	
Regional soviet is made up of—	
1. One representative for every 5,000 city voters; and	
2. One representative for every 25,000 inhabitants of the county.	
Provincial.	State.
Provincial soviet is made up of—	State senators apportioned by counties or on basis of population.
1. One representative for every 2,000 voters in the city; and	State representatives apportioned on basis of population.
2. One representative for every 10,000 inhabitants of rural districts.	

In Russia the overwhelming majority of people are farmers, and only 6 of the 50 Provinces have any considerable population engaged in nonrural industries. Lenin and Trotski when they seized control knew that if they were to retain their control and pass it on to others capable of thinking along similar lines it would be necessary for them to work out a system by which the craftsmen and the men in the army and navy would have an unfair and undue share in the representation in the legislative bodies. Accordingly we find the constitution solemnly declaring that one member to the All-Russian Congress of Soviets, if he shall represent city people, shall be elected for every 25,000 voters, and if he shall represent provincial people—the farmers—one member shall represent 125,000 inhabitants. The constitution uses the word "voter" as applied to the city dweller, but "inhabitant" as applied to the country. The reason is plain. The farmer must be disfranchised. Remember, now, that both men and women over 18 years of age under certain conditions may vote. In the city is where we find the large groups of men and women who are working in factories or in mines or mills and who are unattached. In and near the city is where we find the soldiers. This is where we find the sailors. In the cities of Russia we will find the very people for whose interest the soviet government exists, and it is for that reason that the constitution is so drafted as to give the city dweller of Russia a greater representation in their All-Russian Congress of Soviets than is given to the farmers.

Notice further that the population of the city is figured in with the population of the country for the basis of province representation, thus giving an additional double representation to the city.

Now, when you go to the regional unit in Russia you find the same principle applied. One representative to the city dweller is given to every 5,000 voters, while the county as a whole is given one representative for every 25,000 inhabitants.

Notice again that the city population is included in making up the county population, and thus has an additional double representation.

And when you go to the provincial unit the city dweller is given one representative in the provincial soviet for every 2,000 voters, while the farmers are given one representative for every 10,000 inhabitants.

Examine the constitutions of all countries that pretend to be civilized and you will not find a more flagrant abuse in the organic act of apportionment of representation among the people than you will find in the constitution of the soviet government of Russia. Do those who urge that system in the United States propose to disfranchise the farmers of the United States? Is that part of their theory? Or shall we assume, as I have assumed, that those who have carelessly spoken words of approval of the soviet system are not aware of the plan that they have so lightly indorsed?

FURTHER DISCRIMINATIONS.

I have pointed out that the soviet government is organized so as to deliberately eliminate the farmer. And I now come to another instance in point. I have said that the All-Russian Congress of Soviets is chosen by the urban soviets and the provincial soviets. But the urban soviets are elected by city folks alone, while city and country folks unite to elect the provincial soviets. That gives the city people double representation and cuts down correspondingly the representation of the country.

The same principle applies to the regional soviet. The members of the regional are elected by the urban and county soviets. The city voters elect the urban soviets and then through the urban soviets have a part in electing the county soviets. The whole scheme is devised and worked out to take away from the farming communities political power and to vest it in the hands of soldiers and sailors and craft groups.

CLASS AGAINST CLASS.

One of the most striking features of the Russian constitution is that which has to do with representation from the standpoint of political units or groups of people through which may be had an expression of opinion.

In all kinds of orderly government heretofore men have been intrusted with responsibility because they have stood for a policy; their position might be affirmative or it might be negative, but at least their position was comparable.

This is the system that obtains in France, Italy, Great Britain, Switzerland, Canada, New Zealand, Australia, and in the United States. It is the system that it seems commends itself to thoughtful people everywhere. There are variations in the terms through which the system is worked out, but, after all, the one principle is held in view that people should have the opportunity of acting as units of thought. This principle is applied in the county when the issue is whether or not a system of county roads shall be built. It is applied in the State on State issues, and it is applied in the National Government. Accordingly, the people of our great land have learned to think on big subjects as well as upon little subjects. We have learned to think on issues that confront the Nation and the world as well as issues that confront the precinct and the county.

In Russia it is solemnly set forth in the constitution that the representation accorded to the people shall come from the class to which they belong; that is, a group of carpenters in a city shall elect a carpenter to the soviet, the blacksmiths shall elect a man who can swing a hammer, the painters shall elect one of their own group, while the farmers shall elect a farmer.

Here is a distinctive feature of the soviet system, and let us analyze it. What does it mean? It means selfish interest, pure and simple. It means self-interest magnified to the nth power. It means that the carpenter, as he considers a candidate for the urban soviet, shall have in mind not Russia, not a Province of Russia, not a county, but a little group of carpenters in the particular community which selects a member to the urban soviet. It means that the blacksmith will not think of the interests of carpenters or peasants, that he will not think of the interests of all Russia or the regional or provincial group, but that he will think of the interests selfishly of those who work at the forge.

It means that the farmer will shut his eyes to the well-being of everything else in his country and think of nothing but the welfare of the farmer of Russia.

It means in its last analysis selfishness to a degree unheard of, and it means disintegration of national sentiment and of national power. No people can be taught to look in and not out without becoming narrow, selfish, suspicious of others.

Now, it is urged in behalf of this system that every trade and craft is thereby given representation, but let us look a little further. I have already shown from the constitution that the people vote merely for the members of the urban soviet in the city and the rural local soviet in the country. These people, it is true, are limited in their choice of representation to a member of the craft to which they belong, but when the local soviet elects to the county soviet or when the county and urban soviets elect to the provincial or regional soviet or when the regional and urban soviets elect to the All-Russian Congress of Soviets there is absolutely no limitation in their choice, and the members of the county soviet under the Russian constitution could all be carpenters or blacksmiths, and so could the mem-

bers of the provincial, the regional, and the All-Russian Congress of Soviets. What, then, becomes of the government that recognizes each trade group? Under that system how can there be a more generous distribution of people in legislative bodies from among the trades than there is under our own system in our State, in our Nation?

I look around this Chamber and I see the Members here who have come direct from various trades or crafts.

There is my able friend from Ohio, Mr. COOPER, who stepped from the cab of a locomotive in order to assume the oath of office as a Member of this body. There is McLANE, of Pennsylvania, and there is CARSS, of Minnesota, both of them locomotive engineers. There is my friend Mr. BURKE, of Pennsylvania, who was a train conductor.

There is my friend Mr. WHITE, of Kansas, a farmer, and so is GANDY, of South Dakota, and LARSEN, of Georgia, and RIDDICK, of Montana; there is Mr. HUDSPETH, of Texas, who is in the cattle business.

Here is Dr. FESS, an eminent educator and who came to the Halls of Congress from a college presidency.

There is my friend NOLAN, of California, who hung upon the peg the apron of a molder when he came here to assume the responsibility of a Member of this body.

Representative SUMNERS, of Washington, is a physician and so is Representative LAZARO, of Louisiana, and Representative LAYTON, of Delaware. UPSHAW is a minister, and DAVEY, of Ohio, is a tree doctor.

Here are business men, here are men from the ranks of teachers, and here are lawyers.

More than that, I look about this body and I see men who have lived amid such surroundings as would bring them into contact with every interest of all our people.

McKENZIE, of Illinois; SMITH, of Idaho; TIMBERLAKE and TAYLOR, of Colorado; QUIN, of Mississippi; REBER, of Pennsylvania; and our highly esteemed former Speaker, CHAMP CLARK, were farmer boys; while MORIN, of Pennsylvania, in his early life was an employee in a glass factory; GARLAND was an iron puddler; and our distinguished floor leader, Mr. MONDELL, drove the pick in the mines of Wyoming.

RANDALL, of California, was a railway mail clerk. Representatives OSBORNE, of California, and JOHNSON, of Washington, and FOCHT, of Pennsylvania, worked at the printer's trade.

No, our Congress is made up of men who have seen all sides of life; and I have in mind the statement made not long ago by our beloved Uncle JOE CANNON, who as a boy and young man did the hardest kind of manual labor, that practically all of the Members of this body have gone through the period of physical toil in order to attain that which has come to them.

These men are directly representative of the people of this country.

No, gentlemen, our system means that every carpenter, that every blacksmith will have in view the broad vision of his country, of his State, of his county, and that every American citizen will be able to assume the responsibility of citizenship that recognizes something broader and larger than the selfish interests that are wrapped around the particular profession or trade or craft with which he happens to be identified. [Applause.]

Gentlemen, if the issue of the town pump is the absorbing issue to the people of the United States, the issue of the town pump in the little hamlet in Maine or in Florida or in Idaho, if that issue is greater than the well-being of State government, if that issue is greater than the question of whether or not we shall have a league of nations, whether or not we shall have a broad policy carried on through our Agriculture Department looking to the building up of agricultural resources, if that question is bigger and greater—the question of the town pump—than the question of a tariff policy that will mean a living wage for the workmen of the United States, if it is bigger than the question of intriguing alliances between the United States and foreign countries, then, gentlemen, and only then, would the soviet system, as it recognizes craft units instead of thought units, be better for the people of our country than our present system.

But I do not so believe. I believe by giving the American farmers, carpenters, miners the right to vote for a Member of the House of Representatives, for the governor of the State, for electors who will select a definite man for President we help the farmer, the carpenter, or the miner to become broad in his vision and to look out far beyond the fields that are bounded by his own fences or the workbench upon which his tools lie or the tunnel in which he drives his pick. It is only in the discussion of big things that our people can become large, broad-minded, and capable. It is only by the consideration of problems that have bearing upon the welfare of men and women, not only of my own home but 3,000 miles removed from the place where I live, that I can become the highest type of American citizen or that citizens in your State can respond to that which they ought to respond to under our type of government.

THE FRANCHISE.

In a government that has been heralded so widely as being the most profound experiment in democracy that has ever been undertaken we would naturally expect that the franchise would be along lines that would recognize all mankind embraced within the citizenship of the nation as standing upon an equal footing. The United States has for many years adhered to that principle. It was that principle largely for which our fathers died when they established our Government, and yet that principle seems foreign to the way of thinking of Lenin and Trotski as they shaped the Russian constitution.

Now, may I draw the deadly parallel of the franchise as it exists in Russia under the soviet system according to the constitution and as it exists in the United States:

THE FRANCHISE UNDER THE SOVIET SYSTEM IN RUSSIA AND IN THE UNITED STATES.

The deadly parallel.

RUSSIA.	UNITED STATES.
1. The franchise extends to all over 18 years of age who have acquired the means of living through labor that is productive and useful to society and also persons engaged in housekeeping for the former. 2. Soldiers of the Army and Navy. 3. The former two classes when incapacitated. Disfranchised and not eligible for office: 1. Persons who employ hired labor in order to obtain from it an increase in profits. 2. Persons who have an income without doing any work, such as interest from capital, receipts from property, etc. 3. Private merchants, trade and commercial brokers. 4. Monks and clergy of all denominations. 5. Employees and agents of the former police, the gendarme corps, and the Czar's secret service; also members of the former reigning dynasty. 6 and 7. Persons unfit on account of mental ailment or criminal record.	The franchise extends to men in all States (and women in many States, and soon in all) who are citizens and over 21 years of age, less those disfranchised on account of illiteracy, mental ailment, or criminal record.

Bear in mind the liberal franchise with which the American Nation meets her citizens and let me ask you to contemplate the franchise that is handed out to the people of Russia. All people of Russia who are 18 years of age or over who have acquired the means of living through labor that is productive and useful to society and persons engaged in housekeeping in behalf of the former are entitled to the franchise. Who else? The soldiers of the army and navy. Who else? Any of the former two classes who have become incapacitated.

Now turn to the next sections of the Russian constitution and see who are disfranchised.

The merchant is disfranchised; ministers of all denominations are disfranchised; and then, while condemning the Czar for tyranny, the soviet constitution solemnly declares that those who were in the employ of the Czar or had been members of certain military and police groups and the members of the families of those who had ruled in Russia for many generations shall be denied suffrage.

Persons who have income from capital or from property that is theirs by reason of years of frugality, industry, and thrift are penalized by being denied the right to vote. They are placed in the class with criminals, while the profligate, the tramp who works enough to obtain the means by which he can hold body and soul together, is able to qualify under the constitution of Russia and is entitled to a vote. Under that system in the United States the loyal men and women who bought Liberty bonds in their country's peril would be disfranchised while the slacker would have the right of suffrage.

Persons who employ hired labor in order to obtain from it an increase in profits may not vote or hold office. Under that system the manufacturer who furnishes employment for a thousand men would be denied the ballot, while those in his employ could freely exercise the right of franchise. Under that system the farmer who hires a crew of men to help him harvest his crop is denied the franchise. Under that system the dairyman who hires a boy to milk his cows or to deliver milk is denied the franchise.

The farmer is discriminated against, especially in the fixing of the groups of people who are disfranchised under this last provision to which I have directed attention.

Does the soldier employ labor? No.

Does the sailor employ labor? No.

Does the craftsman employ labor? Not generally.

In the cities those who are interested in industrial lines are very few in comparison with the craftsmen, the soldiers, and the sailors; but how about the country? We know that every successful farmer now and then needs to employ additional labor. He needs to employ it when he puts in his crop; sometimes he employs it when he is caring for the crop; usually he must employ it when the harvest season is on. Now, what does this mean? It means that in all Russia every farmer who has gumption enough to continue his business along such lines as make it necessary that he employ so much as one man to help him in his work when the services of that man are of assistance in increasing the income of the farmer is disfranchised.

No; the whole scheme, with all the other iniquities that I have indicated, is a deliberate plan to eliminate the farmers, the peasants of Russia, from a share in their government.

But this provision of the constitution is more deadly still. It crushes out all progress, all ambition. The carpenter who would like to take a contract and employ men to help him in his work must forfeit his right to vote. The blacksmith who is enterprising and puts a second forge and anvil into his shop and employs a helper must forfeit his franchise. The farmer who is frugal and thrifty and industrious, and who employs another man to help him put in his crop or tend it or harvest it, thereby loses his right to vote. Why, gentlemen, here is a system that chains men down; here is a system that makes men slaves; here is a system that puts a premium on sloth and indolence and stupidity, and chains the hands of him who would arise.

OTHER AMAZING FEATURES.

The constitution of Russia adopts the declaration of rights as part of the organic act to the extent that changes have not been made by the constitution. Examining them—the constitution and the declaration of rights—we find other most astounding doctrines in the soviet fundamental law. I shall not discuss but merely mention only a few of them. They do not pertain so much to the structure of government as they do to the economic and social conditions surrounding the people under the soviet system:

First. Private ownership of land is abolished. (No compensation, open or secret, is paid to the former owner.)

Second. Civil marriage alone is legal.

1. By act of the All-Russian Congress of Soviets a marriage may be accomplished by the contracting parties declaring the fact orally or by writing to the department of registry of marriage.

2. Divorce is granted by petition of both or either party upon proof alone that divorce is desired.

Third. The teaching of religious doctrines is forbidden in private schools as well as in schools that are public.

Fourth. No church or religious society has the right to own property. (The soviet leaders boldly proclaim the home and the church as the enemies of their system, and from the foregoing it would seem that they are trying to destroy them.)

Fifth. Under the general authority granted to the soviets by the constitution inheritance of property by law or will has been abolished.

These amazing features of the constitution and laws enacted under the constitution speak more eloquently than any words that could be used to amplify them in portraying the hideousness of a system of government that, if permitted to continue, must inevitably crush out the home in large part by the flippancy with which marriage and divorce are regarded, by the refusal of permitting the land to be held in private ownership, and by refusing the parent the right at death to pass on to his wife or to his children the fruits of years of toil. Furthermore, the constitution has gone as far as it seems it could go in the effort to wipe out religious thought and to make Russia an atheistic nation. No church or religious society may own property, and religious doctrines which could properly be barred from public schools may not be taught in even a private school. That means that the home, shattered and wrecked as it is, shall be the only center in which religious ideas may be reasonably considered and there can be no general and systematic comparison of religious views, or culture, refinement, and purity of life attained through their general consideration.

A PYRAMID OF TYRANNY.

Gentlemen, if what I have said in analyzing the Russian soviet constitution is amazing; if the disfranchisement of the people by arrangement of representation in the soviets and by the withholding of suffrage is startling; if the provisions to which I have just referred pertaining to the ownership of land, inheritance, limitations on religious teachings are hideous, there is one feature still that is impossible in connection with a government of people who would be free.

I refer to the language of the constitution that specifically provides that in a pyramidal manner the power of each soviet increases from the small unit to the higher until in the All-Russian Congress of Soviets complete and absolute authority has been conferred. This feature of the constitution is so amazing that I want you to hear me read the three sections of the constitution which confer this tyrannous power. Remember in connection with this how far removed from the vote of the people are those intrusted with the power conferred. I read:

SEC. 12. The supreme power of the Russian Socialist Federated Soviet Republic belongs to the All-Russian Congress of Soviets, and, in periods between the convocation of the Congress, to the All-Russian Central Executive Committee.

SEC. 50. Besides the above-mentioned questions (broad powers conferred specifically in sec. 49), the All-Russian Congress and the All-Russian Central Executive Committee have charge of all other affairs which, according to their decision, require their attention.

SEC. 62. The congresses of soviets and their executive committees have the right to control the activity of the local soviets (i. e., the regional congress controls all soviets of the respective regions; the provincial, of the respective province, with the exception of the urban soviets, etc.); and the regional and provincial congresses and their executive committees, in addition, have the right to overrule the decisions of the soviets of their districts, giving notice in important cases to the central soviet authority.

What I have said in analyzing the Russian soviet system is upon the assumption that the constitution is adhered to and that the provisions of the government, such as they are, are faithfully followed throughout Russia. Disgraceful and tyrannical as the system would be were it carried out according to the letter of the soviet constitution, the cold, bare fact is that the soviet constitution is not respected by those who are trusted with responsibility under it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIN. Mr. Chairman, I ask that the gentleman's time be extended——

Mr. KITCHIN. Mr. Chairman, I yield the gentleman five additional minutes.

The CHAIRMAN. The gentleman from Idaho is recognized for five additional minutes.

Mr. FRENCH. I thank the gentleman for this courtesy.

Gentlemen, in a system in which the executive authority is so far removed from the people, the executives have not hesitated in their arbitrary rule to exercise this function of government. All over the part of Russia that is dominated by the soviet government terrorism prevails, and the terrorism emanates from the central authority of government as it is represented in Lenin and Trotski.

Local elections are held, and those in authority furnish the particular ballots to those who are the mere tools or puppets of Lenin and Trotski, and they deposit the ballots in the ballot box under the watchful eyes of those who have the election in charge. Then if the election has not resulted in the way in which the authorities desire, no matter if those elected to the soviet are earnestly and faithfully responding to the will of the people who elected them, the soviet is dissolved and a new election must be held.

I could cite in this connection the instance in one city where an American with whom I am acquainted spent many months, where the local soviet had been regularly chosen and where the executive officers of the local soviet were administering the affairs under the jurisdiction of the soviet in response to the public sentiment of the community, but not in accordance with the wishes of Lenin and Trotski. It was not long until a representative of the executive committee of the All-Russian Congress of Soviets visited the city to which I refer, and those who had been intrusted with responsibility by the people and the members of the urban soviet were ousted from office and a soviet that was in line and in harmony with Lenin and Trotski was chosen in its place.

Another man with whom I am acquainted, but who is a native of Russia and is familiar with the entire system, told me that there is no limit to the authority of the executive officers of all Russia, "other," said he, "than the amount of powder in their guns and the distance to which their rifle bullet will carry."

THE SYSTEM IN PRACTICE.

In maintaining this system it would be commonplace for me to cite instance after instance like that to which I have called attention. The papers have been filled with it, the magazines have told of it. I have talked with man after man who has come back from Russia and the same story is theirs. Not only are elections set aside and not only are the people dominated in this high-handed way, but all who dare to stand in the path of the all-powerful executive committee of the Russian Government are dealt with most ruthlessly. Men and women are murdered by the officers of the Government for no other reason than that they are opposed to the soviet system. Indeed, more than that, the relatives of men who have had the

courage of their convictions have been murdered because, forsooth, they happened to have kinsmen who were brave enough to stand out in their communities against the Russian system. This high-handed system of butchery and death that has prevailed for more than two years has been carried on to such an extent that in large part the educated, the thoughtful, the well-trained men and women of Russia have been exterminated or have been driven from the country. These are not idle tales; these are the reports and statements that come to us from those who have had the opportunity of close observation in Russia, no matter whether they have been Russians themselves or citizens of other countries who have had the opportunity or the dread privilege of spending months in Russia during the régime of Lenin and Trotski.

More than that, the very system has reflected itself upon the industrial life of Russia. It was ushered in as a system that would be the panacea for labor disturbances, that would mean equality among the people of Russia, but what has been the result of the system? Before the system was adopted, even in spite of two or three years of war in which Russia had been constantly engaged, her factories were operating, her railroads were being administered, her cities filled with populous throngs, and albeit the hardship of war was present, Russia was a live nation, but what is the situation to-day? Factories have been closed or destroyed until at this time there is only a small percentage of factories and mills of Russia in operation in comparison with those that were running only two years ago at the beginning of the soviet régime.

The railroad systems of Russia have been so badly crippled that to-day the soviet government can not find men to equip properly one-tenth of the engines upon the tracks.

More than that, the artisans, the mechanics, the trained and skilled workers of Russia who are not being used in the army and navy for the purpose of keeping down and intimidating the peasants and other right-thinking people are being used for the most part in the factories that are turning out munitions of war with which to support the autocratic power of Lenin and Trotski.

The whole history of Russia for the last two years has been that of a saturnalia of financial, of social, of industrial ruin, with all that those words imply. Worse than that, for following Lenin and Trotski into authority rode the four horsemen of the Apocalypse—War, Famine, Pestilence, and Death—and the population of Petrograd, the capital of Russia, has been reduced in two years from more than 2,000,000 to between 500,000 and 750,000 people to-day. The population of other fair cities and splendid country settlements has been woefully chastised. Famine, hunger, disease—these are raising havoc in all the parts of Russia that are under the rule of the soviet; and through the curse of that despotic system—the brute force of Bolshevism that is masking in the name of democracy—untold thousands of that brave people are forfeiting their lives because they stand for law and order and decency in government.

THE ARRAIGNMENT.

What, then, is my arraignment of sovietism according to the soviet constitution?

1. The people have no direct vote or voice in government, except the farmers in their local rural soviets and the city dwellers in their urban soviets.

2. The rural, county, provincial, regional, and all-Russian soviets are elected indirectly, and the people have no direct vote in the election.

3. The people have no voice in the election of executive officers of the highest or lowest degree.

4. There is no mention of justice or judicial officers in the constitution.

5. The people are very largely disfranchised.

6. The farmer of Russia is discriminated against:

(a) Equal representation is denied him.

(b) He may vote for only the members of the local rural soviet, not for rural, county, provincial, regional, or All-Russian Congress of Soviets.

(c) The farmer who employs any profitable labor is disfranchised.

(d) The city voter has a double voice in electing the regional and all-Russian soviets.

7. The system raises class against class; the voters vote by trade and craft groups instead of on the basis of thought units.

(a) This means rank selfishness.

(b) It kills national and even provincial and county interest or loyalty.

8. The system strikes a blow at the church and the home.

9. The system is pyramidal and means highly centralized and autocratic power.

How much of Russia is under soviet jurisdiction?

The boundary line is not clearly marked. It is my judgment, however, that all of Siberia refuses to bow to Lenin and Trotski. The southern part of Russia is practically free from the soviet system. Poland is free. The western Provinces on the Baltic refuse to yield, and a rather indefinite region in the northern part of Russia resists the extension of the soviet system. In my judgment, 90 per cent of the people of Russia are opposed to the system, and, in my judgment, an overwhelming majority of the people of the part of Russia that is under the control of the soviet government are opposed to the rule of Lenin and Trotski. This is borne out by the testimony of writers of Russian birth, of those who have fought the old battles for freedom within Russia, who have spent months and years in Russia and have seen that country in good days and in bad and who understand the true sentiment of the people of that unhappy land.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EVANS of Nevada. I yield five minutes of my time to the gentleman.

The CHAIRMAN. The Chair is not aware that the gentleman had any time.

Mr. KITCHIN. I yield it to the gentleman from Nevada if he desires to yield it to the gentleman from Idaho. [Applause.]

Mr. FRENCH. Mr. Chairman, I am under obligations to my friend from Nevada.

A WORD IN CONCLUSION.

I have only a short word in conclusion. I believe that it was Carlyle who said that the best kind of government in the world would be the kind of government that could be presided over by one man, provided the one man were wise enough and good enough to control. The trouble is you can not find the one man, and if you could find the one man the fact that he does not have immortality would make the type of rule that he would administer unwise because it would come to an end, and when the end should come the people would suffer because they would be unfamiliar with the way of administering their government.

My country under the representative system may make mistakes day after day and year after year, but I prefer still that government rather than a government in the United States presided over by one man or by a set of men who make no mistakes. No man could live forever, and after his death chaos would be in our land, because the people would be untrained.

No; the soviet system of government can not be defended. It is against the interests of the very men for whom it is supposed to have been established—the laboring man. He is the man most of all who must suffer under any kind of government or system that is wrong. He is the man who would be out of bread within the shortest time. He is the man whose family would be destitute of clothing in the shortest time. He is the man whose family will suffer most through disease, famine, and pestilence in the shortest time.

As it is against the best interest of the laboring man, so it is against the best interest of all our people, and, as a matter of fact, the overwhelming mass of people of this country and all countries is made up of laboring people.

In spite of statements of agitators, in spite of leniency that we accord even the anarchist and I. W. W. speaker who denounces our Government to uphold and exploit the features of the soviet system, I take it that the great rank and file of Americans hold closely wrapped up in their souls that which represents the cost price of free government in America and that they are not going to throw away their birthright or sell it for a mess of pottage. They turn back in the traditions of their families and they see vividly and live over again the trials, hardships, suffering, and death of the fathers of the Revolution, who purchased our Government for us. They follow through the sufferings at Valley Forge, they see the sacrifice at Bunker Hill and at Yorktown, they see the struggle of free people everywhere, they follow through the struggles again that our country has been asked to bear from the days of the establishment of representative government until to-day. Our present generation is largely represented, and for another 50 years must be largely represented, and dominated by those who have had part in the heroic struggle in the last few years for the preservation of the liberty of the world. For what did our boys fight at St. Mihiel, the Argonne, and Belleau Wood? Was it for the soviet system of government? No; a thousand times no. Rather it was for a system of government where the ideals of free peoples prevail, where there is freedom of religious worship, where there is no stricture upon the conscience of man, where there is liberty of voice and the press, where justice is administered to all alike, and where the people, regardless of race or creed, regardless of religious or political thought, may have the right of an equal share in the responsibilities of government.

Gentlemen, they fought and they died for America, whose Government in warp and woof was created for the people, is of the people, and is maintained by the people of our splendid land. [Applause.]

Mr. GREEN of Iowa. If the gentleman will permit, the very last clause of the first paragraph provides that this shall be ascertained, determined, and promulgated by the Secretary of the Treasury.

Mr. HULL of Tennessee. I asked permission a while ago to extend my remarks in the RECORD on this bill.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. KITCHIN. I yield 10 minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I rise to say a few words on the subject of popular unrest in the United States. This is a subject that I believe it will be conceded I have some small qualifications to speak on. I am in close touch with the laboring classes throughout the entire country and have reason to believe that I have their confidence. I come from a great industrial district. I have recently spent my vacation in intimate intercourse with my constituents, with the people who work in my district, and I think I clearly understand their ideals and point of view.

THE UNREST IS INDUSTRIAL, NOT POLITICAL.

That there is unrest is obvious. This unrest is industrial and not political. It is of great importance that we preserve this distinction, otherwise we can not hope to understand and to remedy it. There is, of course, some political unrest also. We have always had it more or less. Perhaps it is now somewhat greater than heretofore, but it is as yet comparatively trifling and is no cause for serious alarm. Political unrest to the present is substantially nonexisting. Industrial unrest, however, is widely prevalent, serious, and demands prompt attention and immediate remedy.

The prevailing industrial unrest may be converted into political unrest if it is met with or sought to be suppressed by *political* measures. But, as I have said, at present undoubtedly it is almost purely industrial in every aspect. Not one workingman out of ten thousand is dissatisfied with fundamental Americanism or has any desire to change the principles of our Government or would have any thought of trying to overthrow the American Government by force. To the contrary, the men who work with their hands in the United States, the great masses of the people, are the strong bulwark of the principles set forth in the Declaration of Independence and the Constitution. They conceive that they are, and should be, the peculiar defenders of those principles, because they are the large and peculiar beneficiaries of them. They consider themselves as deriving special benefits from the American form of government. They hold, as does no other class, to the ideals of self-government, that "governments derive their just powers from the consent of the governed," and they prize beyond all material things the fundamentals of trial by jury, due process of law, free speech and free press, freedom of religion, of opinion, and of the right of assemblage.

Why, gentlemen, if a class should arise in our country and attempt to do violence to the things which you and I recognize and love as the principles for which our fathers fought and which America achieved by her independence, there is not one workingman out of ten thousand in America, young or old, but would gladly lay down his life in defense of his country.

Of course, there is political discontent as there has always been. There are no doubt some misguided spirits who dream of violence and disorder, a radical few who would seek to inaugurate class rule. They are found almost wholly in the big cities and among those foreign-born who do not yet fully know our country. But at heart the workingman and farmer are sound and true in their Americanism. The charge against their loyalty and devotion springs from ignorance or worse.

UNREST GROSSLY MAGNIFIED.

It is a great mistake to magnify the unrest in the country and represent it as being of a political nature; it is worse than foolish. I regret to have heard even in this Chamber echoes of the widespread propaganda which is being carried on to the effect that a large part of the working people are disloyal to our institutions. Every time there is a serious labor dispute I hear it said that "Bolshevism has come to America." If a set of workingmen try to get wages responsive to the increase in the cost of living, they are called "I. W. W.s." If they dare to talk the idealism that characterized our great Nation during the recent war, they are called "revolutionists." And so on and on, these epithets are cast at men who are innocent of disloyalty, not merely by the parasite newspapers, but even in this Chamber.

I deplore this propaganda magnifying unrest beyond words, because it tends to convert it from industrial unrest into political unrest. It tends to make real the political unrest which is now almost wholly imaginary. I repeat, the masses are loyal to America; they will preserve Americanism with their lives; their dissatisfaction is with the abuse and perversion of American opportunities, with excrescences on Americanism, with the greed, monopoly, and exploitation which aim to defeat real Americanism. These they would meet and destroy, not by violence but by lawful American methods.

The causes of the existing industrial unrest are obvious. Wages have not generally risen to correspond to the cost of living. The increase in the cost of living is somewhere about 80 per cent since 1914. Wages on the whole average have not increased above 40 per cent. I made some calculations and collected the facts a few months ago, which I am satisfied are fairly correct, which showed that the increase in wages had been only 34½ per cent since July, 1914. The war being over, men who work for wages feel that their wages ought to go forward to meet the increase in the cost of living, and when they are met by a stone wall of opposition and the determination of the big employers to fight them to the death there is a resulting unrest, of course. They consider that as the war was fought to substitute justice for might and to make the world safe for the small and weak, some recognition of the brotherhood of man should be shown by their employers, and they are dissatisfied with the cynicism with which their employers meet their desire for some measure of democracy in industry.

PROFITEERING THE CHIEF CAUSE.

Again, the profiteers are abroad in this land. Laboring men made heavy sacrifices to carry on the war. They made their sacrifices in a spirit of patriotism excelled in no other class. They came out of the war with much less than many other classes. Labor did not profiteer; it is a slander on labor to say that it profiteered during the war. Labor has not profiteered; it has been and still is the chief victim of the profiteer. Generally the big employers made immense profits out of the war and filled their pockets full of money. Their employees, knowing this, accepted the situation with the best patience they could muster during the war when the welfare of the country required it, but now that the war is over and the employers' profits go on, they see no reason why a division of these profits should not be made with them. Labor is tired of being preyed upon by profiteers; labor feels like demanding wages in keeping with the cost of living; labor desires that the human element be considered and that it be no longer held as a mere commodity. Labor is dissatisfied, yes; but disloyal to America, no, a thousand times no!

Now, to return to my point. It is a great mistake to magnify the popular unrest. It is more than a mistake; it is a serious wrong against our country to affect to believe that the dissatisfaction which comes from economic causes is due to a lack of patriotism and Americanism. Such charges are calculated to produce the very disloyalty which we would avoid. Governmental measures based upon such a false assumption amount almost to criminal folly. By such action and such injustice governments may shake even the stoutest patriotism—they may strain the surest fidelity.

"SIDE SWIPING LABOR."

I can understand why it goes on in the newspapers. Apart from their passion for sensationalism, for excitement, and hubbub, they are under the control of the big employers, and it is a way to side swipe labor to say "you are disloyal." Its purpose is to alienate from the wage earners the sympathies of the general public so that the workers may become easier prey to those who wish to exploit them. I understand why the newspaper propaganda is carried on, but I can not understand why it should be echoed here, and I hope that the aspersions which have been cast on men who work will cease.

I want to speak a word of warning. *The way to convert industrial unrest into political unrest is to attempt to suppress it by political measures.* If you undertake to suppress the lawful and reasonable aspirations of men who work by the strong hand of the law, it will be dangerous, I fear. Let us not engage in dangerous experiments in dealing with the reasonable discontent of our citizens.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes more to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, if our Government, by its legislative, judicial, or executive branches, shall do anything

to cause men who work to feel that they can not expect a fair deal from their Government, we will be doing a dangerous thing. The workingman must have faith that can not be shaken—that he can look to his representatives and to executives and courts for justice and for a square deal in his disputes with his employer. A few actions such as have been recently taken in inept dealing with labor disputes can do more to produce political discontent, dissatisfaction, and disloyalty than all of the pratings of agitators or disloyalists.

"LYING NEWSPAPERS."

I place most of the blame for existing unrest upon the newspapers. They seem to be largely giving themselves to magnifying and fomenting it. Always subservient to wealth and position, recent months have shown them in new depths of servility to the upper classes. They delight in scareheads and sensational articles upon evidences of unrest. The more reactionary the newspaper is the more vicious is its attempts to shake public confidence. Of course, it is a deliberate propaganda. Every labor disturbance is represented as the work of "aliens" or "I. W. W.s." Tales of disorder are collected from remote points, greatly exaggerated and charged to "reds." A riot, large or small, gets a scarehead as "attempted revolution." Radical literature is exploited and quoted from as evidence of "widespread anarchistic conspiracies."

Exaggeration and mystery are the keynotes of their policy. Unfortunately these dastard methods of molding public opinion have met with marked success. Though political discontent is comparatively nonexistent, the average unthinking citizen has been filled with the fear that America is on the brink of class war, anarchy, and revolution. The purpose of these newspapers is, of course, to gain for the big employers a temporary advantage over labor. In their stupidity they do not realize that such temporary present gain may have to be paid for with a heavy price in future. In their shortsightedness they see only the present hour. *I wish that they might have eyes to see that the way to meet false agitation is with the truth, and to meet well-founded agitation is with fair compromise and concession. The way to meet industrial unrest is with justice and a square deal for the wage earner. There can be no permanent solution through other means.*

THE BIRMINGHAM DAILIES.

The parasite newspapers "side swipe" the dissatisfied workingman by calling him an "alien" and his chosen labor officials "agitators" and "reds." They show no mercy either to the worker or his friends. If from patriotic or humanitarian motives a public or private citizen shows interest in the masses, concerns himself with their problems or gives them his confidence and support, no epithet is too vile for these newspapers to fling at him. They stop at nothing to discredit or destroy him. I read numerous newspapers. Bad as they are, they are all we have for current information. In my low opinion of them generally I hope I am not influenced by the viciousness and stupidity of the dailies of my home city, though the latter are below the average. As an illustration of their methods I refer to an instance which occurred during the recent brief vacation of Congress.

On November 30 I made a short speech in Birmingham at a meeting of workingmen held out of respect to me as their Representative. In reporting the speech the Age-Herald quoted me as having said, among other things:

> The fundamental principle of Americanism is for every man to have the same political right as the other man and the right of the whole people to have a voice in the Government.
>
> I am not in sympathy with the campaign that is being waged against the so-called aliens. These aliens are good enough to be brought over to this country, and they are good enough to remain here.
>
> The fight against them is just a blow at the workingman, for the alien, like the rest of us, is asking for the same rights and the added increase in wages, and is just as much one of us as the man who was born in this country. Then, why deport him?

"DELIBERATE FALSIFICATION" AND "LYING COMMENT."

The report was misleading and gave neither the words, purport, nor spirit of what I said, but it furnished the text of a vicious editorial attack on me in the News of December 1. Editor Glass, of the News, wrote the editorial himself. He was not present at the meeting. He did not verify the Age-Herald report, but did the unprecedented thing in journalism of accepting it as absolutely true and making it the basis of his attack. The Age-Herald report was misleading, but Glass, with characteristic venom and malice, deliberately falsified the report by lying comment upon it. After quoting that part of the Age-Herald report, Glass said:

> This view argues the speaker's entire sympathy with all the anarchistic aliens of the I. W. W. type, who have done so much in the past two years to injure the country of their adoption and to undermine the sanity, patriotism, and efficiency of true American laboring men. He would not see deported the men on the Pacific coast who from ambush have shot down former overseas patriots still wearing the uniform, because they were standing up for law and order, nor is he willing to see the Emma Goldmans and the thousands of other anarchists who have propagated the doctrines bearing that sort of fruit kicked out of the land whose freedom they have abused and whose liberty they have degenerated into license.

There were numerous false statements made in the editorial, but what I have read suffices to show its diabolical malice. What I really said was by way of comment on the steel strike. I said that Gary and his mouthpieces answered the strikers by calling them "aliens" and demanding their deportation if they would not return to work; that the Steel Trust had brought these men over from Europe to get the benefit of their labor, to take the jobs of American workingmen and to breakdown the standard of American wages and living, and now that they had become accustomed to America and its ideals and sought to raise themselves to American standards and to better their condition by going on a strike the cry was raised "they are aliens, deport them." I said that if these men were good enough to be brought over to take the jobs of American workingmen they were good enough to strike for decent wages and a decent living and as strikers were entitled to the same treatment that other strikers received.

In my speech I did not refer to anarchists, disloyalists, or criminals in any way, and certainly did not attempt to defend them. I expressed no opposition to the deportation of criminals or others subject thereto under our immigration laws. Neither at that time nor at any time have I defended crime, violence, or disorder by word or implication. Any criticism of me upon such grounds is malicious, venomous, and false.

But there is no falsehood to which the editor of the News would not stoop to do me an injury. I have had previous experiences with the News and the Age-Herald. They sought diligently to destroy me during the 1918 campaign. The recent instance is but a repetition of their dastardly attacks. During that campaign the News published similar editorials to its recent attack on me. The Age-Herald published vicious and stupid cartoons of me almost daily and, in self-defense, I was compelled to bring a libel suit against it. This suit was recently tried before a jury and a judgment of $30,000 damages awarded me. I called the trial of my suit "a school of decency and manners." There seemed no other way to teach the Age-Herald these qualities. I am hoping that it may be benefited by its tuition fee.

THE REMEDY FOR UNREST.

It is time for the newspapers and those who control their policies to leave off dollar grabbing and playing for petty temporary advantage and look forward to the security of our country. They decry class prejudice in others, yet in their own small class of a favored few stand together like one man. They hound all classes but their own. They are doing more by their methods to provoke class consciousness and class solidarity than all other influences. They are rapidly driving the masses to a realization of the necessity of class action for their own protection. Of course I deplore class strife, but how can I discourage class consciousness among the masses when that seems to be the only way by which they can defend themselves against a small, domineering, class-conscious group which holds as its supreme precept "one for all and all for one" in its dealings with the masses. I would bid big business men and their editors and parasites to look upward, to hold a little to humanitarianism, to know "that none serves himself so well as he who serves his fellow man, and none serves his country so well as he who labors for reasonable equality among all its citizens in right, privilege, and opportunity."

Unrest provoked by injustice is righteous. Men do good work as free men, not as slaves. The remedy for unfounded discontent is not the gag, but reason and fair argument, and for righteous discontent not the iron hand of the law but justice and a square deal.

Loyalty can not be compelled. We may always trust the citizen to love and defend the government which deserves to be loved and defended.

Mr. HARDY of Texas. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, an antidumping proposition is not a new one. The Democrats were the first to introduce and to pass an antidumping proposition. I congratulate the Republicans on having followed the Democratic example. The Underwood bill, as reported to the House and as passed by the House, every Democrat voting for it, contained an antidumping provision almost exactly like the provision in this bill, except

that it limited the amount of additional or special duty to 15 per cent—that is, to the difference between the sales price here and the market price in the country from which imported, but in no case to exceed 15 per cent—and provided further that no additional duty should be levied upon any article that already bore a duty of 50 per cent. This bill eliminates the limit. When the Underwood bill went to the Senate, the Senate struck out the antidumping provision.

In the act of 1916, which the Democratic Congress enacted, we have as stringent and as drastic an antidumping proposition as is contained in this bill, but the Tariff Commission thinks that it is not practically workable, that you can not administer it as easily as you can a provision like this. In the act of 1916 it is provided:

SEC. 801. That it shall be unlawful for any person importing or assisting in importing any articles from any foreign country into the United States, commonly and systematically to import, sell, or cause to be imported or sold such articles within the United States at a price substantially less than the actual market value or wholesale price of such articles, at the time of exportation to the United States, in the principal markets of the country of their production, or of other foreign countries to which they are commonly exported, after adding to such market value or wholesale price, freight, duty, and other charges and expenses necessarily incident to the importation and sale thereof in the United States: *Provided*, That such act or acts be done with the intent of destroying or injuring an industry in the United States, or of preventing the establishment of an industry in the United States, or of restraining or monopolizing any part of trade and commerce in such articles in the United States.

If an article is imported at a price substantially less than the price in the markets of the country of production or of other foreign countries to which it is commonly exported, while the act of 1916 does not provide, as this bill does, the levying of an additional duty, it does make it a criminal offense punishable by a fine of not to exceed $5,000 or by imprisonment of not to exceed one year, provided the importer does it with intent to injure or destroy an industry in the United States. The Tariff Commission declare that it is not workable, for the reason that it is almost impossible to show the intent on the part of the importer to injure or destroy business in the United States by such importation and sale.

That is the trouble with this antidumping act of 1916, which is now the law. You have to show the intent of the foreigner, the intent of the importer, to injure or destroy some particular industry in the United States. The business here might be injured, might be destroyed, by such importations and sales as effectively without such intent as with it. The purpose of this bill is to prevent such unfair competition by the importation of articles at a price below that prevailing in the market of the country from which imported by adding a special duty equal to the difference between the imported sale price here and the price or value in the principal markets of the country from which the article is imported.

You must remember that the present tariff act, as well as the Payne Act, the Dingley Act, and other tariff acts, base the ad valorem tariff, not upon the price which the importer pays, not upon the cost to him of the article, but upon the value or price of the article in the principal markets of the country in which it is purchased or from which it is imported. For instance, suppose I purchase an article to be imported here for $10 in Germany or France or Great Britain, and suppose that the value or price for which that article is sold in the principal markets of such country is $15. Under all of the tariff acts, the existing act as well as the others, the ad valorem tariff is based and calculated not upon what it costs me, $10, but upon the $15, the market value or price in such country. This bill provides for the levying of a special duty, in addition to the regular duty under existing law, which shall equal the difference between the import price or cost here and the price or value of the article in the principal markets of the country from which it is exported. For example, if the import price or cost is $10, and the value or price of the article in markets of the country of exportation is $10, the special duty would be $5. This bill, as the present act does, denounces such sales and importations as "unfair competition" with our domestic industries. We Democrats want competition, but we want fair competition. The Democrats favor and have provided a tariff that will prevent by any domestic industry a monopoly at home and also will prevent the foreigner from establishing a monopoly here. We tried to guard against unfair competition by the foreigner by the passage of the act of 1916. We are willing to have foreign goods coming over here in competition with American-made goods, but there must not be such a competition that will destroy the American industry and thus give the foreigner the monopoly. It must be fair competition. We believe that the industries of the United States can stand fair competition. We differ with the Republicans. The Republicans have no confidence in our American industries. They have no confidence in the genius, capacity, and resources of our American manufacturers. They have no confidence in the skill and efficiency of American labor.

They claim that every country on earth can make and sell goods cheaper than we can in the United States; that the foreign manufacturer can ship across the seas, pay freight to the interior, and undersell here our own manufacturers; that the labor of other countries, even the cheap labor of Japan and China, is more efficient than the high-priced skilled labor of America. We Democrats have more confidence in American industry, more confidence in the genius and business capacity of the American manufacturer; we have got more confidence in the efficiency and skill of American labor. Republicans demand a prohibitive tariff to prevent any foreign competition. Democrats favor a competitive tariff, a tariff that will admit fair competition. We have the confidence in American industry that it can stand, that it is able to meet fair competition from every quarter. We are willing, we are anxious, to guard American industry against all unfair competition. This bill does that.

In the Clayton Antitrust Act, which we Democrats passed, we provided against unfair competition among our domestic industries. We made it a criminal offense for a domestic industry to sell in one section of the country or to one purchaser at a different or lower price—excluding the difference in freight—than he sells in another section or to other purchasers for the purpose of lessening or destroying competition or establishing a monopoly. We made such an offense punishable by a fine of $5,000 or imprisonment for one year in the penitentiary, or both. I will read the section:

That it shall be unlawful for any person engaged in commerce in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities, which commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia.

And so forth.

Now, if it be proper and just to protect our domestic industries against unfair competition by other domestic industries, why is it improper and unjust to protect all our domestic industries against the unfair competition of foreign industries?

I will say to the chairman of the committee that while the first section of the bill intends to cover the point raised a few moments ago by the gentleman from Tennessee [Mr. HULL], I am very doubtful if the language is sufficient to clear the matter and express what the committee really intended. Now, the first section reads this way:

That the "special duty" provided for in this act shall be levied upon all articles imported into the United States of a class or kind identical or comparable with a class or kind made or produced in the United States.

And so forth.

That was intended to prevent articles produced abroad from coming into unfair competition with similar articles produced here—produced here in substantial quantities. If there are no similar articles produced here in any substantial quantities, there is no use for this act to apply to such articles imported. Take, for instance, coffee. We produce no coffee here in substantial quantity, though we may produce a few pounds from hothouse plants. We want to get our coffee as cheaply as possible. There can be no "unfair competition," because we produce none with which the foreign coffee competes. We do not care if it sells for 25 cents a pound in Brazil or 25 cents a pound in other countries. It would be to our interest to get it for 5 cents a pound, if we could. Take tea. We have no tea industry here, though I believe a gentleman in South Carolina does produce a few pounds. By this bill we did not intend that such "special duty" should be levied on tea, if it should be imported here cheaper than it sells for in the country of exportation, because some tea, though only a few pounds, was produced here. The language in the bill might be construed by the Secretary of the Treasury to mean that if there were produced here any quantity, however small, of an article similar to the article imported, the special duty shall apply to such imported article.

Mr. TILSON. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. TILSON. Where no article is produced in this country, or substantially none, what would be the economic reason for the foreigner selling in this market at a less price than it is sold in his home market?

Mr. KITCHIN. There would not be any, unless there were two or more foreign countries competing with each other in this market.

For instance, if Japan and China were selling tea in competition here, they might sell for less here than the market price of tea in the respective countries.

Mr. CANNON. Will the gentleman yield?

Mr. KITCHIN. I will yield to the gentleman from Illinois.

Mr. CANNON. We do not desire to destroy competition between Japan and China in tea. We do not produce either. This act would not apply.

Mr. KITCHIN. With the suggested amendment it could not apply.

Mr. GREEN of Iowa. I entirely agree with what the gentleman from North Carolina has said, and I am sure it was not the intention of the committee to apply this language contained in the first paragraph, except where the article was made in substantial quantities in this country. My understanding is that the gentleman has an amendment to propose in that connection.

Mr. KITCHIN. I have an amendment which will carry out exactly what the committee intended.

Mr. GREEN of Iowa. Where does the gentleman propose to offer it?

Mr. KITCHIN. I will offer it on page 5, at the end and as a part of section 9, something like this:

This section shall not apply to any article the like of which is not produced in substantial quantities in the United States, the same to be determined, ascertained, and promulgated by the Secretary of the Treasury.

Mr. GREEN of Iowa. I will say to the gentleman I do not think there will be any objection to an amendment of that kind being inserted somewhere in the bill, but I would like to have the gentleman consider for a moment as to whether it might not be better to insert it in paragraph 1, in the eighth line, after the words "United States"? Section 9 refers back to section 1 for the articles on which the duty is to be laid, and there are two provisions in section 1, or two classes, or two classes made one, and next, the kind identical or comparable with a class or kind made or produced in the United States, or of a kind sold in competition with articles made or produced in the United States in substantial quantities, or something of that kind.

Mr. KITCHIN. I would remind the gentleman that section 9 is the substantial effective section of the bill. It is the section that really levies the additional or special duty. I believe it would be better and clearer to add the amendment to that section. I believe with that amendment in every Democrat here can support this measure. It is certainly in keeping with the Democratic position with respect to antidumping propositions. [Applause.]

Mr. YOUNG of North Dakota. Mr. Chairman, the chairman of the committee left the remainder of the time at my disposal, and I would like to be recognized.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. YOUNG of North Dakota. Mr. Chairman, this bill does not propose, as everybody understands——

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. The gentleman had eight minutes and yielded seven of it to the gentleman from Idaho [Mr. FRENCH]. I do not see how he has five minutes left.

The CHAIRMAN. The clerk who keeps the tally at the desk as to time extended informs the Chair that a mistake was made in announcing the time, and that the gentleman from Michigan had five minutes instead of one.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the "special duty" provided for in this act shall be levied upon all articles imported into the United States of a class or kind identical or comparable with a class or kind made or produced in the United States, or of a kind sold in competition with articles made or produced in the United States, to be ascertained, determined, and promulgated by the Secretary of the Treasury.

Mr. GREEN of Iowa. Mr. Chairman, I think that this bill is on the whole very well drawn, although it may be possible that, as the gentleman from Tennessee [Mr. HULL] stated, it is somewhat strong in some of its provisions and may need to be modified as suggested by the gentleman from North Carolina [Mr. KITCHIN]. In fact, I am entirely in accord with his amendment, which would simply express the idea that the committee had. Now, for the information of gentlemen upon the floor who have not had an opportunity to carefully study the bill, I would say that section 9, which prescribes the duty to be laid and which embraces the fundamental principles of the bill, refers back to section 1, which has just been read by the Clerk. Gentlemen will understand that the special duty which is to be imposed by this bill applies whether there is a duty now on the article or not, provided it comes under the definition of section 1, which we have just read.

Even if the article be one that comes in free of duty now, the special duty will be imposed if the article imported is sold in this country at less than the price, the fair market value in the home market, and comes in competition with American goods. This is, I think, as it should be, and I think it is quite clear, as the gentleman from North Carolina stated, that the present antidumping provisions contained in the Underwood bill can not be enforced. If this bill were not passed, we would be at the mercy of a country like Germany, and possibly a country like France, which have accumulated a large stock of certain goods which they were unable to sell during the war and which they now desire to get rid of at any price. If they can not sell them at one price, they will doubtless sell at another. Of course, this is particularly applicable in the case of dyes.

There was some discussion raised in the committee over the use of the word "comparable," which is found in section 5, and it was thought possible that it conferred too extensive powers in the direction of excluding goods which might be comparable with those produced in this country. I think that, taken in connection with the last clause of the first section, which provides that these goods shall be ascertained, determined, and promulgated by the Secretary of the Treasury, there is no danger that this provision will be used in such a way as to work an injury to the country when it is simply proposed to sell some article not manufactured in this country for a low price. It is obviously to the interest of this country, where an article does not enter into competition with the things made here, that we should obtain it as cheaply as possible. It is not the intention, therefore, that this bill should operate as against tea, coffee, raw silk, and a long list of other articles which I might mention which are used by our manufacturers.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for two minutes further.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GREEN of Iowa. It is, of course, highly important that our manufacturers should receive their raw material, not furnished by this country or not products of this country, at as cheap a rate as possible. This bill will not in the least interfere with that.

The substance of the bill, I may say in closing, is embraced in section 9, which provides that where an article produced in foreign countries is sold in this country at a price less than the fair market value at home an additional duty shall be paid, amounting to the difference between the price at which it is sold and the fair market value at home.

Now, there was in the original bill a provision that where this addition was levied no other penalty should be prescribed. That part has been stricken out of the bill, it being thought by the committee that this provision, even when taken with the other provisions in the tariff act as it now stands, would not be too severe to prevent dumping, the effect of which, of course, would be to drive our producers out of the market, whether they were manufacturers or producers of other articles.

The purpose of this bill is the same as the present law, but the present law can not be enforced. It may seem too drastic, but we have found the present statute entirely insufficient. It will be observed, as we proceed with the bill, that provision is made whereby an examination may be made, if necessary, of the books of a foreign manufacturer, and in case permission is refused to exclude his goods from our markets. This provision is new but absolutely necessary if we would control "dumping." In the absence of such a provision it would often be impossible to ascertain whether the foreigner was selling below cost.

Mr. TINKHAM. Mr. Chairman, I move to strike out the last word.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. TINKHAM] may proceed for 10 minutes. He wanted to talk on the subject of sugar, and was allowed time under general debate, but he was crowded out by the yielding of more time to other gentlemen. I hope he will be given unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Michigan [Mr. FORDNEY] asks unanimous consent that the gentleman from Massachusetts [Mr. TINKHAM] may be allowed to proceed for 10 minutes out of order. Is there objection?

There was no objection.

Mr. TINKHAM. Mr. Chairman, the honorable Representative from South Carolina [Mr. BYRNES] on Friday last had printed on page 213 of the CONGRESSIONAL RECORD a statement purported to be a copy of an authorized statement recently issued by the Attorney General in relation to sugar. I desire to read a part of that statement, the essential part, so far as Congress is concerned, and the part I challenge:

A conference has been held this morning between representatives of the Sugar Equalization Board and the Department of Justice, in which the sugar situation was reviewed. The Department of Justice has no

power nor facilities with which to control the purchase or distribution of sugar. The only governmental body having this power is the Sugar Equalization Board, and its control terminates on December 31. The Congress, although requested to do so, has failed to extend the life of the board.

This statement is not only confusing and misleading but it seems to me that it is unqualifiedly false, much as I regret to have to use these harsh characterizations. To prove my assertion I have in my hands a copy of the charter of the United States Sugar Equalization Board, and the sixth section of the charter says:

This corporation is not to have perpetual existence. Its existence is to commence on the 15th day of July, 1918, and is to cease on the 14th day of July, 1923, unless sooner dissolved in the manner provided by law.

The words "in the manner provided by law" means the manner provided by the Delaware corporation laws, as the corporation is a Delaware corporation. So that the Sugar Equalization Board, in accordance with its terms of incorporation, has existence until July 14, 1923, and Congress had no need to extend the life of the board, or could it do so without reincorporating it or superseding the laws of Delaware. Yet the Attorney General says that Congress, although requested to do so, has failed to extend the life of the board.

Mr. Chairman, I desire to offer the charter of incorporation as a part of my remarks.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to insert in the RECORD as a part of his remarks the matter indicated. Is there objection?

Mr. CONNALLY. Reserving the right to object, will the gentleman from Massachusetts yield for a question?

Mr. TINKHAM. I will.

Mr. CONNALLY. In connection with the charter, which the gentleman proposes to incorporate in the RECORD, will he be kind enough to cite the appropriation bill which continues the appropriation for the Sugar Equalization Board over December 31?

Mr. TINKHAM. There has never been an appropriation for the Sugar Equalization Board. There never has been, and it has never been contemplated or necessary. The President gave from his $100,000,000 war emergency fund $5,000,000 to the board for them to do business with, and they have made a profit in excess of $30,000,000 by their transactions.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Following is the matter referred to:

CERTIFICATE OF INCORPORATION OF UNITED STATES SUGAR EQUALIZATION BOARD (INC.).

1. The name of this corporation is United States Sugar Equalization Board (Inc.).

Second. The location of its principal office in the State of Delaware is in the city of Wilmington, county of New Castle. The name of the resident agent therein and in charge thereof is the Delaware Charter Co. The street and number of said principal office and the address by street and number of said resident agent is 900–904 Market Street.

Third. The objects and purposes for which and for any of which this corporation is formed are to do any or all of the things herein set forth to the same extent as natural persons might or could do, viz: To purchase, or otherwise acquire, manufacture, sell or otherwise dispose of, store, handle, and otherwise deal in and with raw and refined cane and beet sugar, sirups, molasses, and other commodities, and to do all acts and things necessary, expedient or incidental to the efficient conduct of said business within or without the State of Delaware.

To exercise all powers which may be delegated to it by the President of the United States.

The foregoing clauses shall be construed both as objects and powers; and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the powers of this corporation.

In general, to have and to exercise all the powers conferred by the laws of Delaware upon corporations formed under the act hereinafter referred to.

Fourth. The total authorized capital stock of this corporation is $5,000,000, divided into 50,000 shares of $100 each.

The amount of capital stock with which this corporation will commence business is the sum of $1,000, being 10 shares of 100 each.

Fifth. The names and places of residence of each of the original subscribers to the capital stock and the number of shares subscribed for by each are as follows:

Name.	Residence.	Number of shares.
George M. Rolph	San Francisco, Calif.	4
Theodore F. Whitmarsh	New York, N. Y.	3
George A. Zabriskie	do	3

Sixth. This corporation is not to have perpetual existence. Its existence is to commence on the 15th day of July, 1918, and is to cease on the 14th day of July, 1923, unless it is sooner dissolved in the manner provided by law.

Seventh. The property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever.

Eighth. The directors of this corporation shall hold office for one year from the date of their election and until their successors are elected and qualified, unless sooner removed. The holder or holders of two-thirds of the outstanding capital stock may call a special meeting of stockholders at any time, upon mailing notice to the other stockholders of the time and place of said meeting, three days prior to said appointed time, which notice may be waived by unanimous consent, or by the presence of all stockholders at said special meeting; and the stockholders present may by a majority vote remove any director or directors from office and elect a successor or successors to hold office for the remainder of the unexpired term.

In furtherance, and not in limitation, of the powers conferred by statute, the board of directors are expressly authorized to make, alter, amend, and rescind the by-laws of this corporation, and to authorize and cause to be executed mortgages and liens upon the personal property of this corporation, and to authorize the borrowing of such sums of money from time to time, and the making and execution of such notes, mortgages, pledges, and liens on the personal property of this corporation, as they may deem advisable.

This corporation reserves the right to amend, alter, change, or repeal any provision contained in this certificate of incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred on stockholders herein are granted subject to this reservation.

We, the undersigned, being each of the original subscribers to the capital stock hereinbefore named for the purpose of forming a corporation to do business both within and without the State of Delaware, and in pursuance of any act of the Legislature of the State of Delaware entitled "An act providing a general corporation law" (approved Mar. 10, 1899), and the acts amendatory thereof and supplemental thereto, do make and file this certificate, hereby declaring and certifying that the facts herein stated are true, and do respectively agree to take the number of shares of stock hereinbefore set forth, and accordingly have hereunto set our hands and seals this — day of July, 1918.

——— ———. [SEAL.]
——— ———. [SEAL.]
——— ———. [SEAL.]

In presence of—

———— ————.

UNITED STATES OF AMERICA,
District of Columbia, ss:

Be it remembered that this ———, 1918, personally came before me, a notary public for the District of Columbia, parties to the foregoing certificate of incorporation, known to me personally to be such, and severally acknowledge the said certificate to be the act and deed of the signers, respectively, and that the facts therein stated are truly set forth.

Given under my hand and seal of office the day and year aforesaid. [SEAL.]

———— ————,
Notary Public, District of Columbia.

Mr. MARTIN. Will the gentleman yield?

Mr. TINKHAM. Certainly.

Mr. MARTIN. The sole stockholder of this corporation is the President of the United States?

Mr. TINKHAM. Yes. He not only is the sole stockholder, but directly controlled its entire policy, as the following authentic evidence will show. Last October a subcommittee of the Committee on Agriculture of the Senate held a hearing and during the hearing a copy of the following letter was offered directed to the President of the United States by the Sugar Equalization Board. This may be found upon page 53 of the minutes of the hearing, and is as follows:

AUGUST 14, 1919.

DEAR MR. PRESIDENT: The Sugar Equalization Board is in receipt of a letter under date of July 29 from the Cuban commissioners, tendering to the American Government the Cuban sugar crop for 1920.

We deem it advisable that the Cuban commission should be advised at an early date as to whether our Government proposes to consider this tender. The authority of this board does not extend beyond the purchase and distribution of this year's sugar crop, and we venture to suggest the control of sugar for the coming year must now be determined.

I am inclosing herewith a memorandum setting forth the sugar situation as it exists and such information as we possess concerning the prospects for the coming year and other points for your consideration in advising this board as to the policy you desire to be pursued.

The officers of the board are prepared to furnish you with any further information that you may desire.

UNITED STATES SUGAR EQUALIZATION BOARD (INC.),
———— ————, *President.*

THE PRESIDENT OF THE UNITED STATES,
The White House, Washington, D. C.

On page 57 there will be found a copy of the following communication, which was a letter urging the President again to authorize the purchase of the 1920 Cuban sugar crop:

SEPTEMBER 20, 1919.

THE PRESIDENT OF THE UNITED STATES,
Washington, D. C.

MY DEAR MR. PRESIDENT: Referring now to my letter to you of the 14th day of August inclosing the report from the board of directors of the United States Sugar Equalization Board (Inc.), and also referring to you a letter from the representatives of the Cuban Government and producers of sugar, in reference to the Cuban crop of raw sugars for the year 1919–20, I desire to respectfully bring to your attention the fact that the time is fast approaching, if it has not arrived, when we will be unable to control the Cuban crop of sugar for the year 1919–20 unless action is taken at once.

I am informed that a considerable tonnage of Cuban sugars of the crop of 1919–20 has already been sold, and it seems entirely probable that the representatives of the Cuban sugar will withdraw their proposition unless some action is taken at once.

May I, therefore, respectfully ask an early determination of the policy which the United States Sugar Equalization Board (Inc.) is to pursue with reference to the matter referred to in my letter of the 14th day of August? I know the pressure you are under, and nothing but imperative necessity could make me add this matter to your burdens.

Very respectfully, GEORGE A. ZABRISKIE, *President.*

On page 55 there is a copy of the memorandum submitted to the President by the board at the time of the first communication, and is as follows:

Conditions are so abnormal and the prospect of securing a regular supply of sugar at a reasonable price for the people of the United States for the year 1920 is so uncertain that the equalization board concludes, from a commercial point of view, that its duty requires it to suggest to the President that, in reply to the communication from the representatives of Cuban producers, negotiations be entered into for the purpose of securing the sugar required for the necessities of the people of the United States for the year 1920 from Cuba under somewhat the same arrangements as the equalization board was able to make with the Cuban commissioners and producers and the refiners in the United States for the year ending December 31, 1919. This suggestion is made entirely from our consideration of the sugar situation from the standpoint of assuring the American people a regular supply at a reasonable price and, of course, is subject to the general policy of the Government as to the advisability of continuing control and regulation of food commodities.

Before making any comment to prove my assertions made at the beginning of my remarks, I want to read to you certain questions and answers found on page 47 of the same hearing.

Mr. MARTIN. Will the gentleman yield?

Mr. TINKHAM. Yes; I will yield to the honorable Representative from Louisiana.

Mr. MARTIN. Will the gentleman be kind enough to state at this point, in justice to the President, that Prof. Taussig, also with the Sugar Equalization Board, filed a minority report?

Mr. TINKHAM. There are seven directors of the equalization board, and Prof. Taussig was one, and he dissented from the proposal to purchase the 1920 Cuban sugar crop.

Mr. MARTIN. That is true.

Mr. TINKHAM. Turning to page 47 of the minutes of the subcommittee hearing, I read the following:

Senator McNARY. Judge, on that point, what I want to develop is this: The President suggested to this Sugar Equalization Board that they should acquire this crop?

Mr. GLASGOW. Yes.

Senator McNARY. Did you have the legal authority to acquire the crop without any authorization from the President?

Mr. GLASGOW. I would not like to answer that. I can say that it would not have been done without that.

Senator McNARY. And would you have the authority to acquire that without action of the President?

Mr. GLASGOW. It would not be done, because, in the first place, the President is the entire stockholder of this concern.

I now want to return to the statement of the Attorney General and then summarize. He said that—

The Department of Justice has neither the power nor the facilities with which to control the purchase or distribution of sugar. The only governmental body having this power is the Sugar Equalization Board, and its control terminates on December 31. The Congress, although requested to do so, has failed to extend the life of the board.

Its control of the 1919 Cuban crop terminated December 31, but it had the power to obtain the 1920 Cuban crop with the assent of the President, as is indicated by the testimony which I have read. Therefore the statement of the Attorney General is not only misleading but false—false, because the Sugar Equalization Board had the right with the assent of the President to purchase, and misleading because the country from his statement would draw the conclusion that Congress was responsible for the situation that exists and not the President.

Had the President done as requested in the two communications received by him from the equalization board, then the price of sugar would have been stabilized and largely controlled in price, as the price of the Cuban crop sets the basic price for all sugar in the United States. There was all the law and facilities necessary to do this thing.

Mr. Chairman, upon the evidence that I have submitted, I feel justified in making my opening statement that the statement of the Attorney General in the particulars I have mentioned was misleading, confusing, and false.

The responsibility for not purchasing the 1920 Cuban crop, thus stabilizing and reducing the price of sugar, is clearly upon the President and not upon the Congress, as the Attorney General would lead the country to believe.

I want now to draw statistically a few conclusions which result from the President not doing as requested by the Sugar Equalization Board. When the first letter was sent to the President the average price of Cuban sugar was 6½ cents per pound.

The price of the same sugar now is about 8¼ cents per pound, and is constantly rising. The American consumption of sugar is about 4,000,000 tons per annum, and the difference of 2 cents per pound amounts to $180,000,000, which must be paid by the American people over what might have been paid. As the price of Cuban sugar will undoubtedly increase perhaps from 8½ to 10½ or 12½ cents per pound, there will be an additional cost to the American people over what that cost might have been, if the advice of the equalization board had been followed by the President, of $360,000,000 or $540,000,000 for the next year.

Mr. MacGREGOR. Mr. Chairman, I just came in. May I ask if the gentleman has quoted the letter from Mr. Zabriskie to the President?

Mr. TINKHAM. I have read two letters from Mr. Zabriskie to the President, one dated August 14 and the other September 20.

Mr. MARTIN. I hope the gentleman will put in his remarks the memorandum submitted by Prof. Taussig to the President.

Mr. TINKHAM. I am pleased to submit that memorandum at the suggestion of the honorable Representative from Louisiana, but it in no way changes the responsibility of the President for not authorizing the purchase of the 1920 Cuban sugar crop in accordance with the recommendations of the Sugar Equalization Board or removes from him personal liability for the present situation in the American sugar market, both as to the price and scarcity of this necessary of life, and the responsibility of what the American sugar market will be for the next year rests alone upon him for his inaction.

Memorandum of Dr. F. W. Taussig submitted to the President:

MEMORANDUM.

I regret not to be able to reach the same conclusion as the other members of the Sugar Equalization Board. I believe that no negotiation should be entered in with the Cuban producers, and that the regulation and restriction of sugar prices should cease with the close of the present arrangement, December 31.

It is true that the evidence now available points to a shortage of sugar in 1920 and to a possibility of prices in that year as high as those of 1919, or even higher. But no certain conclusions can be reached about the future. Prices of sugar will be affected not only by the incoming supplies but by the general political and monetary conditions of the whole world. The general level of prices in the United States and in other countries may be lower than it is now. Consumption may be reduced by changes in general business conditions or by restrictive measures in importing countries. The present recommendation of the board is that the United States (through the board) should repeat a huge commercial venture, in the hope of protecting consumers and of incurring no loss, but with the clear possibility of having to assume a loss. The operation would involve a guaranty by the Government of extremely high profits to the Cuban sugar planters, and also a virtual guaranty of similar profits to our beet-sugar producers as well as to the planters of Louisiana, Hawaii, and Porto Rico. It would necessarily lead to contracts with the sugar refiners which would guarantee good profits to them also. No doubt in the absence of Government regulation all these producers might make profits higher still; but prediction as to the outcome one way or the other can not be made with any confidence. Business of this kind may be undertaken by the Government under stress of war, but should cease now that we are at peace.

Moreover, the regulation of the price of sugar can not, in my judgment, stand alone. The whole relation of government to industry in time of peace is involved. If the price of sugar is to be specifically controlled, so should that of bread, of meat, of clothing. In the main, we must look for a remedy to the natural development of production and to the return of the entire world to normal financial and economical conditions.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

SEC. 5. That the words "the value to countries other than the United States" wherever used in this act mean the value plus the cost, when not included in such value, of the package and the packing charges at which any merchandise or similar merchandise comparable therewith in value is freely offered for sale for exportation to countries other than the United States in the principal markets or markets of the country of exportation in the ordinary course of trade and in the usual or fair average wholesale quantities that the same kind or class provided for in this act is sold in the United States: *Provided*, That any import duties rebated or not paid by reason of the exportation of such merchandise from the country of production or sale to the country other than the United States shall be added to export price.

Mr. EVANS of Nevada. Mr. Chairman, I move to strike out the last word.

The word "conservation" has a wonderful sound, but when stripped of fancy and exposed for definition has more of applied than actual meaning.

"Conservation" should give way to the word "development." The land or mine has only potential value, requiring work, hard work, upon the part of the pioneer to make of actual value. The pioneer is there, willing and earnest to cultivate the soil. Conservation prevents the achievement, conserving the land, the opportunity, and the necessary work for some future man or condition to arise, while the pioneer is ready now.

Conservation means suspicion of the only man competent to reclaim the land. Encourage the man whose ambition is building the West. Repeal laws obstructive to his progress; his successor may be unwilling and unfitted to successfully carry on the all-important work. Give the pioneer your confidence and recognition.

The man who lives on beans, bacon, and canned goods on a mountainous desert, where a goat would starve, giving his lifetime to develop barren areas where an eastern man would die of homesickness, should be encouraged. You hear doubt from men who are more familiar with cut glass and marble bathtubs, whose greatest hardship is the nerve-racking experience of riding a street car, seeking the "bubble reputation" as protectors of

eminent domain from looters, existent only in the overanxious imagination of men who know exactly nothing of the West and western needs. Conservation means keeping as it is, which would be a state of utter worthlessness to all humankind. Development means bringing into useful purpose and production large areas of desert. You must encourage development by granting title when a reasonable amount of annual work is expended upon vacant Government land. There is no way to make that soil produce except by privation and toil. The people of Nevada are afflicted to the limit with bureau regulations, scores of Government inspectors, collectors, and dictators from Washington traveling through our State imposing impractical methods at our expense, while Nevada seeks only the right to conduct her own affairs, with your approval of the integrity of her legislature to enact laws, encouraging development of worthless lands, and so they will remain worthless, except for one thing—work.

You gentlemen mean to be fair. It is only your lack of information which causes mistrust against the State. Your most progressive laws come from the West. Decide upon a different western policy, instead of creating and trusting bureaus, place your faith in men of the West whose interest and honor are at stake, desiring to best build their beloved section of our country. Their governor and legislators deserve your complete trust.

Some months ago this Congress passed a measure the object of which was to encourage development of water upon arid Nevada lands. The legislation was experimental, but has proven a great stimulus to entries upon barren lands; much money will be expended to demonstrate an underground flow of water. That legislation aids progress in Nevada, reflecting credit upon your judgment.

Let us draw a homely example of the man whom you all know, who looked forward to the twenty-first year of his life as the period when he would be his own boss and could act without parental interference, always in his mind the idea of doing right with others. A boy of 21 is entitled to live his own life; the need is recognition of his maturity. Nevada has been 21 years old since 1885, eager for her opportunity. Held back by laws made by men who never saw the State; laws made by other men who rode across that which was to them, from a Pullman car, a forbidding desert, coming back to their eastern homes of culture convinced that what they saw must remain as it is.

Conservation is defined as "the act of conserving" or "keeping as it is," therefore your law of conservation means prevention of work necessary to reclaim the desert.

Nevada, being of age, demands that she be given the state of depending upon herself. Knowing as he does the peculiar needs of our desert country, the pioneer is the logical expert upon whom you must rely for light upon the best plan of operation. Remove collectors, experts, and instructors; depend upon the integrity of our citizens to build a commonwealth of which all will be proud, builded upon the foundation of industry and reason.

Nevada, as a State, was born during the agony of civil war, when her production of gold and silver bullion as a horn of plenty poured at Lincoln's feet that all men may be free. If wrong to dominate an individual, it is wholesale wrong to refuse full freedom to a State whose citizens demand recognition of their indomitable Americanism and self-reliance.

The Clerk read as follows:

SEC. 6. That the term "cost of production" wherever used in this act means the cost of labor and material of the merchandise exported to the United States at the time of production plus the actual general expenses and a profit which is usually and ordinarily added to the cost of labor, material, packing charges, and general expenses by manufacturers in the country of production of merchandise similar in material and production or manufacture.

Mr. WALSH. I move to strike out the last word. I should like to ask the gentleman from Michigan what the term "general expenses" covers in line 11 of this section? Has that been defined in any previous legislation?

Mr. FORDNEY. There was a provision in the bill that was stricken out by the committee to provide salaries for men employed by the Secretary of the Treasury for the investigation of importations at lower prices than those provided for. It was thought wise by the committee to strike that out, because it fixed salaries and per diem expenses, and to leave it to the Secretary of the Treasury to fix those items under the general law. These general expenses might cover a great many things, clerks and office work, and so forth.

Mr. WALSH. Under the phraseology in section 6 salaries can be computed as general expenses, can they not?

Mr. FORDNEY. Such salaries as under existing law the Secretary of the Treasury is permitted to pay.

Mr. TREADWAY. Is not the gentleman from Michigan referring to the general expenses as a part of the expense of the Government, whereas the inquiry of the gentleman from Massachusetts has to do with the expenses of the manufacturer?

Mr. FORDNEY. Oh, I did not understand that. That is an entirely different matter.

Mr. WALSH. What does the term "general expenses by the manufacturer" cover?

Mr. FORDNEY. First of all, the manner of determining the cost of production would be the labor cost, the general expenses, overhead, taxes, depreciation, packing, packing boxes, and all other costs that go to make up the total cost of the article when ready for export. That must be determined by finding the actual cost of the article, where the price can not be obtained, in the country where it is made. We must get the cost of production that would cover any expenses that went in to make up the total cost of production.

Mr. WALSH (reading from the bill)—

plus the actual general expenses and a profit which is usually and ordinarily added to the cost of labor, material, packing charges, and general expenses by manufacturers in the country of production of merchandise similar in material and production or manufacture.

That would include depreciation, salary, overhead expenses, taxes, insurance——

Mr. FORDNEY. Prorated; yes.

The Clerk read as follows:

SEC. 9. That whenever merchandise, whether dutiable or free, is exported to the United States of the class or kind provided for in this act, and the sales price is less than the foreign home value, or in the absence of such value is less than the value to countries other than the United States, or in the absence of such value is less than the cost of production, there shall be levied and collected, in addition to the duties on imported merchandise prescribed by law, a special duty in an amount equal to the difference between the sales price and the foreign home value or the value to countries other than the United States or the cost of production, as the case may be.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 5, line 23, at the end of the line add the following: "This section shall not apply to any article imported the like of which is not produced in substantial quantities in the United States, the same to be ascertained, determined, and promulgated by the Secretary of the Treasury."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 17. That if any person importing merchandise into the United States shall fail, at the request of the Secretary of the Treasury, or an appraiser, or person acting as such, or a collector of customs, as the case may be, to secure permission for a duly accredited officer of the United States to inspect any or all books, records, accounts, documents, or other papers pertaining to the value or classification of such merchandise, of the person selling, shipping, or consigning the merchandise to the United States, then the Secretary of the Treasury shall, while such failure or refusal continues, prohibit future importations into the United States of merchandise from such seller, shipper, or consignor by any importer.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman if the authority conferred by the bill would authorize an agent of the Treasury Department to go into a factory or shop of a manufacturer in a foreign country and investigate the books.

Mr. FORDNEY. The bill gives authority to the Secretary of the Treasury to make such a request by the proper representative. If the foreigner refuses it is obligatory on the Secretary to forbid the importation of those goods until such consent is given.

Mr. BANKHEAD. Does not the gentleman assume that other countries might adopt similar measures?

Mr. FORDNEY. They do it now.

Mr. BANKHEAD. Does not the gentleman think that American business men and manufacturers would resent the intrusion and inspection of their business affairs by an agent of a foreign government?

Mr. FORDNEY. No; they submit to it. If I had the time, I could give illustrations where Canada has sent agents to this country and demanded the right to examine the manufacturer's books, and on failure to permit that examination the goods which were shipped to Canada were ordered out of Canada.

Mr. BANKHEAD. I rather anticipate if that situation arises you will hear considerable complaint from American business men.

Mr. FORDNEY. No; I think the practice carried on by the Government in Canada to-day in that respect against our people who wish to dump on Canada goods at a less price than they are sold for here has been tested in many instances and works satisfactorily and is accepted by our people.

Mr. BANKHEAD. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 18. That if any person engaged in the importation of merchandise into the United States or engaged in dealing in such imported merchandise shall fail or refuse to submit for inspection of a duly accredited investigating officer of the United States upon request so to do from the collector or the appraiser, or the person acting as such, or any other officer of the United States customs duly authorized by law, any or all of his books or records, accounts, documents, or other papers pertaining to the value or classification of any such imported merchandise, then the Secretary of the Treasury, while such failure or refusal continues, shall prohibit the future importations of any merchandise into the United States by or for the persons so refusing.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman how many junketing trips will this afford agents to foreign countries?

Mr. FORDNEY. Just as many as the foreigner attempts to impose upon our people the sale of goods at a less price than he sells them at home for the purpose of destroying the industry in the United States. Just that many times we can look for a representative from our Government to go abroad.

Mr. BLANTON. There will be hundreds of merchants shipping goods to this country.

Mr. FORDNEY. Yes.

Mr. BLANTON. Will our Secretary wait until he has reason to believe that they are imposing on this country, or will he annually send men abroad to examine the books and accounts of these manufacturers?

Mr. FORDNEY. No; our board of appraisers are looked upon as the only authority to notify the Secretary of the Treasury that such action has been taken. Upon a proper showing the Secretary of the Treasury will send an agent abroad to examine the books and hold up the goods until the information is obtained.

Mr. BLANTON. The chairman does know that with very little excuse sometimes representatives are sent across the water to look after this or that on behalf of this Government.

Mr. FORDNEY. Oh, yes.

Mr. BLANTON. For instance, I might call attention to the fact that our Employment Service here spent $6,000 sending two men across apparently to look after the reemployment of our men even before they got out of the Army. Such things appear to me to be ridiculous.

Mr. FORDNEY. They do to me also. I agree with the gentleman.

Mr. BLANTON. Should there not be some limitation, at least, placed upon these annual, semiannual, or monthly junketing trips across the water?

Mr. FORDNEY. The bill does place a limitation by providing that information must be furnished to the Secretary of the Treasury before such investigation is made through his office by the Board of Appraisers.

Mr. BLANTON. The Secretary of the Treasury, I presume, would send fewer than any other department.

Mr. FORDNEY. I assume that he would not send anybody for the purpose of a junketing trip.

Mr. BLANTON. The gentleman can not deny that there have been trips across the water that smacked of junketing.

Mr. FORDNEY. Not by men sent by the Secretary of the Treasury. The gentleman may apply that to the Secretary of Labor.

Mr. BLANTON. I could refer to instances closer home.

Mr. KITCHIN. Perhaps the gentleman refers to the Shipping Board investigation.

Mr. BLANTON. And the investigation of the expenditures in the War Department.

The Clerk concluded the reading of the bill.

Mr. FORDNEY. Mr. Chairman, I move that the committee do now rise and report the bill with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The CHAIRMAN. The question is on the motion of the gentleman from Michigan, who moves that the committee do now rise and report the bill with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The question was taken.

Mr. BLANTON. Mr. Chairman, on that motion I demand a division.

The committee divided; and there were—ayes 75, noes 0.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MANN of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10918, the antidumping bill, and had directed him to report the same back with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. FORDNEY. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FORDNEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVES OF ABSENCE.

By unanimous consent leave of absence was granted as follows:

To Mr. MOORE of Virginia, indefinitely, on account of sickness.

To Mr. FLOOD, indefinitely, on account of sickness.

To Mr. WATSON of Virginia, indefinitely, on account of sickness.

To Mr. THOMPSON, for the month of December (at the request of Mr. MURPHY), on account of serious illness in his family.

EXTENSION OF REMARKS.

By unanimous consent, leave was granted to extend their remarks in the RECORD on the bill to Mr. FORDNEY, Mr. TREADWAY, Mr. HERSEY, and Mr. GREEN of Iowa.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a brief letter addressed to Dr. Couden, our esteemed Chaplain, complimentary of his distinguished services in the House.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

The following is the letter referred to:

UNITED STATES NAVAL STATION,
OFFICE OF THE CHAPLAIN,
Tutuila, Samoa, November 17, 1919.

REV. HENRY N. COUDEN, D. D.,
Chaplain to the House of Representatives, Washington, D. C.

MY DEAR SIR: Recently I saw a copy of the prayers offered by you before the Sixty-second Congress. I was greatly impressed by them and am desirous of having a copy for my library.

I am informed that they can not be purchased through the superintendent of documents and am therefore writing you if by some means you may be able to forward a copy to me. Sincerely thanking you for your kindness and appreciating any effort in my behalf, I am,

Very faithfully, yours,

HERBERT DUMSTREY,
Lieutenant (junior grade), Chaplain Corps,
United States Navy.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2377. An act to amend section 1 of the act approved July 17, 1916, known as the Federal farm-loan act, so as to provide for the payment of the expenses of the Federal Farm Loan Board and employees by the Federal land banks and joint-stock land banks; to the Committee on Banking and Currency.

S. 806. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in claims of the Iowa Tribe of Indians against the United States; to the Committee on Indian Affairs.

ADJOURNMENT.

Mr. FORDNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 10, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting statement of the public-health activities of the Public Health Service (H. Doc. No. 486); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Assistant Secretary of Labor, transmitting detailed statement of the number of documents received and the number distributed by the Department of Labor during the fiscal year 1919 (H. Doc. No. 487); to the Committee on Expenditures in the Department of Labor and ordered to be printed.

3. A letter from the Acting Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Justice to provide salary increases for the fiscal year 1921 (H. Doc. No. 488); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting statements showing average number of employees of the department and field service receiving increased compensation at the rate of $240 per annum (H. Doc. No. 489); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Acting Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Engineer Department of the Army for prevention of deposits, harbor of New York, fiscal year 1921 (H. Doc. No. 490); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Civil Service Commission for additional employees during the remainder of the fiscal year 1920 (H. Doc. No. 491); to the Committee on Appropriations and ordered to be printed.

7. A letter from the Acting Secretary of the Treasury, transmitting supplemental estimates of appropriation required by the Employees' Compensation Commission for contingent expenses and employees' compensation fund for the fiscal year 1920 (H. Doc. No. 492); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Coast and Geodetic Survey for the fiscal year 1920 (H. Doc. No. 493); to the Committee on Appropriations.

9. A letter from the Postmaster General, transmitting report relating to the results of experiments in the operation of the motor vehicle truck service and country motor express routes (H. Doc. No. 494); to the Committee on the Post Office and Post Roads and ordered to be printed.

10. A letter from the Secretary of the Interior, transmitting a report of the disbursements for the fiscal year ending June 30, 1920, made in the States and Territories under the provisions of the acts of Congress approved July 2, 1862, and March 4, 1907 (H. Doc. No. 495); to the Committee on Agriculture and ordered to be printed.

11. A letter from the Acting Secretary of War, transmitting a letter submitting statements of the cost of guns and other articles manufactured by the Government at the several arsenals during the fiscal year 1919 (H. Doc. No. 496); to the Committee on Expenditures in the War Department and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. VOLSTEAD, from the Committee on the Judiciary, to which was referred the bill (H. R. 6025) to amend the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901," and the acts amendatory thereof and supplemental thereto, reported the same without amendment, accompanied by a report (No. 481), which said bill and report were referred to the House Calendar.

Mr. ESCH, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10402) authorizing the Secretary of War to grant permission to the municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis., reported the same without amendment, accompanied by a report (No. 482), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. MONTAGUE, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10701) granting the consent of Congress to the Whiteville Lumber Co., Goldsboro, N. C., to construct a bridge across the Waccamaw River, in Brunswick County, N. C., reported the same with amendments, accompanied by a report (No. 483), which said bill and report were referred to the House Calendar.

Mr. ANTHONY, from the Committee on Military Affairs, to which was referred the bill (H. R. 8819) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, reported the same with amendments, accompanied by a report (No. 484), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HUSTED, from the Committee on the Judiciary, to which was referred the bill (S. 2999) to amend section 97 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, reported the same with an amendment, accompanied by a report (No. 485), which said bill and report were referred to the House Calendar.

Mr. PLATT, from the Committee on Banking and Currency, to which was referred the bill (S. 3458) to make gold certificates of the United States payable to bearer on demand legal tender, reported the same without amendment, accompanied by a report (No. 486), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 3510) granting an increase of pension to Lucinda Wilson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11009) granting an increase of pension to George Wallace Paul; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MADDEN: A bill (H. R. 11010) to reclassify the salaries of employees above the clerical grades in post offices of the first and second class; to the Committee on the Post Office and Post Roads.

By Mr. LAMPERT: A bill (H. R. 11011) to provide for an examination and survey of Luco Creek, town of Fond du Lac, Wis., midway between the cities of Fond du Lac, Wis., and the village of Taycheedah, Wis.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 11012) to provide for an examination and survey of the south shore of Lake Butte des Morts, in the city of Oshkosh, Wis.; to the Committee on Rivers and Harbors.

By Mr. RANDALL of Wisconsin: A bill (H. R. 11013) to provide for the erection of an addition to the Federal building in the city of Kenosha, county of Kenosha, Wis.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11014) to provide for the purchase of a site and the erection of a new public building at Elkhorn, county of Walworth, State of Wisconsin; to the Committee on Public Buildings and Grounds.

By Mr. SABATH: A bill (H. R. 11015) to license and regulate cold-storage warehouses and to regulate the sale and distribution of cold-storage foods; to the Committee on Agriculture.

By Mr. MONDELL: A bill (H. R. 11016) authorizing the Secretary of War to donate to the Uinta County Memorial Association, Evanston, Wyo., one piece of artillery, or like trophy, captured or obtained from the enemy during or at the close of the war with Germany and Austria; to the Committee on Military Affairs.

By Mr. HUDDLESTON: A bill (H. R. 11017) to provide employment for returned soldiers, to open up the unused lands and natural resources of the United States for the use of the returned soldiers and other citizens who may desire access to them, and to promote the general welfare of all the people of the United States, and to establish an executive department of the United States to be known as the department of land and natural resources; to the Committee on the Public Lands.

By Mr. DAVILA: A bill (H. R. 11018) to amend an act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917; to the Committee on Insular Affairs.

By Mr. WOOD of Indiana: A bill (H. R. 11019) for the purchase of a site and the erection thereon of a public building at East Chicago, Ind.; to the Committee on Public Buildings and Grounds.

By Mr. GRIEST: A bill (H. R. 11020)) to provide a 1-cent postage rate on local letters and reduce the rate of postage on first-class mail matter; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 11021) to extend the penny postage rate on local delivery first-class mail matter to post offices where the system of free delivery is established; to the Committee on the Post Office and Post Roads.

By Mr. MACGREGOR: A bill (H. R. 11022) for the relief of certain chief warrant and warrant officers of the United States Navy and Marine Corps who were called into active service during the war with Germany and promoted; to the Committee on Naval Affairs.

By Mr. COOPER: A bill (H. R. 11023) for the erection of a Federal building at Niles, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. HOWARD: A bill (H. R. 11024) to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914," approved June 30, 1913; to the Committee on Indian Affairs.

By Mr. CANDLER: A bill (H. R. 11025) to authorize the construction, maintenance, and operation of a bridge across the Tombigbee River near Iron Wood Bluff, in Itawamba County, Miss.; to the Committee on Interstate and Foreign Commerce.

By Mr. MANSFIELD: A bill (H. R. 11026) to provide for an examination and survey of that portion of Lavaca Bay, in Texas, extending from the present harbor basin at the city of Port Lavaca to the mouth of Lynns Bayou, with a view to securing a channel 7 feet deep and 100 feet wide, and then extending up said bayou a sufficient distance to secure a reasonably safe and adequate harbor and turning basin 7 feet deep and 250 feet wide; to the Committee on Rivers and Harbors.

By Mr. ZIHLMAN: Resolution (H. Res. 414) authorizing the chairman of the Committee on Expenditures in the Post Office Department to appoint a clerk for said committee; to the Committee on Accounts.

By Mr. ANTHONY: Resolution (H. Res. 415) providing for the consideration of H. R. 8819; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11027) granting a pension to George J. Bock; to the Committee on Pensions.

Also, a bill (H. R. 11028) granting an increase of pension to Daniel Felton; to the Committee on Invalid Pensions.

By Mr. BROOKS of Pennsylvania: A bill (H. R. 11029) granting an increase of pension to Henry C. Brant; to the Committee on Pensions.

By Mr. CANTRILL: A bill (H. R. 11030) for the relief of Woodford Bank & Trust Co., of Versailles, Ky.; to the Committee on Claims.

By Mr. EMERSON: A bill (H. R. 11031) for the relief of Mary and Elmer Torok; to the Committee on Claims.

Also, a bill (H. R. 11032) for the relief of Perry J. Lotz; to the Committee on Claims.

Also, a bill (H. R. 11033) for the relief of William H. Flagg and E. B. Flagg; to the Committee on Claims.

By Mr. IGOE: A bill (H. R. 11034) granting an increase of pension to Peter P. Faller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11035) granting an increase of pension to Robison D. Maus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11036) to correct the military record of Second Lieut. Van Buren S. Reber; to the Committee on Military Affairs.

By Mr. KELLY of Pennsylvania: A bill (H. R. 11037) granting a pension to Frank Scott; to the Committee on Pensions.

By Mr. KINCHELOE: A bill (H. R. 11038) granting a pension to Margaret Bruce; to the Committee on Invalid Pensions.

By Mr. MANN of Illinois: A bill (H. R. 11039) granting a pension to Martha J. Kain; to the Committee on Invalid Pensions.

By Mr. MOORES of Indiana: A bill (H. R. 11040) granting a pension to Janie L. Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11041) granting a pension to Elizabeth J. Montague; to the Committee on Pensions.

By Mr. RICKETTS: A bill (H. R. 11042) granting an increase of pension to Dell W. Stinchcomb; to the Committee on Pensions.

By Mr. SMITHWICK: A bill (H. R. 11043) granting an increase of pension to Mary Brown; to the Committee on Pensions.

By Mr. STINESS: A bill (H. R. 11044) granting an increase of pension to Robert Niven; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Colorado: A bill (H. R. 11045) for the relief of James A. Bennett; to the Committee on the Public Lands.

By Mr. THOMAS: A bill (H. R. 11046) granting a pension to Jacob R. Moore; to the Committee on Pensions.

Also, a bill (H. R. 11047) for the relief of the heirs of Phlegmon W. Willis; to the Committee on War Claims.

By Mr. WELTY: A bill (H. R. 11048) granting a pension to Louis Mikolajewski; to the Committee on Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 11049) for the relief of Crawford Miller; to the Committee on Claims.

Also, a bill (H. R. 11050) granting an increase of pension to Salathiel K. Wise; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

181. By the SPEAKER (by request): Petition of Order of United American Men, urging deportation of all aliens who do not announce their intention of becoming citizens; to the Committee on Immigration and Naturalization.

182. Also (by request), petition of First National Labor Party Convention and other citizens, regarding strike situation and the right of laboring men to strike; to the Committee on the Judiciary.

183. By Mr. BACHARACH: Petition of Branch No. 110, Glass Bottle Blowers Association, of Cape May County, N. J., opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

184. By Mr. CANNON: Petition of sundry citizens of Illinois, regarding strike conditions; to the Committee on the Judiciary.

185. By Mr. CAREW: Petition of Union of Technical Men, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

186. Also, petition of Brooklyn Coal Exchange, urging relief from present condition of settling damages in the transportation of coal; to the Committee on Interstate and Foreign Commerce.

187. Also, petition of The Bronx Board of Trade, for suppression of radical elements; to the Committee on the Judiciary.

188. By Mr. COLE: Petition of Marion Lodge No. 708, Amalgamated Sheet Metal Workers; Marion Lodge No. 336, International Brotherhood of Boilermakers; Marion Lodge No. 1059, International Association of Machinists; Marion Lodge No. 367, International Brotherhood of Blacksmiths, all of Marion, Ohio; and Galion Lodge No. 486, Brotherhood of Blacksmiths and Helpers, asking support of House bill 10367; to the Committee on Interstate and Foreign Commerce.

189. By Mr. CULLEN: Petition of National Camp, Patriotic Order Sons of America, concerning remedy for the high cost of living; to the Committee on Military Affairs.

190. Also, petition of National Camp, Patriotic Order Sons of America, regarding Mexican situation; to the Committee on Foreign Affairs.

191. By Mr. ELSTON: Petition of Alameda Lodge No. 1015, Benevolent and Protective Order of Elks, condemning promulgation of anarchistic propaganda in the United States; to the Committee on the Judiciary.

192. By Mr. EMERSON: Petition of sundry citizens of Cleveland, Ohio, protesting against persecution of Jews in Ukrainia; to the Committee on Foreign Affairs.

193. Also, petition of L. T. Boydston Post, 89, American Legion, urging legislation to protect citizens against radical elements; to the Committee on the Judiciary.

194. By Mr. FULLER of Illinois. Petition of R. S. Bacon Veneer Co., of Chicago, Ill., favoring turning over to the Boy Scouts the equipment of the Army; to the Committee on Military Affairs.

195. Also, petition of National Camp, Patriotic Order Sons of America, regarding Mexican situation; to the Committee on Military Affairs.

196. Also, petition of William B. Archer Post, No. 119, Department of Illinois, Grand Army of the Republic, urging passage of House bill 9369; to the Committee on Invalid Pensions.

197. By Mr. GALLIVAN: Petition of Tipperary Association, of Boston, Mass., urging passage of House bill 3404; to the Committee on Foreign Affairs.

198. Also, petition of sundry citizens of Boston and South Boston, Mass., protesting against invasion and devastation of Lithuania; to the Committee on Foreign Affairs.

199. Also, petition of executive committee of the Associated Industries of Massachusetts, favoring legislation to apprehend any citizens engaged in circulating disloyal propaganda; to the Committee on the Judiciary.

200. By Mr. JOHNSTON of New York: Petition of Order of Sleeping Car Conductors, regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

201. Also, petition of sundry citizens, favoring six months' pay for soldiers, sailors, and marines who took part in the Great War; to the Committee on Military Affairs.

202. By Mr. KETTNER: Petition of teachers of Orange Union High School, Orange, Calif., favoring Smith-Towner educational bill; to the Committee on Education.

203. Also, petition of teachers of Orange County, Calif., favoring Smith-Towner educational bill; to the Committee on Education.

204. By Mr. LINTHICUM: Petition of sundry citizens of Baltimore, Md., and sundry members of Monumental Lodge, No. 567, of Baltimore, Md., opposing Cummins antistrike bill; to the Committee on Interstate and Foreign Commerce.

205. Also, petition of United Brotherhood of Carpenters and Joiners of America, Local Union No. 318, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

206. Also, petition of D. MacCalman, favoring increase in pay and allowances to Army, Navy, Marine Corps, and Public Health Service; to the Committee on Military Affairs.

207. Also, petition of Frank A. Perlman, favoring Royal C. Johnson bill relative to back pay to soldiers, sailors, and marines; to the Committee on Military Affairs.

208. Also, petition of Anna B. Thomas, of Baltimore, Md., opposing compulsory military training; to the Committee on Military Affairs.

209. By Mr. LONERGAN: Petition of Thomas Ashe Branch of Friends of Irish Freedom, urging appointment of a minister or consul to the Republic of Ireland; to the Committee on Foreign Affairs.

210. By Mr. McLAUGHLIN of Nebraska: Petition of the Beatrice Rotary Club, urging an immediate and permanent settlement of the differences between the miners and operators of bituminous coal to the end that a long-suffering public may be relieved of the present disastrous conditions; to the Committee on the Judiciary.

211. By Mr. O'CONNELL: Petition of National Camp, Patriotic Order Sons of America, regarding remedy for reducing the high cost of living and the Mexican situation; to the Committee on Military Affairs.

212. Also, petition of Order of Sleeping Car Conductors, New York, N. Y., concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

213. Also, petition of Abraham Lincoln Branch, Friends of Irish Freedom, indorsing House bill 3404; to the Committee on Foreign Affairs.

214. By Mr. RAKER: Petition of Amapola Parlor, No. 80, Native Daughters of the Golden West, of Sutter Creek, Calif., relating to immigration from Asia; to the Committee on Immigration and Naturalization.

215. Also, petition of Women's Auxiliary, Post Office Clerks, Los Angeles, Calif., urging passage of resolution providing that before 6 a. m. and after 6 p. m. 45 minutes shall constitute an hour's work in the Post Office Department; to the Committee on the Post Office and Post Roads.

216. By Mr. TINKHAM: Petition of executive committee of the Associated Industries of Massachusetts, urging legislation to apprehend all persons circulating seditious propaganda; to the Committee on the Judiciary.

217. Also, petition of Tipperary Association, of Boston, Mass., urging passage of House bill 3404; to the Committee on Foreign Affairs.

218. By Mr. VARE: Petition of National Camp, Patriotic Order Sons of America, demanding United States rights in Mexico and on border; to the Committee on Foreign Affairs.

SENATE.

WEDNESDAY, *December 10, 1919.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we sincerely desire to follow the guidance of Divine Providence in the building of this great Nation that Thou has committed to our care. We desire through it to glorify Thy name and to advance the interests of all the people. We bow reverently before Thee asking Thee for all those spiritual qualities of heart and mind that will thoroughly prepare us for the mighty task Thou has committed to our hands. Bless Thy servants in the Senate to-day. For Christ's sake. Amen.

ANDRIEUS A. JONES, a Senator from the State of New Mexico, appeared in his seat to-day.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Chamberlain	Elkins	Hale
Ball	Colt	Fernald	Harrison
Beckham	Culberson	France	Johnson, S. Dak.
Calder	Cummins	Frelinghuysen	Jones, Wash.
Capper	Dial	Gay	Keyes
Kirby	Norris	Sheppard	Thomas
La Follette	Overman	Sherman	Trammell
McKellar	Page	Smith, S. C.	Warren
McNary	Phipps	Spencer	Wolcott
Nelson	Ransdell	Sterling	

The VICE PRESIDENT. Thirty-nine Senators have answered the roll call. There is no quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. KNOX, Mr. MOSES, Mr. POMERENE, Mr. SMITH of Maryland, Mr. WADSWORTH, and Mr. WILLIAMS answered to their names when called.

Mr. LODGE, Mr. JOHNSON of California, Mr. BANKHEAD, Mr. WALSH of Montana, Mr. KING, Mr. BRANDEGEE, Mr. BORAH, Mr. MCLEAN, Mr. UNDERWOOD, and Mr. HARDING entered the Chamber and answered to their names.

Mr. LODGE. I wish to announce the necessary absence in the Committee on Finance of the Senator from Kansas [Mr. CURTIS], the Senator from West Virginia [Mr. SUTHERLAND], and the Senator from Idaho [Mr. NUGENT].

Mr. WALSH of Montana. I wish to announce that the Senator from Nevada [Mr. PITTMAN] is detained by serious illness in his family.

Mr. SHEPPARD. The Senator from Virginia [Mr. SWANSON] is detained on account of illness in his family.

Mr. McKELLAR. I desire to announce that the Senator from Nebraska [Mr. HITCHCOCK], the Senator from Montana [Mr. MYERS], the Senator from Idaho [Mr. NUGENT], the Senator from North Carolina [Mr. SIMMONS], the Senator from Maryland [Mr. SMITH], and the Senator from Kentucky [Mr. STANLEY] are detained on official business.

I wish also to announce that the Senator from Florida [Mr. FLETCHER] and the Senator from Georgia [Mr. SMITH] are detained from the Senate on public business.

The VICE PRESIDENT. Fifty-six Senators have answered to the roll call. There is a quorum present. The Secretary will read the Journal of the proceedings of the last legislative day.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Monday, December 8, 1919, and was interrupted by

Mr. TRAMMELL. I ask unanimous consent that the further reading of the Journal be dispensed with.

Mr. GAY. I object. Let it be read.

The VICE PRESIDENT. The Secretary will continue the reading.

The Secretary resumed the reading of the Journal, and was interrupted by

Mr. LODGE. I ask that the further reading of the Journal be dispensed with.

The VICE PRESIDENT. That request was made once and objection was made. Is there further objection?

Mr. GAY. I object.

The Secretary resumed and concluded the reading of the Journal, and it was approved.

ENDOWMENT OF AGRICULTURAL COLLEGES (H. DOC. NO 495).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the disbursements for the fiscal year ending June 30, 1920, made in the States and Territories under the provisions of that act and of an act of Congress approved March 4, 1907, providing for an increase in the annual appropriations for the colleges of agriculture and mechanic arts, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

TRAVEL EXPENSES OF GENERAL LAND OFFICE (H. DOC. NO. 500).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior transmitting, pursuant to law, a report from the Commissioner of the General Land Office showing the traveling expenses incurred in detailing employees from the office of the Surveyor General to another, etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

MISCELLANEOUS EXPENSES, DEPARTMENT OF AGRICULTURE (H. DOC. NO. 498).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture transmitting, pursuant to law, a detailed statement of the manner in which the appropriation "Miscellaneous expenses, Department of Agriculture, 1919," has been expended, which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

EXPENDITURES UNDER FOOD CONTROL ACT (H. DOC. NO. 501).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture transmitting, pursuant to law, a detailed report of expenditures under the act of

August 10, 1917, to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products, etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 1300) to authorize the sale of certain lands at or near Minidoka, Idaho, for railroad purposes.

PETITIONS AND MEMORIALS.

Mr. BRANDEGEE. I ask that the telegram which I send to the desk may be read.

There being no objection, the telegram was read, as follows:

HARTFORD, CONN., *December 2, 1919.*

Hon. FRANK B. BRANDEGEE,
United States Senate, Washington, D. C.

DEAR SENATOR: We pray you to present and support the following to the Senate of the United States:

"We, the undersigned citizens of the United States of America, hereby protest against any further continuance of the segregation of colored interstate passengers. We hereby petition you to enact as part of the railroad bill or bills which come before the Senate at this coming regular session an amendment to forbid any separation of passengers for color in interstate travel or any discrimination or any distinction in or denial of any grade thereof for race or color, the Madden amendment offered in the House of Representatives being one which fully covers the case."

THE COLORED MEN'S CIVIC LEAGUE,
Hartford, Conn.

Mr. CAPPER presented memorials of the Central Labor Union of Fort Scott; of the Federated Trades Union of Newton; of the Federated Shop Craft of Neodesha; of the Central Labor Union of Chanute; of Local Lodge No. 420, Boiler Makers' Union, Arkansas City; of Local Branch, Boiler Makers' Union, of Wellington; of Local Union No. 183, International Brotherhood of Boiler Makers and Iron Ship Builders and Helpers, of Chanute; of the Shop Employees' Union of Topeka, all of the State of Kansas, remonstrating against the passage of the so-called Cummins railroad bill and praying for two years' extension of Government operation of railroads, which were ordered to lie on the table.

He also presented a memorial of the Federation of Shop Craft of Kansas City, Mo., and a memorial of the Terminal Federation of Kansas City, Mo., remonstrating against the passage of the so-called Cummins railroad bill and praying for two years' extension of Government operation of railroads, which were ordered to lie on the table.

He also presented a memorial of Local Union No. 1847, Farmers' Educational and Cooperative Union of America, of Pleasant Valley, Kans., remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

He also presented a memorial of the Central Labor Union, Arkansas City, Kans., remonstrating against the passage of the so-called Cummins railroad bill, which was ordered to lie on the table.

Mr. JONES of Washington presented a petition of the Board of the Employers' Association of the Inland Empire, praying for the enactment of legislation making it a felony for membership in any organization to overthrow the Government, which was referred to the Committee on the Judiciary.

Mr. NELSON presented a petition of Ralph M. Spink Post, No. 97, American Legion, of Ortonville, Minn., praying for the enactment of legislation providing for the deportation of certain aliens, which was referred to the Committee on Immigration.

Mr. SMITH of Maryland. I present a communication from the secretary of the Civic Educational Association of Maryland, which I ask to have printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the communication was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

THE CIVIC EDUCATIONAL ASSOCIATION OF MARYLAND,
OFFICE OF THE SECRETARY,
December 4, 1919.

Hon. JOHN WALTER SMITH,
United States Senate, Washington, D. C.

DEAR SIR: In order to obtain an expression of opinion from members of the Civic Educational Association of Maryland regarding the proposed treaty of peace with Germany, and especially the league of nations, a ballot vote was taken of the members. The result of this vote is sent to you in the hope that it may be of value to you in expressing the views on a most important public matter of a nonpartisan organization representative of the best public opinion in the State. The result of the vote showed that the sentiment in favor of a league of nations of some sort is unanimous. The members favor the adherence of the United States to article 10 of the covenant in the proportion of four to one. The members are opposed to the reservations adopted by a majority of the Senate requiring acceptance by the other powers in the proportion of eight to one. The members are in favor of the adoption of a treaty without reservations requiring acceptance by the other powers in the proportion of nine to one.

Realizing fully that this association represents a small number of citizens and is not of great influence in the State, we nevertheless dare to hope that in expressing our views they may be taken by you as entitled to consideration on the grounds that they are the unbiased opinion of an association whose sole object is the advancement of the welfare of the people of this State.

Respectfully, yours, GEORGE S. YOST, *Secretary.*

Mr. SMITH of Maryland presented a memorial of the Baltimore Yearly Meeting of Friends, held in Baltimore, Md., remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

Mr. JOHNSON of South Dakota. I present a memorial of the Central Labor Union, of Aberdeen, S. Dak., remonstrating against the enactment of legislation curtailing the right of organized labor to strike to secure just demands. I ask that the memorial lie on the table and be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

ABERDEEN CENTRAL LABOR UNION,
Aberdeen, S. Dak., November 10, 1919.

Hon. EDWIN S. JOHNSON,
United States Senate.

DEAR SIR: Aberdeen Central Labor Union, in meeting duly assembled, proposed and passed the following resolution:

"*Resolved*, That we do hereby protest against the passing of any bill or bills curtailing the right of organized labor collectively to strike to insure their just demands, and hereby request you as our representative to use your vote and influence against such legislation."

Organized labor represents 2,000 votes in Aberdeen, S. Dak.

Respectfully, GEO. E. MEHNER, *President.*

Mr. JOHNSON of South Dakota. I also present a memorial of Bridge City Lodge, No. 505, International Association of Machinists, of Mobridge, S. Dak., remonstrating against the passage of the pending railroad bill, which I ask to lie on the table and be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

NOVEMBER 7, 1919.

Bridge City Lodge, No. 505, International Association of Machinists, indorses the resolution as adopted by Liberty Lodge, No. 1023, International Association of Machinists, denouncing the Cummins bill and recommending the adoption of the Plumb plan as a just substitute.

[SEAL.] S. J. BAILEY, *President.*
R. J. MARTIN,
Recording Secretary.

—

MOBRIDGE, S. DAK., *November 7, 1919.*

Hon. EDWIN S. JOHNSON.

DEAR SIR: We earnestly ask your support, which we and many citizens of Mobridge, S. Dak., consider is just.

Respectfully,

[SEAL.] R. J. MARTIN,
Secretary No. 505, I. A. of M.

OIL SITUATION IN MEXICO.

Mr. SHERMAN. Mr. President, I present a communication affecting the oil situation in Mexico, signed by a number of oil companies, and ask that it be printed in the RECORD without reading.

There being no objection, the communication was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

NEW YORK, *December 8, 1919.*

Hon. LAWRENCE Y. SHERMAN,
United States Senate, Washington, D. C.

DEAR SIR: Within the last 30 days the Mexican Government, employing its armed soldiers, has stopped American-owned com-

panies from drilling oil wells in Mexico and has locked up their tools under Government seal. The companies are thus deprived of the use and enjoyment of their own properties, and there exists no justification for these high-handed acts.

All of the facts have been communicated to the State Department at Washington. The statements of the companies show in detail the physical acts of confiscation that have occurred. The companies, being in no position to meet force with force, are at the end of their row.

The avowed purpose of the Mexican Government is to nationalize petroleum, and this is its latest move to that end. Nationalization means confiscation in this instance. There is no pretense of compensation, just or otherwise, and there is also lacking the element of national necessity. The scheme was first voiced in article 27 of the Queretaro constitution, effective May 1, 1917, declaring in terms that petroleum belongs to the nation. Then followed various executive decrees, issued in 1918 and ratified by Congress in December of that year, designed to carry the constitutional provision into effect and make it retroactive. The American-owned companies had acquired their properties, consisting of lands in fee and oil leases executed by landowners, prior to the adoption of this constitution and at a time when by express statute landowners owned also any petroleum contained in or found upon the land. So when Carranza undertook to carry out his program in 1918 the State Department at Washington took cognizance and said in effect that such confiscation of vested rights would not be permitted as against citizens of the United States. The Mexican officials then undertook to accomplish their purpose of indirection. The executive submitted to the Mexican Congress an elaborate petroleum bill similar to the decrees, which bill is still pending. Knowing that oil wells do not last forever, the authorities adopted the policy, or retained the previously adopted policy—theretofore a mere police regulation—of requiring permits to be obtained before oil wells are drilled, and as a condition annexed to the permits they required the companies to expressly agree in writing to conform to the petroleum law when enacted by Congress. The companies refused to submit to this condition. Some of them offered to stipulate as demanded, with a proviso that the law should not take away any of their vested rights, but that was unsatisfactory to the authorities, and the permits were canceled. Thereupon, as and when the companies felt that the necessities of their business required it, they proceeded to drill without permits. It is this drilling by the companies on their own properties that has been stopped. One large well was brought in without a permit. Its operation is prevented by force.

The companies recognize the property in ordinary circumstances of the Government requiring them to obtain drilling permits. But that practice is warranted only as a police regulation. Here the purpose was ulterior. The permits were issued, but with them was coupled an impossible condition. The fact of issuance shows that all police requirements had been met, and the condition stands out as conclusive proof of the ulterior purpose. It meant that if the petroleum law when enacted should follow the decrees the companies would have surrendered their titles to the Government. True, the petroleum law might give the companies a preference right to prospect for and produce oil in their confiscated properties, but in order to do this, according to the pending bill, they would have to pay royalties to the Government and take a mere mining license subject to the will and future regulations of the Government. That is all they would get in exchange for the rights and titles which they already had bought and paid for, and which they had acquired not from the Government through concession or otherwise but from private landowners whose title to the petroleum was unquestioned. If the Mexican Government could bring about this situation and enforce either the one consequence or the other it could confiscate outright; there is no difference. The case is the same as if a city should covet a lot within its boundaries and when the owner sought a building permit impose the condition that it receive a quitclaim deed for the property. Wrongs which can not be accomplished directly may not be accomplished indirectly.

A vital fact to keep in mind is that these proceedings have occurred under the constitution, which says that petroleum belongs to the nation. It says more, namely, that the nation's ownership is inalienable and imprescriptible. Hence no decree or statute could give more than a temporary license, once the constitution is applied and upheld. And foreign companies could not obtain even that much; they are expressly outlawed by the same constitution. The situation therefore is that the companies are forcibly prevented from taking oil from their properties, and the Government is asserting simultaneously that the oil belongs to the nation—inalienably and imprescriptibly.

The present victims are the producers of one of the most useful products in the world. The oil industry has its place in the front rank of those that are essential. Furthermore, the companies here affected are not of any particular group. They are owned by American stockholders, thousands in number, including men, women, and children. Their operations in Mexico have been conducted by pioneers of the kind that all Americans admire. Many of these pioneers have been murdered while peacefully pursuing their lawful vocations in these oil fields. This part of the price that has been paid should give the case importance even in the eyes of those who would not fight in the defense of mere property rights. But it is not that element of the case that the companies invoke, for they believe that every American who is worthy of deliverance from Bolshevism considers life and liberty themselves of little value except for the guaranties of civilization that go with them, conspicuous among which is the right to acquire and enjoy property as the reward for human effort.

The companies, or many of them, are exporting oil from Mexico and importing the greater portion to the United States, where it is much needed at the present time. They have made large expenditures and have incurred large contractual obligations in anticipation of the development and production of these Mexican properties. Recently their wells in parts of the southern Mexico field have failed very rapidly, going to salt water. The new wells were necessary to meet this contingency. As their old wells cease to produce their business comes to an end. One large company already has reached the point where it no longer has any of this crude for export to the United States or elsewhere. Stress of this kind can not be endured indefinitely.

A claim for damages would be worthless. There could be no ascertainment of the real damages, and the collection would be no less a problem.

The companies appeal to Congress, as they are appealing to the State Department. They ask for protection.

It may not be inappropriate, in conclusion, to advert further but briefly to certain aspects of the matter that extend beyond the commercial interests of the companies. Shipments of oil from Mexico to the United States are now at least 60,000,000 barrels per annum. While some of this goes into light products, a very large part of it is used as fuel. It goes to supply our Navy, the Shipping Board, the Railroad Administration, and hundreds of industries which formerly used coal. These industries can not get coal at this time, and if they are unable to get oil they must shut down. A comparatively small percentage of crude oil produced in this country goes into fuel oil or is suitable for that purpose. If this Mexican supply is cut off or diminished, as certainly will be the case if the companies are not allowed to drill new wells as old wells fail, it will be keenly felt in the United States; adequate supplies of fuel oil will not be available at any price. Therefore if it should fail to protect its citizens abroad our Government by the same failure would bring about unwarranted injury to itself and its citizens at home.

Southern Oil and Transport Corporation, by C. H. Rathbone, vice president; Huasteca Petroleum Co., R. W. Daniels, assistant secretary; The Texas Co., by Amos L. Beaty, general counsel; Chiconcillo Petroleum Co., by R. W. Crawford, president; English Oil Co., W. B. Lewis, secretary; Island Oil & Transport Corporation, Julian Ferry, vice president; Cia. Transcontinental de Petroleo, by C. O. Swain, general counsel; The National Oil Co. of New Jersey, Guy Evan Alstyne, secretary; Newborg & Co., for Tamalin Petroleum Co., South America, and Tancochin Petroleum Co., South America, by W. L. Hemstadt; Azadon Corporation, by W. L. Hemstadt, president; Malcolm C. Anderson, Panuco Fuel Oil Corporation, Seaboard Fuel Oil Co., South America, Soledad Oil Corporation, by Edward Schwarts, counsel; Panuco-Boston Oil Co., D. Jurell Williams, president; New England Fuel Oil Co., Azteca Petroleum Co., by George C. Green, general counsel; Cortez Oil Corporation, Charles B. Goldchanough, treasurer; Indiana-Mexican Co., by Frank H. Hitchcock; Freeport & Mexican Fuel Oil Corporation, by A. E. Watts, president; Mexican Sinclair Petroleum Corporation, by A. E. Watts, president; Doheny & Bridge; Mexican Seaboard Oil Co., F. N. Watriss, vice president; Continental Mexican Petroleum Co., F. N. Watriss, attorney; Mexican Gulf Oil Co., by William T. Wallace, vice president."

MINISTER TO FINLAND.

Mr. LODGE, from the Committee on Foreign Relations, to which was referred the bill (S. 2690) authorizing the appointment of a minister to Finland, reported it with amendments.

EXTENSION OF PASSPORT CONTROL.

Mr. LODGE. I ask unanimous consent that the joint resolution which I send to the desk, and which is reported unanimously from the Committee on Foreign Relations, may be now considered. It is a very brief measure. It simply makes a certain appropriation available at this time, and it ought to be passed at once.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The joint resolution (S. J. Res. 131) making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States was read, as follows:

Resolved, etc., That so much of the sum of $600,000 appropriated by section 4 of the act of October 29, 1919, entitled "An act to regulate further the entry of aliens into the United States," as may be necessary is hereby made immediately available for expenses of regulating entry into the United States, in accordance with the provisions of the act approved May 22, 1918.

The VICE PRESIDENT. Is there any objection to the present consideration of the joint resolution?

Mr. FRANCE. I was unable to hear the reading of the joint resolution.

Mr. LODGE. I will state to the Senator from Maryland what it is. We passed a bill carrying an appropriation of $600,000 for the purpose of regulating the entry of aliens, and it ought to be made available at once. The other appropriation is exhausted, and this one ought to be available at once.

The VICE PRESIDENT. Is there any objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

Mr. JONES of Washington. Mr. President, I should like to ask the Senator if the appropriation of $2,450,000 carried in the sundry civil bill for the enforcement of the immigration laws, and so forth, is exhausted?

Mr. LODGE. This joint resolution has nothing to do with that appropriation.

Mr. JONES of Washington. This amount of $2,450,000 is for the enforcement of the laws regulating the immigration of aliens into the United States—the contract-labor law, and so forth.

Mr. LODGE. This is not for the Bureau of Immigration.

Mr. JONES of Washington. It is for the Immigration Service, Department of Labor.

Mr. LODGE. This is not for the Immigration Service, Department of Labor. This is a measure in regard to the issuance of passports by the Department of State. It has nothing to do with that appropriation. It has already been made.

Mr. JONES of Washington. The act that carries the $600,000 is entitled "An act to regulate further the entry of aliens into the United States."

Mr. LODGE. Yes; but it does not come under the Bureau of Immigration. It has nothing to do with that. It is a bill that was passed by both Houses and became a law in October last, and it carries an appropriation of $600,000.

Mr. JONES of Washington. Oh, yes; I have the act here.

Mr. LODGE. The appropriation has been made. Owing to the delay in the proclamation of peace, it has become essential to the department to have some of the money available now. This merely makes an existing appropriation available.

Mr. NELSON. Mr. President, if the Senator will allow me, we have extended the passport law in regard to the admission of foreigners into this country. The passport law was only to remain in force during the war, but we have lately passed in the Senate a bill continuing it.

Mr. LODGE. Absolutely.

Mr. NELSON. And this fund is to be used for that purpose.

Mr. LODGE. It is the only method we have of keeping out certain undesirable aliens.

Mr. JONES of Washington. I have copies of all these acts here, but I simply wanted to call attention to the fact that we have an abundance of money to enforce the laws that we have. The difficulty seems to be that the administration will not enforce the laws that we put upon the statute books. I am not going to interfere with the passage of the Senator's joint resolution. I am just calling attention to the situation.

Mr. LODGE. I think, however, that the Senator misunderstood it. When that appropriation was made, this law was not in existence.

Mr. JONES of Washington. Oh, yes; this law was.

Mr. LODGE. No; it was not in existence.

Mr. JONES of Washington. The sundry civil bill was approved July 19, 1919, and the $600,000——

Mr. LODGE. And the bill carrying this appropriation was approved October 29, 1919.

Mr. JONES of Washington. But the original act was passed in 1918.

Mr. LODGE. No, no; this special act was approved October 29, 1919.

Mr. KING. Mr. President, if the Senator will permit me, the Senator from Massachusetts is in error, I think. There was an act passed, as the Senator states, during the war.

Mr. LODGE. Certainly there was. I know that.

Mr. KING. And we continued that in force for another year.

Mr. LODGE. We continued that act, and in order to carry it out we appropriated $600,000. All that this joint resolution proposes is to make available now that money which they need for the enforcement of that particular act.

Mr. KING. I understand; but the Senator, I think, was in error in stating that this was a new statute, or in substance he stated that.

Mr. LODGE. It is a new statute, approved the 29th of October, 1919.

Mr. KING. It is a continuation of an existing law.

Mr. JONES of Washington. I am not going to interfere with the passage of the Senator's joint resolution; but I want to call attention to the fact that in the sundry civil bill of 1919 we appropriated $2,450,000 for the enforcement of the immigration laws that can be used for the deportation of aliens, and so forth, and that in the deficiency act of November 4, 1919, we appropriated $200,000 more for the Department of Justice to use in the deportation of aliens, and there was also available for the Department of Labor an additional amount of $263,000 for the deportation of aliens.

Mr. LODGE. Now, if the Senator will allow me——

Mr. JONES of Washington. If the Senator will just wait a minute, I shall be glad to have $600,000 made available for the use of the Department of State, but I hope that department will proceed a little bit more energetically and a little bit more actively than the Department of Labor has proceeded under the appropriations that we have made for it.

Mr. LODGE. So do I.

Mr. JONES of Washington. I am glad to make the money available for the State Department.

Mr. KING. Mr. President——

Mr. LODGE. One moment, if the Senator pleases. This joint resolution has nothing whatever to do with deportation. It relates solely to the entry of aliens. It is to prevent the entry of certain aliens by means of the passport system. That is all it proposes.

Mr. JONES of Washington. I hope they will enforce that act with that money better and more promptly than the Department of Labor has done.

Mr. LODGE. So do I. That is the reason why they are asking that the money be made available, so that they may enforce it.

Mr. KING. I hope the Senator from Washington will join with me in having enacted into law a bill which I had the honor to introduce a few days ago, which takes away from the Department of Labor the enforcement of the deportation statute and places it under the head of some other department of the Government, because I agree with the Senator that the Department of Labor has been derelict in its duty.

Mr. JONES of Washington. Yes; if the Senator can find a department that will assure us that it will act more promptly, I will heartily support the measure.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS.

Mr. CALDER, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate resolution 253, submitted by Mr. FERNALD on the 9th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the resolution of the Senate No. 97, agreed to July 1, 1919, authorizing the Committee on Public Buildings and Grounds of the Senate, or any subcommittee thereof, to send for persons, books, and papers, and to report such hearings as may be had in connection with any subject which may be before said committee, or any subcommittee thereof, be, and the same is hereby, amended to empower said committee to sit and act at such time and place as it may deem necessary; the expenses of travel incident to the sessions of said committee, or any subcommittee thereof, to be paid from the contingent fund of the Senate.

BILLS INTRODUCED.

Bills were introduced, read the first time, and by unanimous consent the second time, and referred as follows:

By Mr. HARRISON:

A bill (S. 3509) granting the consent of Congress to Marion County, State of Mississippi, to construct a bridge across the Pearl River, in Marion County, State of Mississippi; to the Committee on Commerce.

A bill (S. 3510) authorizing the Secretary of War to donate to the city of Amory, Miss., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. NELSON:

A bill (S. 3511) granting a pension to Charles M. Woodworth; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 3512) granting a pension to Flora A. Winchester (with accompanying papers); to the Committee on Pensions.

AMENDMENT TO RAILROAD-CONTROL BILL.

Mr. STANLEY submitted an amendment intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which was ordered to lie on the table and be printed.

AMENDMENT OF THE RULES.

Mr. KNOX. I present and ask to have read a resolution on a purely formal matter, and I ask unanimous consent for its present consideration. After it has been read, I will explain its purpose in a few words.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary read as follows:

Resolved, That the Standing Rules of the Senate be amended by inserting in Rule XXXIV, paragraph 2, line 3, after the word "restaurant," the following: "and the Senate Office Building," so that the rules as amended will comply with the provisions of Senate resolution 291, adopted by the Senate on February 17, 1909.

Mr. KNOX. Mr. President, the explanation of the resolution is this:

On February 17, 1909—CONGRESSIONAL RECORD, volume 43, part 3, Sixtieth Congress, second session, RECORD page 2564—the Senate passed the following resolution, submitted by Mr. Cullom:

Resolved, That on and after the 4th day of March, 1909, the jurisdiction and functions of the Committee on Rules, United States Senate, hitherto exercised in connection with the Senate wing of the Capitol, be, and the same are hereby, extended to cover in like manner jurisdiction over the Senate Office Building; and on and after the 4th day of March, 1909, said committee is hereby authorized and directed to proceed with the assignment of rooms in the Senate Office Building for the use of Senators.

Ever since the passage of that resolution the Senate Committee on Rules has exercised the jurisdiction provided for in the resolution; but the rules themselves have never been amended in order to make them comply with the resolution, and that is the purpose of the resolution that I have just offered.

Mr. KING. Mr. President, as I understand the Senator, the resolution does not extend the jurisdiction of the committee or increase its power over the assignment of rooms?

Mr. KNOX. Not at all. The jurisdiction of the committee was extended to the Senate Office Building by the resolution I have just read, passed in 1909, and has been exercised ever since. This is only to amend the rules of the Senate to comply with the resolution.

The VICE PRESIDENT. This is to be understood as a notice of intention to amend the rules, is it?

Mr KNOX. I asked unanimous consent for its present consideration, if that is proper under the rule.

Mr. JONES of Washington. Mr. President, I think we had better comply with the rule with reference to giving notice of proposed amendments to the rules.

Mr. KNOX. Very well. Let it be considered, then, as a notice of a proposed amendment of the rules, and I will formally submit the resolution to-morrow.

LAND IN WATERVILLE, ME.

The VICE PRESIDENT. The morning business is closed.

Mr. FERNALD. Mr. President, I ask for the present consideration of the bill (S. 3187) to dispose of a certain strip of public land in Waterville, Me. There is a little piece of land in Waterville on the post-office lot. The department has drawn a bill permitting the sale or lease of the land, and I ask unanimous consent to take the bill from the calendar.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized, in his discretion, to sell to the owner of the abutting land, for cash, the strip of land fronting 10 feet on the southeasterly side of Elm Street and extending, of that width, southeasterly along the southwesterly side of the Federal building site in Waterville, Me., a distance of 122 feet 4⅜ inches, more or less, at a price not less than the pro rata square-foot cost of the land paid by the United States, which strip is not needed by the Government; to convey said land to the purchaser by the usual quit-claim deed, and to deposit the proceeds of such sale in the Treasury of the United States as a miscellaneous receipt. Or the Secretary of the Treasury may, in his discretion, grant said owner an easement in perpetuity in said strip of land for driveway purposes, charging therefor such sum as the Secretary of the Treasury deems just and reasonable.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SUGAR EQUALIZATION BOARD.

Mr. McNARY. I move that the Senate proceed to the consideration of the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes.

Mr. GAY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	France	Lodge	Shields
Ball	Gay	McCormick	Smith, Md.
Bankhead	Hale	McKellar	Smith, S. C.
Beckham	Harding	McLean	Spencer
Borah	Harrison	McNary	Stanley
Brandegee	Johnson, Calif.	Moses	Sterling
Capper	Johnson, S. Dak.	Nelson	Sutherland
Chamberlain	Jones, N. Mex.	Norris	Thomas
Colt	Jones, Wash.	Page	Trammell
Culberson	Kenyon	Phipps	Underwood
Cummins	Keyes	Pomerene	Wadsworth
Dial	King	Ransdell	Walsh, Mont.
Elkins	Kirby	Sheppard	Wolcott
Fernald	La Follette	Sherman	

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present. The Senator from Oregon moves that the Senate proceed to the consideration of Senate bill 3284.

Mr. STERLING. Mr. President, there is another bill——

The VICE PRESIDENT. The bill can not be discussed. The motion has to be put.

Mr. STERLING. I simply wanted to make a statement. I do not want to discuss the bill. I wish to call the attention of the Senate to the reason why I do not move a substitute for the motion of the Senator from Oregon [Mr. McNARY].

Mr. KING. I suggest to the distinguished Senator from South Dakota that we proceed with the motion of the Senator from Oregon. I agree with the Senator that the sedition bill which has been under consideration ought to be taken up, but we can take that up when we get the other out of the road.

Mr. STERLING. I wanted to speak about the urgent need of the passage of that bill, realizing, too, that the sugar bill, to which the Senator from Oregon has called attention and the consideration of which he has moved, is an important measure. I had thought at first that I would move a substitute, but I shall not do that.

The VICE PRESIDENT. That can not be done. The question is on the motion of the Senator from Oregon, that the Senate proceed to the consideration of Senate bill 3284.

Mr. GAY. On the motion of the Senator from Oregon, I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments.

The amendments were, on page 1, line 3, after the word "authorized," to strike out the words "and directed"; on page 2, line 1, after the word "securing," at the end of the line, to insert a comma and the words "if found necessary for the public good"; on line 3, after the word "sugar," to strike out the word "for," and insert the words "at a fair and reasonable price to"; on line 5, after the word "States," to strike out the words "substantially similar to those employed by the corporation for the year ending December 31, 1919"; and on line 14, after the numerals "1917," to insert a colon and the following proviso: "*And provided further*, That the provisions of this act shall expire as to the domestic product September 30, 1920," so as to make the bill read:

Be it enacted, etc., That the President is authorized to continue during the year ending December 31, 1920, the United States Sugar Equalization Board (Inc.), a corporation organized under the laws of the State of Delaware, and to vote or use the stock in such corporation held by him for the benefit of the United States, or otherwise exercise his control over the corporation and its directors, in such a manner as to authorize and require them to adopt and carry out until December 31, 1920, plans and methods of securing, if found necessary for the public good, an adequate supply at a reasonable price and an equitable distribution of sugar at a fair and reasonable price to the people of the United States: *Provided*, That after the passage of this act neither the President nor the corporation shall have or exercise, either directly or indirectly, with respect to raw or refined sugar, sirups, or molasses, any of the powers conferred upon the President by section 5 of an act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917: *And provided further*, That the provisions of this act shall expire as to the domestic product September 30, 1920.

The amendments were agreed to.

The PRESIDING OFFICER (Mr. STERLING in the chair). The bill is in Committee of the Whole and open to further amendment.

Mr. McNARY. Mr. President, I shall speak but briefly to the measure, in the hope that some action may be taken upon it by the Senate during the morning hour.

I think it is unnecessary for me to say that the sugar situation is critical and cruel and must be corrected. Senators will observe that this proposed legislation simply authorizes the United States Sugar Equalization Board to acquire raw sugars. It does not contain a license provision, such as is to be found in the Lever Act, and which was thought by some to be objectionable. It was the judgment of the Senate Committee on Agriculture and Forestry that the license feature was not necessary to correct conditions that now obtain with respect to the sugar shortage.

Mr. President, I think it might be the part of wisdom for me briefly to refer to legislation that Congress has passed concerning this subject before proceeding to discuss other features of the pending bill.

It will be recalled that in the summer of 1917 Congress passed what was known as the food-control bill, or more generally known as the Lever bill. That measure authorized, among other things, the control of food products and the licensing of those engaged in the manufacture or sale of commodities or products.

Shortly after the enactment of the bill the President of the United States appointed Mr. Herbert C. Hoover administrator to carry into execution the terms and provisions of the measure.

During July, 1917, it appeared to the Food Administrator that there was a shortage of sugar. Attention to that condition was called to the President by Mr. Hoover.

In the latter part of July, 1918, the President, after receiving this information, promulgated an order creating the United States Sugar Equalization Board, composed of eight representative citizens of the country. In order presumably to protect themselves from personal liability, this board did not act under the promulgation order, but incorporated under the laws of the State of Delaware. The capital stock was $5,000,000, furnished out of the President's emergency fund. The President was the sole stockholder. He elected the directorate. There is a provision in the charter that the stockholders could remove the directors at any time.

Following the incorporation under the laws of the State of Delaware, the President, as the sole stockholder of the corporation, directed the Sugar Equalization Board, then acting as a corporation, to acquire raw sugar. I want the Senate to keep in mind that the board was not acting in a legislative capacity, but in a corporate capacity.

In obedience to the order of the President the Food Administration entered into a voluntary agreement with the cane-sugar producers of Louisiana and the beet-sugar producers in the West whereby these raw sugars for the year 1919 were acquired on terms to be subsequently fixed by the Food Administrator. Later on, in compliance with this contract, the cane-sugar growers of Louisiana and the beet-sugar growers of the West, particularly in the States of California, Utah, Idaho, and Colorado, agreed to sell the refined sugar f. o. b. at 9 cents a pound.

The Sugar Equalization Board then entered the Cuban market, where cane sugar is produced and which is the great reservoir from which we obtain large quantities of our sugar. This unrefined sugar was purchased at 5.5 cents a pound, or $5.50 per hundred pounds. Agreement was made with the refiners that they should refine the sugar for $1.54 per hundred pounds. The duty was $1 per hundred pounds from Cuba. The freight was approximately 38½ cents per hundred pounds, and 38 cents per hundred pounds were retained by the board to defray the cost of administration of the law.

Agreement was made with the refiners that they would sell the refined granulated sugar at 9 cents. It was also determined by an order of the United States Sugar Equalization Board that the brokers should receive about one-fourth of 1 cent per pound for handling this product and the retailers should receive 1 cent per pound, or figures of approximately that amount, which brought the price of the refined sugar to the consumer at practically 10 cents a pound throughout the country.

This scheme worked very well. There was a plenitude of sugar last fall and the spring just behind us, and the consumers were getting a normal supply at a reasonable rate. For some reason unknown to the committee the Sugar Equalization Board in January of this year canceled this order which fixed the price to the consumer at practically 10 cents—that is, they removed the charge that the broker might exact from the retailer and the retailer from the public, leaving, however, the charge to the refiner of 9 cents per pound less 38 cents per hundred pounds retained by the board.

Some time later and during the spring of the present year it was discovered that there was a slowing up in the flow of sugar to the consumer. In July of the present year Mr. George A. Zabriskie, who is president of the Sugar Equalization Board, first noticed a visible shortage. In the summer of 1919, as I say, the shortage was observed by the board and an effort was made to correct the condition. There was plenty of available raw sugar, but it was found that the marine strike along the harbor of the city of New York had prevented shipment of raw sugar from Cuba to the refiners located in the cities of New York and Philadelphia. This strike condition existed for about 30 days. Following that and along in the early part of September the normal flow of sugar from Cuba to the United States was established. The flow of sugar from Cuba, which is about 80,000 tons a month, was restored, but the shortage still continued.

Mr. GAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Louisiana?

Mr. McNARY. I yield.

Mr. GAY. I wish to ask the Senator from Oregon if it is not a fact that there was a great deal of sugar held up in the ports throughout this country, particularly New York, at the time of the longshoremen's strike? Does he know how much sugar was tied up at that time, and is it not his opinion that that affected the shortage very much?

Mr. McNARY. Mr. President, I stated a moment ago that when the shortage became visible in July one of the contributing causes was the marine strike in the State of New York, which prevented the flow of sugar from Cuba, and there may have been some stored in the warehouses. The refiners were busy and refined promptly all the sugar that was brought to them, their capacity being about 80,000 tons a month. That is only one of the contributing causes to the shortage; but, in my opinion, the real cause was a psychological one and that cause is this: It was known generally, or at least becoming known, that we had not acquired the 1920 Cuban crop and that without the Cuban crop there was certain to be a shortage. I think we all know as an economic proposition that an anticipated shortage is an actual shortage. It caused hoarding and storing up in bins——

Mr. POMERENE. And increased prices.

Mr. McNARY. And consequently an increase in price, as suggested by the Senator from Ohio.

At this juncture the Sugar Equalization Board notified the President of the true and yet unhappy condition. At this point I wish to state that while this is perhaps a short digression, yet it fits within the brief statement I wish to make. Attention to the shortage was not called to Congress, but was called to the President by the Sugar Equalization Board, and I have here a statement clipped from the Washington Evening Star of October 31 of the present year, which gives color to many statements that have been made, including one from the Attorney General. It is a misstatement, perhaps not intentional, but so in fact. I read:

> Responsibility for the present condition, as well as for that which is expected to arise with the going out of existence of the Sugar Equalization Board, is placed by these men directly with Congress. Failure of that body to authorize the Sugar Equalization Board to buy the Cuban raw sugar crop when such authorization was asked last June, and refusal thus far to provide for continuance of the board, these men declare, are directly and solely responsible for the present condition, and will be the cause of the condition expected to arise after January 1.

That is a statement which I am informed has been reiterated by the Attorney General. No request was ever made to Congress for legislation. Indeed no legislation was necessary.

It was not until some time in the month of September of the present year that the junior Senator from Indiana [Mr. NEW]

directed the attention of this body to the sugar shortage and the possibility of exorbitant prices that would be charged to consumers during the present winter and the spring to come.

The Sugar Equalization Board met and passed resolutions which was transmitted to the President. This action of the board was taken some time in August of the present year and was a response to a letter received from the accredited representatives of the Cuban sugar growers of Cuba. As part of my remarks, I should be obliged if the Secretary would read at this time the communication to which I have just referred.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

GEORGE A. ZABRISKIE,
President Equalization Board,
112 Wall Street, New York City.

DEAR SIR: In pursuance of the informal discussions conducted between the subscribers, speaking by authority for the Cuban Government, the members of the equalization board, as the purchasers and distributors of Cuba's sugar crop for the existing year, we deem it expedient to submit for your information, and as far as you may determine, for your action in continuing the control and disposition of Cuba's crop of sugar for the ensuing year 1920.

In presenting our suggestions, while acting directly for the Cuban sugar producer, we accept the grave responsibility of speaking scarcely less for the American consumer, and for that vast army of foreign consumers whose needs are of such concern to the American Government.

Fortunately for every interest involved the great bulk of sugar required by importing countries is provided by the island of Cuba—but she takes no note of this "coin of vantage"—on the other hand, the island Republic, its hacendados and farmers, and manufacturers of sugar tender through its own Government, providing it meets with the consent and cooperation of the American Government, the entire wealth of her production under such terms as may be agreed upon by the contracting parties at a price moderate, but compensating to the producer and well within the economic reach of the consumer.

This is the fundamental basis upon which our tender is made.

If accepted through the continued life and active participation of your respected board, or similar body, the whole question would be greatly simplified. If, on the contrary, the opportunity to serve, not the American people alone but the universal welfare, is for any reason, technical or otherwise, not availed of through one medium or another, there is not a community anywhere in America, in Europe, or Asia that will not feel the consequences of our failure to provide a stable price for this most necessary article of human consumption.

Cuba approaches this question with full recognition of her relations to the American people and their Government and in the spirit of comity and desire for a complete understanding.

We await with unflagging interest your reply, the subject of which we are assured is to you, as it is to us, the most momentous in the world's economy of to-day.

With assurances of great respect,

Faithfully, yours,

R. B. HAWLEY.
MANUEL RIONDA.

Mr. McNARY. Mr. President, the letter just read at the desk was received by Mr. Zabriskie, the president of the Sugar Equalization Board, on the 29th day of July. Without great delay, on the 14th of August, 1919, the letter was transmitted to the President, and with that, as a companion, was a memorandum prepared by seven of the eight members of the equalization board advising the President of the propriety and advisability of buying the Cuban sugar crop. I should like to have this memorandum in the RECORD, though I shall not read it now.

The PRESIDING OFFICER. Without objection, it will be printed in the RECORD.

Mr. GAY. I think it ought to be read. I think we are entitled to know what it is.

Mr. McNARY. Then I recall it. I do not care to take the time which would be required to read it. I will simply repeat, Mr. President, that seven of the members of the board out of the eight advised the President to acquire the Cuban sugar crop, and set forth very substantial reasons for that advice. If anyone desires to follow up that statement to see if my remarks are confirmed I refer him to the sugar-shortage hearings, which were had before the subcommittee of the Senate pursuant to Senate resolution 197.

The letter and memorandum of the 14th of August reached the President, and its receipt was acknowledged by him two days later, on August 16.

Now, in fairness to the board and to the statement made by the junior Senator from Louisiana [Mr. GAY] a few days ago, I will say that it is true that Dr. Taussig, a scholarly gentleman, filed a minority report, wherein he stated that he thought the supply of sugar from Cuba would answer the demands of the public if the law of supply and demand were permitted to take its usual course. Unfortunately, in my opinion, the President followed the advice of Dr. Taussig as against the advice of the board, and no action was taken by the President.

Again, on the 20th day of September, more than five weeks later, Mr. Zabriskie, president of the Sugar Equalization Board, sent a letter to the President, which I ask the Secretary to read.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

SEPTEMBER 20, 1919.

The PRESIDENT OF THE UNITED STATES,
Washington, D. C.

MY DEAR MR. PRESIDENT: Referring now to my letter to you of the 14th day of August inclosing the report from the board of directors of the United States Sugar Equalization Board (Inc.), and also referring to you a letter from the representatives of the Cuban Government and producers of sugar, in reference to the Cuban crop of raw sugars for the year 1919–20, I desire to respectfully bring to your attention the fact that the time is fast approaching, if it has not arrived, when we will be unable to control the Cuban crop of sugar for the year 1919–20 unless action is taken at once.

I am informed that a considerable tonnage of Cuban sugars of the crop of 1919–20 has already been sold, and it seems entirely probable that the representatives of the Cuban sugar will withdraw their proposition unless some action is taken at once.

May I, therefore, respectfully ask an early determination of the policy which the United States Sugar Equalization Board (Inc.) is to pursue with reference to the matter referred to in my letter of the 14th day of August. I know the pressure you are under, and nothing but imperative necessity could make me add this matter to your burdens.

Very respectfully,

GEORGE A. ZABRISKIE, *President.*

Mr. McNARY. Mr. President, it plainly appears that the Sugar Equalization Board saw the urgency of the President taking action, which had been delayed for several months, and so expressed itself in its communication. On the 22d day of September—the day following but one—the following letter was received by Mr. Zabriskie:

THE WHITE HOUSE,
Washington, September 22, 1919.

MY DEAR SIR: Allow me to acknowledge the receipt of your letter of September 20—

That is the letter just read—

and to say that I shall bring it to the attention of the President at the first favorable opportunity.

Sincerely, yours,

RUDOLPH FORSTER,
Executive Secretary.

Mr. GEORGE A. ZABRISKIE,
President United States Sugar Equalization Board (Inc.),
112 Wall Street, New York City.

So, evidently the communication setting forth the necessity of acquiring this crop in order that we might have a normal supply of sugar was brought to the attention of the President; at least it was conveyed to him. Congress had not yet been apprised of the sugar shortage; no one had been found in the country to say that the law was not ample. The board was incorporated under the Lever bill, which is still in existence. No question was raised as to the authority of the board to act. All they were wanting the President to do was to authorize the board of directors to acquire the Cuban crop.

I do not know the reason why the President did not take this action. It is unfortunate that he did not act; but possibly it was due to his confidence in the judgment of this scholarly gentleman, Dr. Taussig. In any event, however, a serious and vital mistake was made.

Mr. HARRISON. Mr. President, will the Senator from Oregon yield for a question?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Mississippi?

Mr. McNARY. I am very happy to do so.

Mr. HARRISON. Is it not also true that Mr. Glasgow, attorney for the Sugar Equalization Board, in his testimony before the Agricultural Committee stated that it was necessary for Congress to adopt a policy? In other words, that they would not have purchased the Cuban crop of sugar, even though the President had suggested it, without the sanction of Congress?

Mr. McNARY. I will say to the Senator from Mississippi that I can not answer his question directly, but I recall that Judge Glasgow intimated that it would require congressional action, for the reason, as I think he remarked, that the President had failed to employ the power given him under the Lever food-control bill.

Mr. HARRISON. Will the Senator yield until I refresh his memory as to what Mr. Glasgow stated?

Mr. McNARY. I will yield, though I think I am quite conversant with the testimony.

Mr. HARRISON. I read from the hearings, on page 108. The Senator from Nebraska [Mr. NORRIS] asked this question:

Senator NORRIS. If the President had authorized you, would you have done it?

Speaking of the purchase of the Cuban sugar crop.

Mr. GLASGOW. No, sir; not until Congress had given us the powers and they thought it proper. It would come back at last to the discretion of Congress as to whether they desired the distribution of sugar continued.

In response to that the chairman of the Agricultural Committee, the Senator from North Dakota [Mr. GRONNA], said:

The CHAIRMAN. You said something that I think ought to be framed in a gold frame, to the effect that you did not feel like acting until Congress had its say.

Mr. McNARY. I thank the Senator from Mississippi for calling my attention to the testimony. I think I have it very vividly in mind and I recall the statement which he has read; but the statement does not bear the construction which the Senator has placed upon it, for the Lever bill is still in existence, and the board never asked Congress for any legislation. The reason Mr. Glasgow made that remark—and it should be taken in connection with his entire testimony and the existing situation—was that if the war ended and the treaty of peace were ratified, it was thought that under its terms the Lever bill would cease to exist, and he was speaking about legislation which was necessary and designed to carry over the Sugar Equalization Board during the year 1920. That is the answer to the proposition, but in no way does it excuse the President for not advising and directing the Sugar Equalization Board to buy the Cuban crop. I do not mean to stand here and censure the President for a willful act; but I say that he committed a grave error, and the responsibility rests on him, and on him alone, and not on Congress. That is the point I wish to make.

Mr. GAY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Louisiana?

Mr. McNARY. I yield for a question.

Mr. GAY. Did not the Sugar Equalization Board have the power to buy the crop of 1920 without any authorization from Congress or any advice from the President?

Mr. McNARY. In connection with that I think we must take into consideration the fact that they were acting as a corporation incorporated under the laws of the State of Delaware, in which corporation the President held all the stock, and the stock had to be voted in order to authorize the board of directors to perform the function of acquiring the crop of sugar. They were not acting as the Sugar Equalization Board in a legislative capacity. If you will bear the distinction in mind between the corporate capacity of this board and its legislative capacity, you can see the necessity and needfulness of the President authorizing the board to acquire the sugar crop.

Mr. GAY. Just one other question, if the Senator will be kind enough to yield.

Mr. McNARY. I yield for a question, but I wish to speed along.

Mr. GAY. I understand the board of directors of the Sugar Equalization Board were reelected in June, and that under their charter they have full power to act without any advice from the President?

Mr. McNARY. Mr. President, I shall hurry on, as I hope to finish this discussion in a very few moments. I have attempted in a few words to fix the responsibility on the President for the situation. That is history. What we must do now, in my opinion, is to enact some legislation on account of the inertia of those who should have enforced and invoked the provisions of the Lever bill. Therefore, I introduced Senate bill 3284, in order that the Sugar Equalization Board in its legislative capacity might be authorized to acquire sugar. That bill was introduced in Congress during the lengthy discussion on the peace treaty. Several times members of the committee sought to get the bill before the Senate, but that required unanimous consent, and, as there was some opposition to the bill, we were unsuccessful. At this time, however, I hope we may reach a determination of the measure.

The question naturally rises whether it is too late to do any good. That brings to me the duty of expression of opinion. A few days ago I attempted to make a survey of the sugar situation. I think I may state that all the raw sugars of the Hawaiian Islands have been purchased by two refiners in California. The beet sugar, perhaps in a large way, has moved to the consuming public, and the cane sugar of Louisiana has partially reached the public; but we must go back to the great sugar reservoir of Cuba. From the survey made by me a few days ago—and for my authority I will give the name of Mr. John H. Wilkins, a large wholesale grocer of this city, who was at one time connected with the Food Administration—it appears that about 750,000 tons of sugar of the Cuban crop of 1920 has been purchased by foreign governments; a like amount, 750,000 additional tons, has been acquired by refiners and speculators in this country, leaving probably 3,000,000 tons undisposed of in Cuba. If those figures are correct, there is no question in my mind that even now we can go into the Cuban market and acquire sugar which will give us a plentitude of this essential product during the season of 1920.

Mr. POMERENE. At what price?

Mr. McNARY. I will reach that later, but at this time I will say that I think by the control we would have over the sugar situation we could get it at a considerably less price than now obtains, which is about 13½ cents. I hope, however, to discuss that briefly in a moment.

Last year we purchased the whole of the Cuban crop, which was 4,000,000 tons. One-third of that quantity we allowed to pass into the hands of the royal British commission, which disposed of its holdings to Great Britain, to Italy, and to France. We took about 3,000,000 tons, the amount which I think is in Cuba now. That was the fund we used in 1919 and former years; and an equal amount of sugar we can use this year, which will carry us over the present shortage and bring us back to a safe basis and a normal flow of sugar.

Mr. President, this country uses normally about 4,000,000 tons of sugar per annum. This year the consumption may go to 4,500,000 tons. During the war, by a rationing process, our consumption was cut down to 75 pounds per capita. In the days before the war it was 84 pounds. This year it will be practically 93 pounds to an individual. The principal cause for that, if that is a pertinent matter in this connection, is national prohibition. As all observers must remark, when alcoholic beverages are taken away from the average individual accustomed to consuming them it creates a tremendous appetite for sugar, for ice cream, candy, soda water, and all other articles of which sugar is a part. Also it is known that sugar is a great energizing food, and when men who work hard and earn large salaries are in a position to acquire sugar, the first thing they do for themselves and their families is to go to the confectionery stand and indulge abundantly, and that situation has brought about an enormous consumption of sugar, perhaps 12 or 13 pounds per capita more than ever before in the history of the country.

There is a world shortage of sugar of perhaps 3,000,000 tons. England heretofore has used about the same quantity of sugar per capita as the United States, but they have rationed the people of England now to 52 pounds an individual. If, however, the people in their great desire to return to normal conditions and to feed up their appetites demand the normal supply of sugar, which is about 85 pounds per capita, England must of necessity enter into the Cuban market; and if she enters into the Cuban market and takes the sugar, providing she has the credits, a shortage that has never been anticipated will occur in this country.

Before the war the beet sugars grown in Austria-Hungary, in the Balkan States, and in Germany supplied a great part of the demand in Europe; in fact, these countries had sugar for exportation; but when the armies of Germany invaded France the great refineries of northern France disappeared, the sugar land was given over to raising cereals, and in Austria-Hungary social conditions have been such as to prevent the normal supply of beet sugars being raised, with the result that there is a tremendous shortage in the world. I believe, however, that for 1919 and to-day there is not an actual shortage.

From September 1 until December of this year we had 350,000 tons more sugar available than at any other period in the history of the country. That is the actual fact, as testified by the members of the equalization board; but when it became known all over the country that the President had neglected to buy the Cuban crop and that there was a short crop of cane sugar in this country, perhaps not more than 100,000 tons of the 4,000,000 that we consume, speculation became rife; hoarding was plentiful by everybody—the confectioner, the housewife, the broker, the retailer, and perhaps the refiner—and that situation has brought about the present shortage, in my opinion.

The way to correct it is for the American Government, the strongest financial nation in the world, perhaps the only one capable of buying to a great extent, to go down and acquire the Cuban crop; and when the producers of cane sugar in Cuba find that there is only one market open to them in the world, and that is the American market, they will have to come down in their price to an extent that will give them a fair profit and not a hold-up profit.

Mr. Herbert Hoover said to me some weeks ago, after a careful review of the world sugar situation and the cost of raising the Cuban crop, that tremendous profits would inure to the Cuban producers if they received 6½ cents a pound. We paid them last year at the northern ports 5½ cents. I have been told that some raw sugar has been sold this year as high as 13½ cents. That is the raw sugar, the unrefined product. That is mulcting the American public at a figure that is criminal; and, Mr. President, to realize what this means in the way of a toll upon the American public it is only necessary for me to state that if we consume, and we do consume, more than 4,000,000 tons, an increase of 1 cent a pound means $80,000,000 to the American public, and an increase of 10 cents a pound means $800,000,000 to the consuming public of America, a sum nearly equal to the cost of administration of the Government prior to

the war. This statement itself ought to bring to our hearts a desire to pass some legislation corrective, if possible, of the conditions that obtain.

Much might be said upon the necessity of legislation, Mr. President. I hope that some action may be taken to-day that the House may get this bill and pass it; and I sincerely believe, after a careful study of all the conditions that relate to this problem, that if we go into the Cuban market and acquire the sugar the consumer of America will save millions and hundreds of millions of dollars.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. McNARY. I yield to the Senator.

Mr. BORAH. I do not want to delay the Senator, but he speaks of going into the market and buying the Cuban sugar. Are we in time to do that?

Mr. McNARY. I stated, perhaps when the Senator from Idaho was away, that on a survey that I caused to be made during the last few days I find practically 3,000,000 tons left in Cuba, a sufficient quantity to satisfy the appetites of the American public.

Mr. BORAH. I did not hear that.

Mr. McNARY. A few weeks ago the Attorney General, or some attaché of his office, issued an order holding the beet-sugar people to 10½ cents a pound for raw sugar, which I think has been increased perhaps to 12 cents now, and after what they call an investigation the Louisiana refined sugar was placed at a figure around 18 cents. I do not want to discuss whether 18 cents or 20 cents is sufficient for Louisiana sugar, because it is a very small quantity of sugar, and I think we all want to see that industry protected so far as we can without fleecing the American public. I want to see it grow to be a grand and magnificent institution in the South. However, I can not conceive the philosophy of an economic rule that will permit refined beet sugar to be sold at 11 cents and refined cane sugar at 18 cents when they meet in competition around the common table. No one, however refined of appetite or technical of sight, can distinguish between refined beet sugar and refined cane sugar. They are as much alike as a row of pins. There is absolutely no difference; and when you go into the store, with Louisiana cane sugar at 18 or 19 cents and beet sugar at 11 or 12 cents, what is the situation? There will not be a divorcement of those two sugars, because there is a great affinity between them so far as their interests are concerned. And the public likes one as much as the other. The beet-sugar price will immediately go to 18 cents. It is an absurd economic proposition, and I was startled when I saw in the papers the ruling of the Attorney General. If this bill is passed, this absurd inequality will be forgotten, and the Sugar Equalization Board can get this sugar and make a compact with the refiner, the broker, and the retailer for a fair and reasonable price; and I have no doubt, even though somewhat delayed, that great benefit will inure to the consuming public.

Mr. GAY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Louisiana?

Mr. McNARY. I was about to conclude. I hope that we may proceed with the further consideration of the bill.

Mr. GAY. I should like to ask the Senator a question, if he will be kind enough to answer it. I desire to know how we secured sugar from Cuba prior to the organization of the equalization board? It has always been the great market for the United States.

Mr. McNARY. The Senator knows the answer to that. Before we had the Sugar Equalization Board commercial reasons brought a fair supply to America; but those conditions do not obtain now, and why? Because there is a world shortage and the ordinary law of supply and demand is on the shelf for the present. We have competitors in the Cuban field, in the way of foreign governments, that we never had before. As I stated a few moments ago, the Central European States supplied Europe with sugar and had sugar to export. They have none now. There is a shortage of two or three million tons, and they are about to enter the market, and, in fact and indeed, have done so. That is the difference entirely.

Mr. WALSH of Montana. Mr. President, before the Senator from Oregon takes his seat I should like to ask him a question.

I understood the Senator to say that if this bill were passed, authorizing the equalization board or the equalization corporation to enter the Cuban market, we would then be the only market open to the Cuban grower of sugar; but it occurs to me, from the statement made by the Senator from Oregon, that we would meet there the competition of Great Britain, and that if the Government of the United States entered that market she would force the Government of Great Britain and the government of almost every other great country needing a sugar supply to enter the market also; and would we not then be competing with those opposing governments in the Cuban market?

Mr. McNARY. No doubt that is true, Mr. President; but I think it is generally conceded that the Cuban would rather have the American dollar than any money that England or any other foreign nation has. The rate of exchange is against the foreign countries in competition with America.

Mr. WALSH of Montana. Exactly.

Mr. McNARY. We can buy it a whole lot cheaper than they can buy it, because we have better security, better credits, and better money.

Mr. WALSH of Montana. Then let me ask the Senator from Oregon whether the American private purchaser would not have exactly the same advantage as against the foreign private purchaser?

Mr. McNARY. There is no question about it.

Mr. WALSH of Montana. How, then, is the situation changed? Is it not a fact, then, that instead of individual purchasers in the United States going into the Cuban market and individual purchasers from Great Britain going into the Cuban market you simply consolidate the purchasers and the one Government bids against the other Government, with exactly the same advantages and disadvantages arising from the rates of exchange?

Mr. McNARY. Oh, I do not think so at all. If you recall the statement made a little while ago from an abstract of an offer made by the Cuban growers, they desire, in order to stabilize prices, to sell in bulk to the American Government. They do not want to deal with the individual speculators of New York and Montana, nor do they desire to deal with the refiner. They want to come together and sell all their raw sugars to this Government, which is their great buyer, as they did last year, and would rather do that, as shown by the evidence here, than to sell to persons here and there, private individuals, or to foreign Governments. So, in my opinion, if we authorize the Sugar Equalization Board to go into Cuba, with the credit of this country back of it, which it would have, and tell those growers, as we did a year ago, that we would take all their sugar and stabilize their price so that there would be no fluctuation in it, we will be able to get all the sugar that is left in Cuba, I have no doubt.

Mr. WALSH of Montana. Mr. President, that is a different reason now assigned by the Senator from Oregon, with reference to which I desire some further information. I have listened very attentively to the Senator from Oregon, and have been enlightened by his discussion of the bill. But I can not quite understand that reason, either. I can not quite understand why the Cuban producer of sugar would not prefer, under the existing circumstances, with the great world shortage, to take the benefit of any higher price that would result from open competition, rather than selling to the Government of the United States at a lower price than the current market price. I can not quite see where the inducement would come in.

Mr. McNARY. I can not reflect, I will say to the Senator from Montana, the mind of the Cuban grower; but I do know from a general study of the conditions and from the record produced before the committee that stabilization of price is a great element to those people, and they would rather sell at a certain figure that would give them a profit than to sell here and there to one individual at one figure and to another at another figure. They want the good will of the American Government, too, and they want to sell to us in the future; and it is their desire plainly, it appears to me, to sell to the American Government the bulk of what remains.

Mr. WALSH of Montana. On what information does the Senator make that statement?

Mr. McNARY. I gather it from the plea they made to the Sugar Equalization Board to take their crop.

Mr. WALSH of Montana. The Cuban planters?

Mr. McNARY. The Cuban planters.

Mr. RANSDELL. Mr. President, will the Senator from Oregon yield for a question

Mr. McNARY. Very well.

Mr. RANSDELL. I did not wish to interrupt the Senator while he was going on, but I want to ask him one or two questions about the bill.

I see that the bill makes no provision for the fund with which to purchase this very large amount of sugar. I ask the Senator what his idea is about that matter. Where will the money come from with which this four and a half million tons of sugar needed by the American people will be purchased?

Mr. McNARY. I will ask the Senator, as a member of the committee, a question in answer to his question. Where did it come from last year, for the 1919 crop?

Mr. RANSDELL. I believe they had about $5,000,000 to operate on.

Mr. McNARY. I think they still have five million, plus the thirty million in profits.

Mr. RANSDELL. I beg the Senator's pardon.

Mr. McNARY. They still have the original capital, plus thirty millions of profit they made by the retention of 38 cents on a hundred pounds of sugar.

Mr. RANSDELL. That is a very different proposition from purchasing the Cuban crop last year, and purchasing the entire crop made in Hawaii, made in Porto Rico, made in the beet-sugar States of the West, and the sugar made in Louisiana.

Mr. McNARY. Mr. President, I want to rush along. I do not want to yield to the Senator to make a speech. I have answered the question.

Mr. RANSDELL. All right; then I will ask the Senator another question. I understood the Senator to say that the beet-sugar crop was the crop that controlled the whole situation, and that if we could purchase the beet-sugar crop that would settle it.

Mr. McNARY. No; I beg the Senator's pardon. I did not make a statement of that kind at all.

Mr. RANSDELL. That was the substance of what the Senator said.

Mr. McNARY. It was not the substance of what I said. I did not say a thing about beet sugar of the West, which amounts to only about 700,000 tons, controlling anything.

Mr. RANSDELL. I did not say beet sugar. I understood the Senator to say that the Cuban sugar would control the situation.

Mr. McNARY. I beg the Senator's pardon. I thought he said beet sugar.

Mr. RANSDELL. It may be that I said "beet." I beg the Senator's pardon if I used the word "beet." The Senator said the Cuban sugar would control the situation?

Mr. McNARY. Yes, I did.

Mr. RANSDELL. Then I will ask the Senator if the whole matter could not be settled by passing a law requiring or authorizing the equalization board to purchase the Cuban crop and not interfere with the beet-sugar growers and the Louisiana growers?

Mr. McNARY. Perhaps so, Mr. President. But when we speak of sugar, we speak of it as a product, without reference to any climate or any growers who may produce it. Under the Lever Act sugar was sugar, and was purchased as such, and, of course, if the beet-sugar men, or the cane-sugar men in the South, want to come without the provisions of the bill, an amendment to that effect could be offered, and I will submit that to the judgment of the Senator from Louisiana.

Mr. RANSDELL. Is it not a fact that the Sugar Equalization Board did not purchase the beet-sugar crop last year or the Louisiana cane crop last year, but that they did purchase merely the Cuban crop?

Mr. McNARY. I stated in my argument that they came to a voluntary agreement with the local or domestic growers, and finally they fixed a price that was satisfactory to them, namely, 9 cents a pound.

Mr. RANSDELL. If they could get along without purchasing the domestic crop for the last year, why give them power now to purchase the domestic crop? Is not that making an interference now with the domestic producers that we did not find necessary to make while the war was in existence?

Mr. McNARY. I do not think so. But I want to say to the Senator in a very friendly spirit that that is a proposition which can be corrected by an amendment, and I suggest to the Senator, if he thinks the growers in Louisiana should have that protection, that he offer an amendment. I am discussing the bill, and not any proposed or suggested or thought-of amendments.

Mr. RANSDELL. I will say to the Senator that that is a matter which is very pertinent. It came up in our committee when we had the bill under discussion, and I tried to offer an amendment of that kind. I offered to support the bill if you would limit it to foreign sugars. I have said that to put it in its present shape would interfere with the domestic product, and I would be compelled to fight it, but that if you would limit it to foreign sugars I would support it.

Mr. KIRBY. Mr. President, I desire to have the statement I send to the desk, which appeared under a Washington date line in one of our home papers, made a part of my remarks.

The PRESIDING OFFICER. The Secretary will read it.

The Secretary read as follows:

FEDERAL CONTROL OF SUGAR TO END—CONGRESS'S FAILURE TO ACT UNDOUBTEDLY WILL MEAN HIGHER PRICES.

WASHINGTON, *December 4.*

The Government will not attempt to control the disposition and sale of sugar after the Sugar Equalization Board is dissolved on December 31.

Attorney General Palmer, in making this announcement to-day, said that as no funds had been provided by Congress for carrying on the work of handling sugar, the Department of Justice would confine its efforts to the punishment of profiteers.

Mr. Palmer said he had put the proposition up to Congress, as he lacked "both the power and the facilities for obtaining tangible results." After officials had outlined plans for a continuance of the control under the supervision of the Department of Justice, he said, the necessary funds and authority were not forthcoming.

Mr. Palmer's action was accepted as opening up the sources of more sugar supplies by permitting refiners to pay more for the Cuban raw stock. It also was believed to mean that sugar prices would soar. The department will continue to hunt down profiteers, but without means of checking up on the cost to the refiner or without control of the price at which the supplies come into this country. It was believed domestic consumers would be forced to pay high prices after January 1.

Mr. KIRBY. Mr. President, it seems to me that some action ought to be taken by Congress or some authority given to protect the American public in this emergency and condition. It has been stated and admitted here that the beet-sugar producers can make money by selling sugar at 10 cents a pound. It has been stated that we can buy, or could have bought, Cuban sugar at 9 cents, and that they could make money on it at that price or less. It has been insisted here that the Louisiana crop is very short, and that they have only 100,000 tons, one-fortieth of the amount of sugar that is consumed in the United States, and that they can not get along very well without 17 cents a pound.

A wholesale merchant in my State wired me that he could not purchase sugar in New York or through any other of the usual channels of trade, and that he was prohibited by a Government agency from buying beet sugar at 10 cents a pound or any other price. The effect of that will be to compel him to pay whatever price is asked of him for sugar in the zone in which he is allowed to deal, and now the people are paying 20 cents a pound for sugar in my town. The only question here, it seems to me, is, shall the whole United States of America be compelled to buy sugar at 20 cents a pound in order that a hundred thousand tons of sugar may be sold at 17 cents a pound?

Mr. GAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Louisiana?

Mr. KIRBY. Yes.

Mr. GAY. Has the Senator any idea what would have been the price of sugar during the war period had not all of the producers patriotically entered into a contract with the equalization board?

Mr. KIRBY. I do not want to injure anybody. I am not talking——

Mr. GAY. I merely would like to get an expression from the Senator on that point.

Mr. KIRBY. I know that they got as much as their sugar was worth during the war—all of them.

Mr. GAY. That is not an answer to the question.

Mr. KIRBY. That is the result of the whole operation.

Mr. GAY. Mr. Hoover stated, in testifying before a committee, that he thought sugar would have gone to 25 or 30 cents a pound during the war.

Mr. KIRBY. Certainly, and the Government took charge of it to prevent any such outrageous exaction as that; and the Government ought to take charge of it now to prevent any such exaction as is being demanded of the American people

Mr. GAY. The Senator believes, then, that the Government should enter private enterprise and engage in a business that private individuals are engaged in. Is that his point of view?

Mr. KIRBY. The Senator believes that because of unusual conditions produced on account of the war our whole industrial capacity was strung up to win the war. It takes the production of four men in industry to supply one man fighting at the front. We had 4,800,000 men in the Army, and it took four men at home to supply every one of them. We had to bend every energy to the winning of the war.

Now the war is over. Here are 100,000 tons of sugar in the United States that we want a fair market price for, and shall it be allowed to control the market and run up the price of sugar to 20 cents a pound for all the people of the United States? It would be far better for the Government to pay 17 cents a pound for the 100,000 tons of sugar and buy this other sugar at 6 cents, equalizing the price and bringing it down to 10 or 11 cents, and let the people have and enjoy the benefit

of it. Nobody would suffer then, and everybody would get a fair price for his sugar. Why should not that be done?

Mr. GAY. The Senator is somewhat inaccurate in his statement that the people all over the United States are paying that price. Let me ask him whether he knows why that price prevails in that section of the country?

Mr. KIRBY. My understanding is that it prevails because some authority has designated a zone and compelled our people to buy in that zone, and they are prevented from buying elsewhere.

Mr. GAY. Does the Senator know what authority it was which created that zone?

Mr. KIRBY. I do not know, and I do not care. All I am talking about is the injustice resulting from the fact.

Mr. GAY. I think the Senator ought to know.

Mr. KIRBY. I have no objection to getting the information, but it does not affect the result.

Mr. GAY. The Sugar Equalization Board created the zones, and we are seeking at this time to get away from war-time control, and to get away from the zone system.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. KIRBY. I yield.

Mr. McKELLAR. I was going to ask substantially the same question of the Senator, namely, why is it that under the law, which I understand is still in effect, a zone has been established, in which zone, which includes our part of the country, his State and mine, we have to pay 20 cents a pound for sugar, when sugars in other zones of the country bring a very much lower price?

In this connection, if I may have the attention for a moment of the author of the bill, the Senator from Oregon [Mr. McNARY], the Senator understands that in the zone in which I live, which includes Tennessee, the board of equalization has fixed a wholesale price of 17 cents, as I recall, on sugar, and it is retailing at about 20 cents a pound. It is selling at a very much less price in various other parts of the United States. Should there not be some provision in this bill which would prevent the Sugar Equalization Board from fixing one price on sugar in one part of the country and another price in another part of the country?

Mr. McNARY. I will say to the Senator that this bill does not contemplate price fixing.

Mr. McKELLAR. But the original act, of which this is an amendment, does contemplate price fixing, and under it this monstrous situation has been developed, namely, that in the part of the country where I live there is a zone set apart in which there is a price on sugar 50 to 100 per cent higher than the price in other parts of the country. That ought to be remedied. Should it not be remedied by this bill that the Senator proposes, if we pass it?

Mr. McNARY. I do not see how you can remedy it by the pending bill when the bill does not contain a provision authorizing the board to fix the price, or create zones, or to ration it.

Mr. KIRBY. I think I can answer the question. If we have enough sugar to supply the market and the wants of the people, it does not make any difference about zones; none need be established, and those in existence can be wiped out or abrogated.

The PRESIDING OFFICER. The hour of 1 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 3288.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. FRANCE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Fletcher	La Follette	Reed
Beckham	France	Lodge	Sheppard
Borah	Frelinghuysen	McCormick	Sherman
Brandegee	Gay	McKellar	Shields
Calder	Hale	McNary	Smith, S. C.
Capper	Harding	Nelson	Stanley
Chamberlain	Harrison	Norris	Sterling
Colt	Johnson, Calif.	Nugent	Trammell
Cummins	Johnson, S. Dak.	Overman	Underwood
Curtis	Jones, Wash.	Page	Walsh, Mont.
Dial	Keyes	Phipps	Warren
Elkins	King	Pomerene	Wolcott
Fernald	Kirby	Ransdell	

Mr. WALSH of Montana. I desire to announce that the Senator from Nevada [Mr. PITTMAN] is absent on account of the critical illness of a member of his family.

I wish also to announce that the Senator from Virginia [Mr. SWANSON] is absent on account of illness in his family.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. A quorum is present.

Mr. KIRBY. I understand that the sugar bill has been displaced at this time. I do not care to speak further now, but when it shall again come up I have a few further observations to submit on that measure.

Mr. LA FOLLETTE addressed the Senate in continuation of the speech begun by him yesterday. After having spoken for about an hour and a half,

Mr. KING. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Utah.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	McNary	Smith, Md.
Brandegee	Harrison	Moses	Smith, S. C.
Capper	Johnson, Calif.	Myers	Stanley
Chamberlain	Johnson, S. Dak.	New	Sterling
Colt	Jones, N. Mex.	Norris	Trammell
Culberson	Keyes	Overman	Walsh, Mass.
Cummins	King	Page	Walsh, Mont.
Dial	La Follette	Phipps	Warren
Elkins	Lenroot	Pomerene	Williams
France	Lodge	Reed	Wolcott
Gay	McKellar	Sheppard	

The PRESIDING OFFICER. Forty-three Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absent Senators.

The Secretary called the names of the absent Senators, and Mr. FERNALD and Mr. FRELINGHUYSEN answered to their names when called.

Mr. McLEAN entered the Chamber and answered to his name.

The PRESIDING OFFICER (Mr. MYERS in the chair). Forty-six Senators have answered to their names. There is not a quorum present.

Mr. CUMMINS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. CALDER, Mr. NUGENT, Mr. CURTIS, Mr. SUTHERLAND, and Mr. UNDERWOOD entered the Chamber and answered to their names.

Mr. SHEPPARD. The Senator from Arkansas [Mr. KIRBY], the Senator from Louisiana [Mr. RANSDELL], the Senator from Tennessee [Mr. SHIELDS], and the Senator from Florida [Mr. FLETCHER] are absent on official business.

Mr. CURTIS. I wish to announce that four of the Senators that have just responded to the roll call have been attending a meeting of a subcommittee of the Committee on Finance in the Senate Office Building, and we came over just as soon as we heard that a quorum was needed.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. There is a quorum present.

Mr. GAY. I offer an amendment to the pending bill, which I will ask to have printed and lie on the table.

The PRESIDING OFFICER. It will be printed and lie on the table.

Mr. McKELLAR. I submit a motion in the form of a resolution reduced to writing, which I ask to have printed and lie on the table. I give notice that I shall call it up at the earliest moment.

The resolution (S. Res. 254) was ordered to lie on the table and be printed, as follows:

Resolved, That the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, be recommitted to the Committee on Interstate Commerce with instructions to strike out all after the enacting clause and to report back a bill containing substantially the following:

First. Terminate Federal control and restore the railroads to their several owners in a manner by which active competition in service may be restored and maintained.

Second. For the purpose of enabling carriers by railroad subject to the commerce act properly to serve the public during the transition period immediately following the termination of Federal control; provide for new loans to the railroads under the direction of the Interstate Commerce Commission and with reasonable limitations upon these loans, together with a temporary guaranty of present income for a period of not longer than six months, the House bill provision on the subject of loans to the railroads being deemed a wise and proper provision.

Third. Give to the Interstate Commerce Commission increased powers, including a supervisory jurisdiction over the arbitration of labor troubles, the issuance of railroad securities, and the chartering of additional lines to the end that railroad securities may be stabilized and rendered a safe investment to the public; all dealings of

the several railroad corporations with their employees; all subjects arising out of Federal control; refunding the carriers' indebtedness to the United States; and the establishment of minimum as well as maximum rates.

Fourth. Provide that the existing rates shall be continued in effect, with full power in the Interstate Commerce Commission to raise and fix reasonable rates, to the end that the railroads and the public shall be fairly treated and that each well and efficiently and economically managed railroad shall have a fair chance to earn a reasonable and just income, but without governmental guaranty, and at the same time providing that the railroads giving the public the best service and managing themselves the best shall make the greatest incomes, and that all railroads shall have and retain such incomes as they may rightfully earn, without dividing any portion thereof with the Government or with other less-favored roads.

[Mr. LA FOLLETTE resumed his speech, and after having spoken altogether for about three hours and a half he yielded the floor for the day.]

RECESS.

Mr. CUMMINS. Mr. President, I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until to-morrow, Thursday, December 11, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *December 10, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, offered the following prayer:

Our Father in heaven, we thank Thee that Thou dost live and reign in the hearts of all pure men. Since religion is the life of God in the soul and though men may differ as to the nonessentials, yet in the last analysis they unite in the essentials and worship Thee in spirit and in truth.

Let Thy blessing descend copiously upon these Representatives of a great people, guide them in their deliberations that they may establish good government throughout our land. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

ORDER OF BUSINESS.

Mr. SMITH of Michigan. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. SMITH of Michigan. Mr. Speaker, I would like to ask that Senate concurrent resolution 9 be stricken from the Calendar, the purpose for which it was put upon the Calendar, approving the course of the President in the industrial convention, not being applicable on account of the dissolving of the convention.

The SPEAKER. Will the gentleman bring that up some other morning?

Mr. HULINGS. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. HULINGS. I desire to ask unanimous consent to have printed in the RECORD a memorial of the American petroleum producers in Mexico. This is a memorial——

CALENDAR WEDNESDAY.

The SPEAKER. The Chair thinks the gentleman should defer that until to-morrow morning. This is Calendar Wednesday. The Clerk will call the committees.

The Clerk called the Committee on the Public Lands.

PREFERRED RIGHT OF HOMESTEAD ENTRY FOR DISCHARGED SOLDIERS, SAILORS, AND MARINES.

Mr. SINNOTT. Mr. Speaker, by direction of the Committee on the Public Lands I call up House joint resolution 20.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (H. J. Res. 20) giving to discharged soldiers, sailors, and marines a preferred right of homestead entry.

The SPEAKER. This is on the Union Calendar and the House automatically——

Mr. SANFORD. Mr. Speaker, I make the point of order that the resolution is privileged. This committee has the right to report this resolution at any time, and therefore it can not be brought up on Calendar Wednesday.

Mr. SINNOTT. Mr. Speaker, the resolution was not reported as a privileged resolution, and therefore it is not a privileged resolution. It is only privileged when reported from the floor.

Mr. SANFORD. It is privileged in the sense that the committee can call it up at any time that it sees fit, and if the committee wanted this resolution considered they could have followed that course and had the resolution brought up at any time.

Mr. SINNOTT. Mr. Speaker, I understand the resolution only will be privileged when it is reported from the floor. In accordance with the rule a resolution is never privileged unless it is reported from the floor.

The SPEAKER. The Chair will consider whether it is privileged or not; the Chair is not familiar with the resolution.

Mr. SANFORD. Mr. Speaker, it is a joint resolution for the reservation of public lands for the benefit of settlers.

Mr. MONDELL. Mr. Speaker, I doubt if this resolution is privileged under the rule. Resolutions and bills from the Committee on the Public Lands reserving lands for homestead settlers are privileged, but this resolution does not reserve lands for homestead settlers. It makes special provision with regard to lands which may be open.

Mr. SINNOTT. Mr. Speaker, I desire to call the attention of the Speaker to section 723 of the Manual, where it states, "but privileged reports must still be made from the floor." Now, unless the report is made from the floor it is not privileged, and this report was made in the ordinary way from the committee, and was not made from the floor, even though it has a privileged status, and I doubt, even with the committee reporting it from the floor, whether it would have a privileged status or would be entitled to be reported from the floor.

Mr. SANFORD. Mr. Speaker, on that question it seems to me it is clear that the report from the floor is a characteristic of a privileged resolution, and is not a test of whether it is privileged or not. If the resolution is privileged the committee can bring it up from the floor at any time, and that is the method provided by the rule. And the fact that the committee does not bring it up from the floor does not change the character of the resolution in any respect.

The SPEAKER. What does the gentleman say in reference to the suggestion made by the gentleman from Wyoming that it is not really a reservation but provides a preference to a certain class of citizens?

Mr. SANFORD. The substance of the bill is that certain rights shall be reserved in these public lands for a certain class of people, and it seems to me it brings it clearly within the rule making it privileged. Certain rights in these public lands are reserved by the joint resolution for a certain class of persons. The only way it is distinguished from a general reservation is that it is for the benefit of a certain class and not everybody. I have no opposition to the joint resolution, but I think it should be brought up some time other than on Calendar Wednesday.

Mr. SINNOTT. Mr. Speaker, that reservation, under Rule LVI, must be for the benefit of "actual and bona fide settlers."

Mr. SANFORD. It is to be understood, I think, that the persons to be benefited by this reservation are to be actual and bona fide settlers.

Mr. SINNOTT. Perhaps it may in the future, but it does not read that way.

The SPEAKER. The Chair did not understand the last statement of the gentleman from Oregon.

Mr. SINNOTT. Under Rule LVI, bills for "the reservation of the public lands for the benefit of actual and bona fide settlers" are bills that have a privileged status when they are properly reported from the floor. This does not reserve lands for actual and bona fide settlers.

The SPEAKER. Why does it not?

Mr. MANN of Illinois. Will the gentleman from New York yield?

Mr. SANFORD. I will.

Mr. MANN of Illinois. Privilege is on the reservation of public lands. I notice this bill provides in reference to both public lands and Indian lands to entry. Has it ever been held that privilege extended to the reservation or the opening of Indian lands and settlements?

Mr. SANFORD. I do not know much about the Indian lands. I should rather leave that to some other gentleman.

Mr. MANN of Illinois. I do not recall.

Mr. SANFORD. I think if they are not public in character they could not very well be opened up.

Mr. MANN of Illinois. We have the power to dispose of Indian lands, and this bill relates to the disposition of Indian lands, not public lands. The bill at least draws a distinction between public lands and Indian lands. It is very seldom that this privilege has been exercised since I have been a Member of the House. My impression has been that it did not apply to Indian lands. Bills for the disposition of Indian lands, of course, usually come from the Committee on Indian Affairs. That committee does not have a privileged status. Now, suppose a bill is introduced providing for the disposition of Indian lands, and instead of being referred to the Committee on Indian Affairs it is referred to the Committee on Public Lands. Would that give the

Committee on Public Lands the right to bring in a privileged report which the committee entitled to jurisdiction, the Indian Affairs Committee, could not bring in?

Mr. SANFORD. Let me ask the gentleman in reply to that: Suppose this committee had attempted to bring in this resolution as a privileged resolution. Do you think anybody would have gotten very far by making the point of order that there was nonprivileged matter included in the resolution, because the opening up was to extend to Indian lands as well as public lands? I think not.

Mr. MANN of Illinois. I rather think they would. They certainly would if the Indian land bills are not subject to privilege. And I do not think the purpose of the rule, in the first place, was to give a privileged status to bills providing for the opening and sale of Indian lands.

Mr. MONDELL. Mr. Speaker, my recollection is that only once or twice in the last 20 years has the Committee on Public Lands exercised the privilege of calling up a bill under the rule which has been referred to by the gentleman from New York [Mr. SANFORD].

Mr. TAYLOR of Colorado. Will the gentleman yield to a suggestion?

Mr. MONDELL. I will.

Mr. TAYLOR of Colorado. Is it not true that we have had very great difficulty in getting them up on a special privilege, and usually they vote against it?

Mr. MONDELL. There have been efforts made, but I think in only one, or possibly two, cases successfully, to bring up a bill under that rule. I can not agree with the chairman of the committee that the bill must be reported from the floor, although there have been rulings to that effect. But the privilege, Mr. Speaker, is confined to a very clearly defined class of bills. This bill does not come within that class. And further, the gentleman from Illinois [Mr. MANN] calls attention to the fact that the bill also refers to Indian lands. Well, the rule is that a privileged matter, a bill or resolution containing privileged matter, loses that privilege if it contains any matter that is not privileged, and clearly Indian lands do not come within the privileges of the Committee on Public Lands.

Mr. SANFORD. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. SANFORD. Will the gentleman say—and I think he is well informed—as to whether Indian lands have any public character or not?

Mr. MONDELL. They have a qualified public-land character sometimes. Sometimes they do not have a public-land character. They are frequently purely Indian lands, the property of Indians. That is the class of lands referred to in this case—lands that are property of the Indians, but disposed of one way and another by the Indian Office, the Interior Department, under a variety of laws. And in the latter days we do not buy Indian lands and transfer the title. They now never acquire the status of public lands, as they did in the olden time. Even where a reservation is opened and a cession is made the cession is conditional. The United States only becomes a trustee for the disposition of the land. The title remains with the Indian until the title passes to the individual.

Mr. MANN of Illinois. Mr. Speaker, the rule conferring privilege upon a committee should be strictly construed. It has been held upon a number of occasions, for instance, that the Committee on Appropriations, reporting an ordinary appropriation bill, not one of the regular appropriation bills, does not have a privileged status; that the Committee on Ways and Means reports many bills which do not have a privileged status. And the tendency has been to hold the question of privilege down quite strictly, because the committee reporting a privileged bill has the right to call it up at any time, interfering with all other processes of the House. I think the point made by the gentleman from Oregon [Mr. SINNOTT], that a privileged bill must be reported from the floor of the House, is a good point, and that has been decided in a number of cases where it was attempted to call up a bill as a privilege which had not been reported from the floor of the House, and it makes a considerable degree of difference on a Union Calendar bill, for instance, whether it is reported from the floor of the House and points of order are reserved upon it, as there may be, or whether it is dropped into the basket and points of order can only be made in the Committee of the Whole. Further than that, this bill does not reserve public lands for settlement. It only provides a method of priority in the public settlement, and if it should be held that a bill doing that is privileged, then all bills relating to homesteads or settlement of public lands would be privileged.

Probably most of the bills reported from the Committee on Public Lands would be privileged if a mere incident regarding the settlement should give it a privileged status. And it seems to me very clear that this bill for those two reasons and for the additional reason that it includes Indian lands which are not public lands, does not have privilege under a reasonably strict construction of the rule.

Mr. SANFORD. Mr. Speaker, I agree with the gentleman from Illinois [Mr. MANN] that the rule by which the privilege of a bill is to be determined should be strictly construed. But as against that we have all the recent precedents of the last few years, that the rule for Calendar Wednesday must also be strictly construed; and I think there is no rule of the House that the Speaker has considered himself required to protect with more care than the rule for the protection of Calendar Wednesday.

Now if, as the gentleman from Illinois insists, the committee, having the right to report at any time, can get its bills up on Calendar Wednesday merely by failure to report a privileged bill from the floor, the protection intended to be given to Calendar Wednesday entirely disappears. It seems to me that the gentleman from Illinois can not consistently argue that the committee, having the right to report at any time, can decide not to report from the floor and by its own decision destroy Calendar Wednesday. It seems to me that argument is entirely untenable. The rule for the protection of Calendar Wednesday is well founded and has good reason back of it. The bills that should come up on Calendar Wednesday are very numerous and very important at the present time. I know myself of a number of very important bills that should come up, and if these committees, having the right to come in any time, can, upon their own decision, destroy Calendar Wednesday, then the rule as to Calendar Wednesday is entirely nullified.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Certainly.

Mr. WALSH. Does the gentleman contend that a committee having the right to report at any time could include in a privileged bill matter that was entitled to the privilege and which might properly be argued to belong to the jurisdiction of another committee and still have the privilege?

Mr. SANFORD. That question also troubles me somewhat, and I would like to ask the gentleman from Massachusetts what his opinion is on that question. I have not an answer ready. It does seem that that question is left open in the rules. But I would rather not consider that question at this time.

Mr. SINNOTT. Mr. Speaker, that is settled in section 723 of the Manual. "The presence of matter not privileged with privileged matter destroys the privileged character of a bill." On that there are a number of decisions.

Mr. SANFORD. I know of that decision, but as to whether a committee can take that short cut to destroy Calendar Wednesday I am not advised.

Mr. MONDELL. Mr. Speaker, is it conceivable that a committee having the privilege of reporting at any time should endeavor to deprive itself of that privilege? The Committee on Public Lands has the same rights on Calendar Wednesday as any other committee, and having in addition to that certain privileges under the rule, it will not, of course, deprive itself of any privilege it may have because it may avail itself of Calendar Wednesday and its privileges also. I have no doubt that if the committee had felt that they were privileged on this class of bills they would have availed themselves of that privilege long since. I am confident that is true. But, as the gentleman from Illinois [Mr. MANN] just stated, Speakers have always construed the rule of privilege rather narrowly and with a view of not unduly widening the privilege. A homestead bill, a bill providing for homestead settlement and for nothing else, coming from the Committee on Public Lands, is clearly privileged, and such bills have been taken, from time to time, under the privilege granted in the rule, but the committee has never considered that it had a privilege under the rule in respect to bills of this character, of this class.

The SPEAKER. The point raised by the gentleman from New York [Mr. SANFORD] is an interesting one. The Chair is disposed to agree with the gentleman from New York that the committee could not, by reporting a privileged bill through the basket, proceed to take advantage of its own wrong and acquire rights which otherwise it would not have. To the Chair the principal question is whether this is a privileged resolution or not. The language of the rule is very clear. It is limited to bills for the reservation of the public lands for the benefit of actual and bona fide settlers, and it seems to the Chair that the distinction that the gentleman from Oregon [Mr. SINNOTT] makes, that this is not a resolution providing for the reservation of public lands, is well taken, since it merely provides that where there is a reservation an additional privilege shall be granted. The Chair thinks on that ground that the

committee was right in not reporting this resolution from the floor, but placing it in the basket.

The point made by the gentleman from Illinois [Mr. MANN] is unquestionably true. The general rule is that when a privileged bill includes something not privileged, that takes away from it its privilege. That, however, as suggested by the gentleman from New York, raises an intricate question, which it is not necessary to consider here, because the Chair thinks this does not come strictly within the language of the rule, and it is not a resolution purely for the reservation of public lands for the benefit of actual and bona fide settlers.

Accordingly the Chair overrules the point of order. The House automatically resolves itself into Committee of the Whole House for the consideration of the resolution, and the gentleman from Ohio [Mr. LONGWORTH] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of House resolution No. 20, with Mr. LONGWORTH in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of House joint resolution 20, which the Clerk will report.

The Clerk read as follows:

Joint resolution (H. J. Res. 20) giving to discharged soldiers, sailors, and marines a preferred right of homestead entry.

Resolved, etc., That hereafter, for the period of two years following the passage of this act, on the opening of public or Indian lands to entry or the restoration to entry of public lands theretofore withdrawn from entry, such opening or restoration shall, in the order therefor, provide for a period of not less than 60 days before the general opening of such lands to disposal in which officers, soldiers, sailors, or marines who have served not less than 90 days in the Army or Navy of the United States in the war with Germany and been honorably discharged therefrom shall have a preferred right of entry under the homestead law, if duly qualified thereunder, except as against prior existing valid settlement rights.

SEC. 2. That the Secretary of the Interior is hereby authorized to make any and all regulations necessary to carry into full force and effect the provisions hereof.

Mr. SINNOTT. Mr. Chairman, I do not feel that this resolution needs any extended argument. The best arguments for the resolution are the mere reading of the bill and the statement of its purposes.

The resolution is designed to give the soldiers and sailors, those who have served in the war against Germany, a preference right for 60 days when any lands now withdrawn from entry are hereafter restored to entry. The resolution is in line with a great deal of legislation that has been pending and has received considerable discussion throughout the Nation, and it is in line with the resolution adopted at the late meeting of the American Legion. I feel at this time that no extended discussion of the bill is necessary. I therefore reserve the balance of my time. Does the gentleman from Colorado [Mr. TAYLOR] desire some time?

Mr. TAYLOR of Colorado. I have had no requests for time. If any gentleman desires to speak in opposition to the bill, I will be glad to yield him time.

Mr. MORGAN. Will the gentleman yield?

Mr. SINNOTT. I yield to the gentleman from Oklahoma for a question.

Mr. MORGAN. I should like to inquire of the chairman of the committee if these soldiers have the right to file a declaratory statement through an agent, the same as Civil War veterans are allowed to make filings and declaratory statements through an agent?

Mr. SINNOTT. I am not prepared to answer that. Section 2 authorizes the Secretary of the Interior to make any and all regulations necessary to carry into full force and effect the provisions of the act. That may or may not be broad enough to authorize the Secretary to do that. I am not prepared to say.

Mr. MORGAN. I have not followed the legislation on public lands very closely, and I just wondered whether the right to make a declaratory statement under the homestead law through an agent would be accorded to a veteran of the late war the same as it is accorded to a soldier of the Civil War.

Mr. SINNOTT. I am not prepared to answer that question, although I doubt the advisability of anything of that kind. It lends itself to all sorts of schemes, speculation, and the drumming up of applicants by these agents scattered all over the country.

Mr. MORGAN. The gentleman is aware that if a soldier lives in the East, or even in the Middle West, it requires the expenditure of from $100 to $300 to enable him to go to the Western States where the public lands will be opened to entry to see whether he can get an entry or not, and if he fails, then he has all that expense for nothing. It seems to me we ought to give to the veterans of the war with Germany the same privileges to make a filing through an agent—that is, without going to the land—that we have given to Civil War veterans, which they now have. I do not see any reason for discrimination.

Mr. TAYLOR of Colorado. Does not the gentleman very well know that none of the openings which will be made in the future will be very big, and if everybody in the United States goes out there, ninety-nine out of one hundred will not get anything?

Mr. MORGAN. Yes; but that is just the difficulty. Thousands of soldiers would go to these little openings, I suppose, ten times as many as could get quarter sections of land. When they got there I suppose most of them would be disappointed, and they would have had the expense of going perhaps a thousand or two thousand miles and when they got there find there was nothing for them.

Mr. SINNOTT. It may be that in a proper case, where there is going to be a large opening, the Secretary of the Treasury, under section 2, would promulgate the necessary rules to prevent the things which the gentleman is apprehensive about.

Mr. MORGAN. I do not think he would have the authority to do that.

Mr. PARRISH. Will the gentleman yield?

Mr. SINNOTT. I yield to the gentleman from Texas.

Mr. PARRISH. I notice that in the committee amendment, on page 2, line 10, it says:

Provided, That the rights and benefits conferred by this act shall not extend to any person who, having been drafted for military service under the provisions of the selective-service act, shall have refused to render military service or to wear the uniform of a soldier of the United States.

I should like to ask the chairman of the committee if he does not think that the words "sailor or marine" should go in after the word "soldier," so as to make that provision harmonious with the other parts of the bill and make it perfectly clear as to what it means? Then, back in line 8, where it says "military service," it seems to me it ought to read "military or naval service."

I make these suggestions to the chairman of the committee for his consideration.

Mr. SINNOTT. "Military service" is a very broad and general term.

Mr. PARRISH. Would it include naval service?

Mr. SINNOTT. I think it would.

Mr. PARRISH. Would the word "soldier" include sailor or marine?

Mr. SINNOTT. This was drafted with a great deal of care in the department. I think the gentleman from Colorado [Mr. VAILE] had a personal conference with both the Attorney General's office and the War Department.

Mr. PARRISH. Would the word "soldier" include "sailor or marine"? I do not think it would, as a matter of law.

Mr. SINNOTT. I think the term "military service" would include them all.

Mr. TAYLOR of Colorado. Let me suggest that the draft was applicable to the Army, and that the conscientious objectors and those who refused to wear the uniform were not men drafted for the Navy, because men were not drafted into the Navy, but into the Army.

Mr. PARRISH. In reply to the gentleman I will suggest that on page 1, line 9, of the bill it provides for soldiers, sailors, or marines, and I think all parts of the bill ought to be uniform. I do not think any conscientious objectors or slackers ought to have the benefits of the bill, and I want to make it certain to prevent that.

Mr. TAYLOR of Colorado. I see no objection to letting those words go in if they are necessary.

Mr. SINNOTT. I see no particular objection to them. I think they are superfluous.

Mr. BEE. Along the same line as the suggestion of my colleague [Mr. PARRISH], I agree absolutely with the committee provision that conscientious objectors and slackers ought not to receive any of the benefits of this act, but is there not danger that anyone making application for an entry under this act would as a legal proposition bear the burden of affirmatively establishing that he was not a conscientious objector or slacker? In other words, would not the Commissioner of the Land Office, if he be the proper person, require a soldier applying for an entry to make affirmative proof that he was not a conscientious objector?

Mr. MANN of Illinois. His discharge papers would show that.

Mr. SINNOTT. As the gentleman from Illinois [Mr. MANN] suggests, the discharge would show that. He would have probably to furnish his discharge or a certified copy of his discharge papers, which would show at once his status on discharge.

Mr. BEE. Are these conscientious objectors in the attitude of having rendered any service as contemplated by this bill, on page 1—

Who have served in the Army or Navy of the United States.

I want to leave them out, but I do not want to put on the real soldier the burden of proving that he was not a conscientious objector.

Mr. SINNOTT. The conscientious objectors do not receive an honorable discharge.

Mr. BEE. I make this further suggestion to the gentleman from Oregon: A man might have served well in France and yet be court-martialed after he came to this country and not receive an honorable discharge. Yet under the language of the bill he served.

Mr. SINNOTT. Line 1, page 2, requires an honorable discharge.

Mr. BEE. I simply want to be absolutely certain that the good soldier is not laden with the burden of proving that he was not a conscientious objector.

Mr. SINNOTT. The bill says:

Who has served in the Army or Navy of the United States in the war with Germany and been honorably discharged therefrom.

Mr. BEE. If the gentleman is satisfied with the provision, I am.

Mr. TILSON. Will the gentleman yield?

Mr. SINNOTT. I will.

Mr. TILSON. I would suggest to the gentleman that, as a matter of fact, discharges given to these men, while not dishonorable in the technical sense of the term, there is written across the face of the discharge the fact that the man rendered no military service. So that, under the terms of the bill as drawn, it seems to me that he would be precluded from taking advantage of this legislation. While not a technically dishonorable discharge, the statement is made upon it that the man refused to render military service, which is almost the language of the bill.

Mr. MOONEY. Will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. MOONEY. I would like to ask the gentleman if, in his opinion, the language on page 2, line 1, would cover those persons who had been transferred from the active service to the Reserve and returned to civil life. My understanding is they have ruled that a person transferred to the Reserve is not in the Regular Army service.

Mr. SINNOTT. Is not in the Regular Army service?

Mr. MOONEY. Yes.

Mr. SINNOTT. I have an amendment to meet that situation.

Mr. BEE. Will the gentleman yield further?

Mr. SINNOTT. I yield to the gentleman from Texas.

Mr. BEE. It has been suggested to me that a great many conscientious objectors received an honorable discharge before there was agitation to prevent it. Would not that compel the serviceable soldiers to prove that they were not conscientious objectors?

Mr. SINNOTT. I doubt if there were very many in that status. But that would come out in the final proof.

Mr. BEE. It is purely a question of law whether or not this provision would put this burden on the soldier who had been discharged to prove that he was not a conscientious objector?

Mr. BLANTON. Will the gentleman yield?

Mr. SINNOTT. I will yield to the gentleman from Texas.

Mr. BLANTON. One designated as a conscientious objector, to be such would have to make a claim for such exemption at the time the attempt was made to induct him into the service. It ought to be a very easy matter for a man to establish the fact that he was not a conscientious objector, because the War Department could easily ascertain the truth of his assertion. I think it is as little as a soldier can do when he is applying for something that the Government gives him, by reason of having given service to his country, to show that he was not a conscientious objector. Unfortunately many so-called conscientious objectors who flatly refused to don our uniform and refused to serve our flag and country during the war, were paid for full time and received honorable discharges after the armistice was signed. They performed no service whatever.

Mr. TILSON. Will the gentleman yield for a further question?

Mr. SINNOTT. Yes.

Mr. TILSON. The Naval Reserve Force, many of whom went into the Navy during the war, are not discharged at all; but, as I understand the situation, are given an indefinite furlough or placed upon the inactive reserve list. They are to all practical intents and purposes discharged from the service, but technically they stand on the records of the Navy as members of the Naval Reserve Force instead of being actually discharged. In fact, they might in case of emergency be recalled to the colors.

Mr. TAYLOR of Colorado. Do they have any certificate showing that status?

Mr. TILSON. I believe that they do; and that it shows on the certificate that they are not in the active service but in the Naval Reserve.

Mr. TAYLOR of Colorado. Would not that be sufficient?

Mr. TILSON. I do not know.

Mr. SINNOTT. I will state to the gentleman that in order to meet that question raised by the gentleman from Ohio, I propose to offer an amendment, on page 2, after the word "honorably" to insert "separated or," and after the word "therefrom" to insert the following: "placed in the Regular Army Reserves," so that it will read:

been honorably separated or discharged therefrom or placed in the Regular Army Reserves.

Mr. TAYLOR of Colorado. Will that include the Naval Reserve?

Mr. TILSON. Why not add the word "Naval"?

Mr. SINNOTT. I will add the word "Naval," so that it will read "Regular Army or Naval Reserve." Mr. Chairman, I yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman, I notice on the calendar the bill reported from the Committee on Public Lands on the 1st of August, entitled:

A bill (H. R. 487) to provide employment and rural homes for those who have served with the military and naval forces through the reclamation of lands, to be known as the "National soldier settlement act."

A great many discharged soldiers in the country are waiting with a good deal of anxiety and solicitude, as I have personal knowledge of conditions in my own State, to know whether or not the Congress of the United States expects to take any action upon that bill. I had hoped to ask the distinguished Republican leader, Mr. MONDELL, for some information on that proposition, but I note that he is not in the Chamber.

Mr. BLANTON. May I suggest to the gentleman that the great G. O. P. committee is meeting to-day, and probably he is an attendant on that?

Mr. BANKHEAD. I want, in the absence of the Republican leader, who is the author of the bill I have referred to for the benefit of the discharged soldiers, and one they are much interested in and waiting for some action of Congress upon—I want to ask the chairman of the Committee on Public Lands, Mr. SINNOTT, if he can give the committee and the country and the ex-soldiers of the country any assurance that that bill will be taken up at an early date; and if not, what arrangement has been made by the Republican steering committee and those in authority on the other side with reference to that particular piece of legislation?

I do not ask this question in any captious or partisan spirit, but in good faith, because I know in my State of at least one colony of 200 families of ex-soldiers of the late war waiting to find out what Congress is going to do with reference to this bill. I think it is due them and the country for some statement as to the policy on that proposition. I will be glad to yield the remainder of my five minutes to the gentleman from Oregon to give us some information on that subject.

Mr. SINNOTT. Mr. Chairman, the gentleman from Oregon is not one in authority. Furthermore, the gentleman from Oregon does not care to violate the rules of the House by going outside of the discussion of the bill under consideration. This is Calendar Wednesday, and debate is confined to the bill under the rules. The gentleman from Oregon does not care to violate that rule. However, as far as I am able to assure the gentleman, I can assure him that there will be legislation on the subject. At least, there will be as far as I am able to promote it.

Mr. BANKHEAD. Mr. Chairman, that is rather an evasive answer—"there will be legislation." I am sure there will be legislation of some character and description.

Mr. SINNOTT. The gentleman from Oregon is not in a position of authority to speak for the House.

Mr. BANKHEAD. Oh, the gentleman is mistaken in that, because he is in a position of high authority, by virtue of his position as chairman of the great Committee on the Public Lands, which committee could originate and which committee has the power and authority to call up this bill for consideration, if it wants to, to-day.

Mr. SINNOTT. The gentleman from Oregon has reported a bill to the House from the Committee on the Public Lands.

Mr. BANKHEAD. Is the assurance which the gentleman has given me the only assurance that he is in a position to state with reference to this legislation—that there will be some sort of legislation on the subject?

Mr. SINNOTT. Oh, the gentleman from Oregon does not make it in that hazy way that the gentleman from Alabama wishes to put into his mouth.

Mr. BANKHEAD. What legislation will be brought in upon this subject or pressed upon this subject?

Mr. SINNOTT. Mr. Chairman, there is a bill reported at the present time——

Mr. WALSH. Mr. Chairman, I make the point of order that this discussion is out of order.

The CHAIRMAN. The Chair sustains the point of order.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. GARD. I am interested in affording all proper relief for our returned soldiers, and so wish to know the construction of the chairman of the committee of the language appearing in line 10, on page 1 of the resolution—

officers, soldiers, sailors, or marines who have served in the Army or Navy of the United States in the war with Germany and been honorably discharged therefrom.

I see that the words "not less than 90 days" have been stricken out by a committee amendment. I am wondering whether it would be necessary to have any additional qualifying language or limiting or explanatory word before the word "served." In other words, in some of our legislation we have prefaced the right to participate in certain war benefits by the word "actual."

There is no limitation here, no apparent limitation, and I am wondering what the interpretation of those who have charge of the bill is as to the word "served." Does it mean anyone, even though he was called so late as the latter part of October, 1918, selected under the last conscriptive-service apportionment, who, in fact, never went to a military camp, but merely had the call to service from his local drafting board? Is it the interpretation of the chairman of the committee that such a person would be included, or is it necessary that he be enrolled in the service of the United States?

Mr. SINNOTT. That is the language that has been carried from the Civil War days in statutes giving preference rights to soldiers and sailors, and I think one would have to be enrolled.

Mr. GARD. I think so, too; but would it not be best to carry in this bill an amendment of the nature I indicate?

Mr. SINNOTT. I doubt very much whether it would be wise to amend it, as this language has received interpretation from time to time by the War Department and also by the Interior Department. This is the language that has been used for some time, and I think it would be unwise to modify it.

Mr. GARD. My recollection is that the language of the war-risk act and other language conferring war benefits provides that the person shall have been enrolled in the service of the United States. By that is meant, I should say, that the person has presented himself and has had his name placed upon the roll for actual military service.

Mr. SINNOTT. As I said before, this is language that has been carried in the statutes from Civil War days, and I believe it would be unwise to venture on a modification. I do not know what it would lead us into.

Mr. WELLING. Mr. Chairman, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. WELLING. Will the gentleman tell us how much land is likely to become available for the soldiers under this act?

Mr. SINNOTT. The Secretary reports that that is more or less problematical. There is not very much.

Mr. WELLING. Did the committee have any information before it as to any number of acres that would be thrown open to entry from forest reservations?

Mr. SINNOTT. We have had no specific information. The only information we have is contained in the Secretary's report, and in that he says that the area of said lands will doubtless fall far short of satisfying the demands for homes that will ultimately be made. We have no particular information on that.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. MORGAN. I want to ask a question about the language on page 2 of the bill, beginning in line 2—"if qualified thereunder."

I am not certain about the present law. My memory is that service in the Army in the Civil War would entitle a soldier to make entry regardless of the age. A great many of these soldiers in the late war were under 21 years of age. Would a soldier under 21 years of age be allowed to make entry under the provisions of this resolution?

Mr. SINNOTT. I think he would.

Mr. MORGAN. Is not the gentleman afraid that those words, "if qualified thereunder"——

Mr. SINNOTT. Oh, I think that clause refers to the other qualifications.

Mr. MORGAN. So the gentleman thinks that under existing law a man under 21 years of age, if he is a soldier and is otherwise qualified, could make an entry under this resolution?

Mr. SINNOTT. I think there is no question about that.

Mr. SMITH of Idaho. Mr. Chairman, answering the gentleman from Oklahoma [Mr. MORGAN], the act of August 31, 1918, specifically provides that soldiers under the age of 21 may enter.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield to me for two or three minutes?

Mr. SINNOTT. Certainly.

Mr. MANN of Illinois. Mr. Chairman, I would like to make this inquiry. This resolution proposes to give the soldiers of the recent war a preference for 60 days in making homestead entries. How will that work? Where land is thrown open that is somewhat valuable, will not the soldiers in that locality, regardless of whether they ever intend to live on the land or not, make the homestead entries, so as to practically absorb the land?

Everybody knows that this has been frequently done in the past. There are many underground methods, maybe above-ground methods, by which where a man has made his entry and does not desire to occupy the land he relinquishes his claim and lets somebody else who has paid him for the privilege make a new entry, theoretically impossible put practically done. Will not that be the effect of this? Is not that the way these have always worked? Give a preference for 60 days. If the land is valuable somebody will get it. If the gentleman from Oklahoma had his way about it, I judge, it might be obtained through an agent; have the land out in Oklahoma and the agent for the soldier in Chicago, who never had any intention whatever of leaving Chicago. But as it is, I take it, if the land is in Colorado it will be all filed upon by soldiers in Colorado—all that is of any good. Oh, a few of them may take land, but most of them will never go on the land at all. They relinquish their homestead entry for a consideration.

Mr. SMITH of Idaho. In doing so, however, the entryman would of course waive his right even to make another entry. His homestead entry would be used in making the application and later relinquished.

Mr. MANN of Illinois. Yes; but there are a good many of these soldiers, and most of them have no intention of making homesteads anywhere; but if they can get paid something, they are going to take it. After the Civil War we provided that certain soldiers of the Civil War should have the right to certain public lands throughout the country. That right was not exercised in many cases—in most cases. Some time after I first came to Congress some bright agent had discovered that these soldiers not having taken the land were entitled to script, and they were selling that script at from $3 to $5 an acre. That is not covered in this case.

Mr. SMITH of Idaho. But the sale of script only applies where they have taken a portion of their entry and got script for the balance of it. It was where he had actually gone on part of the land and applied probably for half or a quarter and was entitled to script for the remaining 160 acres.

Mr. MANN of Illinois. The gentleman is better informed than I am, although I think there were cases where script applied regardless to their going on the land. I think that was so in some cases.

Mr. SMITH of Idaho. In the Mexican War but not the Civil War.

Mr. MANN of Illinois. Well, the Civil War.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. TAYLOR of Colorado. I want to ask the gentleman from Illinois if there is any more reason to assume soldiers are going to file upon the land they do not want than anybody else are going to file on land they do not want. If anybody is to take the land and have the right to relinquish his right and sell to somebody else, I do not think there will be a very large per cent of that; but if there be, why should not the soldier have that right the same as any other citizen, and why should we assume the soldier is trying to deceive the Government of the United States and get something for nothing any more than anybody else?

Mr. MANN of Illinois. He is not deceiving the United States, but only exercising a right which the Government gives to him, and wherever you give a man a preference right he is disposed to exercise it even though practically it is of no benefit to him.

Mr. TAYLOR of Colorado. Why should not the soldier have the same as anybody else?

Mr. MANN of Illinois. Well, nobody should have it, and the law tries to prevent it, it is true, but you encourage it in this case.

Mr. TAYLOR of Colorado. No.

Mr. SINNOTT. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. SINNOTT. The gentleman's apprehension is that the soldier will transfer his preference right under this bill?

Mr. MANN of Illinois. My apprehension is that he will file under his preference right, and after a while when the time comes he will relinquish the right and let somebody else take the land he had entered upon.

Mr. SINNOTT. Of course, he can not relinquish to anyone else except the Government, and the other man is there when his relinquishment is filed.

Mr. MANN of Illinois. The gentleman and I both know how it is done.

Mr. SMITH of Idaho. The gentleman from Illinois, of course, knows that the entryman makes oath that he intends to make a home on this land in his application.

Mr. MANN of Illinois. They make thousands of oaths that do not amount to much out in the public-land country, I am sorry to say.

The CHAIRMAN. Does any gentleman opposed to the bill desire recognition. If not, the Clerk will read it for amendment.

The Clerk read as follows:

Resolved, etc., That hereafter, for the period of two years following the passage of this act, on the opening of public or Indian lands to entry, or the restoration to entry of public lands theretofore withdrawn from entry, such opening or restoration shall, in the order therefor, provide for a period of not less than 60 days before the general opening of such lands to disposal in which officers, soldiers, sailors, or marines who have served not less than 90 days in the Army or Navy of the United States in the war with Germany and been honorably discharged therefrom shall have a preferred right of entry under the homestead law, if duly qualified thereunder, except as against prior existing valid settlement rights.

The committee amendments were read, as follows:

Page 1, line 1, after the word "served," strike out the words "not less than 90 days."

The question was taken, and the amendment was agreed to.

Page 2, line 2, after the word "homestead," strike out the word "law" and insert the words "or desert-land laws."

The question was taken, and the amendment was agreed to.

Page 2, after the word "right," in line 4, insert the following new matter: "and as against preference rights conferred by existing laws or equitable claims subject to allowance and confirmation: *Provided*, That the rights and benefits conferred by this act shall not extend to any person who, having been drafted for military service under the provisions of the selective-service act, shall have refused to render military service or to wear the uniform of a soldier of the United States."

Mr. SINNOTT. Mr. Chairman, I desire to offer an amendment to section 1.

The CHAIRMAN. Is it to the section or to the amendment? The question is on the committee amendment.

Mr. PARRISH. Line 10, page 2, after the word "military," insert "or naval," and then, after the word "of," in line 10, strike out "a soldier" and insert "such service."

The CHAIRMAN. The gentleman from Texas offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PARRISH: Page 2, line 10, after the word "military," insert the words "or naval"; after the word "of" strike out the words "a soldier" and insert the words "such service," so that amended the line will read: "shall have refused to render military or naval service or to wear the uniform of such service of the United States."

The CHAIRMAN. The question is on the amendment to the amendment.

Mr. MANN of Illinois. Mr. Chairman, that would make the amendment read that if anybody who has been drafted for military service "shall have refused to render military or naval service." I do not recall whether the draft extended to the Navy or not. Did the selective-draft law apply to the naval service?

Mr. PARRISH. It applied to all services.

Mr. TAYLOR of Colorado. The draft act did not apply to the Navy, did it?

Mr. MANN of Illinois. No.

Mr. PARRISH. Yes; it applied to all of them. They assigned from the Army to the Navy, though.

Mr. MANN of Illinois. I think it was voluntary.

Mr. WALSH. Will the gentleman yield?

Mr. MANN of Illinois. I yield.

Mr. WALSH. I think in the latter part of the activity of recruiting our Army and Navy forces the men were drafted, and they shut down on accepting volunteers in the Navy, and men who were taken under the selective-service law were assigned by authorities to the Navy and to the other branches of the service; so that men who were drafted were, as a matter of fact, put into the naval service.

Mr. MANN of Illinois. Undoubtedly; but I think, as a matter of fact, they were given option as to going into the naval service. The law otherwise would put them in the military service. The object of the gentleman's amendment is "if they refuse to render military or naval service." They may not have refused to render naval and military service, but just refused to render military service.

Mr. PARRISH. Would the adding of the same words "or naval," after the word "military" in line 9, meet the objection?

Mr. MANN of Illinois. I doubt whether there is any law providing for drafting for the naval service.

Mr. BLANTON. There was not.

Mr. MANN of Illinois. I do not remember, but somebody who was here at that time may. I was away most of the time. If there was not any, it is not desirable to put a question of that sort into a bill like this.

Mr. GARD. Will the gentleman yield?

Mr. MANN of Illinois. I yield the floor to the gentleman, or to the gentleman just as he desires.

Mr. GARD. I desire to ask the gentleman from Illinois if he does not think the amendment of the gentleman from Texas would be better expressed if we would allow the language to remain as it is up to the words "of a soldier," in line 10, and strike out the words "a soldier of," and put in the words "such service," so that it would apply to all who were in the military service? My recollection is that the method of selective draft was confined, in the first instance, to those who were in the Army, and that the department had the privilege of taking from the draft certain persons and placing them in the naval service, but that the draft primarily was for selective Army service. But the whole thing was a military service, whether it was in the Army or in the Navy. I think if you retain the words "military service" and then strike out the word "soldier," because they may be held to include the Army part of the military service, the amendment would be better expressed.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PARRISH. Mr. Chairman, in view of what has been said——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PARRISH. Mr. Chairman, I move to strike out the last word for the purpose of asking unanimous consent to withdraw the first amendment I offered, or the part which inserts "or naval service"——

The CHAIRMAN. First, the gentleman from Texas asks unanimous consent to withdraw the amendment heretofore offered. Is there objection? [After a pause.] The Chair hears none.

Mr. PARRISH. I offer it as to the last amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. PARRISH moves to amend, page 2, line 10, by striking out the words "a soldier" and inserting in lieu thereof the words "such service."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. WALSH. Mr. Chairman, I think the amendment of the gentleman as now offered covers what he intends to correct, but it seems to me if we are going to change this phraseology the language ought to be amended by striking out, in line 8, the words "or military service," so that it would read, "having been drafted under the provisions of the selective-service act," and go on and say, "shall have refused to render service or to wear the uniform of such service of the United States." Because, as I recall it, the selective-service law was amended so as to include the Navy in the Military Establishment, so that it would apply to each branch of the service. Of course, the gentleman from Texas desires now to have it apply only to the service that was brought under the selective-service law. That law was later amended. I think if we strike out the words "military service," in line 8, it would improve the phraseology.

Mr. PARRISH. Would it not improve it still further by not striking out "military service," but simply striking out "military," so that it will read:

That the rights and benefits of this act shall not extend to any person who shall have refused to render service or to wear the uniform of service of the United States.

Mr. WALSH. Yes.

Mr. PARRISH. I think, Mr. Chairman, in reply to the gentleman from Massachusetts and the gentleman from Illinois that their suggestions are good, and if I may have the permission to do so, I will ask that the amendment include also the striking out of the word "military" in line 8 and also the word "military" in lines 9 and 10.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to modify his amendment in the manner indicated. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

Mr. MANN of Illinois. Mr. Chairman, I think we ought to insert the word "such" before the word "service," in line 10, and strike out the words "a soldier" and insert the words "such service."

Mr. GARD. That is in the amendment.

Mr. PARRISH. Yes; that is already in the amendment.

The CHAIRMAN. The Clerk will report the amendment as now modified.

The Clerk read as follows:

Mr. PARRISH moves to amend, on page 2, line 8, by striking out the word "military," in lines 9 and 10, and in line 10 striking out the words "a soldier" and inserting in lieu thereof "such service," and inserting the word "such" after the word "render," in line 9.

The CHAIRMAN. The question is on agreeing to the amendment to the committee amendment.

Mr. SMITH of Idaho. Mr. Chairman, I wish to offer an amendment to the committee amendment.

The CHAIRMAN. That amendment would not be in order now. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question now comes on agreeing to the committee amendment as amended.

Mr. SMITH of Idaho. Mr. Chairman, when will my amendment be in order?

The CHAIRMAN. It will not be in order until later. The question is on agreeing to the amendment as amended.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 42, noes 0.

So the amendment as amended was agreed to.

Mr. SINNOTT. Mr. Chairman, I offer an amendment, which I have just sent to the Clerk's desk.

The CHAIRMAN. The gentleman from Oregon offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SINNOTT: Page 2, line 1, after the word "honorably," insert the words "separated or"; also after the word "therefrom," in the same line and page, insert "or placed in the Regular Army or Naval Reserve."

Mr. SINNOTT. Mr. Chairman, there has always been some question as to whether or not a former soldier who has been placed in the Regular Army Reserve is completely discharged from the service. It is sometimes referred to as "a separation" and sometimes it is referred to as "a discharge." In order to meet that question I have offered that amendment.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. MANN of Illinois. Is that the language of description, "The Regular Army or Naval Reserve"?

Mr. SINNOTT. The Regular Army Reserve—I am sure of that. We had that question up. The matter of the Naval Reserve was suggested by another gentleman.

Mr. MANN of Illinois. That is the accepted description?

Mr. SINNOTT. Yes; "Regular Army Reserve" is the language of the committee.

Mr. MANN of Illinois. Suggested to the committee by the department?

Mr. SINNOTT. Yes.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oregon [Mr. SINNOTT].

The amendment was agreed to.

Mr. SMITH of Idaho. Mr. Chairman, I wish to amend line 8, page 1, after the word "than," by striking out the word "sixty" and inserting the word "ninety."

The CHAIRMAN. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Idaho: Page 1, line 8, after the word "than," strike out the word "sixty" and insert the word "ninety."

Mr. SMITH of Idaho. Mr. Chairman, this amendment should be adopted, for the reason that there may be an opening of public lands after the land is surveyed, or there may be Indian lands thrown open to entry or lands restored to entry, without the information becoming generally known. Soldiers living remote from the lands, although possibly in the same land district, may not be aware of the fact that the lands are open for entry; and, in order to be fair to those who reside some distance from the land, I think 30 days additional should be given in which to make entry.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Idaho. Yes.

Mr. WALSH. Those conditions might prevail if you made it 90 days.

Mr. SMITH of Idaho. Perhaps so; but 60 days is a short time in which to advertise these openings. Frequently land is opened after a survey without notice being given, except merely a statement as a news item in the local newspaper; and in order to be fair to the soldiers living some distance from the land, it seems to me that 30 days additional should be given, so that they can have 90 days' notice in all.

Mr. MORGAN. Mr. Chairman, I move to amend the amendment by striking out the word "ninety" and inserting in lieu thereof "one hundred and eighty."

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MORGAN: Amend the amendment by striking out the word "ninety" and inserting in lieu thereof the words "one hundred and eighty."

Mr. MORGAN. Mr. Chairman, I hope I can get attention on this proposition. At first glance it seems to me that this might be allowing too much time, but I have come to this conclusion, that the remaining public lands that are worth entering at all ought to be solemnly dedicated for the use and benefit of our soldiers, and that is the principle that this House ought to act upon. Four million men are an ample number to acquire, one hundred times over, every foot of public land that is to be opened—that is, such land as a man can possibly make a living upon.

Now, this bill seems to be fair, because it is giving the soldier 60 days' time in which he shall have the preferential right to enter these lands.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. Yes.

Mr. WALSH. The gentleman will notice that that is only for the period of two years.

Mr. MORGAN. Yes; and I will state to the gentleman that I have an amendment to offer to that, and my amendment will be to strike out these words, "for a period of two years," and leave it so that we establish a principle hereafter, not simply for two years. What is the argument for two years? What is the object of that? If it is right to give them a preferential right on lands opened in the next two years, it would be right to give that perpetually.

Four millions of men, three-fourths of whom have not homes! We have but little available public land left. Why not here in this House to-day, in this hour, recognize the principle that these lands, available and useful and suitable for homes, shall be solemnly given and set over to the soldier? To allow only 60 days is insignificant. As the gentleman from Idaho [Mr. SMITH] well says, 60 days is too short. Of course, if my amendment does not carry, I will vote for his, providing for 90 days.

Now, gentlemen from the Western States need not be afraid that these lands will not be taken. There will be plenty of soldiers in this country to take all these lands, so that you do not need the public to come in and take these lands. I think we have the right to say to the soldier, "You shall have these lands," and I believe the public sentiment of this Nation would say that it is right.

Mr. BLANTON. Will the gentleman yield?

Mr. MORGAN. Certainly.

Mr. BLANTON. Has the gentleman's amendment been approved by the Republican national committee, which is now in session?

Mr. MORGAN. I dislike to have the gentleman from Texas try to inject something partisan into this measure.

Mr. BLANTON. I am rather in favor of the gentleman's amendment. I feel inclined to vote for it.

Mr. MORGAN. Then the gentleman should put honest questions for the purpose of enlightening the House. The gentleman knows that his question was a partisan question, put for the purpose of introducing politics into this discussion. The gentleman knows he is not acting in good faith in putting such a queston as that to me. Why does he insist on going on here putting these questions? If he is a friend of the soldier, why not discuss this question honestly? Why be trying to raise a question of partisanship here?

Mr. BLANTON. Will the gentleman yield further?

Mr. MORGAN. I will not yield further for any such question as that.

I hope my amendment will be adopted. Let each side of this House here solemnly declare that these lands shall be dedicated to the noble purpose of providing homes for our soldiers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I ask to be recognized on the gentleman's amendment.

Mr. WALSH. Mr. Chairman, I am opposed to the gentleman's amendment.

Mr. BLANTON. I am now opposed to the gentleman's amendment.

Mr. BENHAM. You just said you were in favor of it.

Mr. WALSH. The gentleman from Texas said he was in favor of the amendment of the gentleman from Oklahoma.

Mr. MANN of Illinois. The gentleman said he was going to vote for it.

Mr. BLANTON. I was in favor of it, but the gentleman got so partisan that I can not stay with him.

Mr. Chairman, I want to say that I have been with the gentleman from Oklahoma all along in his contention that something ought to be done for the soldier who has returned from France after doing honorable service to his flag and his country. What I said to the gentleman which he deemed to be partisan was strictly in line with the position that the gentleman himself has taken on the floor of this House and elsewhere during the present session of Congress. The gentleman has been urging Congress to do something for the soldier. Bill after bill has been before this committee proposing to do something for the returned soldier, with no definite action whatever taken by the committee, and here we are frittering away the time of the House on chicken-feed legislation and doing nothing of permanent advantage for the soldiers of this country.

Mr. WALSH. Mr. Chairman, I rise to a point of order. The gentleman is not discussing the amendment.

The CHAIRMAN. The Chair is inclined to think the point of order is well taken.

Mr. BLANTON. May I discuss the point of order with the Chairman?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BLANTON. This measure proposes that for two years the soldiers of the country shall be given 60 days' preference right to file on and purchase certain public lands from the Government. The distinguished gentleman from Oklahoma [Mr. MORGAN], having in his breast a feeling of interest in behalf of the soldier—something that I can not say a majority of his colleagues on that side of the House seemingly have—wants to do more for the soldier than the committee has offered to do. He has offered to give him this preference right not for 60 days, not for 90 days, as suggested by the gentleman from Idaho [Mr. SMITH], but for 180 days, and at first, as long as he would let me, I agreed with him. I agree with the principle that something should be done.

The CHAIRMAN. The Chair is inclined to think that the gentleman is adhering to the rule, and the Chair overrules the point of order.

Mr. BLANTON. I hope the Chair will not take the discussion of the point of order out of my time. I want to ask the gentleman from Oklahoma if he agrees with the steering committee of his party that this little, measly bill that is now before the House is all that should be done for the soldiers of our country? Does he believe that the 4,000,000 soldiers whom he has referred to will be satisfied if this House merely passes a measure giving them 60 or 90 days' or even 180 days' preference right to file upon and purchase public lands? Does he believe that is going to satisfy the patriotic soldiers of this country? If he does not believe it, why does he not get in behind this committee? Why does he not get in behind the steering committee of his party and insist that they shall bring proper legislation before this House, and not let week after week and month after month fritter by with nothing done in their behalf? Is it not partisan politics influencing the majority that is responsible for such continued inaction?

Am I a partisan? I want to say if I am the gentleman ought to agree with me, and he ought to approve of the partisanship I show. Partisanship for whom? Partisanship for the soldiers of our country. I am sure the gentleman agrees with me on that subject.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma to the amendment offered by the gentleman from Idaho.

Mr. TAYLOR of Colorado. I rise in opposition to the amendment. I believe it is entirely unnecessary and would be unfortunate. As a matter of fact, this amendment might hold every opening open for six months and largely destroy the whole value of it. When a tract of land is opened up for settlement it may be so small that it would only allow a comparatively few applications, and if you hold it up for six months, after many more applications have been already made than the amount of land will accommodate, that is not fair to those who are entitled to go on the land. The committee first thought of fixing this at 90 days. Then we said 30 days would probably be long enough, and we compromised on 60 days. I have no objection to 90 days, but what is the necessity of holding a drawing open for six months when it will all be taken up within less than 30 days.

Mr. MORGAN. Is not the gentleman sure of this fact, that there will be ample soldiers to take all of these little reservations as they come up?

Mr. TAYLOR of Colorado. Oh, yes. The soldiers will take it all, and I am in favor of their getting it if they want it, and they will, and there will be none of these lands that will go to any others during the next two years if this bill passes.

Mr. MORGAN. Then if you say they will all be taken in 60 or 90 days——

Mr. TAYLOR of Colorado. They will probably all be taken in 10 days.

Mr. MORGAN. Then what harm can come to leave them open for 180 days? The land will all be gone anyway.

Mr. TAYLOR of Colorado. It holds the whole thing up. The drawing can not be closed. No one can learn where he stands.

Mr. MORGAN. When the land is gone there is nothing to hold up.

Mr. TAYLOR of Colorado. They could not do anything or learn who got the land until the six months are up.

Mr. MORGAN. Oh, yes; they can.

Mr. TAYLOR of Colorado. Nobody would know whether he is going to get any land or not until the preference period has expired. It holds everybody up for six months without knowing whether he is going to get anything or not. It would be a great hardship and detriment to make everybody wait six months.

Mr. MORGAN. When a man applies for a piece of land he goes on the land.

Mr. TAYLOR of Colorado. Not if ten times as many apply to file as there are acres, and you would hold the whole thing open and unsettled. Everybody would have to wait six months before he learned whether he had drawn a piece of land or not.

Mr. MORGAN. Would you consent to give these lands entirely to the soldiers?

Mr. TAYLOR of Colorado. Yes; I do not think there is going to be a great many of these openings anyhow. I do not think this bill is going to furnish anything like as many homes for soldiers as I would like to see.

Mr. TIMBERLAKE. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. TIMBERLAKE. The objection the gentleman makes that it would hold the whole thing open for six months, it seems to me, is not well taken.

Mr. TAYLOR of Colorado. Suppose there is only enough land for 100 entries and there are 500 applicants within 30 days; they are not going to know whether their application is allowed until the end of the six-month period. That is unnecessarily holding them up for all that extra time.

Mr. TIMBERLAKE. I think the local land office would act on the applications as they came in. If the soldier should apply for land that was shown on the books to be open, it would be acted upon immediately.

Mr. TAYLOR of Colorado. They would not make a report until after the filing period.

Mr. TIMBERLAKE. That is true of all the lands embraced in the reservation, but the local office would act immediately on the applications as presented, provided it was a soldier to whom this right is given.

Mr. TAYLOR of Colorado. I do not think that is the practice. As long as a drawing is held open it will be first for the soldiers to file on and then the civilians. There may be a piece of worthless ground——

Mr. TIMBERLAKE. I have had a good deal of experience in the Land Office, and I will say that the practice would be that where provision was made for a certain class of applicants, when an individual of that class presented his application for land which was shown on the records to be open his application would be acted upon immediately.

Mr. TAYLOR of Colorado. Then there ought to be no limit at all.

Mr. TIMBERLAKE. I would like to see it all reserved for the soldiers.

Mr. TAYLOR of Colorado. So would I, and I should like to see other and much more important things done for the soldiers than this little bill. This is all right as far as it goes, but it does not go far. I was the author of the bill in the last Congress to provide homes for hundreds of thousands of soldiers, and I tried very hard to get it passed, tried to get a rule, and did everything I could do to obtain the consideration of it by this House, and I feel that this is, as the gentleman

from Texas says, chicken-feed stuff. I think we ought to do something much more substantial for the soldiers, and do it now. We ought to at once take up the Lane reclamation bill and pass it as soon as possible.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. MANN of Illinois. The gentleman says he wants to reserve all the public land for the soldiers.

Mr. TAYLOR of Colorado. Oh, no; I said all these little reservations, these small openings, that will be made during the next two years.

Mr. MANN of Illinois. There are other people coming after these, and there are some other good people besides the soldiers.

Mr. TAYLOR of Colorado. I was referring to these reservations or withdrawal openings of various kinds that will be made during the next two years.

Mr. MANN of Illinois. I understood the gentleman to say all the public lands forever.

Mr. TAYLOR of Colorado. Oh, no; not 300,000,000 acres.

The CHAIRMAN. The question is on the amendment of the gentleman from Oklahoma to the amendment of the gentleman from Idaho.

The question was taken; and on a division (demanded by Mr. WALSH) there were 3 ayes and 26 noes.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Idaho.

The question was taken; and on a division (demanded by Mr. SMITH of Idaho) there were 15 ayes and 15 noes.

Mr. BLANTON. Mr. Chairman, I ask for tellers.

The question of ordering tellers was put, and only three Members having arisen, the demand for tellers was refused.

So the amendment was rejected.

Mr. MORGAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 1, lines 3 and 4, strike out all of line 3 after the word "hereafter," and in line 4, the following words: "passage of this act."

Mr. MORGAN. Mr. Chairman, the effect of the amendment I have offered is to strike out of the bill the words "for the period of two years following the passage of this act."

I do not know what this limit was put in for, but it does seem to me that we could well say that hereafter when little Indian reservations or forest reservations are opened to homestead entry or settlement, or opened under the public-land laws, that for a period of 60 days we shall allow the soldiers a preference right to enter these lands. I do not know why the rights of soldiers and the consideration to be given to soldiers should end in the short period of two years. If it is right to let them have this privilege for the next two years, which would go over the next—I won't say what I started to—but if it is right to give them preference right for two years it is right to give it to them as long as they live.

Mr. MAYS. Will the gentleman yield?

Mr. MORGAN. Yes.

Mr. MAYS. Suppose we have another war, what would you do for the soldiers of that war, deprive them of the privilege?

Mr. MORGAN. No; but I would amend the law to give them the right.

Mr. MAYS. It might happen that the gentleman from Oklahoma would not be here at that time. [Laughter.]

Mr. MORGAN. That might happen, and I do not know that the country would lose very much if I was not here. My amendments do not seem to pass anyway.

But in all seriousness I do not blame the Public Lands Committee, for in preparing a bill they know how their bills are criticized, as all other bills are, and they did not want to make it too liberal. It seems to me that in this case they have been too restrictive. I see no reason why we should not allow these little insignificant reservations of land that shall be open from time to time to be subject to the soldiers' preference right indefinitely.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. Yes.

Mr. GARD. Has the gentleman any legislative expression or intent to give more lands, or more valuable lands, to the soldiers than those embraced in this resolution?

Mr. MORGAN. The lands embraced in this resolution will constitute the best lands that there will be for entry and settlement, because they are in the reservations, the most available land, the most desirable. I think we ought to reserve or allow the Secretary of the Interior to reserve all of the public lands to give the soldiers an opportunity to take them. These lands are not very desirable at best. In order to establish this principle, that the remaining public lands of the Nation shall be dedicated to the great purpose of providing homes for our soldiers, I think we ought to cut out this restriction. I can see no reason at all for putting this period in.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. MORGAN) there were—ayes 7, noes 22.

So the amendment was rejected.

The Clerk concluded the reading of the joint resolution.

Mr. SINNOTT. Mr. Chairman, I move that the committee do now rise and report the resolution with amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LONGWORTH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House joint resolution No. 20, giving to discharged soldiers, sailors, and marines preferred right of homestead entry, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

Mr. SINNOTT. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 52, noes 3.

So the joint resolution was agreed to.

On motion of Mr. SINNOTT, a motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

BIRD RESERVATION IN SISKIYOU AND MODOC COUNTIES, CALIF.

Mr. SINNOTT. Mr. Speaker, by direction of the Committee on Public Lands I call up the bill (H. R. 8440) to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes.

The SPEAKER. The gentleman from Oregon calls up the bill H. R. 8440, which the Clerk will report.

The Clerk reported the title of the bill.

The SPEAKER. This bill is on the Union Calendar. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, and the gentleman from Connecticut [Mr. TILSON] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8440, with Mr. TILSON in the chair.

The Clerk reported the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to determine and make public announcement of what lands in and around Little or Lower Klamath Lake, in Siskiyou County, Calif., and in Klamath County, Oreg., ceded to the United States by the State of California by the act entitled "An act authorizing the United States Government to lower the water levels of any or all of the following lakes: Lower or Little Klamath Lake, Tule or Rhett Lake, Goose Lake, and Clear Lake, situated in Siskiyou and Modoc Counties, and to use any part or all of the beds of said lakes for the storage of water in connection with the irrigation and reclamation operations conducted by the Reclamation Service of the United States; also ceding to the United States all right, title, interest, or claim of the State of California to any lands uncovered by the lowering of the water levels of any or all of said lakes not already disposed of by the State," and ceded to the United States by the State of Oregon by an act entitled "An act to authorize the utilization of Upper Klamath Lake, Lower or Little Klamath Lake, and Tule or Rhett Lake, situate in Klamath County, Oreg., and Goose Lake, situate in Lake County, Oreg., in connection with the irrigation and reclamation operations of the Reclamation Service of the United States, and to cede to the United States all the right, title, interest, and claim of the State of Oregon to any and all lands recovered by the lowering of the water levels or by the drainage of any or all of said lakes," will eventually be uncovered and opened to agricultural development by the lowering of the water level of said lake. Title to all said lands can be acquired by homestead entry under the general homestead laws and the provisions of this act and not otherwise: *Provided*, That all said lands shall forever be and remain subject to the right of the United States (a) to overflow the same or any part thereof for the purposes of irrigation by such systems of reservoirs

and drainage and diking as now actually exist or may be hereafter constructed in Siskiyou County, Calif., and Klamath County, Oreg., and (b) to drain the water therefrom. All patents issued for the said lands shall expressly reserve to the United States such right of overflow and drainage.

SEC. 2. That the Secretary of the Interior shall also determine and make public announcement of the proportionate part of the sum of $283,225, heretofore expended from the reclamation fund in connection with the Klamath project, Oregon-California, that in the opinion of the Secretary of the Interior each acre of the said land should be assessed, and the proportionate part that each acre of privately owned land, similarly situated to the said lands hereby affected, should be assessed, to return to said reclamation fund in all the said sum of $283,225.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized and directed to cause said lands to be surveyed and opened to entry under the general homestead laws and the provisions of this act: *Provided*, That none of said lands shall be opened to entry until the Secretary of the Interior shall have first made arrangement with the owners of lands in private ownership, similarly situated to the lands hereby affected, for the payment into the reclamation fund of the proportionate part of the sum of $283,225, determined and apportioned by the Secretary of the Interior against said privately owned lands as provided in section 2.

SEC. 4. That in addition to all payments required by the general homestead laws there shall be paid by homestead entrymen the amount per acre assessed as provided in section 2 of this act. Said payment shall be made in annual installments of $1 per acre, except the last installment, which may be a fraction of a dollar: *Provided*, That the whole or any part of the amount so assessed may be paid by the entryman in a shorter period if he so elects. The first installment shall be paid at the time homestead application is filed and subsequent installments shall be due and payable on December 1 of each calendar year thereafter until the entire sum so assessed and apportioned against the lands is paid, and patent shall not issue for any of said lands until the sum so appropriated against said lands shall have been fully paid. Failure to pay any installment when due shall render the entry subject to cancellation, with a forfeiture of all moneys paid. All assessments shall draw interest at the rate of 6 per cent per annum from their due date until paid. All moneys paid on account of such assessments shall, without diminution of any kind whatsoever, be covered into the reclamation fund.

SEC. 5. That those who served with the military or naval forces of the United States during the war between the United States and Germany and her allies and have been honorably separated or discharged therefrom or placed in the Regular Army Reserve shall have preference and prior right to file upon and enter said lands under the homestead laws and the provisions of this act for a period of six months following the time said lands are opened to entry. That in opening said lands for homestead entry the Secretary of the Interior shall provide for the disposition thereof to the said soldiers, sailors, and marines, by drawing, under general rules and regulations to be promulgated by him.

SEC. 6. That no rights to make entry shall attach by reason of settlement or squatting upon any of the lands hereby restored before the hour on which such lands shall be subject to homestead entry at the land office, and until said lands are opened for settlement and entry as herein provided no person shall enter upon and occupy the same, and any person violating this provision shall never be permitted to enter any of said lands.

SEC. 7. That the Secretary of the Interior shall determine which of the lands now within the boundaries of the Klamath Lake Bird Reserve are chiefly valuable for agricultural purposes and which for the purpose of said reservation, and shall open to homestead entry those lands which are chiefly valuable for agricultural purposes: *Provided*, That the shore line of the lake, including the smallest legal subdivision of land adjoining the flow line, shall remain in the possession of the United States, but access may be provided to the lake for such canals as may be necessary for irrigation, drainage, and domestic water supply.

SEC. 8. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

Mr. SINNOTT. Mr. Chairman, I would ask how much time the gentleman from California [Mr. RAKER] desires in general debate?

Mr. RAKER. Mr. Chairman, I do not believe that we need take any time. I think we can discuss the matter under the five-minute rule. The matters are so plain and clear that I believe it is not necessary to take time in general debate unless some one desires some particular information.

Mr. BLANTON. Mr. Chairman, will the gentleman from Oregon yield to me?

Mr. SINNOTT. I yield to the gentleman from Texas.

Mr. BLANTON. I would like to ask the gentleman from California what they are going to do with all of the birds that have been on this land?

Mr. RAKER. Oh, they will be on the lake and other lands. The land to be restored from the bird reservation comprises about 55,000 acres of agricultural land—the best in the world—upon which men can go and immediately commence to make a living. That is the character of the land, and that is the purpose of opening it—to the end that the soldiers might go there and make homes.

Mr. BEE. Mr. Chairman, will the gentleman from Oregon yield?

Mr. SINNOTT. Yes.

Mr. BEE. I want to ask a question about section 5, which gives six months' preference to those who serve in the military and naval forces. Section 6 provides that no rights to make entry shall attach by reason of settlement or squatting upon any of the lands restored before the hour at which such lands shall be subject to homestead entry at the Land Office. Would that interfere with the six months' period of the soldiers?

Mr. SINNOTT. The priority merely relates to the right to file upon and enter.

Mr. BEE. And not the settlement?

Mr. SINNOTT. They have priority to file, and no one has any right to squat or settle on the land and thereby obtain any preferential rights over the soldier or sailor.

Mr. BEE. Then there would be no danger in the soldiers being deprived of their rights by reason of section 6?

Mr. SINNOTT. Section 6 just gives them additional protection.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. GARD. What has become in this bill of the recommendation of Secretary Lane as evidenced by his letter of March 4, 1918, that there should be some privilege afforded members of the Siskiyou Homesteaders' Association, as originally embraced in section 5 of the bill?

Mr. SINNOTT. The original bill contained a clause for preference rights to members of that association, but the Secretary first reported adversely on that. Afterwards he modified his views, and that is the matter that has carried this bill along for two or three years.

But finally the preference right provision of members of this Homesteaders' Association was eliminated from the bill, and the bill was reported by the committee, but there has been very strong opposition to the preference-right feature to the members of this Siskiyou Homesteaders' Association, so that provision was eliminated from the bill and the preference right given to the soldiers.

Mr. GARD. The last evidence I see is the letter of the Secretary of date of March 14, 1918, in which he suggests an amendment to the bill which would give to the members of the Siskiyou Homesteaders' Association a preferential right under certain conditions to make application for entry on these lands because of their previous occupation and services in securing riparian rights and generally developing this land. Now, section 5 limits the privilege to those who are in the military and naval forces of the United States, and it eliminates the Homesteaders' Association entirely.

Mr. SINNOTT. Yes; the association was entirely eliminated; that has been a controverted point in the bill, and that preference-right feature is what has heretofore held back the passage of the bill.

Mr. GARD. What is the gentleman's idea about that. Should or should not these men who have been on the land or near the land, who have developed, who have given of their services in seeing that more land is added and riparian rights were secured—should they not have the privilege of entry?

Mr. SINNOTT. Well, of course that takes us into the controverted domain. It has been heretofore contended that there were no settlers or homesteaders upon this land entitled to a preference right. I do not care to go into that at length. The people in my State interested in this matter were strongly opposed to any preferential right, and they dispute all these allegations concerning the settlers, but I do not care to go into that matter.

Mr. GARD. The gentleman's State is not part of the Siskiyou reservation, is it?

Mr. RAKER. Part of the lands are on each side of the line.

Mr. SINNOTT. Seven thousand acres of these lands are in Oregon and 27,000 acres in California, and some Oregonians are members of the Suskiyou Homesteaders' Association.

Mr. RAKER. The gentleman from Ohio overlooked the last report of the Secretary of the Interior.

Mr. SINNOTT. That is on August 29, page 3, of the report.

Mr. CLARK of Missouri. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman yield for that purpose?

Mr. SINNOTT. I do.

The CHAIRMAN. The gentleman will state it.

Mr. CLARK of Missouri. Is this under general debate or under the five-minute rule, or where are we at?

The CHAIRMAN. General debate is proceeding, and the gentleman from Oregon has been recognized for one hour.

Mr. HICKS. Will the gentleman yield for an inquiry?

Mr. SINNOTT. I will.

Mr. HICKS. I would like to ask the gentleman with regard to this land. Is it at the present time in condition of a swamp, or has some drainage taken place there?

Mr. SINNOTT. Some drainage has taken place there, but there is considerable swamp land. The water is gradually dry-

ing up by evaporation and more land is being recovered from time to time.

Mr. HICKS. Now, if some of the land is still in a swampy condition, how is it contemplated the land is to be drained; how is that work to be done?

Mr. SINNOTT. That is to be drained by evaporation.

Mr. HICKS. Not by the work of man at all?

Mr. SINNOTT. Only indirectly at the present time.

Mr. HICKS. Is there any scheme contemplated by which the State of Oregon and the State of California shall drain these lands?

Mr. SINNOTT. No; the land is draining itself by evaporation. I will state to the gentleman that this 54,000 acres of lake and swamp are caused by the overflow waters of the Klamath River running through a side channel. That channel has been closed with gates, so that the waters of the Klamath River no longer have access to this lake and swamp. The waters of the Klamath River supply the waters for the swamp. The access of those waters is closed, so that the water is evaporating from year to year. It possibly will be several years before the water is entirely evaporated.

Mr. HICKS. My experience is in that part of the West it rains about every day, and it will take some time to evaporate the water, I should judge.

Mr. SINNOTT. This is east of the mountains, not west of the mountains, and this is a more or less arid section. I suppose the rainfall there is not over 12 or 14 inches.

Mr. RAKER. Something like that.

Mr. SINNOTT. But in a few years the swamp will be entirely evaporated and the land reclaimed.

Mr. LAYTON. Will the gentleman yield for a question?

Mr. SINNOTT. I will.

Mr. LAYTON. For the purpose of illuminating the RECORD, I would like to inquire what sort of birds and how many birds was this land originally intended for; what kind of birds?

Mr. SINNOTT. Well, only part of the land there belongs within the bird reserve, but ducks and geese and pelicans and all sorts of waterfowl congregate there upon the marshes.

Mr. BEE. Will the gentleman yield?

Mr. SINNOTT. I will yield.

Mr. BEE. I notice in section 2, page 3, that the proportionate part of some $283,000 is referred to, and that section 3 provides that the land shall not be open for entry until the Secretary of the Interior shall have first made arrangement with the owners of land in private ownership, similarly situated to the lands hereby affected, for the payment into the reclamation fund of the proportionate part of $283,225. I would like to ask the gentleman for information how will the Secretary of the Interior be able to force those owning lands privately to contribute their proportionate share of this fund, and how long will that hang up the opening up of the land?

Mr. SINNOTT. I will state to the gentleman that matter has all been arranged. The owners of the private land have all made their partial payment.

Some two years ago they paid $23,500 for the purpose of closing the gates in the straits of the Klamath River, which supplied the water to the swamp.

Mr. BEE. It will not delay the opening of the land, then?

Mr. SINNOTT. Oh, no; that has already been arranged for. They paid the $23,500 then; then they were obligated to make a partial payment in December, 1918, of something over $2,000; to be exact $2,777.78. That has been paid. Then they were to pay some thing over $2,000, or $2,777.78, the 1st of this December, and, of course, they have not the report in the department as to whether or not that payment was made. I called up the Reclamation Service over the phone, and they assume that the payment has been made, because if it had not been made they would have been notified.

Mr. BEE. The point I wanted to inquire especially about was if it will not delay the opening of these lands by reason of having to make arrangements with the owners?

Mr. SINNOTT. That has already been negotiated.

Mr. WALSH. Will the gentleman yield?

Mr. SINNOTT. I yield to the gentleman from Massachusetts.

Mr. WALSH. Does the gentleman intend before we start reading this bill to make some little statement of its purposes and objects and the pressing necessity for its passage at this particular time?

Mr. SINNOTT. I will be glad to answer any questions or to make any explanation.

Mr. WALSH. Then I would like to ask the gentleman what is the need of this legislation at this particular time? Why can it not wait or be dispensed with entirely?

Mr. SINNOTT. The sooner this legislation is passed the sooner this land will get under cultivation, and the Government will also be sooner repaid an investment of something like $283,225 heretofore expended upon these lands, and $179,327 of that investment will be repaid under the provisions of this bill and $104,898.15 will be repaid by the owners of private lands. They have already paid the $23,500 and their annual payments since 1917 for that purpose.

I will state to the gentleman that this Klamath marsh in Oregon and California, about 27,000 acres in each State, was originally intended to be reclaimed under the Klamath-California-Oregon project, but after the work was inaugurated these 57,000 acres were eliminated from the California-Oregon-Klamath irrigation project, but the Reclamation Service had made an expenditure of $283,225, which was charged up against the lands afterwards eliminated from the irrigation project, and if this bill accomplishes its object this entire $283,225 will be repaid to the Government.

Mr. WALSH. By whom?

Mr. SINNOTT. It will be repaid by the settlers, those who enter upon this land under the provisions of this act, and also the owners of the privately owned lands in Oregon. There are some 20,000 acres now privately owned in Oregon of this land in question.

Mr. LAYTON. Will the gentleman yield for a question?

Mr. SINNOTT. I yield.

Mr. LAYTON. If I understand the situation, the gentleman from Oregon apprehends that in the course of time these lands are going to become so dry that the waterfowl will be dried out of house and home?

Mr. SINNOTT. No; that is not true. The bill specifically protects the waterfowl and the bird reserve. That will not be destroyed. There is a provision in the bill for the protection of the bird reserve.

Mr. LAYTON. What you are disposing of then is the land that gradually dries out?

Mr. SINNOTT. Yes; the land outside of the bird reserve.

Mr. LAYTON. As fast as it dries out?

Mr. SINNOTT. As fast as it dries out.

Mr. LAYTON. Down to the water line?

Mr. SINNOTT. Yes.

Mr. HICKS. I would like to make an inquiry, not that it has any bearing on this bill, but for the purpose of illuminating the RECORD, as my friend from Delaware says. What is this made land for? To what purpose will it be put if it is drained—to raising apples, wheat, or what?

Mr. SINNOTT. This land will be put into clover, timothy, alfalfa, and other forage crops. Some grain can be raised there. The gentleman from California [Mr. RAKER] is probably more familiar with that matter than I am.

Mr. RAKER. On the surrounding land, and land in like conditions, that have been reclaimed in the last five years, they raise clover, timothy, wheat, barley, potatoes, cabbage, and all products that that country produces in that climate successfully, and to a very large advantage.

Mr. GALLIVAN. Will it produce raisins?

Mr. HICKS. May I ask the gentleman if they produce raisins or grapes of any kind? My friend from Massachusetts [Mr. GALLIVAN], I see, is interested in that answer.

Mr. RAKER. I see you want a frank answer. It is a little too high. It is in the mountains, and the elevation is too high for raisins. We have sufficient lands in the valley on which to raise raisins.

Mr. WALSH. Will the gentleman yield?

Mr. KITCHIN. Before the gentleman from Massachusetts asks the question I wish to say I do not think the gentleman from Oregon [Mr. SINNOTT] has given the gentleman from Massachusetts sufficient answer as to why it is necessary to pass this bill. If you would permit me, I would further suggest that we have got nothing else to do from now until Christmas, so why not pass this bill?

Mr. GALLIVAN. Is that the only reason?

Mr. KITCHIN. I am giving a further reason why it is necessary to pass it.

Mr. LITTLE. Besides that, we have got to give the Democrats a little opportunity to get a little advantage by criticizing it.

Mr. GALLIVAN. Do you think it ought to be criticized?

Mr. LITTLE. Possibly. Go to it.

Mr. KITCHIN. The gentleman from Kansas is far afield from anything I have said. Nothing I have said or asked should lead to such a remark from him. I think we should not only be doing something here but we ought to have the appearance

of doing something, and to-day is public-lands day, and I think it is necessary for us to pass some legislation.

Mr. LITTLE. Mr. Chairman, I think we have done a good deal. We have been able to secure the attendance and interest of the distinguished gentleman from North Carolina. It is quite an advantage to have the gentleman from North Carolina with us. It is seldom we have him with us unless his committee has something to report.

Mr. SINNOTT. Mr. Chairman, I yielded to the gentleman from Massachusetts a little while ago.

Mr. WALSH. Mr. Chairman, I would like to ask the gentleman from Oregon [Mr. SINNOTT], who I trust is still in favor of this bill, notwithstanding the remarks of the gentleman from North Carolina [Mr. KITCHIN], how the character of this program came to be changed when this land was ceded for a bird reservation? How did the demand arise to have this land withdrawn? What was it that gave rise to this decision of the Department of the Interior, or the General Land Office, or whoever it was that said that the only way in which this could be accomplished was by an act of Congress?

Mr. SINNOTT. Well, the land was not ceded for a bird reservation; the land was ceded to the General Government, so that the General Government might either raise or lower the level of these lakes, use them for reservoirs or irrigation purposes, or drain them, in order to secure more land for utilization under the reclamation act. Then the bird reserve was afterwards imposed upon a part of this land.

What the gentleman has in mind, no doubt, is the controversy which came up in California between the General Government and the State of California as to whether or not a certain part of this land was ceded in the act of cession by that State. Mr. Vogelsang, of the Interior Department, in a decision held that they were ceded, but I believe that the gentleman from California [Mr. RAKER] is more familiar with that feature of it than I am.

Mr. WALSH. Well, I would like the gentleman from California to answer, if the gentleman from Oregon will yield to him.

Mr. SINNOTT. I will gladly yield to the gentleman.

Mr. RAKER. I will answer if I can.

Mr. WALSH. My inquiry was, What arose out there with respect to those lands where this reserve is located that apparently, from the record here, suddenly changed the whole character of this project? What gave rise to this demand that these lands, which in 1908 were set apart for a bird reservation, should be thrown open and made the object of further legislation, so that the scramble for possession could be set in motion? What was it? Was it the controversy that arose as to the result of the decision of Mr. Vogelsang, Acting Secretary, or was it some local controversy out there in the State?

Mr. RAKER. I think I can in a few words elucidate the entire situation.

Mr. WALSH. Then I will not finish my question—if the gentleman can do that.

Mr. RAKER. The local demands for these lands, which are valuable for agricultural purposes, upon which the people were entering and trying to make settlements, were so urgent that the department held that to be illegal, because these were withdrawn from entry, and that brought about the legislation. On these lands last year and this year there grew from 10,000 to 20,000 tons of hay. A good deal of it was burned up and went to waste, because there was nobody who could go in there and take charge of it.

The land was withdrawn originally for reclamation purposes. The department spent this $228,000 for the purpose, and after some investigation they determined that they could not proceed with the project, and they eliminated these particular lands and held them so that they could not be filed upon. The Department of the Interior requested the President to declare it a bird reserve because it was public land. It was declared a bird reserve. Since that time there have been about three or four thousand acres of the land eliminated from the bird reserve. This bill allows it to be homesteaded, and in order that it might be disposed of properly the homesteaders, in addition, are required to pay back to the Government the amount of money that has been expended in the development of the land. The private individuals referred to by the gentleman from Oregon [Mr. SINNOTT] have agreed to pay $104,000. They have obligated themselves to do so, and they have already paid a large amount.

The Reclamation Service, while it held the land, in its order required the railroad, which was crossing the lower and west part of the land, to build an embankment all across the land, which was swampy except where the river entered upon the land, and all the Government had to do was to put gates in this river, and this entire land is reclaimed.

Mr. WALSH. By putting gates in the river?

Mr. RAKER. Yes. That will prevent the water from backing up from the river, which flows on the lower side of the dam, thereby filling up this large territory of some 55,000 acres of land.

Mr. WALSH. Will the gentleman state whether or not this legislation is in effect a determination of this controversy which arose in the manner stated and on the side of the State of California?

Mr. RAKER. No. The State of California and those applicants under it made no pretense—there were no applications made until the question came up some four years ago—that these people were trying to obtain this land. There have been applications by all parties trying to obtain this land, but they were turned down, because the filings were illegal for the reason as stated, the land being withdrawn and placed in this bird reserve. That is the reason for the provision of section 6, that anyone who enters upon the land and tries to hold it is doing so illegally, and their action is void.

Since the war the policy of Congress has been changed, and the view was that, notwithstanding the money and expense and trouble that these other people have gone to, these lands should be turned over to the soldiers who served this country. There are plenty of them in the country who are ready and willing and desirous now to enter upon this land. It is very valuable. I can say from personal observation that two years ago there was not less than 10,000 tons of hay destroyed, and thousands of head of cattle died that winter that could have been saved if the farmers had been permitted to go on that land and use it.

Mr. WALSH. What has become of the birds?

Mr. RAKER. The birds that were on this land are still there. The lake is still preserved, and there is still a border around the lake for all the ducks and geese that land there. The pelicans and geese and blue cranes, and so forth, will protect themselves. They will still be protected.

Mr. WALSH. The gentleman has answered the question generally. I would like to ask him now, assuming that that demand arose for the reasons he stated, and perhaps for some other reasons, does he think that this legislation accomplishes what is desired and that the rights and interests of the Federal Government are adequately protected?

Mr. RAKER. I will say to the gentleman that to my mind this is one of the best bills for the protection of the Government that has been passed by Congress since I have been here, because in addition to giving to these men the right to file upon the land as a homestead it requires a repayment to the Government of the $285,000 that has been expended in the development of the land, to the end that the Government shall not lose a dollar.

Mr. GARD. Will the gentleman yield?

Mr. RAKER. I yield for a question.

Mr. WALSH. I yield to the gentleman from Ohio.

Mr. GARD. I will ask the gentleman from Massachusetts whether this bill contains any protective reservation of the mineral rights in this land to the Government?

Mr. WALSH. I do not see any such reservation.

Mr. RAKER. There is a general law covering that.

Mr. WALSH. I was trying to get an assurance from the gentleman from California.

Mr. GARD. There is no such protection in the bill, and I think it should be in the bill.

Mr. RAKER. The general legislation on the statute books as to minerals is already provided for.

Mr. GARD. It is not provided for in this bill.

Mr. RAKER. It is in the general law.

Mr. WALSH. That would not apply to this legislation.

Mr. RAKER. If you take up public lands you take them up subject to the mineral-land provision.

Mr. WALSH. Now, will the gentleman state his view as to who the parties will be who will pay back this $285,000?

Mr. RAKER. In the first instance there is $104,000 to be paid back by the people on the Oregon side who have already contracted to pay it. They have paid now a part, I imagine about $60,000, already, and are continuing the payment. The rest of the $285,000 will be paid back by those who file upon the remaining Government land.

Mr. WALSH. How did these people come to enter into any such contract?

Mr. RAKER. The Oregon people?

Mr. WALSH. Yes.

Mr. RAKER. The gates would not have been closed. It would have remained a swamp. It would have remained unused

land, and every year in the spring, when the Klamath River rises, the water backs up and covers this entire country from a foot to two and a half feet deep. Therefore the land, so far as living on it is concerned, is useless.

Mr. WALSH. How did they come to enter into this contract?

Mr. RAKER. With the general understanding that this legislation would be enacted, to the end that they would all be protected.

Mr. WALSH. This legislation was pending in the last Congress and in the Congress before, if I mistake not?

Mr. RAKER. Yes.

Mr. WALSH. And this contract was entered into prior to the legislation being introduced?

Mr. RAKER. Yes.

Mr. WALSH. Are they still to go on under that contract?

Mr. RAKER. They are.

Mr. WALSH. So that if this legislation does not pass, this reimbursement will still continue just the same under the contract they have entered into?

Mr. RAKER. To the extent of $104,000 by those who have entered into the contract. The Government clearly will carry out its purpose to the end that all of this land may pay its proportionate burden according to the acreage—proportionate to the whole expense that it costs to develop it.

Mr. GALLIVAN. May I ask the gentleman from California what this land is worth an acre that these people are going to pay the Government to procure?

Mr. RAKER. They will pay the Government the proportion that the number of acres they take bears to the remaining unpaid portion of the $285,000, which would be about $145,000.

Mr. GALLIVAN. How much an acre?

Mr. RAKER. It will amount to about $5 an acre.

Mr. GALLIVAN. About $5 an acre?

Mr. RAKER. Yes.

Mr. GALLIVAN. I wanted to get that into the RECORD.

Mr. LITTLE. May I ask the gentleman a question?

Mr. RAKER. Yes.

Mr. WALSH. I yield to the gentleman.

The CHAIRMAN (Mr. TILSON). The Chair is not certain whether the gentleman from Oregon [Mr. SINNOTT] yielded the floor and the gentleman from Massachusetts took it, or whether the gentleman from Oregon yielded to the gentleman from California.

Mr. SINNOTT. I yielded to the gentleman from California.

Mr. WALSH. Oh, no, Mr. Chairman.

Mr. LITTLE. They both yielded to me for a question, anyway. The gentleman from Oregon had the floor, and I understood that he yielded to the gentleman from California.

Mr. RAKER. I yield for a question.

Mr. LITTLE. What I want to inquire is if there are any riparian rights, or accretions, or new lands formed by recession, which are interfered with here?

Mr. RAKER. Oh, no; these are public lands.

Mr. LITTLE. Somebody said there were settlers immediately adjoining these lands.

Mr. RAKER. On the Oregon side adjoining the public lands in Oregon; and the land in California is the same character of land. It was disposed of differently in Oregon and in California. There are in the neighborhood of 15,000 acres.

Mr. LITTLE. There are a lot of people living there?

Mr. RAKER. Yes.

Mr. LITTLE. Have they, by accretion or recession or formation of new lands, obtained any legal rights to the land involved herein?

Mr. RAKER. Only by virtue of this contract.

Mr. LITTLE. Anybody who owns land next to accreted land is liable to have a right in that land.

Mr. RAKER. There is no land involved in this except the public land, which is above the accretions or riparian rights.

Mr. LITTLE. I do not quite get you. This land is to be thrown open for settlement?

Mr. RAKER. Yes.

Mr. LITTLE. There are some settlers on the land adjoining it, are there not?

Mr. RAKER. But they are on the outside.

Mr. LITTLE. Of course, they are on the outside. They could not be on the inside.

Mr. RAKER. The gentleman is correct.

Mr. LITTLE. Now, have these men, by accretion or by formation of new land or by recession of the waters, acquired any rights or claims that might be interfered with by this legislation?

Mr. RAKER. No; I say they have not; if it were, they have the contract——

Mr. LITTLE. The contract has nothing to do with the accretions.

Mr. RAKER. I say if there are any the Department of the Interior have their waiver on file, and they have been compensated for it.

Mr. LITTLE. They have waived their accretions?

Mr. RAKER. They have waived their accretion and all claims. Mr. Chairman, I reserve the balance of my time.

Mr. MANN of Illinois rose.

The CHAIRMAN. Is there any member of the committee opposed to the bill? If not, the Chair will recognize the gentleman from Illinois for one hour.

Mr. MANN of Illinois. Mr. Chairman, I do not recall distinctly the facts in reference to this measure which are not easily ascertained from reading the report. If I remember correctly, I have been over the bill several times in different Congresses, or a bill along this line. I did not hear all of the explanation made by the distinguished gentleman from California [Mr. RAKER], in whose district these lands, or a part of them, are, I believe. The gentleman from Oregon says that a part of them are in Oregon and a part in California. That makes a pretty good combination between California and Oregon and a pretty good combination on the floor of the House between the gentleman from Oregon and the gentleman from California, both being distinguished gentlemen, especially familiar with public-land questions, and both desirous of protecting the rights of settlers who want to come into their States. Sometimes I fear they are more anxious to protect the rights of settlers who want to come into their States than they are of the birds who may want to pass on to some other place.

This was and is a bird reserve. It is proposed to lower the level of the water in the lakes, I believe. I do not know whether this bill does that or whether it is done by the Government in some other way—and to open to settlement the public lands which will be left when the lakes are lowered.

It is desirable always to have good public lands tilled. It is also desirable, if practicable, to give the birds some chance. I can remember easy enough—I am not so old as I hope I will be some day—but I can remember when I saw birds by the millions, I think with no exaggeration, certainly many, many thousands, of ducks at one time floating on the waters on my father's farm. There are no ducks there now and no place for the ducks to rest.

Somewhere in the passage between the North and South there must be places where these birds can have an opportunity to rest, if they are to be preserved at all.

Of course, I know they always say, as they say in this report, that this will not affect the rights of the birds. The lakes are still to be there. I would like to know how much, if any, the size of these lakes is to be reduced through the operations that are to be carried on there.

Mr. RAKER. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. RAKER. The permanent banks of the lakes will not be interfered with at all; and, in addition to that, there will be a fractional section around the permanent shores of the lake reserved.

Mr. MANN of Illinois. Let me ask the gentleman this: There is an act of the Legislature of California——

Mr. RAKER. And of Oregon also.

Mr. MANN of Illinois. Authorizing the United States Government to lower the water level of any or all of the following lakes. Was that the purpose of the act?

Mr. RAKER. Yes.

Mr. MANN of Illinois. Is it the intention of the Government of the United States to do this, or to permit anybody else to do it?

Mr. RAKER. Yes.

Mr. MANN of Illinois. Then that does lower the level of the water in the lakes and reduces the boundary lines?

Mr. RAKER. It does and it does not.

Mr. MANN of Illinois. That is too quick for me—"it does and it does not."

Mr. RAKER. Because by the rise of water in the river the entire country that is covered by this water is known as the lake, and it rises from a foot to three feet and a half. As the summer advances, through July, August, and September, the water recedes and leaves these permanent bodies of water there, and they are not affected.

Mr. MANN of Illinois. The permanent body of water that is left in September after a dry summer is not the size of the lake. There are lots of lakes throughout the country that have no water in them at times, and there are lots of rivers in California that have no water in them in September while they are good sized rivers in the spring.

Mr. RAKER. The land involved is 100,000 acres covered with water, and there is remaining 55,000 acres which is now covered with hay, but the hay could not be cut on it.

Mr. MANN of Illinois. Why? Do not they have wild rice there, or is that what they do have?

Mr. RAKER. Not yet.

Mr. MANN of Illinois. Do not they have anything on the ground that is covered with a foot or two of water in the spring of the year?

Mr. RAKER. Yes, grass, but no rice.

Mr. MANN of Illinois. Wild rice would grow in most places of that sort. It may be that they do not have wild rice in California, but it would be strange if they do not, and it would be strange if hay of any value grew there if covered with water to any extent.

Mr. RAKER. It does; of exceedingly high value. Some of it has tule in it, but there is hay there of exceedingly good quality, and there is fine pasture each year.

Mr. MANN of Illinois. What is this $283,225? Was that money that the Government of the United States expended uselessly?

Mr. RAKER. Oh, I do not think so. The Government expended the $283,000 in surveys and estimates and also in an experiment station which it had there in handling this tract of land for the purpose of opening it to settlement.

Mr. SINNOTT. The gentleman is not stating all of the purposes for which it was expended.

Mr. RAKER. Not all.

Mr. SINNOTT. Of course, it was expended in enlarging ditches and canals so that this land might hereafter be irrigated, and also in supplying certain water rights and in building another canal to supply a man with water who was taking water out of the lake.

Mr. RAKER. I am glad the gentleman from Oregon has called my attention to that. In other words, what was known as the Van Brimmer people, living on this tract——

Mr. MANN of Illinois. Oh, I do not care about that. I want to know what they spent the money for.

Mr. RAKER. They had a water right, and to settle with them so that the lake could be lowered the Government furnished them with so much money and gave them a water right coming out of the canal from another source.

Mr. MANN of Illinois. And that is what the Government of the United States did?

Mr. RAKER. Yes.

Mr. MANN of Illinois. Under what authority?

Mr. RAKER. The reclamation act.

Mr. MANN of Illinois. How much did they pay for that?

Mr. RAKER. My recollection is about $24,000.

Mr. MANN of Illinois. How was the rest of the money expended?

Mr. SINNOTT. The itemized account is on page 23 of the report.

Mr. RAKER. I was answering from recollection.

Mr. MANN of Illinois. How was it expended? I have read the report.

Mr. RAKER. For engineering, some $15,000, and they had a storage works, $437, and the main canal, of which the gentleman from Oregon speaks, building the canal north, and about 20 miles farther to the end, so that they could bring that water from the storage at another place, so that the Van Brimmer people could get their water on the land; and the Van Brimmer people waived their right to draw the water from this lake, which was a riparian right, and a prior right to the Government's right, and the lake never could have been lowered unless they did that.

Mr. MANN of Illinois. Practically all of it is to be abandoned under this bill?

Mr. RAKER. No.

Mr. MANN of Illinois. Did not the Government intend to put a reclamation project on this land?

Mr. RAKER. Where the railroad crossing is at what is known as Keno Falls, the Government intended to lower the falls, and that would have drained all of this land; and, in addition to that, they expected to develop 100,000 horsepower of energy below the Keno Falls.

Mr. MANN of Illinois. I may be mistaken, but when I read the report I did not see how these lands had been benefited by the expenditure of this very large sum of money.

Mr. RAKER. As a matter of fact, by placing these gates at the railroad crossings in the river that land can be drained; every foot of it.

Mr. MANN of Illinois. Oh, but the gates have not been placed there.

Mr. RAKER. Oh, yes; they have. They have been maintained there for the last three years.

Mr. MANN of Illinois. Out of this money?

Mr. RAKER. Supervision, and so forth; yes. That is part of the handling of it.

Mr. MANN of Illinois. Does that pay for the gates and everything?

Mr. RAKER. Oh, the gates are not very expensive. I think it paid for the gates. That is my recollection. The gates are just lift-and-drop gates, and the work was done by the railroad company—the building of the bridge and the dam where it crosses the river.

Mr. MANN of Illinois. The gentleman is quite particular in his statements, and doubtless to one who is better informed they would be very informing, but they have not meant very much to me as yet. Here it is proposed to throw certain lands open to public settlement now in a reservation. It appears that the Government has expended nearly $300,000 for some purpose, a lot of different purposes. As I understand it, it is proposed now to charge that cost, or at least a portion of it, to these lands when they are thrown open to public settlement.

Mr. RAKER. That is it; yes.

Mr. MANN of Illinois. I fail to see how the lands have been benefited by the expenditure of this money. I may be wrong, but it did look to me as though the Reclamation Service had wantonly and recklessly expended a considerable sum of money without getting any benefit from it, and that they now propose, because there is some land that might be considered available, to load that cost upon that land.

Mr. RAKER. I think the gentleman is mistaken.

Mr. MANN of Illinois. I may be mistaken, but nobody has contradicted me as yet.

Mr. RAKER. May I answer that?

Mr. MANN of Illinois. Yes.

Mr. RAKER. The Reclamation Service, I am satisfied, have done that in this instance.

Mr. MANN of Illinois. What have they done?

Mr. SINNOTT. Let the gentleman read the explanation of the Reclamation Service on page 23 of the report.

Mr. MANN of Illinois. Oh, the gentleman need not read from the report. I have read the report.

Mr. RAKER. I want to make a statement. The department put an experimental station in there some 8 or 10 years ago. They put a young man in there to do the work. The young man made a failure, and on his report the department thought it was all right. The farmers came into that country some two or three years later, and they developed not only from actual experience on the adjoining land, but on similar land in Oregon, that this is as fine productive land as there is in the State of Oregon or in the State of California.

Mr. MANN of Illinois. Well, that carries out what I said. The Reclamation Service spent $16,000 and more trying to teach some young man how to farm when he did not know anything about it and squandered $16,000 to prove what was not true, as the gentleman says, that the land could not be used for farming purposes. If that was not a reckless and wanton waste of money, I do not know any that can be.

Mr. RAKER. I hope the gentleman will not——

Mr. MANN of Illinois. Now, having done that, they want to make the fellows who can make it successful pay for it. Is not that right?

Mr. RAKER. No.

Mr. MANN of Illinois. What is it, then?

Mr. RAKER. These people who live there are willing to file on the land——

Mr. MANN of Illinois. Oh, I suppose the land is worth $50 or $100 an acre.

Mr. RAKER. It is pretty valuable land.

Mr. MANN of Illinois. Possibly worth more than that. Of course, they are willing to file on it if it is given to them.

Mr. RAKER. But the gentleman must——

Mr. MANN of Illinois. I want to know whether that is the theory under which it is proceeding.

Mr. RAKER. The gentleman must remember that in all that country there were only a few places 12 years ago, and the Reclamation Service has gone there and made veritable gardens out of adjoining lands. There is Tule Lake east of them, and they have gone to work and reclaimed the land, and some of it is as fine farming land as you ever saw in your life, in the bed of that lake, which has been reclaimed by keeping the water from running into the lake.

Mr. MANN of Illinois. Was not the Irrigation Service designed to irrigate public lands more than to drain a lake?

Mr. RAKER. That is what they have done. By turning off the river that ran into the lake and using it for irrigation they have done that. It ran into the lake and stayed there, and they have turned the river out of the lake and it has raised every year until about 10,000 acres of farm land have been reclaimed. I saw there a year and a half ago grain standing 4 or 5 feet high, as fine wheat as you ever saw in your life. On Tule Lake east of this neighborhood about 5,000 acres of fine farm land——

Mr. MANN of Illinois. What kind of fertilizer do they use?

Mr. RAKER. They do not need any.

Mr. MANN of Illinois. They do not put any potash on it? I do not ask if they needed any.

Mr. RAKER. No; it is rich enough without it.

Mr. MANN of Illinois. I doubt if you find any lake rich without putting potash on it——

Mr. RAKER. And there is the same condition south of that.

Mr. MANN of Illinois. And I doubt whether it is the case out there.

Mr. RAKER. Let me call attention to this: South of this is another place where they drained 20,000 acres of swamp land on which from 4½ to 5½ tons of timothy a year is raised.

Mr. MANN of Illinois. Very likely.

Mr. RAKER. Just by turning the water off and by irrigating to the extent necessary to cultivate it.

Mr. MANN of Illinois. Well, I am still very cloudy in my mind.

Mr. RAKER. I know the Reclamation Service did what they could to assist in the development, and by their knowledge and by their assistance of every kind, and by their constant work they have brought people in there, and finally they were able to develop the land, and if it was given the opportunity they will develop this in the same way. That assistance has given them the benefit of the railroad which would never have been built except for the Reclamation Service. You see they built a railroad there 2½ miles long——

Mr. MANN of Illinois. Who?

Mr. RAKER. The railroad company, and paid for it themselves.

Mr. MANN of Illinois. The gentleman said, "You see."

Mr. RAKER. I beg the gentleman's pardon. That railroad runs on northwest to Klamath Falls across this marsh about 2½ miles long. They have built a solid embankment that is a dam, and where the river comes in they have these gates there, just what the Reclamation Service wanted to put in, and by the spending of this money they reclaimed land for $5 and $6 an acre, whereas under ordinary conditions it would cost from $25 to $27 an acre to reclaim.

Mr. MANN of Illinois. Apparently most of the work was done by the railroad company, and most of the money was spent by the Reclamation Service.

Mr. RAKER. The railroad was built by private capital, and they could not have crossed the land without the consent of the Interior Department.

Mr. MANN of Illinois. The $300,000 is really charged for giving consent; somebody had to do some work.

Mr. RAKER. No, sir.

Mr. MANN of Illinois. I am waiting if somebody can explain how this $300,000 expended by the Reclamation Service has been any benefit to this land against which it is proposed now to make a charge for the expenditure.

Mr. RAKER. Well, the only thing I can say is that without this work and without this labor this land would be unused, there would be no gates put in there, there would be no entrymen there, there would be no handling of it at all, and it would be a water waste to-day. To-day if these people expend about $5 an acre they will get title to this land, and it is to be reclaimed.

Mr. MANN of Illinois. That would be the case if this other money had not been spent, would it not?

Mr. RAKER. I do not see how it could have been. The gentleman must remember this. In all of these projects, where there is an expenditure, they try to apportion it so as to make the man who is benefited bear his proportionate part of the general expense.

Now, these Oregon people who own their land and that receive title from the State of Oregon, some 15,000 acres, realized the benefit of it, and came in and entered into a contract with the Reclamation Service to pay back $104,000 that the Reclamation Service had expended in the examination, which is specified in the report.

Mr. MANN of Illinois. This land was reserved at the time these expenditures were made?

Mr. RAKER. It was, for reclamation purposes and not for a bird reserve. The bird reserve was only an afterclap to this service.

Mr. MANN of Illinois. When was the bird reserve made? When was this nearly $300,000 expended?

Mr. RAKER. It has been running along for some 12 years. The greater part of it was spent about 8 years ago on the buying of the Adams Canal and the other ditches specified there, the lower Klamath and lake pumping plant. The Adams Canal is a canal that is 30 miles from there, that takes the water east, but it drains the whole valley from Merrill to Klamath Falls, Oreg., and irrigates the land in there to the extent of nearly 150,000 acres.

Mr. MANN of Illinois. Well, I have no doubt it is my own fault in not following the gentleman from California. I think at one time years ago I had this pretty clearly in my head, but it has not been recalled to me yet by anything I have heard. I dare say, after all the discussion on this subject this afternoon—and there has been considerable—that outside of the gentleman from California [Mr. RAKER] and the gentleman from Oregon [Mr. SINNOTT] and possibly one or two other members of the Committee on Public Lands no one here who has heard the discussion has the slightest conception of what is to be done or what has been done.

Mr. RAKER. Let me state this to the gentleman in response to that that on pages 22 and 23 of the report is an itemized account from the Reclamation Service and the reason they expended that money.

Mr. MANN of Illinois. I read that long ago, but that gives no information.

Mr. RAKER. It would have taken 20 pages to have made it in detail.

Mr. MANN of Illinois. It would have taken about two pages to really state the case, and it has not been done.

Mr. SMITH of Idaho. Has the gentleman from Illinois read the opinion of the Assistant Secretary of the Interior?

Mr. MANN of Illinois. I have read all this report. I will not undertake to say that I remember all that is in it, because I do not. I know they reported favorably upon this bill. But while I have a great deal of respect for the opinion of the Interior Department and a great deal of respect for the gentleman from California [Mr. RAKER], I would hate to be the Assistant Secretary of the Interior and have the gentleman from California want me to report one way and decide I was going to report the other way, because he never would let up.

Mr. RAKER. May I call the gentleman's attention to this? He asked me a question just a moment ago that I could not answer. The bird reserve was created by Executive order of September 8, 1908, and was amended by Executive order on May 15, 1915.

Mr. MANN of Illinois. I thought it was quite awhile ago.

Mr. RAKER. It was; and it was made for the purpose of avoiding any question of the disposition of the land.

Mr. MANN of Illinois. The gentleman may be right about that. There was a good deal of agitation about that time in the country in favor of preserving the birds. I believe a very distinguished man by the name of Roosevelt was President at that time.

Mr. RAKER. I am for the protecting of birds.

Mr. MANN of Illinois. He was for bird reserves. He created more bird reserves than anybody else. I do not know that anybody has ever created any except what he created. He created a great many, and he never missed a chance, and he did a great deal of good that way. Now that he is not here we propose to repeal those reservations.

Mr. RAKER. I am for the bird reserve.

Mr. MANN of Illinois. I know.

Mr. RAKER. Just a moment. We have had this up with every department and have gone into it fully, and a personal examination of this land will show that putting this land into farms will do more to protect that bird reserve than anything else that can be done, unless you put 40 or 50 men in there to guard it, because it is a nest of skunks and coyotes and other animals that destroy the birds that come around the edge of the water, because there is this grass that they can conceal themselves in without detection.

Mr. MANN of Illinois. I have often heard gentlemen say before that the way to preserve wild animals was to cultivate the soil, so that they could not kill each other off. You will have to find somebody that knows more about nature than I do—and I do not know much—to make me believe any such stuff as that.

Mr. RAKER. Now, the gentleman will laugh at this: The birds that do stay there in the summer, or a great many of them, the ducks, go out on the mountain ridges, lay their eggs, and hatch their young, and do not hatch them around this body of water.

Mr. MANN of Illinois. I believe that it is a common thing for water birds to go some distance from water and lay their

eggs and hatch their young. That shows that these coyotes that the gentleman says are concealed in the grass could not get them.

Mr. RAKER. Yes.

Mr. MANN of Illinois. You were just saying how dangerous it was, and said that they and the skunks were down there, and you were going to do away with them.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to determine and make public announcement of what lands in and around Little or Lower Klamath Lake, in Siskiyou County, Calif., and in Klamath County, Oreg., ceded to the United States by the State of California by the act entitled "An act authorizing the United States Government to lower the water levels of any or all of the following lakes: Lower or Little Klamath Lake, Tule or Rhett Lake, Goose Lake, and Clear Lake, situated in Siskiyou and Modoc Counties, and to use any part or all of the beds of said lakes for the storage of water in connection with the irrigation and reclamation operations conducted by the Reclamation Service of the United States; also ceding to the United States all right, title, interest, or claim of the State of California to any lands uncovered by the lowering of the water levels of any or all of said lakes not already disposed of by the State," and ceded to the United States by the State of Oregon by an act entitled "An act to authorize the utilization of Upper Klamath Lake, Lower or Little Klamath Lake, and Tule or Rhett Lake, situate in Klamath County, Oreg., and Goose Lake, situate in Lake County, Oreg., in connection with the irrigation and reclamation operations of the Reclamation Service of the United States, and to cede to the United States all the right, title, interest, and claim of the State of Oregon to any and all lands recovered by the lowering of the water levels or by the drainage of any or all of said lakes," will eventually be uncovered and opened to agricultural development by the lowering of the water level of said lake. Title to all said lands can be acquired by homestead entry under the general homestead laws and the provisions of this act and not otherwise: *Provided*, That all said lands shall forever be and remain subject to the right of the United States (a) to overflow the same or any part thereof for the purposes of irrigation by such systems of reservoirs and drainage and diking as now actually exist or may be hereafter constructed in Siskiyou County, Calif., and Klamath County, Oreg., and (b) to drain the water therefrom. All patents issued for the said lands shall expressly reserve to the United States such right of overflow and drainage.

Mr. BANKHEAD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 3, line 8, after the word "drainage," add a comma and "the title and ownership of all minerals and mineral interests in such lands, including oil, are expressly reserved to the United States."

Mr. BANKHEAD. Mr. Chairman and gentlemen, I do not care to take up very much of the time of the committee on this amendment. The declared purpose of the restoration of this land to public entry is based entirely upon its agricultural possibilities. I do not know how many acres of land are included in this area covered by the description in section 1 of this bill, but evidently it is a considerable area of land.

Mr. BLANTON. Thirty-four thousand acres.

Mr. BANKHEAD. I am informed by the gentleman from Texas that it embraces about 34,000 acres. Under the terms of the cession of these lands by the State of Oregon and the State of California, respectively, among the rights, titles, and interest of those States are necessarily included the mineral rights and interests, which were ceded to the Government of the United States. I do not know that in the grants any mineral interests or any mineral rights of this land are included, but I think the time has come when Congress should be careful about granting title without making reservation of the mineral interests on the public domain. The House recently passed a bill of considerable importance providing methods of leasing mineral interests owned by the Government, in order that we might derive some revenue from them. I do not assume that the members of the committee will interpose any objection to this amendment. It is not in contravention of the declared purpose of this reservation, and it seems to me we should, in this section, express a reservation of the Government's title to the mineral interests in these lands.

Mr. MANN of Illinois. Mr. Chairman, I am not opposed to the amendment, if anybody desires to oppose it.

Mr. BANKHEAD. I ask for a vote on the amendment.

Mr. MANN of Illinois. I have the floor.

Mr. BANKHEAD. When the gentleman has concluded I will make that request.

Mr. MANN of Illinois. Mr. Chairman, this bill provides for the disposition of certain public lands, with the reservation that the Government may have the right to overflow them at any time hereafter in connection with irrigation projects.

Now, to anyone who is practical in his mind, it is perfectly well known that when the Government gives some one the right to go on this land and construct a home on it, and the Government should thereafter decide to overflow the land, the Government must pay the expense. I do not know whether this bill is intended to convey the idea that this risk shall be run by the man who acquires title to the land or not. I would like to ask my distinguished friend from Oregon [Mr. SINNOTT] or my distinguished friend from California [Mr. RAKER] whether, if this reservation is put in the deed or patent issued by the Government and the Government exercises its right, it does it without expense?

Mr. RAKER. I would like to hear the gentleman from Oregon first, Mr. Chairman.

Mr. SINNOTT. I think this provision was put into the bill to make it in harmony with the contract that the Government has with the Marsh Land Owners' District. Some 20,000 acres are privately owned by the Marsh Land Owners' District, the parties who put up $23,500 for the right of getting these gates closed to keep the water from the land, and in that contract there is a provision to the effect that—

2. It is understood and agreed that should the reclamation of said district lands in the manner herein contemplated prove impracticable or be not accomplished in reasonable compliance with the provisions hereof or interfere with the proper reclamation or use of public lands and it should be deemed by the United States necessary or desirable for the purpose of reclaiming or best utilizing the public lands within said marsh or swamp land area, as contemplated by the Oregon act of January 20, 1905 (General Laws of Oregon, 1905, p. 63), and the California act of February 3, 1903 (California Statutes, 1905, p. 4), to flood or overflow the same and to that end to open or regulate the gates in said Klamath Strait, the district will release, and hereby does release, and waive any and all claims for damages against the United States resulting, or that may be claimed to have resulted, to district lands by reason of their being returned on account of the opening of said gates to their normal condition as of the date hereof, or otherwise, it being the intention that the district shall protect and save harmless the United States against claims of any kind which may arise from owners of or claimants to district lands on account of the execution of this agreement.

They reserve that right as against the Marsh Land Owners' Association.

Mr. MANN of Illinois. Apparently they reserve the right to do these things without cost to the Government of the United States.

Mr. SINNOTT. Yes.

Mr. MANN of Illinois. Sometimes the right to do a thing means without cost, but here it is perfectly patent that if this land is occupied and made into homes and then it is overflowed, somebody will be damaged to a very considerable extent. Now, the right to overflow does not mean necessarily that it is the right to overflow without liability for the damage done, and I doubt whether that would exist. The Government of the United States has the right to go and seize property anywhere for certain purposes, but it can not do it without paying for it. It will be very interesting to know what the construction is which is put upon this language by the author of the bill, the reporter of the bill, the only one in the House interested in the bill, if the Government overflows or drains these lands hereafter and those to whom the Government has issued patents are injured thereby. Does that make the Government responsible for the injury?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GARD. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection?

Mr. MANN of Illinois. I do not care to proceed further.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama [Mr. BANKHEAD].

Mr. JONES of Texas. Mr. Chairman, I ask unanimous consent that the amendment may again be reported.

The CHAIRMAN. Without objection, the amendment will again be reported.

The amendment was again read.

Mr. RAKER. Mr. Chairman, I do not see any objection to this amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BANKHEAD. Mr. Chairman, I desire to call attention to the fact that the word "lands," in line 22 of page 2, is incorrectly spelled.

The CHAIRMAN. Without objection, the spelling will be corrected.

There was no objection.

Mr. WATSON of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. WATSON of Pennsylvania. A great many questions have been asked regarding the lakes, with very clear answers. I

would like to ask the gentleman from California [Mr. RAKER], the author of the bill, if these lakes are connected; do the waters flow one to the other; are there a succession of lakes? Down to where these lakes begin, the lower Klamath Lake, I suppose it is about 25 miles, is it not?

Mr. SINNOTT. I think so; but there is only one lake covered by this bill. The other lakes referred to on page 2 are not covered by the bill.

Mr. RAKER. I get the gentleman's question now. There is only one lake covered by this particular bill. Then there is another lake 35 miles farther east, known as Tule Lake or Rhett Lake. Forty miles farther is Clear Lake, and 40 miles farther, between Oregon and California, is another lake, known as Goose Lake, about 60 miles long and 25 miles wide, but that has nothing to do with this legislation.

Mr. WATSON of Pennsylvania. The gentleman spoke about building a conduit to draw the water from the lakes and said that probably there would be sufficient water to operate a large water-power plant. Is that the idea?

Mr. RAKER. That was the original idea.

Mr. WATSON of Pennsylvania. Is that the water from this particular lake?

Mr. RAKER. No; not from this particular lake at all, but from the Klamath Lake; that is, going down the Klamath River and over the Keno Falls a large water-power development could be had. That has nothing to do with this lake at all.

Mr. WATSON of Pennsylvania. Why are there so many lakes mentioned in the bill when it refers only to one lake?

Mr. RAKER. Because that is the title of the act of the Legislature of California, and the title of the act of the Legislature of Oregon, and the title of the act of Congress enacting this legislation originally.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 4. That in addition to all payments required by the general homestead laws there shall be paid by homestead entrymen the amount per acre assessed as provided in section 2 of this act. Said payment shall be made in annual installments of $1 per acre except the last installment, which may be a fraction of a dollar: *Provided*, That the whole or any part of the amount so assessed may be paid by the entryman in a shorter period if he so elects. The first installment shall be paid at the time homestead application is filed and subsequent installments shall be due and payable on December 1 of each calendar year thereafter until the entire sum so assessed and apportioned against the lands is paid, and patent shall not issue for any of said lands until the sum so appropriated against said lands shall have been fully paid. Failure to pay any installment when due shall render the entry subject to cancellation, with a forfeiture of all moneys paid. All assessments shall draw interest at the rate of 8 per cent per annum from their due date until paid. All moneys paid on account of such assessments shall, without diminution of any kind whatsoever, be covered into the reclamation fund.

With the following committee amendment:

On page 4, line 22, strike out "eight" and insert "six."

The committee amendment was agreed to.

Mr. RAKER. Mr. Chairman, I offer an amendment to correct the misspelling of a word. On page 4, line 18, the word "appropriated" should be "apportioned."

The CHAIRMAN. The gentleman from California offers an amendment which the Clerk will report.

The Clerk read the amendment, as follows:

Amendment offered by Mr. RAKER: Page 4, line 18, strike out the word "appropriated" and insert in lieu thereof the word "apportioned."

The amendment was agreed to.

Mr. BANKHEAD. Mr. Chairman, there is another matter of misspelling of a word. The word "diminution," in line 24 is incorrectly spelled. It should be corrected.

The CHAIRMAN. Without objection, the Clerk will correct the spelling of the word indicated by the gentleman from Alabama.

There was no objection.

Mr. MORGAN. Mr. Chairman, I move to strike out the last word. I desire to ask the author of the bill a question in regard to the rate of interest. In lines 21, 22, and 23 it is provided that—

All assessments shall draw interest at the rate of 6 per cent per annum from their due date until paid.

As I understand it, this provides only for interest on the purchase money after the purchase money is due. That is, if a man purchases a piece of land and there is a payment due the first year, the second year, the third year, and so forth, if he pays the money when the payments are due, he pays no interest at all.

Mr. RAKER. That is the purpose of it, that interest shall be paid only on deferred payments. The way it is now the Government is getting nothing, but as soon as these men file, and the payments are made at certain times, the Government will have its money all returned that it has expended.

Mr. MORGAN. How long will these payments run?

Mr. RAKER. About three years, according to the bill.

Mr. MORGAN. Does not the gentleman think that the Government ought to charge interest on these deferred payments?

Mr. RAKER. No; the Government is getting nothing now, but by opening up this land for settlement the Government gets back the whole $285,000, and interest from the time the payments become due.

Mr. MORGAN. But the settlers get these lands by paying these little assessments. The gentleman has stated that the lands are worth from $25 to $100 an acre, some of the best lands in California, and these men are to get them under the homestead law and pay nothing only this little assessment.

Mr. RAKER. It is the same way in the Reclamation Service. You do not pay interest on the money that has been expended, but only on the deferred payments after they become due.

Mr. MORGAN. That is true. But does the gentleman think that the same principle should apply here that applies in the Reclamation Service?

Mr. RAKER. Surely. You should not make any distinction here. These people are doing a gracious thing by paying back the money, and if you apply the same rule of law here that you apply to the Reclamation Service, where we have spent $100,000,000, you are treating them all alike.

Mr. MORGAN. But they do not pay the full value of these lands.

Mr. RAKER. Of course not. None of them do. In the Reclamation Service they pay only for the water.

Mr. MORGAN. You pay what it costs to reclaim the land, and if you pay what it costs to put the water on the land you pay what it is worth.

Mr. RAKER. You simply pay for the water.

Mr. MORGAN. And that amounts to $50 or $75 or $100 an acre.

Mr. SINNOTT. The gentleman should remember that originally these were not lands of the United States, but they were ceded to the General Government by the State of Oregon and the State of California for reclamation purposes under the act which required their disposal.

Mr. MORGAN. Well, these States get no part of this payment for these lands.

Mr. RAKER. No; the States get nothing for the land under this bill, but the Government will be reimbursed to the amount of $179,327, and the balance of the $283,225 comes from this Oregon drainage district.

Mr. MORGAN. Is it not a fact that the Government in the disposition of Indian lands makes the settlers pay interest on the deferred payments from the date of the purchase? Is not that the general rule in the disposition of Indian lands under the homestead entry?

Mr. SINNOTT. I do not remember the particular rule.

Mr. MORGAN. It seems to me the settlers get these valuable lands under the homestead law by making small payments.

Mr. SINNOTT. The gentleman from Oklahoma must remember that these settlers are the soldiers to whom he paid such an eloquent and glowing tribute a short time ago.

Mr. MORGAN. If I was doing it I would strike out the deferred payments and give it to the soldiers without any assessment at all. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 5. That those who served with the military or naval forces of the United States during the war between the United States and Germany and her allies and have been honorably separated or discharged therefrom or placed in the Regular Army Reserve shall have preference and prior right to file upon and enter said lands under the homestead laws and the provisions of this act for a period of six months following the time said lands are opened to entry. That in opening said lands for homestead entry the Secretary of the Interior shall provide for the disposition thereof to the said soldiers, sailors, and marines, by drawing, under general rules and regulations to be promulgated by him.

Mr. WALSH. Mr. Chairman, I move to insert in line 5, after the word "Army," the words "or Naval."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 5, after the word "Army," insert the words "or Naval."

Mr. WALSH. Mr. Chairman, I desire to ask the chairman of the Public Lands Committee if it is not desirable to make this provision similar to the one which was contained in the measure we passed a little while ago.

Mr. SINNOTT. I agree with the gentleman that it should be made to conform with the other amendment.

Mr. WALSH. I understand that this gives these persons who served in the military or naval forces a preference and

prior right to file. Does not the gentleman think that this preference should be conditioned upon not having refused to render service or wear the uniform of the United States, the same as we had in the other bill which was passed some time ago? We put in a provision in that bill that the rights and benefits conferred by the act should not extend to any person who, having been drafted for military service under the provisions of the selective-service act, refused to render military service or wear the uniform of a soldier of the United States.

Mr. SINNOTT. I see no objection to that and I think it ought to be in.

Mr. WALSH. Then I will offer an amendment later to that effect.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. WHITE of Kansas. Mr. Chairman, I desire to offer an amendment. I move to amend by striking out, in line 7, the word "months" and inserting the word "years."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 7, strike out the word "months" and insert in lieu thereof the word "years."

Mr. WHITE of Kansas. Mr. Chairman, through some inadvertence, possibly through neglect of my legislative duties, I did not attend the sitting of the committee at the time this bill was reported. With as careful examination as I have been able to give it in the few minutes I have been here, I think it would be wise, basing my conclusion upon the information furnished by the gentleman from California, to make this bill a miniature of what is proposed to be done in the Lane-Mondell bill. I gather from the information furnished by the gentleman from California that the curse that fell upon the land when our first parents were driven from the Garden of Eden did not fall upon this particular tract of land.

Mr. BLANTON. Will the gentleman yield?

Mr. WHITE of Kansas. I have such a short time——

Mr. BLANTON. I did not understand what the gentleman said exactly. Did he say the lame Mondell bill?

Mr. WHITE of Kansas. The gentleman from Texas understood me. I do not wish to be interrupted by frivolous questions. The fact is, gentlemen of this committee, when the Lane-Mondell bill was reported it seems to have made little progress, despite the fact that nine gentlemen on the minority side and eight on the majority reported the bill favorably.

Taking the statement of the gentleman from California [Mr. RAKER], who seems to be thoroughly familiar with the circumstances, a gentleman associated with me upon the Public Lands Committee, that we should—and I speak seriously—make this a miniature, if we can, of the Lane-Mondell bill.

There is not enough land involved here to do any harm. The country would suffer no inconvenience, agriculture would not be disturbed in any way if this land should not come under settlement as rapidly as might be if it was open for six months and the ex-soldiers did not care to file on this land.

Now, I would like to ask the gentleman from California if the jurisdiction which is extended in this section to the Secretary of the Interior, as suggested in the last paragraph, in offering the land for homestead entry would carry the power to designate the amount of land into which each tract would be subdivided for the purpose of homesteading. Can the gentleman make that statement?

Mr. RAKER. My view is that it would be 160 acres under the homestead law by paying the assessment that goes to the reclamation fund.

Mr. WHITE of Kansas. I thank the gentleman for the information. The description given by the gentleman is in such glowing terms, that 10,000 tons of hay went to waste, would seem to give the negative suggestion made by the gentleman from Massachusetts a few days ago in discussing some of this western country. I was led to believe that if the King of Babylon when he was serving out his sentence, when he was driven from the kingdom, did eat grass and had depended on the pasturage of Wyoming or some of these Western States he would have perished for the want of grass before he had completed his sentence. [Laughter.] It seems that it does not apply in this case. Speaking seriously, I believe this amendment should be adopted.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WHITE of Kansas. Mr. Chairman, I ask unanimous consent to proceed for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARD. Let the gentleman take five minutes.

Mr. WHITE of Kansas. I shall not take more than one to complete the statement. The small amount of land in this tract, the wonderful opportunity here presented, the fact that this land will be under the disposition of the Secretary of the Interior, all this will afford that department of our Government a chance to demonstrate in this instance, where no grant of land is involved, the desirability of such legislation by giving six years in which the soldiers may have an opportunity in which to file and avail themselves of the opportunity presented in the measure. I want to say to you in the time that has been so kindly granted to me that there is a question in my mind, speaking from a general standpoint, whether the soldiers of this country in large number care to enter the occupation of agriculture at this time. It is a question in my mind whether the soldier's settlement bill proposed in the Lane-Mondell bill, or even in the Morgan bill—and I favor the Morgan bill from start to finish and so declare it here—will be attracted in large numbers from the congested population of our cities into the profession of agriculture.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. WHITE of Kansas. Mr. Chairman, I ask for a vote on the amendment.

Mr. RAKER. Mr. Chairman, I rise in opposition to the amendment. The gentleman from Kansas has made a very clear statement, but it does not apply to the matter in hand. As an illustration, let us say this is provided for six years——

Mr. WHITE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. WHITE of Kansas. I would like to ask the gentleman this question. He is familiar with the circumstances and with the provisions of the bill. He knows the physical conditions that exist, and he has given a clear exposition of the matter in our hearing. Does the gentleman from California not believe that this land will be quickly taken by the soldiers?

Mr. RAKER. It will be taken.

Mr. WHITE of Kansas. And that it should be exclusively for them?

Mr. RAKER. Yes.

Mr. WHITE of Kansas. Then, what objection can he have to my amendment?

Mr. RAKER. That is the reason I am going to explain.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. MORGAN. Just prior to the consideration of this bill we took up and passed a joint resolution in which it was provided that two months would be granted in which to make entry. I endeavored to have that amended to make it six months.

Mr. RAKER. Just put the question and I will endeavor to answer it.

Mr. MORGAN. I will try not to take up too much of the gentleman's time, and if I do I will get his time extended. In the gentleman's bill——

Mr. RAKER. This is the committee's bill.

Mr. MORGAN. He provides for six months in which the soldiers may make entry, and if I remember correctly, when I proposed my amendment to the other bill he opposed my amendment.

Mr. RAKER. The gentleman did not hear me say anything about it.

Mr. MORGAN. Is there not some inconsistency——

Mr. RAKER. The gentleman did not hear me say anything about his amendment.

Mr. MORGAN. Perhaps I am mistaken, but is it not inconsistent to pass one bill giving——

Mr. RAKER. Oh, do not take up my time. Ask the question.

Mr. MORGAN. Is it not inconsistent to pass one bill giving two months preference and immediately afterwards report a bill and pass it giving six months. Is not that an inconsistency?

Mr. RAKER. To provide for six months after the land is thrown open will give the soldiers, those provided for in the bill, an opportunity to file their applications. The land will be disposed of at the first drawing. As an illustration, 40 miles from this, over on the west side, there were about 5,000 acres of land opened two years ago under the drawing plan. There was no rush, no crush; there was nothing of people spending their money foolishly. The land was declared to be open, and they could proceed to make their filings. They sent their applications in, and those who succeeded in getting the land were authorized to make their filings, and the land was all disposed of at the first drawing, and everyone was satisfied.

In six months this will be disposed of, but under the gentleman's amendment it would continue it along for six years. They would have to wait six years before the Secretary of the

Interior could dispose of the land at all. It would delay the matter for six years. We say to give them six months. The Secretary can dispose of all of it. Every bit of it will be taken. There are enough men now ready and willing and anxious throughout this country, multiplied by twenty thousand, to take this land and ten times more, who were soldiers, and who want to take land, but do not hold this off for six months for opening.

Mr. WHITE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. WHITE of Kansas. Does the gentleman carry the idea that it would affect the disposal of the lands in the least?

Mr. RAKER. Yes; for that period.

Mr. WHITE of Kansas. Will not the applications be made at once?

Mr. RAKER. For a period of six months, following the time the lands are open for entry. The Secretary of the Interior in six months can by advertising and by the drawing plan have every acre of that land with a man on it, and there will be no vacant land, and they will all be soldiers. I hope the gentleman will not insist upon his amendment.

Mr. EMERSON. Mr. Chairman, I move to strike out the last word of the amendment. I am very much interested in the amendment suggested by the gentleman from Kansas [Mr. WHITE]. I can not understand this section myself. It says that these soldiers, sailors, and marines shall have a period of six months only after the passage of this act and the opening of the land for settlement. They will not know anything about it in six months' time. It seems to me that while perhaps six years is too long a period, it ought to be longer than six months. Six months looks to me a good deal of a camouflage, and I think we ought to do something for these soldiers that we have talked about.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. EMERSON. Yes.

Mr. RAKER. Although this bill is general, and it should be, does the gentleman not know that there are enough men within 20 miles of this land who were in the service, who are back home, who are ready to file on this land if they get a chance?

Mr. EMERSON. Would these men have the opportunity to go in there in six months' time to take up this land?

Mr. RAKER. Yes; six months after the land is opened to make their applications to take the land.

Mr. EMERSON. I want to understand the gentleman. Do they know about this opportunity?

Mr. RAKER. I will say maybe within a 50-mile radius of this land there are enough soldiers——

Mr. EMERSON. That does not answer the question. Will they know about it?

Mr. RAKER. They know about it now. They know this bill is pending, are anxiously awaiting its passage and approval, and will get on the land the first moment they are given the opportunity. Give them a chance.

Mr. EMERSON. If the gentleman says they know it now, I do not wish to argue it further.

Mr. GARD. Will the gentleman yield before he takes his seat? Is it the proper purpose of this bill, in the gentleman's mind, that this service shall be extended only to soldiers within a radius of 20 or 50 miles of this land, or should it be general?

Mr. EMERSON. I think it should be general. At the same time, I am not particular. I am in favor of doing something for the soldiers, sailors, and marines. We have done nothing so far. We have not done a thing, and I think we ought to do something.

Mr. RAKER. Then let us vote for this bill and dispose of it. There are enough of them now within a short radius who know about it to take up this land.

Mr. EMERSON. If there are enough there now to take up the land, I will withdraw any objection I have.

Mr. MANN of Illinois. Mr. Chairman, I hope we will not adopt the policy of saying that no one shall go upon the public lands except those who were drafted in the recent war. In the first place, I would not cut out all men who were under the proper age, either too young or too old. The soldiers are not mendicants. To hear some talk around the Halls of this House one would think that the soldier boys who went into the war—those who went across the water and those who did not—who have been discharged from service are now on their uppers, dependent upon charity for a living. That is not the case. They are just as able to take care of themselves as anybody in the country, quite competent to look after their interest individually. What a great many men of this House fear is that they are too competent to look after their interests collectively, and that because they may organize, therefore, men here must bow abjectly to what they think is to the interest of the soldiers, though the soldiers may not want it, without regard to the interest of the rest of the people. There are a great many other people in the United States besides the four millions who went into the war. There is no reason why all the rest of the people of the country who were not subject to draft should be prevented from having an opportunity to gain a homestead right, and I hope that we will not get so far gone or stricken with terror by some imaginary dragon that may threaten us that we will forget all the people of the United States except those who may be particularly our wards in one sense—the soldiers. I feel quite willing to give the men who went into the Army some preference. We passed a bill awhile ago to give them a preference of two months in making application for homesteads. That is a considerable preference. All of these preferences are to the interest not of the soldiers generally throughout the country, but the soldiers locally in the district where the land is open. Now we have a bill to give them six months' preference, and I must confess it is rather difficult for me to understand how the same committee reports a bill, general in its character, to give two months' preference and then a special bill, introduced by one member of the committee, to give six months' preference.

Mr. TIMBERLAKE. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. TIMBERLAKE. Does not the gentleman from Illinois believe that there is quite a difference between the provisions of the joint resolution passed this morning and this bill, the former providing 60 days' preferential right of entry to homesteads, whereas this provides six months in which selection must be by drawing by lot?

Mr. MANN of Illinois. Oh, it is to enter under the homestead laws just the same as the other, and the other may be by lot. There is no difference between the two provisions.

Mr. SINNOTT. Under section 4 of this bill the applicant has to make payment down of a dollar an acre.

Mr. MANN of Illinois. Very likely there is a difference, but that is not substantial at all. The amendment that is now pending is to make it six years. Now, it will amount to nothing as far as this bill is concerned, I take it, and probably will not amount to anything as far as any land is concerned that is worth anything, and it is not to the interest, in my judgment, to advertise to any man that he has a preference to do something which is a damage for him to do, and there will be some of these public lands that are not an asset but a liability if the man gets it. There is no reason for extending the time, and there is no reason why everybody here should be carried off his feet in the way of legislation and act as though the only people we had to look after at all in the country were the men who went into the Army, and we have to look after them as though they were charity seekers and had to be taken care of out of the Public Treasury. If there is any class of people in the country who are able to work their own way along by their own efforts, it is the young men of the country who went into the war and who, in addition to their natural ability, acquired the learning that enables them to take care of themselves. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment is withdrawn.

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The question was taken and the amendment was rejected.

Mr. WALSH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 12, strike out the period and insert a colon and add the following: "*Provided*, That the rights and benefits conferred by this act shall not extend to any person who, having been drafted for military service under the provisions of the selective-service act, shall have refused to render military service or to wear the uniform of a soldier of the United States."

Mr. WALSH. Mr. Chairman, that is identical with the proviso contained in the joint resolution which we passed sometime ago.

Mr. SINNOTT. Mr. Chairman, I hope the amendment will be adopted.

The question was taken, and the amendment was agreed to.

Mr. MORGAN. Mr. Chairman, I move to strike out the last word. I desire to ask the author of the bill, the gentleman from California [Mr. RAKER] in regard to the first line in section 5, page 5. Now, in the bill we passed this morning it says "any officer, soldier, sailor, or marine" shall have certain rights of entry. In section 5 of this bill it starts out and says:

That those who served with the military or naval forces of the United States.

Mr. RAKER. I will answer the gentleman's question.

Mr. MORGAN. Wait until I ask the question, my dear friend. My question is this: Do those words, "those who served," and so forth, mean the same as "officers, soldiers, sailors, marines," and so forth?

Mr. RAKER. That means everybody in the service of the United States during the war.

Mr. MORGAN. Does it include the nurses that were in service in the Army and Navy?

Mr. RAKER. All of them that were in the service in the war.

Mr. MORGAN. So this language was intended to include nurses, for instance?

Mr. RAKER. I asked the same question of Mr. MONDELL when he appeared before the committee—and this provision is the same as in the Mondell-Lane bill—and Mr. MONDELL said, "Yes; I believe it does include nurses."

Mr. MORGAN. It includes nurses?

Mr. RAKER. Yes.

Mr. MORGAN. Does it include field clerks, so called?

Mr. RAKER. All that were enrolled in this service.

Mr. MORGAN. It says all who served with the Army and Navy. Does it include Y. M. C. A. workers?

Mr. RAKER. It includes all who were enrolled.

Mr. MORGAN. This does not say "enrolled."

Mr. RAKER. This language was intended to apply to all those who served in any capacity in the Army.

Mr. MORGAN. It says "who served with," but does not say "who served in" the Army or Navy. It says those who served with the military service. So that it includes Y. M. C. A. workers——

Mr. RAKER. I do not think so.

Mr. MORGAN. And Knights of Columbus.

Mr. RAKER. I do not think it does. They were not in the Army.

Mr. MORGAN. They served with the Army and Navy.

Mr. RAKER. I do not think so.

Mr. MORGAN. It does not say enrolled. I think the gentleman ought to amend this language so as to make it specific and certain.

Mr. RAKER. Everybody so concedes it.

Mr. MORGAN. Well, I am somebody, and I do not concede it.

Mr. RAKER. I beg the gentleman's pardon.

Mr. MORGAN. And I do not think the gentleman is justified in saying everybody would. The gentleman does not know how this would be construed. We ought to be definite and certain in our language so far as we can. I asked a very distinguished gentleman of this House what that meant, and he said it would only include soldiers, sailors, and marines, because it said down there further that they should be honorably discharged or separated from the service. A very distinguished gentleman of this House puts that construction on it.

Mr. WALSH. Will the gentleman from Oklahoma yield?

Mr. MORGAN. Yes.

Mr. WALSH. Does not the gentleman think that in line 1 the word "in" should be substituted for the word "with"?

Mr. MORGAN. Would not that exclude nurses? Now, the gentleman intends to include nurses.

Mr. WALSH. It does not exclude them.

Mr. MORGAN. Why not?

Mr. MANN of Illinois. Nurses are a part of the Army.

Mr. WALSH. They are enrolled and discharged the same as a soldier.

Mr. MORGAN. Mr. Chairman, my object was to get before the committee just what was meant by this language. I do not know that I have any objection to the broad construction put upon it by the gentleman from California [Mr. RAKER]. I will not offer any amendment, but I wanted to get into our minds just what we were intending by this.

Mr. GARD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The gentleman from Ohio [Mr. GARD] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: On page 5, line 1, strike out the word "with" and insert the word "in."

Mr. GARD. Mr. Chairman, I do this because the House just passed House joint resolution No. 20 a few moments ago, in which the language then given legislative approval was providing the privilege of entering on land to officers, soldiers, sailors, and marines who served in the Army or Navy of the United States during the war with Germany. So it seemed to me that, in order to prevent any possible confusion of language as to whether some outsiders attached to the organization would be included in this, it would be best to make it positive and limit it to those who served in the Army and Navy and certain other forces.

Mr. WALSH. Will the gentleman yield?

Mr. GARD. Most assuredly.

Mr. WALSH. I would like to ask the gentleman from Ohio, who watches legislation very carefully and critically, what is the reason for the language "during the war between the United States and Germany and her allies"? We were not at war with any of the allies of Germany——

Mr. GARD. With Austria.

Mr. WALSH (continuing). Except one. Does not he think if we strike out "and her allies" that the legislation would be sufficiently comprehensive?

Mr. GARD. I think so. I think it would be sufficiently comprehensive to leave out the word "allies."

Mr. MANN of Illinois. Would the gentleman permit me to interject a question there? If the House passes two bills on the same day on the same subject, from the same committee, and in one place refers to it as "the war with Germany" and in the other as "war with Germany and her allies," would not a person construing the statute assume there was some reason for making the distinction?

Mr. GARD. Yes; the reason would be the more comprehensive mind of the gentleman from California [Mr. RAKER].

Mr. MANN of Illinois. No. Both bills were prepared by the Department of the Interior, probably by the same clerk, with the usual carelessness of clerks up there in preparing bills, and that carelessness ought to be corrected when it comes to a body like this, that is careful. We are always careful here.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. GARD. Mr. Chairman, in order to make the bill correspond the best we can with the joint resolution that was passed this morning, it seems to me, if it has not already been done, that the language "six months," on line 7 of page 5, should be stricken out, and the words "60 days" inserted instead.

Mr. SINNOTT. That has been inserted already.

Mr. GARD. I was under the impression that it had not been.

Mr. SINNOTT. No; I was mistaken in that.

Mr. GARD. Strike out the words "six months" and insert the words "60 days."

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

Mr. SINNOTT. Would not that be subject to a point of order? We have already voted to retain "six months."

Mr. GARD. No; we have not. There has been no vote on that.

The CHAIRMAN. The gentleman from Oregon is mistaken. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 5, line 7, strike out the words "six months" and insert in lieu thereof the words "60 days."

Mr. MORGAN. Mr. Chairman, I wish to oppose the amendment.

The CHAIRMAN. The gentleman from Oklahoma is recognized.

Mr. MORGAN. Mr. Chairman, it is true that this amendment would make this bill correspond with the resolution that we passed a little while ago, but I do not think that it would be well to have two bills wrong. We had better have one bill right and one wrong than two wrong. I think the other bill or resolution was wrong. I think this is right. I think the soldiers should be allowed six months at least. We ought to give the soldiers six months' benefit. Two months is too short. I hope the House will not amend this bill and make it wrong when it is already right.

Mr. GARD. Mr. Chairman, there is absolutely no difference, so far as I can read, between House joint resolution 20 and this bill, H. R. 8440, so far as the privilege of entering upon the public land is concerned; and as frankly stated by both the gentleman from Oregon [Mr. SINNOTT] and the gentleman from California [Mr. RAKER] there is no question but that this land, opened in the territory where it is, will be immediately entered upon by those in the military service who happen to reside in the very limited territory contiguous thereto.

Mr. RAKER. Oh, I beg the gentleman's pardon. He is mistaken. I merely asked the gentleman from Ohio [Mr. EMERSON] if there were enough men to fill that land. But it will be opened generally by soldiers throughout the United States.

Mr. GARD. But those people will be the ones who will enter and file upon it.

Mr. SINNOTT. There will be more applicants than land to supply them.

Mr. GARD. I see that the bill is so drawn that the land can be entered by soldiers generally, but everybody knows that this

land out there, while general in its nature, is truly and literally restricted in its benefits locally. I do not think there is going to be any exodus of soldier boys from Boston or New York or Maine or Massachusetts or Ohio to take up any of this land out on the shores of Goose Lake. The boys in the majority of the States of the American Union are competent and willing and able to take care of themselves, and they do not care to enter upon these lands, so that the whole thing resolves itself down to a question of giving land locally to people in that limited territory. They all know about it, and they will enter upon it in 60 days or in six minutes.

Mr. RAKER. I am sorry, Mr. Chairman, that the gentleman made his statement that it would be all local. In the last two weeks there have been at least 10 gentlemen residing in Washington who have inquired of me and others as to opportunities in the West where their soldier sons may get public lands. The gentleman says it will all be a local affair, because these other people have not been advised. If you make it six months, there will be that much more notice and so much more opportunity offered for other people to go out there and establish their claims if they want to.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. WALSH. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is asked for.

The committee divided; and there were—ayes 14, noes 23.

So the amendment was rejected.

Mr. BANKHEAD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

Mr. BANKHEAD. On page 5, line 3, strike out the words "and her allies."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Alabama.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 5, line 3, after the word "Germany," strike out the language "and her allies."

Mr. SINNOTT. Mr. Chairman, I will accept that.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. That the Secretary of the Interior shall determine which of the lands now within the boundaries of the Klamath Lake Bird Reserve are chiefly valuable for agricultural purposes and which for the purpose of said reservation, and shall open to homestead entry those lands which are chiefly valuable for agricultural purposes: *Provided*, That the shore line of the lake, including the smallest legal subdivision of land adjoining the flow line, shall remain in the possession of the United States, but access may be provided to the lake for such canals as may be necessary for irrigation, drainage, and domestic water supply.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. Mr. Chairman, I desire to ask the chairman of the committee [Mr. SINNOTT] or the gentleman from California [Mr. RAKER] what the meaning of the language is in lines 23 and 24, on page 5, "are chiefly valuable for agricultural purposes and which for the purpose of said reservation"? What does that mean? Does it mean the lands which are valuable for the purposes of said reservation?

Mr. SINNOTT. More valuable for a bird reserve than for agricultural purposes.

Mr. WALSH. It says:

which of the lands * * * are chiefly valuable for agricultural purposes and which for the purpose of said reservation.

Does that mean which is valuable for the purposes of such reservation?

Mr. SINNOTT. I should think that the Secretary would determine what land is more valuable and needed for the bird reserve, and if he finds that it is valuable for the bird reserve it would not be subject to entry.

Mr. WALSH. Then the gentleman thinks that means—

which * * * are chiefly valuable for agricultural purposes and which—

are chiefly valuable—

for the purpose of said reservation?

Mr. SINNOTT. Yes. I think it is qualified by the word "chiefly."

Mr. WALSH. Does the gentleman from California [Mr. RAKER] agree with the chairman of the committee in that regard?

Mr. RAKER. I understand that the Secretary is to make two designations, first, of those chiefly valuable for agricultural purposes and, second, of those chiefly valuable for the bird reserve.

Mr. SINNOTT. If the gentleman will allow me, I will read from the letter from the Department of Agriculture on that matter, found on page 4 of the report. It is stated by the Acting Secretary that—

Section 7 of the bill provides that the Secretary of the Interior shall determine which lands are chiefly valuable for agriculture and which are chiefly valuable for the purposes of the reservation.

Mr. WALSH. Then this language is intended to convey that idea?

Mr. SINNOTT. That would be my construction of it.

Mr. WALSH. Upon consideration I will withdraw the pro forma amendment.

Mr. MANN of Illinois. I should like to make an inquiry about this section. Is this the same land that is provided for in the rest of the bill or is this different land?

Mr. RAKER. This is the same land.

Mr. MANN of Illinois. Is this the only authority that the Secretary now has? Is it under this section?

Mr. RAKER. I do not believe so. I think it is provided in section 3 of the bill that the land shall be surveyed and opened to entry; but the department in going over it believed it would be advisable to make the special designation contained in section 7.

Mr. MANN of Illinois. The department are of the opinion that doing a thing once was not sufficient.

Mr. RAKER. Not in that way.

Mr. MANN of Illinois. That it was necessary to do it twice?

Mr. RAKER. Not in that way.

Mr. MANN of Illinois. Having provided in the bill for the disposition of the land, having provided who should have the right to take it, having made provision for the disposition of it in every way once, then you start in a second time and make a second disposition of it?

Mr. RAKER. I do not quite gather that view of it. This specifically says that the Secretary shall make ascertainment, and when he finds that the land is chiefly valuable for agricultural purposes he shall set it aside for that purpose. If there is any doubt, it goes to agriculture; but if it is chiefly valuable for the bird reserve, it is retained in the bird reserve.

Mr. SINNOTT. Will the gentleman yield for a question?

Mr. RAKER. Yes.

Mr. SINNOTT. As I understand it, the bird reserve does not cover all of the lands in question.

Mr. RAKER. Yes; it covers all of the lands in question and other privately owned lands besides.

Mr. SINNOTT. I understood that the bird reserve was a smaller portion of the entire area.

Mr. RAKER. No; the bird reserve covers all of this land and even privately owned lands as well as public lands.

Mr. MANN of Illinois. Mr. Chairman, I do not know what wonderful mind drew this bill introduced by the distinguished gentleman from California [Mr. RAKER], but I will absolve him from that responsibility in his own interest.

Section 3 provides:

That the Secretary of the Interior be, and he is hereby, authorized and directed to cause said lands to be surveyed and opened to entry under the general homestead laws and the provisions of this act.

Then the bill goes ahead and makes provision in reference to those lands that the Secretary is ordered to throw open to homestead entry, and it provides that ex-soldiers and ex-sailors shall have a preference right, and provides that those who go upon the lands before they are thrown open shall have no right. Then having disposed of all of the lands, along comes this section 7 and says that the Secretary of the Interior shall find out which lands are chiefly valuable for agricultural purposes and which are chiefly valuable for some other purposes. I do not know just what would happen then. It is the same land which you have provided shall be thrown open to homestead entry. Then it directs the Secretary of the Interior to find which of these lands are chiefly valuable for a bird reserve. What difference does it make? You ordered them thrown open to homestead entry. I am trying to get information. Do not understand that I am making positive statements. They are all followed by an interrogation mark.

Mr. RAKER. The land is to be surveyed——

Mr. MANN of Illinois. That is, under section 3.

Mr. RAKER. Yes. Then, the Secretary of the Interior must designate which lands are chiefly valuable for agriculture. That designation then opens that land for homestead entry.

Mr. MANN of Illinois. But section 3 provides that said lands shall be surveyed and opened to entry under the general homestead law.

Mr. RAKER. That is all right.

Mr. MANN of Illinois. Having thrown them open to entry, they are subject to entry.

Mr. RAKER. That is, subject to the subsequent entry. Section 7 was inserted in the bill so that we could hedge around, so that we could protect the bird reserve, so that there would be no misunderstanding and no disagreement after the many conferences that have been had between the various departments, so that the land chiefly valuable for agriculture should be opened to homestead entry and the land chiefly valuable for the bird reserve should remain in the bird reserve, unaffected by this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. LAYTON. Will the gentleman yield to allow me to ask a question?

Mr. MANN of Illinois. Yes.

Mr. LAYTON. It seems to me the obscurity in this language can best be illuminated by the use of a medical expression.

Mr. MANN of Illinois. Let us not have any Latin terms that we do not understand.

Mr. LAYTON. I simply offer this for purposes of elucidation. It seems to me that the section merely throws upon the Secretary of the Interior the power to make a differential diagnosis between lands chiefly valuable for agricultural purposes and those chiefly valuable for the bird reserve, and that is about all there is in it.

Mr. BEGG. Will the gentleman yield for a question?

Mr. MANN of Illinois. Yes.

Mr. BEGG. I should like to have the gentleman's opinion as to what the Secretary of the Interior will do in the dilemma in case he finds that neither one is fit for agricultural purposes.

Mr. MANN of Illinois. He is directed by section 3 to cause said lands to be open for entry under the general homestead law. The additions suggested by the gentleman—"and provisions of this act"—would have reference to the preference of the soldier. He is directed to open all the lands to homestead entry under section 3. Under section 7 he is directed to find out which of the lands is chiefly valuable for agricultural purposes, and only open them to homestead entry. My inquiry, first, was whether these were the same lands. Having directed him to throw them all open to homestead entry I did not see how it was practicable in another part of the bill, in reference to the same lands, to direct him to throw only a part of them open to entry.

Mr. RAKER. If the gentleman will yield, the gentleman from Illinois is always clear on these matters and sees that the bills are in proper shape, and we commend him for it. Will the gentleman look at lines 21 and 22, on page 3, "open to entry under the general homestead law and the provisions of this act"? Turning to section 7, a part of the provisions of this act, it says that in addition to the preference rights the Secretary must designate which of the lands is chiefly valuable for agricultural purposes.

Mr. MANN of Illinois. Section 3 directs him to open all the lands for homestead entry, and where it puts in "under the provisions of this act," that is in connection with the homestead law and is to take care of the preference given to soldiers. I do not know how the Secretary of the Interior will construe such a statute. It may be that he knows what it means.

Mr. RAKER. This language was gone over by the Department of the Interior, by the Reclamation Service, by the lawyer of the Reclamation Service, by the Secretary of Agriculture, by the Biological Survey and the specialists in that division, by the various officers of that service to the end that we should keep as much of the land as is fit for the bird reserve and only throw open that which could be used for agricultural purposes.

Mr. HICKS. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. HICKS. In the event of the contingency happening mentioned by the gentleman from Ohio that the land is not fit for a bird reserve or for agricultural purposes, the birds would still have a right to stay there?

Mr. MANN of Illinois. I will refer that to the gentleman from California.

Mr. KITCHIN. I think the explanation ought to be satisfactory.

Mr. MANN of Illinois. If it is satisfactory to the gentleman from North Carolina, all right.

The Clerk completed the reading of the bill.

Mr. SINNOTT. Mr. Chairman, I move that the committee do now rise and report the bill with the amendments to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The CHAIRMAN. The question is on the motion of the gentleman from Oregon.

The question was taken; and on a division (demanded by Mr. BLANTON) there were, 30 ayes and 4 noes.

So the committee determined to rise.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 8440) to restore to the public domain certain lands heretofore reserved for a bird reservation is Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes, and had directed him to report the same back with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SINNOTT. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The motion was agreed to.

The SPEAKER. Is a separate vote demanded on any amendment; if not, the Chair will put them in gross?

There was no demand for a separate vote and the amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question now is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 43 ayes and 6 noes.

So the bill was passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE OF ABSENCE.

Mr. DEWALT (at the request of Mr. WHALEY) was given leave of absence, indefinitely, on account of sickness.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 9822. An act to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication; and

H. R. 3754. An act to amend sections 8 and 21 of the copyright act, approved March 4, 1909.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 2497. An act to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct.

ADJOURNMENT.

Mr. SINNOTT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 23 minutes p. m.) the House adjourned until to-morrow, Thursday, December 11, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of Agriculture, transmitting a detailed statement of the manner in which the appropriation "Miscellaneous expenses, Department of Agriculture, 1919," has been expended (H. Doc. No. 498); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

2. A letter from the Commissioner of the Freedman's Savings Trust Co., transmitting annual report for the year ended December 1, 1919 (H. Doc. No. 499); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

3. A letter from the Acting Secretary of the Interior, transmitting report received from the Commissioner of the General Land Office with his letter of November 29, 1919 (H. Doc. No. 500); to the Committee on Expenditures in the Interior Department and ordered to be printed.

4. A letter from the Secretary of Agriculture, transmitting statement of expenditures under the act of August 10, 1917 (H.

Doc. No. 501); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

5. A letter from the Acting Secretary of Commerce, transmitting report of the different branches or bureaus of that department (H. Doc. No. 502); to the Committee on Expenditures in the Department of Commerce and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GRAHAM of Illinois, from the Select Committee on Expenditures in the War Department, submitted a report (No. 487) on the act of March 2, 1919, commonly known as the Dent Act, which said report was referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SELLS, from the Committee on Pensions, to which was referred sundry bills of the Senate, reported in lieu thereof the bill (S. 1726) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors, accompanied by a report (No. 488), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PARRISH: A bill (H. R. 11051) to provide for the acquisition of a site and the erection of a public building thereon at Henrietta, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. BACHARACH: A bill (H. R. 11052) to provide for the purchase of a site and the erection of a new public building at Atlantic City, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. PARK: A bill (H. R. 11053) to transfer the county of Early from the northern judicial district of Georgia to the southern judicial district of Georgia; to the Committee on the Judiciary.

By Mr. LUFKIN: A bill (H. R. 11054) to authorize the establishment of a fisheries experiment station on the coast of Massachusetts; to the Committee on the Merchant Marine and Fisheries.

By Mr. HENRY T. RAINEY: A bill (H. R. 11055) to make the rate of postage on all mail matter of the first class within the limits of any post-office delivery district 1 cent for each ounce or fraction thereof; to the Committee on the Post Office and Post Roads.

By Mr. DAVEY: A bill (H. R. 11056) to increase the limit of cost of a public building at Akron, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. O'CONNELL: A bill (H. R. 11057) to provide for an examination and survey of Jamaica Bay, in the harbor of New York; to the Committee on Rivers and Harbors.

By Mr. ROGERS: A bill (H. R. 11058) for the reorganization and improvement of the foreign service of the United States; to the Committee on Foreign Affairs.

By Mr. KELLY of Pennsylvania: A bill (H. R. 11059) providing for the licensing the importation, exportation, manufacture, storage, or distribution of sugar; to the Committee on Agriculture.

By Mr. HAYDEN: A bill (H. R. 11060) providing for a transportation corps in the Army; to the Committee on Military Affairs.

By Mr. MAJOR: A bill (H. R. 11061) to provide for the erection of a public building at Slater, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. GRAHAM of Illinois: Resolution (H. Res. 416) providing for the consideration of House report 487 of the Select Committee on Expenditures in the War Department; to the Committee on Rules.

By Mr. CRISP: Joint resolution (H. J. Res. 258) to cede the Point Peter Military Reservation, in Georgia, to the State of Georgia; to the Committee on Military Affairs.

Also, joint resolution (H. J. Res. 259) providing for an investigation leading to establishment of industry for manufacture of sugar and kindred products from sweet potatoes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 11062) granting a pension to Hector C. Bryant; to the Committee on Pensions.

By Mr. BOWERS: A bill (H. R. 11063) granting an increase of pension to George W. Zinn; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 11064) granting an increase of pension to Austin A. Yates; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 11065) granting a pension to Isabella B. Slayter; to the Committee on Pensions.

By Mr. ELSTON: A bill (H. R. 11066) for the relief of the Shipowners' & Merchants' Tugboat Co.; to the Committee on Claims.

Also, a bill (H. R. 11067) to refund certain duties paid by W. Loaiza & Co.; to the Committee on Claims.

By Mr. WARD: A bill (H. R. 11068) for the relief of Maj. R. W. Gansmann; to the Committee on Claims.

By Mr. HAYS: A bill (H. R. 11069) granting an increase of pension to John H. Riley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11070) granting an increase of pension to William Roberts; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 11071) granting a pension to Mary Le Roy; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 11072) granting a pension to Matilda M. Howard; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 11073) granting a pension to Charles Knight; to the Committee on Pensions.

Also, a bill (H. R. 11074) granting a pension to Louisa Engelhardt; to the Committee on Invalid Pensions.

By Mr. McPHERSON: A bill (H. R. 11075) to amend the military record of Samuel T. King; to the Committee on Military Affairs.

Also, a bill (H. R. 11076) for the relief of Oscar Pope; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

219. By the SPEAKER (by request): Petition of R. E. Thomas, of Painesville, Ohio, demanding that President Wilson be impeached; to the Committee on the Judiciary.

220. Also (by request), petition of sundry citizens of Lithuanian origin, of Philadelphia, for withdrawal of Polish troops from Lithuania; to the Committee on Foreign Affairs.

221. By Mr. BOWERS. Petition of Elkins Lodge, No. 1130, Benevolent and Protective Order of Elks, of Elkins, W. Va., for deportation of disloyal aliens; to the Committee on Immigration and Naturalization.

222. Also, petition of Martinsburg Lodge, No. 778, Benevolent and Protective Order of Elks, pledging support to the Government in stamping out bolshevism and I. W. W.'s in America; to the Committee on the Judiciary.

223. By Mr. CRAGO: Petition of National Camp, Patriotic Order Sons of America, regarding Mexican situation; to the Committee on Foreign Affairs.

224. Also, petition of National Camp, Patriotic Order Sons of America, urging economy in all branches of the Government; to the Committee on Military Affairs.

225. By Mr. CULLEN: Petition of New York Commandery of the Military Order of the Loyal Legion of the United States, favoring additional compensation for the volunteer officers of the War of 1861–1865; to the Committee on Military Affairs.

226. Also, petition of John Mitchel Branch, Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

227. By Mr. ESCH: Petition of the Mid-West-Gulf-South Atlantic foreign trade and transportation committee concerning policy for the United States Shipping Board; to the Committee on the Merchant Marine and Fisheries.

228. Also, petition of sundry citizens of La Crosse County, Wis., favoring two-year extension of Government control of railroads; to the Committee on Interstate and Foreign Commerce.

229. Also, petition of Hebrew Veterans of the Wars of the Republic, protesting against the treatment of the Jews in Ukraine; to the Committee on Foreign Affairs.

230. Also, petition of Bring Home the Soldier Dead League, favoring the bringing home of the soldier dead from France; to the Committee on Military Affairs.

231. Also, petition of American Electrochemical Society, for continuance of the Chemical Warfare Service; to the Committee on Military Affairs.

232. Also, petition of National Association of Ice Industries for return of railroads to their owners; to the Committee on Interstate and Foreign Commerce.

233. By Mr. FULLER of Illinois: Petition of S. D. Haight Post, No. 348, Michigan; Victor Post, No. 293, Kansas; General N. D. Baker Post, No. 88, Iowa; G. L. Nevius Post, No. 1, Illinois; Grand Army of the Republic, all favoring the early passage of the Fuller bill, House bill 9369; to the Committee on Invalid Pensions.

234. Also, petition of National Camp, Patriotic Order Sons of America, presenting remedies for reducing the high cost of living; to the Committee on Military Affairs.

235. Also, petition of Landis Lodge, No. 342, Railway Clerks, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

236. By Mr. GALLIVAN. Petition of Roger Casement Branch, Friends of Irish Freedom, supporting House bill 3404; to the Committee on Foreign Affairs.

237. By Mr. GRIEST: Petition of Lodge No. 134, Benevolent and Protective Order of Elks, of Lancaster, Pa., urging legislation providing for the deportation of aliens in this country who are members of the Industrial Workers of the World or other organization of like tendencies; to the Committee on Immigration and Naturalization.

238. By Mr. JOHNSTON of New York: Petition of sundry citizens of New York, favoring six months' pay for soldiers, sailors, and marines; to the Committee on Military Affairs.

239. By Mr. LINTHICUM: Petition of J. A. Bokel Co., of Baltimore, Md., favoring reduction in rate for local mail; to the Committee on the Post Office and Post Roads.

240. Also, petition of W. M. Burgan, of Baltimore, Md., favoring budget legislation; to the Committee on Appropriations.

241. Also, petition of the Engineers' Club of Baltimore, favoring House bill 6649 and Senate bill 2232; to the Committee on Expenditures in the Interior Department.

242. Also, petition of Lieut. H. L. McCorkle Camp, No. 2, Department of Tennessee, United Spanish War Veterans, for increase in pay of employees of the National Soldiers' Homes; to the Committee on Reform in the Civil Service.

243. Also, petition of sundry members of the Monumental Lodge, No. 567, opposing Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

244. By Mr. McGLENNON: Petition of Belleville Lodge, No. 1123, Benevolent and Protective Order of Elks, regarding I. W. W. and bolshevism in this country; to the Committee on the Judiciary.

245. Also, petition of Plunkett Branch, Friends of Irish Freedom, commending Senate for rejecting league of nations; to the Committee on Foreign Affairs.

246. Also, petition of National Camp, Patriotic Order Sons of America, presenting resolutions on the high cost of living and the Mexican situation; to the Committee on Military Affairs.

247. By Mr. MOONEY: Petition of sundry citizens of Ohio, favoring continuance of Sugar Equalization Board; to the Committee on Agriculture.

248. Also, petition of Grand Lodge, Benevolent and Protective Order of Elks, for protection and preservation of American elk herds and favoring passage of House bill 1412; to the Committee on the Public Lands.

249. By Mr. MURPHY: Memorial of Martins Ferry Post, No. 58; Bellaire Post, No. 52; Neffs Post, No. 77; St. Clairsville Post, No. 112; Barnesville Post, No. 168; Bridgeport Post; and Epworth (Bethesda) Post, No. 90, American Legion, all in the State of Ohio, praying for legislation to suppress all anti-American propaganda in the United States; to the Committee on the Judiciary.

250. By Mr. O'CONNELL: Petition of Southern Oil & Transport Corporation and others, regarding oil situation in Mexico; to the Committee on Foreign Affairs.

251. Also, petition of department of labor, State of New York, opposing legislation which would place the Bureau of Mines in control of the explosives industry; to the Committee on Mines and Mining.

252. Also, petition of Military Order of the Loyal Legion of the United States, New York Commandery, favoring recognition for volunteer officers who served in the war 1861 to 1865; to the Committee on Military Affairs.

253. Also, petition of National Indian War Veterans for increase in pensions of Indian war veterans; to the Committee on Pensions.

254. By Mr. RAKER: Petition of L. E. Gibson, secretary Dunsmuir Lodge, No. 1025, Brotherhood of Railway Conductors of America, and Boilermakers, No. 24, of Sacramento, Calif., supporting House bill 10367; to the Committee on Interstate and Foreign Commerce.

255. By Mr. ROWAN: Petition of department of labor, State of New York, opposing legislation which would place the Bureau of Mines in control of the explosives industry; to the Committee on Mines and Mining.

256. Also, petition of New York State Association of Supervisory Post Office Employees, favoring Sterling-Lehlbach retirement bill; to the Committee on Reform in the Civil Service.

257. Also, petition of New York Commandery, Military Order of the Loyal Legion, for additional compensation for volunteer officers of the War of 1861–1865; to the Committee on Military Affairs.

258. Also, petition of National Camp, Patriotic Order Sons of America, presenting resolutions on reducing the high cost of living and the Mexican situation; to the Committee on Military Affairs.

259. Also, petition of John Mitchell Branch, Friends of Irish Freedom, for passage of House bill 3404; to the Committee on Foreign Affairs.

260. By Mr. ROWE: Petition of 61 residents of the sixth congressional district of New York, urging the passage of the bill giving six months' pay to soldiers and sailors who participated in the great world conflict; to the Committee on Ways and Means.

261. By Mr. STINESS: Petition of Division 4, Ancient Order of Hibernians, of Providence, R. I., favoring House bill 3404; to the Committee on Foreign Affairs.

262. Also, petition of Ukrainian Protest Committee, representing United Jews of Rhode Island, protesting against atrocities committed against Jews in Ukraine; to the Committee on Foreign Affairs.

SENATE.

THURSDAY, *December 11, 1919.*

(Legislative day of Wednesday, December 10, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Vice President being absent, the President pro tempore took the chair.

ASLE J. GRONNA, a Senator from the State of North Dakota, appeared in his seat to-day.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	La Follette	Sheppard
Ball	Gay	Lenroot	Sherman
Bankhead	Hale	McLean	Smith, S. C.
Beckham	Harris	McNary	Smoot
Calder	Johnson, S. Dak.	Myers	Spencer
Capper	Jones, Wash.	Nelson	Trammell
Colt	Kellogg	New	Wadsworth
Cummins	Keyes	Nugent	Warren
Dial	King	Overman	Watson
Fernald	Kirby	Page	
Fletcher	Knox	Phipps	

Mr. BANKHEAD. My colleague [Mr. UNDERWOOD] is absent on official business.

The PRESIDENT pro tempore. Forty-two Senators have answered to their names. There is not a quorum present. The Secretary will call the names of absentees.

The Secretary called the names of the absent Senators, and Mr. CULBERSON and Mr. STERLING answered to their names when called.

Mr. CHAMBERLAIN, Mr. KENYON, Mr. JONES of New Mexico, Mr. MCKELLAR, Mr. POMERENE, Mr. ELKINS, Mr. HARRISON, Mr. MOSES, Mr. CURTIS, Mr. WALSH of Montana, and Mr. TOWNSEND entered the Chamber and answered to their names.

Mr. SMOOT. I wish to announce the absence on account of illness of the Senator from Maryland [Mr. FRANCE].

Mr. SHEPPARD. The Senator from Georgia [Mr. SMITH], the Senator from Kentucky [Mr. STANLEY], and the Senator from Missouri [Mr. REED] are absent on public business.

Mr. WALSH of Montana. I have been requested to announce that the Senator from Nevada [Mr. PITTMAN] and the Senator from Virginia [Mr. SWANSON] are detained by illness in their families.

Mr. McKELLAR. The Senator from Nebraska [Mr. HITCHCOCK], the Senator from Louisiana [Mr. RANSDELL], the Senator from Tennessee [Mr. SHIELDS], the Senator from North Carolina [Mr. SIMMONS], the Senator from Maryland [Mr. SMITH], the Senator from Massachusetts [Mr. WALSH], the Senator from Mississippi [Mr. WILLIAMS], and the Senator from Delaware [Mr. WOLCOTT] are detained from the Senate on official business.

The PRESIDING OFFICER (Mr. STERLING in the chair). Fifty-five Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its Enrolling Clerk, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes; and

H. J. Res. 20. Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 1300. An act to authorize the sale of certain lands at or near Minidoka, Idaho, for railroad purposes;

S. 2497. An act to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct;

H. R. 3754. An act to amend sections 8 and 21 of the copyright act, approved March 4, 1909; and

H. R. 9822. An act to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented a petition of the congregation of the Congregational Church of North Madison, Conn., and a petition of the congregation of the First Congregational Church, of Kent, Conn., praying for the enactment of legislation to empower the President to use military power and funds for the relief of the Armenians, which were referred to the Committee on Foreign Relations.

He also presented memorials of Local Lodge No. 952, United Brotherhood of Carpenters and Joiners, of Bristol, and of Local Union No. 345, United Association of Plumbers and Steam Fitters, of Willimantic, all in the State of Connecticut, remonstrating against the adoption of antistrike clause in the pending railroad bill, which were ordered to lie on the table.

He also presented a petition of Wadhams Post, No. 49, Grand Army of the Republic, department of Connecticut, of Waterbury, Conn., praying for the enactment of legislation increasing the pensions of Civil War Veterans, which was referred to the Committee on Pensions.

He also presented a petition of Union Grange, No. 25, Patrons of Husbandry, of Southington, Conn., praying for the establishment of a national highway system, which was referred to the Committee on Post Offices and Post Roads.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 3513) for the relief of Emma Kiener (with accompanying papers); to the Committee on Claims.

By Mr. PHIPPS:

A bill (S. 3514) granting an increase of pension to Mary E. Opp (with accompanying papers); to the Committee on Pensions.

By Mr. MYERS:

A bill (S. 3515) granting a pension to Peter L. Jaquett; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 3516) to authorize the Secretary of War in his discretion to furnish quarters at Langley Field, Va., to the civilian employees of the National Advisory Committee for Aeronautics, and for other purposes; and

A bill (S. 3517) authorizing special allowances by way of additional compensation to officers, warrant officers, members of the Nurse Corps (female), civilian employees, and enlisted men of the Army, serving in China; to the Committee on Military Affairs.

A bill (S. 3518) for the relief of the owner of the steamship *Urubambra;* to the Committee on Claims.

A bill (S. 3519) to reclassify the salaries of employees above the clerical grades in post offices of the first and second class; to the Committee on Post Offices and Post Roads.

AMERICAN SOLDIER DEAD IN FRANCE.

Mr. FRELINGHUYSEN. Mr. President, I think it should be a matter of some concern to Congress what is being done to care for the graves of the American soldiers who fell in France and what is being done properly to identify and make permanent the identification of the bodies of our soldiers who are buried there. I therefore introduce a joint resolution and ask that it be read for the information of the Senate and referred to the Committee on Military Affairs.

The joint resolution (S. J. Res. 133) creating a commission to report on the practicability of bringing to the United States the remains of American soldiers buried in France and to mark and care for the graves of those whose remains it is not practicable to remove was read the first time by its title, the second time at length, and referred to the Committee on Military Affairs, as follows:

Senate joint resolution (S. J. Res. 133) creating a commission to report on the practicability of bringing to the United States the remains of American soldiers buried in France, and to mark and care for the graves of those whose remains it is not practicable to remove.

Resolved, etc., That a commission of nine members be selected, to consist of one Senator in Congress, named by the President of the Senate, one Representative in Congress, named by the Speaker of the House of Representatives, the Secretary of War, the General of the Army, the Chief of Staff of the Army, the ambassador of the United States to France, and three members of the American Legion, to be chosen by the national executive committee of that organization, said commission to report to Congress prior to the close of the present session upon the practicability of having disinterred, transported to the United States, and properly disposed of upon arrival in this country of the remains of former members of the American Expeditionary Forces who lost their lives in France through wounds or disease during the World War; be it further

Resolved, That the commission herein provided for is hereby authorized and empowered to take any necessary steps to locate and mark the graves of American soldiers buried in the soil of France, the transportation of whose remains to the United States may by said commission be deemed impracticable, and to that end said commission is hereby authorized to purchase and cause to be erected headstones for the purpose indicated; be it further

Resolved, That in each cemetery in France containing the remains of American soldiers whose removal to the United States may, by said commission, be deemed impracticable, a monument shall be erected as a memorial to those who sacrificed their lives in behalf of the cause for which the United States entered the war; be it further

Resolved, That said commission be and is hereby authorized and empowered to negotiate for and consummate the purchase of any lands needed for the purposes herein set forth, whether as burial lots or sites for monuments; be it further

Resolved, That said commission be and is hereby empowered and directed to make any and all arrangements necessary for the care of the graves of American soldiers in France, and to employ caretakers and all other persons needed for their protection and the protection of such headstones and monuments as may be erected as herein provided; be it further

Resolved, That all agencies heretofore, now, or hereafter acting under authority of the War Department or any of its representatives, which have been or are now discharging or shall hereafter discharge any functions relating to the location and marking of soldiers' graves, are authorized and directed to report to the commission hereby created and to act under the authority and jurisdiction of the same during the period of its existence; and be it further

Resolved, That the sum of $3,000,000, or so much thereof as may be necessary, be and it is hereby appropriated to defray the expenses of said commission, and to make any purchases and carry out any contracts hereby authorized.

REGULATION OF STREET TRAFFIC IN WASHINGTON CITY.

Mr. SHERMAN. Mr. President, I ask unanimous consent to offer and to have read a resolution referring to the use of the streets in the city of Washington, D. C., and to have it referred to the Committee on the District of Columbia.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will read the resolution.

The Secretary read the resolution (S. Res. 255), as follows:

Be it resolved by the Senate, That the frequent personal injuries and deaths of pedestrians on the streets of Washington by being struck by automobiles is a grave menace to the safety of the people of Washington. The frequent occurrence of such deaths and injuries indicate a reckless violation of speed regulations and of the crowded streets and a disregard for the safety of the general public. Life is of more importance to the many than mere speed to a few careless, indifferent drivers of such vehicles.

Be it declared as the sense of the Senate that the regulation governing such forms of transportation be strengthened and enforced by thorough observation and that the police department of the District of Columbia be supported in such enforcement in all ways at the command of the Senate.

Be it further declared as the sense of the Senate that the Committee on the District of Columbia thereof consider and report a proper bill providing for additional restrictions upon speed at places dangerous to the general public and for more rigorous penalties, declaring in case of negligent driving of such vehicles punishment as for manslaughter or murder, to the end that the streets of Washington may not be the most dangerous places in the country.

Mr. SHERMAN. Mr. President, in connection with the resolution which has just been read, if the Senate will indulge me a moment, I desire to say that within the last 24 hours in the city of Washington five accidents—to grace them by that name—have occurred, three of which are serious, resulting in broken bones, concussion of the brain, and unconsciousness on the part of the victims. A short time before that a lady from Florida was knocked down and she died at the George Washington University Hospital within the last 48 hours. I wish to state that in my personal experience within the last two weeks in Washington, at places where no policemen are found, at crowded crossings and at points for the receiving and discharging of passengers from street cars, automobile drivers, while the street car was stopped and a concourse of passengers was at each end of the car, have sounded their horns, notifying the passengers to disperse and make passageway for the advancing automobile, and the passengers have had to run for the curbstone or get behind the car in order to protect themselves against the driver, who was violating a regulation of the city of Washington. No machine has a right to pass a standing car while it is receiving or discharging passengers.

In my personal experience the occurrence referred to has been within the last two weeks repeated twice, and myself and others had been driven off the street by the sounding of automobile horns. They were not emergency cases; there were no Red Cross signs on the vehicles; there were no ambulance signs; they were not vehicles entitled to the right of way. However, passengers have been driven away from the cars and driven off the streets by reckless drivers who, with the utmost unconcern, have gone through crowds of passengers.

The great bulk of the automobile passenger traffic in Washington is in the hands of careful and experienced drivers, and no complaint could be made as to them, but it is the one reckless driver by which all drivers are measured. I think those who are careful in the management of machines ought to have as much interest in this matter as have the pedestrians, so that they may be relieved from the ill will that may follow through the reckless conduct of the few who are regardless of the safety of the public.

Mr. FRELINGHUYSEN. Mr. President, I desire to compliment the chairman of the District Committee, the Senator from Illinois [Mr. SHERMAN], in taking up this subject and looking to the enactment of laws which will protect the public in the streets of Washington. I myself have had some experience in automobile legislation, the first licensing and registration act in New Jersey having been introduced by me in the New Jersey Legislature. That act has been practically copied by 23 States in the Union.

It is necessary to impose grave penalties for recklessness; it is necessary to protect the crossings with proper police supervision and direction; but the basis of all regulation, so far as automobiles are concerned, lies in a proper act licensing automobile drivers requiring the examination of automobile drivers by a board to ascertain whether or not they are mentally and physically capable of running an automobile, an examination which will show whether they are familiar with the traffic laws, and then providing a penalty for the violation of the speed laws and the traffic laws of the city, including a suspension and deprivation of driving privileges if they violate those laws.

I make the suggestion to the chairman of the committee that if he will propose and secure the enactment of a law for the examination of all drivers of automobiles in the city of Washington and providing severe penalties for violation of the law he will remove the abuse and menace to the traveling public.

Mr. SHERMAN. Mr. President, I ask that in connection with my remarks there be printed in the RECORD without reading a clipping from last night's Star.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

MRS. WILLARD DIES FROM AUTO INJURY—INQUEST TO-DAY IN CASE OF FLORIDA WOMAN HURT MONDAY NIGHT.

Mrs. Augustus S. Willard, of Palatka, Fla., who was knocked down by an automobile at Fourteenth and K Streets Monday night and seriously injured, died at George Washington University Hospital yesterday afternoon. Her death resulted from a fracture of the skull.

Coroner Nevitt viewed the body and decided to hold an inquest at the morgue at 3 o'clock this afternoon. Charles Edward Jones, driver of the automobile that killed Mrs. Willard, was detained by the police.

INJURED AT FOURTEENTH AND H STREETS.

Robert Tucker, 2715 Thirteenth Street, was struck by a Capital Traction car at Fourteenth and H Streets about 6.30 o'clock last night and seriously hurt. He was suffering from concussion of the brain and bruises and was unconscious. He was taken to Emergency Hospital.

An automobile belonging to Rev. Francis Yingling, pastor of the Church of Our Lady of Victory, last night struck Miss Mary J. Baldwin and Miss Emma Baldwin, Northumberland apartments, at New Hampshire Avenue and U Street. They were able to go home after treatment at Emergency Hospital.

Mrs. Alice McGuire, 1252 Twenty-first Street, was knocked down by an automobile near the intersection of New Hampshire Avenue and Twenty-first Street last night and her right leg fractured. W. H. Leitch, Fort Myer Heights, Va., driver of the automobile, took Mrs. McGuire to Emergency Hospital.

KNOCKED DOWN BY VEHICLE.

John W. Germuller and Miss Theresa Germuller, his sister, residing at 611 I Street, were knocked down by a motor vehicle driven by John W. Goodman, 1362 North Carolina Avenue NE., at Pennsylvania Avenue and Sixth Street last night. Mr. Germuller's left shoulder was fractured, while his sister received bruises on the left side of her head. They were taken to the Casualty Hospital.

Charles Ball, 809 Ninth Street, received a fracture of his left arm last night as a result of being knocked down by an automobile at Seventh and K Streets. Joseph A Drain, 1754 Massachusetts Avenue, owner and driver of the automobile, took the injured man to George Washington University Hospital.

The PRESIDING OFFICER. The resolution will be referred to the Committee on the District of Columbia and printed.

COMMISSIONED OFFICERS AS CIVILIAN EMPLOYEES.

Mr. SMOOT. I ask unanimous consent for the immediate consideration of the Senate resolution which I send to the desk. I do not think it will lead to any debate whatever.

The resolution (S. Res. 256) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of War and the Secretary of the Navy be, and they are hereby, respectively requested to transmit to the Senate, as early as practicable, a statement showing the name, rank, and total compensation of every officer in their respective departments who, at the time they were commissioned, were employed by a civil branch of the Government, and the compensation such officers were receiving as civilian employees at the time they were commissioned.

COAL-MINING PROFITS.

Mr. JOHNSON of South Dakota. I offer a Senate resolution and ask that it lie on the table and be printed.

The resolution (S. Res. 257) was read and ordered to lie on the table and be printed, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, requested to send to the Senate, as promptly as possible, a statement showing the dividends paid by corporations engaged in the mining and production of bituminous coal within the United States for the years 1917 and 1918; that if such information is not already in the possession of the Secretary of the Treasury, that he be requested to procure the same and transmit it to the Senate as promptly as may be practicable.

ADDRESS BY SENATOR POMERENE.

Mr. MYERS. Mr. President, I have here a copy of a very able, statesmanlike address upon the subject of the industrial conditions of the times, recently delivered by the distinguished Senator from Ohio [Mr. POMERENE] at a meeting in New York of the Association of Life Insurance Presidents. It is a most valuable contribution to the subject which is discussed, and I ask that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STRIKES AND THE GOVERNMENT.

(Address by Senator POMERENE before Association of Life Insurance Presidents, New York, the 5th of December, 1919.)

"I assume these statements to be self-evident:

"It is the business of government to govern, else it ceases to be government.

"Every man has the right to 'life, liberty, and the pursuit of happiness.'

"Government must not interfere with man in these pursuits so long as he does not interfere with the same right when exercised by his neighbor.

"Government must interfere when any man or class attempts to deny to others the exercise of the right which he claims for himself, otherwise there is 'confusion worse confounded.'

"In the United States under the Government which has been handed down to us by our fathers the right of revolution does not exist. Life and property are and must be safe and secure against any infringement whatsoever, save and except under the orderly processes of law.

"This does not mean that our citizens do not have the right to change the fundamental principles of their Government or the Government itself, because under our Constitutions, both National and State, the right to change the Constitution—or, in other words, the Government—is secured to the citizen in the form and manner therein prescribed.

"By this statement I do not mean to be understood as denying to the oppressed the right to better their conditions, but I do mean to say that under the Government of the United States there is no excuse for oppression and no excuse for tyranny. We recognize only one autocrat, and it is the supreme majesty of the law. To it every man must bend the knee, whether he be employer or employee, prince or pauper, giant or pigmy.

"The seat of the Government of the United States is and always will be at Washington under the dome of the Capitol. It never will be transferred to a place under the hat of any would-be autocrat whether he be a leader of capital, of labor, or of any other class.

"Years ago the American spirit was startled because a Vanderbilt had said, 'The public be damned.' But Vanderbilt seems to have had no patent upon the phrase, or if he had it is being infringed to-day by men who have as little regard for the public welfare as he himself had. There is no difference in kind between him and a Foster, who, aided by the extreme socialists and I. W. W. classes of the country, aims to enlist under his leadership the iron and steel workers of a nation and to paralyze industry; or a Lewis, who, to further his own ambitions, aided as he has been by the same elements, calls 400,000 men out of the mines and says to the public, 'Freeze and starve.'

"I do not wish to be misunderstood. I recognize that labor has not always received its portion of the product of its hand. I would resolve all doubts in its favor. I would deal with it not only justly but liberally at all times. If the American people have one characteristic that shines out brilliantly over and above all others, it is its innate sense of justice and liberality.

"I recognize that there are many instances in which the public has not been put in possession of the facts, or it does not see clearly through the maze of uncertainty that surrounds them, but when the light of publicity is turned on any controversy which relates to the welfare of either the individual or a class, injustice and wrong will wither away before the light of public opinion; and if at any time it does not thus disappear it is because it has become so strongly intrenched that it has become a menace not only to the public but to the Government itself. And when government itself is challenged, it must accept the issue or it ceases to carry out the purpose for which all government is designed.

"Government—that agency of our people designed by all of the people for the protection of all of the people! We almost live and move and have our being because of it. We often do not appreciate it until its protecting arm is withdrawn. It is like the air about us. We live in it. We breathe it. We are not conscious of its presence until it is taken away.

"To borrow a phrase from Vice President Marshall, 'Man is God-made; class is man-made.' Man owes his freedom to God who made him. Class owes its dependence—its bondage, if you please—to the man who made it.

"In the tempestuous voyage over the sea of industrial trouble two facts shine out through the mist of fog and uncertainty which envelop us like beacon lights to guide us:

"First. Europe shall not Europeanize or bolshevize America.

"Second. America will Americanize every foreigner who stays in our midst; otherwise he can not stay.

"Now, let us make some practical applications of these facts.

THE POLICE STRIKE IN BOSTON.

"Shall the police force of a great city, clothed with the badge of authority by a sovereign State, under the leadership of walking delegates, knowing that they are the physical embodiment of the law itself and the only protection which a defenseless people have against the assaults of the criminally bent, be allowed for any cause whatever to enter into a conspiracy whereby in violation of the duties they owe their city and their State, and in utter disregard of public safety, cease to function and leave the city at the mercy of the outlaw?

"Must a sovereign State let its hands be tied and submit to this indignity while some third party living without the State says, in substance, to the governor and its people, 'Restore these officers to their places and I will try to settle the differences between you and them?' Thank God, the people of the sovereign State of Massachusetts said, 'No!' and the law-abiding people of 47 other States joined the chorus.

"But it is said these men were not receiving sufficient compensation. If they were not, then those who were in authority ought to have increased it. We know as a matter of long experience that public tribunals are often slow to function under the limitations of their authority; but slow though they may have been in this instance, it did not furnish an excuse for a thousand or more policemen to strike and lay down their maces. There is one duty to self. There is a higher duty every man owes to the public. And every policeman in Boston who entered into the conspiracy to quit and leave the people of the city unprotected deserved to be court-martialed and drummed out of the city.

STRIKES IN PRIVATE INDUSTRY.

"I recognize the fact that when we come to consider the strike as related to private industry many very different elements enter the discussion which must be considered.

"I do not wish to be understood as denying to the employee in the private industrial world, as contradistinguished from transportation in interstate commerce, the right to strike under proper conditions.

"I do not wish to have it understood that I defend the course taken by the United States Steel Corporation officials in their relations with the representatives of the American Federation of Labor. The public generally understands the two diametrically opposite viewpoints of the Steel Corporation and the American Federation of Labor, so far as they relate to the recognition of outside representatives of labor in the controversy between the corporation and their employees.

"But it has seemed to me, as I study this subject, that it was very unwise from every viewpoint for the corporation to refuse to answer the letter of Mr. Gompers asking for an audience for the purpose of discussing matters relating to the welfare of hundreds of thousands of employees. Common courtesy required an answer.

"I think it may be fairly said, in a word, that Judge Gary's reason for not answering the letter and granting the audience was his belief that a conference with the leaders of the American Federation of Labor would have been a recognition of the closed-shop method of employment, and the real reason which prompted Mr. Gompers in asking for an interview was to get the corporation to recognize the right of the American Federation of Labor to intervene in any controversy which had arisen or might hereafter arise between the corporation and its employees. To meet in conference with labor leaders touching subjects of mutual interest between the company and its men could not have been a recognition of the closed shop.

"It seems to me that Judge Gary—looking at it wholly from his own viewpoint—could very well have said: 'Mr. Gompers is the titular head of the American Federation of Labor, an organization embracing probably four millions of men and women. He and I both have at heart the welfare of all laboring classes, whether they are in our employ or not, and I, as one American citizen, shall be glad to confer with him, as another American citizen, upon any subject relating to their welfare, to the end that just wages may be paid, proper hours fixed, and laboring conditions improved where improvement is required.' Looking at the subject wholly from the standpoint of the corporation, it would have proven of immense advantage to have gone at least that far. Certainly, in the eyes of the great public, which must always be taken into consideration in determining labor controversies, it would have presented a better appearance.

"The Committee on Education and Labor in their recent investigation of conditions in the steel industry found the average wages in July, 1919, to be $6.27 per day, the wages of unskilled labor for a 10-hour day, $4.62 per day, which was the lowest-paid wages.

"On the other hand, Judge Gary testified that 34.8 per cent of the Steel Corporation's men worked 8 hours, 39.40 per cent worked 10 hours, 26.52 per cent 12 hours. Certainly these long hours ought not to be permitted.

"In the opinion of the committee, '* * * broadly speaking, the employees in the steel industry at the time of the strike were fairly well satisfied with the wages received, and that such question was not persuasive at all in any consideration of a strike.'

"The committee further found that the underlying cause of the strike was the determination of the American Federation of Labor to organize the steel workers in opposition to the known and long-established policy of the steel company against unionization.

"I think it a fair deduction from a careful study of the report of the committee that while some of the conditions under which the men worked should be improved, it was the demand from without the steel industry rather than from within that brought on the strike.

"The organization of the steel mills was begun under a resolution adopted at the St. Paul convention of the American Federation of Labor in June, 1918. The campaign for membership was begun under John Fitzpatrick, president of the Chicago Federation of Labor, an extremist, and William Z. Foster, a syndicalist and an I. W. W. In May, 1919, they claimed a membership in the Pittsburgh and Calumet districts of 80,000 men. In June, 1919, Mr. Fitzpatrick reported that there were 100,000 men in the organization.

"Messrs. Fitzpatrick and Foster thought the time was ripe for a strike, though the President of the United States had called for an industrial conference to consider industrial conditions and pleaded that the order for the strike be delayed until after this conference. Mr. Samuel Gompers, president of the American Federation of Labor, indorsed the President's plea for delay. John Fitzpatrick, William Z. Foster, and their

associates, refused to comply with the request of Mr. Gompers or with the pleadings of the President.

"Mr. Gompers could not persuade the men to follow his judgment. This fact in itself is a confession that the radicals had control of the American Federation.

"It involved not only the United States Steel Corporation but the independent mills as well. The men who called the strike were in large part foreigners who were unnaturalized, but they counted in carrying out the purposes which John Fitzpatrick and William Z. Foster had in mind, namely, to dominate and control the labor situation and make the entire industrial country subject to their dictation.

"I do not want to be understood as being opposed to labor unions. I believe in them; but while I believe in unionism, I do not intend thereby to approve everything which is done in the name of union labor. If I were a laboring man I would be a union man; but as I would claim to exercise my own judgment in joining and affiliating with the union, so I would accord the same privilege to every other man to join the union or not, as he saw fit. That is the inherent right of every American citizen, and we cease to respond to the spirit of Americanism in so far as we attempt to deny this right to any other living man.

"Whether the steel strike was justified in an effort to better the conditions of workingmen I shall not further discuss, but of this I am convinced: That it ought to have been settled.

"If we are to look at it solely from the standpoint of the laboring man, what has he gained or what will he gain by this strike, which was arbitrarily called by the committee having it in charge in violation not only of the judgment and request of the titular head of the American Federation of Labor but in violation of the pleadings of the President of the United States, who on his bed of sickness begged these men to defer the strike in the interest of 110,000,000 Americans until after the meeting of the industrial conference which was soon to be held in Washington?

"The steel strike began September 22. Government statisticians estimate that the daily average of men on strike during 70 days was something like 100,000.

"The average daily wage during 1918 was—

Republic Iron & Steel Co	$5.17
United States Steel Corporation	5.33
Lackawanna Iron & Steel Co	5.45
Bethlehem Steel Co	5.68

"Estimating the daily wage of the strikers at $5 per day and the average number of strikers for 70 days—the period of the strike up until November 30—at 100,000 men, the total loss to the strikers will amount to $35,000,000.

"This is not all. It means a loss to the Nation of practically 7,000,000 days' work in the steel industry since the strike began. Those 7,000,000 days are lost and can never be converted into productive effort for humanity.

"Certainly the great Government of the United States, representing 110,000,000 people, has the right to say that questions of wage and of working conditions shall be adjusted by some modern method, perhaps not yet devised, which will prevent these awful catastrophes.

"When the men who are engaged in industrial life shall study these problems from the standpoint of citizenship, rather than from the narrow viewpoint of selfish ambitions and antagonisms, they will have a higher conception of life, improve the social fabric of the Nation, and at the same time promote their own material welfare.

"What method should be adopted for the adjustment of labor disputes in private industry is the problem. If the representatives of employers and of employees become more tolerant of the views and the rights of each other, as well as of the great third party—the public—many seeming difficulties will disappear.

"Though I am convinced that there have been very few strikes which have inured to the benefit of the workingman and very few lockouts which have benefited the employer, I at the same time feel that it would be unwise, if not impossible, to pass legislation penalizing strikes or lockouts in private industry; but the time is coming when public opinion will compel the adjustment of these difficulties without resorting to methods which are of little, if any, benefit to the respective parties, and always a positive detriment to the public.

"There are partial remedies which, in my judgment, may be very helpful.

"First. Require compulsory investigations and reports by fair and impartial tribunals upon all disputes affecting wages or labor conditions before either a strike or a lockout is permitted.

"Second. Provide for the Americanization of the foreigner who seeks the advantages of this country.

"Third. Penalize the agitator or organizer who preaches revolution or Bolshevism in any form.

"Fourth. Vacate the naturalization of any man who violates the laws of good citizenship.

COAL STRIKE.

"No strike within a generation was more uncalled for than the coal strike.

"Late in September when the people of the country were seeking to get their winter's coal supply and industry was taking practically all the coal that the mines produce, and the miners in the bituminous region were earning from $5 to $20 per day, and more, if they worked, their delegates in convention passed resolutions terminating the wage scales, which had been approved by the Government, demanded a five-day week, a six-hour day, and a 60 per cent increase in their wages, and at the same time authorized the international officials to call a general strike of all of the bituminous mine workers throughout the United States, to become effective November 1, 1919, unless these new demands were granted.

"I want to acquit the miners of being responsible for these demands. They were the demands of radicals and of ambitious officers, many of whom, in my judgment, were little more concerned for the benefit of the miners than they were for the public.

"For the month of October the Government statisticians estimate the labor cost of the coal mined at approximately $84,000,000. For November the figure will be somewhere near $28,500,000. This indicates that the mine workers as a class will receive $55,500,000 less for services rendered during the month of November than during the month of October—all because they have been induced by their leaders to strike.

"If we count 25 working days for November and estimate the number of striking miners to be in the same ratio to the total number of miners—400,000—as the decrease in the wage cost of coal mined in November is to the total wage cost of the coal mined in October, then there have been lost to the miners and to the public approximately 6,500,000 days of work. Consider for a moment its effect upon the public welfare!

"Every reasoning man wants the miner not only to have a fair wage but a good wage and good working conditions. Dr. Garfield, after investigation, says their wages should be increased 14 per cent. But what principle of either public or private morals will permit the officers or the men, in pursuance of a common conspiracy, to stop the mining of bituminous coal of which we must have 500,000,000 tons a year?

"Must transportation stop?

"Must the wheels of industry cease to turn?

"Must men, women, and children freeze and starve while the leaders of the miners take advantage of the approaching winter season to strike and force increased and unreasonable demands?

"Must 110,000,000 Americans submit to all the distress and inconvenience consequent upon the failure of fuel supply when the hills are full of coal?

"Or shall they by orderly process and by the hand of the Government which they have devised say to the 400,000 miners, 'You shall not thus threaten the life of industry and the health of your fellow men.'

"And then, gentlemen, just contemplate the situation: Because the Government sees fit to invoke the aid of the courts to enforce the law of the land certain men both in and out of Congress declare for the impeachment of the judge who heard the case and entered the decree which compelled the officials of the miners' organization to withdraw the call for the strike. And all this is said before an appeal from the decision of the court is taken.

"Must Government control this conflict, or shall this conflict control Government?

"It is sufficient to say that 110,000,000 free Americans are not living in Russia, and they will not be terrorized by the methods of Trotsky, a Lenine, or a Lewis. If these would-be autocrats are not conscious of the intensity of the bitter feeling against their methods, let them go out along the highways and byways, or in the cities and towns, and inquire of the public, 'What say you?'

"The American people did not hesitate to raise an army of 4,000,000 men or to send 2,000,000 of them more than 3,000 miles across the seas to help destroy the imperial autocracy of Germany, and they will see to it in an orderly and legal way that the would-be autocrats of this country—whether they represent capital or whether they represent labor—shall not dominate or compel 110,000,000 people to do their bidding.

INTERSTATE COMMERCE.

"It will be inferred from what I have heretofore said that I distinguish between strikes which occur in manufacturing, mining, or other forms of private industry and strikes which occur

in interstate commerce and affect our railway or other transportation, and as I distinguish between these strikes, so I would differentiate the remedies to be adopted.

"The reason lies in the inherent differences in the functions to be performed. In private industry any strike or lockout in mine or factory, no matter how important it may be to the particular locality, its effect is more or less circumscribed. It may even constitute a substantial part of a given industry, and still it seldom happens that it could be regarded as nation wide.

"Again, it must be borne in mind that the Congress has plenary jurisdiction in dealing with interstate commerce, while its authority over intrastate or local industry is very limited. Let us consider the nation-wide aspect of our interstate commerce.

"The value of the manufactured products, according to the last census of manufactures, taken in 1914, was $24,246,434,724. Taking into consideration increased production and higher values, it is quite likely that the product of the current year is very materially greater than it was in 1914.

"The value of the mineral products in 1918 was $5,526,162,000. The value of farm products for 1918 was $21,386,000,000. Our foreign trade for the calendar year 1918—imports and exports—amounted to $9,180,300,255. During the current year it will amount to much more.

"Nearly all these products enter in one form or another into interstate or foreign commerce, or both. It affects intimately the livelihood and comfort of every man, woman, and child in the country. If a controversy should arise between the railroads—whether under Government or private control—and the railway brotherhoods over wages or hours or working conditions, or for any other reason, it is within the power of 2,000,000 railroad men, or even of the membership of any one of the four brotherhoods, at any time to bring to a standstill the entire commerce of the country, foreign and domestic. There are about 85,000 locomotive engineers. They alone could stop all transportation.

"Should this happen the food supplies of our fertile farms could not be moved to the markets. Fuel could not be hauled from the mine to the family fireside, the boiler, or the furnace. The raw material could not be moved to the mills. The finished product could not be marketed. Industry would be paralyzed. In 10 days' time, and less, the innocent men, women, and children, including the families of the strikers themselves, living in the centers of our great cities would be on the verge of starvation, while the food products in the rural sections of the country would be wasting and rotting.

"And if I may say a word concerning the financial aspect of railway securities:

"According to the reports of the Interstate Commerce Commission on December 31, 1917, there were 627,930 stockholders, individual and institutional.

"The railroads are capitalized at approximately $20,000,000,000. Their valuation is estimated to be between seventeen and twenty billions.

"The National Association of Owners of Railroad Securities is my authority for the statement that there are probably some 7,500,000 institutional and individual holders of American railroad bonds. About 30 per cent of these railroad bonds are owned by the life and fire insurance companies and mutual savings banks of the country to protect the funds of their policyholders and depositors.

"I am informed that 30,000,000 people own 46,000,000 life insurance policies now outstanding, and that one-fourth of the securities for the payment of these policies is invested in railroad securities. Six hundred and forty-nine millions of these securities are held by fire and marine insurance, casualty and surety companies. Three hundred and fifty millions are owned by benevolent associations, charitable institutions, colleges, and schools. Trust companies and State and National banks own six hundred and eighty-five millions.

"It must follow, therefore, that anything which seriously affects the operations of these railroads will have a corresponding effect upon all the financial and insurance institutions of the country, and every widow or orphan or other individual who may be a holder or beneficiary of these securities.

"These apprehensions are not mere figments of the imagination. At different times nation-wide strikes have been threatened. Within a few days a strike was called by certain branches of the railway employees at St. Louis. Threats of nation-wide strikes have been made by leaders in the councils of the brotherhoods. Even Congress has been told that there would be revolution if their demands were not granted.

"Shall the Congress of the United States, whose duty it is to legislate for 110,000,000 of people, get down on their knees in the face of threats of this kind and say, 'We are powerless to act'? We will not do it if we are men.

ATTITUDE OF SOME LABOR LEADERS.

"As indicating the attitude of some of the labor leaders bearing upon this subject, Mr. Glenn Plumb in presenting his plan suggested certain wage boards and boards of adjustment, which, he said (Friday, February 7, 1919), 'would provide a means of settling wage questions and other disputes in such a manner that the occasion for strikes or lockouts would be effectually removed.'

"But, on February 12, 1919, in answer to a question by Senator CUMMINS, 'And are you willing, if the Government operates the properties, that you, the men, shall be denied the privilege or right which you now exercise of striking?' Mr. Garrettson, of the Brotherhood of Railroad Conductors, replied, 'I am not. I believe that right should and of necessity must and absolutely will continue.'

"When Mr. Gompers was before the Senate Committee on Interstate Commerce, September 23, 1919, testifying concerning the antistrike provisions of the Cummins bill, he said—hearings, page 44—'The effect of this bill, were it enacted into law, would not be to prevent strikes, it would simply create lawbreakers. I am free to say to you, gentlemen, that if a bill of this character were enacted into law, I should have no more hesitancy in participating in a just strike than I would now, regardless of what the consequences might be.' He added at the time, in substance, that he would not hesitate to refuse to comply with the law if enacted, and he would not hesitate to advise his fellows to refuse to comply with the law.

"These latter statements were, however, stricken from the record on revision of the transcript of the testimony. In any event, they do not appear in the printed testimony.

"So we have this warning: If the Congress shall attempt, by legislation, to protect the American people from a strike involving the entire interstate commerce of the country it will be defied.

"I can not speak for others, but as for me, when men representing any interest, I care not what, come before the Congress of a sovereign people with suggestions that they will not comply with a law if it is passed, they overstep the bounds of propriety, and they weaken rather than strengthen their cause. All men have the right to petition or to remonstrate. No man has the right to threaten or intimidate.

"We are told that if this law should be enacted the conservative element of the brotherhoods would not be able to hold in check the radical element. And they refer to unauthorized or illegal strikes—that is, strikes not in conformity with the rules of the organization—as being evidence of their inability to control at all times. If they are not able to control their own men, shall the Government of the United States cower before the men they can not control? Not if America knows herself, and America does know herself.

"No labor leader will admit that he ever called a strike to enforce an unjust demand. He certainly can not claim the right to make any demand, just or unjust, and insist upon its being granted. If his claim is just, he ought to believe that any impartial tribunal created by the Government will grant it. Public opinion will compel it.

"The duty of good citizenship demands that if employer and employee can not adjust their differences, they should be submitted to a proper tribunal for decision, rather than that an entire industry should be suspended while they continue to quarrel.

"When the brotherhoods engaged in interstate commerce claim the inalienable and unconditional right to strike, they claim the right to starve and freeze the public unless their disputes are settled to their satisfaction.

THE CUMMINS BILL.

"Now, briefly, what are the labor provisions of the Cummins bill relating to strikes?

"In the first place, while considering these provisions, let it be borne in mind that under this bill the employees and the public are to be given representation on the board of directors of the several railroad companies, so they always will be informed as to all the operations of the railway companies, whether of an economical or financial character.

"In view of past experience and present industrial unrest, the Interstate Commerce Committee of the Senate believed that the Congress, representing the public, wanted to be just not only to the railway employees but to the companies, their stockholders, and bondholders as well, and, above all, they believed that they should not be unmindful of the great public whose servants the Members of Congress are.

"Being confirmed in this belief, they proposed a method of settling disputes and controversies which can not be adjusted under any provision of present law, or by any other plan which the men and the companies may themselves devise; and if these disputes can not be settled by any of these means we create a

committee of wages and working conditions and three regional boards of adjustment. The Interstate Commerce Committee recognizes the right of the railroad companies and their employees to settle their disputes by present known methods of conciliation, mediation, or arbitration, or by any other method they can agree upon. It is only when all these means fail that the machinery of the Cummins bill is to be set in motion.

"The committee of wages and working conditions is composed of eight members—four to represent labor and four to represent the carriers. This committee is selected by the transportation board of five members appointed by the President. The employee members of the committee are chosen by the transportation board from nominations made by the railway craftsmen. The four members representing the carriers are selected in like manner by this board from nominations made by the carriers themselves. This committee has jurisdiction over controversies respecting wages and working conditions and to hear appeals from regional boards where those boards are evenly divided and unable to reach a decision by a majority vote. It is likewise empowered to interpret its findings and to make rules and regulations for its procedure, including the procedure on appeal cases from the regional boards of adjustment, and is required to consider and decide all complaints respecting wages and working conditions as promptly as practicable. This committee on wages and working conditions considers all complaints. Its decisions are subject to approval by the transportation board. If the committee is evenly divided the subject of the dispute shall be referred to the board, whose decision shall be final.

"The regional boards of adjustment, three in number, shall be empowered to hear and determine all complaints, grievances, matters, and disputes, including questions of discipline and controversies arising in ordinary railway operations, other than controversies relating to wages and working conditions.

"What plan could be fairer?

"Which is of the more importance, the uninterrupted movement of commerce or a commerce which is subject to paralysis at any time there is a quarrel between the railroad managers and the chiefs of the brotherhoods?

"It would be wrong to deny the right to strike or to lockout if a tribunal were not provided to which should be submitted the subject matter of dispute.

"We simply say to these men, 'Settle your differences in any way you can, and we hope you can settle them; but if you are not able to agree then the welfare of the public requires you to submit your evidence to the different tribunals we have created for investigation and decision.'

"I submit that if the railway brotherhoods are not willing to trust fair tribunals to decide their controversies the people of the United States can not, in the interests of safety, trust their commerce to men who will not trust them.

"The Cummins bill makes carriers and officers liable to a fine not exceeding $500, or imprisonment not exceeding six months, or both, if they knowingly refuse to obey the decision of the committee on wages and working conditions, when approved by the board, or of the board in cases referred to it.

"The bill also provides that it shall be unlawful for two or more persons, whether they are officers, directors, managers, agents, attorneys, or employees of any carrier, to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement and with like purpose substantially to hinder, restrain or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce; and the violation of this section is punishable by a fine not exceeding $500 or imprisonment not exceeding six months, or both.

"It is expressly provided that nothing in the act shall deny to any individual the right to quit his employment for any reason.

"Likewise it penalizes anyone who with like intent aids, abets, counsels, commands, induces, or procures the commission or performance of any of the acts declared to be unlawful by the provisions which I have heretofore referred to.

"The cause of good government, the welfare of the people, require these disputes to be settled or decided by a public tribunal without the interruption of the country's business; and I am satisfied if this system is tried out it will be approved by the railway men themselves.

"This is not denying the principle of collective bargaining. I believe in collective bargaining. But I would add a corollary: Collective bargaining does not mean collective dictation, whether by capital or by labor. The public alone can dictate. No individual or class has a right to dictate to the public.

"The Government at Washington lives, and it says to all elements of society, 'You shall be free to work out your own salvation so long, and so long only, as you do not unduly interfere with the rights and privileges of your fellow men.'

"There must be no supermen and no superclasses in America. All must be equal before the law. All must do unto others as they would be done by."

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed the following acts:

On December 10, 1919:

S. 2961. An act authorizing the Chincoteague Toll Road & Bridge Co. (Inc.), a corporation created by and existing under the laws of the Commonwealth of Virginia, to construct certain bridges to connect Chincoteague Island and the mainland.

On December 11, 1919:

S. 183. An act providing for additional time for the payment of purchase money under homestead entries of lands within the former Fort Peck Indian Reservation, Mont.; and

S. 2129. An act to amend an act approved March 26, 1908, entitled "An act to provide for the repayment of certain commissions, excess payments, and purchase moneys paid under the public-land laws."

ANNUAL REPORT OF THE PANAMA CANAL.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Interoceanic Canals and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the annual report of the governor of the Panama Canal for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE, *11 December, 1919.*

NATIONAL PROHIBITION (S. DOC. NO. 169).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, ordered to lie on the table and be printed:

To the Senate of the United States:

I transmit herewith a report from the Secretary of State, with an accompanying paper, in response to a resolution of the Senate requesting him to furnish that body with a statement showing the States which have ratified the eighteenth amendment to the Federal Constitution and the dates of such ratifications according to official documents on file in the Department of State.

WOODROW WILSON.

THE WHITE HOUSE, *11 December, 1919.*

HOUSE BILLS AND JOINT RESOLUTION REFERRED.

The following bill and joint resolution were each read twice by their titles and referred to the Committee on Public Lands:

H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes; and

H. J. Res. 20. Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry.

H. R. 10918. An act to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, was read twice by its title and referred to the Committee on Finance.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. SPENCER. I offer an amendment to the pending bill and ask that it be printed and lie on the table.

The PRESIDING OFFICER (Mr. STERLING in the chair). Without objection, it is so ordered.

Mr. KENYON. I submit an amendment to the pending bill, which I ask may be printed and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LA FOLLETTE resumed the speech begun by him on Tuesday. After having spoken for two hours,

Mr. KING. I think the Senator from Tennessee [Mr. McKELLAR] would like to submit a few observations this after-

noon, and if it would not disturb the Senator from Wisconsin I should like to suggest the absence of a quorum. Then, upon a quorum being called, the Senator from Tennessee will submit some observations, and afterwards the Senator from Wisconsin may proceed.

Mr. LA FOLLETTE. As that will give me an opportunity to get a bite of lunch, I will acquiesce in the arrangement.

The PRESIDING OFFICER (Mr. GAY in the chair). The absence of a quorum being suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Johnson, S. Dak.	Moses	Smoot
Bankhead	Jones, N. Mex.	Myers	Spencer
Brandegee	Jones, Wash.	New	Stanley
Capper	Kellogg	Norris	Sterling
Chamberlain	Kenyon	Nugent	Sutherland
Cummins	Keyes	Overman	Trammell
Curtis	King	Page	Underwood
Dial	Knox	Phipps	Wadsworth
Elkins	La Follette	Pomerene	Walsh, Mass.
Frelinghuysen	Lenroot	Sheppard	Walsh, Mont.
Gay	Lodge	Shields	Wolcott
Harris	McCormick	Simmons	
Harrison	McKellar	Smith, Md.	
Hitchcock	McNary	Smith, S. C.	

The PRESIDING OFFICER. Fifty-three Senators have answered to their names. There is a quorum present.

Mr. HARRISON. Mr. President, I wish to propound a parliamentary inquiry. Is it in order to set aside the railroad bill to take up the sugar bill at this time?

The PRESIDING OFFICER. The Chair understands that the railroad bill is the unfinished business before the Senate. It would require unanimous consent.

Mr. NORRIS. Mr. President——

Mr. HITCHCOCK. Not unanimous consent, Mr. President.

Mr. NORRIS. Can not that be done by an ordinary motion? I think it is in order at any time to make a motion to take it up.

Mr. SMOOT. It would displace the unfinished business if that were done.

Mr. NORRIS. It would if the sugar bill is not disposed of before we adjourn.

Mr. HARRISON. I do not see the chairman of the committee here right now, but as soon as he comes in I will see whether or not it can be done. I will wait until he comes in before making the motion.

Mr. MCKELLAR addressed the Senate. After having spoken for some time,

Mr. POMERENE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	McLean	Sheppard
Borah	Harris	McNary	Spencer
Capper	Harrison	Myers	Sterling
Chamberlain	Hitchcock	New	Trammell
Culberson	Johnson, S. Dak.	Norris	Walsh, Mont.
Curtis	Jones, Wash.	Nugent	Warren
Dial	Kellogg	Overman	Watson
Elkins	King	Page	Wolcott
Fernald	Lenroot	Pomerene	
Gay	McCormick	Ransdell	
Gronna	McKellar	Reed	

The PRESIDING OFFICER (Mr. MCCORMICK in the chair). Forty-one Senators have answered to their names. There being no quorum present, the Secretary will call the names of absentees.

The Secretary called the names of the absent Senators, and Mr. JONES of New Mexico, Mr. SHIELDS, Mr. SMITH of Maryland, and Mr. SMOOT answered to their names when called.

Mr. HARDING, Mr. MOSES, Mr. KEYES, Mr. WADSWORTH, Mr. BRANDEGEE, Mr. PHIPPS, Mr. NELSON, Mr. THOMAS, Mr. FRELINGHUYSEN, Mr. BANKHEAD, and Mr. UNDERWOOD entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-six Senators having answered to their names, there is a quorum present. The pending amendment is the amendment of the Senator from Montana [Mr. MYERS]. Is the Senator from Tennessee going to continue?

Mr. MCKELLAR. I am willing to defer my remarks in order that we may have a vote on the pending amendment.

Mr. MYERS. Mr. President, I desire to say a few words about the amendment before it is voted on. I offered that amendment Tuesday, and at that time I made some remarks upon it, but it was late in the day, just before the hour of adjournment, and there were very few Senators present at that time. As there is a much larger attendance now than usual, I will make a few further remarks, in brief explanation of the pending amendment.

The amendment is designed to take out of the bill the provision that would put on the board of directors of each railroad which incorporates under this measure two employees of the railroad and two directors from the public. It is rank paternalism, and I can not see any use of it or anything to be gained by it. If it would serve any good purpose I might be willing to see it remain in the bill, but when I can see no good purpose in it I do not like to see a feature of paternalism like that stay in the bill.

All in which railway employees are interested is getting adequate wages and having fair working conditions, and that is provided for, amply provided for, by other features of the bill. There is provision for a number of regional boards on wages and working conditions and for a commission on wages and working conditions, to which an appeal may be taken from a regional board, and if the board and the commission can not adjust matters of wages and working conditions then a dispute goes to the transportation board, and there it is disposed of before a fair and impartial public tribunal, acting in a judicial capacity. So the employees are amply taken care of by those provisions, and why should we go out of our way to provide that on the board of directors of each railroad corporation two of the directors shall be employees of the corporation, whether they own any stock or not, and two of them shall be taken from the public, whether they own any stock or not. It is anomalous; it is unheard of. It is the universal rule that the directors of a corporation must be stockholders, men who are pecuniarily interested in the management of its affairs, interested in making a success of it. It is right that they should be taken from among the men who have put up their money to finance the corporation and conduct its business.

Suppose there are no employees who are stockholders, what are you going to do? Take two men who have no pecuniary interest and are not stockholders and make them directors and take from among the public two others who own no stock and make them directors? I think it is the intention of the provision to take from the public two men who own no stock in the railroad and make them directors. I suppose if men were stockholders they would not be considered fair and impartial in representing the public. This provision of the bill is an anomaly, and I can see no object in it. I suppose it was probably intended as a sop to the employees; but while I was not present at the committee meeting at which this provision was discussed by representatives of the railroad brotherhoods, I understand representatives of the brotherhoods appeared before the committee and said they did not want this provision, did not want any representation of employees on the boards of directors. I have heard members of the committee who were present say that statement was made to the committee by representatives of the brotherhoods. Then why should it be forced upon them?

I can see no good reason whatever for it. I am a believer in the good old Anglo-Saxon doctrine that people who own a business have a right to manage and conduct it. That is somewhat old-fashioned, but I do not believe we should get entirely away from it. I believe the people who put money into a business and own the business have a right to conduct that business, and if it be engaged in interstate commerce, let them conduct it, if you please, under the supervision of the Federal Government, under laws enacted by Congress, under supervision and regulation of Federal agencies; but let the owners do the conducting, subject to control by the Federal Government.

I tell you we are these days going so far into paternalism and Federal interference in private business and private property rights that we are getting entirely away from the theory on which this Government was founded. I believe this provision would be an unwarranted interference in the right of private property, for which there is no excuse whatever.

Is there any Member of this body who owns a ranch, a farm, or a plantation who would think it right for his employees to be made directors of his property and given a voice in saying how his property should be managed? Of course, he should conduct it according to law, and if he undertakes to conduct it in contravention of law let him be held responsible for it. But within the scope and bounds of law he should be allowed to conduct his business as he may see fit and according to his judgment. I think this provision of the bill unnecessary, unwise, unbusinesslike, and unwarranted, and therefore I offered an amendment to strike it out, and I hope the amendment may be adopted.

Mr. CUMMINS. Mr. President, it is somewhat discouraging to me, as I am sure it must be to the Senator from Montana, to argue a question of this character in the presence of so few Senators, who must ultimately decide it. I have done my best to secure the attendance of Senators. I have done my best to

impress upon them the vast importance and tremendous consequences of legislation upon the railroads of the United States, but apparently with very little success. I am driven, however, to reply to the Senator from Montana, even though the Senators who will decide the merits of the amendment which he has offered do not hear the arguments either for it or against it.

Mr. President, the provisions which are attacked by the amendment offered by the Senator from Montana are indispensable parts of the general arrangement which the bill contemplates respecting the relations between employer and employee. The bill provides that every corporation organized under the bill to operate a railway, and every corporation reorganized under the bill to operate or own a railway, shall have upon its board of directors at all times at least two directors who are selected by the classified employees of the corporation, and at least two directors who are appointed by the President, as I remember it, upon the recommendation of the transportation board. At any rate, they represent the Government of the United States upon the directorates of these corporations.

I think none of us can be insensible to the great movement that is sweeping over the world for better relations between employers and employees. That movement in its essence is a participation upon the part of employees or workers in the management of the enterprise in which they are engaged. It is not for a control in the management, for so long as the enterprise is one in which private capital is invested I think we all agree that the control of the corporation must remain with the owners of the capital invested in the corporation. I mean that control which is permitted to private interests. I do not mean that control which is reserved for and exercised by the Government, either State or Federal.

I think most of the students of this question recognize the value of conference, the value of frankness, and the value of information in conducting a great business like a railroad or any private enterprise of considerable magnitude.

The Senator from Montana says that we have other provisions in the bill which confer upon impartial tribunals the authority to adjust or adjudicate any dispute between employers and employees. That is true; but I would look upon provisions of that kind as almost futile unless we do everything in our power to create good feeling between the employers and employees, confidence on both sides, and do everything we can to prevent the disputes which the Government assumes the obligation of adjudicating.

The presence of these directors, and I am speaking now of directors representing employees, upon boards of directors is to prevent the differences which arise and which heretofore have gradually ripened into strikes and violence and other methods of composing industrial disputes.

I think it is the universal observation of those who have looked into the matter and the experience of all who have put this plan into execution—and there are a great many industrial enterprises which have put this suggestion into execution, in substance—if the affairs of the corporation to be managed can be discussed and debated, all its difficulties and all its dangers, all its hopes and all its operations discussed in the presence of and with the assistance of the employees of the corporation, a great many controversies which become very serious and which do disturb the peace and quiet of industry and of society will be avoided.

We have come into an era where there must be this interchange of opinion between employers and employees. The employee must have his opportunity to assert his views on a particular subject before it crystallizes in the form of an acrimonious dispute.

I do not intend to enlarge upon the subject, because it is a part of the literature of the age. All of us know what has been done in this respect and what those who have studied the subject most deeply hope will come from a reorganization, if you please, of this character.

Mr. KING. Will the Senator permit a question?

Mr. CUMMINS. Certainly.

Mr. KING. It seems to me that corporations of this character, especially under the provisions of the bill—that is, corporations that are public utilities and are controlled as railroads will be controlled under the bill—should be differentiated, with respect to the wage boards of which the Senator is speaking, from the corporations to which he just referred, industrial corporations owned and operated by private individuals.

I can readily see that employees who are working for the Jones Manufacturing Co. could with propriety have a voice upon any board appointed to settle the controversies between them, and that the corporation and the employees should create a board composed of employees and of representatives of the corporation for the purpose of determining any controversy respecting wages; but does not the Senator think there is a difference between corporations of that character and these public corporations? In this case, if the board determines that the wages should be increased it does not affect the corporation. The corporation does not have to bear the burden. It comes out of the public.

It occurs to me, and the criticism has been made in my presence by labor men, as well as by those interested in corporations, that the public interest would be lost sight of; that the representatives of the railroads and the representatives of the employees are more concerned in getting together than they are in determining the rate; and that the railroad employers would too quickly concede the demands of labor, because the public would not be concerned in the controversy; that is to say, the public would not be interested, and the public would ultimately have to bear the burden.

Mr. CUMMINS. As I tried to suggest to the Senator from Utah, I think yesterday or the day before, when a dispute arises, then the public will be represented. But I can not concede that a railroad corporation is any more likely to yield to an unjust demand on the part of labor because there happens to be upon its board of directors two men who represent labor. It is not intended to control wages. It is intended to preserve good feeling between the employer and the employee. It is intended to prevent the constant and irritating conflicts which have so disturbed American life within the last few years.

I realize that if railway companies should attempt to pay their employees an excessive compensation, so excessive as to be obviously wrong, and if the transportation board, which is given jurisdiction over the regional boards of adjustment, and the committee of wages and working conditions do not correct that evil, then we must take measures to correct it. Hitherto employers, whether in a public business or in a private business, have not been disposed to pay their employees excessive compensation. There is a perfectly natural motive which protects the public in that respect.

At any rate, this particular amendment does not, as it seems to me, reach the point suggested by the Senator from Utah. If we are to supervise the management of a corporation and see that its expenses are not too great, we must do it in some way. When I come to deal with that point as it was made by the Senator from Wisconsin [Mr. LA FOLLETTE], I think I can point out in the bill a perfectly certain safeguard for the public in that respect. But I do not want in discussing the amendment proposed by the Senator from Montana [Mr. MYERS] to get into fields which have been occupied by other Senators.

I hope that the amendment proposed by the Senator from Montana will not prevail, for it is perfectly evident that if it does prevail the antistrike provisions in the bill would lose many supporters which they now have, for I regard the general arrangement of the bill respecting labor as indissoluble. If one part of the arrangement is overthrown it would involve a readjustment of the entire bill in that respect. Of course, if it is wrong, if the employees ought not to be represented upon the board of directors in order that their relations may become more intimate and cordial with their employers, then the provisions of the bill in that respect ought to be eliminated; but otherwise they should remain as they are.

Mr. McNARY. Mr. President, I move that the Senate temporarily lay aside the pending measure and proceed to the consideration of the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes.

The PRESIDING OFFICER (Mr. BRANDEGEE in the chair). In the opinion of the Chair there is no such motion as to temporarily lay aside a measure. The pending bill may be temporarily laid aside by unanimous consent, or the Senator can make the direct motion to proceed to the consideration of the other measure, which would displace the pending bill.

Mr. McNARY. I move, then, that the Senate proceed to the consideration of Senate bill 3284.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Elkins	Jones, Wash.	Myers
Bankhead	Fletcher	Kellogg	New
Beckham	Frelinghuysen	Kenyon	Norris
Brandegee	Gay	King	Overman
Capper	Hale	Kirby	Page
Chamberlain	Harris	La Follette	Phipps
Colt	Harrison	Lenroot	Pomerene
Culberson	Hitchcock	Lodge	Ransdell
Cummins	Johnson, S. Dak.	McKellar	Sheppard
Dial	Jones, N. Mex.	McNary	Simmons

Smith, S. C.	Stanley	Trammell	Walsh, Mass.
Smoot	Sterling	Underwood	Watson
Spencer	Thomas	Wadsworth	Wolcott

Mr. SMOOT. I wish to announce the necessary absence of the Senator from Kansas [Mr. CURTIS], the Senator from West Virginia [Mr. SUTHERLAND], and the Senator from Idaho [Mr. NUGENT] in attendance on a subcommittee of the Committee on Finance.

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. A quorum of the Senate is present.

Mr. CUMMINS. A parliamentary inquiry, Mr. President. Is there a motion pending?

The PRESIDING OFFICER. The Chair will ask the Senator from Oregon [Mr. MCNARY] whether he moved to proceed to the consideration of the bill which he has sent to the desk, or whether he asked unanimous consent temporarily to lay aside the unfinished business?

Mr. MCNARY. I move that at this time the Senate take up for consideration Senate bill 3284.

The PRESIDING OFFICER. The Senator from Oregon moves that the Senate now proceed to the consideration of Senate bill 3284, which is known as the sugar bill.

Mr. CUMMINS. On that I desire to be heard.

Mr. HARRISON. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRISON. Is the motion of the Senator from Oregon [Mr. MCNARY] debatable?

The PRESIDING OFFICER. The Chair thinks it is debatable two hours after the Senate convenes, which time has arrived. The Senator from Iowa is recognized.

Mr. CUMMINS. Mr. President, I understand the Chair rules that the motion of the Senator from Oregon is debatable after 1 o'clock, the Senate having met at 11 o'clock?

The PRESIDING OFFICER. Yes.

Mr. CUMMINS. I think the Chair is right in that ruling. I very much hope that the motion of the Senator from Oregon will not prevail. I understand perfectly the exigency which lies behind the bill, to which the Senator from Oregon has referred. I wish it were possible that we could consider all of the important measures of legislation at the same time, but we can not. It is a matter for the Senate to determine whether, in its judgment, it is more important to enact legislation for the further regulation and control of our railways and preliminary to their return to their owners than it is to enact the legislation to which the Senator from Oregon refers.

I have done all I could during all the time that the pending bill has been before the Senate, and even before then, to impress upon the Senate the importance of this legislation, and I intend to do all I can to keep the bill before the Senate until it is disposed of.

I suggest to those who are in favor of bringing on the so-called sugar bill that we hold a night session in order to dispose of that measure. I perfectly understand that after a bill of the character of the railroad bill is considered all day it ought not, except in the last extremity, to be considered at a night session, but that is no reason why Senators should not assemble here for the purpose of debating and determining another measure, which I have no doubt is of great importance, although I do not understand the measure sufficiently to be able to express an opinion upon it. All that I say now, Mr. President, is that I think it would be wrong and would be a desertion of duty to lay aside the railroad bill for the purpose of taking up any other legislation that is on the calendar.

Mr. SMOOT. Mr. President, I am deeply interested in the passage of the so-called sugar bill. I think it ought to be passed at an early day; to be passed in time to go to the other House to be acted on there; but I think it would be a great mistake to lay aside the pending bill. If the pending measure is kept before the Senate all the time, it will not be long until we get through with its discussion. It seems to me that that would be the orderly method of procedure. So far as the railroad bill is concerned, it affects the business and the people of this country to as great an extent as any sugar bill could ever affect them. It is for that reason, and that reason alone, that I shall vote against taking up the sugar bill.

I desire to express the opinion, however, that Senators should remain in their seats and listen to the discussion of the railroad bill and not have quorums called every half hour. We have had four such calls, as I remember, this morning. Every one of them takes considerable time, sometimes as much as 15 or 20 minutes. The result is a loss of time. It is about time, it seems to me, that Senators should be in the Chamber and that the pending bill should be considered and finally acted upon just as quickly as possible.

Mr. MCKELLAR. Will the Senator from Utah yield to me?

Mr. SMOOT. Yes; I yield to the Senator.

Mr. MCKELLAR. Does not the Senator think that the reason why no more interest is taken in the railroad bill is because Senators are so dissatisfied with it that they have no desire to do anything to expedite its passage?

Mr. SMOOT. I do not think so, Mr. President. That, however, could be developed if we should take a vote upon the bill; and I think that is what we ought to do. I think we should vote upon all of the amendments to the bill, and upon the bill itself, at the very earliest possible date. If Senators will attend the sessions, when the time comes when amendments are to be offered and discussed, and the effect they will have upon the bill is developed, it can be determined what the sentiment of the Senate is.

Mr. STANLEY. Will the Senator from Utah yield to me?

Mr. SMOOT. Yes.

Mr. STANLEY. If, as suggested by the Senator from Tennessee [Mr. MCKELLAR], Senators are dissatisfied with the pending bill, that is the greater reason why they should be here. If Senators approve the bill, it is presumed that it will be passed; but there is no excuse for Senators not being present during the consideration of a bill that vitally affects the constituency of every Member of the Senate if they believe that it is not a good bill or that it ought to be amended and improved. If they so believe, that is a greater reason why Senators should be here. Now is the time and here is the opportunity to make any changes in the bill. A bill reported by a committee is merely a tentative measure. This bill may be amended in any way that a majority of the Senate sees fit to amend it, but it can not be amended by absentees.

Mr. SMOOT. Mr. President, I wish to say to the Senator from Oregon that I will gladly join him in an effort to recess to-night until 7.30 or 8 o'clock in order to take up the sugar bill, with the distinct understanding that that bill alone is to be considered at the evening session.

Mr. NORRIS. Mr. President, I do not believe there is any attempt on the part of anyone unnecessarily to interfere with the consideration of the railroad bill. There are those who are opposed to it and those who are in favor of it who think we ought to consider the so-called sugar bill. Unless we do consider that measure now or within the next day or so, at the furthest, it will be useless to take it up and consider it at all. That is not true of the railroad bill. The country will live if the railroad bill is not passed through the Senate to-morrow or within the next few days. We all know that it is going to conference when it does pass and that the conferees will write the bill.

The American people are all interested in both of these measures—that is true—but unless one of them is enacted at once there can be no relief. In 30 days from now, if we do not legislate on the subject of sugar, we will hear from the country in a way that will not be very agreeable. We are just at the place now where sugar is going to go out of sight for all who are not wealthy and the speculators will reap their harvest.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. SMOOT. I wish the Senator would say in that connection that if sugar goes out of sight, it will not be on account of the producers of sugar in this country.

Mr. NORRIS. No.

Mr. SMOOT. I say to the Senator now, and I want the country to understand, that the beet-sugar producers of this country do not want sugar to advance beyond a certain price.

Mr. NORRIS. I agree with the Senator; at least so far as I know there are no beet-sugar producers who are trying to prevent the enactment of the sugar legislation. If they are, I have not heard of it. But whether they are or not, it does not affect the proposition——

Mr. KIRBY. Mr. President, I should like to make another suggestion.

Mr. NORRIS. In just a moment I will yield. We can not get away from the proposition that some legislation is necessary if we want to save this country and the people from paying prices for sugar that will be absolutely abnormal. I now yield to the Senator from Arkansas.

Mr. KIRBY. Mr. President, the Senator from Utah says that the beet-sugar producers do not want to see sugar advanced in price. I say for all the consumers of sugar in the United States that they do not want to see sugar advanced. Then, who is interested in seeing the price of sugar advanced?

Mr. NORRIS. If it is true—and I am inclined to think it is—that the consumer does not want it advanced, and, so far as I know, the beet-sugar producers have not made any attempt to advance it, then why not pass legislation to prevent it from being advanced?

Mr. SMOOT. The Senator is perfectly correct in that position; but I wish to say in answer to the Senator from Arkansas [Mr. KIRBY] that there are people in the United States who want the price of sugar advanced, namely, the middle men who will handle it, the profiteers. When the people of the United States begin to pay 15 or 16 or 17 cents a pound for their sugar, it will be because of profiteering in this country.

Mr. KIRBY. They are paying 20 cents a pound for it in some sections now.

Mr. MCKELLAR. They are paying 20 cents for it in my State to-day.

Mr. NORRIS. And the price may go as high as 25 cents. There are some Senators who say that because the railroad bill is the unfinished business we ought not to displace it, and that we ought to adjourn in the afternoon, instead of taking a recess, and pass the sugar bill in the morning hour. There are a few Senators—I think they are very few—who are bitterly opposed to the passage of the sugar bill, and if they can see the hand of the clock approaching the hour of 2 they might be induced to make an extraordinary effort to prolong the debate, knowing that when 2 o'clock arrives the sugar bill will have to be laid aside for the unfinished business. In my judgment, if the sugar bill is taken up so that there is no limit ahead, and it is known that it is going to be considered to a finish, the discussion will not last two hours, and we can then go back and take up the railroad bill and dispose of it.

Mr. President, I desire to meet another suggestion which has been made, namely, the suggestion of the Senator from Utah [Mr. SMOOT], along the same line of the suggestion made by the Senator from Iowa [Mr. CUMMINS], that we take a recess after 5 o'clock until 8 o'clock, and take up the sugar bill at an evening session. I would be perfectly willing to do that if there were any assurance that at 8 o'clock we would be able to pass the bill. I do not believe there would be a quorum here at 8 o'clock, but I think we would fool away the entire evening getting a quorum; and even if there were a quorum, knowing that next morning we were going to take up the railroad bill, it would be known that all that would be necessary to defeat the sugar bill would be to prolong the debate a little, and that of itself would defeat it.

The sugar bill must pass the House after it passes the Senate. It must become a law before the Congress takes a holiday recess if it is going to be effective. Every day of delay is dangerous, because the power to buy the Cuban crop is getting more remote every hour, and delay is dangerous. That is not true of the railroad bill; and it seems to me Senators ought to be willing to lay it aside without any limit ahead, so that those who are opposed to the sugar bill will know that prolonged debate will not bring about its defeat, and then there will be no unnecessary debate. I would not want to prevent any man who is opposed to it from taking any reasonable length of time to debate it. We are late now with this sugar legislation. Those who listened to the address yesterday of the Senator from Oregon [Mr. MCNARY] can see why we are late. We are in a dilemma that we ought not to be in now with regard to sugar, but that is water that has passed over the wheel. We are confronted now with a condition that demands solution at once if we are going to do any good for the country. It is immaterial who is going to make money or how much they are going to make. It is generally conceded that sugar is going to go up in price and that it is not necessary for it to go up if we take the proper steps and remedy the errors that have been committed in the past and that have gotten us into this predicament.

It seems to me that we are perfectly consistent when we ask to take up this bill under those circumstances. There is not any object to interfere unnecessarily with the consideration of the railroad bill. The interference that will take place is not intended as a blow at that legislation, and we will soon get back to it. The difference, when you get down to it, in a nutshell, is that one piece of legislation must be enacted immediately if it is to do any good, while if the other is delayed for a week nothing serious will happen.

Mr. POMERENE. Mr. President——

Mr. NORRIS. I yield to the Senator from Ohio.

Mr. POMERENE. With the Senator's permission, I should like to offer a suggestion.

The chairman of the Committee on Interstate Commerce has in charge this railroad legislation. I am a member of that committee, and I feel the same very keen interest in the progress of the legislation that he does. I fully realize the importance of this sugar bill. I think it is very regrettable that something was not done by the Government several months ago to help out the sugar situation, but that has not been done. I realize that if we do not do something the increased price of sugar to the consumer during the coming year is going to be about half a billion dollars. I realize that if this legislation is not passed it is going to cost the Treasury of the United States some three or four hundred million dollars to continue the experiment of Government operation.

Now, I was going to suggest that we ask the chairman of the committee to consent to an adjournment to-night with the understanding that we can take up the sugar bill during the morning hour to-morrow, and let us proceed with it and see if we can not dispose of it during the morning hour. I think it ought to be disposed of during the morning hour, and it will be disposed of if we consider this matter from the standpoint of the entire country; and if the hour of 2 o'clock arrives, and we have not disposed of the sugar bill, the Senate in its wisdom can then determine what should be done.

Mr. NORRIS. The Senator from Ohio is taking a very patriotic view of the matter, but I do not believe he was in the Chamber when I explained why it seemed to me that less expedition would be had if we tried to pass the sugar bill in the morning hour than if we should take it up in this way.

Mr. RANSDELL. Mr. President, will the Senator yield for a question?

Mr. NORRIS. Let me get through, first, with the Senator from Ohio. As I suggested, I will say to the Senator from Ohio it seemed to me that if we took up the sugar bill in the morning hour, those who are opposed to it might be induced to prolong the debate and the consideration of it, knowing that it would be automatically displaced at 2 o'clock. If we did pass it in the morning hour, it would take just as long then as it would take now. In my judgment we will not pass it in the morning hour, and, in my judgment, it will not take two hours to pass it if there is not any time ahead that will automatically displace the bill; and if we pass it to-day we could devote the time in the morning hour that we otherwise would have put on it to the consideration of the railroad bill. I should be very glad to do that. I should be glad to submit to any kind of a reasonable understanding, if we could reach it; but we ought to have, and we ought to have soon, we ought to have to-day, a final vote on that bill.

Mr. POMERENE. Mr. President, I am not willing to assume that Senators are going to debate even the sugar bill unnecessarily until I have an ocular demonstration of that fact.

Mr. NORRIS. When I say they will, I am saying that without any criticism. It is a common thing here. I have indulged in it myself, and I did not think I was doing anything wrong or dishonorable. I do not want anyone to get the idea that I am criticizing a man who is opposed to a bill because when he sees the hand of the clock within 30 minutes or 10 minutes or 5 minutes of 2 o'clock, when it is going to be automatically disposed of, he consumes time that he otherwise would not consume. I am not finding fault with the men that oppose it. They have a right to do that under the rules. It is something that is continually resorted to in this Chamber.

Mr. RANSDELL. Mr. President, will the Senator yield for a suggestion?

Mr. NORRIS. I yield to the Senator from Louisiana.

Mr. RANSDELL. I should like to see a quick solution of this matter. I am one of the Senators from Louisiana, and of course I am vitally interested in anything that is going to affect the interests of my State. The Senator will recollect, as he was at the hearings of the committee when we passed on this bill, that I offered an amendment restricting the powers proposed to be given by the bill to the purchase of foreign sugar. Now, everybody knows that we will have to purchase more than 50 per cent of foreign sugar——

Mr. NORRIS. Mr. President——

Mr. RANSDELL. Will the Senator let me make the statement?

Mr. NORRIS. The Senator ought not to make a speech in my time.

Mr. RANSDELL. I do not want to make a speech in the Senator's time, but I want to make a suggestion which I think will be helpful to him.

Mr. NORRIS. All right; let us have it.

Mr. RANSDELL. If the Senator will not permit it, of course I can not make it in his time, but I am going to offer something which I think will help the Senator out.

Mr. NORRIS. All right.

Mr. RANSDELL. It is this: I suggest that we agree to restrict the terms of this bill to foreign sugar, which the Senator from Oregon admits controls the situation. We can not get the sugar that we will need unless we can buy the Cuban sugar; and if we can buy two or two and a half million tons of Cuban sugar, that certainly will be more than 50 per cent of the consumption, and will control the situation. Let us restrict it to foreign sugar, and you will find no objection from the Louisiana Senators on that point—and, so far as I

know, they are the only ones who are opposing this measure in its present form—and you can put it through.

If, however, you attempt to apply the terms of this bill to the domestic article, to single out sugar and say we must buy sugar, and we must control sugar, and not control meat, not control the other articles of commerce, not control innumerable things that the American people need, we would be compelled to debate that; and I think you will find other people besides the Senators from Louisiana debating such a departure from what I conceive to be the principles on which our Government is founded.

It is altogether different when you get outside. When you propose to go to a foreign land and buy anything that that foreign land has to sell us, let us do that, and you will find no opposition from the Louisiana people. We will take our chances in the open market; but we do not want the representatives of the Government sent down into our State to try to control our people in what they shall get for their product.

That is my suggestion—a simple amendment restricting this to foreign sugar. Put the word "foreign" before the word "sugar."

Mr. NORRIS. Let me say a word in reference to the suggestion. I think nineteen-twentieths of what the Senator has said has been an argument rather than a suggestion. He has suggested an amendment to which personally I am opposed. He may offer his amendment. If the Senate adopts it, it will be part of the law. I am not willing, even if I knew what all of those who favor the legislation favored, to make an agreement in advance in regard to a vital amendment to the bill; so I could not accept the Senator's suggestion. If I did accept it for myself it would not apply to anyone else.

My own judgment is that the failure to pass this legislation will result in an expense to the people of the United States of more than half a billion dollars, as suggested by the Senator from Ohio. I think it will approach a billion dollars. It will mean that a great many people will not be able to buy sugar at all, when, as a matter of fact, properly distributed, if we succeed in getting the Cuban crop, there will be sugar enough for all. In a nutshell, that is the condition.

It may be too late now to bring about a remedy. This legislation may fail partially. It will cost a lot more to do it now than it would have cost six weeks ago or three months ago, when it could have been done without any difficulty; and the danger is increasing every hour, Mr. President. Delay is extremely dangerous, and for that reason it seems to me that there ought to be no objection to taking up this bill and finally disposing of it; and I want to say to the Senator from Iowa and the Senator from Ohio and the Senator from Utah that I think they have seen enough now to demonstrate the fact that if we have a time limit on the consideration of this bill, without an agreement to vote on it at a specific time, we will not dispose of it.

There is a danger in a parliamentary sense. I want to say to the Senator from Iowa that while I am opposed to the railroad bill and expect to vote against it, I do not want to sail under any false colors; but I say on my honor that I have no desire to and will not unnecessarily delay a vote on it—filibuster against its consideration. I am moved by no motive now to displace it excepting as it is necessary to bring about the passage of an act that, in my judgment, is almost vital to the American people.

Mr. CUMMINS. Mr. President, I want to say to the Senator from Nebraska that I have not suggested, nor do I believe, that the Senator from Nebraska will obstruct the consideration of the railroad bill. I have no such thought as that at all. I accept his view with regard to the matter. But I can not and will not take the responsibility of displacing the railroad bill, because I think it ought to remain before the Senate until it is concluded. I have believed, and believe now, that it can be concluded in ample time to deal with the sugar situation.

Mr. UNDERWOOD. Mr. President, I realize the importance of a vote on the so-called sugar bill that the Senator from Oregon seeks to bring before the Senate and which would displace the railroad bill. I am going to vote against his motion, and I desire the RECORD to show the reason why.

I do not minimize the importance to the American people of giving some relief, if it is possible to do so adequately and justly, in the sugar situation; but the country could get along without sugar for a very long time. It can not get along without railroads. The country could pay a high price for sugar without affecting the cost of living, except as to that one item; but the railroad question involves the cost of living in every item of human life and human endeavor.

I think that it is the duty of the majority party in this Chamber to present to the country a bill to relieve the railroad situation. The responsibility for legislation is on the other side of the Chamber, at least the responsibility for a real effort for legislation.

I have heard a good deal of criticism in the last day or two of the pending bill. Men differ and look at conditions from a different viewpoint. A proposition to one man from his angle may look bad, whereas it may look good to another man. From my viewpoint, although there are things in the pending bill that I do not agree with, I think on the whole it is a very good bill. But primarily I think this railroad bill will meet a situation that must be met, and met at an early day, or disaster will follow, and that is that the financial conditions of the country shall be taken care of whilst the railroads are returned to their owners.

I hope at a later hour to be able to discuss the terms of the present bill, but I shall not occupy the time of the Senate in doing it now. I expect to support the bill, because I think it is a good bill; I think it meets, in the main, the situation that confronts the country. But if it is not a good bill and does not meet the situation that confronts the country, then I say it is the duty of the United States Senate to pass some bill.

The House of Representatives has sent a bill here. It is pending before this Chamber. More than a year ago the President of the United States gave notice to the Congress that unless they were ready to legislate he intended to return the railroads to their owners, and suggested that the legislation should be passed before March. It was practically impossible to secure legislation by that date, due to the importance of the question pending before the committee. But when the President came home from Europe, still realizing the importance of this question, still realizing the necessity of returning the railroads to their owners, he again notified the Congress that he intended to do so, and he fixed the 1st day of January as the date when he intended to return the railroads, unless Congress legislated in the meantime.

I have heard men say that he would not do it. I do not know whether he will do it or not, but I know he said he would do it, and so far as my observation of the action of the President of the United States is concerned, I have generally found that when he said he was going to do a thing, he did it.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. UNDERWOOD. I do.

Mr. McKELLAR. The Senator does not think it is possible to pass this bill and have it become a law by January 1, the date on which the President said he was going to return the railroads?

Mr. UNDERWOOD. I would think so, if the Republican Congress was functioning. It may be impossible for a Republican management of Congress to pass the legislation, but I know that when the Democratic Party was in control of the two Houses we passed more important bills in a less space of time.

Mr. LENROOT. Mr. President, does the Senator include the Overman bill in that category?

Mr. UNDERWOOD. I do not say that there have not been delays with some bills, but I repeat my statement. I know that when the Democratic Party was in control of the legislative branch of the Government the tariff bill that is on the statute books to-day was passed through the House of Representatives in two weeks' time without the adoption of a cloture rule, and the Senator from Wisconsin [Mr. LENROOT] was a Member of that body at the time. It was because the men who were there were ready to do business and attended to their business.

Mr. BORAH. It takes longer to correct a mistake than it does to make it.

Mr. UNDERWOOD. If a mistake was made in turning the railroads over to the Government, I have not heard that suggestion coming from the Senator from Idaho before.

Mr. BORAH. I voted against the bill. That is the record.

Mr. UNDERWOOD. I had overlooked that fact. But if a mistake was made, then it is all the more important that we should remedy the mistake. I want to say in all kindness to the gentlemen on the other side of the Chamber I do not often criticize, seldom do I indulge in party criticism, but I think you are subject to party criticism right now in this hour, and I am going to deliver it in all good friendliness. I am not attempting to throw rocks, but I am going to tell you just exactly what I think.

You were intrusted with the control of the Government by the people of the United States a year ago last November. Your term of control commenced on the 4th of March, and the President of the United States, a Democratic President, called you into office in May. Outside of passing some supply bills,

which were killed by a filibuster in the closing hours of the last Congress, will you tell me what great material measure you have accomplished for the country in the time that has expired from May down to December? I do not know of any.

There never has been a time when constructive legislation was more needed by the people of the country than it has been in the six or seven months that you have been in power. We had just come out of a great war. All the after-war conditions were threatening the country. You admitted that legislation was needed on many scores, because you introduced the bills and you discussed the questions here. But results you have not produced. No legislation has been passed that affects the cost of living. No legislation has been passed that attempts to cut down war taxes and readjust the Treasury balance for peace conditions. No legislation has been materially considered. The great problem before the people of the United States has been peace, the question of consummating a treaty of peace with Germany. Since May a treaty of peace has been pending in the Senate. For months it stayed in the control of the Republican majority in the Committee on Foreign Relations. For months we debated the conclusions of that committee in the Senate, and finally came to a vote, and the proponents of a resolution of ratification could not command a majority vote in the Senate, where they had a majority of political control.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Will the Senator from Alabama yield to the Senator from Tennessee?

Mr. UNDERWOOD. I will.

Mr. McKELLAR. Right there may I ask the Senator, he being a member of the Committee on Interstate Commerce, if since this very important bill has been before this session of Congress, he recalls that at any single time a majority of the members of that committee have been present in this Chamber looking after the bill? Is it not a fact that there have been just a mere handful of Senators at all times in the Chamber during the consideration of this, one of the most important bills we have before us?

Mr. UNDERWOOD. I do not think that is pertinent to the question, and I have not counted the number of Senators who have been here. Senators like to listen to some debate, and they do not want to listen to others. That is a question of personal equation that does not affect the measure.

Mr. CUMMINS. Mr. President, the Senator from Tennessee is inquiring with regard to the presence of Senators in the committee room?

Mr. McKELLAR. No; the presence of the committee members here in the Senate.

Mr. CUMMINS. Oh, I beg pardon. I thought the Senator was inquiring about the committee meetings.

Mr. UNDERWOOD. If my friends will allow me, that is not so important a question. It is not material to me whether they sit here and listen or not; what they do is the question.

This bill was taken up for consideration in the Committee on Interstate Commerce for hearings last January, nearly a year ago. There were extended hearings by the full committee.

Subsequently when the Congress met a subcommittee was appointed which gave further extended hearings on the subject to everybody, and then wrote a bill which was reported to the full committee. The full committee sat for weeks, and I want to say so far as the full committee is concerned that I have rarely been on a committee where there was a more full attendance continuously than there was upon the consideration of this bill. Many times we had the entire membership of the committee there, and most of the time we had more than three-fourths of the members there. Then the bill was reported to the Senate and stayed on the calendar for weeks, until the treaty of peace was disposed of. So that everybody had ample opportunity to read the bill and consider it.

As I said, since the Republican Party came into power in the two Houses of Congress there is nothing that stands to their credit on the ledger, not one item of great, important legislation. They have utterly failed in bringing the Senate together to ratify the treaty of peace. They have utterly failed to pass legislation that might ameliorate the conditions of living in this country. Great strikes and industrial disturbances have faced the country. The President of the United States has appealed to the Congress for aid. So far as remedial legislation is concerned not one line has been written on the statute books of the country.

Now, to-day in this hour we have a bill before the Senate that affects the entire industrial life of the United States, affects the Treasury of the United States, affects the lives and peace and happiness of millions of people. Do not forget that the entire financial credit of the railroads was destroyed during war times and under war conditions, not merely because of an increase in the cost of supplies but because you have allowed an increase for labor of more than a billion dollars, and that billion dollars amounts to more than the railroads have ever paid out in any one year for interest on bonds and dividends on stocks.

Do you expect to meet that condition by a return of the railroads without an increased freight rate and an increased passenger rate? Are you going on increasing the wage scale, reflecting it back into the cost of transportation, without some due consideration by the Government in the interest of the people of the country? There is no way to do it now. The bill proposes a way. Have you forgotten the fact that one-fourth of all the securities in the great trust companies, insurance companies, and savings banks of America are railroad securities, and that the mass of the American people are interested in this problem?

Would you dump these railroads back without legislation to meet this situation? Would you force the President to return the railroads on the 1st of January without proper legislation? I am not a prophet nor the son of a prophet, but I say that if the Republican Party dares to adjourn this Congress without an honest attempt to pass either this bill or some other bill to meet these conditions that confront the country, the American people will repudiate them in every State in the Union, and they would deserve repudiation by the people.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator?

Mr. UNDERWOOD. Certainly.

Mr. CHAMBERLAIN. I should like to have the Senator say to the Members of the Senate, on this side at least, whether he advises Senators to vote for the bill as it has been reported from the committee. I will frankly say to the Senator that, as at present advised, I do not feel friendly to the report which has been made. I should like to have the Senator from Alabama say whether he advises the Democratic Members of the Senate to vote for the bill which has been reported from the committee.

Mr. UNDERWOOD. I will say that there are some features of the bill of which I do not altogether approve, but it has been rarely the case that I have seen a bill of great importance come before the Senate of which I approved of every feature.

But I do say that the cardinal features of the bill are such that I believe it will protect the financial conditions of the railroads and at the same time not unduly burden the people; that it adopts machinery by which the situation can be worked out justly by the boards appointed by the Government; and so far as I am concerned I shall most cheerfully support the bill. I believe it is the part of wisdom that the Democratic membership in this Chamber should support the Republicans in an effort to pass the bill. But if they do not pass this bill, then they certainly should not want to sidetrack it. It is their duty to aid the majority in the Senate to pass constructive legislation to meet the situation. Then if the other side fail to respond to their duty to the country the people of the United States will know where the responsibility lies and who must take responsibility home with them.

I say the Republican side of the Senate can escape this responsibility no longer. There is no constructive legislation of any kind upon the statute books that is material, with all these months passed by. Senators on the other side of the Chamber are in the majority, but it is our duty to help you in constructive legislation, and, so far as I am concerned, you shall have my help. But a motion now comes from your side of the Chamber to postpone action on a bill that is of the greatest importance to the people of the United States. It is true that the motion is in reference to a question that is vital to the American people, but you have 30 days in which to decide it. If it is passed any time within 30 days, it will be effective, while this legislation ought to be disposed of in 10 days. If Senators did not attempt by the length of their speeches to delay action, we could dispose of it in 10 days. If we had a reasonable cloture rule in this Chamber, without undue limitation upon debate, we could dispose of it in a week. The country is suffering until the legislation shall be disposed of.

I want the RECORD to show how many men on the other side of the Chamber are willing to lay this bill aside. You may say you will lay it aside for an hour to-day, but if you lay this bill aside for the sugar bill what are you going to lay it aside for to-morrow? Are you going to let the Christmas holidays come without action and the 1st of January come and invite the President of the United States to return the railroads to their owners without remedial legislation that is so necessary for their protection?

Mr. President, much as I would like to see an opportunity for consideration of the important measure proposed by the Senator from Oregon, I believe it would be most unwise, it would be bordering almost on a legislative crime, for the majority party in control of the Senate to displace this important railroad bill for any reason. I believe I can say to my colleagues on this side of the Chamber, to those who think the bill is adequate and those who believe it is inadequate to meet the situation, that we all realize the importance of some kind of legislation on the subject of the railroad question. We all know that for more than a year the President has been asking for legislation of some kind. I say that we can not escape the responsibility, whether we intend to vote for the bill as it stands or vote for it with remedial amendments, if we displace its consideration as the business before the Senate until it has been disposed of one way or another.

I may differ with my colleagues to some extent as to how the pending bill should be disposed of, but I can not see that there should be any difference between us as to the importance of disposing of it immediately. A vote to take up some other measure can mean but one thing, and that is that the other measure is of more vital importance than the railroad bill. It means that if we consider that line of procedure we may not get through with this legislation until the first day of January arrives.

Mr. KIRBY. Mr. President, I see no special reason for not displacing the railroad bill at this time. It is admitted by all that the bill proposed to be considered is of vital concern to the people of the country. Everybody seems to understand that about $800,000,000 might be saved to the consumers of sugar in the United States by the passage of the bill. Almost everyone recognizes the necessity for something of the kind being done.

I do not see any reason why the sugar bill could not be passed in two hours. There is no reason, as it appears to me, why it could not be done. It would not delay the consideration of the railroad bill for any considerable time, and I believe we ought to take up the sugar bill and dispose of it.

As to the suggestion for meeting here at night, I do not think it is a wise one, and I do not think it should obtain. Why are Senators not in the Senate here to-day? It is said that there have been calls for a quorum many times to-day, and that is true. Many times a quorum has been called to-day. Senators are not in the Senate to-day and have not been, and why? Because they are tired, because they are worn out, because they have been here five or six months constantly. That is the condition of Senators to-day.

So far as criticism about a quorum is concerned, it may be just, but on the last quorum call there were present 600 per cent more Democratic Senators than there were Republican Senators, though that is not saying much, because there were present only six Democrats and the Republican making the speech.

That is the condition. If we shall come here and assume to transact business of this importance at night, Senators will not be here and the matter will not have proper consideration. It will not be done; and it ought not to be expected of men under the conditions I have outlined.

Let us pass the sugar bill in two hours, or a day, if necessary. The other matter is of vital importance; it is the most important matter that is before the American people, or will be before the American people for some time to come, after the ratification of the peace treaty. I do not know whether or not the treaty is expected to be again presented for consideration. The disposition of the railroad problem is the most important question thereafter, but it will take some time to adjust it. We ought to give the amount of time which is requisite to be given to it. The sugar question does not need much discussion; it can be disposed of in two hours. I believe the sugar bill ought to displace the pending measure, and that we should consider and pass it at once.

Mr. LENROOT. Mr. President, the Senator from Alabama [Mr. UNDERWOOD] has undertaken to read the Republican side of the Senate a lecture this afternoon with reference to the so-called sugar bill. No one knows better than does the Senator from Alabama that if the pending measure is displaced for the sugar bill, the sugar bill will be passed this afternoon, unless votes upon the Democratic side of the aisle are against it or debate upon that side of the aisle develops into a filibuster and prevents the passage of the bill.

Mr. UNDERWOOD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Alabama?

Mr. LENROOT. I yield.

Mr. UNDERWOOD. I object to the Senator putting a prediction in my mouth. I do not know anything of the kind. If the Senator wants to make that prediction, let him make it as his own.

Mr. LENROOT. I think, Mr. President, the RECORD will show that the Senator from Alabama stated that if the pending bill were displaced, a great deal of time would be occupied in the consideration of the sugar bill.

Mr. UNDERWOOD. I think it will, but I do not know. I can not predict who will occupy the time. I never have done so.

Mr. LENROOT. No; but while the Senator from Alabama is attempting to lecture this side of the aisle, I think he knows the time that will be occupied in debating the sugar bill will be on his side of the aisle and not upon this.

Mr. UNDERWOOD. I do not know any such thing.

Mr. LENROOT. If that is not true, if the pending bill is displaced, the sugar bill will be passed before 6 o'clock to-night; and I suggest to the Senator from Alabama, if the pending bill is displaced, that he use his influence with the Members of his own party to expedite the consideration of the sugar bill.

Mr. President, the Senator from Alabama has undertaken a general lecture of the Republican side with reference to the legislation that has failed to pass. The Senator from Alabama seems to have forgotten that since the Republicans came into a majority in Congress the telegraph and telephones, which were taken under a Democratic administration, have been returned to their owners; he seems to have forgotten that the food-control act has been largely extended in accordance with the request of the President and that severe penalties have been provided for its violation; and I might go on and name other legislation which has been enacted since the majority passed to this side.

It is true, as the Senator from Alabama has said, that the consideration of the peace treaty during the long time that it was before the Senate did prevent the consideration of other important public measures. The Senator from Alabama, however, did not say what the fact is, that the responsibility for the lengthy consideration of that treaty and the fact that it is not ratified to-day belongs not to the Republican side of the Senate but to the Democratic side of the Senate. While I know that that subject, Mr. President, is one of which we are all tired, I think this is an opportune time to place upon the record just what the status of that matter is and where the responsibility lies.

A great propaganda is now going on over the country backed by certain forces attempting to lay the blame for the present status of the peace treaty upon the Republican side. Nearly every Senator on the other side of the aisle knows that the blame does not lie here, but lies with the Democratic side and with the President of the United States. The Senator from Alabama knows, I am sure——

Mr. UNDERWOOD. He does not know that. If the Senator from Wisconsin wants to make that prediction I am perfectly willing for him to do so, and to make it as his own; but I can not allow the Senator to continue to say that I know what he says is so—and I do not want to interrupt his speech—when I do not know it, and I repudiate the statement that the Senator is attempting to make in my name.

Mr. LENROOT. I, perhaps, should change that, but I have known the Senator from Alabama [Mr. UNDERWOOD] for many years, and I esteem him so highly, and he is so very intelligent, that I rather took it for granted that he knew these facts. [Laughter in the galleries.]

The VICE PRESIDENT. The doorkeepers will eject from the galleries persons who are violating the rules of the Senate.

Mr. UNDERWOOD. I wish to assure the Senator from Wisconsin, with whom I have been associated for many years, that my intelligence runs along a different line from his on that subject.

Mr. LENROOT. Well, mine does not run in a groove made for me by the President of the United States.

Mr. President, as I said a moment ago, I think it is proper at this time, in view of what has been said, to place upon the record a little of the history of the closing days of the last session with respect to this matter. When this side of the aisle is criticized, and the responsibility is being attempted to be placed upon this side for the present status of the treaty, I want to make the statement that this side of the aisle made plain the basis upon which it was willing to ratify the treaty; and repeatedly, until the vote was taken, we attempted to get Senators on the other side of the aisle to make a proposition upon which they were willing to ratify the treaty. That proposal was repeatedly made to the Senator from Nebraska [Mr.

HITCHCOCK]. We adjourned on Wednesday night, November 19, and on the preceding Tuesday morning the Senator from Nebraska was asked to make such a proposition to the chairman of the Committee on Foreign Relations, the Senator from Massachusetts [Mr. LODGE], but he informed the Senator from Massachusetts that afternoon that he could not do so, presumably because he had not an opportunity to consult the President of the United States; presumably because the Senators upon the other side of the aisle were not willing to act upon their own responsibility, but intended to follow whatever suggestions the President might make. Until the last vote was taken the Senator from Nebraska knew that if his side had any proposition to make for the settlement of the matter then pending it would be welcomed and considered by this side of the aisle. He refused to make any, and he has not made any up to this date. Until, of course, the other side of the aisle, which had sufficient votes to defeat the ratification of the treaty, make some proposition there is no way by which the matter can be revived and the treaty ratified with proper reservations.

Mr. UNDERWOOD. Mr. President, I do not wish to delay the Senate on this subject, but I want to repeat not as an argument, not as a lecture, but as a fact, that the Republican Party in this session of the Senate has not passed any important remedial legislation. The bill which took over the telegraph lines and placed them under the control of the Government itself provided that they should be returned as soon as the war was over. There was no contest about their return—if there had been, the bill would probably still be pending—and there really was no legislation necessary. The other bill to which the Senator has referred was in like category.

It is true that a large portion of the time was taken up in discussion of the treaty of peace, but not by any means all of it, for the treaty of peace came before the Senate and went to the committee in May. I am not sure about the date, but my recollection is that it was reported back and not taken up for consideration by the Senate until July. If I am wrong about that, I hope some Senator will correct me. There was certainly from May to July when there was nothing that stood in the way of remedial legislation being enacted.

Mr. LODGE. If the Senator will allow me, the treaty of peace was not presented here until the 10th day of July.

Mr. UNDERWOOD. Then it was in the committee more than two months.

Mr. LODGE. The committee took it up and acted upon it after it had been presented by the President, on the 10th day of July, and printed.

Mr. UNDERWOOD. At what time was it reported back to the Senate?

Mr. LODGE. It was reported back to the Senate on the 4th day of September.

Mr. UNDERWOOD. That is the point that I have in mind, and I am glad the Senator corrected me. From the time Congress met, in May, until the 4th day of September of this year the treaty of peace was not before the Senate, and so the Senate had full and unlimited opportunity to pass remedial legislation concerning other matters. The treaty of peace did not interfere with that at all.

Mr. WADSWORTH. Mr. President, will the Senator yield for a moment?

Mr. UNDERWOOD. Certainly.

Mr. WADSWORTH. Does the Senator forget all the appropriation bills?

Mr. UNDERWOOD. The appropriation bills did not take very much time on the floor of the Senate.

Mr. WADSWORTH. I think the Senator will find that some of them did take considerable time, and furthermore that their initiation was delayed owing to the failure to summon the Congress at an earlier date.

Mr. UNDERWOOD. They did not have to get through Congress until the 1st of July; and, as I chanced to be on the Appropriations Committee, I happen to know that the reenactment of the bills that failed on account of a filibuster—and that probably includes all of them: it does include all of them——

Mr. LODGE. Oh, Mr. President, the sundry civil bill was not in the Senate in time to be passed.

Mr. UNDERWOOD. It failed on account of the filibuster being conducted on another measure.

Mr. LODGE. No; it did not fail on account of the filibuster; it failed because the House did not send it here.

Mr. UNDERWOOD. I have seen sundry civil bills reported and acted upon in the Senate within two days after they came here, and a day or so before final adjournment; and we could have reported the sundry civil bill at the last session and it could have been passed, as sundry civil bills and other bills have been passed heretofore, within the time that was left.

Mr. WADSWORTH. It could not be passed until it reached the Senate.

Mr. UNDERWOOD. It was in the Senate; but the committee did not report it.

Mr. LODGE. It was not in the Senate.

Mr. WADSWORTH. It was not sent over from the House.

Mr. UNDERWOOD. The sundry civil bill was in the Senate, if Senators will allow me to say so.

Mr. LODGE. I think the Senator is mistaken.

Mr. UNDERWOOD. I am sure the Senator thinks I am mistaken, but I happen to know that the bill did come over here before final adjournment.

Mr. LODGE. It may have come here, but it was not laid before the Senate.

Mr. UNDERWOOD. We could not lay it before the Senate because the appropriation bill which was before the Senate was the general deficiency bill, and it was being filibustered to death.

Mr. LODGE. What happened to the Army bill and to the Navy bill?

Mr. UNDERWOOD. They could not come up because the general deficiency bill was being filibustered to death, and we could not bring them up.

Mr. LODGE. When was the general deficiency bill brought in by the committee? It was brought in within 48 hours of final adjournment.

Mr. UNDERWOOD. The general deficiency bill?

Mr. LODGE. Yes.

Mr. UNDERWOOD. The Senator is mistaken.

Mr. LODGE. I am not mistaken about that.

Mr. UNDERWOOD. I happened to be in charge of that bill myself, and I sat here all one night trying to get it through.

Mr. LODGE. If the Senator will look at the RECORD as to when it was brought into the Senate, he will find that it was brought in within 48 hours of final adjournment.

Mr. UNDERWOOD. The Senator is mistaken about the time when it was brought before the Senate. On account of illness, the chairman of the committee asked me to take charge of the bill, so that I was in charge of it myself, and I happen to know how long I sat here trying to get it through.

Mr. THOMAS. The Senator was in nominal charge.

Mr. UNDERWOOD. I was in nominal charge; I stand corrected.

Mr. President, I wish to say in regard to the peace treaty that the Senator from Wisconsin [Mr. LENROOT] is trying to put the blame of the failure of the treaty of peace on this side of the Chamber. He can not do that; he never will be able to do that; the country is never going to recognize that argument. If you want to get rid of the responsibility for failing to ratify the treaty of peace, it is, parliamentarily speaking, lying on the Vice President's table; the majority can take it up and consider it, and you have the majority. If you want to pass it, take it up and keep on trying to pass it until you get a two-thirds vote. As I have said, you can not get away from the responsibility for the failure of the treaty, as is evidenced by the concrete fact that you kept the treaty in the committee for months and you kept it before the Senate for months; but on the final passage of the resolution of ratification which you proposed you were unable at any time to command the votes of a majority of the Senate. That was the case.

Mr. LODGE. Mr. President, will the Senator allow me to make one slight correction?

Mr. UNDERWOOD. To be sure.

Mr. LODGE. The treaty is not before us. It can not be taken up. The Senate has overruled, no less than three times, the proposition that the Senator has put forth; and the Senator ought to know that it contravenes every precedent, every principle of parliamentary law, and the rules.

Mr. UNDERWOOD. Of course, that is a difference of point of view between myself and the Senator.

Mr. LODGE. The Senate has three times decided the other way.

Mr. UNDERWOOD. If the Senator will listen to me a moment, I know the Senator stated that on the floor the last time his resolution with reservations was voted on. He stated that if it was rejected the treaty would be defeated, and the Senate had conformed to that order of business, notwithstanding the Vice President had ruled the other way and had been overruled by the Senate. But after the happening of that event I proposed a resolution of unrestricted ratification. There was no point of order made against it. No objection was made to it. It was voted on, and the Senator from Massachusetts himself moved to reconsider my motion and lay it on the table.

Well, now, what was disposed of? My motion was disposed of, but not the treaty. The treaty is now just exactly where it was when the Senator moved to lay my motion on the table. That is the parliamentary situation.

I know perfectly well that as long as a majority of the Senate, a majority on that side, intend to say that the treaty of peace is dead, it is dead temporarily, because nobody can do anything with it. As long as that side of the Chamber continues to say that the treaty is dead on the table of the President of the Senate, it is dead, because the majority will not take it up; but if there was a majority that was supporting myself or the Senator from Massachusetts, and we desired to resurrect the life of the treaty, we could very quickly do it with that majority—I mean as soon as debate ran out.

Mr. LODGE. Mr. President, it would be none the less out of order; but, if the Senator will allow me, he knows perfectly well, as well as I do, that the President can withdraw the treaty under the rules of the Senate without the permission of the Senate and resubmit it the same day, and then it is open.

Mr. UNDERWOOD. I also know just as well as the Senator does, and he knows, that if the treaty is dead the Senate can send it back to the President and tell him it is dead; but the Senator can not get a majority to reach that conclusion, in my judgment. I think that would be the proper thing to do, from the Senator's standpoint. If the treaty is rejected by the Senate, it is up to the majority of the Senate to notify the President of the United States of the fact, which has not been done, and I think it has not been done because I think the Senator from Massachusetts doubts his ability to command a majority in this body to give that notification to the President.

Mr. LODGE. Oh, no; the Senator is mistaken. Occasionally the President has been notified of adverse action by the Senate on a treaty; sometimes he has not been; but in the last case, the case of the Chamberlain-Bayard treaty, that matter was brought up and it was decided by the Senate that no such order was necessary.

Mr. UNDERWOOD. Mr. President, while we are on that subject—we have wandered far afield from what I was talking about—I want to say this:

I recognize the fact that the President could withdraw this treaty and send it back if he wanted to; but why should he? He sent it to the Senate. The Senate has it. It was on the desk of the Presiding Officer when we came out of executive session. It is there now, and a majority can go into executive session and move a vote of ratification, which, according to the original rulings of the Presiding Officer of this body, would be in order. The Senate adopted another rule. If the Presiding Officer followed the rule of the Senate, and not his own construction of parliamentary law, that majority could overrule him again, as they overruled him in the beginning, when I think he was right, and then the Senate could take up the treaty and act on it; and the only reason why it does not act on it is because it can not command a majority vote to act on it, or the majority does not want to act on it.

It seems to me it would be perfectly idle for the President of the United States to withdraw the treaty and send it back here when the Senate itself has indicated that it does not propose to act on the treaty; and if it is dead, it is not dead by my vote. I voted for its unconditional ratification. It is no more dead by my vote that did not command a majority vote than it is dead by the votes of the men who voted for the Lodge resolution that did not command a majority vote. I say it is the duty of the majority side of the Senate, where the responsibility lies, to try to work out some understanding between themselves and this side of the Chamber and the President of the United States by which a treaty of peace can be confirmed and a peace status established in the United States. You have not done it. I did not rise here to criticize you for not doing it, but it is a fact. It is a condition, not a theory. What I do say is that now you come to the second important piece of legislative work that has come before the Senate at this session, the handling of this great railroad bill, and a motion comes from your side of the Chamber to displace it. Now, if you are not going to attend to the business of the country, I say the country should understand it.

Mr. BORAH. Mr. President, there may not be very many Senators in the Chamber, but there are some who get a vast amount of consolation out of this discussion of the dead treaty; and if you can not find anyone at all who will assume the responsibility for its death, I think I can. I trust sincerely that it is dead and that it will stay dead. It is the best thing that the Senate has done since it has been in session or for many years, and if it does nothing else except to kill the treaty it will be entitled to the gratitude of the American people for all time to come.

Mr. President, the treaty has passed from the consideration of the Senate to the consideration of the people at large. The politicians who gather in Washington may debate behind closed doors as to whether or not they will make it an issue, but they will have no more effect upon whether or not it shall be an issue than they will have upon what time the sun shall rise tomorrow morning. The American people have a way of assuming jurisdiction and of retaining jurisdiction until they render final judgment, and this question has gone to the jurisdiction of the American people and it will be definitely and finally settled by them in the election of 1920. It does not make any difference how we vote here in the meantime or what proceedings we may have; this question is now in the minds of the masses of the American people and you can not eliminate it, and neither the timid members of my party nor the same kind of members of your party will have the slightest effect in the way of keeping it from the determination of the American people. It is, as has been said, to be an American question, and when you get an American question before the American people the American people will retain it and decide it for themselves. When they enter the election booth they will consider alone the independence of our country and the welfare of our people; they will not be feeling around to see how or where the majority opinion rests.

If there is anything that is eating out the heart of the two old parties in this country to-day it is the lack of moral courage to take hold of these questions and to declare themselves upon them. The political guides are faltering and trimming and seeking to step from under, but the people at large will decide the question according to national interests and national welfare. They will assume a responsibility from which the time-serving politician seeks to escape.

Mr. LENROOT. Mr. President, just a word in reply to the Senator from Alabama.

In spite of anything the Senator from Alabama may say, the record stands that a majority of the Senate of the United States adopted certain reservations to this treaty. It was then rejected by the votes of the alleged friends of the treaty or it would have been ratified. Now, until these alleged friends present some proposition for consideration by the friends of the treaty upon this side of the aisle, of course nothing can be done. So the responsibility lies with the friends of the treaty, who killed it.

Now, just a word with reference to what the Senator from Alabama said concerning the time wasted by the Senate of the United States in May and June of this year.

The Senator from Alabama seems to have forgotten that during those two or three months the Senate of the United States was occupied in the consideration of the appropriation bills which failed at the last session; and this Republican Congress in passing the appropriation bills reduced them by $939,692,541.07 over the same bills passed by the last Democratic Congress. That is fairly good work, I think, Mr. President—the Republican Congress saving money to the people of the United States at the rate of about $400,000,000 a month. Possibly the Senator from Alabama may sneer at a little item of nearly a billion dollars, but the taxpayers think something of a matter of that importance.

Now, just a word with reference to this motion.

I do not believe the railroads of this country should be returned until next spring. I do not believe they should be returned to their owners at the highest period of cost of operation and the lowest period of revenue. The Senator from Alabama says that the President says that they will be returned on the 1st of January. Well, Mr. President, possibly autocracy has gotten so far in this country that when Cæsar speaks he can no longer change his mind; but I can not assume that the President of the United States, when the House has passed a bill returning the roads to their owners and when the Senate is engaged in the consideration of such a bill, is going to return them on the 1st of January. If he does, and the railroads are forced into bankruptcy, the responsibility will not lie with the Republican Congress, but will lie with the President of the United States.

Mr. THOMAS. Mr. President, now that the buck has been passed and repassed I suggest a vote upon the motion.

Mr. McNARY. Mr. President, at the time I made the motion to consider what is known as the sugar bill I was conscious of the importance of the railroad legislation before the Senate. However, I do not believe that by displacing it for the afternoon any considerable time will be lost. It is not necessary for me to undertake to describe the sugar situation or the importance of early railroad legislation; but, Mr. President, a large part of this day has been destroyed, the last hour and a half by political debate. If we had talked less politics and more sugar,

I think we would have had this bill passed by this hour; and if we would take up the consideration of the sugar bill at this hour I have every confidence that we could pass it by 6 o'clock. I wish Senators would bear that in mind. I would gladly defer action until this evening if I thought it were possible to have a quorum present, but I do not think so, and in that view I sincerely hope that the majority will be found supporting the motion which has been made.

The VICE PRESIDENT. The question is upon the motion of the Senator from Oregon [Mr. McNARY] to proceed to the consideration of Senate bill 3284.

Mr. CUMMINS. I ask for the yeas and nays.

Mr. FRELINGHUYSEN. I suggest the absence of a quorum.

The VICE PRESIDENT. No business has intervened since there was a quorum call, and the Chair will not entertain a call for a quorum when debate only has intervened. It has been the universal ruling of every Presiding Officer who ever occupied this chair, and on appeals from the rulings of the Presiding Officer the ruling has been sustained that debate is not the discharge of business. The Chair takes cognizance of the fact that no business has been transacted since the last quorum call and refuses to call for a quorum.

Mr. FRELINGHUYSEN. That is the situation, then, that there has been no business?

The VICE PRESIDENT. That is the situation.

Mr. CUMMINS. I have asked for the yeas and nays on the motion of the Senator from Oregon.

The yeas and nays were ordered.

Mr. SMITH of South Carolina. Mr. President, I want to vote intelligently on this matter, and I have not a very clear idea of the situation. I want to say at the outset that I am in favor, wherever it is possible, of getting rid of the laws that invoke the interference of the Government in the affairs of the American people, and I want to vote to that end whenever I get a chance. I do not understand this situation, and I would like to ask the Senator from Oregon, or some of those who have the information, some questions.

Does this necessity, or seeming necessity, for the interference of the Government, or for the continuation of the Board of Equalization, a part of whose powers I see by the bill are to be restricted, grow out of the fact that there is such a sugar shortage that the law of supply and demand will put the price of sugar beyond the reach of the ordinary individual, or does it arise from the fact that there may be enough sugar to go around, but that somebody is cornering the market? I would like to understand the situation before I vote.

Mr. McNARY. Mr. President, I am sorry the Senator from South Carolina, who is usually in touch with public matters, has not given the sugar situation some consideration. The bill simply authorizes the Sugar Equalization Board, acting in its legislative capacity, to acquire raw sugars of the crop of 1921, if they can be obtained at a fair and reasonable price. The purpose of that is to enable the Government, acting under that agency, to go out and acquire the raw sugar crop in Cuba and elsewhere which is necessary to supply the American public with a normal quantity of sugar. Briefly, that is the purpose of the measure and the object which I think it will accomplish.

Mr. SMITH of South Carolina. Does the Senator say it is to enable the board to purchase the foreign and domestic crop?

Mr. McNARY. Yes.

Mr. GAY. Will the Senator from South Carolina yield?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Louisiana?

Mr. SMITH of South Carolina. I do.

Mr. GAY. I merely would like to say that the president of the Sugar Equalization Board, Mr. Zabriskie, informed the Government that it is too late to have any kind of control that could be enforced. It is the opinion of the president of the equalization board, and it is the opinion of a great many people who are well posted, that if the policy of noninterference in business had been adopted by the Government some time ago there would not be the scarcity of sugar existing at this time, and there is no reason now why an adequate supply of sugar can not be obtained from Cuba in the usual manner that was followed prior to the war.

Mr. SMITH of South Carolina. The only matter that is concerning me now is that this is a time of peace, and we are about to establish a precedent here of the Government entering in to relieve a condition which it seems to me those who engage in merchandise in this country are perfectly competent to relieve. If somebody is buying this crop or taking advantage of the scarcity of sugar and cornering it, why was the Sherman antitrust law written upon the statute books? Why have we gone and solemnly committed ourselves to the farce of trying to enact legislation which will deter the evil-minded from doing things, and then, while it is on the statute books, invoking the Government to go into business in order to prevent the people themselves from coming in and running the business?

If I understand the condition, there is a scarcity of sugar, and for fear that somebody somewhere will corner the supply and put the price beyond what is thought reasonable, the Government must step in and assume the function of purchaser and of vendor to the people in order to keep the price within what they think are reasonable bounds.

If it was during the war and conditions were abnormal by virtue of that fact, it would be a different proposition; but for us to continue the Government in the practice of buying is with me a question of principle. I would infinitely rather see a commodity go to any kind of a price than for us to commit ourselves to the doctrine of socialism. That is what is the matter with us now. We are not only assuming to become a merchant but we are absolutely becoming the guardians of labor and of capital, telling capital how much it shall make upon an investment and labor how much it shall get when the capital is put into operation. I do not know what other steps the Government can take that will differentiate it from being the most pernicious form of paternalism and of socialism, interfering in every direction.

Such evils will necessarily come, but it is for the people themselves to settle this question. I would rather have the buyers and sellers of sugar settle this question amongst themselves, and if they find some one who is really trying to corner the market, hale him before the courts and let the world know, than for us to camouflage the situation by the Government buying and selling. Let us go back to a prewar status, and let people find out who it is that wants to sell sugar at 25 and 30 cents a pound.

I am informed that sugar is being sold in New York now at around 9¼ and 10 cents a pound. Just the other day down in my South Carolina home I bought 160 pounds and gave 20 cents a pound for it, and the party who sold it to me asked me to put it in a sack and try to smuggle it out, for he did not know what would happen to him if it was found out that he sold me so much sugar. There was some kind of a rule or regulation about selling an individual that much sugar. I do not know but what I am liable to indictment now for getting 160 pounds of sugar, even though I paid 20 cents a pound for it.

Mr. President, in all seriousness, a man has to pinch himself to know whether he is in America or not, whether he is living under the Government that he thought he was living under or whether we are in distressed and disrupted Europe. Can we not trust the American people, who buy and sell in the markets? If there are scoundrels who take advantage of the situation we have a law to meet the case, and we ought to invoke it. I am opposed to any further Government interference, if there is any possibility of getting away from it, and it looks to me as if some one could ferret out and account for the present abnormal condition.

I do not know whether the alleged facts are true, but it was stated, I think, by the Senator from Idaho on the floor here the other day that vast quantities of sugar are being exported from this country. It was also alleged by another, as I stated a moment ago, that in one region they are selling sugar at about 10 cents a pound and in another region sugar at wholesale is bringing 18 and is being retailed at 20, 22, and 23 cents a pound, all right here in the same country. Is there no one who can understand and meet this condition without remedying it by the Government stepping in and becoming the shopkeeper for America, letting these persons understand that under the law against trusts and combinations they will be prosecuted? Let the people settle the question as to what they shall give and let the markets assume their normal course.

I predict that if we extend the life of this Sugar Equalization Board for one year more we shall have to extend its life another year, and, as has been intimated here by others, why not appoint an equalization board for beef and for the meats of this country? They are abnormally high. Shoes that cost $6 before the war are now $25 a pair.

Mr. BANKHEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH of South Carolina. I do.

Mr. BANKHEAD. I would like to ask the Senator from South Carolina if he does not believe that all the high price of sugar about which he complains is the result of the so-called zone system?

Mr. SMITH of South Carolina. I think it is.

Mr. BANKHEAD. You are in what is known as the southern zone, or the New Orleans zone?

Mr. SMITH of South Carolina. The 20-cents-a-pound zone.

Mr. BANKHEAD. Yes; the 20-cents-a-pound zone, and you are not permitted to buy any sugar in New York at 10 cents a pound.

Mr. SMITH of South Carolina. And carry it to my home.

Mr. BANKHEAD. And carry it to your zone.

Mr. SMITH of South Carolina. No.

Mr. BANKHEAD. Therefore, I presume the high price of Louisiana sugar is the result of the zone system, requiring others to buy the Louisiana sugar when Louisiana has not any sugar to sell.

Mr. SMITH of South Carolina. I am beginning to get some light on this question.

Mr. McKELLAR. Mr. President, I have an amendment which the Senator from Oregon [Mr. McNARY] has been good enough to say that he will accept, which provides for this very matter, to be added to the bill, as follows:

Provided, That zones in which certain kinds of sugar only may be sold shall not be established by the said equalization board and that prices of foreign, Louisiana, and beet sugar, and the other various grades of sugar, shall be equal and uniform for each grade throughout the United States and to all the citizens thereof, and that sugar may be bought in any part of the United States for distribution and use in any other portion of the United States.

Mr. SMITH of South Carolina. Can you not amend that by repealing the zones?

Mr. McKELLAR. This repeals the zone system, because there is nothing in the law that provides for it. This prohibits the zone system, and I am sure will have the effect desired by the Senator from Alabama [Mr. BANKHEAD] and the Senator from South Carolina [Mr. SMITH]. The Senator from Oregon has already announced his willingness to accept it.

Mr. SMITH of South Carolina. May I ask the Senator from Tennessee if that should pass, what would be the necessity of extending the life of the board to look after the matter?

Mr. McKELLAR. As I understand it, it is that our principal source of supply is Cuba, and the Cuban planters have offered to sell to the equalization board in bulk at a price, I believe, of 10½ cents a pound, so that it will guarantee, if the equalization board is directed to buy and does buy the crop of Cuban sugar, as it is believed it can buy it, the American people will be certain that during the ensuing year they will not have to pay more than 12 cents a pound at the outside for sugar.

Mr. RANSDELL. Will the Senator from South Carolina allow me to correct an error into which the Senator from Tennessee inadvertently has entered?

Mr. SMITH of South Carolina. Certainly.

Mr. RANSDELL. The people of Cuba have not agreed to any such price as that. Some time ago they did offer to sell their sugar in bulk, but they specifically withdrew their proposition to sell.

Mr. McKELLAR. They offered to sell some time ago.

Mr. RANSDELL. Several months ago; but they withdrew that proposition. So we do not know that we could buy it now if we had the money and were authorized to buy it.

Mr. McKELLAR. Does not the Senator from Louisiana think that we ought to try to buy it? Does he not think we ought to save this enormous amount of money to the users of sugar in this country? Does not the Senator think we ought to undertake in some way to prevent this enormous loss to the American people?

Mr. RANSDELL. So far as I am concerned, I would be entirely willing to pass a law authorizing our equalization board to attempt to purchase from Cuba, but this proposed bill says "purchase from America." The bill proposes to interfere with the business of Louisiana, of the beet-sugar people, the Hawaiian people, and the Porto Rican people. If they will also interfere with the selling of butter and eggs in your State, and the selling of meats in other places, and lard and flour and meal and every commodity on earth, so that all the laws of supply and demand in America are interfered with, and we are not allowed to do business in the orderly way in which we have always done it, then I say I will make no objection to sugar; but as long as I have breath in me I will stand here and oppose sugar being singled out for this absolute and complete violation of all law that we knew in this country prior to the Great War, which caused us to do away with law.

Mr. McKELLAR. If I may have the permission of the Senator from South Carolina to answer the statement made by the Senator from Louisiana——

Mr. SMITH of South Carolina. Certainly.

Mr. McKELLAR. I will say that whenever the butter and egg people sell their butter and eggs at one price to a part of the people of the United States, and whenever the beef people sell their beef at one price to a portion of the people of the United States, and in another zone increase that price from 50 to 100 per cent, we had better regulate the butter and egg people and the beef people, too. That is what government is for.

We are paying in the Tennessee district from which I come almost double the price for sugar that people are paying in this District. It is an outrage upon the American people. It is an outrage upon the people of Tennessee that they are required to pay almost double the price for sugar that the people are paying in other States.

Mr. RANSDELL. Will the Senator permit a question?

Mr. McKELLAR. I will stay here quite as long to protect the interests of Tennessee that are being exploited for the benefit of somebody as the Senator from Louisiana will stand by the people of his State.

Mr. RANSDELL. Will the Senator from South Carolina allow me to ask the Senator from Tennessee a question?

Mr. SMITH of South Carolina. Certainly.

Mr. McKELLAR. I shall be delighted to answer the question if I can.

Mr. RANSDELL. I ask the Senator from Tennessee if he does not think the whole trouble might be righted if the authority which created the zones could be annulled? The whole trouble comes from the Sugar Equalization Board creating a series of zones. In one zone, the zone along the North Atlantic coast, it is selling the remnant of last year's Cuban sugar crop at around 9 cents to the wholesaler. It has created another zone where the beet-sugar people are not permitted to sell, as I understand it, at over 10½ cents a pound. Then it has created another zone in which the Louisiana people are permitted to sell, not at a price fixed by the equalization board but at a price which the Attorney General says will not be profiteering, to wit, 17 to 18 cents a pound.

Mr. McKELLAR. I am unwilling for that to be done.

Mr. RANSDELL. I care nothing for it as a Louisianian. I do not ask for that. I will join the Senator from Tennessee this minute in repealing any authority which the equalization board has to fix zones. I want my people in Louisiana to stand absolutely on the laws of supply and demand, and that is all they ask. They want to be let alone. We will be glad to have you let us alone. That is all any American citizen ought to ask. But in God's name do not pass a law here saying that some governmental agency in times of peace like these shall go down to Louisiana and tell those people that they must sell their sugar, shall go to Hawaii and tell those people they must sell their sugar, shall go to Porto Rico and tell those people they must sell their sugar, shall go to the sugar-beet States and tell those people they must sell their sugar.

I say that if you are going to break up the rules and regulations of all the decent respectable business, if you are going to destroy the democratic ideas under which this Government has so long thriven, you should not limit it to sugar. Apply it to everything. Apply it, as the Senator from South Carolina [Mr. SMITH] said, to shoes and to meat and to everything else. Let us have fair play now. Louisiana, I repeat, asks no favoritism whatsoever—absolutely none.

Destroy the zone-creating authority, and you will get rid of that trouble. If the zone-creating authority were out of office, then you could go into New York and buy sugar and carry it down to Tennessee. Then you could go into the sugar-beet States and buy sugar and carry it to Tennessee; and if Louisiana could not meet the competition of the sugar-beet people and the New York refiners, then she could not sell her sugar. That is all there is to it.

Destroy that war authority. We had lots of authority during the war, and most of it, thank God, has gone out of existence. Here is one, however, functioning yet to some extent and creating all sorts of inequalities. Do not get it into your head that anybody in Louisiana wants you to be compelled to buy in Louisiana. We want you to have authority to buy anywhere on earth you can buy. At the same time we in Louisiana wish to be authorized to sell to anybody who will buy our goods and not be limited to selling to the United States Government.

Mr. SMITH of South Carolina. I have just a few more words to say and then I am through. I am glad that I started this discussion, because it has led me to see possibly the cause of the present discriminatory prices.

The arbitrary fixing of zones by this board has given certain individuals, it appears, a monopoly of a certain region. It has shut out competition. I am perfectly willing now, if that is a fair understanding of the question, to have it definitely understood by the legislation that we may pass this afternoon that America is the zone for the sale of sugar—not any particular part for any particular source of supply, but that America is the zone where this equalization board shall function for the

purpose, under this emergency, of getting in as much outside sugar as they can.

In conclusion I will merely say that I hope that we will all have enough sugar for Christmas under any circumstances.

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon [Mr. MCNARY] to proceed to the consideration of Senate bill 3284. The yeas and nays have been ordered, and the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The senior Senator from Virginia [Mr. SWANSON] is necessarily absent in Virginia on account of illness in his family. I have a pair with that Senator during his absence and therefore withhold my vote.

Mr. KNOX (when his name was called). I am paired with the senior Senator from Oregon [Mr. CHAMBERLAIN]. In his absence I withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. SMITH]. I transfer that pair to the junior Senator from Maryland [Mr. FRANCE] and vote "nay."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. GRONNA] which I transfer to the senior Senator from California [Mr. PHELAN] and vote "nay."

The roll call was concluded.

Mr. MYERS. Has the Senator from Connecticut [Mr. MCLEAN] voted?

The VICE PRESIDENT. He has not.

Mr. MYERS. I have a pair with the Senator from Connecticut, which I transfer to the Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. WILLIAMS. I have a pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I transfer that pair to the Senator from Rhode Island [Mr. GERRY] and vote "nay."

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. NEWBERRY] to the Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. FALL. I have a pair with the junior Senator from Wyoming [Mr. KENDRICK] and, in his absence, withhold my vote.

Mr. WATSON (after having voted in the negative). I transfer my pair with the Senator from Delaware [Mr. WOLCOTT] to the Senator from Illinois [Mr. SHERMAN] and will permit my vote to stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Michigan [Mr. TOWNSEND] with the Senator from Arkansas [Mr. ROBINSON]; and

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Nevada [Mr. HENDERSON].

Mr. MCKELLAR. I wish to announce that the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Tennessee [Mr. SHIELDS], and the Senator from Maryland [Mr. SMITH] are absent on official business.

Mr. WALSH of Montana. I have been requested to announce that the Senator from Virginia [Mr. SWANSON] and the Senator from Nevada [Mr. PITTMAN] are detained from the Senate by illness in their families.

The Senator from Virginia is paired with the Senator from Washington [Mr. JONES].

The result was announced—yeas 27, nays 33, as follows:

YEAS—27.

Ball	Johnson, S. Dak.	McNary	Simmons
Borah	Jones, N. Mex.	Nelson	Spencer
Capper	Keyes	New	Sterling
Frelinghuysen	King	Norris	Sutherland
Gronna	Kirby	Nugent	Trammell
Harris	Lenroot	Overman	Walsh, Mass.
Harrison	McKellar	Sheppard	

NAYS—33.

Ashurst	Fernald	Myers	Underwood
Bankhead	Fletcher	Page	Wadsworth
Beckham	Gay	Pomerene	Walsh, Mont.
Brandegee	Hale	Ransdell	Warren
Calder	Harding	Reed	Watson
Colt	Hitchcock	Smith, S. C.	Williams
Cummins	Kellogg	Smoot	
Dial	Lodge	Stanley	
Elkins	Moses	Thomas	

NOT VOTING—35.

Chamberlain	Fall	Johnson, Calif.	La Follette
Culberson	France	Jones, Wash.	McCormick
Curtis	Gerry	Kendrick	McCumber
Dillingham	Gore	Kenyon	McLean
Edge	Henderson	Knox	Newberry
Owen	Pittman	Shields	Swanson
Penrose	Poindexter	Smith, Ariz.	Townsend
Phelan	Robinson	Smith, Ga.	Wolcott
Phipps	Sherman	Smith, Md.	

So Mr. MCNARY's motion was rejected.

Mr. MCKELLAR. Mr. President, I ask unanimous consent at this time to offer the amendment to the McNary bill that I read only a few moments ago.

The VICE PRESIDENT. Is there objection?

Mr. GAY. I object, Mr. President.

The VICE PRESIDENT. There is objection.

Mr. GAY. I call for the regular order.

Mr. CUMMINS. Mr. President, if I am not mistaken, the question that is now pending is upon the amendment proposed by the Senator from Montana [Mr. MYERS]. I have already twice discussed the amendment, but there are many Senators present who were not present during the discussion of either the Senator from Montana or myself. I do not intend to repeat what I have said, but simply to call attention to the character of the amendment.

The Senator from Montana proposes to strike from the bill those provisions which require the presence on the board of directors of railway companies organized or reorganized under this proposed act of two representatives of the employees and two representatives of the Government. The view of the committee is that we have done the best we can to avoid differences of opinion, to promote harmony and good feeling. With that suggestion, so far as I am concerned, I am quite willing to have a vote upon the amendment.

[Mr. MCKELLAR addressed the Senate. After having spoken, with interruptions, for about one hour, he yielded the floor for the day.]

EXECUTIVE SESSION.

Mr. CUMMINS. I move that the Senate adjourn until 11 o'clock to-morrow morning.

Mr. JONES of Washington. Mr. President, I ask the Senator if he will not allow us to have a very short executive session?

Mr. CUMMINS. Certainly.

Mr. GAY. As a substitute, Mr. President, I move that the Senate take a recess until that hour.

Mr. JONES of Washington. Will the Senator withhold the motion so that we may have an executive session? I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

ADJOURNMENT.

Mr. CUMMINS. Mr. President, I move that the Senate adjourn until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Friday, December 12, 1919, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate December 11 (legislative day of Wednesday, December 10), 1919.

SECRETARIES OF EMBASSIES OR LEGATIONS.

CLASS 3 TO CLASS 2.

The following-named person for promotion in the Diplomatic Service of the United States: Alexander C. Kirk, of Illinois, secretary of embassy or legation.

The following-named person for promotion in the Diplomatic Service of the United States: Frederic R. Dolbeare, of New York, secretary of embassy or legation.

The following-named person for promotion in the Diplomatic Service of the United States: Eugene C. Shoecraft, of Missouri, secretary of embassy or legation.

COLLECTOR OF CUSTOMS.

John Pallace, of Brockport, N. Y., to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N. Y., to fill an existing vacancy.

UNITED STATES ATTORNEY.

Isaac Blair Evans, of Salt Lake City, Utah, to be United States attorney, district of Utah, vice William W. Ray, resigned, effective January 1, 1920.

UNITED STATES MARSHAL.

Claude Bond, of Toccoa, Ga., to be United States marshal, northern district of Georgia, vice Howard Thompson, whose term has expired.

RECEIVER OF PUBLIC MONEYS.

Julius B. Alvord, of California, to be receiver of public moneys at Susanville, Calif., his present term expiring December 16, 1919. Reappointment.

PROMOTIONS IN THE REGULAR ARMY.

COAST ARTILLERY CORPS.

To be colonel.

Lieut. Col. John C. Gilmore, jr., Coast Artillery Corps, from December 7, 1919.

FIELD ARTILLERY.

To be captain.

First Lieut. Frank Langham, Field Artillery, from September 1, 1919.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Lieut. Leman L. Babbitt to be a lieutenant commander in the Navy, for temporary service, from the 1st day of July, 1919.

Lieut. (Junior Grade) Clarence E. Miller to be a lieutenant in the Navy, for temporary service, from the 1st day of November, 1919.

The following-named ensigns to be lieutenants (junior grade) in the Navy, for temporary service, from the 1st day of July, 1919:

Walter F. H. Nolte,
Anthony Feher,
Wallace Cooper,
James F. Jeter,
Warren A. Sprout, and
Scott E. Peck.

Machinist Homer N. Wilkinson to be an ensign in the Navy, for temporary service, from the 1st day of September, 1919.

Lieut. (Junior Grade) Frederick D. W. Baldwin, United States Naval Reserve Force, to be an ensign in the Navy, for temporary service, from the 1st day of September, 1919.

Medical Inspector Archibald M. Fauntleroy to be a medical director in the Navy, with the rank of captain, for temporary service, from the 5th day of October, 1919.

The following-named acting pay clerks to be assistant paymasters in the Navy, with the rank of ensign, for temporary service, from the 1st day of September, 1919:

George H. Williams and
Joseph A. Hesse.

Pay Clerk Richard A. Vollbrecht to be an assistant paymaster in the Navy, with the rank of ensign, for temporary service, from the 1st day of September, 1919.

Ensign Edward B. Cantey (Pay Corps), United States Naval Reserve Force, to be an assistant paymaster in the Navy, with the rank of ensign, for temporary service, from the 1st day of September, 1919.

The following-named boatswains to be chief boatswains in the Navy, for temporary service, from the 1st day of September, 1919:

Walter H. Amberger and
James E. Tracy.

The following-named gunners to be chief gunners in the Navy, for temporary service, from the 1st day of September, 1919:

Theodore Thompson,
Morris E. Eason,
Howard A. Booth, and
Ernest R. Stephenson.

Machinist Harry W. Dreher to be a chief machinist in the Navy, for temporary service, from the 1st day of September, 1919.

The following-named carpenters to be chief carpenters in the Navy, for temporary service, from the 1st day of September, 1919:

Paul W. Reeves,
Arthur E. Lawrence, and
Euguene F. Smith.

Pharmacist Frank A. Northrup to be a chief pharmacist in the Navy, for temporary service, from the 1st day of September, 1919.

Acting Pay Clerk Thomas E. Harris to be a chief pay clerk in the Navy, for temporary service, from the 1st day of September, 1919.

The following-named lieutenants to be lieutenant commanders in the Navy from the 1st day of July, 1919:

Warren G. Child,
Harry Campbell,
Charles W. Crosse,
Alfred W. Atkins,
Bruce R. Ware, jr.,
Richard E. Cassidy, and
Joseph Baer.

Lieut. Francis A. L. Vossler to be a lieutenant commander in the Navy from the 12th day of July, 1919.

Lieut. Schuyler F. Heim to be a lieutenant commander in the Navy from the 27th day of August, 1919.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 8th day of June, 1918:

Edward P. Nickinson, and
Charles P. Mason.

Lieut. (junior grade) Harry P. Curley to be a lieutenant in the Navy from the 8th day of December, 1918.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 7th day of June, 1919:

Ray H. Wakeman,
William I. Causey, jr.,
Hugh L. White,
George D. Hull,
Carl T. Hull,
Terry B. Thompson,
Charles J. Parrish,
Thomas M. Shock,
Frank L. Johnston,
Herbert K. Fenn,
Walter O. Henry,
Wilbur J. Ruble,
Justin McC. Miller, and
Roy Pfaff.

Lieut. (junior grade) Walker Cochran to be a lieutenant in the Navy from the 1st day of July, 1919.

Ensign Zeno W. Wicks to be a lieutenant (junior grade) in the Navy from the 6th day of June, 1917.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June, 1918:

Marcus C. Miller, and
John S. Farnsworth.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 3d day of June, 1919:

Robert C. Bourne,
Earl M. Major,
Milton O. Carlson,
Harry V. Baugh,
Henry L. Phelps,
George P. Brewster,
Homer L. Grosskopf,
Bruce P. Flood,
Gilbert W. Sumners,
Albert M. Rhudy,
William E. Miller,
John S. Roberts,
William W. Schott,
Leon S. Fiske,
Lyman K. Swenson,
Paul S. Goen,
Charles G. Halpine,
John E. Reinburg,
Robert B. Twining,
Henry N. Fallon,
Oscar W. Erickson,
Henry C. Merwin,
Calvin T. Durgin,
William J. Forrestell,
Norman O. Wynkoop,
Joseph H. Lawson, and
Walter S. Carrington.

The following-named assistant civil engineers for temporary service to be assistant civil engineers in the Navy, with the rank of lieutenant (junior grade), from the 1st day of July, 1918, to correct the date from which they take rank as previously confirmed:

Fritz C. Nyland,
Ira P. Griffin,
Charles R. Johnson,
Frank F. Addicks,
Henry Brinkmeyer, jr.,
John B. McTigue,
Lewis Thornburg,
Lewis N. Moeller,
Carl F. Fritch,
Carl N. Cotter,
Louis B. Hyde, and
Theron A. Hartung.

Assistant Civil Engineer Charles D. Riddle for temporary service, to be an assistant civil engineer in the Navy, with the rank of lieutenant (junior grade), from the 1st day of July, 1918.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 11 (legislative day of Wednesday, December 10), 1919.

SECRETARY OF COMMERCE.

Joshua Willis Alexander to be Secretary of Commerce.

COAST GUARD.

Capt. of Engineers Quincy Bogardus Newman to be engineer in chief of the Coast Guard.

HOUSE OF REPRESENTATIVES.

THURSDAY, *December 11, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God Almighty, ever susceptible to the needs of Thy children, let Thy spirit possess us to guide us through the changing scenes of this day that we may reflect Thy glory in whatsoever we put our hands to.

Finally, brethren, whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report, if there be any virtue, and if there be any praise, think on these things.

In the name and spirit of the Lord Jesus Christ. Amen.

THE JOURNAL.

The Journal of the proceedings of yesterday was read.

Mr. CLARK of Missouri. Mr. Speaker, before the Journal is approved I desire to call attention to a collocation of words in the Journal which to me seems wrong. In one place the Journal recites the fact that the Speaker "directed" the House to resolve itself into the Committee of the Whole House. The Speaker does not direct the House. The Speaker resolves the House, and I think the Journal ought to make it appear in that way. Of course, it does not amount to very much, but I think we might as well have it right.

The SPEAKER. The gentleman from Missouri has called the matter to the attention of the Clerk, and the Chair feels sure that the suggestion will be given the proper consideration. Without objection, the Journal of yesterday, as read, will be approved.

There was no objection.

WILD BIRDS IN THE DISTRICT OF COLUMBIA.

Mr. MAPES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1199) to prohibit the purchase, sale, or possession for the purpose of sale of certain wild birds in the District of Columbia, with Senate amendments thereto, and agree to the Senate amendments.

The SPEAKER. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the bill H. R. 1199, with Senate amendments thereto, and concur in the Senate amendments. Is there objection?

Mr. MADDEN. Mr. Speaker, reserving the right to object, what are the Senate amendments?

Mr. MAPES. Mr. Speaker, the bill was introduced by the gentleman's colleague [Mr. GRAHAM of Illinois] to prohibit the sale of certain game birds in the District of Columbia. As the bill was introduced and passed the House of Representatives and as it went to the Senate, it included, among others, certain migratory birds. The Department of Agriculture called attention to the fact that migratory birds were covered by the treaty applying to migratory birds, and asked to have them eliminated from the bill. The Senate, therefore, amended the bill by striking out all migratory birds that were embraced in the bill originally so that it would apply only to nonmigratory birds.

Mr. MADDEN. And that is all of the change there is?

Mr. MAPES. That is all of the change.

Mr. MADDEN. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

The Clerk reported the title of the bill, and read the Senate amendments.

Mr. MAPES. Mr. Speaker, I move that the House concur in the Senate amendments.

The motion was agreed to.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bill and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested.

S. 3187. An act to dispose of a certain strip of public land in Waterville, Me.; and

S. J. Res. 131. Joint resolution making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States.

SESSIONS OF COMMITTEE ON THE DISTRICT OF COLUMBIA.

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia have leave to sit to-morrow, Friday, December 12, 1919, during the session of the House, for the purpose of conducting hearings on the so-called half-and-half plan.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the District Committee be allowed to sit to-morrow during the session of the House. Is there objection?

There was no objection.

BUREAU OF COAST GUARD PATROL.

Mr. JOHNSON of Washington. Mr. Speaker, by direction of the Committee on Immigration and Naturalization, I ask unanimous consent that the bill (H. R. 10404) to amend sections 4, 8, and 10 of the act of June 29, 1906, as amended, relating to naturalization, to provide for a division of patrol guard in the Bureau of Immigration, and for other purposes, together with the report thereon, be recommitted to the Committee on Immigration and Naturalization.

The SPEAKER. The gentleman from Washington asks unanimous consent that the bill H. R. 10404, which has been reported by the Committee on Naturalization and Immigration, together with the report thereon, be recommitted to that committee. Is there objection?

Mr. GARNER. Mr. Speaker, reserving the right to object, what is the object in recommitting this bill?

Mr. JOHNSON of Washington. Mr. Speaker, I would say that this bill is primarily a naturalization bill, an omnibus bill, which picks up many bills that have been introduced. There was added to it one feature, section 7, which is an immigration matter, which provides for the establishment of a division of patrol guards in that Bureau of Immigration in the Department of Labor, for the purpose of patrolling the coast and land boundaries of the United States. That is an immigration matter.

Mr. MADDEN. How much would that involve? How many people would that provide employment for?

Mr. JOHNSON of Washington. I can not say. We undertake in that paragraph to make an authorization of $250,000. The trouble with the matter is this. We have a partial coast patrol, paid for by the Immigration Service. We also have a coast guard, and the duties of the men in that service include the picking up of aliens who attempt to enter the United States surreptitiously.

Mr. GARNER. Why does the gentleman want to recommit this bill? I understand he wants to get that provision out of the bill.

Mr. JOHNSON of Washington. Yes.

Mr. GARNER. The gentleman can offer an amendment when he takes the bill up for consideration in the House to strike out that provision, and that will obviate this request.

Mr. JOHNSON of Washington. Let me go a little bit further. The first paragraph repeals the requirement for a certificate of arrival to be filed by the alien at the time he petitions for naturalization.

Mr. GARNER. Why can the gentleman not offer an amendment in the Committee of the Whole House on the state of the Union and have it adopted by the committee, and in that way perfect his bill, and pass it as we do other bills. There is no necessity for recommitting this bill. If the gentleman wants to hasten this legislation, he can take it up to-day, amend his bill if he desires, and then pass the bill, and we will in that way have a chance to put you on record with respect to patrolling the border, and that is what I am going to do. Mr. Speaker, I object.

The SPEAKER. The gentleman from Texas objects.

EXTENSION OF REMARKS.

Mr. HULINGS. Mr. Speaker, yesterday morning I asked unanimous consent to have printed in the RECORD a memorial from the oil producers engaged in business in Mexico. I see that that has been printed in the RECORD this morning in the Senate proceedings, so I shall not further take that matter up. I now ask unanimous consent to have printed in the RECORD a memorial from the Elks Lodge of Sharon, Pa.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD by printing therein a memorial from the Elks Lodge of Sharon, Pa. Is there objection?

Mr. JOHNSON of Washington. Mr. Speaker, reserving the right to object, I would suggest to the gentleman that similar

resolutions have been sent to nearly all Members. It is desirable to keep the size of the RECORD down, and therefore I object.

Mr. HICKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a list of the personnel of the Navy during the war, a matter in which we are all interested. It is an official list. It is very short.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. HULINGS. Mr. Speaker, I object.

PAYMENT OF SALARIES OF OFFICERS AND EMPLOYEES OF CONGRESS FOR DECEMBER, 1919.

Mr. GOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the following resolution.

The SPEAKER. The gentleman from Iowa asks unanimous consent for the present consideration of the resolution which the Clerk will report.

The Clerk read as follows:

Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919.

Resolved, etc., That the Secretary of the Senate and the Clerk of the House of Representatives are authorized and instructed to pay the officers and employees of the Senate and House of Representatives, including the Capitol police, their respective salaries for the month of December, 1919, on the day of adjournment of the present session for the holiday recess.

The SPEAKER. Is there objection to the immediate consideration of this resolution?

Mr. CALDWELL. Mr. Speaker, reserving the right to object, does the gentleman understand that to include the payment of clerks to Members?

Mr. GOOD. They are on the salary roll, and it includes all officers and employees of the House, including the Capitol police, and it is the customary resolution that has always been passed at this season of the year.

Mr. CALDWELL. I wanted to be sure, because they are now on the roll.

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, I want to ask the gentleman a question. The gentleman speaks of adjournment for the holiday recess. May I ask the gentleman upon what day the steering committee has decided upon such adjournment?

Mr. GOOD. I am not authorized——

Mr. BLANTON. So that we who did not get a chance to go home during the 10-day recess may yet get a chance to go there?

Mr. GOOD. I am not informed as to the exact time. I have heard some talk of December 20, but as to the exact day——

Mr. BLANTON. That would be Saturday of next week.

Mr. GOOD. As I understand.

Mr. BLANTON. I will ask the gentleman from Wyoming that question while I have the floor. Would the gentleman from Wyoming kindly give us light on that subject? What day may we expect the holiday adjournment?

Mr. HULINGS. Mr. Speaker, I call for the regular order.

Mr. MONDELL. Mr. Speaker, in due time I expect to offer a resolution for a holiday recess from December 20 until January 5.

Mr. BLANTON. That is sufficient.

The SPEAKER. The question is, Is there objection to the immediate consideration of the resolution? [After a pause.] The Chair hears none.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. GOOD. I will yield.

Mr. WALSH. There was considerable confusion at the time the gentleman was making the statement. Do I understand this to be the usual resolution which is passed prior to taking a holiday recess for the compensation of employees of the House and Capitol——

Mr. GOOD. And the Senate; it is.

Mr. WALSH. And is in the usual form?

Mr. GOOD. In the usual form, except formerly the resolution provided for the payment of compensation to Members that went to them for clerk hire. Now the clerks have been placed on the roll and therefore there is a slight change in the phraseology, just to conform to the change in the statute.

Mr. BRAND. Will the gentleman yield?

Mr. GOOD. I will.

Mr. BRAND. I wanted to know why the gentleman discriminates in the resolution between the officers and employees of the House and Senate and Members of Congress. Why does not the gentleman include Members of Congress in this resolution?

Mr. GOOD. Well, they never have been; and I have simply followed the custom that has obtained in the Congress for a great many years.

Mr. BRAND. I know it never has been done, and that is the reason why I ask the question. Why should the gentleman exclude Members from the terms of the resolution?

Mr. GOOD. I suppose it was the intention of Congress to take care of those employees who receive comparatively small salaries and who at this season of the year are very anxious to have their pay immediately before Christmas.

Mr. BYRNS of Tennessee. Members of Congress are presumed not to need that.

Mr. BRAND. I know; but——

Mr. GOOD. I can not give the gentleman any further reason.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

REMOVAL OF LIMITATION FOR PURCHASES OF LAND AND CONSTRUCTION IN MILITARY POSTS.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

The Committee on Rules, to which was referred House resolution 415, submits a privileged report on said resolution, with the recommendation that the same be agreed to.

The resolution is as follows:

House resolution 415.

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8819, a bill to amend an act entitled "An act making appropriations for support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919. After general debate, which shall continue not to exceed one hour, one-half to be controlled by those favoring the bill and one-half by those opposing, the bill shall be read for amendment under the five-minute rule. Thereupon the committee shall rise and report the bill to the House, with such amendments as may have been agreed to, and the previous question shall be considered as ordered on all amendments and on the bill to its passage without intervening motion, except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, this resolution makes it in order for the House to consider the bill to allow the War Department to conclude contracts, finish payments made with respect to the purchase of aviation, infantry, and artillery fields made subsequent to the signing of the armistice. These contracts were suspended by a provision in the Army appropriation bill some months ago, and it is thought desirable by the Committee on Military Affairs that the matter be brought before the House and considered as provided in the resolution.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Will the gentleman yield for a question?

Mr. CAMPBELL of Kansas. I yield first to the gentleman from Massachusetts.

Mr. WALSH. I would like to ask the gentleman if the rule confines general debate to the bill?

Mr. CAMPBELL of Kansas. Not in so many words, but it is not intended, I understand, that any other subject is to be discussed except the merits of the matter brought before the House.

Mr. WALSH. How much does this appropriation bill carry?

Mr. ANTHONY. Nine millions and some hundred thousand dollars.

Mr. WALSH. Is one hour's debate on a nine-million dollar appropriation bill rather liberal?

Mr. CAMPBELL of Kansas. It is intended, I understand, to allow liberal debate under the five-minute rule as these separate items are read. It is thought it would be more useful to the House to discuss the merits of the individual projects when they are reached than to spend time in discussion in general debate.

Mr. WALSH. The gentleman understands there will be no effort to shut off legitimate discussion under the five-minute rule?

Mr. CAMPBELL of Kansas. That is my understanding.

Mr. BLANTON. There was an application, as I understand, for a rule to the gentleman's committee some time ago on the resolution to show deserved recognition for the splendid services rendered by Gen. Crowder during the war. May I ask the gentleman what has become of that resolution before his committee?

Mr. CAMPBELL of Kansas. It is still pending.

Mr. BLANTON. May I ask the gentleman what is holding back that very deserved recognition to which Gen. Crowder is entitled?

Mr. CAMPBELL of Kansas. The matter is being held back, and it is not germane to the matter now under consideration to tell why or by whom.

Mr. BLANTON. Something is holding it back.

Mr. CAMPBELL of Kansas. Yes. Something is holding it back. It is not now under consideration.

Mr. CRAMTON. The gentleman is aware that it is very helpful to the Members to have a little advance knowledge of legislation that is to come up. Lack of that information causes a great deal of inconvenience to some of us. Can the gentleman from Kansas or the gentleman from Wyoming [Mr. MONDELL] indicate as to what legislation is to come up in the House in the near future? I assume this bill will be passed to-day, and I would be glad to have some intimation as to what is to come up to-morrow and on Saturday.

Mr. CAMPBELL of Kansas. The gentleman raises an interesting question. I have not taken that matter up with the Speaker or majority leader. I do think we should provide for a statement from the Chair or from the majority leader as to what the business of the House shall be within the next two or three days. I do not think the practice of bringing a rule in for the immediate consideration of a bill without notice to the House is desirable. This is a matter that I have thought of taking up with the Committee on Rules and probably submit it to the House, together with some other amendments.

Mr. MONDELL. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I yield.

Mr. MONDELL. The gentleman knows it is not always possible to inform the House very far in advance as to what business is to be taken up. A week ago a tentative arrangement was made for a report from the committee on war expenditure investigation to-day. Owing to the illness of one of the members of that committee it was impossible to have that order of business to-day. It became necessary to present this in lieu of that order of business. That was unavoidable. To-morrow is Private Calendar day. I imagine that we will spend the day on the Private Calendar; and Saturday, if the Member who has been indisposed is better and is prepared, the matter of the report from the committee on war expenditure investigation will be brought up. Monday we will take up the Unanimous Consent Calendar.

Mr. CRAMTON. But, Mr. Speaker, if the gentleman from Kansas will yield further, in the event the gentleman referred to is still ill on Saturday, then we may expect on Saturday a rule will be brought in without notice to the House to bring up some other legislation?

Mr. MONDELL. I do not know just how it will be arranged so far in advance. I do not think the House ever has arranged to provide far in advance in regard to legislation to take the place of measures that by reason of some unexpected contingency can not be taken up. I think the House should be informed as far in advance as possible as to the business that is to come up, but it is not always possible to determine, because of many considerations. The committees do not always know just when they are going to be ready to present their matters.

Mr. CAMPBELL of Kansas. Mr. Speaker——

Mr. MONDELL. Will the gentleman yield to me just a moment further?

Mr. CAMPBELL of Kansas. I will.

Mr. MONDELL. The Committee on Military Affairs was promised long ago that when they were ready to present this bill an opportunity would be granted them as soon as possible, as it is an important piece of legislation. But it is not always possible for a committee to determine in advance when they can report, and in this particular case there was a question as to which of two matters should be considered to-day, and that question was determined on the reasons I have just stated.

Mr. CAMPBELL of Kansas. Mr. Speaker, what I have said, and what I still say, is that it is desirable that the House shall be notified as far in advance as possible what subject will be considered, if some rule or practice to that effect can be agreed upon.

Mr. CRAMTON. I know that no one in the House expects anything more than that.

Mr. FESS. Will the gentleman from Kansas yield?

Mr. CAMPBELL of Kansas. I will.

Mr. FESS. I wanted to ask the chairman of the committee whether it would be feasible to print in the Calendar such matters as we know are coming up and state the time. I do not know whether it could be done, and have it placed in the Calendar from day to day, by handing it to the tally clerk, who arranges the Calendar, so that when we pick up the Calendar we will know what is to come up in accordance with the arrangement of the steering committee in their recommendations. I realize as much as anyone in the House the inconvenience that we all suffer in not knowing what is coming up except on special days.

Mr. LITTLE. Will the gentleman yield for a question?

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. CAMPBELL of Kansas. The gentleman from Kansas [Mr. LITTLE] desires to ask me a question, and I will yield to him first.

Mr. LITTLE. I find in the bill $1,100,000 to buy land at Camp Bragg, N. C.; $811,000 to buy land at Camp Knox, Ky.; and $515,000 to buy land at Camp Benning, Ga. That is $3,000,000 of this money that is to go to buy real estate for more camps. Has the Committee on Rules investigated that sufficiently so that it believes it to be an urgent necessity, or does it expect to depend on the Committee on Military Affairs for that information?

Mr. CAMPBELL of Kansas. I understand the Committee on Military Affairs has stricken out some of the figures to which the gentleman has referred.

Mr. LITTLE. They are back in again as amendment.

Mr. ANTHONY. It has been materially reduced in some instances. Most of the figures the gentleman refers to are in the bill, and at the proper time we will be glad to show the reason for them.

Mr. LITTLE. But covering that point the Committee on Rules has no information?

Mr. CAMPBELL of Kansas. In a general way. The Committee on Rules has sufficient information to justify it in bringing it to the House in considering the bill.

Mr. SNELL. Mr. Speaker, will the gentleman yield for one minute?

Mr. CAMPBELL of Kansas. Yes.

Mr. SNELL. I voted to bring this rule out on the floor of the House. While as an individual I do not believe that I am in sympathy with a single one of the items carried in the bill, yet after the statement made by the acting chairman of the Committee on Military Affairs, in which he showed what a critical condition several of these projects are in and how the Government would lose more money in some cases by not buying them than it would by purchasing them on account of the rent we were paying at the present time, I considered that it was of enough importance to warrant the bringing of this matter on the floor of the House and allowing all the Members to get full information and act upon it as they saw fit.

I am not in favor of the proposition, but it is of importance that this House should consider it at this time.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield now?

Mr. CAMPBELL of Kansas. Yes.

Mr. MOORE of Virginia. I wish to say to the gentleman from Kansas [Mr. CAMPBELL], speaking generally, and not with respect to the individual matter to which this resolution relates, that as a new Member of the House, not connected with any important committee, I have found a good deal of embarrassment in the fact that notice is not given in advance of the business to be considered by the House. Ordinarily that is the case. The most important business the House considers is taken up under special rules, such as that now proposed, or on the call of committees, without notice previously given—really without notice of any kind. I am very glad to hear the gentleman from Kansas express the purpose to make an attempt to devise a rule to correct that condition. My investigation leads me to think—and I have made some investigation of the subject—that this is the one great legislative body where no effective effort is made to notify the membership beforehand of the business that is to be dealt with at a particular session.

I find that in the English House of Commons an arrangement is made for some notice; that in the French Assembly notice is given at the conclusion of a day's session of the business that will be taken up at the next session, and that this is also true of the German Reichstag. It seems to me that it is exceedingly desirable, if the Members of the House are to try to take part in its business—and the duty of doing this was impressed upon us all in a very strong and interesting speech made some time ago by the gentleman from Illinois [Mr. MADDEN]—that some attempt ought to be made to afford them the opportunity to know at least some hours in advance what business will be considered. I congratulate my friend from Kansas on his purpose to do that. [Applause.]

Mr. CAMPBELL of Kansas. That is very desirable. I have very little more time, Mr. Speaker, and——

Mr. WATSON of Pennsylvania. Mr. Speaker, will the gentleman yield for a question?

Mr. CAMPBELL of Kansas. Yes.

Mr. WATSON of Pennsylvania. I wanted to know whether the bill that your rule makes in order to-day covers all cases where the Government has contracted for purchase of property for war purposes and has not sufficient money to pay the balance of the purchase money?

Mr. CAMPBELL of Kansas. I am not advised as to that; but the gentleman from Kansas [Mr. ANTHONY], the acting chairman of the Committee on Military Affairs, is advised.

Mr. WATSON of Pennsylvania. Does the bill include only a few cases or all? I have several instances in my district where the purchase money has not passed, although the Government has held title for a year and a half; rents not paid, though promised by the War Department, and the owners are suffering financially by reason thereof.

Mr. ANTHONY. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. ANTHONY. I will say that the bill does not cover all cases; only those that we have been able to give some investigation to and which are most urgent.

Mr. CAMPBELL of Kansas. Mr. Speaker, I reserve the remainder of my time. I yield 15 minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT. Mr. Speaker, before the gentleman yields to me, he yields to me with the right to yield?

Mr. CAMPBELL of Kansas; Yes; with the right to yield.

Mr. GARRETT. Before the gentleman yields the floor and before that time begins to run, I want to say it has been suggested to me that it might be desirable to get unanimous consent to amend the rule so that the time will be in the control of the gentleman from Kansas [Mr. CAMPBELL] and the gentleman from Alabama [Mr. DENT]. As the rule reads, it says the time shall be "in control of those in favor of and those against." If that meets the approval of the gentleman, I shall be satisfied.

Mr. CAMPBELL of Kansas. I shall make that request before moving the previous question on the resolution.

Mr. MANN of Illinois. That will be the case, anyhow.

Mr. GARRETT. The rule says, "those in favor and those against."

Mr. MANN of Illinois. Whoever is recognized will get a half hour.

Mr. CAMPBELL of Kansas. I shall make that request before moving the previous question.

Mr. GARRETT. Mr. Speaker, this resolution is to make in order a bill which will give the House an opportunity to correct a mistake that was made some months ago, when the majority, without proper investigation, forced legislation through here which has tied up the execution of contracts that had been entered into in good faith and which has put a very large number of property owners to very great inconvenience. I think it is very desirable that the House should have that opportunity of correcting that mistake and of perfecting the legislation that is essential along the lines involved in the bill.

Now, I reserve the remainder of my time. I yield 10 minutes to the gentleman from Tennessee [Mr. FISHER].

The SPEAKER. The gentleman from Tennessee is recognized for 10 minutes.

Mr. FISHER. Mr. Speaker and gentlemen of the House, this is very much like a motion for a new trial where the parties come into court and ask that the relief asked for should now be granted. The items that are given in the bill are items for the purchase of land which in almost every case the Government has contracted to buy.

Now, the question involved here is a very much broader one than simply the fact that the Government could save money by passing this measure to-day, and I am in favor of considering it now, because I am in favor of the Government carrying out its contracts which have been entered into with its citizens in all good faith.

We were under specific obligations in these cases to buy land—under obligations both moral and legal. The Government took over the property. Farmers in many cases—I may say in most cases—were the owners of the property, and it caused them to leave their farms, crops, and everything, and they are left now, right to-day, after a long lapse of time, without relief, and no means of taking a step forward as to what they will do in the acquisition of further property, because they do not know what the Government is going to do. We have found cases where the Government has actually received the deed to the property. I know a case, an item in this bill with which I am familiar, where the Government now holds the deed and has served all the proper legal notices of the exercise of its option and having accepted the deed and with no money to pay for the property is not even paying rent for the land. There is not just one case, but there are a number of cases just like it.

Mr. LAYTON. Will the gentleman yield?

Mr. FISHER. I will.

Mr. LAYTON. Do I understand that the act of July 11, 1919, prevented the Government from purchasing land where they had made contracts, where they had entered upon it and used it?

Mr. FISHER. It did. It actually prohibited them where they had exercised the right of option to purchase from even paying rent any longer. Thousands of dollars to-day are due property owners for rent, and there is no way to bring about a settlement. The land is held and is being used by the Government, and the property owners have no hope unless this bill is passed or something done to make the Government carry out its obligations.

Mr. LINTHICUM. Will the gentleman yield?

Mr. FISHER. Yes.

Mr. LINTHICUM. That is the case at Camp Holabird, Md., where the Government agreed to accept the property, occupied it for a long time, and refuses to carry out the contract.

Mr. LAYTON. What I can not understand is this, can Congress, by virtue of its authority, break a contract which Congress has authorized the Government to make?

Mr. LINTHICUM. Congress can do it by not appropriating the money to carry out the contract.

Mr. FISHER. There are cases to-day where the Government is in court, having filed petitions for condemnation. To-day if the parties go into court and ask that the case be dismissed it would be dismissed because the Government has no money with which to pay an award. The Government would lose its rights, and if it files other condemnation suits the value would be fixed on the property as of the day it filed the new suit.

Throughout the country hundreds of millions of dollars have been spent upon this property. The Government could take the improvements off, such as buildings, but they have spent millions of dollars improving the property in many ways, and this increased value would be absolutely lost to the Government unless this bill is passed enabling the Government to profit by the increased value by simply carrying out its obligations. In some cases the Government now may have lost its rights. The quicker this measure becomes a law the quicker the relief will be given to property owners, and the Government will be saved millions of dollars in damages.

I want to show you the way the Government has treated the farmer, and it is always said that in legislative bodies farmers have a preferential right. Under a mineral claims law we have provided for an adjustment board, and millions of dollars are being paid those who started operations on mines to produce minerals for the prosecution of the war. We have paid large sums to the shipbuilders for wooden ships that we have now no use on earth for, and also for houses that were used to house the employees. Large sums are given them for damages. We are paying out hundreds of millions on informal contracts, contracts that were not even signed. The Congress passed a bill which gave the War Department that right. We are even preparing to pay out many millions of dollars—I do not know exactly how much—to people who have planted castor beans.

I say that when we go that far and when farmers and property owners have been driven from their homes and farms and no assurance given as to when they would be paid for their property, it looks to me like it is a very much more serious proposition and a broader issue than the mere question of whether or not we save money now by passing this measure—it is a question whether or not we make good our obligations.

Mr. ROSE. Will the gentleman yield?

Mr. FISHER. Yes.

Mr. ROSE. In these cases, were they started by contract or condemnation proceedings?

Mr. FISHER. In practically every instance there is either a contract or a petition for condemnation.

It is also a question of business judgment, and every member of the committee, after a very careful study, states that it will save money, millions of dollars, if the Government is given authority to complete these transactions.

Mr. ROSE. As a legal proposition, is not a party filing condemnation proceedings forced under the law to make the purchase of the property?

Mr. FISHER. You can not force the United States Government. The property owners can force the Government only by going to the Court of Claims, and every Member of Congress knows what it means to go to the Court of Claims. I say that it is not the proper treatment to accord the people to whom we promised to pay money.

We took away the land for aviation fields and camp sites and built buildings on them, and that land has been destroyed for the purpose that the farmers used it, and when the question of

damages comes up, then in many cases nearly the total value of the land will be eaten up by damages which will have to be paid the property owners. Land that was used for rice fields, the levees have been torn down and the pumping stations taken away, and it is entirely unfitted for its former use.

There are many cases where the damages are the total value of the land.

I have told all those who made inquiries of me as to the probable outcome that the majority leader in this House had assured us when the item was put in the Army appropriation bill last June that this matter would be righted. The leader of the majority, speaking on June 13, specifically stated:

> In my opinion, we will be in session some months, and after this provision becomes a law the War Department will let us know speedily and promptly what the different obligations are, and we will meet them.

So it seems to me this measure should meet with no opposition whatsoever, if we believe in contracts, if we believe in economy, if we believe in carrying on the War Department for any purpose whatsoever; because these items here provide for flying fields; and every single officer who has been before our committee has said these flying fields are absolutely essential to the success of our service. The same applies to the development of the Infantry and to the development of the Artillery.

The SPEAKER. The gentleman's time has expired.

Mr. KNUTSON. May the gentleman have an additional minute? I should like to ask him a question.

The SPEAKER. The time is controlled by the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I would like to ask the gentleman if the officials who entered into these contracts had authority to do so?

Mr. FISHER. They had full authority.

Mr. KNUTSON. There is no question about that?

Mr. FISHER. None on earth.

Mr. CAMPBELL of Kansas. Mr. Speaker, the gentleman from Tennessee has just stated that there was no question about the legal authority of those who made these contracts to make them. I understand the Committee on Military Affairs find that many of these contracts were made without proper authority, for the reason that they were made after the armistice was signed.

Mr. CALDWELL. Will the gentleman yield?

Mr. CAMPBELL of Kansas. No.

Contracts were made for large areas of land that were of questionable necessity after the armistice was signed, and it is for the consummation of these contracts, upon which millions of money were expended both for purchase price and for improvements, that it is necessary that Congress now, in order to protect itself and the Government, conclude the contracts by paying the balance of the purchase price. Miles of areas were purchased in one section, farms here and there over large areas, leaving farms scattered through these areas which were not purchased, and it is for the purpose of paying the purchase price of these scattered portions of land in these large areas in order to complete the Government holdings and enable the Government to use the land at all that it is necessary to spend some of this money.

Mr. CALDWELL. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I do not yield.

The SPEAKER. The gentleman declines to yield.

Mr. CAMPBELL of Kansas. The contracts were made with questionable authority, and the Congress acted wisely upon the information it had at the time when it refused to make the money further available for the payment for lands that were contracted for under the questionable authority of the War Department, because the War Department entered into these contracts after the armistice was signed.

Mr. KREIDER. Hundreds of millions of dollars worth.

Mr. CAMPBELL of Kansas. It is for the purpose of saving millions of dollars that have already been spent that it is necessary now to spend hundreds of thousands of dollars, and, in some instances, millions of dollars. It is like buying furniture on the installment plan and paying all but $7. By the failure to pay the $7 you lose the furniture. On failure to finish the payment for these lands the Government will lose all the money that it has expended already, and unwisely expended in many instances.

Mr. LITTLE. The report of the Committee on Military Affairs says:

> There is no doubt whatever that millions of dollars of the money which Congress voted for the conduct of the war and placed no restrictions thereon have been expended illegally and without warrant of law by the War Department in the purchases of land and the construction of new military posts since the armistice and without the express authority of Congress, as should have been the case.

Just exactly what the gentleman from Kansas says, and it is a unanimous report.

Mr. CALDWELL. It is not.

Mr. FIELDS. It is not a unanimous report. I am a member of the committee and it is not unanimous.

Mr. LITTLE. I am sorry it is not, because from all I can learn it should be. The gentleman from Nebraska says it is unanimous.

Mr. FIELDS. And there is matter in the report that the gentleman from Kansas [Mr. ANTHONY] agreed not to put in the report.

The SPEAKER. Gentlemen must observe the rules of the House, and not address the House until they receive permission.

Mr. CAMPBELL of Kansas. Mr. Speaker, I think I have the floor.

The SPEAKER. The gentleman from Kansas has the floor.

Mr. CAMPBELL of Kansas. I yield to the gentleman from Delaware [Mr. LAYTON] for a question.

Mr. LAYTON. Do I understand that the act of July 11, 1919, was designed by this Congress to affect contracts made by the Federal Government for a right of way for a railroad, for instance, that they graded, that they put the tracks upon, and that they used before the armistice was declared?

Mr. CAMPBELL of Kansas. I have no information as to the specific question to which the gentleman from Delaware refers. If contracts of that kind were made, of course they were with authority, but other contracts that were made subsequent to the signing of the armistice are of questionable legality.

Mr. HARRISON. Will the gentleman yield to me to allow me to make a request for unanimous consent?

Mr. CAMPBELL of Kansas. How much time have I remaining, Mr. Speaker?

The SPEAKER. The gentleman has 20 minutes.

Mr. HARRISON. I desire to make a request for unanimous consent that the minority have leave to file a minority report.

Mr. LITTLE. Is there any minority report in here?

Mr. HARRISON. Let me explain. This report was printed only yesterday, and the minority members of the committee had no notice whatever of the character of this report. In justice to the minority members of that committee I ask leave to file a minority report.

Mr. CAMPBELL of Kansas. I can not yield at this time for that purpose.

Mr. LITTLE. Is there any minority report here?

Mr. HARRISON. We have had no opportunity to file it.

Mr. LITTLE. I am sorry for you.

Mr. CAMPBELL of Kansas. The gentleman from Tennessee [Mr. GARRETT] has some time remaining, and as I desire to close I will ask him if he desires to use his time.

Mr. GARRETT. How much time have I remaining?

The SPEAKER. The gentleman has two minutes remaining.

Mr. CAMPBELL of Kansas. I yield to the gentleman 10 minutes more.

Mr. GARRETT. I yield five minutes to the gentleman from Kentucky [Mr. FIELDS].

Mr. FIELDS. Mr. Speaker, I had not intended to speak on the rule, but I desire to correct a statement that has just been made by gentlemen on the majority side, by the gentleman from Kansas [Mr. LITTLE], I think, and by the gentleman from Kansas [Mr. CAMPBELL], that this is a unanimous report. This is not a unanimous report. It was not printed until yesterday. I happened not to notice it in the RECORD, and I did not know that it had been printed until a few minutes before the House convened, nor did I know that the gentleman from Kansas [Mr. ANTHONY] was going before the Committee on Rules this morning to ask for a rule. I did not know, either, that the report contained certain language that is in it. I see on page 4, in the second paragraph, the following language:

> There is no doubt whatever that millions of dollars of the money which Congress voted for the conduct of the war and placed no restrictions thereon have been expended illegally and without warrant of law by the War Department in the purchases of land and the construction of new military posts since the armistice and without the express authority of Congress, as should have been the case.

The gentleman from Kansas [Mr. ANTHONY] included that language in his report which he submitted to the subcommittee. The gentleman from New York [Mr. CALDWELL] and I took issue with him upon that, and it was my definite understanding that that language should be omitted from his report.

Mr. CALDWELL. Mr. Speaker, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. CALDWELL. I will state that not only was the matter agreed to, but the gentleman from Pennsylvania [Mr. CRAGO], as I remember it, voted with the Democrats on the committee, that those provisions be stricken out of the report.

Mr. LITTLE. Mr. Speaker, will the gentleman yield?

Mr. FIELDS. Not now. I want to finish my statement.

Mr. LITTLE. But the gentleman has quoted me.

Mr. FIELDS. That was before we had made the trip to the Southwest and the West. This meeting of the subcommittee

was after we had completed the trip to the Southwest. After the completion of the trip to the West I returned to Washington and remained here for a few days. The subcommittee was not ready to make its report. The chairman [Mr. ANTHONY] was not here. I had no notice of any further action on the proposition. I knew nothing more of it until I learned this morning that the gentleman from Kansas [Mr. ANTHONY] had asked for this special rule, but I did know, and I do know now, that my colleague from Kansas [Mr. ANTHONY] agreed not to include in the report the language that I have just read.

I have always regarded him as one of the fairest men in the House. I would not say anything disparaging of him personally, but I am surprised, Mr. Speaker, in view of the facts that I have stated that he has included in his report the language that I have just read.

Mr. LITTLE. Mr. Speaker, will the gentleman yield?

Mr. FIELDS. I yield.

Mr. LITTLE. Of course, anyone examining the report would see no indications of a minority report, and that is, of course, what the House had to go by; but there are three specific items in this bill to which I direct attention, Camp Bragg, Camp Knox, Camp Benning. Does the gentleman not think that instead of generalizing about the proposition it would better help the House if he would just tell, not in any generalization but by specific direction, to the specific statutes, what authority somebody down in the department had to buy these three places——

Mr. FIELDS. I can not yield further to the gentleman at this time, but will do so in the consideration of the bill.

Mr. LITTLE. And if there has been violation of law, see that they are punished for violating the law?

Mr. FIELDS. Inasmuch as the subcommittee has not been called together and that I have had no notice of it, I desire to renew the request of the gentleman from Virginia [Mr. HARRISON] that the minority have permission to file a minority report.

Mr. LITTLE. Mr. Speaker, reserving the right to object, I would like to ask the gentleman whether that report will contain a specific direction of the attention of the House to the specific law under which anybody had authority to make these expenditures.

Mr. FIELDS. We will attempt in that report to be absolutely fair.

Mr. LITTLE. Is it the gentleman's idea of fairness that it shall tell us by what specific authority of law these men bought these lands.

Mr. FIELDS. Why, certainly.

Mr. REAVIS. Mr. Speaker, reserving the right to object, inasmuch as the gentleman says that the minority members of the Military Committee did not know what was to be in the report, because it has just been filed, and inasmuch as the Members of the House did not know anything about this bill, because we have had no opportunity to look at the hearings, would it not be a pretty good idea to defeat this rule so as to give an opportunity to file a minority report and give the Members of the House opportunity to find out something about the legislation.

Mr. FIELDS. I think if we can not get this consent that the rule should be defeated. I realize the necessity for this legislation. Men have been moved off their lands and are entitled to compensation for them. The legislation should be enacted, but if unanimous consent is not granted for the filing of a minority report I shall vote against the rule, and I hope that the House will defeat it.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. ANTHONY].

Mr. FIELDS. Mr. Speaker, what has become of my request?

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the minority may file their views. Is there objection?

Mr. ANTHONY. Mr. Speaker, reserving the right to object——

Mr. MANN of Illinois. Within what time?

Mr. ANTHONY. I will state for the information of the House that the report upon this bill was ordered by the Committee on Military Affairs over one month ago. The minority has had a month in which to prepare a minority report and file it, and the House ought not now to permit them to make amends for delinquency in that respect.

Mr. REAVIS. Mr. Speaker, is a request for unanimous consent pending?

The SPEAKER. The gentleman from Kansas [Mr. ANTHONY] reserves the right to object.

Mr. ANTHONY. And I do object, Mr. Speaker.

The SPEAKER. The gentleman from Kansas objects.

Mr. KITCHIN. Mr. Speaker, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. KITCHIN. Did the gentleman from Kansas read this report to the committee?

Mr. ANTHONY. "The gentleman from Kansas" did not read this report to the committee.

Mr. KITCHIN. Sometimes gentlemen do that and sometimes they do not.

Mr. ANTHONY. I would say to the gentleman that the question of the subcommittee which investigated these camps and cantonments making a formal report had been taken up at several meetings of the subcommittee and had been considered. I had prepared some material for such a report. Some of the language in that report was taken exception to by some of the members of the committee, by the gentleman from New York [Mr. CALDWELL], and perhaps by the gentleman from Kentucky [Mr. FIELDS], as they state, and we dropped any idea of the subcommittee making a formal report.

And in this regular report which I made to the House in compliance with the orders of the Committee on Military Affairs I expressly stated:

The following extracts from notes made by the chairman of the subcommittee of the House Committee on Military Affairs are printed for information.

I think that clears the situation.

Mr. FISHER. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. FISHER. I would like to ask whether or not the gentleman has legal advice from any department of the Government or from any lawyer that the contracts which the Government entered into in the cases which we have under discussion were illegal?

Mr. ANTHONY. Oh, I guess in so far as the contracts go they were perhaps legal, those made before the armistice; but I will also say to the gentleman the bulk of the money expended at the three large Army camps and the cantonments covered by this bill was made after the armistice out of money which Congress appropriated for the conduct of the war and which I believe a majority of our committee think was illegally expended.

Mr. FISHER. I will ask the gentleman whether or not the money expended as suggested by him was not in improvements and not so much in the purchase of land?

Mr. ANTHONY. It is for both.

Mr. REAVIS. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. REAVIS. Is it not a fact that the Secretary of War came before your committee and asked the justification of Congress for his illegal expenditures?

Mr. ANTHONY. I had not intended to go into that at this time, when we are considering the rule, but in response to the gentleman from Nebraska I will state right here that way back in January the Secretary of War and the Assistant Secretary of War did come before the Committee on Military Affairs. He had evidently heard the criticism which had been made on the floor of the House about these expenditures, and he informed our committee that he believed, if I remember correctly, that he had the legal right to expend this money, but not the moral right, and he asked our committee——

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. I will yield the gentleman one minute more.

Mr. ANTHONY. And he asked our committee if it would give him informal authority to go ahead and complete the expenditures at these camps and posts. Instead of giving him that informal authority our committee informally approved the resolution which I had introduced into the House explicitly directing the War Department to cease such expenditures. Thereupon the Secretary of War and the department officials went to the Senate Committee on Military Affairs and asked for the same permission to go ahead with these expenditures.

The Senate committee by a tie vote, if I remember correctly, refused to give this authority, and the story goes that subsequently a Senator from one of these States where these immense expenditures were being made went to the War Department and carried the assurance there that the Senate committee, if all the members had been present, would have approved such expenditures, and on that flimsy authority the War Department went ahead and further expended millions of dollars.

Mr. DENT. Will my colleague yield?

Mr. ANTHONY. I will yield.

Mr. DENT. Is not my colleague mistaken in this respect, that the Secretary of War and the Assistant Secretary of War came before the Committee on Military Affairs of the House last January and asked our advice, stating that they considered

that they had the legal authority, but they wanted our advice, and we thought that was not a part of the duties of the Committee on Military Affairs?

Mr. ANTHONY. What the gentleman states is substantially correct.

Mr. SNELL. Will the gentleman yield? I understand the subcommittee——

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. I yield the gentleman one more minute.

Mr. SNELL. I understand the subcommittee of the Military Affairs Committee has made a personal investigation of each one of these items.

Mr. ANTHONY. They devoted a great deal of time, not to every item but to most of them. It traveled over 8,000 miles of this country and personally inspected most of the propositions involved in this bill.

Mr. SNELL. Is there any possible way of getting that information before the House any better than to bring it up for discussion and let those Members give their information to the House at this time?

Mr. ANTHONY. I do not know of any better way.

Mr. SNELL. That is the reason I was in favor of bringing it on the floor of the House and getting the information before the House and let the House decide as it saw fit.

Mr. BUTLER. Will the gentleman yield for a question?

The SPEAKER. The time of the gentleman has again expired.

Mr. GARRETT. Mr. Chairman, will the gentleman yield me a minute or two more?

Mr. CAMPBELL of Kansas. I yield one minute.

Mr. GARRETT. I would like to ask the gentleman if he is not willing to waive the objection he made, or withdraw the objection he made, to the filing of minority views? Now, it seems to me, if the gentleman will permit, that he is doing the minority an injustice in not permitting them to do that. They do not ask for delay in the consideration of the bill, and, as I understand, all they are asking is permission to put in as part of this official report their contention as to the legality of certain matters.

Mr. ANTHONY. I have no objection to the filing of minority views, but I do object to criticism of gentlemen which were made on the floor here directed to myself when the gentlemen making the criticism have had over a month in which to file that report, and if anyone is responsible it is their neglect.

Mr. GARRETT. Of course, this report was not printed until yesterday. Now, the attention of the Committee on Rules was not brought to the report, and there was no necessity for bringing it to the attention of the Committee on Rules, but I think there would have been a different feeling about this matter to some extent if it were known the minority had been denied the right to file their views.

Mr. ANTHONY. Mr. Speaker, at the request of the gentleman, I withdraw my objection to the filing of the minority views.

Mr. REAVIS. Mr. Speaker, I believe there is pending the request for unanimous consent, and, reserving the right to object, there is no time set in which this minority report shall be filed. In all probability it will be filed after the House has acted upon this bill. There is nobody, as far as the House is concerned, who knows anything about the bill. We have not had any opportunity to learn about it, and now comes the request that the report shall be filed after the House is through with the measure. I object.

Mr. MANN of Illinois. Mr. Speaker, will not the gentleman reserve his right to object?

Mr. REAVIS. I reserve the right to object.

Mr. MANN of Illinois. Mr. Speaker, after all, the majority ought always to give the minority some rights. Here is a report which I think is an admirable report, but it in effect criticizes quite severely a Cabinet officer of the administration, and on the face of it it would appear that the minority Members of the House had joined in that report. Now, as a matter of fact, we know that the report of a committee is usually written by a member of the committee, and is ordinarily not submitted to the committee itself for revision. It seems to me that in all justice we ought to give the minority members of the Committee on Military Affairs a chance to place themselves on record in reference to a criticism of a Cabinet officer belonging to their administration. I think the gentleman from Nebraska [Mr. REAVIS] ought not to object. I think this report ought to be filed within a reasonable time.

Mr. FIELD. Will the gentleman yield?

Mr. HARRISON. Mr. Speaker, we ask five days.

Mr. REAVIS. Mr. Speaker, further reserving the right to object, there is no position that a minority member of this committee may want to make known that he can not make known during the discussion of this bill if the rule is adopted. I am not objecting for the purpose of depriving the minority of the right to make any expression of their views.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

Mr. REAVIS. I am objecting, Mr. Speaker, with the idea that it will contribute something toward the defeat of this rule. I object.

Mr. BLANTON. If the gentleman is going to object in the end, why——

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask unanimous consent that the time allotted under the rule for general debate be divided, one-half to the gentleman from Kansas [Mr. ANTHONY] and one-half to the gentleman from Alabama [Mr. DENT].

The SPEAKER. The gentleman asks unanimous consent that the rule be amended by giving control of half of the time for general debate to the gentleman from Kansas [Mr. ANTHONY] and half to the gentleman from Alabama [Mr. DENT]. Is there objection?

Mr. WALSH. It seems as though that request ought to come after acting on the rule.

The SPEAKER. The gentleman asks to amend that rule.

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, the rule provides one hour of general debate, one-half to be controlled by those in favor of the bill and one-half to be controlled by those opposed to it. I did not suppose the Committee on Rules would be autocratic enough to bring in a rule that all the time should be controlled by those in favor of the bill and give no time to those opposed to the bill, but the gentleman seems to want to do that indirectly which he would not have attempted to do directly. Suppose some one wants to oppose the bill, what chance will they get? I do not hear any response.

Mr. CAMPBELL of Kansas. I did not know anybody was opposed to it.

Mr. MANN of Illinois. There are lots who are opposed to the bill. It is one of the worst things that ever came into the House and ought to be beaten by a two-thirds vote. But I shall not object.

Mr. WALSH. I will.

Mr. CAMPBELL of Kansas. If objection is made——

Mr. WALSH. I object.

Mr. CAMPBELL of Kansas. I move the previous question on the adoption of the rule.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the rule.

Mr. REAVIS. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Nebraska raises the point of no quorum. The Chair will count. [After counting.] The Chair thinks there is no quorum present. The Doorkeeper will close the doors and the Sergeant at Arms will notify the absentees. Those who are in favor of adopting the rule will, as their names are called, answer "yea" and those opposed will answer "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 259, nays 70, answered "present" 1, not voting 102, as follows:

YEAS—259.

Ackerman	Campbell, Kans.	Dickinson, Mo.	Greene, Vt.
Alexander	Campbell, Pa.	Drane	Griest
Almon	Candler	Dunbar	Hadley
Andrews, Md.	Cantrill	Dupré	Hardy, Colo.
Anthony	Caraway	Dyer	Hardy, Tex.
Ashbrook	Carss	Eagan	Harrison
Aswell	Casey	Edmonds	Hayden
Ayres	Chindblom	Elliott	Hays
Babka	Christopherson	Elston	Hellin
Bankhead	Cleary	Esch	Hernandez
Barkley	Cole	Fess	Hersman
Bee	Collier	Fisher	Hickey
Bell	Connally	Focht	Hicks
Benham	Cooper	Fordney	Hill
Benson	Copley	Foster	Hoch
Black	Costello	French	Holland
Boles	Crago	Fuller, Ill.	Hull, Iowa
Bowers	Crisp	Fuller, Mass.	Hull, Tenn.
Box	Crowther	Gallagher	Hutchinson
Brand	Cullen	Gallivan	Ireland
Briggs	Currie, Mich.	Gandy	Jacoway
Brinson	Curry, Calif.	Ganly	Johnson, Miss.
Brooks, Ill.	Dale	Gard	Johnson, S. Dak.
Browning	Dallinger	Garner	Johnson, Wash.
Brumbaugh	Darrow	Garrett	Jones, Pa.
Buchanan	Davey	Glynn	Juul
Burdick	Davis, Minn.	Godwin, N. C.	Kelly, Pa.
Butler	Davis, Tenn.	Gould	Kennedy, Iowa
Byrns, Tenn.	Dempsey	Green, Iowa	Kennedy, R. I.
Caldwell	Dent	Greene, Mass.	Kettner

Kiess	Major	Parrish	Stephens, Miss.
Kincheloe	Mann, S. C.	Pell	Stiness
Kitchin	Mansfield	Platt	Stoll
Knutson	Mapes	Peu	Strong, Kans.
Kreider	Martin	Purnell	Strong, Pa.
LaGuardia	Mason	Radcliffe	Summers, Wash.
Lampert	Mays	Rainey, Ala.	Tague
Lanham	Mead	Rainey, H. T.	Taylor, Colo.
Lankford	Merritt	Rainey, J. W.	Temple
Larsen	Minahan, N. J.	Raker	Tillman
Lazaro	Monahan, Wis.	Randall, Calif.	Tilson
Lea, Calif.	Mondell	Rayburn	Timberlake
Lee, Ga.	Montague	Reber	Tincher
Lehlbach	Moon	Rhodes	Valle
Lesher	Mooney	Riordan	Vare
Linthicum	Moore, Ohio	Robinson, N. C.	Vestal
Little	Moore, Va.	Robsion, Ky.	Vinson
Lonergan	Moores, Ind.	Rodenberg	Volstead
Longworth	Morgan	Romjue	Walters
Luce	Mudd	Rose	Watson, Pa.
Lufkin	Neely	Rubey	Weaver
Luhring	Nelson, Mo.	Sanford	Welling
McAndrews	Nelson, Wis.	Sherwood	Welty
McCulloch	Newton, Minn.	Shreve	Whaley
McDuffie	O'Connell	Sinnott	White, Kans.
McGlennon	O'Connor	Slemp	Wilson, La.
McKenzie	Ogden	Small	Wingo
McKinley	Oldfield	Smith, Idaho	Winslow
McKinley	Oliver	Smith, Mich.	Woods, Ind.
McLaughlin, Mich.	Olney	Smithwick	Woods, Va.
McLaughlin, Nebr.	Overstreet	Snell	Woodyard
McPherson	Padgett	Snyder	Wright
Madden	Paige	Steagall	Yates
Magee	Park	Stedman	Zihlman
Maher	Parker	Steenerson	

NAYS—70.

Andrews, Nebr.	Evans, Mont.	Kinkaid	Sells
Bacharach	Evans, Nebr.	Kleczka	Siegel
Begg	Evans, Nev.	Kraus	Sims
Bland, Ind.	Fields	Layton	Stevenson
Bland, Va.	Freeman	McArthur	Sweet
Blanton	Good	McClintic	Thomas
Byrnes, S. C.	Goodykoontz	McFadden	Tinkham
Cannon	Graham, Pa.	Mann, Ill.	Towner
Carter	Graham, Ill.	Michener	Treadway
Clark, Mo.	Harreld	Quin	Voigt
Classon	Haskell	Ramseyer	Walsh
Cramton	Hastings	Reavis	Watkins
Dickinson, Iowa	Hawley	Ricketts	Williams
Dominick	Howard	Rogers	Wilson, Ill.
Dowell	Huddleston	Rouse	Wilson, Pa.
Dunn	Hulings	Rowe	Young, N. Dak.
Echols	Jones, Tex.	Sanders, N. Y.	
Emerson	Keller	Scott	

ANSWERED "PRESENT" 1.

Haugen

NOT VOTING—102.

Anderson	Garland	MacGregor	Scully
Baer	Goldfogle	Miller	Sears
Barbour	Goodall	Moore, Pa.	Sinclair
Blackmon	Goodwin, Ark.	Morin	Sisson
Bland, Mo.	Griffin	Mott	Smith, Ill.
Booher	Hamill	Murphy	Smith, N. Y.
Britten	Hamilton	Newton, Mo.	Steele
Brooks, Pa.	Hersey	Nicholls, S. C.	Stephens, Ohio
Browne	Houghton	Nichols, Mich.	Sullivan
Burke	Hudspeth	Nolan	Sumners, Tex.
Burroughs	Humphreys	Osborne	Swope
Carew	Husted	Peters	Taylor, Ark.
Clark, Fla.	Igoe	Phelan	Taylor, Tenn.
Coady	James	Porter	Thompson
Denison	Jefferis	Ramsey	Upshaw
Dewalt	Johnson, Ky.	Randall, Wis.	Venable
Donovan	Johnston, N. Y.	Reed, N. Y.	Ward
Dooling	Kahn	Reed, W. Va.	Wason
Doremus	Kearns	Riddick	Watson, Va.
Doughton	Kelley, Mich.	Rowan	Webster
Eagle	Kendall	Rucker	Wheeler
Ellsworth	King	Sabath	White, Me.
Fairfield	Langley	Sanders, Ind.	Wise
Ferris	McKeown	Sanders, La.	Young, Tex.
Flood	McLane	Saunders, Va.	
Frear	MacCrate	Schall	

So the resolution was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. HAUGEN with Mr. SULLIVAN.

Mr. SINCLAIR with Mr. DOOLING.

Mr. BURROUGHS with Mr. FERRIS.

Mr. NOLAN with Mr. MCKEOWN.

Mr. SANDERS of Indiana with Mr. IGOE.

Mr. MILLER with Mr. DOUGHTON.

Mr. DENISON with Mr. FLOOD.

Mr. FAIRFIELD with Mr. WATSON of Virginia.

Mr. BARBOUR with Mr. YOUNG of Texas.

Mr. NEWTON of Missouri with Mr. DOREMUS.

Mr. NICHOLS of Michigan with Mr. DONOVAN.

Mr. OSBORNE with Mr. DEWALT.

Mr. PETERS with Mr. CAREW.

Mr. PORTER with Mr. BLAND of Missouri.

Mr. BRITTEN with Mr. WISE.

Mr. BROOKS of Pennsylvania with Mr. VENABLE.

Mr. BROWNE with Mr. UPSHAW.

Mr. BURKE with Mr. TAYLOR of Arkansas.

Mr. ELLSWORTH with Mr. SUMNERS of Texas.

Mr. FREAR with Mr. STEELE.

Mr. GARLAND with Mr. SMITH of New York.

Mr. GOODALL with Mr. SISSON.

Mr. HAMILTON with Mr. SEARS.

Mr. HOUGHTON with Mr. SCULLY.

Mr. RAMSEY with Mr. BLACKMON.

Mr. RANDALL of Wisconsin with Mr. NICHOLLS of South Carolina.

Mr. REED of West Virginia with Mr. MCLANE.

Mr. RIDDICK with Mr. JOHNSTON of New York.

Mr. SMITH of Illinois with Mr. JOHNSON of Kentucky.

Mr. STEPHENS of Ohio with Mr. HUMPHREYS.

Mr. THOMPSON with Mr. HUDSPETH.

Mr. WARD with Mr. HAMILL.

Mr. HUSTED with Mr. SAUNDERS of Virginia.

Mr. KAHN with Mr. SANDERS of Louisiana.

Mr. KENDALL with Mr. SABATH.

Mr. KING with Mr. RUCKER.

Mr. LANGLEY with Mr. ROWAN.

Mr. MORIN with Mr. PHELAN.

Mr. MURPHY with Mr. EAGLE.

Mr. WASON with Mr. GRIFFIN.

Mr. WHEELER with Mr. GOODWIN of Arkansas.

Mr. WHITE of Maine with Mr. GOLDFOGLE.

The result of the vote was announced, as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will unlock the doors.

Mr. ANTHONY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8819.

The SPEAKER. The gentleman from Kansas moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8819. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. MADDEN] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8819, with Mr. MADDEN in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8819, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 8819) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919.

Mr. ANTHONY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Kansas is recognized for 30 minutes.

Mr. ANTHONY. Mr. Chairman and gentlemen of the committee, in July last, when the Army appropriation bill was passed by this body, we placed on it an amendment which in substance limited the further acquisition of real estate at any of the Army camps or cantonments, and prohibited new construction at such places.

The reason for the placing of that limitation on the bill was that the Committee on Military Affairs and the Members of the House, generally, had become alarmed at reports to the effect that large sums of money which we had voted for the conduct of the war were being expended as late as eight months after the conclusion of the armistice for purposes connected with the training of the Army in time of peace, and for which clearly the War Department should have come to Congress for authority to expend before proceeding to do so.

In my opinion the placing of the limitation has resulted in the saving of millions of dollars to the Treasury of the United States, but in effect the limitation held up the activities of the War Department at every one of these places. Some of them were meritorious; some of them were not. In order to arrive at some conclusion in regard to the propositions which were meritorious and upon which the War Department should be authorized to go ahead, the Committee on Military Affairs appointed a subcommittee, which has devoted a great deal of time and attention to these matters, and which, as the result of its work, has brought before the House this bill, making specific appropriations out of moneys heretofore voted for that purpose, so as to enable the War Department to continue what we believe are necessary activities at the posts and points involved.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield for a question?

Mr. ANTHONY. I yield to the gentleman for a question.

Mr. LONGWORTH. May I ask why this bill is brought in in such a peculiar form? Apparently very little of the original bill is left. It comes in practically as a committee amendment.

Mr. ANTHONY. It is due to the fact that the committee was compelled to recast most of the items and change the sums involved in many of them, so that in order to simplify our work we put our own items in.

Mr. LONGWORTH. Well, I gather that the original bill was submitted by the War Department?

Mr. ANTHONY. Yes; and it was materially added to.

Mr. LONGWORTH. And the committee changed it largely because there was hardly anything left of the original bill. It is new, almost entirely.

Mr. ANTHONY. We did make radical changes in the bill.

Mr. OGDEN. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. OGDEN. Was it not subsequent to the introduction of this bill that your committee investigated the camps?

Mr. ANTHONY. It was. We visited the camps for the purpose of securing information.

The situation at three of the largest propositions that are covered in this bill—points where there are from 50,000 to 100,000 acres of land involved—is that the War Department had already gone ahead and purchased from one-half to two-thirds of the land involved at each of these immense training fields, and when our amendment to the Army appropriation bill went into effect and suspended further purchases it left these propositions incomplete. The proposition presented to the committee and to the House was whether we should discontinue any further land purchases at those points, which meant the elimination of the training projects from the Army program, or whether we should permit them to go ahead and complete them. The committee is convinced, after careful investigation, of the real military value of some of them.

We feel that under the present conditions it will be cheaper and more economical to permit the Government to go ahead and complete the purchases which have been started, because if we abandon them the loss of the improvements and the bill of damages where we have contracted for land and compelled the farmers to move off their improvements and vacate their lands nearly a year ago will be nearly as great as the amounts involved in the purchases.

I want to show the House the situation at Camp Benning, Ga., as a typical illustration of the proposition that we are facing to-day in reference to Camp Benning, Ga., Camp Knox, Ky., and Camp Bragg, N. C.

At Camp Benning there are about 97,000 acres involved for a basic Infantry training school.

Previous to the armistice condemnation proceedings were started for the acquisition of the land, but after the armistice most of the money was expended for the purchase of over 60,000 acres, which has been completed. Our amendment adopted in the last appropriation bill held up the purchase of the balance of the tract, so that to-day the situation at Camp Benning is as is shown on the map, which I think the House will be able to see.

The black portion of the map represents the land which the Government has already purchased, 76,417 acres. The blue patches interspersed all through that black area are tracts of land which are under condemnation in the courts. The green patches are farms scattered all through that tract which the Government has contracted to purchase at a fixed price and which our amendment held up.

Most of the farmers on these scattered tracts have been compelled to move off their farms. The Government is in possession. On many of them the buildings have been removed or demolished. The committee came to the conclusion that if we do not go ahead and complete these land purchases the bills for damages to the evicted owners will be as great as the amount the land will cost us, regardless of the military value of the proposition, which we believe has merit.

Mr. REAVIS. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Nebraska.

Mr. REAVIS. The gentleman says most of the farmers have moved off from the tracts for which contracts of purchase have been executed.

Mr. ANTHONY. Yes; the blue spaces on the map indicate land which is under condemnation proceedings and the green spaces indicate land for which the Government has made purchase contracts.

Mr. REAVIS. What character of purchase contracts have been entered into?

Mr. ANTHONY. A contract between the Government and the owner for the purchase of the land at so much per acre.

Mr. REAVIS. Written contracts?

Mr. ANTHONY. I understand written contracts.

Mr. REAVIS. Has the gentleman ever seen any of the written contracts?

Mr. ANTHONY. Yes; I have seen copies of the contracts.

Mr. REAVIS. Do they call for payment within a specified time?

Mr. ANTHONY. I do not remember as to that, but they are legal contracts—as nearly legal as the department could draw them—on printed forms.

Mr. JUUL. Will the gentleman yield for a question?

Mr. ANTHONY. I yield to the gentleman from Illinois.

Mr. JUUL. What is the average cost of the land, and how much land is involved which has not yet been acquired?

Mr. ANTHONY. There are about 97,000 acres in the Benning proposition. The average cost of the land was about $33 an acre. Some of the land cost about $300 and some $15 or $20. The average cost is $33 an acre. In my opinion the value of that land to-day, in view of the rise in the price of farm lands, is $50 or $60 an acre, so that the Government has a clear profit in its land purchase if it goes through with it.

Mr. JUUL. How many acres must we still purchase in order to complete the enterprise?

Mr. ANTHONY. Without the purchase of these scattered tracts the Government can not avail itself of the entire area. About 75,000 acres have been purchased.

Now, I want to state to the House the purpose underlying the purchase of this big tract.

As one of the developments of the war it was found that Infantry can only be operated in battle under the protection of Field Artillery. Our General Staff believed it necessary that we should have a training ground large enough so that in the future our Infantry officers and the noncommissioned officers and as many of the men as possible could be trained under actual battle conditions, where the Infantry could be advanced over a large area of ground protected by actual barrages of artillery with the accompaniment of tanks which we propose to make an arm of the Infantry from now on, and all of the equipment which would go with Infantry in battle.

Mr. CALDWELL. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. CALDWELL. Did the gentleman call attention to the small piece which it was decided not to buy?

Mr. ANTHONY. There is a small tract of about 800 acres, marked in red on the map, situated on the Chattahoochee River, for which the department made a contract which it is believed can be canceled, that the committee thought the Government could dispense with, and we have agreed to eliminate the amount required for the acquisition of that one tract.

Mr. HICKS. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from New York.

Mr. HICKS. I was not here when the gentleman began his remarks. Perhaps he has covered the point. In case we should decide not to provide for the purchase of this land, just what would be the condition of things and how much would the Government lose by not taking these farms?

Mr. ANTHONY. I will say to the gentleman the Government has expended about $6,000,000 in improvements at Benning. We have built a post sufficient to house 5,000 men and 1,000 officers. The construction is 65 per cent completed and has cost a little over either $6,000,000 or $9,000,000, I forget which. The Government has built 9 miles of railroad from Columbus to the headquarters of the post. That railroad is built and in operation. If we do not go through with the purchase of this land at Benning—and I want to be frank and say that I was very much opposed to the proposition at the start and would not have approved of the location to-day if it was a new proposition—if we do not go through now with the obligation into which the War Department plunged us without asking our authority, the Government stands to lose almost the whole investment there.

The amount involved in the damages or claims for damages on farms that we have taken possession of, where the owners have moved off and have lost their crops, is as great as the money involved in completing the purchase of the ground.

Mr. HULINGS. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. HULINGS. What portion of this expenditure has been made since the armistice?

Mr. ANTHONY. I think the greater part of the payments have been made since the armistice.

Mr. HULINGS. I asked what part of the improvements—buildings, and so forth—have been made?

Mr. ANTHONY. Practically all the improvements have been completed since the armistice. The first condemnation proceedings were begun on November 3 or 5, and the armistice was signed November 11.

Mr. HICKS. Will the gentleman yield further?

Mr. ANTHONY. Yes.

Mr. HICKS. As I understand from the gentleman's report, he was very much opposed to the proposition, and I think he stated a few moments ago that he was antagonistic to this camp site.

Mr. ANTHONY. Originally.

Mr. HICKS. If we approve the purchase of this ground, are we not going to sanction an act on the part of the War Department which was probably unauthorized and not justified by the conditions?

Mr. ANTHONY. It was unauthorized. The main criticism in regard to the location of a basic training camp in the southwestern part of Georgia is the great expense which will be involved in the transportation of troops back and forth to that training ground. If the same terrain could have been found in the central part of the country, it would have been a much more valuable place for training.

Mr. BEE. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. BEE. Would not the result of the failure of the Government to complete the purchase and the restoration of the land marked in blue on the gentleman's map involve the loss of the whole ground for an Artillery or maneuver camp, interspersed as it is with private farms?

Mr. ANTHONY. Absolutely. The ground which the Government now owns would be absolutely worthless because it would be impossible to fire guns.

Mr. REAVIS. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. REAVIS. If we approve the policy which was unauthorized, would it not set a precedent that would justify future Cabinet officers in doing an illegal act and put the Government in the situation where to save itself it would have to approve it?

Mr. ANTHONY. The defense of this proceeding is that we were at war at the time this proposition was initiated, and that Congress had placed no string on the money which we had voted and which was available.

Mr. REAVIS. I am not asking what defense the War Department makes. What I ask is if in the judgment of the gentleman we approve of this illegal assumption of authority in this way, is not it an invitation for further conduct of the same character in the future?

Mr. ANTHONY. I think not. I think the publicity attendant on this very Benning matter will be a deterrent in the future to any Cabinet officer intending to make such an expenditure.

Mr. McKENZIE. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. McKENZIE. Will the gentleman state in what direction from the camp the city of Columbus is situated?

Mr. ANTHONY. Right up there [pointing on the map].

Mr. McKENZIE. Did the gentleman travel over this area?

Mr. ANTHONY. The committee went over the greater part of the area. The night we arrived at Benning there was a terrific downpour of rain and we thought it would be impossible to get out over the land, but they took us there in automobiles, and we went all over it. The character of the ground is a sandy loam, and the heaviest rain does not turn it into mud. That was one of the arguments in favor of it—that it was available for military maneuvers every day in the year.

Mr. McKENZIE. Whether or not it is true that a number of public roads of long standing lead from the outlying country in the city of Columbus and pass through this camp site?

Mr. ANTHONY. Yes; there are some roads.

Mr. CALDWELL. Only one; the other roads have been abandoned, and this one under an agreement between the county commissioners of the two adjoining counties is subject to be closed up whenever it is being used by the Government.

Mr. McKENZIE. I am not speaking about roads abandoned or shut up; I am asking whether or not there are not roads that are now open.

Mr. ANTHONY. There are a number of roads; but I saw no highly improved roads on the reservation.

Mr. CRAMTON. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. CRAMTON. Can the gentleman state about what time the Government obligated itself to purchase the bulk of the land in black on the map?

Mr. ANTHONY. The lands were being purchased, or in the process of being purchased, at the time we passed the limitation on the appropriation bill July 11. They started to purchase them in November, initiated the condemnation proceedings only a few days before the armistice.

Mr. CRAMTON. At the time of the armistice we were not obligated to purchase anything, except that condemnation proceedings had been inaugurated.

Mr. CALDWELL. Yes.

Mr. ANTHONY. The gentleman from New York says yes, but I think we could have stopped the legal proceeding at any time.

Mr. CRAMTON. And at what time did we become obligated to purchase those lands that are in green on that map?

Mr. ANTHONY. Those contracts were made subsequent to the armistice.

Mr. CRAMTON. And prior to——

Mr. ANTHONY. Prior to July 11 last.

Mr. CRAMTON. I may be a little hazy in my recollection, but it seems to me that it was stated to us when this matter was before the House, not only that this was not authorized, but that something in the nature of an understanding or assurance had been given the gentleman's committee that the War Department would not proceed with this matter as they did afterwards proceed. Is not that the fact? In other words, that there was something of a breach of faith between the War Department and the Committee on Military Affairs.

Mr. ANTHONY. To the best of my recollection there was no promise to our particular committee that no further work would be done. I have been told, however, by members of the Committee on Appropriations that representatives of the War Department had appeared before that committee and had assured them that no further expenditures would be made, but that they were made regardless of that statement.

Mr. CRAMTON. I think that is what I had in mind.

Mr. ANTHONY. It is not my purpose to take up in the time allotted for general debate the merits of the various other propositions in the bill. We will discuss them when we come to them under the five-minute rule. I want to make a general statement, that perhaps three-fourths of the items covered in this bill are for the purchase of land, as shown here, at a good many of the storage depots and manufacturing plants, where the Government has expended millions for improvements and has contracted to buy the land itself—which is common business sense—to go ahead and buy the land to protect the millions of dollars of improvements that we have already placed there, unless the Government wants to sacrifice about half a billion dollars' worth of property.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. I yield.

Mr. LAGUARDIA. The gentleman has stated that most of these projects are to save the Government from losing money that it has already expended on the land.

Mr. ANTHONY. Yes.

Mr. LAGUARDIA. For the purchase of the Dayton-Wright plant and real estate at Dayton no money has been expended by the Government as yet.

Mr. ANTHONY. Yes; the Government has an investment there of $960,000.

Mr. LAGUARDIA. Is not that on the McCook Field?

Mr. ANTHONY. No; that is a separate proposition. We propose to abandon it. The Government does not need it, and it is inadequate.

Mr. LAGUARDIA. McCook Field was leased to the Government.

Mr. ANTHONY. Yes.

Mr. LAGUARDIA. That lease expires in 1927.

Mr. ANTHONY. I do not know the date.

Mr. LAGUARDIA. I have that information here. Is not the Dayton-Wright plant that they want to sell to the Government owned and controlled by the same people who leased the McCook Field, who now want a release of the McCook Field, which has enhanced in value, and to sell us the other land?

Mr. ANTHONY. I understand that those lands are all controlled by interrelated corporations, all connected with the Dayton-Wright outfit.

Mr. LAGUARDIA. And we are expected to fall for it.

Mr. ANTHONY. I doubt if we do any falling. I shall take five minutes to explain the Dayton-Wright situation, since the gentleman from New York has brought it up. At the beginning of the war it was decided that the Air Service ought to have an engineering and development experimental plant. They went ahead and expended about $15,000,000 to $20,000,000 at Langley Field, Va. After they expended all of this money they found that they could not get any of the skilled labor which is absolutely essential in that kind of work, so that the

proposition was a failure and all of these millions had been expended for nothing. They could not get anywhere after they built the plant. Then they moved to McCook Field, at Dayton, Ohio, which is the center of a large amount of highly skilled labor. They leased the old baseball park there, and some adjacent land almost in the center of the city of Dayton, and erected thereon about $2,000,000 worth of temporary buildings, which they are using as their experimental engineering and development plant. There have been a great many fatal accidents at McCook Field, surrounded as it is by the buildings of the city, where they are testing out machines in process of experimentation. It is apparent to the merest tyro that goes there that it is an unsafe flying field. The Air Service wants to get out of it. The Dayton-Wright people have 5 miles from Dayton a splendid modern factory building, which they erected to carry out their various contracts with the Government. They spent $1,000,000 for a modern factory building on a tract of land 5 miles from Dayton, in the Miami Valley, surrounded by a beautiful area of flat land, absolutely available for aviation practice work.

We put on top of the Dayton-Wright expenditure there $960,000, all of which we stand to lose, except $64,000, the amount which was allowed by the board of appraisers in relation to the amortization, as settlement of their war contracts, unless we take that plant over. It will cost about $7,000,000 if we build an entirely new engineering plant, and we provided that amount of money in the appropriation bill to enable the Air Service to do it. They can acquire the complete plant at Dayton by utilizing the old Dayton-Wright buildings and purchasing adjoining factory buildings and lands at a cost of about $2,700,000. There is an economy of $5,000,000 in the purchase of the Dayton-Wright plant instead of building a new one.

Mr. LAGUARDIA. The gentleman stated that there was about a million dollars' worth of buildings on this land.

Mr. ANTHONY. That is the original cost of the Dayton-Wright people, on the original Dayton-Wright tract.

Mr. LAGUARDIA. Yes.

Mr. ANTHONY. I call the gentleman's attention to the fact that we proposed to pay eight hundred and some odd dollars an acre to the Moraine Development Co.——

Mr. LAGUARDIA. And can the gentleman tell me how much the development company is asking for that land?

Mr. ANTHONY. As I remember, it is about $800.

Mr. LAGUARDIA. And I have a telegram here from the county clerk that the assessed value of that land is $85.

Mr. ANTHONY. I can not tell anything about that, but I went all over that land in the vicinity of these plants, and I know what farm land is worth, and every foot of that land in the Miami Valley is worth from three to four hundred dollars an acre for agricultural purposes alone.

Mr. LAGUARDIA. Better let it be used, then, for agricultural purposes.

Mr. ANTHONY. In view of its proximity to the great manufacturing city, it would be worth the amount of money the Government proposes to pay.

Mr. HICKS. Will the gentleman yield for a question?

Mr. ANTHONY. I will.

Mr. HICKS. I understood the gentleman to say they have practically abandoned Langley Field. Is that correct?

Mr. ANTHONY. Abandoned it as an engineering development plant.

Mr. HICKS. Not for flying?

Mr. ANTHONY. They are using it for some minor purposes.

Mr. HICKS. I know the Army has ousted the Navy, and I thought if they had abandoned it we might get it for the Navy.

Mr. ANTHONY. We would be glad for the Navy to have it.

Mr. HICKS. We would be glad to take it. Now, a further question——

Mr. BUTLER. Do we have to pay for it?

Mr. HICKS. We do not. They have ousted the Navy from Langley Field. I notice here in reference to the item for Langley Field they are asking for the purchase of additional real estate and acquisition of oyster rights. Will the gentleman kindly tell me what is meant by the acquisition of oyster rights?

Mr. ANTHONY. One of the members of the Committee on Rules this morning wanted to know if that meant that Members of Congress would be enabled to go down there and get oysters. But the situation is that the Langley Field was used for the development of aerial gunnery and bomb practice, and they found that because of the dropping of bombs from the aeroplanes over the oyster beds that some of the owners of the oyster beds, who had paid the State of Virginia for them, had complained because they were blowing up their oyster beds, so the military authorities concluded that we ought to buy those oyster beds from the oyster owners before we proceeded with aerial gunnery practice, and we are allowing the item for that purpose.

Mr. LAZARO. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. LAZARO. The gentleman is a member of the Committee on Military Affairs. Can he tell the committee what his committee proposed to do relative to aviation? How many fields are we going to have, and how are they going to be selected?

Mr. ANTHONY. I could say in a general way the Air Service has organized and picked out about 15 fields, if I remember correctly, which they propose permanently to retain as base fields. Here it is: The Air Service has 12 fields——

The CHAIRMAN. The time of the gentleman has expired.

Mr. LAZARO. Could not the gentleman have a little more time in order to finish answering the question?

The CHAIRMAN. The time is fixed by the rule. The gentleman's time has expired.

Mr. ANTHONY. Very well.

The CHAIRMAN. Who is to have control of the time in opposition? Is the gentleman from Alabama opposed to the bill?

Mr. DENT. Mr. Chairman, I am not.

The CHAIRMAN. The rule provides that the time shall be controlled by some one in favor and some one opposed.

Mr. CALDWELL. Mr. Chairman, there is no one opposed——

Mr. FIELDS. Mr. Chairman, I ask unanimous consent that the gentleman from Alabama [Mr. DENT] be permitted to control the other half of the time.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the gentleman from Alabama—the Chair does not think that request can be put to the House under the provisions of the rule.

Mr. BLAND of Virginia. Mr. Chairman, I object. I am opposed to the bill and I desire to take the time.

The CHAIRMAN. The gentleman from Virginia [Mr. BLAND] requests that he be given control of the time in opposition to the bill. The Chair hears no objection, and the gentleman is recognized for 30 minutes.

Mr. BLAND of Virginia. Mr. Chairman and gentlemen of the committee, there is one important feature of this bill which I propose to discuss. At first it may appear local. It refers to Camp Eustis in the State of Virginia. I realize that this committee is not concerned with a purely local question, and if this were only a local issue I would not take up the time of this committee. The bill proposes to abandon and dispose of Camp Eustis, Va. Its retention is a national necessity. Why do I make that statement? Camp Eustis is the only camp in the United States that is designed for heavy mobile and railway artillery and for the training of forces for coast defense with such artillery. Camp Eustis is located in easy proximity to the only Coast Artillery school that is maintained in the United States. I refer to the Coast Artillery School at Fort Monroe, Va.

I have no doubt that it will be agreed by the members of this committee that the day of fixed defenses is passing. It must be admitted that, as a necessary corollary to the use of railway artillery in land operations in the last war, it was shown beyond a doubt that it was a necessity for coast-defense purposes. I want to call the attention of this committee to the very important fact that of all the camps that have been inspected by the subcommittee of the Committee on Military Affairs Camp Eustis alone has never been visited. The committee has never been on the ground. There is not a line of testimony in its hearings concerning the importance of this camp or its necessity in coastal defense. The members of the subcommittee visited Camp Benning, they visited Camp Knox, they visited the various other camps that are covered by this bill, but they have never been on the ground at Camp Eustis and they do not know to-day anything about the needs of that camp as a military necessity.

Mr. BLANTON. Will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. BLANTON. The chairman of the committee stated, or, rather, some one stated, that they had traveled 8,000 miles in visiting the various camps. I want to ask the gentleman, even though they traveled 8,000 miles, unless they were military men themselves, how could they tell on a casual visit to a camp whether any particular camp was needed or not by the United States Government?

Mr. BLAND of Virginia. I do not know that I can answer that question, but I think I can answer this question, if propounded by the gentleman, and that is whether any person of average intelligence going to Camp Eustis would decide that

it was a national necessity? I believe that every reasonable person, whether of military training or not, would so decide, and to-day men connected with the Army of the United States would welcome an opportunity to come before the Committee on Military Affairs and tell them of the advantages of Camp Eustis. I have myself personally been before that committee, and I have said to them, "If you do not care to go down at the expense of the Government, I extend to you an invitation to go down to Camp Eustis at my expense and ascertain its advantages." I have been there very recently and I know that it is designed to train men to use the heavy mobile artillery upon moving water targets as well as upon land targets. The proposition that is submitted by the Committee on Military Affairs in this bill is to transfer the heavy mobile and railway artillery from Camp Eustis to Camp Bragg.

Gentlemen, are you training your Army for the invasion of a foreign country? If not, what benefit will follow from your training at Camp Bragg? Our Army is for defense, and our primary aim is that no enemy shall land on our shores. Is not your coast line the logical line of your defense? Is not that the reason why the Congress of the United States has readily appropriated funds for the construction of an adequate Navy? Next in importance to an adequate Navy in the protection of the coast line is the utilization of your heavy railway artillery, moving, as it will, from point to point wherever the attack may come. I submitted as my first proposition that the day of fixed defenses is passing; I may say also that the day of fixed harbor defenses is passing. The enemy, according to reports that would be filed by officers of the Army if there were a hearing on this subject, and according to the conclusion of every reasonable man, may select and will select his own point of attack, and will not choose to send his navy, if he is attacking this country, upon the particular point that you have selected for your defense. If that is true, if your Navy must meet the enemy on the high seas where the enemy chooses, so on land you must meet the enemy where the enemy chooses to make his attempt to land. You have in your heavy mobile and railway artillery moving forts that you may carry up and down your north and south Atlantic coasts. That artillery in part is now at Camp Eustis. By ferriage to Norfolk you are in immediate touch with the entire south Atlantic seaboard. By ferriage to Cape Charles you are in immediate touch with the entire north Atlantic seaboard. By railway through Richmond, Va., you are in immediate touch with both seaboards. You have about forty-two 14-inch guns and many 16-inch railway guns that are under construction. According to present plans all are to be carried to Camp Eustis. There they will be kept for the defense of your coast and at that camp your soldiers will be trained to use these guns. It is proposed, however, to transfer these guns and all operations with them to Camp Bragg, N. C.

Gentlemen, upon what moving targets will you train forces to use heavy mobile and railway artillery at Camp Bragg, N. C., unless possibly upon the jack rabbits that may be found at that camp? Camp Eustis is located on the James River for a distance of, I should say, approximately 6 or 7 miles, possibly longer. It runs along the James River. Adjacent to Camp Eustis and practically a part of it is another firing ground, which is known as Camp Wallace. This camp is located above Camp Eustis on a bluff and on the James River. It is located at such a point that it may fire at fixed targets on Mulberry Island, a distance of 15 miles away. There it is firing over water or land that belongs to the Government, and not over private land.

Mr. McKENZIE. Does the gentleman assume that there will be any great amount of firing done by these enormous guns, wherever they may be located?

Mr. BLAND of Virginia. I think, if not from the larger guns, there will be firing from the smaller guns, because the very purpose of the camp is to train the men who will be sent there to fire on land targets located as I have described, and, in addition, to train them also to fire on moving water targets as they are towed up and down the James River for a distance, as I am advised by the authorities, of at least 10 or 15 miles and possibly more.

Mr. WHALEY. And is it not the custom at all these forts to have semiannual practice of all their big guns?

Mr. BLAND of Virginia. Of course it is. It is so at Fort Monroe. The guns are fired there at moving water targets. The efficiency of the Navy is due largely to similar practice, for which large sums are expended annually. I will say to the gentleman further, that in addition to the operations at Camp Eustis, there has been established a fort at Cape Henry, known as Fort Story, and it, too, is a part of this training center.

The heavy guns will be placed also at Fort Story, and for the purpose of greater freedom in fire heavy guns on railway mounts will fire out into the Atlantic Ocean at moving targets. Immediately in touch with Camp Eustis is the balloon school, while only a short distance away—I should say about 27 miles—there is the flying center, known as Langley Field. Camp Eustis is connected by concrete roads with Fort Monroe, and both are under one command. Written reports exist showing Camp Eustis to be an ideal location for the very purposes for which it was designed, but these reports have never received the consideration of the Committee on Military Affairs.

Mr. BLANTON. Will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. BLANTON. I was wondering how the distinguished gentleman from Virginia was able to get all of these concessions in his district?

Mr. BLAND of Virginia. I did not get them. These camps were located by the War Department for the same reason that Newport News was established as a port of embarkation and debarkation. The determining factor for each location was its strategic position, and particularly its proximity to the entrance to Chesapeake Bay. I do not claim for myself the credit of having gotten these things. They were gotten before I ever came to Congress, and they were gotten because of the necessity for them.

Mr. JUUL. Will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. JUUL. If I understand the gentleman correctly, he is seeking to reinsert into the bill the matter contained in lines 18, 19, 20, and 21 on page 4 of the original bill. Is that correct?

Mr. BLAND of Virginia. I am seeking to reinsert that language, and also to strike out the language that appears on page 7, lines 18 to 25, wherein it is provided:

That no part of the unexpended balances of appropriation heretofore made for the support of the Army shall be expended for construction at Camp Eustis, Va., and the Secretary of War is hereby directed to sell the real estate and buildings of such camp to the best advantage of the Government, the proceeds of such sale to be covered into the Treasury to the credit of miscellaneous receipts.

Mr. JUUL. If the gentleman will permit me——

Mr. BLAND of Virginia. Yes.

Mr. JUUL. Then I am correct when I say that you aim to strike that out and to reinsert?

Mr. BLAND of Virginia. The gentleman is correct.

Mr. HARRISON. I would like to ask the gentleman from Virginia what is the amount of the Government investment there now? How much would it cost to remove it to some other point?

Mr. BLAND of Virginia. I was just coming to that. Without investigation, without going upon the land, with absolutely no information before the committee on which to base its report, it undertakes to strike out Camp Eustis, designed for the purposes I have indicated, and constructed at an expenditure of from $12,000,000 to $15,000,000. I understand that the Government has already expended there over $12,000,000.

Mr. HARRISON. I understand from Gen. Coe, who is the Chief of the Coast Artillery, that about $21,000,000 has been spent there.

Mr. BLAND of Virginia. I think that is too much. In arriving at the figures $21,000,000, Gen. Coe includes also Langley Field. The costs of the project at Lee Hall, Va., are: Reservoir guard camp, $85,960; Camp Wallace (upper firing point), $1,258,952.50; Camp Eustis (proper), $11,026,938; a grand total of $12,371,850. Langley Field is about $8,000,000. These figures are taken from a report that was recently submitted.

Mr. HARRISON. I understand that, including Langley Field, which is used in connection with the Coast Artillery construction, there has been expended about $20,000,000.

Mr. BLAND of Virginia. That is correct. But I must hurry on, gentlemen. There are many reasons that I could give why this place should be retained, and I will refer to some of them later. Before doing so I must consider briefly the action of the committee in striking out that portion of the original bill which provided for the payment for land. This provision is contained in certain language which has been referred to by the gentleman from Illinois. It has been said on this floor that this bill is intended primarily to pay for land taken before November 11, 1918, and for which the Government is under moral obligation to pay. I went before the Committee on Military Affairs some time ago with one of these claims, aggregating about $8,000. If settlements are made in full, the total amount necessary to be paid will be only $42,000 or thereabouts. When I went before the committee I was given to understand that some investigation would be made. That investigation has not been made. There are no hearings, so far as the Committee on Military Affairs of the House is concerned. However, if you will turn to the hearings which were had in the Senate on a similar bill you will find the exact figures

itemized. There is shown specifically the amounts that ought to be paid for land, and Col. Kuldell says—I refer to page 131.

Mr. LAYTON. Mr. Chairman, if the gentleman will yield there, does that include all the lands that were condemned by the Government?

Mr. BLAND of Virginia. Yes. I am going to read Col. Kuldell's statement.

Mr. LAYTON. Where can I get that report?

Mr. BLAND of Virginia. You can get it from the Senate Committee on Military Affairs. I read from Col. Kuldell:

These maps show the location of those tracts. They were not purchased simply because the title was not clear, and it was necessary to go into court to get clear title. The prices were all agreed on, but title is not clear. The names are on the attached list. The tracts are necessary because this is a firing range, and it is not possible to have individual owners own private tracts within an artillery range.

The CHAIRMAN. The facts in connection with all these different details for which authority to purchase is now sought were in the record of the last hearing?

Col. KULDELL. They were brought out yesterday by Gen. Coe himself.

Senator KIRBY. It seems that condemnation proceedings have already been instituted against these tracts?

Col. KULDELL. Yes, sir.

These items are all detailed on page 131. The particular item that I was interested in was the largest item in the list. I was interested in this item because the former owner had written to me directly. The property had belonged to a lady who was out of possession, having been compelled to move off the land when the property was taken. She has been off the land since June, 1918. Gen. Coe, with reference to the same subject, says:

There are a few parcels of land included within the limits of Camp Eustis which the Government purchased and which has been occupied by troops since 1918 and which had been evacuated by the former owners sometime previous to July, 1918, and we took the whole camp site over in March or April of 1918 and occupied it continuously since that time. There are a few parcels of land within the camp limits in regard to which either condemnation proceedings have not been completed or in regard to which the title rights have not been satisfactorily investigated. The total area of the camp is 7,394 acres, and the cost of the land to date has been about $600,000.

Col. Kuldell, however, showed that all the condemnation proceedings had been concluded.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. LAYTON. I would like to ask what opinion the gentleman got from the War Department in the way of a legal opinion as to the determination and right of the Government to pay for lands that had been condemned and taken over?

Mr. BLAND of Virginia. I have had no opinion from the War Department.

Mr. CALDWELL. Mr. Chairman, will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. CALDWELL. The Congress holds the purse strings, and notwithstanding the fact that the executive department is authorized to start proceedings to acquire land, unless we give them the money they can not pay for it.

Mr. BLAND of Virginia. Certainly. Now, I want to proceed.

Provision should be made for the payment of these just and moral obligations. Whatever the ultimate conclusion as to Camp Eustis, these bills should be paid.

But should Camp Eustis be abolished? I will undertake to state briefly many reasons why such action should not be taken.

Camp Eustis is the only home station and school of fire for all railway artillery, now a part of the Regular Army.

The day of fixed defenses is passing, and the need for railway artillery is greater in coast defense than in land operations.

Our coast is the logical line of attack and in its defense our Navy constitutes our first line. Our second line of defense consists of heavy railway artillery.

The function of railway artillery in land operations is the destruction of railway centers, ammunition dumps, railway bridges, and fortifications.

The function of railway artillery in coast defense is the destruction of rapidly moving ships at sea.

Distances are deceptive on land, but far more so on the water. When defending the seacoast the objects of fire are rapidly moving ships and smaller craft at sea. To fire successfully on these targets special training is necessary, and for this reason there is frequent practice at forts and in the Navy. There must be moving targets on the water, and battle conditions must be created as nearly as possible. Moving targets are not available at Camp Bragg. That location is remote from the seacoast. Camp Eustis, Va., is the only camp located close to the seacoast. It is ideally located.

It has a large reservation safe for long-range practice at land targets and also at water targets. As the targets are towed up and down the James River, guns located 4 or 5 miles from the shore, occupying concealed positions, may fire at these targets, from which they are distant 8, 10, or 12 miles. Observers in towers already constructed may direct the fire or report the effect. Observers located along the shore may follow closely the accuracy of the fire.

The guns may be turned in a northward direction and fire upon moving targets in Chesapeake Bay at a distance of 20 or 25 miles. The troops in training may be sent to Fort Story, at Cape Henry, for greater freedom in firing at water targets, and there need be no limit on the scope of their operations.

There are 23,000 feet of standard-gauge storage tracks for railway guns, locomotives, ammunition cars, and so forth, and 90 per cent of the work is complete.

There are 8,000 feet of standard-gauge firing track already provided at Camp Wallace, and material for 5,000 additional feet is on hand for spurs and sidings leading to the various gun positions.

A fire-control system is already provided and nearly complete, consisting of five steel towers, each 120 feet high, and all connected by subterranean and submarine cable with the necessary telephone connections to provide a terrestrial fire-control system, with the work 98 per cent complete.

There is a balloon school adjacent to Camp Eustis equipped to provide balloon observations, all necessary hangars, and so forth, being complete and in operation.

Machine shops have been provided to meet the emergency conditions during the war, and plans are on foot for enlarging these shops to meet all the necessary conditions for a permanent organization.

The camp is conveniently located to obtain skilled labor on account of its proximity to the large shipbuilding plant at Newport News, Va. It is connected by concrete road with Fort Monroe, Newport News, and Langley Field, being about 35 miles from Fort Monroe. It is about 5 miles from the Navy mine depot and about 7 miles from Yorktown. About 5 miles of concrete and 9 miles of gravel and slag roads have been completed in the camp. It has ready water transportation by a 17-foot channel down James River to Newport News, with light draft inland waterway up Warwick River from the camp to James River and near Newport News. It has railroad connections with the main line of Chesapeake & Ohio, so that material and supplies can be placed on storage tracks and alongside of warehouses within the camp, and can be delivered to ship side on pier. It has an excellent pier, which has been built into the James River at a cost of $500,000. It has ample space in barracks and storehouses for a brigade of railroad artillery under normal peace conditions, and by utilizing buildings and building material on hand, but not required in permanent development, the camp can be converted into a permanent brigade post at a minimum of expense. The number of troops that can be quartered at Camps Eustis and Wallace are 18,750.

It forms a part of a great national training center connected with the Coast Artillery School at Fort Monroe, Va., the only school of that kind in the United States. It is located in easy reach of the entire North Atlantic and South Atlantic Sea coasts. It is located within easy reach of the great naval base on the Hampton Roads, and also of the Army base at Norfolk, Va.

Located near one of the strategic points of the Atlantic coast, Hampton Roads, Va., it is the logical center for the concentration of thirteen 16-inch guns, forty-two 14-inch guns, and twelve 16-inch howitzers already under manufacture for the United States.

The immediate appropriation needed to complete the purchase is only $42,198.23 for purchase of real estate and $9,156 to complete incinerator, making a total appropriation of $51,354.23.

If abandoned, not 15 per cent of the investment will be realized, and the only training provided for railway artillery will be for operations on land and not on the water.

Mr. Chairman and gentlemen of the committee, if you dispose of this camp, on which you have expended something more than $12,500,000, you will not realize one-tenth of that sum. You will lose the only camp destined for the development of your heavy mobile and railway artillery, and so located that troops may be trained in its use on moving water targets as well as on land targets. The location near Fort Monroe has double value considered in connection with the Coast Artillery School there, because the regiments to man the guns would be concentrated upon the camp site near the range. They would conduct fire with aeroplane observers from Langley Field, Va., and with balloon observers from the balloon school at Lee Hall, Va., contiguous to this camp.

The records of the Army, if consulted, will show that when Camp Eustis was located at its present site due examination

and consideration was given to various sections, but they were eliminated from consideration for the reason that none of the other localities possessed all of the essentials.

On the east side of the James River, however, was found this site, which possessed all of the necessary requirements and fulfilled the conditions precedent required for a site for the school of fire. It is close to the aviation experimental station at Langley Field. It adjoins the balloon school. It is close to Fort Monroe and the Coast Artillery School there. Land ranges from zero yards to ten thousand yards are easily obtainable. The location is such that these ranges can be increased from time to time almost indefinitely at a minimum expense. With the long-range firing point located at Camp Wallace, which is the upper end of a huge bend in James River, a 20,000-yard range is secured, and the fire across 10 miles of water reduced the acreage to be acquired to a considerable extent. The territory can be easily patrolled, there being only one road leading to the camp.

The fact that this site possesses so many physical advantages and is so close to the entire teaching staff and theoretical plant of the Coast Artillery School at Fort Monroe argued for permanency, and consequently the lands were purchased or condemned with that end in view.

The same reasons which justify expenditures for harbor defenses and their maintenance justify the continuance of this camp. Yet I am asking now for no additional appropriations except a comparatively small sum to pay for a few acres of land; nor am I asking for the adoption of a permanent policy. All that I ask is that the direction to abandon and salvage the camp be eliminated until you shall have made an examination and until you shall have had full hearings. I do not claim the gift of prophecy, but I do predict that if you abandon this camp you will soon establish a similar camp near the seacoast at a cost equal to, if not greater than, the cost of this camp.

Mr. Chairman, I yield back the balance of my time. [Applause.]

The CHAIRMAN. The gentleman's time has expired.

Mr. ANTHONY. Mr. Chairman, I ask that the bill be read.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be is enacted, etc., That the paragraph under the subheading "United States Service Schools" under the heading "General Staff Corps" of the act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, be, and the same is hereby, amended——

Mr. CRISP. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRISP. This bill strikes out certain sections or certain paragraphs and provides for the insertion of new matter. My inquiry is, Is that all one amendment, and if so, will the bill be read by sections for amendment, or will it be read in its entirety and then an amendment offered to it?

Mr. ANTHONY. Mr. Chairman, the situation of the bill is perhaps as the gentleman from Georgia calls attention to. So far as the committee is concerned, it is willing to have the bill read item by item and considered by paragraphs for the intelligent discussion of the Members of the House.

Mr. CRISP. I hope the gentleman will ask unanimous consent. I want to offer an amendment, and some other gentlemen desire to offer amendments, and I have made this inquiry with a view to defining the method of procedure.

The CHAIRMAN. The Chair desires to state for the information of the committee that there are two sections to this bill, and that under the rule the bill will be read by sections.

Mr. ANTHONY. I ask unanimous consent that each project mentioned in the bill be considered as a separate paragraph for the purposes of amendment and debate.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that each project of the bill be considered as a paragraph for the purposes of consideration and amendment. Is there objection?

Mr. MANN of Illinois. Reserving the right to object—and I shall not object to the request—this bill is wholly an amendment to an appropriation act. It is true it is legislation amending an appropriation act. If the appropriation act itself were in the form of a bill before the House for consideration it would be subject to certain rules of the House in reference to amendment. I do not ask the Chair to rule upon that question at this time, but is this bill being considered under the rules of the House providing for the consideration of legislative bills or under the rules of the House providing for the consideration of appropriation bills? Of course, if it were being considered under the rules of the House providing for appropriation bills it would be read by paragraphs, unless the rule were modified by unanimous consent. If it is being considered under the rules for legislative bills, it will be considered by sections. The question is whether a committee which is bound by certain rules of the House about the insertion of items not authorized by law, or certain items of legislation in an appropriation bill, can bring in a bill to amend an appropriation act and escape those rules. I do not know.

Mr. BUTLER. Is this an appropriation bill or a legislative bill?

Mr. TILSON. Legislative.

Mr. MANN of Illinois. I do not want that to be decided one way or the other by consenting to a unanimous-consent request, though I do not object to the request.

The CHAIRMAN. The question is on the request of the gentleman from Kansas that each paragraph in the bill shall be considered as a separate paragraph for consideration and amendment. The Chair wishes to call the attention of the gentleman from Kansas to the fact that there is one committee amendment here, a single amendment in which there are several items.

Mr. ANTHONY. My request is that each project be considered as a separate paragraph.

Mr. MANN of Illinois. Reserving the right to object, let us know what that means.

Mr. CALDWELL. Yes.

Mr. MANN of Illinois. For instance, on page 3 of this bill is an amendment, or under this request there may be a dozen amendments or more on the subsequent pages striking out certain lines.

Under the request of the gentleman from Kansas is it understood that when the first item on page 3, under the heading of "Infantry," is reached, to strike out lines 8 to 11, inclusive, it is to be considered as a separate amendment and be discussed for 10 minutes or an hour before it is disposed of, and then that each of these other items is to be considered as a separate amendment covering several pages and several dozen projects before we reach the item at the top of page 6 to complete the Infantry school at Camp Benning? In other words, the committee has reported an amendment which strikes out the original language of the bill relating to the Infantry school at Camp Benning, on page 3, and proposes to insert an item on page 6 relating to the Infantry school at Camp Benning. If you are going to consider these two items, do you dispose of the item on page 3 before you reach the committee substitute on page 6?

Mr. ANTHONY. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. ANTHONY. The amendment proposed by the committee was to strike out all of the words through which lines are drawn and substitute therefor the new paragraph.

Mr. MANN of Illinois. I understand that.

Mr. ANTHONY. And it would be in order to have considered as one amendment the proposition to strike out that language.

Mr. MANN of Illinois. That would be the case under the ordinary rules of the House, possibly, but the gentleman has requested that these items be considered individually and severally.

Mr. ANTHONY. That is, when we reach their consideration.

Mr. MANN of Illinois. That would require the consideration of the amendment to strike out two or three pages before you reach the amendment to insert in place thereof.

Mr. ANTHONY. Undoubtedly.

Mr. MANN of Illinois. That would throw the House into such confusion that it would not know where it was on anything.

Mr. ANTHONY. The committee amendment would be to strike out on page 3 all of the matter indicated.

Mr. MANN of Illinois. Supposing gentlemen desired to discuss that, if the gentleman would ask unanimous consent to consider the bill with the committee amendments as an original bill by paragraphs, would not that take care of all the gentleman desired?

Mr. CRISP. If the gentleman will yield, it will, as far as I am concerned, but I think might not so far as some other gentlemen are concerned. I think there are some parts of the bill stricken out that the committee substitute does not refer to in any other part of the bill.

Mr. MANN of Illinois. Would it not be in order to offer those items as amendments?

Mr. BLAND of Virginia. That would be satisfactory.

Mr. CALDWELL. Would they not be subject to points of order?

Mr. MANN of Illinois. You can see what confusion you would get into the other way.

Mr. JUUL. May I ask the gentleman from Illinois a question?

The CHAIRMAN. Does the gentleman from Illinois yield to his colleague?

Mr. MANN of Illinois. Certainly.

Mr. JUUL. I would like to ask the gentleman from Illinois if, under the rules of the House as they exist now, it would not be possible, for instance, to move to strike out on page 3 and then proceed to page 6 and substitute the language there, and finish each project as we go along?

Mr. MANN of Illinois. It would not come up as a committee amendment in that way.

Mr. ANTHONY. I think it was the intention of the committee to have the substitute bill considered as the committee bill.

The CHAIRMAN. That does not comply with the rule.

Mr. MANN of Illinois. But that is not the gentleman's request.

Mr. ANTHONY. It was the intent of the gentleman's request, in accordance with the request submitted by the gentleman from Georgia [Mr. CRISP].

Mr. GREENE of Vermont. Would it be in order to prefer a request for unanimous consent that for the purposes of the consideration of the bill the matter submitted by the committee amendment be considered as the original text and that it be in order to substitute for the proposed amendment any of the matter stricken out in the bill?

Mr. MANN of Illinois. That request would cover the case.

Mr. ANTHONY. Under the rules of the House there would be the right to offer any amendment.

Mr. MANN of Illinois. Well, let us be perfectly clear about it. If the House has agreed to the committee amendment to strike out an item, it would not be in order without the consent to offer that same item again.

Mr. GREENE of Vermont. That is what I had in mind.

Mr. BRAND. That is what the committee is doing; it strikes out some items and reinserts the same items.

Mr. MANN of Illinois. That is one amendment as a substitute.

Mr. GREENE of Vermont. Mr. Chairman, I ask that the request for unanimous consent be so modified as to allow the committee to proceed to the consideration of the bill, with the agreement that the language submitted by the committee as an amendment shall be considered as of the status of original text and that the matter stricken out by the committee as an amendment may be in order in the form of an amendment to be offered from the floor.

Mr. MANN of Illinois. Or any part of it.

Mr. GREENE of Vermont. Or any part of it.

Mr. ANTHONY. That would be satisfactory.

Mr. BRAND. Reserving the right to object——

The CHAIRMAN. Let the Chair state the request. The request is that the bill may be considered on the theory that the amendments offered by the committee shall be considered as the original text.

Mr. GREENE of Vermont. And that the proposed amendment of the committee striking out matter may be in order, or any part of it, in the form of amendments proposed from the floor.

The CHAIRMAN. And that any part of the bill stricken out by the committee may be offered as an amendment from the floor. Is there objection?

Mr. LONGWORTH. Reserving the right to object, would it be in order to offer an amendment after one paragraph is read as a new paragraph?

The CHAIRMAN. The Chair is inclined to think it would.

Mr. LONGWORTH. I will not object if that is the understanding of the Chair.

Mr. MANN of Illinois. I think that would be in order.

Mr. BRAND. Reserving the right to object, then the bill would be read by paragraph rather than by section.

Mr. MANN of Illinois. Yes.

The CHAIRMAN. By sections.

Mr. GREENE of Vermont. I couple with the request that it be read and considered by paragraphs instead of by sections.

The CHAIRMAN. And that the bill be considered by paragraphs. Is there objection to the request of the gentleman from Vermont? [After a pause.] The Chair hears none. The Clerk will read.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. MCKENZIE having taken the chair as Speaker pro tempore, a message in writing from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries, who also informed the House of Representatives that the President had, on December 10, 1919, approved and signed bill of the following title:

H. R. 6857. An act to authorize the change of the name of the steamer *Charlotte Graveraet Breitung* to *T. K. Maher*.

REMOVAL OF LIMITATION FOR PURCHASES OF LAND AND CONSTRUCTION IN MILITARY POSTS.

The committee resumed its session.

The Clerk read as follows:

Be it enacted, etc., That the paragraph under the subheading "United States Service Schools" under the heading "General Staff Corps" of the act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, be, and the same is hereby, amended by substituting the words "the Infantry School, Camp Benning, Ga.," for the words "the Infantry School of Arms at Fort Sill, Okla."

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. Mr. Chairman, it is unfortunate that the controversy arose on the discussion of the rules concerning certain things that were said in the report on the bill. I for one have never felt and do not feel now that the Secretary of War or any of his agents have violated any law or have done anything that was morally wrong in the matter of the acquisition of these camps and their development. I have studied the matter very carefully and was a member of the subcommittee that visited the camps, with the exception of the one in Ohio and one in northern New York. I was present when the subcommittee discussed the question of whether or not anything wrong had been done by the War Department, and maintained that there was not, and it was agreed that that matter would be left out. I am very sorry that it was put in the report, but that is water that has passed over the mill.

The question is whether we are going to do that which we ought to have done many months ago. Are we going to release the hands of the War Department that we tied at a time when the personnel of the House had changed and it was felt on the part of some Members that we should go slowly in all of these matters?

The circumstances are these: During the war we built up the foundation of a military machine and we were just getting out of the foundation stage of that great structure when the armistice came. When the armistice was signed the War Department was confronted with the proposition whether or not they would throw away what they had, or whether as a business policy we should salvage what we had, whether we should keep that which we should need in the future and turn that which we did not need in the future into such available cash as possible or abandon the whole, and whether we should stop all development at great loss or complete the necessary things under construction.

With that idea in view, studies were made by the highest experts of the War Department. We found that there were 19 camps in the United States that we did not need, 14 of which were National Guard camps and 5 special camps. It was found that in the contemplated preparation for defense of our country, which should be maintained in time of peace, there would be no immediate necessity of these camps upon which the Government had spent in some cases several million dollars.

They were not strategically located and perhaps there was a surplus, and so orders went out to demolish the camps, salvage them, sell the property, cancel the leases, and that was done. It was found in the survey that there were 27 camps that the experts of the War Department felt that it would be wise for one reason and another to retain and develop. Some of them because the investment was very large and we could not get the money out at this time in any other way, and some of them because they were absolutely necessary for the future defense of our country and the future training of our armies. We found in the war that one of our greatest weaknesses was that there had never been any real training of Infantry or Artillery in the United States Army. You could not train infantrymen by having a squad or company of them do the manual of arms sufficiently to enable them to take care of themselves in battle. The art of war consists of two things, to kill the enemy first, and, second, to save your own life if you can in the operation. All the training that the American Army had had, in all of the time in the past except when it was in actual battle, had been limited entirely to teaching the men that skill which would enable them to kill their enemy, and practically nothing has ever been taught to the American young man in respect to how to take care of himself and prevent the enemy from killing him. As a matter of fact, we have held it up to our boys in the past that danger was the thing that they were to accept and to seek, and was such a small consideration that it should not give them any concern. However, now we find it is much cheaper and

much more humane to teach our boy how to take care of himself, and that it will take fewer soldiers to whip our enemy if we do that thing. For that reason Gen. Pershing early in the war began sending cablegrams to the United States insisting that we find here in America some place that would compare with the terrain of the battle fields of France.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CALDWELL. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CALDWELL. He sent one cablegram, I think, away back in September, 1917. Not having any result from that, he sent another and another and another, until finally in his cablegrams he not only urged that this be done, but he pointed out that the American young man was being trained to defend himself in actual battle, and that they would die by the thousands and the tens of thousands if the American Government failed to give those boys the proper training here to which they were entitled before they were sent away, and he named two men of the United States Army who had had the proper amount of training and skill to put in charge of that kind of a plan, and when his insistence became as hard as it did, and when that cablegram was received here, the War Department ordered that steps be taken immediately to acquire such a camp, and Camp Benning was acquired. We may say the same thing about the camps for the Artillery.

Mr. LITTLE. Mr. Chairman, will the gentleman yield for a question?

Mr. CALDWELL. Yes.

Mr. LITTLE. What was the date of this cable from Gen. Pershing wherein he told that the soldiers were dying by the thousands because of lack of training?

Mr. CALDWELL. I do not remember the exact date, but it was within two months of the signing of the armistice. I can put it into the RECORD, for I have it on my table in my office. I can also put in a copy of three of those cablegrams, which I have in my office, and I shall be very glad to do so. The same thing may be said in respect to artillery. Never before in the history of the world had it ever been known that artillery was such a weapon of defense as it is. It has always been recognized as a weapon of offense. It was always used to destroy and tear down the enemy and his embattlements, but never before was the defensive barrage used as it was in this war. When it was discovered that the artillery could be used in that way, and when that great man, Maj. Gen. Summerall, laid down the barrage that thrust the Germans from the battle field, America made up its mind that from that time on it would profit from the brains of Gen. Summerall and never again would our boys go without the protection of adequate field artillery. Then it was designed that we would have a training field on which the Artillery could be trained, a field large enough for the Infantry, the Artillery, the Cavalry, and the tanks, and all the balance. This bill was proposed to carry out the scheme of the War Department. Certain members of our committee felt that they would not be justified in authorizing these enormous expenditures without an investigation personally of the committee. The committee went to a number of these camps. The gentleman from Virginia stated the fact when he said that we did not visit Camp Eustis. It was not on the program and we did not go there. At that time, so far as I am concerned, there was no intention of dispensing with Camp Eustis. I understood that it was as necessary for the Coast Artillery as either Camp Bragg or Camp Benning is for the Army, one for the Infantry and the other for the Artillery. I believe it ought to be kept. I have never been in favor of dispensing with Camp Gordon or with Camp Taylor. I believe those camps are necessary.

The CHAIRMAN. The time of the gentleman from New York has again expired.

By unanimous consent, Mr. CALDWELL was granted leave to extend and revise his remarks in the RECORD.

Mr. GREEN of Iowa. Mr. Chairman, when I first read the report of the committee that accompanies this bill the first thought that arose in my mind was to congratulate the minority members of the committee upon the fact that they had not seen fit to file minority views. I now find, however, that gentlemen on the minority side, part of them members of the committee and part of them possibly not, see fit to undertake to defend the utterly indefensible proceedings of the War Department with reference to the purchase of lands for these camps, and, for my part, if they want to undertake anything of that kind, it meets with no objection whatever. I would like to see any such report. I would like to have it spread before the American people, so that they could a little more fully understand just what has been going on.

Mr. HARRISON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. HARRISON. I want to call the gentleman's attention to the fact that the objection came from the Republican side of the House.

Mr. GREEN of Iowa. I am quite well aware of that, but it did not come from me. On the contrary, I would like to see such a report printed.

The first paragraph of the bill provides in effect for the abandonment of Fort Sill for certain purposes and the substitution therefor of Camp Benning, Ga., which is near the city of Columbus, as I understand it. What are the facts in relation to it? What do we have at Fort Sill? We have some 55,000 acres and a Government reservation adjoining, of which no use is being made, of some 65,000 acres more, where, according to good Democratic authority, if you wanted it not merely for musketry but for an artillery practice you could have 25 miles or more as range for the guns. Fort Sill is high and dry, and upon it has been spent somewhere around $2,000,000, if not more, in public buildings and improvements.

It was an ample space, ample for all purposes for which Fort Benning was designed.

Mr. CRAGO. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. CRAGO. I know the gentleman wants to be fair with reference to that, and I think he is largely misled by some erroneous report. Gen. Snow, who is in command of the Field Artillery and also in command at Fort Sill, said:

> The Infantry School of Arms and the School of Fire for Field Artillery were both stationed at Fort Sill for a considerable period of time, but it was learned definitely that there was no sufficient room in the Fort Sill reservation to accommodate both these activities. There is no question that if the Infantry School of Arms is returned to Fort Sill, it will become absolutely necessary to move the school to some other place.

The fact was they used the entire area around Fort Sill for a school of fire.

Mr. GREEN of Iowa. I will say to the gentleman I would like for him to make that statement in his own time if he kindly will. I am making my statement on reliable information from gentlemen who have been to Fort Sill, and I do not agree with the report just read. Some Army officer can always be found who thinks, and probably honestly believes, that the Government should have more land.

The CHAIRMAN. The gentleman from Iowa declines to yield further.

Mr. GREEN of Iowa. I do not agree to the report of this officer. I would like to have the gentleman from Pennsylvania [Mr. CRAGO] explain, when he comes to explain, how with 55,000 acres right there and the 65,000 more in the Government reservation, which could be used, that there was not room——

Mr. CRAGO. I was trying to explain. We put in the entire day witnessing the maneuvers of the school of fire, and we were convinced it was no place for an Infantry school.

Mr. GREEN of Iowa. The gentleman is easily convinced, it seems to me. I can not go into the details on that, but even if there was not room for the Infantry school what reason was there for purchasing additional ground?

Mr. FIELDS. A great deal of the reservation was so rough they could not use it for an infantry field at all.

Mr. GREEN of Iowa. My information is not the same——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to speak for five minutes additional.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Conceding everything these gentlemen say, conceding Fort Sill is not sufficient for the purpose of the school—and I do not concede it, but I can not go into details with reference to Fort Sill here now, as it would take 15 or 20 minutes' time which I do not wish to consume—what happened in reference to this matter? The Secretary of War shortly after the armistice appeared before the Committee on Military Affairs of the House. He asked the consent of the Committee on Military Affairs to go on with this project at Fort Benning and other projects. The Committee on Military Affairs of the House declined to give it. He then went before the Senate committee and asked for their approval. A resolution of approval was introduced and failed to pass the Military Committee of the Senate. He came back to the House and informed the House, according to the record I have, that all proceedings in reference to the purchase of land at Fort Benning had been discontinued, and then the Committee on Military Affairs of the House, satisfied that no further proceedings would be under-

taken with reference to the camp at Benning, gave no further attention to the matter at that time. I understand the Military Affairs Committee contemplated passing an express resolution forbidding any more money being expended in that direction; but about that, however, my information is not positive. As soon as Congress adjourned, what happened?

The War Department went on with its purchase of land at Benning, went on making its contracts with these men, which it is now claimed we must complete. It is now claimed the owners have been compelled to leave the land. If they return they will have large claims for damages. Now, what justification can there be for getting the Government in such a position? If they did not have the land at Fort Sill, they had abundance of land at other places for an Infantry school and Artillery school. There was no need for the purchase of this land at Benning.

Mr. CALDWELL. Will the gentleman yield?

Mr. GREEN of Iowa. I will, although I would like to finish in the five minutes.

Mr. CALDWELL. I will ask for another five minutes, if necessary.

Mr. GREEN of Iowa. I do not like to take it.

Mr. CALDWELL. Will the gentleman accept the opinion of Maj. Gen. Wood as to the availability of this place?

Mr. GREEN of Iowa. Availability of what place?

Mr. CALDWELL. Benning, as against all other places in the United States.

Mr. GREEN of Iowa. Did the gentleman join in this report? Can he state as to the inaccessibility of Benning and——

Mr. CALDWELL. No; I did not join in the misstatement; I joined in the proposition it was necessary to have Benning. I ask the gentleman again. Will the gentleman accept the opinion of Maj. Gen. Leonard Wood as to the availability from every angle of this camp?

Mr. GREEN of Iowa. The gentleman knows perfectly well I have not said a word to indicate that Benning could not be used for this purpose. What I have been asserting was that the Government already had thousands of acres that could be used for that purpose and was not being used, and yet, nevertheless, the War Department insisted upon the purchase of this land at Benning.

Mr. CALDWELL. Will the gentleman take the opinion of Maj. Gen. Leonard Wood as to the availability of any Government land anywhere in the United States for this purpose?

Mr. GREEN of Iowa. Oh, the general has not expressed any opinion of that kind.

Mr. CALDWELL. I ask, Would the gentleman take his opinion if he had expressed it?

Mr. GREEN of Iowa. I will not stand here and bandy words with the gentleman. I decline to yield further.

Mr. CALDWELL. He has. Will the gentleman take it if he has?

Mr. CANNON. Will it be a boy or a girl? [Laughter.]

Mr. GREEN of Iowa. The distinguished gentleman from Illinois has given the gentleman the answer to which he is entitled. There are Infantry fire schools scattered throughout the country. I know something in reference to that subject myself. With all the thousand of acres that the Government possesses there seems to have been a determination to locate this camp at Benning. So far as the lay of the land is concerned, it may be well chosen. In other respects it is not well chosen.

Mr. GREENE of Vermont. Will the gentleman allow me to suggest it is exactly that factor in the lay of the land that determines the military value of any training camp?

Mr. GREEN of Iowa. Oh, to some extent.

Mr. GREENE of Vermont. That is, in view of the topography and not in view of a blue-print paper.

Mr. MANN of Illinois. I wanted to take the time to ask the gentleman from Iowa a question, in view of what was asked, namely, whether there is only one place in the United States where you could train Infantry to fight in a real battle, unless you have an opportunity of selecting the land where the battle is to be fought, confining it to a mere little plain down at Benning? If they were trained there for real battle, could they fight a battle anywhere except at the training camp?

Mr. GREEN of Iowa. Certainly not. Mr. Chairman, I ask unanimous consent to proceed for two minutes on that subject.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for two minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. There is nothing more absurd than to say that you can not pick out more than one place in the United States that is suitable in which to train troops. And there is nothing more absurd to me, though not claiming to be a military man, that training upon some particular location or some place that is selected by the Army officers is necessary to fit our troops to fight in some other place where the topography is altogether different. Gentlemen talk about rough places. That is where battles are generally fought; but you can find any kind among the thousands of acres now owned by the Government.

Mr. GREENE of Vermont. May I suggest this: One of the desirable things about Benning is that it offers the greatest variety of terrain, so that a man may have the experience that may be duplicated in battle anywhere else.

Mr. GREEN of Iowa. You have got that at Fort Sill also.

Mr. CRAGO. No; you have not.

Mr. GREEN of Iowa. You have at Fort Sill ground both rough and smooth. I insist that the purchase of the Benning tract was a wasteful and needless expenditure of the public money at a time when, of all times, we ought to be economical.

Mr. LITTLE. The gentleman from New York [Mr. CALDWELL] suggested that he has a telegram that he will insert in the RECORD from Gen. Pershing, which states, as I understood him, that thousands and tens of thousands of young men were dying in France because of lack of military training of the proper character. This was two months, he says, before the armistice, about a year and a half after war was declared. It would appear that we may take it for granted that there were thousands and tens of thousands of men who died for reasons for which they should not have died. If they were dying for lack of military training, and the general is correct, that is the most fearful indictment of the management of the War Department and the training given the men by the officers of the Regular Army and those who helped them that was ever drawn. If that is true, those men who did that training and had a year and a half to do it in should be held responsible. It may be that he is mistaken; that the loss of thousands of young men may have been due to bad management and poor generalship. I have also heard that intimated. At least, I hope the telegram will go into the RECORD and we will have an opportunity to reach a conclusion one way or the other. If it were due to either, I think it is somewhat remarkable that anybody should come here and ask us to spend millions of dollars to build training camps in which those very officers can turn around and train men again. If during a year and a half of preparation they could not put men on the battle field with the reasonable facilities for taking care of themselves, what sense would there be now in spending money to give them a lot more of camps and more opportunities to train young men to get slaughtered? It does not appear to me as being intelligent.

There is a fallacy here in this argument somewhere that these gentlemen have not accounted for. The conditions they have stated are determinative as against them. If those people failed in their training, they are not entitled to another chance to train a lot of more boys.

It has been suggested that the peculiar topography of this place would be determinative of its value. Of course, there are lots of places in the United States just as good as this, and if this is the only place that is fit, we had better quit.

That is only an observation thrown in for a stopper for a moment. We want to find out whether this specific money ought to be appropriated. I have not ascertained yet to my satisfaction whether it should or not. If they legally bought this ground, and they made the Government responsible for it, I am in favor of paying for it whether it is good or not. If, on the other hand, some fellow, in violation of authority, but with Congress winking at it, violated the law and involved us in a silly expense, but in that way involved private citizens and put them in a position for us to help them, I would go ahead and help them. In either event I would vote for this bill. If, on the other hand, neither condition obtains and yet anybody is injured, it should be settled by some one of the rules under which we authorized the Secretary of War to settle $4,000,000,000 worth of unliquidated damages, and let them go ahead and settle under that. It can be done. You gentlemen in the Sixty-fifth Congress authorized the Secretary of War to pay out upon his own volition about $4,000,000,000 to settle a lot of unliquidated damages. I did not vote for it. But if there are a lot of such unliquidated damages at these camps it might be cheaper for him to settle under that. He need not come to us for any more. If there was a moral injury there through our carelessness, I will vote for the bill. But nobody yet has advanced any argument on that point at all that I have heard.

We now approach the question of the value of these camps. That these camps are better than any other camps in which to train soldiers, of course, is not urged very seriously. There are thousands of places, any one of which is just as good as

another. That we should go skipping around the country and spend a lot of money foolishly in building up new camps is not reasonable, either.

You may give the soldier all the training you want to, but you will never know whether he is a successful soldier or not until he has been under fire. There are certain simple things that have got to be taught to every soldier. It takes some time, of course, to do it. But when he has learned that, the rest of it comes in a battle or two, and he is either a soldier or he is not. You speak of special training.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. I ask unanimous consent for another five minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. If you have got something extra to teach them, who is going to do it? Nobody has taught them anything yet, according to Gen. Pershing's telegram, as I understand it. Who is going to do all this teaching? Where are the boys going to learn anything if they did not in 18 months?

The other day a gentleman came into my office who had served in a regiment in the Philippines, to which he was much attached. He served abroad in the Great War in a Regular Artillery regiment and came home with a good record. He said to me, "Our regiment did not have any better men and did not have as good officers as the old regiment in which I served in the Philippines." "But," he said, "The men were very much better prepared and equipped." I said, "In what way?" He dodged that question half a dozen times. Finally I said, "Confound it, in what way?" "Well," he said, "there were men there who understood wireless telegraphy." That is all he could say. I said, "Good God, we had several good telegraph men and operators in our regiment in the Philippines." That is all he could say.

After you get beyond a certain point, gentlemen, there is very little knowledge of the real art of war to be had except on the battle field, except in certain technical branches like engineering and artillery. But beyond that there is not very much to be taught that can be learned before active service. It has all got to be learned on the battle field. That is where a knowledge of those things is to be acquired. You give me a man who has not had any training at all, and let me throw him into a good regiment, and let him go through two or three battles, and he will soon be a very good soldier, if he has the right stuff in him. That is where the soldier comes from. Every boy ought to have an opportunity before he goes to war to carry a gun and march around and learn to shoot and learn how to take care of himself, but war is like everything else: You have got to go through some of it before you can cut much of a figure in it.

Mr. CALDWELL. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. CALDWELL. If a man can get training for battle by engaging in a miniature battle or participating in a miniature battle and undergoing a barrage, and all that, is not that good training?

Mr. LITTLE. Well, you can explain the principles of physics to a young man in school; also wireless telegraphy; but until he has worked them out in actual practice he does not know anything of value about them. There is no place in the world where a man can learn to be a soldier as well as in an actual battle. It is all right to march around and call out orders on parade, and it looks very fine. And it is all very well to burnish up your gun until it looks fine. But you never know whether you are a soldier or not until you hear the bullets whistling over your head.

Mr. CALDWELL. I do not want to annoy the gentleman, but does he think we ought to have Mexico as a training field and drill ground for teaching the boys to fight? [Laughter.]

Mr. LITTLE. Well, it might help some. [Laughter.]

If some gentleman can tell me what legal right these fellows had and to what we have been legally bound, I will vote for this bill. So far as Mexico is concerned, of course, Gen. Grant and Gen. Sherman and Gen. Lee and Gen. Longstreet and nearly every other great soldier in that great Civil War who received distinction learned everything he knew that was useful on the battle fields of Mexico. That is where they acquired the resources and experience that made them great officers.

But after 40 years of billions squandered on alleged military preparedness this last greatest of all wars has failed to furnish the greatest of all commanders, and the most distinguished of its generals furnishes no name that echoes loud to the trump of fame. The most distinguished soldier alive to-day, the most brilliant military leader now living, is a volunteer soldier of the great Civil War, a general who fought at the head of his troops and knew no tactics that kept him far in the rear. For no man who marshaled the hosts on the plains of Europe has achieved a reputation to excel that of this last great commander of our own war, the civilian soldier, Nelson A. Miles. What expert has written his name among the stars that illuminate the skies of history higher yonder in glory than our companion of Grant and Sherman and Sheridan and Thomas, Gen. Miles? [Applause.]

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. LINTHICUM. Suppose certain contracts were entered into, and the Government agreed to pay money for the property and has not paid for it after the people have given up possession of the property. Will the gentleman vote for the bill to make good those contracts?

Mr. LITTLE. Yes; but I suggest that Secretary of War Baker can settle those claims under the authority we have already given him.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. BLAND of Virginia. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. TILSON rose.

The CHAIRMAN. The gentleman from Connecticut is recognized for five minutes.

Mr. TILSON. Mr. Chairman, I can not quite agree with my friend from Kansas [Mr. LITTLE] that we do not need any training of soldiers in time of peace or that any training that we may be able to give them in time of peace is practically useless, nor am I quite willing to go with him so far in the other direction as to take all of Mexico for a military training or drill ground for the training of our soldiers. What I shall have to say on this bill will be solely from the military standpoint, as to the value of and the necessity for acquiring the property in question as an Infantry school. We now have no Infantry school, except the one at Camp Benning, in the United States. We have a number of Artillery schools—Fort Sill, Camp Knox, and Camp Bragg for Field Artillery; Fortress Monroe for Coast Artillery. Two of them are appropriated for in this bill.

Now, bear in mind that the Infantry is the Army. The other arms of the service are simply assistants, just auxiliaries. The highest service that they can perform is just to help the Infantry. In the first place, the Infantry is two-thirds of the Army in numbers, and in the end the ultimate victory must be put over by the Infantry. In the last analysis of the battle, it is up to the "doughboy." All the others must help him, and they perform most important work in doing so. At the present time we have no fully equipped school in this country for the training of Infantry officers and noncommissioned officers in the vital subject of the use of firearms. We ought to have one.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. CANNON. Did we not ever have an Infantry school?

Mr. TILSON. We had one before the war at Fort Sill, a fairly well-developed Infantry school.

Mr. CANNON. It is still there?

Mr. TILSON. No. It has been removed from there, and the plant formerly occupied and used has been taken over entirely by the Artillery school.

Mr. CLARK of Missouri and Mr. GREENE of Vermont rose.

The CHAIRMAN. Does the gentleman yield, and to whom?

Mr. TILSON. I yield first to the gentleman from Missouri.

Mr. CLARK of Missouri. I would like to ask the gentleman if every one of these camps is not an infantry training school?

Mr. TILSON. In a sense they are, but not schools of fire. Unfortunately nearly all of the camps throughout the country were so located that there was no ground for actual fire practice. It was so in the Spanish-American War. My own regiment never had a chance to fire a rifle until we had been in camp for months and the war was over.

Mr. CLARK of Missouri. What did you do?

Mr. TILSON. We did the close-order drill and the extended-order drill on the parade ground and on such other little patches of ground as we could find around the camp.

It was developed in the last war that more than anything else the Infantry needs training in actual firing. They can get some valuable elementary practice shooting at targets on the short ranges, but for advanced training must have the kind of facilities we hope to have at Benning.

Mr. GREENE of Vermont. I think what my colleague would like to state is that there is a distinction between the camp

training and the discipline of the soldiers in units, and that coordination of the Infantry with the auxiliary arms which is only to be had in battle.

Mr. TILSON. Oh, yes. The training in the camp is the elementary training which all soldiers must have to begin with.

Mr. BEGG. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman from Ohio for a short question. My time is very limited.

Mr. BEGG. I do not wish to detain the gentleman, but ex-Speaker CLARK brought out partially what I wanted to ask, and I want to go a step further. Are we to understand that the only excuse for this new Infantry school is to have a place to fire the guns?

Mr. TILSON. Yes, in a sense; if you go far enough in describing what you mean by "firing the guns."

Mr. BEGG. All right. Now I would like to ask another question, if the gentleman is willing to let it rest at that.

Mr. TILSON. The gentleman may ask me a question, and I shall be glad to answer it if I can.

Mr. BEGG. What is the necessity and where is the good business in spending millions of dollars for these three camps in different parts of the United States to take care of training an Army of approximately 300,000 or less, which we will in all probability have, if what the gentleman has said regarding the purpose of this Camp Benning proposition is true?

Mr. TILSON. It does not seem to me that the things referred to by the gentleman have any necessary bearing upon this matter at all. This school is for the higher training of a soldier in the use of firearms. This is where he goes after he has had the elementary training that he received in any of the other camps in the use of the rifle.

Mr. BEGG. Then they take him down there to teach him to shoot?

Mr. TILSON. Not only to shoot but to teach him to coordinate himself with the other arms of the service. At least he ought to be taught to shoot not only at fixed ranges but over varied ground at unknown distances.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. BEGG. I ask that the gentleman have five minutes more, because I would like a little information.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that the time of the gentleman from Connecticut be extended five minutes. Is there objection?

There was no objection.

Mr. TILSON. I shall be glad to answer any question that I can, and then I should like to proceed.

Mr. BEGG. The gentleman said that in addition to teaching the soldier to shoot the purpose of this was to teach him to coordinate with the other branches of the Army?

Mr. TILSON. Yes.

Mr. BEGG. I am not a military man by practice or by study, but my understanding is that men are trained to obey orders, and that the officers of the Army know how to function one department with the other without a special place to go down and play this game of war in actual practice.

Mr. TILSON. In my judgment, the proposition as stated by the gentleman is not correct or tenable. I do not believe that any officer or man can learn theoretically by study or lectures anything like what he can learn by actual practice on the field. I believe that it is absolutely necessary to have ground over which soldiers may be trained to meet as nearly as possible the conditions of modern warfare.

Mr. CRISP. Will the gentleman yield?

Mr. TILSON. I will yield for a question.

Mr. CRISP. Will the gentleman give the committee the benefit of his trip to Camp Benning? He is familiar with that. Will he tell us what he thinks of it?

Mr. TILSON. I shall be glad to do so. I had the privilege of being at Camp Benning for two days, and was thus afforded an unusual opportunity of examining the ground in question. If the committee will bear with me, I shall try during the remainder of my time to give them the benefit of my observation.

Having established the position that we must have a school of infantry—that it is absolutely essential—then there remains only one question: Is Camp Benning a proper place for it? In my judgment, taking it all together, it is one of the best places I have ever seen for the purpose. The nature and variety of the terrain is such that it gives an opportunity for as much and as varied training as any ground that I have ever seen anywhere.

In the first place, it has excellent places for the short and long measured ranges. It is difficult nowadays to get a range, even a limited, fixed range, because the high-power guns now used will shoot over into the next county, so that it is necessary to pick out a place where people do not live in the immediate vicinity, and that is not an easy thing to do in populous communities.

Next to be considered is the character and topography of the ground. Camp Benning satisfies every necessary requirement in this regard. There is plenty of level land, plain or plateau, for the encampment of troops or for the erection of buildings. There is gently rolling ground for minor maneuvers or for firing unknown distances. There are hills and valleys and streams. There are ravines and short ridges. There are patches of woods and small clearings. There are extensive fields and considerable forests. In fact, the ground itself is admirably fitted for the use of all the arms of the service in connection with the Infantry. Tanks and airplanes can be used, as well as Cavalry and Artillery. Practice on movable targets, a very useful thing for training infantry as well as artillery, can be carried on effectively on this ground.

The soil itself is well adapted to the purposes of a camp or maneuver ground. It is not only sand, loam, and sandy loam, but, as I saw it, there are places where there is clay. There is even swamp land. Some streams have high, steep banks and still others low banks. In fact, there may be found on this immense tract of land stretches of country much like what might be encountered in any rough region where troops might be fighting.

It should not be forgotten that there is an abundance of drinking water, plenty of firewood, and an unlimited amount and variety of engineering material for the use of an army in camp or on the march.

Mr. LINTHICUM. If this appropriation is made, will we get one continuous block of land? Will there be any intervening land belonging to other people?

Mr. TILSON. There will be no intervening land at all. It is contiguous to Columbus, Ga., and I think it monopolizes about half a county there. It is admirably located, near a city of considerable size, and yet there were not a great many people living on the land. There were enough, however, to have produced houses and clearings and roads and other objects usually found where civilized men make their homes. There is plenty of woodland and there are numerous clearings. In fact, there is a terrain as varied as it has ever been my privilege to go over, and there is enough of it so that problems of a complicated nature may be worked out.

Mr. CALDWELL. There is a railroad and a river and a road.

Mr. TILSON. It seemed to have nearly everything that is needed for the purpose intended.

In taking over this land I do not wish it understood that I approve of everything that has been done in connection with it. I leave that part of the discussion to others. I am simply taking conditions as they exist to-day. We must have an infantry school, and I think that this ground will make an excellent place for such a school. We now own most of the land, and, whether we use it or not, will have to pay for it, or more than pay for it, in damages, besides causing our Government to appear in the attitude of abusing its great powers in the unwarranted treatment of unoffending citizens. I am in favor of keeping the land and making a great school there.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last two words in order to ask a question of the chairman of the committee. My recollection of the statements made during the appropriation legislation for the War Department is that there was a feeling on the part of a few of the Members of the House that there had been waste and extravagance in the purchase of certain property for sites, and that it had gone even further, even to the extent that some officials of the War Department had exceeded their authority. I notice that the committee report before us says, on page 4:

> There is no doubt whatever that millions of dollars of the money which Congress voted for the conduct of the war and placed no restrictions thereon have been expended illegally and without warrant of law by the War Department in the purchases of land and the construction of new military posts since the armistice and without the express authority of Congress, as should have been the case.

I would like to support this measure. I have been impressed with the arguments made by the members of the committee as to the desirability of a camp like Benning, but at the same time, basing it on the fact that some of the purchases were made illegally, how are we going to vote for it without putting our stamp of approval on the illegal acts of certain officials of the War Department?

Mr. ANTHONY. The answer to that is that the committee is taking the situation as it finds it, with the fact that these immense plants have been acquired. We have either to take it and utilize it or sacrifice it. If we sacrifice it we place a far greater financial loss on the Government than if we utilize it.

Mr. NEWTON of Minnesota. If we do this, do we not place a premium on and make it more easy for some official in the future to do what the officials have done in this case?

Mr. ANTHONY. I will say that such a condition could only arise if we had another war, when Congress might be swept off its feet and vote large sums, but if such a condition does arise, I, as one Member of the House, would never consent to vote a dollar without specifying how it should be spent.

Mr. BEE. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. BEE. The gentleman from Minnesota loses sight of the people who dealt with the Government and who in good faith parted with their property. In other words, to emphasize the argument that the gentleman has been making, he would allow these people to go without any relief whatever, because he is afraid of putting a premium on these acts of the officials which he says is illegal, and yet he would allow these poor people to go without any relief.

Mr. NEWTON of Minnesota. The "gentleman from Minnesota" does not lose sight of the poor people, whether they live in the State of Texas or elsewhere; but the "gentleman from Minnesota" feels that when the committee asks the approval of the House on a proposition of this kind, accompanying that request with the statement that millions of dollars have been expended illegally, and without accompanying that report with a suggestion that steps be taken against these officials of the War Department who have expended the money without authority—if we approve of it without doing anything, they will be doing it for years with the same impunity. I want to ask the chairman of the committee if the committee has under consideration any recommendation to this House to proceed against the men who have acted so illegally?

Mr. GREENE of Vermont. I suppose if any official has violated his oath of office, his responsibility under the Constitution, he can be impeached, but I do not know how we can do more than close the door after the horse has been stolen.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NEWTON of Minnesota. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. NEWTON of Minnesota. Are we to understand that with the knowledge upon which the report was made the committee proposes not to make any recommendation to this House as to what should be done with these men?

Mr. GREENE of Vermont. The statute law which existed prior to any emergency appropriation for war purposes provides a check against misappropriations of money by any official of the Government. If anyone wants to invoke that law he can do so, and it would provide for this set of circumstances.

Mr. FISHER. Mr. Chairman, in view of the fact that I was a member of the subcommittee of the Committee on Military Affairs, I hope this committee will pardon me for referring to the little flare-up we had a few minutes ago. I want to say that I did not in the subcommittee approve of the expression "illegally and without warrant of law." I am opposed to its use now. That is a pretty harsh expression. For the chairman of the subcommittee I have the highest respect. In so far as the membership of the House is concerned, there is no Member of the House more thoroughly advised on military affairs than the gentleman from Kansas [Mr. ANTHONY]. As a newspaper man, he is one of the best editors of the Middle West. But when a question comes up as to the legal construction of a contract, and whether expenditures are made within the authority of law, I must admit that I would go to some one else before I would take his opinion about it. [Laughter.]

I have seen a number of attorneys who have examined the contracts and who are familiar with the laws under which the War Department operated, and I have talked with them concerning this matter, and they, without exception, have stated that the things that were done by the War Department were not illegal and were not without warrant of law.

I think the committee ought to have been more careful than to use such an expression, because, as a member of the committee and as a Member of the House, having used that expression, and if I thought it true, I would have felt it my duty to have made a report not only to the House but to the Department of Justice that it might institute two proceedings—one for the recovery of the money spent and the other for the prosecution of those who committed the illegal acts. I simply wanted to state my position upon this matter. [Applause.]

Mr. CRAGO. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CRAGO. Mr. Chairman, on the subject of Camp Benning, I thought the other day that I had brought the attention of the House to the subject in such a way that each man could investigate for himself. I confess that most of our committee went to Camp Benning with a prejudice against it. We were converted to the idea by our actual personal investigation. I do not want anyone to decide a question like this without knowing the facts, and I want to take time to read a letter here regarding this and the Fort Sill proposition from Lieut. Gen. R. L. Bullard. No man stands higher in the American Army, I take it, unless it be the commanding general himself, than Gen. Bullard, the man who led troops in action and who studied this question from every angle. He went to Camp Benning and made a personal study of the project, and here is what he said:

SEPTEMBER 15, 1919.

From: Lieut. Gen. R. L. Bullard.

To: The Chief of War Plans Division, General Staff, Washington, D. C.

Subject: Location of Infantry School of Arms.

I. I was stationed at Fort Sill, Okla., before the war for some two years, and have hunted and traveled over the whole post reservation and wood reservation.

II. I have visited and thoroughly traveled over the ground of Camp Benning, near Columbus, Ga. I have lived a number of years, winter and summer, near Camp Benning and know the climate.

III. I have served 32 years in the Infantry. I was the head of a board of officers for the selection of sites for Infantry schools of arms in France in 1917, and did select and start three such schools.

IV. Neither the post reservation nor the wood reservation of Fort Sill is suitable for an Infantry school of arms for the following reasons:

1. Lack of variety of terrain.
2. Lack of water, streams, etc.
3. Lack of artificial features, like houses and farms, open spaces, places of wood, bridges, etc., which would liken the ground to that over which Infantry must expect to act.
4. Too great ranges of temperature, extreme and oppressive heat in summer and extreme cold with winds in winter, which seriously interferes with training.
5. Inadequate space.

NOTE.—There was inadequate space for the school at Monterey, Calif., and with the Field Artillery School at Fort Sill, there will not be room for the Infantry school of arms, either on the post reservation or at the wood reservation.

6. Lack of natural bullet and projectile stops.
7. Lack of brush, trees, and other material for the construction of Infantry shelter in combat and in the trenches. This is very important.
8. A dry, hard, packed ground, making the construction of trenches, dugouts, etc., very laborious.

And I want to say right there that I think you can get a better view of this proposition when we realize that the men who went down there, Members of this House, and who saw it, instantly changed their minds as to the value of the project and its purposes, and became warm supporters of the project. It is the idea to put a complete division in training there, an Infantry division, consisting of every arm of the service, which goes to make up a complete division, with the aircraft, the artillery, every arm of the service. They have sufficient area there to move that division about, and in that movement to use every arm of the service for a full day, and then go into quarters for the night, and be off again the next morning. Returning again to Gen. Bullard's reason for Camp Benning, I quote from his letter:

V. Camp Benning is the most suitable piece of ground that I have ever set my eyes upon, for the location of an infantry school of arms, for the following reasons:

1. A very great variety of terrain, including gentle and steep hills, wooded spaces, open spaces, farms, houses, river, great creeks, small streams, etc.
2. Plenty of good water.
3. An immense quantity of brush, trees, saplings, and forest material for the construction of Infantry trenches and shelter in open and in stabilized combat.
4. Soil suitable for the easy construction of trenches and dugouts for the use of Infantry in open and in trench combat.
5. Ample spaces for the staging of all kinds of Infantry combat.
6. Plenty of natural bullet and projectile stops that would prevent danger to the inhabitants of the surrounding country.
7. A moderate climate, which will enable work to be kept up winter and summer, and all winter and summer.

I doubt that another piece of ground equal to Camp Benning for the location of an Infantry school of arms could be found within the limits of the United States.

R. L. BULLARD,
Lieutenant General, U. S. A.

I want to say that it had rained all the night before the day we arrived there, and yet we saw that in the early morning, notwithstanding the rain, you could have started troops over that area and kept them in motion. It is very rarely that you find that kind of soil over which to operate troops.

Mr. HASTINGS. Mr. Chairman, will the gentleman give us the date of that letter?

Mr. CRAGO. That letter is dated just after his return from an inspection of this project, September 15, 1919. Let us look this matter squarely in the face. The project should have been started before it was. It was started early in November, and was in its infancy when the armistice came. The men who owned the

land thereabout were taken from their farms, the schoolhouses were torn down, the churches and little villages were removed from the land, and these men have contracts with our Government, and they should be paid for their land. We have cut this appropriation down from something over $2,000,000 to a little over $700,000. We do this in order that we may pay these men for their lands and finish a part of the buildings, and complete the work where 80 and 90 per cent of it is complete, and let Gen. Farnsworth go ahead with the Infantry school at that place. Then, if it is not what we want, we will have done only what reasonable business men would do in a like situation, and have protected ourselves in the investment that we have already made. We have more than $6,000,000 invested there now, and by an expenditure of $700,000 we can carry on this project for a time and at least demonstrate its value to the country.

Mr. NEWTON of Minnesota. Does the gentleman know how much money we had expended on this on the 11th day of November, last year, or had contracted to expend and were legally bound for?

Mr. CRAGO. I think practically all of these contracts were let before that. The proceedings for condemnation were started, my recollection is, on November 2, 1918, but that was after they had bought vast areas of this land, and the project of something at Camp Benning had been in process of incubation for more than a year.

Mr. LAYTON. Do I understand that condemnation proceedings makes it binding upon the Government?

Mr. CRAGO. Condemnation proceedings coupled with a direction upon the part of the court and the Government for the occupants to move out. They simply used the war power in driving these men off their farms and out of their homes. Condemnation coupled with that would certainly make us liable for damages.

Mr. LAYTON. And especially where awards had been made.

Mr. CRAGO. Yes; especially where awards had been made.

Mr. LAYTON. And been paid in part.

Mr. CRAGO. Paid in part, that would be legal.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. Mr. Chairman, I have heard the statement made by several gentlemen on the floor of the House that if it could be shown that the War Department had authority to enter into these transactions, or if it could be shown that innocent third parties would be harmed by not passing this legislation, they would vote for it. I wish to call the attention of the committee, therefore, to the testimony before the Committee on Military Affairs of the House last January, when this question was first presented to that committee.

Mr. Crowell, the Assistant Secretary of War, stated to the committee:

> I will say we are not asking for legislation, but merely presenting these matters to you for consultation and advice. We have all the legislation now that we need.

At the conclusion of his testimony I asked him this question:

> Mr. Secretary, it has been suggested to me that you put into the record a statement showing the authority or the statute under which you acted in making these contracts for the purchase of the sites at Camps Benning, Bragg, and Knox.

He said he would, and included in his statement the following:

> There were included in the estimates submitted to Congress for appropriations for the support of the Army for the fiscal year ending June 30, 1919, funds for the acquisition of land for camp sites. Funds were appropriated and are available for the purchase of sites at Camps Benning, Bragg, and Knox under the following: "Barracks and quarters * * * for grounds for cantonments, camp sites, and other military purposes * * *." (Public, 193, 65th Cong.) The Judge Advocate General has held: "There is authority in the appropriation for 'Barracks and quarters' to purchase lands necessary for military purposes, * * * it is the view of this office that the appropriation 'Barracks and quarters' may be legally used for the purchase of the land."

Now that is the authority on which the Assistant Secretary of War told the committee himself last January that he was acting in the purchase of this property.

Mr. McKENZIE. Will the gentleman yield?

Mr. DENT. I will yield.

Mr. McKENZIE. The gentleman from Alabama, of course, would not have the members of the committee understand that that construction could be put in peace times; but during the war that is true.

Mr. DENT. I will state to my colleague from Illinois that, as I recall the fact, this particular language, "For grounds for cantonments, camp sites, and other military purposes," and so forth, was new language put in the appropriation bill during the war for war purposes.

Mr. HASTINGS. Will the gentleman yield?

Mr. DENT. I will.

Mr. HASTINGS. What would be the difference in construction in peace times and war times of that particular language? I do not understand the gentleman's answer to the inquiry of the gentleman from Illinois.

Mr. DENT. I can answer the gentleman. I did not state that there was any difference in peace or war times. I stated, as I recall it, that this particular language was incorporated in the Army appropriation bill during the war because of war purposes, and this is new language to what is ordinarily used.

Mr. GREENE of Vermont. The distinction of the practice in war times and in normal peace times is that in peace times, instead of using those words, we make that language as specific as the English language can make it as to where every dollar is to go.

Mr. McKENZIE. If the gentleman will yield, and if the gentleman needs more time, I will try to get it for him. Right on this very proposition when we had Secretary of War Baker before the subcommittee on camps and cantonments, I asked this question:

> Mr. Secretary, if the course pursued in relation to this Camp Benning were followed in peace times, what barrier would there be between the War Department and the people so far as involving them in the expenditure of public money is concerned?

Secretary Baker answered:

> Of course, this could not have happened in peace times, Mr. McKENZIE.

Mr. DENT. Well, I do not know exactly what the Secretary meant——

Mr. McKENZIE. Here is the point, if the gentleman will permit me. Notwithstanding the fact that the armistice had been signed, we were not yet at peace and had simply left the door wide enough open to slip through.

Mr. HASTINGS. If the gentleman will yield for one further question. The gentleman, I believe, was chairman of the Committee on Military Affairs at the time this particular language he read was incorporated in the bill?

Mr. DENT. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. I would ask for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HASTINGS. When that particular language was inserted in the bill did the officers of the War Department who appeared before the committee and asked for the insertion, in order to justify the insertion of that language in the bill, state at the time that they intended to establish a camp at Camp Benning?

Mr. DENT. They did not.

Mr. HASTINGS. Did they indicate where they were going to establish any camps?

Mr. DENT. There was no specific indication of any location.

Mr. HASTINGS. So there was no specific authority?

Mr. DENT. No specific authority, but they asked for it under the general authority for war purposes. Now, I think, Mr. Chairman, that answers the question as to the authority under which the War Department acted in these transactions. As to the question of innocent third parties who purchased these lands and who were removed therefrom, I wish to call the attention of the committee to these facts. In July—I think July 2, 1917—Congress amended the condemnation laws of the United States by a bill reported by the Committee on Military Affairs of the House so as to provide that when the Government instituted condemnation proceedings for the purpose of acquiring land for military purposes during the war the Government might take immediate possession of the property upon the institution of the proceedings.

Mr. LAYTON. Will the gentleman yield right there and let me ask a question? What obligation rested upon the Government under such circumstances?

Mr. DENT. The only obligation that rested upon the Government was to make this just compensation under the fifth amendment to the Constitution.

Mr. LAYTON. Therefore the Government has the right to pay the awards under those proceedings if they have been made?

Mr. DENT. I think so.

Mr. LAYTON. They can do that or else they can scrap it and return the land to the owners?

Mr. DENT. I misunderstood the gentleman's question. The Government has not the right to do it under the language of the appropriation bill of last July, which we are now trying to correct. It is on account of the language in that appropriation bill that the Government is unable to carry out its obligation, because that appropriation bill provided that no unexpended balance of any previous appropriation or no part of the present appropriation should be used for the payment of money for the purchase of real estate or construction of buildings.

Mr. LAYTON. Is there anything in this bill that repeals the prohibitory clause in that act of last July?

Mr. DENT. Surely. This bill expressly undertakes to do that.

Mr. LAYTON. It covers everything except the specific propositions here?

Mr. DENT. Nothing except the specific propositions.

Mr. MANN of South Carolina. As I understood the condemnation law, the Government had the right to condemn land for war purposes, and the party whose land they condemned had the right to accept the Government's price if he wished, or 70 per cent of it, and then sue for the difference between that and what he thought the land was worth?

Mr. DENT. That was the practice; in many cases——

Mr. MANN of South Carolina. That was the law heretofore. Under this law is it the intention to take from the Federal courts the right to hear those cases that are now pending as to every claim?

Mr. DENT. Not at all.

Mr. HASTINGS. What was the average price that was contracted to be paid per acre for this land or to be given by courts in condemnation proceedings?

Mr. DENT. I was not on the subcommittee that made the investigation of the cases. As I understood the gentleman who has charge of the bill, it was about $33 an acre.

Mr. HASTINGS. And how many acres? One hundred thousand?

Mr. DENT. Yes.

Mr. HASTINGS. About how much has been paid for?

Mr. DENT. I can not answer the gentleman as to that. I am not familiar with the facts as to those details.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, I dislike very much to differ with any of my colleagues on the Committee on Military Affairs, but I do think some of the provisions of this bill ought to be stricken out. One of them, in my judgment, is the section in relation to Camp Benning. I think it ought to be stricken out for three reasons: First, because of the expense that it will entail upon the United States in the transportation of officers and the supplies to this camp, located in the extreme southeastern part of our country and far from the centers of population; second, I think it ought to be stricken out as a rebuke to the men who had the nerve to put a proposition of this kind over without coming to Congress for the authority to act; third, I think it ought to be stricken out as a matter of justice to the poor people who live in that community. And I want to say that I am saying these things without prejudice on account of the location of this camp. I do not question but that it is located in a very desirable terrain, so far as that is concerned, over which to maneuver, and to engage in Infantry arm practice. I do not question those things at all. I think they are all true. But I do question the authority of a few men in the real estate division of the War Department going into a deal of this character when any man that had had vision enough to see across the street knew that the war was about at an end.

And I would like to see it stricken out because of the fact that when the armistice was signed not an acre of this ground had been bought and paid for. But when the news flashed over the wires to Columbus, Ga., and to Camp Benning, that the armistice was signed, these men, some of whom were in the uniform of the United States, went, to their discredit, to the citizens of that county and said to them: "Sell your land now and take your money, because if you do not take it now condemnation proceedings are hanging over you and you may not get your money for as long a time as it took to get money for cotton claims after the Civil War."

And they asked the men whose titles were defective to take the money and put it in the bank and hold it there until their abstracts were perfected. And I think we ought to strike out this clause for no other reason than to rebuke that conduct on the part of the Government.

Mr. CARAWAY. Would not our refusal to enact this law make it impossible for the people to get their money?

Mr. McKENZIE. No, sir. This Congress passed a law, and perhaps with a good deal of fear—at least I had a good deal of fear in my bosom when I voted for the law—permitting the War Department to settle contracts which were illegal in form, and under which law I fear much has been lost to the Government of the United States. But in order to protect our citizens who had entered into contracts honestly we passed that law. As the Secretary admitted before our committee, that law takes care of these men in Georgia whose land had been taken by the Government.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. JOHNSON of Mississippi. That applied only to unliquidated claims, did it not? These claims are liquidated and the amount has been ascertained.

Mr. McKENZIE. So much greater is the responsibility of the Government to pay them damages. Far be it from me to argue for any proposition that would injure a citizen of Georgia.

Mr. BEE. Would not the result of the gentleman's contention drive the owners of the land in Georgia into the Court of Claims or to Congress for an appropriation to reimburse them?

Mr. McKENZIE. It may be we can remedy that.

Mr. BEE. When?

Mr. McKENZIE. Any men who have a sense of justice in their hearts can pass a law in 24 hours in this Congress taking care of such a case as that.

More than that, I want to say, gentlemen of this House, that only three days ago I talked with a reputable citizen of the State of Georgia who came into my office to see me about this matter, and he assured me that 80 per cent of the men who owned the land on this tract would gladly take it back at the price that the Government offered to pay for it, but that the people living in the city of Columbus, perhaps under the domination of the Columbus Chamber of Commerce and those men at this camp there, would not do so. But that would not justify us in keeping 80 per cent of these people out of their homes.

I want to call your attention to another thing. It is a simple matter, but in it are the germs of justice. This community in Georgia is an old community. It is situated along the Chattahoochee River. The Chattahoochee River is navigable as far as the city of Columbus. One hundred and fifty years ago and more pioneers came into that territory, settled there, made their homes there, carved out their little fortunes on the hillside in that little county of Chattahoochee. There they raised their families, and there they buried their fathers, there they erected their cemeteries, there they put up their schoolhouses, and there they built their churches. Along comes the Government of the United States, led by a few petty officers in the Military Establishment, walks in there and slams down a condemnation suit to take 100,000 acres away from those American citizens in time of peace, to drive them from their homes, to scatter them over the country and remove them from the places where they had lived for generations, and where they had buried their forefathers, with everything that was dear to them taken away from them, and they driven out by the Government of the United States in time of peace.

I want to say to you, gentlemen, in my judgment, no such outrage has ever been perpetrated upon free men since the time the British drove the poor Acadians on their ships at the point of the bayonet and scattered them along the Atlantic coast, out of which outrage grew that beautiful story of Evangeline.

Mr. CRAGO. Mr. Chairman, will the gentleman yield there?

Mr. McKENZIE. Yes.

Mr. CRAGO. I will say to the gentleman that the people of the county he speaks of as having been driven from their homes are only anxious for Congress to pay them for the land that has been taken. The county in which most of this land lies was carved out only a few years ago to satisfy certain political ambitions in that neighborhood, and it is the people in that small county who are left in the still smaller county who are objecting. [Applause.]

Mr. McKENZIE. Well, I will state to the gentleman from Pennsylvania that if that statement is true, the distinguished gentleman from Georgia who came into my office is a liar. But he looked to me like a truthful and honest man. [Applause.]

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. McKENZIE. Mr. Chairman, may I have two minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for two minutes more. Is there objection?

There was no objection.

Mr. LINTHICUM. The gentleman stated that he would let these people come in with a bill for their claim, if they had any, against the Government and return this land.

I want to ask if the gentleman remembers one gentleman from Illinois speaking a while back of the McCormick claim, a small post-office matter, that had been here since the administration of Grover Cleveland, and that they had just passed a few weeks before? Does the gentleman remember that circumstance, and would he let these people wait and wait on for their money indefinitely?

Mr. McKENZIE. No. I want the gentleman from Maryland to understand that I am no more in favor of defrauding any one of these individual citizens of the State of Georgia than I would be in favor of defrauding a man in my own home town; not for a minute; and, feeling as I do about it, the reason why I denounce this thing is that in my judgment it was the greatest outrage and fraud ever perpetrated in the United States, notwithstanding it is a fact that it is a good place to have an Artillery school or a military instruction field. Consider the way in which it was conceived in iniquity and carried out over the protests of the Congress of the United States, when the Senate of the United States had told them to cease. Notwithstanding that, they went on and carried it out, and now we are called upon to ratify that sort of conduct.

Mr. LINTHICUM. I am talking about these people whose lands were taken, whose courthouse was taken, and whose schoolhouses were taken.

Mr. McKENZIE. They will get justice.

Mr. HASTINGS. Is the gentleman in favor of returning them to them?

Mr. McKENZIE. Absolutely.

Mr. ROBINSON of North Carolina rose.

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. ROBINSON of North Carolina. Mr. Chairman, I want to present a few facts to this House in behalf of the people of Camp Bragg who have been driven from their homes. I am not here representing the War Department nor the good people of the city of Fayetteville who are anxious for the establishment of this camp, but the property owners there who have been driven from their homes, from their all, and who have not received one cent from the Government in payment for their property.

The territory embraced within Camp Bragg is about 75 per cent of it located in the county of Hoke, which is one of the counties composing the district which I have the honor to represent. They get none of the benefits from the establishment of the camp, but they have suffered most of the inconveniences that have arisen by reason of its having been established.

As I understand it, the Government, through the War Department, seeking a place to establish an artillery camp, went down there and selected this territory without being invited to do so by the citizens who owned the property embraced within the camp. My information from the War Department is that the Government has purchased and paid for 50,537 acres. It has contracted for 9,177 acres, leaving 60,739 acres now under condemnation proceedings. Gentlemen, the lands which they have purchased and which they have contracted for are located all over the territory embraced within the limits of the proposed camp.

They have destroyed the community interest. The churches have been torn down, the schoolhouses have been torn down, the roads have been abandoned, and it is now in an uninhabitable condition, even if the property owners could be restored to the position they were before the Government took charge. The land which they have not bought or contracted for the owners of it have been directed and ordered by the War Department to vacate, and told that if they planted their crops they could not reap them.

Mr. BUTLER. Will the gentleman yield?

Mr. BOBINSON of North Carolina. Yes.

Mr. BUTLER. I thank the gentleman very much for yielding. I wish to ask him, When was this desolation created? That will largely influence my vote upon this bill. I do not want these people to suffer——

Mr. ROBINSON of North Carolina. They have already suffered.

Mr. BUTLER. Can they be restored?

Mr. ROBINSON of North Carolina. They can not be restored to their property.

Mr. BUTLER. When was this property taken from them and destroyed—about what time?

Mr. ROBINSON of North Carolina. I have not the exact dates, but they were ordered to move out in the latter part of the year 1918.

Mr. BUTLER. After the armistice was signed?

Mr. ROBINSON of North Carolina. A large number of them were ordered to move out before the armistice was signed and a considerable number afterwards.

Mr. BUTLER. Was this desolation made there since the armistice was signed—this destruction?

Mr. ROBINSON of North Carolina. I am not prepared to say. Probably some members of the subcommittee can give the gentleman more definite information than I can.

I will state to you gentlemen that this property is all these good people had. They have been driven from their homes. They have not received the money that the Government promised to pay them and can not buy homes elsewhere.

Mr. JOHNSON of Mississippi. Is it not a fact that a great many of them have purchased homes elsewhere and contracted to purchase homes elsewhere?

Mr. ROBINSON of North Carolina. I was coming to that. A large number of them, relying upon the representations of this great Government that they would have their money in a short time, went elsewhere and contracted for homes, and have been unable to meet those obligations.

Mr. BUTLER. How many of them were there?

Mr. ROBINSON of North Carolina. I have not the exact number.

Mr. BUTLER. As many as a hundred?

Mr. ROBINSON of North Carolina. Several hundred.

Mr. BUTLER. Property owners?

Mr. ROBINSON of North Carolina. Five or six hundred property owners, as this property was owned by small landowners largely.

Mr. GODWIN of North Carolina. Is it not a fact that they were ordered out of there in the summer of 1918?

Mr. ROBINSON of North Carolina. I do not know the exact date, but I know they were ordered to vacate the premises.

Mr. GODWIN of North Carolina. That is true. They were ordered out about the middle of the summer.

Mr. ROBINSON of North Carolina. My colleague from the sixth district is more familiar with the fact than I am.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBINSON of North Carolina. I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. CARAWAY. So far as the injury inflicted upon these people is concerned, it does not make any difference whether it was before or since the signing of the armistice.

Mr. ROBINSON of North Carolina. Certainly not. I cannot see that that makes any difference.

Mr. CARAWAY. They obeyed the orders of their Government.

Mr. ROBINSON of North Carolina. They obeyed the orders of their Government, and I want to state here that no graft has been inflicted on the Government in the contracts which have been entered into for the purchase of this land. The land paid for cost the Government $18.62 an acre.

Mr. WELLING. If the bill is passed, will that correct the evil you are speaking of?

Mr. ROBINSON of North Carolina. It will correct it in part.

Mr. WELLING. You are in favor of the bill?

Mr. ROBINSON of North Carolina. Yes; I am in favor of the bill, because that is the only manner in which they can get any relief at all.

I was going on to state that the land which was purchased and paid for cost the Government $18.62 an acre. My information is that the landowners received something like $16 an acre.

Mr. HASTINGS. Was that the contract price, or was that determined in condemnation proceedings?

Mr. ROBINSON of North Carolina. That which the Government contracted for and paid for and that which was condemned also.

Mr. HASTINGS. That was the average price?

Mr. ROBINSON of North Carolina. That was the average price which it cost the Government, but the landowner did not get all that sum. My information is that there are 700 different tracts embraced within this camp, and the Government sent its surveyors and surveyed each tract and procured an abstract, and the Government had to pay this cost in addition to the price it paid to the landowner.

So it cost the Government the sum of $18.62 per acre for the land which they have paid for, which they have contracted for, and the land the owners of which were driven from the premises is at a contract price of $12.09 per acre, leaving 60,739 acres now under condemnation proceedings.

Mr. HASTINGS. Have condemnation proceedings on any tract been finally determined.

Mr. ROBINSON of North Carolina. I am not advised as to that. Gentlemen, in my opinion—and I am not here representing the War Department—that, as a matter of business, it is to the interest of the taxpayers of this country that the Government go ahead and complete these contracts of purchase for

this land and pay these people, and then, if it is not to the interest of the Government to maintain it as a camp, they can cut the land up in tracts of 100 or 200 acres, sell it, and make a profit on their investment. Land in that county, since the land was taken from these people and contracts entered into, has increased in price 50 per cent, not only in this particular section but all over the cotton belt.

I bought a small tract of land for $37.50 per acre about February 1, 1919, and I was offered a few days ago $75 per acre. That is on account of the high price of cotton and the fact that they made a good crop of cotton in that locality.

Mr. REAVIS. If the gentleman will yield, if that land has increased so much in value, how would the people suffer if you gave it back to them?

Mr. ROBINSON of North Carolina. I tried to make that plain a few minutes ago. The Government owned land dotted all over this territory; they have torn down the churches, they have torn down the schoolhouses, and the roads have been abandoned and the community interests destroyed. It is not a fit place to live. If the Government should go ahead and complete the contracts, secure the entire acreage within the camp and then cut it up into tracts and sell it the community, interests could be established and it would be a fit place to live. [Applause.] Under the present conditions the citizen who has not sold his land to the Government is surrounded by lands owned by the Government, with no roads, no churches, no schools, and, in fact, no community interest, and his home and land is not a desirable place to live, and his property under the conditions brought about by the Government is valueless.

The CHAIRMAN. The time of the gentleman has expired. All pro forma amendments are withdrawn, and the Clerk will read.

Mr. HASTINGS. Mr. Chairman, I think there was a motion to strike out the section.

The CHAIRMAN. The Chair regarded that as a pro forma amendment.

Mr. HASTINGS. Then I move to strike out the section.

Mr. BEE. The effect of that would be to kill the bill.

Mr. HASTINGS. No; it is not the enacting clause.

The CHAIRMAN. The question is on the motion of the gentleman from Oklahoma to strike out the section.

The question was taken; and on a division (demanded by Mr. HASTINGS) there were 3 ayes and 47 noes.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. That the third paragraph under the heading "Reserve Corps" and subheading "Ordnance Supplies for Military Equipment of Schools and Colleges" of the act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, be, and the same is hereby, amended to read as follows:

"That no part of any of the appropriations made herein nor any of the unexpended balances of appropriations heretofore made for the support and maintenance of the Army or the Military Establishment shall be expended for the purchase of real estate or for the construction of Army camps or cantonments, except in such cases at National Army or National Guard camps or cantonments which were in use prior to November 11, 1918, where it has been or may be found more economical to the Government, for the purpose of salvaging such camps or cantonments, to buy real estate than to continue to pay rentals or claims for damages thereon, and except where industrial plants have been constructed or taken over by the Government for war purposes, and the purchase of land is necessary in order to protect the interest of the Government: *Provided*, That there may be expended for the purposes hereinafter specified, from the unexpended balances of appropriations heretofore made for the support and maintenance of the Army or the Military Establishment which are available for such purposes, and, when any such balances are exhausted, from the appropriations made for such purposes under this act, the several sums as follows:

"INFANTRY.

"To complete the Infantry school at Camp Benning, Ga.: For the purchase of real estate, $515,252; for construction and to complete buildings now in process of construction, $250,000; total for Infantry school, $765,252: *Provided*, That no part of the unexpended balances of appropriations heretofore made for the support of the Army shall be expended for construction at Camp Gordon, Ga., and the Secretary of War is hereby directed to sell the real estate and buildings of such camp to the best advantage of the Government, the proceeds of such sale to be covered into the Treasury to the credit of miscellaneous receipts.

Mr. CRISP. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On page 6 strike out lines 5 to 12, inclusive.

Mr. CRISP. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that he may speak for 10 minutes. Is there objection?

There was no objection.

Mr. CRISP. Mr. Chairman, I thank the gentlemen of the committee for granting me an extension of time, but I will not take all of it. The effect of the amendment I have offered is to strike from the bill the provision which directs that Camp Gordon be sold, salvaged, and the money put into the Treasury of the United States. I know that the Committee on Military Affairs is a very painstaking committee, and no man in the House has more respect or greater confidence in it than I have. In the main, I am heartily in favor of their report. I want to say at the outset that neither Benning nor Gordon are in my district. As a Georgia Representative, I am naturally interested in these projects, and I know the committee is acting wisely for the Government in reporting that the Infantry school at Camp Benning be completed. I am not going to take up the time of this committee in discussing that, for I think the mind of the committee is made up favorable to the project.

But I do want to say that, as a Georgia Representative, I have only received two protests from any of those so-called simple-minded citizens of Georgia protesting against their being removed from the premises embraced in Camp Benning. As to Camp Gordon, I appeal to you, my fellow colleagues, to let that camp remain. This bill is not asking any money from the Government for the purpose of completing or continuing Camp Gordon. I want to call your attention to some facts. The Government has expended in the erection of Camp Gordon $11,218,000. They have housing for 41,162 soldiers. They have 11,303 acres of land. It is one of the seven division posts which the Government has. At this post they have a hospital, sewerage, and it is a complete city, capable of caring for 41,000 people. The Government has had some experience in salvaging Army camps. I think you will find if you investigate that where they have been salvaged the Government did not realize as much as 15 per cent on the cost. I know that Nitro, situated in West Virginia, upon which the Government spent in the neighborhood of $70,000,000, when it was sold the Government only realized about $8,000,000.

Mr. EVANS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CRISP. Yes.

Mr. EVANS of Nebraska. Does the gentleman advise that we should not have sold Nitro, but should have kept it and gone on with it?

Mr. CRISP. I do not. I am not familiar with that proposition, but I do advise that we should retain Camp Gordon, and why do I say that? We all hope, of course, that wars are a thing of the past, but I apprehend that this Government is not going to do away entirely with preparations, for we must be prepared in the event that we should unfortunately become involved in war in the future. If that is true, we must have some posts where training can be given to our soldiers. Here is a complete city, centrally located. It is located almost in the center of the South, near a metropolitan city, with magnificent railroad connections, going all over the South, leading to the East and the West, accessible from all parts of the East and the South. It is easily accessible to the Atlantic ports and to the Gulf ports. You know that this Government is going to have some kind of military training, and, if so, you must have some posts where these troops can be concentrated and trained.

Mr. HULL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. CRISP. Yes.

Mr. HULL of Iowa. Has the gentleman ever been at Camp Gordon?

Mr. CRISP. I have never been at the camp. I have passed through it numerous times on the railroad, going back and forth from Washington to my home.

Mr. HULL of Iowa. Has the gentleman ever asked anybody whether there was any place there where they could train troops?

Mr. CRISP. I have, and I asked the War Department officials and they say they want it kept. They say it is suitable, and let me say——

Mr. HULL of Iowa. Will the gentleman quote the War Department official who says that men can be trained and drilled there?

Mr. CRISP. Oh, I have not gone into detail with any particular War Department official.

Mr. HULL of Iowa. We have been all over the ground, and we could not see where you could train and drill a regiment of troops.

Mr. CRISP. I will say to the gentleman that one of the most magnificent divisions, a division that reflected honor and glory upon this country at San Mihiel and the Argonne Forest in France, the Eighty-second Division, composed of New York, Massachusetts, and southern boys, were trained at Camp Gordon. [Applause.]

Mr. HULL of Iowa. Were they not trained abroad?

Mr. CRISP. No; they were trained at Camp Gordon for a year before they went over there. I had two nephews myself who were trained there before they went over. This camp is

not in Georgia simply because it is in the South. I say to you that the southern Representatives knew nothing about the camp being located there until it came out in the newspapers, and I will tell you who selected it. It was Gen. Leonard Wood. He was commander of the Department of the Southeast when we went into the war. He went over the country and he viewed the various spots and he selected these camps, and many of them were placed in the South for the very common-sense reason that the climate is warmer and that you have many more months in the year when you can train soldiers than you can where the climate is colder. That is why these camps were placed there. I doubt not that the War Department in the coming summer will want to give the National Guard military training. There must be some post to house them where they can get this training.

If Congress should pass a law providing for compulsory military training you must have Army posts, and I appeal to you, gentlemen, as a common-sense proposition, where you have this camp that will house 41,000 soldiers, that it ought to be retained. We are not asking any money for it. Why salvage it when you would get only about 10 or 15 per cent of its value?

Let me urge another reason why you should adopt my amendment, and I shall close. The General of our Army, Gen. Pershing, is to-day in Atlanta inspecting this camp. This Congress has shown confidence in Gen. Pershing because it has made him a full general. I ask you to defer directing that this camp be salvaged until you hear Gen. Pershing's report. If you adopt my amendment and strike this out when the bill goes to the Senate, you will have ample time to get Gen. Pershing's report, and if he reports that it should be salvaged and destroyed, I for one will be happy to acquiesce in his superior judgment.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. BUTLER. Mr. Chairman, I ask unanimous consent that his time be extended for one minute. I want to ask him a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BUTLER. In the gentleman's opinion is it necessary for us to have both Camps Benning and Gordon?

Mr. CRISP. I answer yes, because they are used for entirely different purposes.

Mr. BUTLER. Is not Camp Gordon an Infantry camp?

Mr. CRISP. It was one of those general cantonments where Infantry was trained, as was done at all of these cantonment camps.

Mr. BUTLER. I note that Benning was also an Infantry camp.

Mr. CRISP. Benning is a school of Infantry. I will say to my good friend from Pennsylvania that the Government on its own volition, without any representation from us, moved the school of Infantry from Fort Sill to Fort Benning on account of its superior qualifications, and it is to be a permanent school for instruction. These others are emergency or regular cantonments.

Mr. BUTLER. I thank the gentleman. [Applause.]

Mr. GARRETT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARRETT. I want to see just where we are and in what shape we are in the consideration of this bill. Did the Clerk read that part of the bill beginning in line 8, page 3?

The CHAIRMAN. No; under the unanimous-consent agreement entered into it was understood that the language in italics would be considered as original matter and that the language of the bill which is stricken out would be subject to amendment later and was not to be read.

Mr. GARRETT. That was a unanimous-consent agreement?

The CHAIRMAN. Yes.

Mr. ANTHONY. Mr. Chairman, in considering the matter of appropriations for these new camps which we are creating, the committee has made the first attempt to compel the War Department to salvage and realize upon some of the Army camps and cantonments which were built during the war, for which we think there is no emergency in continuing. One of the best examples of that is at Camp Gordon, where the committee provides it shall be abandoned and salvaged and sold and the money placed in the Treasury. It was located 16 miles from Atlanta in a hilly country. It perhaps served its purpose as a place for the mere mobilization of troops. It houses 50,000 men, but there is practically no ground which is afforded there to train troops to make soldiers, and there is hardly ground upon which a company can be formed. There is not even a rifle range there, and I can not conceive of any military authority recommending the retention of Camp Gordon as a permanent military establishment at all. The land is very valuable, the buildings can be salvaged for a round sum of money. We are about to embark upon an enterprise which will cost us millions of dollars located just 85 miles to the south of it, where we provide for a basic Infantry training school of the Army, and if we are going to make a beginning in doing away with some of these tremendous overhead expenses, which they are trying to perpetuate in the Army which we inherited from the Army, Camp Gordon is a good place to begin to economize and wipe out and put the money in the Treasury.

Mr. LONGWORTH. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. LONGWORTH. I understand there are only about 2,000 acres at Camp Gordon, whereas there over 75,000 at Camp Benning.

Mr. ANTHONY. Ninety-seven thousand at Camp Benning.

Mr. LONGWORTH. There is no parallel between the two?

Mr. ANTHONY. There is absolutely no parallel. There is no ground whatever available for training at Camp Gordon. In the proximity of Atlanta are located many important military enterprises. Fort Oglethorpe is a few miles to the southwest, Fort McPherson is located in the city of Atlanta, and Camp Jessup, where a $3,000,000 motor transport-repair shop is located.

Mr. BUTLER. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. BUTLER. Has the gentleman any figures as to how much all this cost the Government at Camp Gordon?

Mr. ANTHONY. I can not state, but if the figures of the gentleman from Georgia [Mr. CRISP] are correct, there has been fully $10,000,000 invested there. It is of temporary construction; the typical frame cantonment buildings——

Mr. BUTLER. How much does the gentleman imagine we can sell it for?

Mr. ANTHONY. I think we would realize 15 per cent on the cost of the buildings and every dollar on the cost of the land.

Mr. BUTLER. Most of the expense, of course, was putting up the buildings?

Mr. ANTHONY. I think that is correct.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. Mr. Chairman, this is not even a surplus property. If Camp Gordon were a surplus camp all that has been said in favor of the committee amendment would be justified. But it is not a surplus camp. The board of officers appointed to decide as to how much war material should be retained and how much salvaged decided that we should provide for nine divisional camps, and of those nine divisional camps Camp Gordon is one. There was wisdom in the decision of this board of the War Department. If we take the standards of wisdom of the majority of the Committee on Military Affairs that has reported this amendment over the protest of some of us who can not agree if we take their opinion as the standard as to whether or not we should have nine divisions, I refer you to the fact that the Army reorganization bill, which we have recently taken up for consideration, starts out with the proposition that we are going to have nine divisions.

If you have nine divisions and you throw away one of the divisional camps, what are you going to do to house one division of American soldiers? You have got to have a home for them. They already have——

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. CALDWELL. Excuse me, inasmuch as I have only five minutes.

They already have a home, and it is located near a great city, and all the Army men say that camps of this character, in order to be a success and to keep the boys happy, must be within short distances of great cities. The terrain here is most admirable for an army camp. It is the best drained camp that we saw, and it is in better condition than anyone we visited in all our trip.

Now, they say there is no land there to train the men; that you can not get them out to parade or train them to shoot, but it is only a little way to Camp Benning, which is the place where the great training is to come for the Infantry soldiers, and is close enough so that you do not even have to put them on a railroad train, but you can march them across country and give them that training at the time they are going to get the training that they need in the field. It would be folly for us in the Military Committee to write a law that was going to handicap military experts of our country who have devoted their whole lives to the development of a military arm, and say to them "You shall not have this and shall not have that," when we already have it, and it will not cost us anything. Why should we destroy that which they have been trying to build up.

The CHAIRMAN. The question is on the amendment of the gentleman from Georgia [Mr. CRISP].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. CRISP. Division, Mr. Chairman.

The committee divided; and there were—ayes 34, noes 51.

So the amendment was rejected.

The Clerk read as follows:

MOTOR TRANSPORT CORPS.

To complete motor transport schools as follows:
At Camp Holabird, Md.: For the purchase of real estate, $140,000.

Mr. ANTHONY. Mr. Chairman——

Mr. GOODYKOONTZ. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, I think we ought to have a quorum from now on.

Mr. ANTHONY. Will the gentleman from Texas withhold a moment? I want to say that after the statement of the gentleman from West Virginia [Mr. GOODYKOONTZ] I shall move to rise.

Mr. BLANTON. All right.

Mr. GOODYKOONTZ. Mr. Chairman, I realize the fact that the committee is dealing with an important subject, but I have one of more importance. I have one that concerns the fuel supply of the country, one that involves the delivery of coal to the American people who are cold and shivering. The urgency of the situation justifies me in asking your kind indulgence for a little while.

Dr. Garfield, under Executive order, has again assumed charge of the fuel proposition. Mr. Hines, Director of Railways, who has been acting as the agent of Dr. Garfield, is transporting and delivering that coal. The coal is being carried all over this country—to New England and to the far western States—and it is being delivered without the knowledge of the operator, the producer, as to who is getting it, and therefore the operator has no opportunity, has had none, to invoice it to the person or corporation to whom it is ultimately delivered. The result of that is—and I am speaking for 400 coal operators in my district—that the coal operators are without money with which to meet their pay rolls. Those operators have been calling upon the banks for help, but the banks have exhausted their power, having loaned money until their legal reserve has been reached or impaired.

Now, I have received within the last few days many telegrams, and one of them I ask permission to read. It is addressed to me at this city, and is as follows:

WELCH, W. VA., *December 10, 1919.*

Hon. WELLS GOODYKOONTZ,
Washington, D. C.:

We have outstanding for coal shipments during last week October and all November $208,433.04. Of this amount we have been advised that $13,926.02 has been turned over to several railroads; $20,993.74 has been diverted to regional committees but not to final consignees; while $173,563.28 is outstanding on which we have received no diversion notice, neither has it been delivered to the original consignees. Payment of all these accounts is due to-day. You can see that we will be unable to meet our operating expenses much longer.

CRYSTAL BLOCK COAL COKE CO.,
CENTRAL POCAHONTAS COAL CO.,
(Signed) EDWARD O'TOOLE.

These two companies are of not large financial strength, small in comparison to other companies operating in the great coal region embraced in my district. They are operating in a field that during the strike has been the salvation of the country.

Mr. EVANS of Nevada. Will the gentleman yield?

Mr. GOODYKOONTZ. I will.

Mr. EVANS of Nevada. For my information, I would like to know why the operators only produced 50 per cent of their capacity the last summer.

Mr. GOODYKOONTZ. The operators in my district during this period of time—the time that has elapsed since the Government last assumed charge—have produced more than 100 per cent normal capacity, and the reason they did not produce coal last summer was because Members of this body and certain other men in this country advocated that the consumer should not buy coal then. They said the plan to buy coal was merely a scheme and device——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOODYKOONTZ. I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ANTHONY. Mr. Chairman, I would like to ask the gentleman if he will conclude in five minutes, so that the committee can rise?

Mr. GOODYKOONTZ. Yes; I will do that.

They said that it was a scheme of the operators to induce the people to buy coal; that there was not and would not be any shortage of coal in the country; and that if the people would wait the price of coal would go down.

On this floor I took occasion to say that those who gave this advice assumed a terrible responsibility.

The National Coal Operators Association spent $80,000 in newspaper advertisements warning the public of the danger of delay in laying in their supply.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from West Virginia yield to the gentleman from Kansas?

Mr. GOODYKOONTZ. I will.

Mr. LITTLE. Was it the Fuel Administration that recommended that the people should not put in a supply of coal last summer?

Mr. GOODYKOONTZ. No. I say it was a Member of this body along with others not connected with the Fuel Administration.

Mr. LITTLE. I think, perhaps, the gentleman may be right about that, but I think the Fuel Department also recommended that.

Mr. GOODYKOONTZ. No. Every sensible man—every man that had any sense at all—wanted the mines to be operating in the summer time as well as in winter in order that these mines should get out the coal which the people of the country required for their consumption as well as to take care of the requirements of foreign countries.

Mr. EVANS of Nevada. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. Yes.

Mr. EVANS of Nevada. In my section, I will say to the gentleman, we were advised early last spring to lay in our coal for our supply.

Mr. GOODYKOONTZ. That advice was sound.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. I will.

Mr. BLANTON. After the recent experience we will not have much trouble from now on in getting people to lay in their coal early, will we?

Mr. GOODYKOONTZ. I am afraid the people will forget.

Mr. BLANTON. The people in my country will not forget it.

Mr. GOODYKOONTZ. We are trying to get some money in some way to enable our coal operators to take care of the financial problem involved.

Now, Mr. Hines, the Director of Railroads, and Dr. Garfield, the Fuel Administrator—a very fine man—have taken up the matter with the governor of the board controlling the regional reserve banks, and they have decided that the regional reserve banks will discount notes executed by the coal operators; but the fact is that the constituent banks, the member banks, who must rediscount the paper, can not take care of that paper. I received notice that over 2,400 cars of coal had been shipped out of my district on day before yesterday. The value of that coal is somewhere in the neighborhood of half a million dollars. This was for only one day. The condition covers more than a month. I should judge it would take somewhere between fifteen and twenty million dollars to take care of these operators in this present stressful situation. What will we do to remedy the situation? The miners must be paid. The records show that the miners are paid in cash, after deducting their commissary account and their rent bill and all that, at least a dollar in cash for each ton of coal mined and shipped. Where is the money to come from to pay these men?

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. Yes.

Mr. EMERSON. The gentleman says the Government takes this coal and delivers it to the respective purchasers?

Mr. GOODYKOONTZ. It takes that coal and transfers it to committees, wherever they are. The Railroad Administration acts as the agent of the Fuel Administrator in delivering coal, but it refuses to act as agent in collecting the price of the coal. This it ought to do.

Mr. EMERSON. Somebody is going to collect the money. Who is going to do that?

Mr. GOODYKOONTZ. There is no one to collect it. I had an operator tell me not long ago that, in 1917, of the coal he shipped he had never found out where 50 cars of his coal had gone to. You now understand the chaotic condition of the coal business and the dilemma of the coal operators of West Virginia to-day.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. Certainly.

Mr. STEVENSON. Was he ever paid for it?

Mr. GOODYKOONTZ. He has not been. He does not know who got his coal, and it may take two years from now before the coal producer finds out who has been getting his coal.

Mr. WOODS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. I will be very glad to yield to my good friend from Virginia.

Mr. WOODS of Virginia. Is it possible for the banks in the gentleman's district to accommodate the operators?

Mr. GOODYKOONTZ. I am glad you asked that question. Four days ago the banks in the city of Huntington were within 1½ per cent of their legal reserve, and a two weeks' pay roll was then due; now these banks have reached the limit of their reserve.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. Yes.

Mr. GARNER. Has the gentleman made any investigation or had any conference with the Fuel Administration or the Railroad Administration with respect to the matter?

Mr. GOODYKOONTZ. I have talked with the agents of the Fuel Administrator and with the assistant director of railroads, and they said, "The regional banks would take care of it." I inquired how they were going to do it. Whenever a constituent bank loans money to a coal operator it takes the operator's note and rediscounts it; but when the bank gets beyond its 10 per cent limit it can not go any further—a national bank can only lend to a customer 10 per cent of its working capital—and the coal operators in my section of the country have gotten all the money the banks can lend them.

In addition to this, the fourth installment of Government taxes will be due on next Monday. The weak mines in my State are at the end of their row. Lack of money and low price of coal are forcing them to shut down. Something must be done by the Government immediately to relieve the situation.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. ANTHONY. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 8819) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, had come to no resolution thereon.

ORDER OF BUSINESS TO-MORROW.

Mr. CRAMTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. Under the rule is this bill the continuing order to-morrow?

The SPEAKER. The Chair thinks either this would be or the Private Calendar.

Mr. MADDEN. You would have to make a motion to go into Committee of the Whole.

Mr. CRAMTON. Can the Speaker give any indication as to whom he will recognize to-morrow?

The SPEAKER. The Chair is disposed to think he will recognize the gentleman from Kansas, but the Chair would prefer not to state definitely this evening.

Mr. MANN of Illinois. To-morrow being pension day, probably the Pension Committee would succeed in getting recognition.

The SPEAKER. As far as the Chair knows the Pension Committee has no business.

Mr. ANTHONY. I was informed that the Pension Committee had no business.

The SPEAKER. That was the impression of the Chair.

Mr. EMERSON. I had some hope that the Private Calendar might be taken up to-morrow.

Mr. EVANS of Nevada. We thought we might probably consider the Private Calendar to-morrow.

Mr. MANN of Illinois. To-morrow would be pension day.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3187. An act to dispose of a certain strip of public land in Waterville, Me.; to the Committee on Public Buildings and Grounds.

ADJOURNMENT.

Mr. ANTHONY. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until Friday, December 12, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by the Bureau of Public Health Service for printing and binding for the remainder of the current fiscal year (H. Doc. No. 503); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the United States Shipping Board, transmitting statement of travel performed by the officers and employees of the United States Shipping Board during the fiscal year ending June 30, 1919 (H. Doc. No. 504); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the United States Board of Mediation and Conciliation, transmitting report showing average number of employees receiving increased compensation at the rate of $240 per annum (H. Doc. No. 505); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Navy, transmitting statement showing the number and designation of persons employed under the appropriation for additional temporary employees, Navy Department, and the annual rate of compensation paid to each (H. Doc. No. 506); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Bureau of Naturalization for miscellaneous expenses for the fiscal year 1920 (H. Doc. No. 507); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. PLATT, from the Committee on Banking and Currency, to which was referred the bill of the Senate (S. 2902) to amend section 5182, Revised Statutes of the United States, reported the same without amendment, accompanied by a report (No. 489), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 10723) granting a pension to John E. Broyles, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SHREVE: A bill (H. R. 11077) to provide for the purchase of a site and for the erection of a public building thereon at Union City, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. RAMSEYER: A bill (H. R. 11078) to provide for the extension of aeroplane mail service to the Pacific coast; to the Committee on the Post Office and Post Roads.

By Mr. GRAHAM of Illinois: A bill (H. R. 11079) providing for the disposition of the statue of Abraham Lincoln in course of removal from its site in front of the courthouse in the city of Washington, D. C., to the city of Moline, Ill.; to the Committee on the Library.

By Mr. ROBINSON of North Carolina: A bill (H. R. 11080) to provide for the acquisition by purchase, condemnation, or otherwise, of a site for a public building at Sanford, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11081) to provide for the erection of a public building at Laurinburg, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11082) to provide for the erection of a public building at Wadesboro, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11083) to provide for the erection of a public building at Rockingham, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11084) to provide for the acquisition by purchase, condemnation, or otherwise, of a site for a public building at Hamlet, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. CLARK of Florida: A bill (H. R. 11085) to declare certain publications unmailable and prescribing punishment for its violation; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 11086) to prohibit certain persons engaging in business in the District of Columbia and the Territories of the

United States, and to punish its violation; to the Committee on the Judiciary.

By Mr. PLATT: A bill (H. R. 11087) to regulate the filling of vacancies in the Corps of Cadets at the United States Military Academy not otherwise provided for by existing law; to the Committee on Military Affairs.

By Mr. WASON: A bill (H. R. 11088) to provide for the purchase of a site and the erection of a public building thereon at Peterborough, in the State of New Hampshire; to the Committee on Public Buildings and Grounds.

By Mr. SIEGEL: A bill (H. R. 11089) to provide for the punishment of the crime of anarchy, and for other purposes; to the Committee on the Judiciary.

By Mr. JOHNSON of Washington: A bill (H. R. 11090) providing for a survey of the Columbia River between Chinook, Wash., and the head of Sand Island; to the Committee on Rivers and Harbors.

By Mr. BROOKS of Pennsylvania: A bill (H. R. 11091) authorizing the Secretary of War to donate to the town of Yorkhaven, Pa., two cannons, with suitable number of shells; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 11092) for the exclusion, deportation, and expulsion of certain aliens, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. WHEELER: Resolution (H. Res. 417) to provide for the appointment of a clerk to the Committee on Railways and Canals; to the Committee on Accounts.

By Mr. BABKA: Resolution (H. Res. 418) directing an investigation of the reported hoarding of sugar; to the Committee on Rules.

By Mr. ROGERS: Joint resolution (H. J. Res. 261) to make immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11093) granting an increase of pension to Joseph S. Hall; to the Committee on Invalid Pensions.

By Mr. CLEARY: A bill (H. R. 11094) granting a pension to May Gantert Lace; to the Committee on Pensions.

By Mr. COPLEY: A bill (H. R. 11095) granting an increase of pension to Theresa Brisbois; to the Committee on Pensions.

By Mr. HADLEY: A bill (H. R. 11096) granting an increase of pension to Vernom Van Houten; to the Committee on Pensions.

By Mr. HAYS: A bill (H. R. 11097) granting an increase of pension to John A. Keltner; to the Committee on Invalid Pensions.

By Mr. HERSMAN: A bill (H. R. 11098) granting an increase of pension to Charles Asa Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11099) to authorize the Secretary of Commerce to lease San Miguel Island, Calif., and for other purposes; to the Committee on the Public Lands.

By Mr. HICKS: A bill (H. R. 11100) granting an increase of pension to Leonard T. Butler; to the Committee on Invalid Pensions.

By Mr. HOWARD: A bill (H. R. 11101) granting an increase of pension to John J. Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11102) for the relief of Dr. L. A. O'Brien; to the Committee on Claims.

By Mr. HUDDLESTON: A bill (H. R. 11103) granting an increase of pension to Henry Chairsell; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 11104) granting a pension to Milo Conner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11105) granting a pension to Charles Diesron; to the Committee on Pensions.

By Mr. McKENZIE: A bill (H. R. 11106) granting a pension to Dora Myers; to the Committee on Invalid Pensions.

By Mr. RUCKER: A bill (H. R. 11107) granting an increase of pension to John Canote; to the Committee on Invalid Pensions.

By Mr. SIEGEL: A bill (H. R. 11108) granting an increase of pension to Laura E. Valleau; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11109) granting a pension to Charles Roddy; to the Committee on Pensions.

Also, a bill (H. R. 11110) granting a pension to Palace Douglas; to the Committee on Pensions.

By Mr. TOWNER: A bill (H. R. 11111) granting an increase of pension to Samuel Sheline; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 11112) granting an increase of pension to Frank Libby; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

263. By Mr. BRIGGS: Petition of Plainview Lodge, No. 1175, Benevolent and Protective Order of Elks, demanding deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

264. By Mr. BURDICK: Resolution of a mass meeting of the United Jewry of Rhode Island, in Providence, R. I., November 30, 1919, requesting the Government of the United States to place before the supreme council of the peace conference the atrocities being waged against the Jewish people of Ukrainia and other lands to the end that the atrocities be stopped; to the Committee on Foreign Affairs.

265. Also, resolution of the city council of Providence, R. I., indorsing the bill now pending providing for a daylight-saving plan applicable to New England; to the Committee on Interstate and Foreign Commerce.

266. By Mr. CULLEN: Petition of the Allied Council of American Shoe and Leather Industries and Trades, protesting against discrimination by Indian Government to tanners of the British Empire; to the Committee on Ways and Means.

267. By Mr. DICKINSON of Iowa: Petition of retail dealers and merchants of Lake Mills, Iowa, protesting against the tax of the Siegel bill, H. R. 8315; to the Committee on Interstate and Foreign Commerce.

268. By Mr. DICKINSON of Missouri: Petition of Warrensburg Lodge, No. 673, Benevolent and Protective Order of Elks; Sedalia Lodge, No. 125, Benevolent and Protective Order of Elks; Joplin Lodge, No. 501, Benevolent and Protective Order of Elks, all of the State of Missouri, denouncing activities of Industrial Workers of the World and Bolsheviki; to the Committee on the Judiciary.

269. By Mr. ESCH: Petition of Missouri and Kansas publishers, concerning solution of paper shortage; to the Committee on the Post Office and Post Roads.

270. Also, petition of Fond du Lac Post, No. 75, American Legion, demanding deportation of Victor L. Berger and proper investigation of the record of Representative VOIGT; to the Committee on the Judiciary.

271. Also, petition of St. Columcille Branch, Friends of Irish Freedom, favoring recognition of republic of Ireland; to the Committee on Foreign Affairs.

272. Also, petition of the Allied Council of American Shoe and Leather Industries and Trades, protesting against discrimination by Indian Government to tanners of the British Empire; to the Committee on Ways and Means.

273. By Mr. FORDNEY: Petition of Southern Oil & Transport Co. and other oil companies holding interest in oil wells in Mexico, protesting against methods taken by the Mexican Government in closing oil wells in Mexico; to the Committee on Foreign Affairs.

274. By Mr. FULLER of Illinois: Petition of Ancient Order of Hibernians and Ladies' Auxiliary of La Salle, Ill., favoring House bill 3404; to the Committee on Foreign Affairs.

275. Also, petition of the Farmers' National Council opposing Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

276. By Mr. GALLIVAN: Petition of Patrick O'Rourke and Claremens Association of Boston, Mass., favoring H. R. 3404; to the Committee on Foreign Affairs.

277. Also, petition of Boston Gaelic School condemning statements and articles by Admiral Sims; to the Committee on Naval Affairs.

278. By Mr. HULINGS: Petition of Sharon Lodge No. 103 Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolsheviki; to the Committee on the Judiciary.

279. Also, petition of Southern Oil & Transport Co. and other oil companies protesting against the methods employed by the Mexican Government in seizing oil wells in Mexico; to the Committee on Foreign Affairs.

280. By Mr. HUTCHINSON: Petition of Board of Commissioners of Trenton, N. J., favoring legislation providing for daylight saving; to the Committee on Interstate and Foreign Commerce.

281. By Mr. KENNEDY of Rhode Island: Resolutions of city council of Providence, R. I., indorsing daylight-saving plan for New England; to the Committee on Agriculture.

282. Also, petition of Sarsfield Literary Association, favoring House bill 3404; to the Committee on Foreign Affairs.

283. Also, petition of New England governors regarding railroad conditions in New England; to the Committee on Interstate and Foreign Commerce.

284. Also, petition of New England governors for suitable recognition in rank be given to Maj. Gen. Clarence R. Edwards; to the Committee on Military Affairs.

285. Also, petition of New England governors that the United States Shipping Board allocate some of its large ships to the New England owners, operators, and managers of steamers; to the Committee on the Merchant Marine and Fisheries.

286. By Mr. MAHER: Petition of E. J. Duffy Branch, Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

287. Also, petition of New York Commandery, Military Order of the Loyal Legion, asking additional compensation for volunteer officers who served in the War 1861–1865; to the Committee on Military Affairs.

288. By Mr. MERRITT: Petition of Combined Jewish Organizations, of Bridgeport, Conn., protesting against the massacre of Jews in Ukraine and other lands; to the Committee on Foreign Affairs.

289. By Mr. O'CONNELL: Petition of the Allied Council of the American Shoe and Leather Industries and Trades, protesting against discrimination by the Indian Government to tanners of the British Empire; to the Committee on Foreign Affairs.

290. Also, petition of Farmers' National Council, opposing Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

291. Also, petition of New York State Association of Supervisory Post Office Employees, favoring Sterling-Lehlbach retirement bill; to the Committee on Reform in the Civil Service.

292. By Mr. RAMSEYER: Petition of Howard Cessna Post, No. 136, Iowa Branch, American Legion, pledging support in upholding law and order and condemning activities of Industrial Workers of the World; to the Committee on the Judiciary.

293. Also, petition of Harry Anderson Post, No. 34, American Legion, protesting against the activities of the Industrial Workers of the World; to the Committee on the Judiciary.

294. Also, petition of American Red Cross, Service Star, Legion, and Commercial Club of Oskaloosa, Iowa, favoring legislation to make November 11 a national holiday; to the Committee on the Judiciary.

295. Also, petition of Oscar B. Nelson Post, No. 3, American Legion, Ottumwa, Iowa, favoring that the bodies of the soldiers who died on the fields of France be brought back to this country for burial; to the Committee on Military Affairs.

296. By Mr. RIORDAN: Petition of J. Mitchel, Friends of Irish Freedom, favoring recognition of the republic of Ireland; to the Committee on Foreign Affairs.

297. By Mr. ROWAN: Petition of J. P. Holland Branch, Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

298. Also, petition of Missouri and Kansas publishers regarding solution for paper shortage; to the Committee on the Post Office and Post Roads.

299. Also, petition of A. M. Upjohn, regarding conditions in Alaska and urging recognition of the Republic of Armenia; to the Committee on Foreign Affairs.

300. Also, petition of Public Ledger, Philadelphia, forwarding copy of letter sent to the President regarding methods of reducing popular unrest; to the Committee on Interstate and Foreign Commerce.

301. Also, petition of Southern Oil & Transport Co. and other oil companies, regarding the methods employed by the Mexican Government in seizing the oil wells in Mexico; to the Committee on Foreign Affairs.

302. Also, petition of Farmers' National Council, opposing Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

303. Also, petition of the Allied Council of American Shoe and Leather Industries and Trades, protesting against discrimination by the Indian Government to tanners of the British Empire; to the Committee on Ways and Means.

304. By Mr. WINSLOW: Petition of Patriotic Order Sons of America, on Mexican situation; to the Committee on Foreign Affairs.

305. Also, petition of Patriotic Order Sons of America, on remedy for the high cost of living; to the Committee on Military Affairs.

SENATE.

FRIDAY, *December 12, 1919.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we present ourselves to Thee with hearts we trust responsive to the divine will, with readiness to hear Thy command and to follow Thy purpose. We pray that Thou wilt guide us in the discharge of our duties so that we may ever have the comfortable satisfaction of knowing that we are working together with God in the great task of the present day. For Christ's sake. Amen.

THOMAS P. GORE, a Senator from the State of Oklahoma, appeared in his seat to-day.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Harris	McNary	Sheppard
Capper	Harrison	Moses	Smith, S. C.
Culberson	Johnson, S. Dak.	Myers	Smoot
Cummins	Jones, N. Mex.	New	Spencer
Dial	Jones, Wash.	Newberry	Trammell
Edge	Kellogg	Norris	Underwood
Elkins	Keyes	Nugent	Wadsworth
Fletcher	Kirby	Overman	Warren
Gay	Knox	Page	
Hale	La Follette	Phipps	
Harding	Lenroot	Ransdell	

Mr. LENROOT. The Senator from Massachusetts [Mr. LODGE] requested me to announce his temporary absence on important business.

The VICE PRESIDENT. Forty-one Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. ASHURST, Mr. CALDER, Mr. COLT, Mr. FERNALD, Mr. FRELINGHUYSEN, Mr. HITCHCOCK, Mr. STERLING, Mr. THOMAS, Mr. WALSH of Massachusetts, Mr. WALSH of Montana, and Mr. WATSON answered to their names when called.

Mr. KING, Mr. POMERENE, Mr. FALL, Mr. MCLEAN, Mr. GRONNA, Mr. CURTIS, Mr. MCKELLAR, Mr. SUTHERLAND, Mr. BANKHEAD, Mr. NELSON, Mr. TOWNSEND, and Mr. GORE entered the Chamber and answered to their names.

Mr. WALSH of Montana. I wish to announce that the Senator from Nevada [Mr. PITTMAN] and the Senator from Virginia [Mr. SWANSON] are detained from the Senate by illness in their families.

Mr. SHEPPARD. The senior Senator from Kentucky [Mr. BECKHAM], the Senator from Mississippi [Mr. WILLIAMS], the Senator from Oklahoma [Mr. OWEN], the Senator from Missouri [Mr. REED], the Senator from Tennessee [Mr. SHIELDS], the Senator from North Carolina [Mr. SIMMONS], the Senator from Maryland [Mr. SMITH], and the junior Senator from Kentucky [Mr. STANLEY] are absent on official business.

Mr. KING. The Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Georgia [Mr. SMITH] are detained from the Senate on public business.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present. The Secretary will read the Journal of the proceedings of the preceding session.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Wednesday, December 10, 1919, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

UNITED STATES SHIPPING BOARD (H. DOC. NO. 504).

The VICE PRESIDENT laid before the Senate a communication from the United States Shipping Board, transmitting, pursuant to law, a statement of travel performed by officers and employees of the United States Shipping Board during the fiscal year ended June 30, 1919, which, with the accompanying paper, was referred to the Committee on Commerce and ordered to be printed.

UNITED STATES BOARD OF MEDIATION AND CONCILIATION (H. DOC. NO. 505).

The VICE PRESIDENT laid before the Senate a communication from the United States Board of Mediation and Conciliation, transmitting, pursuant to law, a statement showing for the first four months of the current fiscal year the average number of employees receiving increased compensation at the rate of $240 per annum, which was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the amendment of the Senate to the bill (H. R. 1199) to prohibit the purchase, sale, or possession for the purpose of sale of certain wild birds in the District of Columbia.

The message also announced that the House had passed a joint resolution (H. J. Res. 260) authorizing the payment of salaries of officers and employees of Congress for December, 1919, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. KEYES. I present resolutions adopted at a conference of New England governors, which I ask may be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the resolutions were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Resolutions unanimously adopted at a conference of New England governors held at the Executive Chamber, Boston, Wednesday, December 10, 1919.

"*Resolved*, That it is the opinion of the governors of the States that were especially represented in the Twenty-sixth Division that Maj. Gen. Clarence R. Edwards is entitled to a position and rank commensurate with the services rendered by that distinguished division."

Mr. NELSON presented a memorial of sundry citizens of Minneapolis, Minn., remonstrating against the persecution of Jews in the Ukraine, and praying that the United States Government take steps for their relief, which was referred to the Committee on Foreign Relations.

He also presented a petition of Monticello Post, No. 260, American Legion, of Monticello, Minn., and a petition of Kit Carson Post, No. 43, American Legion, of Fort Lyon, Colo., praying for the enactment of legislation for the suppression of disloyal persons, which were referred to the Committee on the Judiciary.

Mr. CAPPER presented petitions of sundry citizens of Logan, Wayne, Gaylord, and Glen Elder, all in the State of Kansas, praying for the exemption of lyceum courses from the provisions of the so-called luxury-tax clause of the revenue law, which were referred to the Committee on Finance.

He also presented a memorial of Local Lodge No. 507, Sheet Metal Workers' Union, of Topeka, Kans., and a memorial of Local Lodge No. 148, Association of Machinists, of Dodge City, Kans., remonstrating against the passage of the so-called Cummins railroad bill, and praying for two years' extension of Government control of railroads, which were referred to the Committee on Interstate Commerce.

He also presented a petition of E. M. Stanton Post, No. 23, Department of Kansas, Grand Army of the Republic, of Howard, Kans., praying for the enactment of legislation granting increased pensions to veterans of the Civil War, which was referred to the Committee on Pensions.

Mr. TOWNSEND presented a memorial of sundry retail jewelers of Battle Creek, Mich., remonstrating against the enactment of legislation providing that retailers of manufactured articles carried in interstate commerce attach cost prices to such articles before they are sold to customers, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of the Michigan Daily Newspaper Association, of Detroit, Mich., remonstrating against the proposed increase in second-class postage rates, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of Local Division No. 33, International Brotherhood of Locomotive Engineers, of Battle Creek, Mich., remonstrating against the passage of the so-called Cummins railroad bill and praying for a two years' extension of Government control of railroads, which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of Port Huron, Mich., and a petition of the faculty and students of Kalamazoo College, Kalamazoo, Mich., praying for the early ratification of the league of nations and the peace treaty, which were ordered to lie on the table.

CONDITIONS ON MEXICAN BORDER.

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred Senate concurrent resolution No. 20, directing the Secretary of War to employ the military forces of the United States in protecting the lives of American citizens adjacent to the Mexican border, asked to be discharged from its further consideration and that it be referred to the Committee on Foreign Relations, which was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRIS:

A bill (S. 3521) to construct a public building for a post office at the city of Sandersville, Ga.;

A bill (S. 3522) to provide for the erection of a public building at the city of Toccoa, Ga.;

A bill (S. 3523) to construct a suitable building for the use of the United States court at Gainesville, Ga., and for other purposes;

A bill (S. 3524) to increase the appropriation for a post-office building at Dawson, Ga.;

A bill (S. 3525) to provide for the purchase of a site and the erection of a public building at Eastman, Dodge County, Ga.; and

A bill (S. 3526) providing for the purchase of a site and the erection of a public building thereon at Fort Valley, Houston County, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. LENROOT:

A bill (S. 3527) granting an increase of pension to Martha A. Dunbar; to the Committee on Pensions.

By Mr. FALL:

A bill (S. 3528) granting a pension to Henry L. Bond (with accompanying papers); and

A bill (S. 3529) granting a pension to Samuel L. Duckworth (with accompanying papers); to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 3530) for the relief of Sarah Shelton; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 3531) granting an increase of pension to William L. Sapp (with accompanying papers); to the Committee on Pensions.

By Mr. GORE:

A bill (S. 3532) granting a pension to James H. Johns; to the Committee on Pensions.

SHORTAGE OF PRINT PAPER.

Mr. JONES of New Mexico. Mr. President, on yesterday I received a telegram from the publishers of some of the largest newspapers in the State of New Mexico calling attention to a condition which I am sure has been in the minds of many Senators for a considerable period of time. The telegram reads:

ALBUQUERQUE, N. MEX., *December 10, 1919.*

Hon. A. A. JONES,
Senate Office Building, Washington, D. C.:

Unless war-time restrictions are placed upon the use of print paper practically every newspaper in New Mexico will be compelled to suspend publication within a few months, many of them within a few weeks at farthest. What is true of New Mexico is true of the United States, except those papers that own their own mills. Pacific coast papers are issuing editions of 180 pages on Sunday and other big papers are wasting proportionately. Only the utmost gravity of the situation here causes us to send this imperative wire.

D. A. MACPHERSON.
M. L. FOX.
H. B. HENING.
THOMAS HUGHES.

I believe that condition is recognized by the country at large, and it seems to me that something must be done in order to curtail the use of print paper in the manner in which it is being done, so that the country papers may have at least an ordinary supply for their purposes.

I, of course, have not been able to give this subject very careful consideration, with an idea of suggesting a remedy, but it seems to me that one very effective remedy can be provided, and that is to increase the postal rates on newspapers exceeding a definite size. With that in view, and in order that the Committee on Post Offices and Post Roads may thoroughly consider the subject, I have drafted a bill proposing an increase of postal rates by five times the present rate on daily papers exceeding 24 pages in size. The purpose, of course, is to curtail the use of print paper by the large daily newspapers, especially in connection with the Sunday editions. It seems to me that if a paper contains as many as 24 pages, that ought to be sufficient to give the current news of the country and also provide a sufficient amount of space for advertising. We know that these newspapers are carried at a loss under the present rate. A bill of this kind would serve two very useful purposes—to distribute the print paper throughout the country without requiring the country papers to pay an excessive price, and also add to the postal revenues, if any paper should decide to publish a paper exceeding the size specified in the bill.

I therefore introduce the bill which I send to the desk and ask that it be referred to the Committee on Post Offices and Post Roads.

The bill (S. 3520) to increase the postal rates on certain classes of second-class matter was read twice by its title and referred to the Committee on Post Offices and Post Roads.

Mr. SMOOT. Mr. President, in this connection I desire to say that now that the peace treaty is no longer before the Senate, I think the time has arrived when we ought to stop publishing in the CONGRESSIONAL RECORD articles, telegrams, and addresses sent to Senators, and thereby save not only print paper but the expense to the Government of printing such communications in the RECORD. I desire to inform the Senate that every page of the RECORD which is printed to-day costs the Government of the United States nearly $60. That is not all. We have men now scouring the country daily in order to pick up paper wherever they can at almost any price that is asked for it, in order to secure enough paper to publish the CONGRESSIONAL RECORD daily.

While the peace treaty was before the Senate there was no objection on the part of any Senator to printing any kind of matter that had any relation whatever to that treaty. That condition no longer exists, and in a very short time I am going to ascertain whether or not the Senate really wants to assist in this matter, for I am going to object to the insertion of such communications in the RECORD. Then I hope that the Vice President will ask the Senate to decide the question whether or not the existing policy is to be continued. If the Senate will support me in this position, I will keep everything out of the RECORD except that which relates to subjects affecting the legislation before this body. The CONGRESSIONAL RECORD should contain matter relating to such legislation and nothing else. Of late we have been running wild in the direction I have indicated, and the Senate will have to decide whether or not we are going to continue the policy which we have been recently pursuing.

The VICE PRESIDENT. The Vice President will be very glad to ask the Senate, if the Senator desires him to do so, whether the publication of the CONGRESSIONAL RECORD shall not be suspended during the famine in print paper.

Mr. THOMAS. Mr. President, I was going to suggest that the Senator from Utah does not go far enough. I think it would be a very good idea to quit printing the RECORD altogether. My impression is that that would be one way in which we could curtail the output of senatorial oratory; in fact, I do not know of any other way in which it can be done. The RECORD is read by quite a large constituency, and then, fortunately, the most of its contents are forgotten. An old RECORD is about as useful as last month's edition of a daily newspaper.

The scarcity of print paper to which the Senator from New Mexico [Mr. JONES] has referred seems, however, to be one which is affecting only the requirements of the legitimate press. There are about 300 so-called "red" publications, some of which, I think, have hourly editions, circulating throughout the country, and from that source we hear no complaint about the scarcity of print paper.

I think the scarcity of print paper is largely due to the fact that so much of it is consumed in propaganda against the Government of the United States. If in order to limit the output of that kind of daily literature hardships are visited upon the remainder of the press for a while, it will not be entirely an unmixed evil. It would seem, however, that the manufacturers of and dealers in print paper could very well, by voluntary action, proportion and distribute their output so that the legitimate press of the country would not suffer and at the same time perform a very desirable public service.

I rose, Mr. President, however, to call attention to a subject about which I am receiving a great many letters and telegrams, none of which I intend to offer for publication, from coal operators relating to the difficulty and practical impossibility of securing payments from the railroads for the seizure of large quantities of coal, mined and consigned to other purchasers. The Senate is aware of the fact that immediately after the coal strike was declared the Railway Administration began to possess itself of all the coal it could lay its hands upon, and for the very necessary purpose of running the trains and continuing the lines of communication. Their action in that particular is not only justified but perhaps commendable. Unfortunately, however, they have not been as eager to pay the operators for the coal as they should be, and some of the operators of my State are suffering severe financial embarrassment consequent upon the impossibility of securing payments for coal which they have mined and sold to others and which the Government has seized.

At this time, when the President of the United States and the president of the United Mine Workers are exchanging telegrams of felicitation, we ought to consider the possible effect of the Government action upon operators who mine and produce the coal. Unless these men are settled with, as they ought to be, and the money which is their due for the mining of the coal be given to them very soon, there are going to be a good many suspensions of operators. The Government should do justice to all its citizens, and when it seizes coal for a public purpose, and seizes it at once and summarily, payment should be quite as prompt and quite as summary. It is a poor Government that will operate its machinery at the expense of taxpayers through the virtual confiscation of their property.

Mr. JONES of Washington and Mr. FRELINGHUYSEN addressed the Chair.

The VICE PRESIDENT. The Senator from Washington.

Mr. JONES of Washington. At this point in the oratorical efforts of the morning I wish to give notice that from now on I am going to insist, so far as I can, upon the regular order in the interest of the RECORD and in the interest of the transaction of the public business. I ask now, Mr. President, for the regular order.

Mr. FRELINGHUYSEN. Will the Senator withhold his request for a moment?

Mr. JONES of Washington. No; I can not do so.

The VICE PRESIDENT. Bills and joint resolutions are still in order.

AUGUSTA LOUISE DE HAVEN-ALTEN.

Mr. McNARY. At the request of the junior Senator from Illinois [Mr. MCCORMICK] I introduce a joint resolution and ask that it be read by the Secretary and be referred to the Committee on Immigration.

The joint resolution (S. J. Res. 134) to readmit Augusta Louise de Haven-Alten to the status and privileges of a citizen of the United States was read the first time by its title and the second time at length and referred to the Committee on Immigration, as follows:

Whereas Augusta Louise de Haven-Alten, daughter of the late Capt. Joseph Edwin de Haven, of the United States Navy, a native-born citizen of the United States and a resident of the State of Illinois, married in 1886 Eberhard Alten, an alien of German birth and parentage; and

Whereas the said Augusta Louise de Haven-Alten left Germany in 1911 and has not since returned, and in 1912 sued her said husband for absolute divorce, which suit is still pending in Germany, and has since 1911 lived apart from her said husband; and

Whereas the said Augusta Louise de Haven-Alten has since returned to the United States and renewed her residence therein and petitioned Congress to be readmitted to the status and privileges of a citizen of the United States, under and by virtue of the power and laws of the United States of America: Therefore

Resolved, etc., That Augusta Louise de Haven-Alten, daughter of said Capt. Joseph Edwin de Haven, be, and she is hereby, on her own application unconditionally readmitted to the character and privileges of a citizen of the United States.

RECLASSIFICATION COMMISSION.

Mr. JONES of New Mexico. Mr. President, I would like to ask unanimous consent to introduce and have passed a joint resolution regarding the Reclassification Commission. I find that in order to complete the work of that commission by the 12th of January it will be necessary for those who are engaged in the actual work to put in such long hours that it will be a distinct burden upon them; and, besides, the members of the joint commission itself will not be able to give to the service that careful consideration which it should have, and I therefore offer a joint resolution extending the life of the commission until the 12th of March. I have conferred with the chairman of the Appropriations Committee, and he feels that it will not delay the work of that committee if we should have this additional time.

Mr. KING. Is that the commission of which Mr. Keating is a member?

Mr. JONES of New Mexico. He is a member of the commission. I will state, further, that this resolution does not propose any additional appropriation, but merely an extension of time in order to complete this work which is going on in a splendid way. But the members of the commission themselves will not have time to digest what is being done within the limit fixed by law. When that limit was fixed, of course no one knew what the work would be or the length of time that would be required for it.

Mr. NORRIS. Mr. President, I was unable to hear the beginning of the Senator's remarks. The Senator has not read the resolution?

Mr. JONES of New Mexico. No.

Mr. NORRIS. It simply extends the time?

Mr. JONES of New Mexico. Yes.

Mr. NORRIS. How much additional time does it give?

Mr. JONES of New Mexico. Sixty days.

Mr. NORRIS. Under the original authority, when would the life of the commission expire?

Mr. JONES of New Mexico. On the 12th of January.

Mr. NORRIS. And this extends it?

Mr. JONES of New Mexico. To the 12th of March.

Mr. SMOOT. Does the Senator ask unanimous consent for that?

Mr. JONES of New Mexico. I do.

Mr. SMOOT. I object.

Mr. JONES of New Mexico. Then I will ask unanimous consent to introduce the joint resolution, but not for its immediate consideration.

Mr. SMOOT. I will not object to that.

The joint resolution (S. J. Res. 135) extending the time for filing final report of the Joint Commission on Reclassification of Salaries, created by section 9, Public 314, Sixty-fifth Congress, approved March 1, 1919, to a date not later than March 12, 1920, was read twice by its title and referred to the Committee on Appropriations.

DISCHARGE OF SOLDIER PATIENTS.

Mr. OVERMAN. I offer a resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 258) was read, as follows:

Resolved, That it is the sense of the Senate that the Secretary of War so modify Circular No. 345 as to prohibit the discharge of any disabled patient soldier in a Government hospital, except upon his own request, before he has received the maximum improvement in the opinion of the officers in charge of said hospital.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. JONES of Washington. If the resolution is going to lead to discussion, I object to its present consideration.

Mr. OVERMAN. I merely wish to say a word of explanation in regard to the resolution; that is all.

Mr. JONES of Washington. If it leads to any discussion, I object to its consideration.

Mr. OVERMAN. I merely wish to say that recently, while on a visit to Asheville, N. C., I was waited on by a delegation from the Government hospital at Oteen, N. C., who disclosed a pitiable condition of affairs existing there.

Mr. JONES of Washington. I think the resolution can be passed if the Senator will allow it to be acted upon.

Mr. KING. I shall object to the consideration of the resolution unless the Committee on Military Affairs recommended it. I feel that it is too important to pass without the consideration of that committee.

Mr. OVERMAN. Mr. President, if the Senator insists upon the objection, well and good, but I should like to have placed in the RECORD a copy of the order issued by the War Department concerning the discharge of disabled soldiers from Government hospitals, although many of them are on their beds and are suffering, and some of them dying. The condition is a terrible one.

I also ask to have inserted in the RECORD a letter from two very prominent officers who protest against this order and ask to be allowed to stay in the hospital referred to. They are on the road to recovery now, and if they are allowed to remain in the hospital they will be able before very long to go home to their families. The men in these hospitals fought in France; but if the Senator from Utah wants the resolution to go to the Committee on Military Affairs, I have no objection.

Mr. KING. Of course, if the condition described by the Senator from North Carolina exists, it is unfortunate and ought to be remedied; but this is a matter that ought to receive the attention of the committee, and I object to the immediate consideration of the resolution.

Mr. OVERMAN. The Senator does not object, I presume, to my having inserted in the RECORD the War Department circular and the letter from the officers to whom I have referred.

Mr. KING. Oh, no.

Mr. OVERMAN. I desire to say that I hope the committee will give early consideration to this matter, because I know of one case where a soldier now in bed suffering from tuberculosis is going to be discharged. Under the order of the War Department he can not remain at the hospital longer than 12 months. He fought in France, was brought to this country, and he is now on his bed, but they are going to send him out on the world. He can go to a Public Health Service hospital and receive the small allowance allotted to him, but on that he can not support his family. So, if discharged from the hospital, he will have to go home and die.

The VICE PRESIDENT. Without objection, the matter referred to by the Senator from North Carolina will be printed in the RECORD.

The matter referred to is as follows:

(Circular Letter No. 345.)

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF STAFF,
Washington, November 7, 1919.

Memorandum for the Surgeon General:

Subject: Policy re protracted hospital treatment for military personnel.

1. That all disabled military personnel, except officers of the permanent Army and special surgical cases, shall be granted discharge six months after admission to a hospital in the United States for definitive treatment, if discharge is desired and applied for by the individual in writing.

2. That all disabled military personnel, except officers of the permanent Army and those requiring multiple operations or special surgical treatment or suffering from mental diseases, shall be discharged one year after admission to a hospital in this country after having been carried on sick report for definitive treatment for the same period: *Provided*, Individuals too sick to be removed from hospital without prejudice to their life or recovery or who, upon the question of discharge being submitted to them in writing, certify that they can not provide for the necessary care and attention for themselves shall be retained until provisions for their care and maintenance is made by the War Risk Insurance Bureau, Soldiers' Home, or National Home for Disabled Volunteer Soldiers: *Provided further*, That nothing herein contained shall be deemed to rescind the provisions of Circular No. 188, War Department, 1918, authorizing discharge at any time of the disabled who have been cured or have attained maximum restoration, or those who furnish guaranties that specialized treatment will be continued as long as necessary.

E. D. ANDERSON,
Colonel, General Staff,
Acting Director of Operations.

By P. O. BISHOP,
Colonel, General Staff,
Chief Personnel Branch, Operations Division.

—

OTEEN, N. C., *November 30, 1919.*

Hon. LEE S. OVERMAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In compliance with your request we are writing you further in regard to Circular Letter 345, issued by the War Department from the office of the Chief of Staff, dated November 7, 1919.

Paragraph 2 of this letter is in direct contradiction to Circular No. 420, War Department, September 10, 1919, which provides that—

"Officers under medical treatment for disability incident to military service will be retained in service whether or not applicants for permanent appointment until such time as maximum restoration has been attained. This will not be construed as authorizing the retention of officers temporarily on sick report for minor disability."

This new policy is in violation of General Orders, No. 73, War Department, 1918, and section 10 of the act of Congress approved May 18, 1917, in that it shows discrimination between the various members of the military service, allowing only the Regular Army officers the benefits of maximum cure on full pay and allowances.

There are officers and men who have been here a year who can not take their treatment under the War Risk Insurance Bureau provision and support their dependents. Therefore they must go to work prematurely and stand the risk of undermining their present state of cure, which, in tuberculosis, means another protracted siege of sanatorium treatment with its necessary hardships on their relatives and dependents, and in most cases ultimate death to the patient himself. Men suffering from pulmonary tuberculosis need to have their cases properly arrested before attempting any sort of work.

Some men have been very ill for a whole year in this hospital and are just now in position to take a very little exercise. These cases are not healed to the maximum degree, yet they could be moved to other sanatoria under War Risk Insurance Bureau supervision without prejudice to their life or recovery. But they can not stay for treatment at these sanatoria, for they have dependents who are absolutely dependent on their Army pay for support. The compensation from the war-risk insurance act is totally insufficient to care for their families, therefore they must go to work immediately with the odds tremendously against them.

These same men, if given the maximum amount of cure—that is, if allowed to get well, for they can get well—could then be reconstructed under the Federal Board of Vocational Training and be made useful citizens.

It is the belief of the patient officers of this hospital that the promises of the Government to us and our dependents can not be fulfilled if this policy of the War Department is not revoked.

The number of officers directly affected in this hospital by this order is considerably less than 100, and the total number, including the other three hospitals for tuberculous patients, namely, Fort Bayard, Whipple Barracks, and Denver, is probably about 300.

These patient officers appeal to you to use your influence to have this policy revoked and to allow them to continue their treatment in a military hospital and to stay in the Military Establishment until they have arrived at the maximum amount of cure.

We thank you very much for the interest you have shown in this matter and feel certain that when this is called to the attention of Secretary Baker he will have Circular Letter No. 345 revoked.

Cordially, yours,

———

Mr. KING subsequently said: Mr. President, the Senator from North Carolina [Mr. OVERMAN] this morning asked for the immediate consideration of a resolution the effect of which was to continue in the military hospitals certain patients, soldiers who have been injured in the war. I objected to the immediate consideration of the resolution and asked that it go to an appropriate committee. I felt that the importance of the measure demanded the consideration of the Committee on Military Affairs.

Another reason why I objected to the resolution was—and I desire the attention of the chairman of the Committee on Mili-

tary Affairs, the Senator from New York [Mr. WADSWORTH]—that we have already appropriated large amounts, aggregating several million dollars, and we are now asked to appropriate $85,000,000 more, for the acquisition of hospitals to be conducted under the Public Health Service of the Government to care for the particular cases that the Senator from North Carolina had in mind and those that were covered by the resolution which he offered. It seemed to me, if we passed the resolution submitted by the Senator from North Carolina, that there was going to be a conflict with the present policy and, perhaps, a conflict with the program which has been heretofore outlined.

My understanding is that at a certain stage these soldiers are transferred from the military hospitals to the Public Health hospitals and that ample provision has been made and will be made by Congress fully to care for all of the soldiers who need further medical and hospital attention. I merely want the RECORD to show that the basis of my opposition was as I have indicated.

Mr. OVERMAN. Mr. President, I think the Senator from Utah is right; the matter ought to be investigated; but the exception I make is in the case of tubercular patients. I call the attention of the chairman of the committee to the fact that the regulations require the discharge of soldier patients from the hospitals after a certain length of time. Many, if not most, of the patients in these hospitals fought in France, where they were gassed and as a consequence many of them are suffering from tuberculosis and confined to their beds. To discharge them from the Government hospitals where they are now being treated and where many of them are improving and send them to a hospital of the Public Health Service would be a great mistake. Under the law while in the Public Health Service they would get from the War Risk Bureau not exceeding, as I understand, $50 a month. Most of these men have families, and they tell me they can not support their families on the $50 allotted to them, even if they go to the Public Health Service hospitals. They would, therefore, be required to go to work in order to support their families. To compel them to work, in many instances, would mean death, whereas if they could remain at the hospitals where they are now for a few months longer they could probably be restored to their families and be in a condition to take care of them.

The resolution I have offered merely requires that they should only be discharged by the doctor in charge when he finds that they have improved beyond a certain point.

I think that the soldiers who are suffering from tuberculosis should be accorded the greatest possible consideration. The situation is a pitiable one. I have been to one of the hospitals and seen some of the soldier patients. Many of them are improving and, it is thought, can entirely recover; but the psychological effect of the order of the War Department has been fearful, and they are writing and telegraphing me appeals that they be allowed to remain in the hospitals just a few months longer, and asking that the decision be left to the doctor at the hospital to say whether or not they are to be discharged. They are willing to go at the proper time, but they do not wish to be discharged and sent to a Public Health Service hospital, leaving their families to starve, as will be the result, because they will not get enough from the War Risk Bureau to support their families.

I hope the chairman of the committee—and I am glad that we have a chairman who will look into this question thoroughly—will investigate the matter and make a report and ascertain if it is not wise to provide for a modification of the War Department circular which has been issued.

Mr. WADSWORTH. Mr. President, apropos the matter which the Senator from North Carolina [Mr. OVERMAN] and the Senator from Utah [Mr. KING] have just discussed, the inquiry which I have caused to be made at the office of the Surgeon General develops this state of facts, that Circular 345 sent out by the Chief of Staff requires that men who had been under treatment in hospitals for a certain length of time must be discharged. This was mandatory. Within the last 48 hours the Surgeon General has asked that the order be modified.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Does the Senator from North Carolina ask for the immediate consideration of the resolution?

Mr. OVERMAN. No, Mr. President.

Mr. WADSWORTH. Let me say, furthermore, that this notation has come to me just this moment over the telephone:

> Its modification has been approved by the Chief of Staff, and men will now be treated until the maximum improvement in their condition is attained.

Mr. OVERMAN. I am very glad to hear that statement of the Senator from New York. That was the purpose of my resolution; it was all that it required; that the maximum improvement should be reached, in the opinion of the physician, before discharge was ordered. I thank the Senator from New York, the able chairman of the Committee on Military Affairs. I will telegraph the patients in the hospitals who have been writing me, and I am sure the information I will be able to convey will have a wonderful effect upon those sick men.

CONDITION OF JEWS IN THE UKRAINE.

Mr. SPENCER. I offer a resolution and ask that it be referred to the Committee on Foreign Relations.

The resolution (S. Res. 259) was read and referred to the Committee on Foreign Relations, as follows:

> *Resolved*, That the attention of the Senate having been called to the awful massacre of members of the Jewish race in the Ukraine and to the existence and execution of pogroms, which indicate a determination to exterminate the Jews of Ukrainia, it is requested of the State Department that such information as may be available, not inconsistent with the public service, be transmitted to the Senate showing the actual conditions in the Ukraine, and indicating what steps, if any, that have been taken or are contemplated on the part of our Government in the matter.

Mr. SPENCER. Mr. President, there was a meeting of representative citizens in St. Louis held recently at which 10,000 persons were present in protest against the massacre of the Jews in the Ukraine and against the pogrom which seemed to be initiated and executed for the entire extermination of the Jews in Ukraine. I present a memorial adopted by that meeting in St. Louis and ask that it be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the memorial was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

> ST. LOUIS, MO., *December 9, 1919.*
>
> Hon. SELDEN P. SPENCER,
> *United States Senator, Washington, D. C.*
>
> DEAR SENATOR: At a mammoth mass meeting held in Coliseum in this city a resolution was unanimously passed by 10,000 citizens of city of St. Louis and electors of your State against the awful massacres against our race and creed for no other reason than religious scruples. Realizing your previous stand as a Christian and gentleman, believing in fairness and religious liberty for all people in all parts of the globe, and more so from the fact that in your own family you suffered a sad casualty in order that the world may be safe for democracy, I, as rabbi of the following congregations: Benai Abraham, 1240 Glasgow Avenue; Love of Freedom, Fourteenth and Carr Streets, composed of 10,000 members in this city, join with them in praying to God that these awful pogroms will cease, and that you will use every endeavor within your power to see that the poor unfortunate people of Ukrainia are given religious libertics and that no further massacres of these people will be held. Any action taken in the premises by you will be heartily appreciated by not only the citizens of the city of St. Louis but also the millions of unfortunate people who have lost their relatives in these awful massacres.
>
> Respectfully, yours,
>
> A. B. GOLDENSON,
> *Chief Rabbi.*

PAY OF EMPLOYEES.

H. J. Res. 260. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919, was read twice by its title and referred to the Committee on Appropriations.

Mr. WARREN. From the Committee on Appropriations I report back favorably, without amendment, the joint resolution (H. J. Res. 260) authorizing the payment of salaries of officers and employees of Congress for December, 1919, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read as follows:

> *Resolved, etc.*, That the Secretary of the Senate and the Clerk of the House of Representatives are authorized and instructed to pay the officers and employees of the Senate and House of Representatives, including the Capitol police, their respective salaries for the month of December, 1919, on the day of adjournment of the present session for the holiday recess.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SUGAR EQUALIZATION BOARD.

Mr. McNARY. I move that the Senate proceed to the consideration of Senate bill 3284.

The motion was agreed to, and the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes.

The VICE PRESIDENT. The bill is before the Senate, as in Committee of the Whole, and open to further amendment.

Mr. McKELLAR. I offer an amendment which I ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The SECRETARY. It is proposed to add, at the end of the bill, the following proviso:

Provided, That the zone system of sale and distribution of sugar heretofore established by the said United States Sugar Equalization Board shall be abolished and shall not be reestablished or maintained, and that said sugar shall be permitted to be sold and to circulate freely in every portion of the United States.

Mr. McKELLAR. I understand the Senator from Oregon accepts that amendment.

The VICE PRESIDENT. Senators can not fix up amendments in that way. The question is whether or not the Senate will accept it.

Mr. McNARY. I did not hear the Senator from Tennessee.

Mr. McKELLAR. Does the Senator from Oregon accept the amendment as part of his bill?

Mr. McNARY. Yes; it is perfectly satisfactory to me.

The VICE PRESIDENT. The Chair thinks that is a good way to legislate, but it is illegal. The question is on the amendment offered by the Senator from Tennessee.

Mr. GRONNA. Mr. President, I know that this bill is safe in the hands of the Senator from Oregon. I have not had an opportunity to give any consideration to this particular amendment. I understand it is agreeable to the Senators from Louisiana and those who are directly interested in this proposed legislation.

Mr. McNARY. Yes, sir.

Mr. GRONNA. Of course, I have no personal objection to it.

Mr. McNARY. It simply abolishes the unfortunate zone systems that were experimented with by the Sugar Equalization Board and gives a fair and normal distribution all over the United States. It is satisfactory, I think, to all the friends of the sugar bill.

Mr. GRONNA. May I ask the Senator from Oregon if he knows whether or not it is satisfactory to the Sugar Equalization Board?

Mr. McNARY. I do not know as to that. We are legislating to help the people rather than any particular board.

Mr. GRONNA. Yes; I understand that.

Mr. McNARY. I am sure it will be satisfactory to the great American people. If it is not satisfactory to the board, they will have to accept it as it is.

Mr. SMOOT. I will say to the Senator from North Dakota that I am quite sure the Sugar Equalization Board will be very glad to get rid of that responsibility, and I think the amendment ought to be agreed to.

Mr. GRONNA. I asked the question of the Senator from Oregon for the reason that I know his subcommitte held extended hearings and invited the Sugar Equalization Board to appear, and that in framing this legislation, of course, the advice of the board was considered valuable. I shall not object to the amendment, but while I am on my feet I want to ask the Senator if any further changes have been made in the bill as it was reported from the committee?

Mr. McNARY. I am very happy to say to the Senator from North Dakota that there have been no changes in the bill save this proposed amendment; and whether or not it is satisfactory to the board I can not say, because this question was not considered at the hearings. It is an order that has been promulgated by them subsequently to the hearings before the Senate subcommittee.

Mr. POMERENE. Mr. President, will the Senator from Oregon yield for a question? I was not able to hear all of the argument made by the Senator from Oregon the other day, and I wanted to ask him specifically with regard to one or two matters. As I understood him, the United States Sugar Equalization Board felt that the Cuban crop should have been bought some time in September?

Mr. McNARY. Some time in August.

Mr. POMERENE. And that Prof. Taussig advised against it?

Mr. McNARY. That is true.

Mr. POMERENE. I want to ask another question. Of course, I understand that the Senator can not give exactly definite information as to the price at which we can now purchase the remainder of the Cuban sugar crop; but can the Senator give us, in his judgment, the price at which this crop could have been bought in August or September and the price at which it probably can be bought now?

Mr. McNARY. I will say to the Senator that that requires, perhaps, the exercise of prophecy. However, last year the raw sugar crop was bought in Cuba at 5½ cents in the northern ports and 5.4 cents at the southern ports of Cuba. In August and September of the present year it was thought that 1 cent per pound had been added, and that it could have been bought at 6½ cents. It was thought by the Sugar Equalization Board about five weeks ago that the sugar could be had around 10½ cents.

Mr. POMERENE. That would make an advance of about 4 cents a pound?

Mr. McNARY. About 4 cents; but I will say to the Senator from Ohio that I have been informed, although I can not state the degree of accuracy with which the statement was made, that sugar bought by speculators has brought as high as 13½ cents in Cuba.

Mr. POMERENE. I simply wanted to observe to the Senate that this is an evidence again of the fact that adherence to the advice of a professional economist is going to cost the people of the United States an advance of 4 cents a pound for every pound of sugar that will be consumed during the ensuing year; and as the per capita consumption is about 92 pounds, and the population of this country now is about 110,000,000, we can estimate how valuable this advice has been. It amounts to about $404,800,000.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. POMERENE. I yield; yes.

Mr. KELLOGG. I understand that Mr. Hoover and the board informed the President in July or August that the sugar crop of Cuba could be bought for one-half cent a pound above the price of last year, and recommended it strongly on the ground that there was a world shortage of sugar; that as a matter of fact it can not be bought for 10 cents to-day, and that it is selling on a basis of cost that will cost the American people about 22 cents a pound retail. I do not wish to intimate by that that I shall not vote for this bill; but, as a matter of fact, they could have gotten the sugar crop for about one-half cent a pound above last year, and it was turned down, and now, of course, it is too late to get it.

Mr. OVERMAN. Mr. President——

Mr. POMERENE. Well, the facts indicate that if some of these professional economists would take a short course of study in the primary school of common, practical business sense they would not make so many mistakes.

Mr. CAPPER obtained the floor.

Mr. WALSH of Montana. Mr. President, will the Senator yield? I desire to interrogate the Senator from Ohio.

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Montana?

Mr. CAPPER. I yield.

Mr. WALSH of Montana. Mr. President, I have followed this discussion with some interest and quite carefully, but I am a little astonished at the statement just made by the Senator from Ohio that as a result of following the advice, I assume, of Mr. Taussig, of the Tariff Board, the price of sugar to the consumer has been increased 4 cents a pound, the aggregate obviously being something enormous. I should really like to hear, if the Senator from Kansas, who has the floor, will permit it, a statement from the Senator from Ohio as to how he reaches that conclusion.

Mr. POMERENE. Mr. President, it is an easy enough matter to arrive at that conclusion. I asked the Senator from Oregon one or two questions, and the answer to the questions was, in brief, that the sugar probably could have been bought at 6½ cents last August, and that it would now probably cost us, if we were to buy the sugar crop in Cuba, 10½ cents. The difference is 4 cents a pound. I assume that that is going to affect the price in the United States somewhat. The crop in Cuba is about 4,500,000 tons this year. The total beet-sugar production in this country for 1918 was 762,306 tons. It is estimated that it will be something over that amount this year. Our consumption is about 4,000,000 tons annually; that is to say, that is what it was last year. The average consumption last year was about 84 pounds per capita. The consumption this year, it is said, will be about 92 pounds per capita, so that there will be an increased consumption of 8 pounds per capita. During the war we bought sugar at 10½ cents or thereabouts. Senators who have just spoken this morning have indicated that the price at which some of the Cuban sugar has been bought is perhaps 13 cents a pound. We know, as a matter of fact, that many of our consumers are buying sugar at 18, 19, and 20 cents a pound—that is, when they can buy it at all. It is necessary that we secure in the neighborhood of 3,000,000 tons. Now, I take it as a practical business proposition that the price at which we buy this surplus down there of probably 3,000,000 tons is going very largely to fix the price for the rest of the sugar which we buy. Of course, we have a part of the Hawaiian sugar and the Porto Rican crop. I have not figured this out down to the penny, but I think I can give a little information which bears interestingly on the subject.

Figuring the consumption at 92 pounds per capita, the 110,000,000 people of the United States will consume 10,120,000,000 pounds. At 1 cent a pound this 10,120,000,000 pounds will amount to $101,200,000. So that every advance of 1 cent a pound means to the consumers per year $101,200,000.

At 5 cents it would amount to $506,000,000. At 10½ cents a pound, the price which was fixed for beet sugar, it would amount to $1,062,600,000. At 18 cents, if that price were to prevail, the total cost to the consumers would amount to $1,821,600,000.

In the State of Ohio we have 5,000,000 people, in round numbers. If their consumption is 92 pounds per capita, the total required for the State would be 460,000,000 pounds. At 1 cent a pound that would mean $4,600,000. At 10½ cents a pound it would amount to $48,300,000. That is what it would cost Ohioans. The 4-cent per pound increase, representing the difference between the price at which the Cuban sugar could probably have been bought in August or September, and the price at which it can probably be bought now, will add to the cost of sugar for the Ohio consumers $18,400,000.

It is very easy to take these figures and come to a reasonably accurate statement as to the probable cost of sugar to the country. That is why I have made these observations. I recognize the fact that even in this day and generation when any question of price fixing comes up we are referred to that famous rule that the law of supply and demand controls prices. The economists all say that is so, but the economists do not add to that the corollary which they ought to add to it, namely, that it only controls prices when it is permitted to function.

I think a primary student understands that if a supply is locked up in a warehouse somewhere, and the people can not get it, the supply is not going to affect the price; and if the people of the United States are hungry for sugar, starving for sugar, and they can not get any sugar because it is locked up, then the demand is not going to affect the price very much. That is the practical way of looking at this subject, it seems me, and I am quite willing when it comes to legislation of this kind to take counsel of facts and not of theories. It is because of my belief in these principles, which I have tried to enunciate in a very few words, that I have come to the conclusion that we have paid a high price for the advice which has been given to the country.

Mr. CAPPER. Mr. President, I want to indorse in the most emphatic manner possible the remarkably clear and forceful statement made in the Senate Wednesday by the Senator from Oregon [Mr. MCNARY] in support of his bill for a continuation of the Sugar Equalization Board to take control of the available sugar supply and thereby protect the consumers from hoarding, speculation, and profiteering in the future. I think, as he suggested, that this whole subject would have been definitely disposed of by this time but for the delay of the President in executing the recommendation of the Sugar Equalization Board a few months ago.

As a member of the Senate Agricultural Committee I listened to the greater part of the testimony in the sugar hearings, and I think if Senators here had heard that testimony the bill would have been passed some time ago. It convinced me that unless the Government takes charge of the sugar business we will shortly see sugar advance to prices that are practically prohibitive. I was particularly impressed by the testimony of a Washington wholesale dealer, who informed us that he had been offered 22 cents a pound for all the sugar he held and all he could obtain. This dealer and others expressed the opinion that in a short time prices would be practically prohibitive if the Government does not take prompt action.

Mr. President, I represent a State that produces about 50,000 tons of beet sugar annually, and I am as much interested as any other man on this floor in the encouragement of the sugar industry, but in an emergency like this the welfare of 110,000,000 people comes before the interests of any locality or any State.

The burden of my mail in the last month or so has been filled with complaints as to the outrageous price dealers are exacting from the consumers of the country for sugar and for other necessaries of life. Profiteering is rampant throughout the country. I wish to read a telegram recently received by me from L. H. Chapman, one of the city commissioners of Kansas City, Kans., and I might add that substantially the same telegram came to me a few days ago from W. S. McLucas, president of the Chamber of Commerce of Kansas City, Mo. Mr. Chapman's telegram says:

Oklahoma and Kansas fuel oil sold f. o. b. refinery August and September this year 60 to 80 cents per barrel, October 8 to $1, November 1 to November 10 $1 to $1.10, November 10 to November 20 $1.10 to $1.50. Since November 20 price has increased from 25 to 50 cents daily, and present week prices have been from $3 to $4.50 per barrel f. o. b. refinery. Contracts were offered in August and September for one year for from 90 cents to $1.25 per barrel. In fact, it was generally understood that fuel oil stored for sale in the winter was for an expected price of $1.25 maximum. Utilities and necessary industries have been operating on the basis of steam coal costs of $3.50 to $4 per ton f. o. b. Kansas City. Three barrels of oil equal 1 ton of coal and prior to coal strike oil sold f. o. b. Kansas City $1.20 to $1.35, representing a comparative cost on basis of equal heat value. A 53-cent freight rate on oil would make the required price at that time of from 70 to 80 cents per barrel. With the present selling price of fuel oil if the public utilities operated, the total daily receipts would only cover costs of fuel and less than 50 per cent of the daily wages of employees. If oil can be furnished at reasonable price water, light, and transportation companies can continue to operate and at the same time can furnish power to the essential industries for part running time, which will prevent turning thousands of men out of employment in Kansas City, Kans. Situation is most serious.

L. H. CHAPMAN.

KANSAS CITY, KANS.

Mr. RANSDELL. Mr. President, will the Senator yield for a question?

Mr. CAPPER. Certainly.

Mr. RANSDELL. I merely wish to ask the Senator if, in his opinion, sugar is the only thing, in view of the statement he has just made, that requires congressional legislation in order to prevent profiteering?

Mr. CAPPER. No, sir; but there is a peculiar situation as to sugar. There is a shortage of sugar probably as in no other commodity now being used by the public.

Mr. RANSDELL. There is a great deal of profiteering, though, in many other commodities besides sugar.

Mr. CAPPER. Undoubtedly; and I think it is getting worse instead of better.

Mr. RANSDELL. And that applies to food products as well as to fuel oil.

Mr. CAPPER. There is no doubt of it.

Mr. President, the profiteers of big business—and this includes a lot of coal operators—are as great or a greater menace to us and our institutions than the Bolsheviks, the I. W. W.'s, and the radicals, who are preaching the overthrow of government, and, let me say, I will go the limit in supporting every measure which will stamp out Bolshevism and anarchy.

Because, among other things, the operators wished to pocket their war profits while paying the miners wages lower in buying power than they were receiving in 1913, the people to keep warm had to resort to fuel oil, another natural resource provided by the Almighty. And what happened? Why, the usual thing. The price of fuel oil has been advanced 300 per cent in less than 30 days by a bunch of oil profiteers, not because of the increased cost of production, that already has been well taken care of, but simply because the men in control of this product could get the money by exploiting the people's need. Unlike bandit Carlisle, they are willing to take it from old men and women and from soldiers and sailors, as well as from schools, heating plants, and hospitals.

I have filed charges direct with the Attorney General against the oil profiteers in Kansas City and in Kansas who have taken advantage of the fuel shortage period to line their pockets, and have demanded immediate investigation, prosecution, and imprisonment of those found guilty. I am glad to say to the credit of the Attorney General that he began his investigation the day following, and undoubtedly will get results, as this is profiteering of the rankest kind.

Mr. President, unless we speedily check price gouging the high cost of profits is soon to be translated into the excessive cost of existence, and an unbearable and still more difficult situation will arise. We are beginning to hear about $18 shoes, $80 hand-me-downs, and $15 hats for next spring, notwithstanding the people have bought and paid for all the cotton and woolen mills in a single year, as during the war they bought and paid for all the shoe factories, all the big flour mills, all the steel mills, the sawmills, the packing houses, the tanneries, the coal mines, and who knows what else, and yet do not own them and are at the mercy of excessively priced products. I do not concede that as yet labor troubles and slack production are responsible, except in part, for the more and more excessive toll exacted of the consumer.

While the people made sacrifices and fought during the war, and are still fighting and sacrificing, these industries have paid no part in the cost of the national defense, nor have they contributed anything to help the country except at war prices and for tremendous profits. And now they are collecting their war taxes from the people and exacting excessive toll besides by "soaking" them for all they can get for their products.

The war is over, but speculation, spoliation, and plunder are as rampant as ever and more daring. Train robbery or burglary is a poor trade by comparison.

According to the papers to-day Bradstreet's report shows that the cost of things to eat has increased another 1½ per cent in the last 30 days, notwithstanding the millions lost in falling markets by middle western producers, and stands at the highest level ever known.

When sugar is released from Federal control December 31, we may certainly expect to see that necessity soar.

Nine months ago a dollar would buy 5 pounds of coffee. To-day it will buy only 2 pounds.

A nickel sack of tobacco now costs 10 cents. In it the smoker finds a little card which reads: "Special notice: This package

should be sold for 5 cents. Your dealer makes a fair margin of profit at this price."

Lumber sells at from $68 to $102 per thousand feet. I have it from a lumberman who has spent his life in the business that this is at least 30 per cent beyond all reasonable profit.

And so it goes, and will continue to go, Mr. President, until we beggar the people, lower consumption, and kill demand, unless we find and apply the means to check the game of grab which is at the bottom of most of our present troubles. Men working for wages may be expected to keep asking for more. They must if a family of five is to be shod with $18 shoes all around and supplied with other wearables and with eatables at constantly increasing prices.

Profiteering is now a prison offense, and I hope to see State governments actively assist the Federal Department of Justice in bringing all such offenders to book. Let the powers of Government be summoned into action for the protection of the people, as is now being done so admirably by the State of Kansas in the Kansas coal fields, keeping in mind every hour of the day and every day of the week that the interests of the public are above and beyond those of any organization or association, whether of capital or of individuals.

I am inclined to think that as an emergency measure it might be well to give the Federal Government power to limit gross profits, as Canada has been doing so successfully, requiring every dealer or manufacturer from the time the raw material leaves the hands of the producer until the product reaches the consumer to mark the cost price to him on all his goods, also his own selling price, and be prepared to show invoices. This will make it possible quickly to spot the man who is doing the profiteering.

I advance these suggestions not as emergency measures alone but to curb a widespread evil and abuse which has long been growing until it has become the bane of legitimate business, a serious handicap to honest merchandising, an incubus to national prosperity, and a grievous burden to the American people now saddled with a huge war debt and supporting a $5,000,000,000 a year Government.

What deep suffering shall we have to go through before every American can see clearly that, with a world slowly and desperately beating back to normal condition, we must ourselves pull together and stand together for the common good to achieve our own personal good. We shall none of us better our condition by stepping on the other fellow's neck to gain greater profits or to win a brief increase of wage, and least of all advance our fortunes by traveling Russia's red road to ruin. But I want especially to-day to emphasize that the business man, or any other man, who now seeks personal advantage at the expense of the common good is in the same class as the red-flag demagogue, the black-flag profiteer, and the war-profit patriot.

If we, a peaceful Nation, can send 4,000,000 of the best soldiers the world has ever seen to Europe in one year and raise $25,000,000,000 in half as many months to carry on a war, we can solve these postwar problems. We can settle the profiteering evil. If we do not protect from these profiteering wolves the 100,000,000 men and women who feed and clothe and supply this country's needs, we can certainly rest assured that the blame for this failure of duty will be placed where it belongs—at the seat of government.

Mr. OVERMAN. Mr. President, I shall support the amendment. I see no occasion for the zones. I should like to know from the Senator in charge of the bill whether the board ever had any authority under the law to establish a zone system? Is any such authority given the board?

Mr. McNARY. Of course, the Sugar Equalization Board was created and now functions under the provisions of the food-control act known as the Lever Act. I do not know of any express authority which permitted the equalization board to prescribe these unfortunate and uneconomic zones, but it has been done, and the amendment which has been offered by the Senator from Tennessee [Mr. McKELLAR] will remove and correct that situation.

Mr. OVERMAN. I shall support the amendment, for they had no authority to establish the zones. I believe the trouble is with the board. I sent them a letter which I received from a constituent of mine asking why he could not buy sugar where he had been buying it for 50 years, when he could buy it there more cheaply, and why he should be required to buy it in New Orleans. I wrote the equalization board asking what the trouble was and if they could answer the man's question. They wrote back a very curt letter, saying that the man ought to be able to buy sugar not where he could buy more cheaply but where he could buy sugar. It was a very curt letter.

I think we have a very incompetent board and that the trouble comes from the board more than anything else. I shall support the amendment, though I think they have no authority and never did have authority to establish a zone system. They have taxed the people in my district millions of dollars. We could have bought sugar in another zone, but they would not allow the producers in that zone to sell us any sugar. Without any authority, they have gone ahead and fixed the zone system. I think the board ought to be turned off and some new men of common sense employed.

Mr. GAY. Mr. President, the bill under discussion seeks to perpetuate one of the great Government boards organized for war-time emergency. It seeks to single out one great American industry to place restrictions on it and to give power to a corporation which, for more than a year, has had full control of the sugar industry of the United States.

The United States Sugar Equalization Board (Inc.) was organized under the laws of the State of Delaware in July, 1918, with a capital of $5,000,000; it was given broad power; it could purchase or otherwise acquire, manufacture, sell, or otherwise dispose of, store, handle, and otherwise deal in and with raw and refined beet and cane sugar, sirup, molasses, and other commodities, and to do all acts and things necessary, expedient, or incidental to the conduct of the said business, and to exercise all power which may be delegated to it by the President of the United States. The question arises whether the Sugar Equalization Board should be continued in its present capacity. If this question should be answered in the affirmative—that is, that it would be to the best interest of the Nation to continue the equalization board—then the question necessarily arises, Why?

When the Great War was entered into by the United States the food-control act was passed. It was brought to bear and operate directly upon the sugar industry of the United States. There was an acute shortage of sugar in the United States at that time—fall of 1917—and if the law of supply and demand had been permitted to operate refined sugar would likely have sold for 25 or 30 cents per pound, but the power of the Government deprived the beet and Louisiana producer of a very large profit in 1917, but they patriotically accepted it without protest.

Then the question arose, How would it be possible to increase the production of sugar in the United States and at the same time hold down the price? Various schemes were suggested by the Food Administration and persons representing the sugar industry, and at last the idea creating the equalization board was adopted. This board was incorporated, and its entire capital stock of $5,000,000 was subscribed by the President of the United States for the Government. It became an arm of the Food Administration for the purpose of administering its affairs relative to sugar. With the power vested in the Food Administration, through the President, it could control absolutely the disposition and price of sugar in the United States. It could buy the Cuban crop, and we dare say could buy it at almost any price named for the reason that the Cuban Government, without ships, was powerless to transport its sugar except by the aid of the Allies. Therefore, when the Royal Commission, representing England, France, and Italy, and the equalization board, representing the United States, decided to buy the Cuban crop, the Cubans had no alternative except to sell—not that they would have objected, to the contrary we believe the sons of that little isle were as patriotic as any who entered the list against the Hun.

So the equalization board, through the Shipping Board and the Food Administration, having the power to embargo exports and imports, could, without difficulty, control the price of sugar by fixing the price on Cuban sugar.

Mr. President, we contend that the present sugar shortage is only temporary.

As stated in the report of the minority members of the Agricultural Committee, we are of the opinion that even without the purchase of the Cuban crop there would not be such a scarcity of sugar in this country, as is anticipated by the majority members of the Committee on Agriculture. Even now, with this temporary shortage, refined sugar on the eastern seaboard is selling at 9 cents and beet sugar in the West is selling from 10 to 11 cents, and Louisiana sugar in the South is selling at 17 cents.

The power given the equalization board was justified by the war. Is its continuance justified, as peace is practically here and formal declaration evidencing a state of peace will necessarily be issued before a great while? Our answer is, No. We believe that the Nation should resume its normal peace basis. We believe the law of supply and demand should now be permitted to operate. We believe that it is the fundamental

principle of free government that the nation which is least governed is best governed, and that it is no part of governmental function to engage in private enterprise or unjustly interfere with the private business of its citizens. But, say those who look at the situation from purely a material standpoint and not involving any fundamental principles of free government, that by buying the Cuban crop the American people can secure sugar much cheaper than to permit it to be purchased by various sugar refiners, dealers, or brokers. In this day of high cost of living this is a very appealing argument, and as the food-control act authorizes voluntary contracts and continuation of same until their termination, even though peace has been declared, and thereby the food-control act ceases to exist, they see no reason why the equalization board, acting for the Food Administration, should not proceed at once to purchase the Cuban crop, and numerous ideas of this character have been suggested from almost every quarter; but the equalization board, standing as it does as the representative of the Food Administration and of the American people, answer that they fear to undertake the purchase unless there is legislation, and the president of the board has stated that he considers it too late.

They are thoroughly familiar with the situation, and their judgment in the matter we shall not attempt to show is incorrect; to the contrary, we are rather inclined to agree with them, especially since a considerable proportion of the Cuban crop has already been purchased and is in other hands. The equalization board would necessarily feel that their purchase of the Cuban crop might not be able to control the price. Of course, if they had sufficient quantity of Cuban sugar to promptly meet the demand at any point in the United States at the price named, and that price was a lower price than could be met by outside interests, then necessarily it would control the price, but in sizing up the situation at this time, with a portion of the Cuban crop already sold and the uncertainty that the entire crop can be purchased by them and at what price, they necessarily feel that they might not be able to accomplish the purpose desired.

So the whole question in the final analysis is answered by whether or not we are in favor of this proposed bill. We are not in favor of this bill for the reason already stated; we are opposed to further regulations for the singling out of one industry to impose restriction. Then, can the equalization board continue its operations in 1920 without such legislation? They say no. Is the legislation so important as to sacrifice the principles upon which this free Government is builded and continue these regulations in time of peace?

The situation that confronts the Louisiana sugar producer is a very difficult one. His crop goes on the market during the months of November and December, just as the Cuban 1918–19 crop is being finally disposed of, which crop was purchased by the equalization board, and we understand there is now on hand a part of last year's crop yet undistributed and that several factories are operating on the new crop. This is nothing like the amount sufficient to supply the needs of the people of the United States, and therefore is not sufficient to control the price. It goes without saying that the beet-sugar people of the West could not sell their beet sugar as they are now doing at 10 to 11 cents if the consumer obtain cane granulated from the East at 9 cents, nor would the people of the South pay a higher price for Louisiana sugar if they can secure cane sugar from the East at 9 cents.

This is brought about by the law of supply and demand. The demand is here but there is not sufficient 9-cent sugar to fill the demand. The demand being acute, a higher price is offered in order to secure the sugar. Then the question arises, Shall the Louisiana sugar producer of the South and the beet-sugar producer of the West accept the higher price or shall he be called upon through patriotism or otherwise to continue the 9-cent price? We answer that nothing of this kind should be expected of him. He is an American citizen; he produces a necessary commodity; one that is used on every table in the United States. His product was considered the most essential of all food products in supplying our Army and equipping them for heroic service upon the battle fields of France and Flanders.

Therefore, is there any reason why sugar should be singled out either by law or in the public mind and required to make a sacrifice when no other agricultural product is thus treated? This would be true if everything consumed on the sugar plantation, everything that goes into the making of the sugar crop, was raised by the sugar producer, but such is not the fact. A large proportion of other agricultural products goes into the cane production. In other words, most of the great bulk of the gross receipts from the sugar crop is distributed to almost every variety of producer. For instance, this year in Louisiana the country will be bare of feed for their teams by the 1st of February. This corn and provender must be bought from the corn raisers of the West.

Some years prior to the war 8 to 10 pounds of sugar would purchase a bushel of corn. At the 9-cent price it takes from 18 to 24 pounds of sugar to buy a bushel of corn. Peas, sown for fertilizer, prior to the war were worth $1.50 a bushel. From 25 to 30 pounds of sugar would buy a bushel of peas. Last year we paid from $5 to $7 per bushel for such peas, and therefore it would take, at the 9-cent price—the price at which we sold our sugar last season—from 60 to 80 pounds of sugar to buy a bushel of peas. Sugar even at 17 or 18 cents is not on a prewar parity with other commodities. This is true with reference to fertilizer, machinery, tools, implements, mules and other animals, labor, and, in fact, everything that goes into the making of the sugar crop. Our sugar is consumed by the producers and vendors of these articles that are bought and used by the sugar planter, and it is hardly fair to say that the corn producer of the West is entitled to double the amount of sugar for a bushel of corn now that he received prior to the war, or the farmer of North and South Carolina and other sections of the South is entitled to from 60 to 80 pounds of sugar for a bushel of peas, when prior to the war the exchange could be made for 25 or 30 pounds of sugar.

So if there is a farmer in the United States who is entitled to the just return for his product raised, there is no reason why the sugar producer should be excluded. It is fair that he should receive the market price for his product. He is confronted with disaster unless he gets a much higher price than that received last year. He entered into a voluntary contract with the Food Administration last year by which he agreed that Mr. Hoover, United States Food Administrator, should be authorized to name the price at which his sugar should be sold, and that he would conform thereto. Mr. Hoover appointed a committee who painstakingly and carefully went into the question and decided that a price of $7.28 for raw sugar and $8.82 net for refined sugar would be the price at which he would be permitted to sell his upper and lower grades, with corresponding differentials for intermediate grades. He patriotically conformed to this agreement. His 1918 sugar has long since been disposed of, and now the 1919 crop is on the market. The new beet crop is coming on and there is a remnant of the 1918–19 Cuban crop still on hand. We understand that the distribution of this remnant of the Cuban crop, however, is to be confined to the eastern seaboard, and that the distribution will continue at the 9-cent price. We understand that the beet producers are called upon to supply the West, and it is agreed that the fair price for beet sugar, considering the average crop that has been produced and the price at which the beets have been purchased from the farmers, would be 10 cents per pound, since which time the beet people have complained of the sugar output per ton and have been permitted to sell at 12 cents and even higher. Whereas if the Louisiana producer, with his less than one-half crop, should agree to sell his product at either of the prices, a great many of them would go into the bankrupt court.

The difference between the beet producer of the West and the cane producer of the South is, we understand, that most of the beets are produced by farmers who have little or no interest in the factory and that the contract of purchase is made and based upon a flat price; that is, the manufacturer pays $10 per ton for beets, whereas the Louisiana manufacturer buys his cane upon a sliding scale. The contract price usually is the market value of 100 pounds of sugar for a ton of cane. The value of this sugar is determined by the market value, and even if the Louisiana producer had a full crop and felt inclined to meet the price established in other sections of the United States for sugar he would be doing an injustice to the cane raiser and would be answerable to him both morally and legally for the value of that cane, based upon the market value of the sugar and not upon the low price at which he had agreed to sell it. This year, however, when it has cost more to cultivate an acre of cane than last year, and where the yield is less than 50 per cent of last year—and even last year in a number of instances the planter showed no profit—it is perfectly apparent that unless he gets a price something like double what he got last year that his crop this year will prove a great disaster financially.

I ask permission to insert at this point the views of the minority of the Committee on Agriculture and Forestry, and also a statement from the committee of Louisiana sugar producers who appeared before that committee.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

	Tons.
The Cuban crop for 1920 is estimated at	4,500,000
The local consumption in Cuba amounts to	150,000
Thus leaving for export	4,350,000
Mr. Zabriskie, the president of the United States Sugar Equalization Board, stated before our committee that about one-fourth of this crop had been sold partly to European countries and in part to American refiners; deducting this one-fourth, or	1,087,500
We have in Cuba, still remaining for export	3,262,500

The Government estimates of the domestic sugar crop of the United States and its possessions are as follows:

	Short tons.
Beet crop, United States	953,000
Louisiana cane crop	138,000
Hawaiian cane crop	600,000
Porto Rican cane crop	300,000
Total	1,991,000

SUGAR SHORTAGE.

	Tons.
Reduced to long tons this domestic crop would be	1,777,700
Adding Cuban crop, now available for purchase and export	3,262,500
Leaves a total for distribution in this country of	5,040,200
(To this may be added such portion of the Cuban crop as has already been purchased by refiners in this country, and also such portion of the Philippine crop as may be brought to this country.)	
The estimated consumption of sugar in this country for the current year amounts to about	4,260,000
Thus leaving a surplus of	780,200

In support of this view I beg to annex herewith the memorandum submitted by Dr. Taussig to the President on August 14, 1919, in which he dissented from the views of a majority of the United States Sugar Equalization Board.

MEMORANDUM.

"I regret not to be able to reach the same conclusion as the other members of the Sugar Equalization Board. I believe that no negotiation should be entered in with the Cuban producers and that the regulation and restriction of sugar prices should cease with the close of the present arrangement, December 31.

"It is true that the evidence now available points to a shortage of sugar in 1920 and to a possibility of prices in that year as high as those of 1919, or even higher. But no certain conclusions can be reached about the future. Prices of sugar will be affected not only by the incoming supplies, but by the general political and monetary conditions of the whole world. The general level of prices in the United States and in other countries may be lower than it is now. Consumption may be reduced by changes in general business conditions or by restrictive measures in importing countries. The present recommendation of the board is that the United States (through the board) should repeat a huge commercial venture, in the hope of protecting consumers and of incurring no loss, but with the clear possibility of having to assume a loss. The operation would involve a guaranty by the Government of extremely high profits to the Cuban sugar planters, and also a virtual guarantee of similar profits to our beet-sugar producers, as well as to the planters of Louisiana, Hawaii, and Porto Rico. It would necessarily lead to contracts with the sugar refiners which would guarantee good profits to them also. No doubt, in the absence of Government regulation, all these producers might make profits higher still; but prediction as to the outcome one way or the other can not be made with any confidence. Business of this kind may be undertaken by the Government under stress of war, but should cease now that we are at peace.

"Moreover, the regulation of the price of sugar can not, in my judgment, stand alone. The whole relation of Government to industry in time of peace is involved. If the price of sugar is to be specifically controlled, so should that of bread, of meat, of clothing. In the main, we must look for a remedy to the natural development of production and to the return of the entire world to normal financial and economical conditions."

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STATEMENT FROM COMMITTEE OF LOUISIANA SUGAR PRODUCERS.

During the war the Food Administration has prevailed upon all sugar producers supplying the American market to base their price upon cost of production plus a fair profit.

Each time that the delegates of Louisiana sugar industry have appeared before the Food Commission or the Equilization Board they have been confronted with the statement that the public demands justified no greater price for sugar than was represented by the cost of production plus the fair profit mentioned.

One year ago, in line with this ruling of the Food Commission, we, representing the sugar producers of the State of Louisiana, appeared before the Food Commission and presented tabulated cost sheets. Working from these cost sheets, the Food Commission settled upon a price of $8.82 delivered New Orleans per hundred pounds as the price of plantation granulated sugars. After the harvest season, which was a most trying one on account of excessive and almost continuous rain, the said price was proven by the balance sheets of many sugar producers in Louisiana to have been entirely inadequate. Nevertheless, the price was set and the majority of Louisiana sugar producers thereunder made a meager profit and many registered a considerable loss.

We are now asked the question, "What is a fair price for Louisiana to receive this year for its sugar and what our cost sheets would indicate?" We can answer this question in what we believe will be a perfectly satisfactory manner to your committee and in just a few words.

The Government authorities have repeatedly and continually made the statement that the Lousiana sugar crop of this year is less than 50 per cent of a normal crop; that is to say, less than 50 per cent of last year's crop. During the course of the year all costs entering into the production of sugar in Louisiana have increased. This being interpreted means that by comparison with last year, when we made a meager profit or loss, we have expended on an acre of sugar land much more than last year, and from the Government reports, with which we entirely agree, we will harvest from the said acre less than half of last year's tonnage. Therefore, the natural conclusion is that a fair price for this year's Louisiana crop would be a price far in excess of the present fixed price.

We only desire, however, such a price as will avoid disaster and one that will encourage the cane producers to continue in the business and not further curtail their output. The Louisiana sugar producer does not desire to be placed in the position of being misunderstood by the sugar consumer in the marketing of this crop. The chairman of the equalization board, Mr. Zabriskie, on page 67 of the hearings before the subcommittee, of which Senator McNARY is chairman, has made the following statements in answer to questions of Congressman MARTIN:

"Mr. MARTIN. In testifying before the Senate committee that investigated sugar Mr. Hoover made this statement in reference to contracts: 'Supposing that we had made no agreement with him—that is, the producer—during this shortage, he would probably have sold his sugar at 25 or 30 cents a pound.' Do you agree with that statement?"

"Mr. ZABRISKIE. I think it would bring 25 or 30 cents a pound.

"Mr. MARTIN. Then by virtue of that contract the consumers saved that amount and the producers lost that amount?

"Mr. ZABRISKIE. Yes, sir.

"Mr. GLASGOW. The producers lost what they might have made.

"Mr. MARTIN. As a matter of fact, you had no trouble entering into the contracts with the producers?

"Mr. ZABRISKIE. They are all voluntary and they all lived up to their agreements.

"Mr. MARTIN. Now, you said something about the Louisiana crop. Do you know how short that crop will be this year?

"Mr. ZABRISKIE. Well, our advice would indicate that they would not have more than half of what they raised a year ago.

"Mr. MARTIN. As a matter of fact, there are a great many factories there that will not turn a wheel.

"Mr. ZABRISKIE. Probably.

"Mr. MARTIN. Many will have to use this year's crop for the planting of next year's crop?

"Mr. ZABRISKIE. Yes.

"Mr. MARTIN. That being the case, even if they got 15 cents a pound, many of them will lose money?

"Mr. ZABRISKIE. I think they would, Congressman.

"Mr. MARTIN. It is a question how much they will lose. Is this short crop due to causes beyond their control, or is there any way for them to make a better crop?

"Mr. ZABRISKIE. Why, I think they exerted every effort to make a big crop.

"Mr. MARTIN. And it is due to shortage of labor and bad weather?

"Mr. ZABRISKIE. That is what our reports are.

"Mr. MARTIN. And upon a very material increase, also, in all the articles that go into the production of sugar.

"Mr. ZABRISKIE. Yes; that is true.

"Mr. MARTIN. Over last year?

"Mr. ZABRISKIE. Yes."

This statement will unquestionably prevent the Louisiana sugar producer from being classed as a profiteer, and we believe no higher authority will be needed to safeguard us from being put in the class of profiteers, as Mr. Zabriskie has so correctly expressed the situation that prevails in Louisiana this year. Nevertheless, we realize fully that the average purchaser of sugar may not be thoroughly acquainted with these facts, and when such consumer is confronted with the situation of a sugar market in New York, say, 9 cents, and a Chicago sugar market of 10 or 10½ cents, and a Louisiana sugar market of a very much higher price, he will be prone to believe that he is being unfairly dealt with by the sugar producer of Louisiana.

The sugar producers of Louisiana have throughout the period of the war complied with every ruling of the food commission and have, for patriotic reasons, like other sugar producers, sacrificed profit for the good of the Nation and have accepted a price which has netted them, we believe, for the two past seasons less than the average of a 10-year period—and this, too, at a time when they might have sold sugar at a price which would have made the industry secure for many decades against a period of lean years.

Now that the war is over we are unalterably opposed to a continuation of the control of prices and the licensing system, and we believe that the untrammeled operation of the law of supply and demand should no longer be interfered with. Louisiana refuses to be put in the attitude of assuming the responsibility for either the scarcity or the high price of sugar for the approaching year, but we can not agree that the price of sugar be placed at such a figure as will mean ruin and disaster to the sugar producers of our State.

In a spirit of fairness and with the view of so adjusting prices and the marketing of the Louisiana crop we have met and conferred with members of the Sugar Equalization Board, who freely admit that the Louisiana producers must sell their product at a very much increased price over last year in order to avert disaster, but take the position that without additional legislation they do not see their way clear to purchase the Cuban crop. This is a matter of which the Equalization Board is perhaps the best judge. We do not oppose the purchasing of the Cuban crop, but as the Sugar Equalization Board insist that they must have the additional power of license both for the domestic refiners and producers, we do not believe that the necessity of such purchase will justify the enactment of a law continuing for another year the power of licensing and price fixing.

(Signed) R. E. MILLING.
E. F. DICKINSON.
E. A. PHARR.
J. C. LE BOURGEOIS.
R. O. YOUNG.

Mr. GAY. Mr. President, the McNary bill contemplates the extension of the Sugar Equalization Board as a governmental body. The important function it performed while this country was engaged in the titanic struggle from which we have recently emerged is a matter of history.

I do not want to be regarded as one of those who are finding fault with the management of the various branches or departments of our Government while we were at war. No sacrifice, however great, was great enough when we started in this conflict or while we were engaged therein.

The Sugar Equalization Board was one of the necessities which resulted from the Food Administration, and fortunate indeed were they to secure men of such talent and ability. The power

given the Food Administration was unique in the history of our country. The Sugar Equalization Board was but a branch of this administration, but cooperative under the Delaware charter, presumably for the protection of those engaged in the administration of her affairs. They performed an important function by calling in conference the sugar producers of the United States and a committee representing the sugar producers of the Republic of Cuba to consider what would be a fair price for both the raw and the refined product, and a price was agreed upon. Every thought at that time was to lend some effort to help in some way, no matter at what cost or what sacrifice, to the winning of the World War. Sugar was necessary—was regarded as one of the great essentials for both the men in arms, for our allies, and for the people at home. It was found necessary to put the quantity on a ration basis, 3 pounds being the limit which people could buy, and it was also found necessary to encourage production everywhere. It was urged that all available lands be cultivated and planted in this country in beets or in cane from which sugar could be derived.

When the Sugar Equalization Board was first organized, and when it had completed its contract with the Cuban Government for its entire crop and had made its sale of one-third thereof to the British Royal Commission, there was great anxiety on the part of the board that they would have difficulty in disposing of the two-thirds of the Cuban crop which the board had bought. This occurred in March and April of this year. There was no real inducement on the part of the wholesale grocers or manufacturers throughout the United States to lay in an adequate supply and to look ahead because the Food Administration had established a marginal profit. There was no speculative profit for the man to buy when sugar was in full supply and to sell when it might be in great demand, so that throughout the United States supplies of sugar were allowed to run down by the wholesale grocers, so that sugar backed up on the part of the refiners. One refiner had something like $50,000,000 tied up in sugar, and they were all concerned; the board was concerned.

This, Mr. President, is the testimony given by Mr. Zabriskie, president of the equalization board.

The sugar from Porto Rico that was pressing the market at great expense was held on lighters until it could be made available, and there was great anxiety that the normal amount of sugar which had been bought could be disposed of.

About the last of June or first of July refiners began to notice their stock depleting. There was no thought of scarcity at that time. That did not begin to shape up until the latter part of July. Mr. Zabriskie further states in the hearings before the subcommittee of the Committee on Agriculture and Forestry: "Then we got to the point where the capacity of the refineries—and the business of the refiner is only limited by his capacity; and one of the strange things about the industry is that the refining capacity of the United States is not twice the normal requirements, not much more than one and one-half times the normal requirements. So that the refiners must anticipate their wants in times of plentitude of sugar for that time when they may have an excessive demand—that is, the preserving season."

Mr. President, the beet-sugar crop and the Louisiana and Texas cane-sugar crops come on the market for distribution usually at a time when the stock from Cuba is pretty well depleted, and supplies the demand of the United States until sugar is again available from Cuba.

The western beet crop of 1919 at the beginning of the harvest season was considered above the normal. The sugar crop of Louisiana was less than 50 per cent normal. The Sugar Equalization Board conferred with representatives from both the beet-growing sections and Louisiana, looking to the establishment of a fair price for this season. The voluntary contract which had been made for the war emergency had expired and the sugar producers of Louisiana felt that their product was entitled to go on the market at its real value, according to the law which has always regulated the price of a commodity—the law of supply and demand.

The Department of Justice, under power given it for the war emergency, which power is still in effect, notified the officials of the Department of Justice throughout the country that they would institute proceedings for profiteering against sugar producers who sold at what they considered an excess price. The sugar producers of Louisiana knowing that they had less than one-half crop realized that they would not be profiteering even at the highest price at which sugar sold in October and the first few days of November, but to avoid litigation and to prevent the impression which would naturally prevail throughout the country due to the sudden increase in the price from the control or war-emergency price of 9 cents to the natural price or that price which the demand for sugar justified, immediately conferred with the officials of the Department of Justice looking to the establishment of a maximum price for sugar, which would prevent endless litigation and likewise prevent the bankruptcy of an established American industry. Seventeen cents was the price agreed upon for yellow, or what is known as clarified sugar, and 18 cents was the price established for granulated sugar.

The Louisiana producers were offered and it was insisted that they accept contract for a far greater price than the now established price. Enough of these contracts were offered from territories supplied by beet and Cuban sugars, and which were entirely out of the Louisiana zone, to consume the entire output of the State of Louisiana. The Louisiana producers voluntarily refused these contracts and canceled the offer made at these high prices after conferring with representatives of the Department of Justice and have been living faithfully up to the agreement with the Department of Justice when they know full well that their commodity was worth a great deal more, and they realize that they were in no sense profiteering even at a much greater price than the one agreed upon with the officials of the Department of Justice.

Mr. President, resolutions were recently passed by the Grain Dealers' National Association of St. Louis, at St. Louis, Mo., which I shall read, as follows:

RETURN GRAIN BUSINESS TO PEOPLE.

Resolutions passed at the twenty-third annual convention of the Grain Dealers' National Association, held at St. Louis, Mo., on October 13, 14, and 15, 1919.

Whereas the system of marketing the grain crops of this country which was in operation before we entered the Great War is the result of the experience and best thought of several generations of grain merchants, and is believed by us to be the best and most satisfactory system yet devised for the economical distribution of grain from producer to consumer; and

Whereas during the period of the war the many regulations and restrictions relative to the sale and distribution of grain and grain products as promulgated by the Government and its agencies have been patiently and patriotically observed by the grain trade; and

Whereas in time of peace these war-time regulations and restrictions are, in our judgment, neither necessary nor advisable: Therefore be it

Resolved, That the Grain Dealers' National Association calls upon the Federal Government and its agencies (as soon after the conclusion of peace as is consistent with the national welfare and with existing contracts and obligations) to entirely disassociate themselves from grain control and return to the people the grain business as nearly as possible in the same condition as it was before the war.

OPPOSED TO GOVERNMENT LICENSES.

Whereas the unparalleled prosperity of this country and its wonderful progress in industry, commerce, agriculture, manufacturing, and transportation have resulted largely from the private initiative, enterprise, courage, and industry of its citizens, unhampered by Government control or regulations; and

Whereas the citizens of the United States should be allowed in their occupations the largest liberty consistent with the rights of others: Therefore be it

Resolved, That the Grain Dealers' National Association is opposed to a governmental policy of licensing interstate business and subjecting it to rules and regulations promulgated by governmental agencies or commissions, and urges all Members of Congress to oppose such policy and to defeat any legislation intended to inaugurate such a system of Government control of business.

These resolutions, Mr. President, conclusively show how the business people of this country regard further war-time control, and they express very accurately the feeling of the sugar producers of the United States, who constitute as patriotic a body of men as there are anywhere in America, who have discharged every war obligation and who now simply ask that their business be returned to the natural channels of trade which have heretofore existed. I think it is manifestly unfair to single out this industry and to make it the target of such legislation, and that it is only right and proper that the sugar producers and the sugar industry should be treated just as all other classes of business, other agricultural products, and all other industries are treated. We demand fair play. For the reasons I have stated, Mr. President, I am very much opposed to the passage of the pending bill.

Mr. HARRISON. Mr. President, I desire to say before this bill is passed and the pending amendment is adopted that, in my opinion, the legislation does not go far enough, and I sincerely hope that at the other end of the Capitol the House of Representatives will amend the bill so as to make it more effective, in order to guarantee to the people of the United States that sugar may really be had at a more reasonable price. I base that expression upon this state of facts: I had intended to offer as a substitute for the pending bill the original bill proposed by the Senator from Oregon [Mr. MCNARY] at the instance of the Sugar Equalization Board. When that original bill came before the committee I was very much in favor of the proposed legislation and used every effort in my power to aid its passage, but I voted against continuing the licensing powers given to the Sugar Equalization Board. I

voted against that in the committee because the committee were informed that there were certain Senators who had stated that they would speak at such length so as to kill the proposed legislation if the licensing feature should be adopted.

We are in a peculiar parliamentary situation at this time. I realize, as all Senators must realize, that, under the rules of the Senate, unless we can pass this proposed legislation in its present form through the Senate it probably can not be passed at all. On yesterday we made a most heroic effort to get the pending bill before the Senate by substituting it for the railroad bill. The vote on that motion was 27 to 32; we were turned down, and consequently we had to rely, in order to pass this measure, upon its consideration during the morning hour each day. It would be impossible to secure its passage in that way, because any Senator opposed to the legislation might utilize the time before the expiration of the morning hour each day and thereby defeat the bill.

I realize, as all Senators who are familiar with the subject realize, that so long as the Congress has jurisdiction of this matter and declines to act the price of sugar will continue to soar and we will be further away from obtaining the Cuban crop of sugar. It has been stated—I do not know with what force—that the American refineries are refusing to purchase the Cuban crop of sugar so long as Congress is considering this matter. Certainly it seems to me that Congress should let the refineries know whether we are going to take action, so that if we are not going to take action they may go to Cuba and purchase the Cuban sugar. Whether there is any truth in the statement to which I have referred I do not know.

It has been hinted repeatedly that the President of the United States is responsible for the failure of appropriate action being taken to reduce the cost of sugar or to obtain the Cuban crop of sugar. I say to the Senate and to the country that the facts do not sustain that statement. The Sugar Equalization Board, on August 20, did suggest to the President of the United States that it might be a good idea to obtain the Cuban sugar crop; and no action was taken. It will be recalled, however, that Prof. Taussig, a member of the board, took a different view; the board was divided upon that proposition. The President was considering it, until very suddenly he became ill; but the Congress of the United States can not excuse itself for its failure in this emergency.

Hearings were started on this proposition before the Senate committee on October 3. The Agricultural Committee of the Senate reported favorably a bill on November 7, and that bill has been on the calendar of the Senate since that date. The Senate of the United States has had jurisdiction of this matter since October 3—practically 10 weeks—during which time the Cuban producers were ready to sell their sugar. In the meantime the price of sugar to the consumers of this country has continued to increase and Congress has failed to do anything. I submit that the situation, deplorable as it is, to-day is due to the Congress of the United States failing to take action to pass this legislation at least since October 3, when it came to the attention of Congress.

I have no sympathy with the opponents of this legislation. No one ever dreamed that sugar would go beyond 15 cents. The hearings conclusively show that. Yet we are to-day faced with the condition that the producers of Louisiana are obtaining 17 cents a pound for sugar, and the people in my State and other States of the South and perhaps in other sections of the country are paying upward of 20 cents a pound. I know, because instances have come to me where retailers in Mississippi have sold sugar to the consumers at 27 cents a pound.

I took up that matter immediately with the Department of Justice. I asked for an immediate investigation, and I hope that those men who are profiteering in my State, as well as in the other States of the Union, who make such unreasonable and exorbitant profits on sugar, will be placed in jail. There is no reason for sugar selling for 20 cents per pound or, in my opinion, 17 cents a pound. Last year and year before last the Sugar Equalization Board sent out inspectors, and they investigated the cost of production of sugar in the United States. It was a fair investigation, because I have never heard it protested against; and on that investigation the Sugar Equalization Board fixed 9 cents a pound as a fair price and one that would allow reasonable profits to the producers of sugar in this country.

I realize that there is not this year as large a crop of sugar in certain localities in this country as last year or the year before; but it is preposterous to assume that 17 cents a pound is a reasonable price for sugar, and I can not see any reason or fairness or justice in the proposition, because 100,000 tons of sugar might be produced in one State of this Union, that when the American people need 4,000,000 tons for consumption the great majority of the people should be burdened with an enormous and an exorbitant and an unreasonable price in order to take care of this 100,000 tons.

I sympathize with my friends from Louisiana. God knows I love the two Senators from that State. I want to stand with the people of Louisiana in every reasonable request they may make. Only an imaginary boundary line divides the people of my State from the people of Louisiana. Many of the producers of sugar cane in Louisiana live in my old congressional district and in my State, but I can not see any justice in the proposition that they shall obtain 17 cents a pound for sugar, causing the burden to be placed upon the people of my State and the people of the United States.

I hope this legislation will pass. I hope the House will substitute for it the original bill introduced by the Senator from Oregon [Mr. McNARY]. I want to see the Sugar Equalization Board given such power that they can restrain the greedy hands of the profiteers and give sugar to the people at a reasonable price.

I have not that degree of criticism to make against the Sugar Equalization Board that I have heard expressed upon the floor of this Chamber, because I recall that during the war that board made it possible to obtain sugar at a reasonable price for the fighting forces of this country and for the American people. It may have been at times that we were unable to procure all the sugar that we desired, but we got along, and the price was maintained at a low level. I know of no product, I know of nothing that was sold during the war that was maintained at such a low level as was the price of sugar, that was kept from increasing in price to such an extent as was the price of sugar. They rendered a great service to the people of America; and as soon as their hand was removed from the situation sugar increased to the consumers in the United States, in some instances going as high as 27 cents a pound. Do not forget, too, Senators, that while the Sugar Equalization Board were maintaining this low level of price for sugar to the consumers of the country and procuring it for the fighting forces of America they placed in the Treasury of the United States $38,000,000—a pretty large sum when you think about it. During these abnormal conditions I want to see this board continue to function and continue to give to the people the same satisfactory results that they gave to the people during the war.

The VICE PRESIDENT. The question is on the amendment of the Senator from Tennessee [Mr. McKELLAR].

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. THOMAS subsequently said: Mr. President, I wish to make a personal statement. I was in attendance upon a meeting this morning of the Committee on Military Affairs when the vote was taken on the bill for the continuation of the Sugar Equalization Board. I merely wish to say that if I had been present I would have recorded my vote against the bill.

SEDITIOUS ACTS AND UTTERANCES.

Mr. STERLING. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 3317) to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts.

Mr. FRANCE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gronna	Lenroot	Ransdell
Ball	Hale	McKellar	Sheppard
Bankhead	Harding	McLean	Smith, S. C.
Beckham	Harris	McNary	Smoot
Calder	Harrison	Moses	Stanley
Capper	Hitchcock	Myers	Sterling
Colt	Johnson, S. Dak.	Nelson	Sutherland
Cummins	Jones, N. Mex.	New	Thomas
Curtis	Jones, Wash.	Newberry	Townsend
Dial	Kellogg	Norris	Trammell
Elkins	Keyes	Nugent	Underwood
Fletcher	King	Overman	Walsh, Mass.
France	Kirby	Page	Walsh, Mont.
Gay	Knox	Phipps	
Gore	La Follette	Pomerene	

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present. The Senator from South Dakota moves that the Senate proceed to the consideration of Senate bill 3317.

Mr. FRANCE. On that I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is on the motion of the Senator from South Dakota.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3317) to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts.

COAL-MINING INDUSTRY.

Mr. HARRIS. With the permission of the Senator from South Dakota, I should like to ask unanimous consent for the consideration of Senate resolution 247, and I wish to offer an amendment to it.

Mr. STERLING. I yield to the Senator, provided the resolution will lead to no discussion.

Mr. HARRIS. I offer an amendment, to follow the last line of the first page. It is satisfactory to the Senator from South Dakota [Mr. JOHNSON], who has an amendment to the same effect.

The VICE PRESIDENT. The Secretary will read the resolution as modified by the Senator from Georgia.

The Secretary read the resolution (S. Res. 247) submitted by Mr. HARRIS December 6, 1919, as modified, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish the Senate the following information to be secured from the income and profits tax returns for the taxable year 1918 of all corporations engaged, exclusively or principally, in the mining of bituminous and lignite coal:

Capital stock; invested capital; net income; tax (1) income, (2) excess profits, (3) total; per cent of total tax to net income; net income, after deducting tax; per cent of net income to capital stock; per cent of net income to invested capital; per cent of net income, after deducting tax, to capital stock; per cent of net income, after deducting tax, to invested capital; capital stock, 1917; net income, 1917; per cent of net income to capital stock, 1917; excess of the per cent of net income to capital stock for 1918 above the percentage for 1917.

Also a statement showing the dividends paid by corporations engaged in the mining and production of bituminous coal within the United States for the years 1917 and 1918; that if such information is not already in the possession of the Secretary of the Treasury that he be requested to procure the same and transmit it to the Senate as promptly as may be practical.

That the information be transmitted in form similar to that obtaining in Senate Document No. 259, Sixty-fifth Congress, second session, which contains the information transmitted by the Secretary of the Treasury in response to the resolution of the Senate of June 6, 1918, and that the corporations be listed in the same sequence and under the same symbols, as far as possible, as obtain in Senate Document No. 259.

Mr. KING. I wish to inquire of the Senator from Georgia whether he asks in the resolution of inquiry which he has submitted that information be furnished as to the loss by depletion, or the damage to the property by depletion, because it is obviously unfair to merely take the dividends without showing the draft which was made upon the capital, the capital being the coal which is taken from the mine?

Mr. HARRIS. The resolution asks for the profits, and that will take into consideration the depletion and all such things. That is an amendment which the Senator heard read. The resolution provides for the net profits for 1917 and 1918.

Mr. KING. Does that take into account the depreciation in value because of the depletion of the product?

Mr. HARRIS. That is my understanding.

Mr. KING. As I heard the resolution read it does not ask for that at all.

Mr. THOMAS. May I inquire from the Senator from Georgia if he has asked for immediate consideration of his resolution?

Mr. HARRIS. I have.

Mr. THOMAS. I shall object to it, then. I want to look into this subject before we consider it.

The VICE PRESIDENT. The Chair understands that the Senator from South Dakota [Mr. STERLING] yielded with the understanding that the resolution would lead to no discussion.

Mr. THOMAS. I shall be compelled to consider the subject.

The VICE PRESIDENT. That is an objection.

Mr. STERLING. I call for the regular order.

MURDER OF CITIZENS AT CENTRALIA, WASH.

Mr. JONES of Washington. Mr. President, I understand that Senate bill 3317 will not be permitted to come to a vote before 1 o'clock, so I am going to take just a few minutes in order that I may have printed in the RECORD a document that I think is pertinent.

Mr. STERLING. I think I shall object to the taking of any time for any other business than the consideration of the bill before the Senate.

Mr. JONES of Washington. I am going to proceed with the consideration of the bill.

Mr. STERLING. I was not aware of that. I judged from the Senator's preliminary statement that he was about to speak on some other matter.

The VICE PRESIDENT. The Senator from Washington proposes to speak from the bill, not on the bill.

Mr. JONES of Washington. It is connected with the bill, and I would not take this time, because I want to see the bill passed, if I did not know that the time from now to 1 o'clock would be consumed so that the bill would not pass.

Mr. President, a few days ago the Nation was startled and shocked by the news that American citizens had been shot down at Centralia, Wash., by the I. W. W. The boys killed had donned the uniform of the United States and offered their lives in the Nation's defense. They were shot down while marching in a patriotic parade celebrating the victory they had done so much to win. Their lives had been offered to maintain the rights and preserve the liberties given to us by the fathers and which made this Nation the world's hope. They were shot down by a destructive element that has no respect for law and no love for orderly government. The shots that killed these boys were really aimed at the heart of this Nation by those who oppose law and seek to overthrow our Government. Overt acts like this must be met by law and its stern enforcement and not by lawless measures.

This is the best form of government devised by the wit of man to right wrongs, insure liberty, and promote happiness in a peaceful and orderly way. Every American should read that part of the report on Senate resolution 307, introduced by me, made by Senators OVERMAN, KING, WALCOTT, NELSON, and STERLING, from page 27 to page 43. This shows what bolshevism is and what it leads to. Let every American study it well and show by word and deed that it has no excuse to be here. The traditions of the fathers of the Republic, devotion to law and order, love for orderly liberty and controlled freedom, undiluted Americanism should be our watchword.

Mr. President, I ask leave to have printed in the RECORD from page 27 to the close of the first paragraph on page 43 of the report of the subcommittee of the Committee on the Judiciary on the resolution relating to charges made against the United States Brewers' Association and allied interests and bolshevism.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

BOLSHEVISM.

"On the 4th day of February, 1919, the Senate adopted the following resolution, No. 436, and in pursuance to the directions therein contained your committee proceeded to make the inquiry requested, and the testimony taken by your committee is contained in the printed record, entitled 'Bolshevik propaganda,' which is herewith transmitted:

"*Resolved*, That the authority of the Committee on the Judiciary conferred by Senate resolution 307 be, and the same hereby is, extended so as to include the power and duty to inquire concerning any efforts being made to propagate in this country the principles of any party exercising or claiming to exercise authority in Russia, whether such efforts originate in this country or are incited or financed from abroad; and, further, to inquire into any effort to incite the overthrow of the Government of this country or all government by force, or by the destruction of life or property, or the general cessation of industry.

"In order to determine the possible connection and relation between the principles of government advocated by those claiming to exercise authority in Russia and the several activities now being carried on in the United States, it was deemed essential that a careful inquiry be made to determine the exact nature of the so-called principles of government now being applied in Russia. The record includes the constitution and a compilation of many of the so-called laws in force in Russia from which the nature of the paper government can be determined and the testimony of many eyewitnesses of the attempted application of this paper government discloses the character and nature of the actual Government in practical operation. The investigation which your committee has conducted convinces it that few of either the advocates or opponents in this country of the present Russian Socialist Federal Soviet Republic are familiar with the fundamental principles upon which this government is attempting to perpetuate itself. Consequently the agitation growing out of developments in Russia has largely degenerated into appeals to the prejudices and the animosities that are inherent in the selfish natures of most individuals, and little or no appeal has been made to the intelligence of the people.

"It is therefore not surprising that the word 'bolshevism' has now become merely a generic term, and in America is nothing more than a slogan of the elements of unrest and discontent.

"By reason of their ignorance as to what bolshevism as a code of political and social morals in Russia means, almost every dissatisfied element, from the radical anarchist to the theoretical idealist, has seized upon it as approaching something of a Utopian nature. It is interesting to note that every wit-

ness called before your committee as a champion of the cause of the principles of the Russian Socialist Federal Soviet Republic admitted that he or she had never read the constitution of the Government of which he was the champion.

"The word 'bolshevism' has been so promiscuously applied to various political and social programs that we feel that it is of paramount importance that the delusions and misconceptions as to what it really is, as it exists to-day in Russia, should be, as far as possible, removed and that the people of the United States should be thoroughly informed as to just what this much-discussed institution realy is, both in theory and in practice.

"Your committee is of the opinion that the best answer that can be given to the argument of the champions of this Russian institution is a true explanation of its real nature and the actual principles upon which it is founded as well as the unavoidable consequences that would follow its adoption. The word 'bolshevik' is the name of the party that controls the Russian Socialist Federal Soviet Republic and that dictated its constitution. We are, therefore, justified in using this name to identify the constitution which it dictated and in accepting that constitution and the laws that have been prescribed under it as the platform and program of bolshevism.

"The following are a few of the fundamental facts descriptive of bolshevism and the form and character of the government established and operated by the Bolsheviki in Russia under the name of the 'Russian Socialist Federal Soviet Republic.'

"It is the dictatorship of a class and is not a democratic form of government. In its actual application it has become an autocracy of a few individuals who exercise their authority and suppress all opposition by fear, terrorism, and force. It has developed into as much of an autocracy, though more cruel in its methods, as the monarchical government of the Czar's régime. Under the provisional government of Kerensky an effort was made to establish a democracy and to inaugurate a socialistic State under that form of government. With a view to establishing such a democratic government the provisional government, on July 22, 1917, ordered the election of the constituent assembly to be voted for by all of the people of Russia on September 30, 1917. Prior to this time general elections in Russia on an equal suffrage basis were unheard of, and it therefore became necessary for the provisional government to create the necessary election machinery and to secure a complete and impartial registration of the newly created electorate. The difficulties encountered in this undertaking made it necessary in August to postpone the election of the constituent assembly from the 30th of September to the 25th of November. This postponement was seized upon by the Bolsheviki as raising an issue through which they could attack the provisional government, and they charged that government with having an ulterior purpose in directing this postponement.

"In raising this issue they appealed to the people to arise in defense of a democratic form of government by overthrowing the provisional government and securing for themselves thereby, through the Bolshevik Party, the benefits and advantages of a democracy and the election of a constituent assembly as an instrument which would make possible the establishment of a constitution based upon the equality of man and secure to all Russian citizens equal participation in the affairs of government. With this issue, among others, the bolshevik party overthrew the provisional government in the October revolution, and immediately issued a decree (Exhibit 1, appendix of record and hearing) ordering 'that the elections to the constituent assembly shall be held on November 25, the day set aside for this purpose' by the provisional government and ordering that the freedom of the ballot should be adequately safeguarded. At the appointed time the constituent assembly was elected, and a canvass of the personnel of that assembly established the overwhelming defeat of the bolshevik party and the supremacy of other socialist parties, whereupon the attitude of the Bolsheviki toward the constituent assembly underwent a complete change, and from that time their antagonism toward a constituent assembly, universal equal suffrage, and a democratic form of government has been manifested in every official act of the government and in the actual application of that government to the several activities of the nation.

"In the original call for the election of the constituent assembly, December 12, 1917, had been fixed as the time of its meeting. It was not, however, until January, 1918, that the bolshevik autocracy permitted the constituent assembly to convene. When it did meet the Bolshevik Party submitted to this representative body for adoption a set of resolutions denouncing the election at which it was elected, repudiating itself as representative of the electorate, whose commission it held, and declaring that there was no proper function for it to perform in the proposed new government of the Russian Nation. (Exhibit 16, appendix.) As might well have been expected, the constituent assembly declined to pass this resolution, whereupon the bolshevik members withdrew, and the constituent assembly was forcibly dispersed by the Red Guard, and a democratic form of government was lost to the Russian people. In its place has arisen the dictatorship of the small minority—headed by Lenin and Trotski.

"Lenin, president of the Soviet of Peoples Commissaries, frankly admits this in the following words:

"Just as 150,000 lordly landowners dominated the 180,000,000 of Russian peasants, so 200,000 members of the Bolshevik Party are imposing their proletarian will on the mass. * * *

"Nor is this dictatorship the result of a usurpation of power on the part of the officials of the Bolsheviki, but it is the recognized foundation upon which the whole governmental structure is erected, as is evidenced by paragraph 9 of the bolshevik constitution, which provides as follows:

"The principal aim of the constitution of the Russian Socialist Federal Soviet Republic in the present transitory period is to establish the dictatorship of the city and rural proletariat and of the poorest elements of the peasantry in the form of a powerful all-Russian soviet government for the purpose of completely suppressing the capitalistic class. * * *

"[NOTE.—Under bolshevism, the capitalistic class includes all persons who do not perform manual labor for a livelihood, or who employ any person in their business, or who own any property or receive any income, no matter how small the amount. The words 'parasitic class' and 'bourgeoise' are popularly used by the Bolsheviki as synonymous with 'capitalistic class.']

"It is perhaps difficult to realize that it has been possible to perpetuate a dictatorship of such a small minority through the many months which have passed since it came into power. Without some understanding of the nature and character of the actual activities of the Bolsheviki the casual observer would be persuaded that the tyranny of this autocracy would in a short time bring down upon its head the wrath of the majority, who with reasonable effort would have no difficulty in overthrowing the usurpers. A study of the actual methods and practices of the dictatorship, however, clearly establishes the helplessness of the great mass of the Russian populace. The Bolsheviki have inaugurated a reign of terror unparalleled in the history of modern civilization, in many of its aspects rivaling even the inhuman savagery of the Turk and the terrors of the French Revolution. Under the evidence your committee has been compelled to impose the responsibility for this terrorism upon the government itself rather than attribute it merely to the excesses of individuals and groups undisciplined and untrained in the personal liberty acquired by them with the overthrowing of the centralized autocratic government of the old monarchistic régime. Terrorism and excesses in a State are either attributable to the encouragement of the State or the weakness and inability of the State to restrain the same. In bolshevik Russia every instrument available for the exercise of force and power is in the possession of that government, and those opposed to the government or who fail to render it whole-hearted support are completely suppressed and absolutely powerless. The government is more highly centralized and less restricted in the exercise of that centralized power than was the government of the Czar. The agencies used by the dictators in imposing their will upon the masses are less restrained and restricted in the exercise of their power by law, custom, or humanity than were the agencies utilized by the old régime. Economic domination unheard of and unsought in the past has been seized upon and usurped by the dictatorship.

"All these facts negative the suggestion of the existence of a degree of weakness which makes the government impotent to exercise the necessary restraint. On the contrary, every act of terrorism is justified by the affirmative pronouncement of the bolshevik government, either through its constitution and laws or the authoritative utterances of its officials. The government is founded upon class hatred, its avowed purpose is the extermination of all elements of society that are opposed to or are capable of opposing the bolshevik party. 'Merciless suppression' and 'extermination' of all classes except the present governing class are familiar slogans of the Bolsheviki, and confiscation is adopted as an essential instrument in the governmental formula. As a guaranty of its perpetuation in power its underlying policy is that 'the end justifies the means,' and in the application of this policy the government denies the existence of any inalienable right in the Russian citizen and respects neither the right to life, liberty, or property. In its so-called declaration of rights the government adopts a policy which it hopes will result in 'the destruction of the parasitic classes of society,' and as an aid to this end has decreed as an essential part of its fundamental law the principle of arming one class and disarming another, with a view of making the

extermination and destruction more effective. In practice, this government has classified all of those people who fail to sympathize with and support the existing dictatorship as the bourgeoise, and has proclaimed the doctrine that their refusal to bow to the edict of the dictatorship should be answered by 'violence toward the bourgeoise.' A careful survey of the innumerable acts of violence and terrorism committed in Russia will fail to disclose scarcely a single offense that has not been participated in either by their Red Guard, by Commissars, or by others having an official and governmental status.

"The dictatorship, utilizing Lettish troops and Chinese laborers as well as to some extent German and Austrian prisoners and criminals discharged from the jails as its so-called Red Guard to enforce its decrees, promptly secured possession and control of:

"(a) All arms and ammunition.

"(b) Practically all foodstuffs and commodities essential to the maintenance of life.

"(c) All clothing and household goods necessary for warmth and health.

"(d) All gold, silver, and specie, including jewelry, ornaments, gold and silver plate.

"This was accomplished by means of confiscation followed by the nationalization and monopolizing by the State of all commercial, industrial, and financial enterprises. Having secured possession of all of these instruments of physical and economic power and domination, this dictatorship was enabled to enforce the submission of most of the population to its will. The rank and file of the people of Russia had no other choice. They could not resist or oppose the Bolsheviki with force, as they were without firearms and without ammunition. They could not refuse to obey its dictates, else they would be starved to death. They could not defy the dictators, as they would be left without raiment. They could not sustain life with money possessing an intrinsic value, for they had none, and thousands have been starved to death and murdered as a result of this régime.

"Possessing, therefore, every instrument necessary for the exercise of the forcible persuasion of the populace, it became expedient to reinforce the dictatorship with an increased man power. Recognizing the state of the public mind, it was necessary to guard against betrayal by those who were drafted into the service of the State, and the most effective weapons selected to secure the faithful execution of the will of the dictators were fear, terrorism, and a system of hostages. By this system of hostages the relatives, family, and loved ones of the drafted subject were held as prisoners. Their food supplies, their clothing, even their lives, depending upon the fidelity with which the dictatorship was supported and its orders executed.

"Having professed an adherence to the democratic form of government to assist in securing control of Russia, the Bolsheviki, in establishing its paper government, sought to maintain its dictatorship under color of a representative political system. A recognition of the democratic principle that all men are created equal, however, would have necessitated the equal participation of all citizens in the affairs of government. Such universal participation in political affairs would have made impossible a dictatorship of the minority, but would inherently have been a rule of the majority and have accomplished just what the dissolution of the constituent assembly was intended to prevent. The following of the bolshevik government being more numerous in the cities, and these by reason of their concentration within more restricted territorial limits, being more readily led and dominated, it was prescribed by constitutional direction that representation from cities in the government should be five times as great as the representation from the provincial districts. In other words, representation from cities is in the ratio of 1 to every 25,000 of the population, while from the rural districts and the territory of the peasants, who constitute a large percentage of the Russian population, representation is 1 to every 125,000 of the population. Even this discrimination did not adequately safeguard the domination of the bolshevik minority. Disfranchisement of large groups of the population was necessary. By constitutional provision they denied the right to participate in the government and disfranchised the following classes:

"(a) All persons employing others in connection with the conduct of their business.

"(b) All persons receiving interest, rents, dividends, or an income from financial or industrial enterprises.

"(c) All merchants, traders, and dealers.

"(d) All clergymen, priests, and employees of churches and religious bodies.

"(e) Certain persons connected with the Czar's government, persons mentally afflicted, and persons convicted of certain crimes against the bolshevik government.

"Even with these restrictions upon suffrage the bolshevik government has refused to undertake the election of a constituent assembly. The elections that are permitted are conducted under supervision of the red guard, and local bodies or soviets that are not satisfactory to the dictatorship are removed and in some instances so-called commissars or officials of unquestioned loyalty to the government are imported from the cities to govern the affairs of the political unit (the local soviet) sought to be dominated according to the bolshevik faith.

"Confiscation on a wholesale scale has been used as a means of undertaking to create and maintain tangible assets that could be used as the economic foundation upon which could be built the industrial and financial superstructure of the bolshevik state. By constitutional edicts and by a series of decrees issued by the dictatorship all land, forests, and natural resources of Russia have been confiscated by the government in order that the bolshevik government may become the landlord of the entire population and exercise the control incident thereto. Where a man shall live and toil and till the soil is determined by the State, and the right to determine the nature and extent of each man's domicile, and the power to compel the migration of the peasant from the locality of his birth or adoption, even to the extent of separating families as the population of the various communities expands or contracts, is exercised by the bolshevik government through the laws which it has decreed for the control of the people.

"The alleged purpose of the seizure of land by the government was that the right to the land might be transferred to the rank and file of the people of Russia, in order that the individual Russian peasant might become the unrestrained and unrestricted architect of his own future economic development, but the methods adopted by the Bolsheviki have merely transferred the landlordship from the large landowners, and in many instances from the peasant groups themselves, to the bolshevik government, and the present control by that government is not confined to the land itself, as was the control of the landowners under the old régime, but extends as well to the persons and even the tools, implements, and products of the peasants. The aged and infirm are deprived of all right to utilize and enjoy during their declining years the soil their efforts may have enriched, because their physical strength makes them powerless to perform all of the labor incident to its full cultivation. They, thereupon, become mere pensioners of the State.

"This system guarantees to the peasant only the present enjoyment of a given piece of land, and consequently only warrants him in so utilizing the beneficence of the State in according him the right to use the same as to insure the maximum present production to the exclusion of a scientific development that will enure to future advantage. In other words, an uncertain tenure is naturally accompanied by an exploitation rather than by a systematic development of the leasehold interest. Under this system the peasant can never become the owner of the land he tills or of any other land. To aid in the system and to establish a larger control of peasant activities by the government the principle of confiscation has also been invoked in the case of all live stock and all agricultural implements, and as a consequence these essential instruments of land cultivation, these chattels necessary to the production of both meat and vegetable foodstuffs have become, without regard to the rights of former owners or the advantage to the individual of future ownership therein, the property of the bolshevik government, and the only right thereto that the peasant can in the future acquire is a use upon such terms and conditions as the government may prescribe.

"As may well be expected, there seems to be much difficulty in determining the manner in which this policy is being carried into actual operation, and it is apparent that only by the application of arbitrary methods can the already existing articles in these categories be made useful to any portion of the peasant population or be adequately protected and maintained so as to preserve their value. It is also interesting to contemplate, but dubious to predict, how meat-food products can under this system be maintained at a sufficient quantity to sustain life.

"The thrift, industry, perseverance, and intelligence which has enabled a portion of the Russian people in the past to acquire and save money has also been penalized by the confiscation of all banks and banking institutions and their transformation into a State monopoly.

"Confiscation under the milder term of nationalization has eliminated from all industrial establishments, such as factories, mills, and mines, the business acumen and scientific methods necessary to successful operation and competitive methods. The absolute control of their operation and management is placed in the hands of the employees. This has been followed by the stagnation of the industrial life of the country, and even those

nationalized industries which have been able to operate under government control have operated at an enormous percentage of loss, the deficiencies being met from the unlimited issue of fiat paper money printed by the government. The nationalization of the enterprises essential to the production and delivery of raw materials has so handicapped their production as to restrict the quantity of raw materials available for the maintenance of industrial enterprises, and the whole economic condition of Russia has made it impossible to secure relief from foreign sources. These industrial conditions can only continue so long as the government can succeed in monopolizing the means of subsistence, maintain an adequate military force to enforce the decrees of the dictatorship, and force the recognition of worthless fiat paper money as the basis of its financial system.

"As the economic formula of the Bolsheviki prescribes the confiscation of the property rights of others, likewise it proclaims the doctrine of the repudiation of financial obligations and the debts of Russia have been renounced. Repudiation is also invoked to secure the government against the incumbrances upon and liabilities of the property and assets of the enterprises, land, and chattels seized by it under its confiscation program. This repudiation also aided materially in suppressing and exterminating the creditor class, which naturally constitutes a part of the element that the Bolsheviki are pleased to call the bourgeois, or capitalistic class, by depriving them of the right and ability to recover and utilize the earnings, savings, and accumulations of the past. As it affected them it was a form of confiscation. Repudiation is, therefore, a consistent accompaniment of confiscation and an essential element in the process of destruction. The financial condition of the dictatorship, however, required the adoption of some constructive policy that would finance it. It was necessary to maintain at least a color of legitimacy, an appearance of honest business methods, in supporting its so-called red army, and in securing control of the articles necessary to sustain life. Further than that, it was desirable to devise ways and means by which service in the red army and employment in nationalized enterprises might appear sufficiently attractive, and at the same time give an appearance of prosperity to the government itself, in order that hope as well as fear might assist in maintaining the bolshevik government. The policy adopted was the printing of unlimited amounts of fiat paper money unsecured by any reserve. This naturally furnished to the government a cash capital limited only by the capacity of the printing presses of the government, which, in turn, had been confiscated and nationalized. Already it is estimated that a sum in excess of 30,000,000,000 rubles has been put into circulation. This has created a ridiculously inflated circulating medium of no material value to the public but of enforced value to the government.

"The populace are compelled to accept this paper money from the bolshevik dictatorship, but can secure little for it in transactions between one another. Barter and exchange have, therefore, become the only satisfactory means of conducting commercial transactions, and the breakdown in the industrial life and transportation facilities of the country has made practically impossible the bringing together in the same community of the articles of trade and commerce necessary to the health, comfort, and life of the various elements of society. In consequence, many Russians are faced with starvation while possessing large sums of the money of the government that, in their extremity, avails them nothing. There can be no permanence to a government whose financial system is founded upon such a method.

"The destruction of all effective military and naval power and the removal of the leadership of capable officers was essential to the establishment of a powerful dictatorship as well as to the complete abandonment of the eastern front during the war. By the safe conduct of Lenin from Switzerland through the German Empire into Russia, regardless of the question as to whether he and his confrères were financed, as seems probable, in their revolutionary undertaking by the German Government, an obligation was incurred to demoralize and destroy the existing Russian Army which had been more or less effectively maintaining the eastern front. How completely this was accomplished is now history. They promptly decreed in their so-called declaration of rights that 'the soldiers and sailors are liberated from the power of autocratic generals, because the generals will now be elected and they may be removed.' All titles and degrees of rank and the authority incident to superiority were annulled and discipline was discontinued. Instantaneously the army and navy degenerated into a mere mob with every soldier a law unto himself. Demobilization was directed and the demoralization was completed. The organization of the red army was undertaken around the nucleus which the Lettish troops and sailors in the red guard of the October revolution provided.

"By similar means the organization of the red fleet was undertaken. Chinese laborers without other means of subsistence were easily enlisted. The opportunity that service in the red army and red fleet afforded for pilfering and looting under color of authorized confiscation presented a sufficient invitation to the lawless and criminal elements that had become conspicuous through the opening of the doors of prisons by the Bolsheviki to join those bodies and participate in the confiscation and seizures that were a part of the program of terror, fear, extermination, and destruction upon which the bolshevik government had entered. The food and clothing situation was desperate, and the government had acquired, through the application of its formula, a generous supply, and was using its red guard to gain a monopoly. In consequence the one reasonably certain way of gaining a livelihood was by affiliating with the red army. This brought into the bolshevik fold many people who otherwise would have been condemned to starve. Hostages were held by the government to compel the submission of those who might otherwise have been recalcitrant. Thus a red army and a red fleet has been created, and they are charged with the execution of the decrees of the dictatorship and the sentences of the so-called courts or revolutionary tribunals, and they are afforded a large degree of personal discretion in the exercise of duties which practically constitute a rule of martial law.

"Repudiating the doctrine of all radical revolutionary groups throughout the world that have claimed for the individual of all lands the right of conscientious objection for religious or other reason against the bearing of arms and the participation in armed conflicts, the Bolsheviki have adopted as the essential safeguard of their political fabric compulsory military service. As Prussianism found it essential to world domination by the autocracy of the Hohenzollerns, so bolshevism seized upon it as the mainstay that would weather its autocracy of the dictatorship through its campaign of confiscation and repudiation.

"All of the established courts and judicial institutions have been abolished, and in their place have been created revolutionary tribunals. Under the dictatorship these new judicial tribunals disregard all laws that 'contradict the revolutionary conception of right.' In actual operation these revolutionary tribunals have tried and condemned men in their absence. No right to bail is recognized, and the penalty imposed depends largely upon the caprice of the court. The death penalty, the reestablishment of which under the provisional government was vociferously denounced by the Bolsheviki, has been invoked for all sorts of crimes and misdemeanors. In fact, the procedure in the courts is a mere travesty on justice and most summary in its nature.

"Every activity of the bolshevik government indicates clearly the antipathy of the Bolsheviki toward Christianity and the Christian religion. Its program is a direct challenge to that religion. The Christian church and bolshevism can not both survive the program that is being developed by the Russian dictatorship and which it is undertaking to extend throughout the world. Not only have they confiscated all church property, real and personal, but they have established the right of anti-religious propaganda as a constitutionally recognized institution. Church and school have been divorced even to the extent of suppressing the Sunday school, and the teaching of all religious doctrines in public, either in schools or educational institutions of any kind, is expressly forbidden. Religion can only be taught or studied privately. All church and religious organizations are prohibited from owning property of any kind. All recognition of a Supreme Being in both governmental and judicial oaths is abolished. The clergy and all servants or employees of church bodies are expressly disfranchised and deprived of all right to hold public positions. The full significance of the attitude of the Bolsheviki toward Christianity is most fully manifested in the fact that, though by Russian custom and decree under the old régime, every newspaper or periodical published on Easter Sunday in the Russian Empire was required to carry the headline, 'Christ is risen,' on Easter Sunday in 1918, all bolshevik papers substituted for this sacred sentiment the headline and slogan, 'One hundred years ago to-day Karl Marx was born.' Thus the issue has been framed between the gospel of Karl Marx and the teachings of Christ. We reiterate, therefore, that bolshevism and the Christian religion can not both survive.

"Bolshevism accords to the family no such sacred place in society as modern civilization accords to it. Conflicting reports have been passing current during the last few months relative to the nationalization of women by the new Russian government. Two or three local soviets have apparently thus degraded the womanhood of their particular districts, but the central government has refrained from adopting any such policy in the whole

nation. They have, however, promulgated decrees relating to marriage and divorce which practically establishes a state of free love. Their effect has been to furnish a vehicle for the legalization of prostitution by permitting the annulment of the marriage bonds at the whim of the parties, recognizing their collusive purposes as a ground for the severance of the matrimonial state.

"The freedom of the press and of speech, though heralded by the advocates of bolshevism as necessary to the intelligent participation of the people in popular government, has been abrogated in Russia, and by the usual confiscatory method of the accepted formula all of the mechanical devices and materials necessary for the publication of periodicals and all places of meeting and public assemblage have been seized by the bolshevik government.

"To make the control more complete and effective the publication of all advertisements, whether in regularly published periodicals or on handbills or programs, is made a monopoly of the government. As a consequence the people of Russia are deprived of all facts, literature, and public expression through the medium of the press or public meetings, except such as is approved by the dictatorship and has been passed by its censorship.

"In the attempted establishment of an educational system it is to be expected that much difficulty would arise because of the large percentage of illiteracy that afflicts Russia, and it is not surprising that this system is largely on paper and of little practical value. It is interesting to note, however, that under this system age rather than attainment determines the admissibility of the student to a given school or grade, and that to require the production of evidence of the qualification of a student for such admission is a criminal offense. This again reflects the bolshevik theory that equalization can be accomplished by dictatorial decrees.

"The apparent purpose of the bolshevik government is to make the Russian citizen, and especially the women and children, the wards and dependents of that government. Not satisfied with the degree of dependency incurred by the economic and industrial control assumed by its functionaries, it has destroyed the natural ambition and made impossible of accomplishment the moral obligation of the father to provide, care for, and adequately protect the child of his blood and the mother of that child against the misfortunes of orphanhood and widowhood. To accomplish this it has by decree expressly abolished and prohibited all right of inheritance, either by law or will. Upon death all of the decedent's estate is confiscated by the State, and all heirs who are physically incapable of working become pensioners of the State to the extent that the assets confiscated by the government make such pensions possible.

"Insurance of all kinds has been nationalized, the assets of insurance companies confiscated, and the business of insuring life, property, accident, old age, and unemployment made a State monopoly. In the attempted liquidation of existing companies and associations the liquidating representatives of the government seem only concerned in securing possession and record of all their assets and fail to recognize the propriety of accurately adjusting their liabilities. As a consequence, those insured and the beneficiaries under existing policies find themselves wthout the protection for which they have been paying premiums.

"There has been much discussion with reference to the policy and motive of the associated Governments in landing troops on Russian soil. It is interesting to note that the combined military force at Archangel was landed at the solicitation and request of the established and de facto government of the northern Provinces of Russia to aid that government in protecting its citizenship from the murder, cruelty, and confiscation by the approaching red army of the bolshevik government.

"The salient features which constitute the program of bolshevism, as it exists to-day in Russia and is presented to the rest of the world as a panacea for all ills, may be summarized as follows:

"(1) The repudiation of democracy and the establishment of a dictatorship.

"(2) The confiscation of all land and the improvements thereon.

"(3) The confiscation of all forests and natural resources.

"(4) The confiscation of all live stock and all agricultural implements.

"(5) The confiscation of all banks and banking institutions and the establishment of a State monopoly of the banking business.

"(6) The confiscation of all factories, mills, mines, and industrial institutions and the delivery of the control and operation thereof to the employees therein.

"(7) The confiscation of all churches and all church property, real and personal.

"(8) The confiscation of all newspapers and periodicals and all mechanical facilities and machinery used in the publication thereof.

"(9) The seizure and confiscation of all public meeting places and assembly halls.

"(10) The confiscation of all transportation and communication systems.

"(11) The confiscation of the entire estate of all decedents.

"(12) The monopolizing by the State of all advertisements of every nature, whether in newspapers, periodicals, handbills, or programs.

"(13) The repudiation of all debts against the government and all obligations due the nonbolshevik elements of the population.

"(14) The establishment of universal compulsory military service regardless of religious scruples and conscientious objections.

"(15) The establishment of universal compulsory labor.

"(16) The abolition of the Sunday school and all other schools and institutions that teach religion.

"(17) The absolute separation of churches and schools.

"(18) The establishment, through marriage and divorce laws, of a method for the legalization of prostitution, when the same is engaged in by consent of the parties.

"(19) The refusal to recognize the existence of God in its governmental and judicial proceedings.

"(20) The conferring of the rights of citizenship on aliens without regard to length of residence or intelligence.

"(21) The arming of all so-called 'toilers,' and the disarming of all persons who had succeeded in acquiring property.

"(22) The discrimination in favor of residents of cities and against residents of the rural districts through giving residents of cities five times as much voting power as is accorded to residents of rural districts in such elections as are permitted.

"(23) The disfranchisement of all persons employing any other person in connection with their business.

"(24) The disfranchisement of all persons receiving rent, interest, or dividends.

"(25) The disfranchisement of all merchants, traders, and commercial agents.

"(26) The disfranchisement of all priests, clergymen, or employees of churches and religious bodies.

"(27) The denial of the existence of any inalienable rights in the individual citizen.

"(28) The establishment of a judicial system exercising autocratic power, convicting persons and imposing penalties in their absence, and without opportunity to be heard, and even adopting the death penalty for numerous crimes and misdemeanors.

"(29) The inauguration of a reign of fear, terrorism, and violence.

"This is the program that the revolutionary elements and the so-called 'parlor Bolshevists' would have this country accept as a substitute for the Government of the United States, which recognizes that 'all men are created equal,' and that 'life, liberty, and the pursuit of happiness' are the inalienable rights of all its citizens. This is the formula they would have adopted to supersede the Government which was established by all the people of the United States 'in order to form a more perfect union, establish justice, insure domestic tranquillity,' and 'promote the general welfare.' The mere recital of the program is a sufficient denunciation of it and of the individuals and groups which advocate and defend it.

"During modern times the effort of civilization has been directed to lifting mankind to the highest possible level of intelligence and social and material well-being in order to attain the highest degree of social equality between man and man. For the first time since the Dark Ages has an organized government undertaken to invoke a process of equalization by establishing as the basis of social equality the minimum rather than the maximum degree of existing educational, industrial, social, and moral efficiency, yet such is the policy of the bolshevik government. It recognizes that the psychology of even the most illiterate elements of the Russian people is such that it can not perpetuate this doctrine in practice unless the same reactionary methods of equalization are simultaneously destroying the social fabric, the efficiency, the individual initiative, the ambition, and the material prosperity of the peoples of all other nations, whose competition and accomplishments would necessarily result in odious and destructive comparisons. Not content, therefore, in fathering in Russia this retrograde method of establishing the equality of mankind on the basis of the lowest strata of society, it has undertaken to arouse in the United States and in all other countries

resentment, rancor, and hatred against those elements of society which have, by reason of their aptitude, perseverance, industry, and thrift attained that superior degree of intelligence and prosperity that has made possible the accomplishments of twentieth century civilization. The effort of progressing civilization has always been the uplifting of man to a higher and higher plane of living and a loftier place in society.

"The activities of the Bolsheviki constitute a complete repudiation of modern civilization and the promulgation of the doctrine that the best attainment of the most backward member of society shall be the level at which mankind shall find its final and victorious goal. The pulling down of the progressive rather than the lifting up of the retrogressive is presented as the doctrine of their new kind of civilization. To carry this message to the uttermost parts of the earth they have appropriated enormous sums of money, and, incidentally, their process of equalization in Russia was promoted by the starvation which the funds thus expended might have been utilized to alleviate. Their messengers and their friends have afflicted this country, and their new civilization has been represented as Utopian in its nature. Many well-disposed persons have been deceived into the belief that they were promoting a social welfare movement in advocating it. They have even given their substance that it might be perpetuated and extended. Yet, while these people who have been popularly called 'parlor Bolshevists' are contributing to these bolshevik agents, these same agents are appealing to the hatred and the lowest instincts of the more ignorant elements of the population, reinforced by the criminally inclined, to whom the doctrine of confiscation furnished a form of legalized robbery and a means of livelihood without physical or mental effort, to rise en masse and destroy our civilization and the so-called bourgeoise with whom, of course, must be classed these same 'parlor Bolshevists' who are assisting, by lending funds and respectability to the movement, in bringing the temple down upon their own heads.

"It is significant, however, that in the United States only a portion of the so-called radical revolutionary groups and organizations accept in its entirety the doctrine of the Bolsheviki. They have, however, all seized upon bolshevism as a rallying cry and are undertaking to unite all of these elements under that banner for the purpose of accomplishing the initial step in their common formula, to wit, the overthrow of existing governmental institutions and the complete demoralization of modern society. With this accomplished each group hopes that it can muster sufficient strength to maintain a supremacy in the new social order and invoke the policies of its particular creed. Most of these groups accept the common ground that forcible, as distinguished from political, action should be used as the instrument to secure the overthrow of the present government and in so doing defy and repudiate the democratic form of government which guarantees under our Constitution the rule of the majority. Like the Bolsheviki in Russia, these groups recognize in the destruction of life, property, and personal security the necessary preliminary to the establishment of a government founded upon the violence of the minority. They realize that riot, disorder, and hunger breed hatred, blood lust, and desperation, and that without these mankind can not be driven to the use of force to accomplish an end attainable by lawful and peaceable political methods under the existing government.

"The radical revolutionary elements in this country and the bolshevik government of Russia have, therefore, found a common cause in support of which they can unite their forces. They are both fanning the flame of discontent and endeavoring to incite revolution. Numerous newspapers are openly advocating revolution. Literature and circular matter demanding a resort to violence are being widely circulated. Bombs and high explosives have been used in many parts of the country in an attempt to inaugurate a reign of terror and to accomplish the assassination of public officials. The demonstration of the consequences of this movement in Russia, no matter how graphic the description, is a distant, far-away picture to the average citizen of the United States. While entertaining and perhaps amusing him, much as the novel in modern fiction does, it fails to impress him as an actual existing institution, in a world growing smaller and smaller through the accomplishments in transportation and communication, that must be considered and met as an actuality. To understand and realize its real consequences, it must be brought home to the citizen and applied to the life and institutions which he knows.

"With a view, therefore, of concretely illustrating just what this new social order would accomplish if transplanted into the political, educational, industrial, and religious life of the United States attention is invited to the following unavoidable consequences:

"1. The application of force and violence, the shedding of blood and the destruction of life and property, the common incidents of all revolutions, and all this to destroy a democratic form of government, under which the majority can secure just the kind of government that it desires. The advocacy of revolutionary methods is an admission, therefore, that minority rather than majority rule is the goal sought to be attained.

"2. To make possible the control of the minority as the dictators of the majority, the disfranchisement of millions of substantial, patriotic citizens who would fall in the so-called bourgeois or capitalistic class. This would deprive of the right to participate in affairs of government—

"(a) Millions of farmers, merchants, and manufacturers, both large and small, employing persons in the conduct of their business, and all professional and business men utilizing the services of a clerk, bookkeeper, or stenographer.

"(b) All persons receiving interest on borrowed money or bonds, rent from real estate or personal property, and dividends from stock of any kind.

"(c) All traders, merchants, and dealers, even though they do not employ another person in the conduct of their business.

"(d) All preachers, priests, janitors, and employees of all churches and religious bodies.

"It is apparent with the millions of persons falling into these several classes, disfranchised and deprived of all right to participate in the affairs of government, accompanied with the immediate enfranchisement of all aliens who do not fall within these prohibited classes, and the opening of the doors of all prisons and penitentiaries, the domination of the criminal and most undesirable alien elements of the country would be a comparatively easy matter. To simplify the question of this control, however, the substantial rural portion of the population would be further suppressed and restricted, and under the revolutionary formula the voting power of the cities would be five times as great as that of the rural communities, the ratio of representation in cities being 1 to every 25,000 of the population, while that of the rural districts would be only 1 to every 125,000 of the population. In the United States the rural population under the 1910 census was considerably in excess of the urban. We must also remember that the application of the formula would include the disarming of all disfranchised classes and the arming to the teeth of these criminal and alien elements.

"3. It would result in the confiscation by the government thus constituted of the land of the United States, including 6,361,502 farms, of which 62.1 per cent, or 3,948,722 farms, are owned in fee by the farmers who cultivate them and represent the labor and toil of a lifetime. On the farms of the United States there are improvements, machinery, and live stock to the value of $40,991,449,090 (census of 1910), all of which would be confiscated with the land. The confiscation program would include the more than 275,000 manufacturing establishments, including the $22,790,980,000 of invested capital, much of which is owned by the small investor, whose livelihood depends upon the success of the respective enterprises. The confiscation would also include 203,432 church edifices. Forests aggregating 555,000,000 acres would be seized by the government and an annual product of $1,375,000,000 would come under the control of the dictatorship. Dwellings to the number of 17,805,845, of which 9,093,675 are owned in fee, with 5,984,248 entirely free from debt, would be confiscated and the owners dispossessed at the pleasure of the government.

"4. Although clamoring loudly for a free and unrestricted press, the revolutionary program would require the seizure and confiscation of the 22,896 newspapers and periodicals in the United States, together with all mechanical equipment necessary for their publication, and a control and ownership of the public press by the government.

"5. Complete control of all banking institutions and their assets is an essential part of the revolutionary program, and the 31,492 banks in the United States would be taken over by the government and the savings of millions, including 11,397,553 depositors drawing interest on accounts in savings banks, and consequently belonging to the so-called bourgeois or capitalistic class, jeopardized.

"6. One of the most appalling and far-reaching consequences of an application of bolshevism in the United States would be found in the confiscation and liquidation of its life insurance companies. There is 20 per cent more life insurance in force in this country than in all the rest of the world and nine-tenths of it is mutual insurance. Almost 50,000,000 life insurance policies, representing nearly $30,000,000,000 of insurance, the substantial protection of the women and children of the Nation, would be rendered valueless.

"7. The atheism that permeates the whole Russian dictatorship is clearly reflected in the activities of their revolutionary confrères in the United States, and in their publications they have denounced our religion and our God as "lies." This gives added significance to the revolutionary attitude toward the Christian church and the Christian religion. The prohibition of religious schools and the teaching or studying of religion, except in private, would necessitate the abolition of 194,759 Sunday schools in the United States and a great number of seminaries, colleges, and universities; 19,935,890 Sunday school scholars would be deprived and prevented from enjoying the institution that has become an important part of their lives and is one of the great moral influences of the Nation. Catholic schools, colleges, and seminaries to the number of 6,681 would be suppressed. Church property of the value of $1,676,600,582 would be confiscated and 41,926,854 (census of 1916) members of 227,487 church organizations would be subjected to the domination of an atheist dictatorship.

"Notwithstanding the fact that every champion and defender of bolshevism that testified before your committee unequivocally admitted that the bolshevik formula was not adaptable to the economic and social life of the United States, they and their coevangelists persist in their appeals to the passion of the people in an attempt to provoke discontent and hatred. In cooperation with the revolutionary elements, destruction of existing social and governmental institutions by violent methods is being promoted. They must, therefore, be condemned as the mere acceptable ideal, as they profess to have, with which to soften and appease the wrath that they are undertaking to arouse."

Mr. NORRIS. I would like to ask the Senator from Washington if he can inform the Senate what has been done in regard to the prosecution and conviction of the men who were guilty of the crime in Centralia, Wash., about which we have all read?

Mr. JONES of Washington. I have seen in the newspapers reports that at least one man has been arrested and is now under indictment. There may be more. We have a very stringent antisyndicalism State act. I think he is being prosecuted, however, on the charge of murder. I think that was the charge made under the State law.

Mr. NORRIS. I assumed, of course, that they were guilty of murder and that they ought to be prosecuted for murder.

Mr. JONES of Washington. Of course.

Mr. NORRIS. Have all those who participated in the crime been arrested, does the Senator know?

Mr. JONES of Washington. I do not think they have caught everyone who they think participated in it.

Mr. NORRIS. Is there any doubt about who did participate in it? Has that question arisen?

Mr. JONES of Washington. I think there is some question about it.

Mr. NORRIS. Is the identity of the criminals clearly established?

Mr. JONES of Washington. All I know is what I read in the newspaper reports. I think I can say that they have not yet clearly established the identify of the criminals, or all of them.

Mr. NORRIS. Of course there is a law in Washington, I assume, that fully covers the situation. It would not be necessary for any legislation on the part of Congress?

Mr. JONES of Washington. Not to cover that particular act.

Mr. NORRIS. I just wanted to get all the information I could with regard to that episode, which really shocked the sensibilities of everybody when we read about it.

Mr. JONES of Washington. I have given the Senate practically all the information which I have, which I have gotten from the press.

REGULATION OF STREET TRAFFIC IN WASHINGTON CITY.

Mr. FLETCHER. Mr. President, I desire to offer an amendment to the pending bill.

The VICE PRESIDENT. There is an amendment pending now.

Mr. FLETCHER. Then, Mr. President, as there is not time to act on it, I want to allude to a local condition here in the city of Washington. I was not present yesterday when the Senator from Illinois [Mr. SHERMAN], the chairman of the Committee on the District of Columbia, called attention to this condition, and should have been glad to join him at the time or, rather, support his observations about it.

The situation is that it has become almost dangerous for a pedestrian to use the streets of Washington at all. It is as critical as if the people here were in a railroad yard all the time. It is perfectly incomprehensible and inexcusable that people should be run over here day after day, four and five cases every day, by either automobiles or electric street cars.

The instance which brings it especially home to me is the occasion of the death of Mrs. Willard. Mrs. Willard was the daughter of one of the most distinguished citizens of Florida, a former Member of Congress, and she was no stranger to the streets of Washington. The use of street cars and the streets was nothing new to her.

The facts seem to have been that at a regular stopping place for the cars, a place opposite the Hamilton Hotel, quite a party of people assembled for the purpose of taking a northbound car for Chevy Chase. They were at the place where the cars stop. An automobile came speeding down the street, according to the driver, at a rate of speed of 12 miles an hour, but perhaps a great deal more than that, and the driver blew his horn so as to alarm these people and have them get out of his way, I presume, and some of the people did rush from the place where they were standing toward the car tracks. This driver apparently never lessened his speed at all. Mrs. Willard did what was the proper thing to do, stood still to let the driver go around her, because it is dangerous to be shifting back and forth when an automobile is approaching. Usually the wise, sensible thing to do is to stand still. Apparently she stood still. Other members of the party rushed to the street car track, and this automobile struck Mrs. Willard and inflicted such injuries upon her that in 24 hours she died.

The driver says in his statement that he did not see Mrs. Willard. It was his business to see her. There is absolutely no excuse for an automobile driver to run his car into a crowd of people, assuming that they are going to get out of his way, and then claim, because one of them is hurt, that he did not see that particular person.

Mr. POMERENE. She had a legal right to be there.

Mr. FLETCHER. She had a legal right to be there. The truth is that you have to get out into the street where these cars stop and be there when the car arrives or else you can not get on the car. Many a time I myself, and I am quite a user of the street cars, have been within a half a length of the car, of the door entering the car, when the motorman or the conductor would start up the car and leave me, closing the door, and forcing me to wait 10 minutes for another car.

The VICE PRESIDENT. The morning hour having expired the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. FLETCHER. Passengers who desire to board a street car are obliged to be at the place where the car stops. If they are not there, the motorman will move on and leave them on the sidewalk or within 10 feet of the entrance to the car.

The accident to which I am referring happened at a regular car stop. According to the testimony before the coroner, as reported in the newspapers, it appears that the cars were tied up just a block away. The people who were there waiting for the street cars did not probably know there was a tie-up. The tie-up was only one block from them anyhow, and they were out there waiting to take a street car. The driver gives as an excuse for the accident that he did not see Mrs. Willard at all and therefore he ought not to be blamed. The coroner exonerated him and dismissed the matter.

It seems to me there must be adequate laws already to meet a situation like that. I do not know that we have, but apparently either there is need of additional and other laws, or else we need new coroners in the District and we need some new prosecuting officers.

If I were in a party of people exercising my right to wait to get on a street car at a regular stopping place, if we assembled in the street for the purpose of boarding the street car, and an automobile were to come speeding down the street toward that group of people and a man in the crowd should take out his pistol and shoot the reckless driver down, and if that man was prosecuted and I were called on to serve on the jury at his trial I would acquit him. You are going to come to something like that in the city of Washington if something is not done about the reckless disregard of human life by the automobile drivers, and in some instances probably by motormen of electric street cars. But this was an automobile accident and I refer especially to that.

It is an intolerable situation that a pedestrian has no rights in the streets of Washington at all apparently now that automobile drivers are bound to respect. It seems to me we need a new coroner or more here, otherwise we may expect the next coroner will give a medal to the man who runs down some person and causes his death. It is a condition that we can not

afford to ignore. Human life is worth something, and we ought not to permit this sort of thing.

It seems to me the commissioners could promulgate regulations, and the police ought to be stimulated to do their part, and certainly the coroners ought to be competent and willing to do their duty. Of course, the coroner's verdict amounts to practically nothing so far as further action is concerned, and the prosecuting officers can still proceed against this individual, though he will probably leave town and get away and escape punishment entirely. The people who indulge in such criminal negligence and such wicked indifference to others ought to be punished, and punished severely. That man was as clearly guilty of manslaughter as ever a man was in the world.

If he deliberately ran his machine over Mrs. Willard, who was standing in the street, then he is guilty of murder. If he did not see her, he is guilty of manslaughter. She had a right to be there, and it was his business to see her and his business to stop his machine when approaching a crowd of people in the street, and not take it for granted that they were going to get out of his way. The thing is happening every day, and something must be done about it. We can not sit here and see people injured and their rights utterly disregarded by the people who are running automobiles for hire or for pleasure, it makes no difference which. We can not have the streets entirely monopolized by the automobiles and by the street cars.

Mr. ASHURST. Mr. President——

Mr. FLETCHER. I yield to the Senator from Arizona.

Mr. ASHURST. The Senator from Florida has not overemphasized the perilous condition of Washington's streets. A citizen will soon have to arm himself with a pistol and shoot some of the drivers of this city, who, with a cynical, reckless disregard of human life, run down old men, old women, and babes in arms.

Only yesterday a driver very nearly deprived the Senate of a useful Member, whereupon the speed-mad driver only laughed and said, "Keep off the street; you have no right here."

Mr. KING. It was a good joke.

Mr. ASHURST. Yes; it was a good joke for him.

Mr. FLETCHER. I quite agree with the Senator from Arizona. The people will undoubtedly resort to some method of that kind in order to protect themselves if the police officers and municipal authorities in the District of Columbia do not in some way bring about a change in the present practice.

I, of course, was not a witness to the accident, but, according to the article in the Star, this running down a person on the public highway and causing injuries which resulted in death was a dastardly act, in violation of law and deserving of severe punishment. The headline reads:

Mrs. Willard's death accident. Coroner's jury investigates fatal auto crash. Other street collisions.

The article sets forth a list of five or six more accidents similar in character, in addition to the one to which I have referred. The article says:

It was testified that Charles E. Jones, a colored chauffeur, was driving his employer's machine north on Fourteenth Street at a rate of speed not greater than 12 miles an hour—

Of course, that is his statement—

Street cars were tied up on Fourteenth Street, south of I, witnesses stated—

That is only one block away from where the accident occurred—

and no car was approaching the place where the accident happened.

It does not take a street car long to run a block, and, as I said, unless you are right at the spot in time to take the car, the car will move on without you, even if you have to go the distance from the sidewalk to the car track.

Several persons were standing on the street almost in front of the entrance to the Hamilton Hotel—

That is a regular stopping place—

and when Jones sounded his horn all of them, with the exception of Mrs. Willard, moved toward the car tracks. The night was dark and misty, and Jones and other occupants of the car said they did not see Mrs. Willard.

Jones was exonerated, and the killing of a most estimable woman, as gentle and sweet a character as lived, was declared an unavoidable accident. As I said, perhaps the next man who does a thing like that will be given a medal by the coroner or decorated in some way. It is a perfect outrage, a wicked crime. It was the driver's business to see Mrs. Willard in the street and to stop his car before he approached the crowd of people standing in the street, and to take no chances of that sort; but it seems automobile drivers do not propose to stop under such circumstances. Pedestrians have either got to get out of the way or they will get run over, and that is all there is to it.

I hope the Committee on the District of Columbia will present a bill that will rectify this condition and adequately deal with the situation. It is getting so that it is absolutely dangerous for pedestrians to use the streets at all. A man takes his life in his hands when he goes out into the street to board a street car or goes from the car to the sidewalk. It is intolerable.

Mr. KIRBY obtained the floor.

Mr. FRELINGHUYSEN. Will the Senator from Arkansas yield?

Mr. KIRBY. Certainly.

Mr. FRELINGHUYSEN. I wish simply to make a brief statement with regard to the question of traffic regulations and automobile traffic in Washington. I quite agree with the Senators who have spoken on the subject that Congress should immediately enact some legislation to protect the traveling public against the carelessness that now exists in Washington. The safety of not only the public but our own families depends upon it.

You can stop all this reckless driving if you will simply enact a law providing for the examination of drivers and licensing only responsible drivers, those who are qualified to drive, and by providing a strong penalty clause of arrest or fine for those who violate the law. That will correct the present disregard of all law and order in the city of Washington.

The matter was discussed yesterday and we can go on discussing it, but the evil will continue unless some provision is made to punish the offenders with fine or imprisonment and unless we have some responsible bureau to examine everyone who drives an automobile in the city of Washington and compel them to pass an examination and compel them to show that they are efficient and capable of driving it. Then if they violate the regulations arrest them and fine them and deprive them of the further privilege of driving. Thus you will stop the reckless driving and the menace to the traveling public.

Mr. KIRBY. Mr. President, I only desire to confirm the statement made by the Senator from Florida [Mr. FLETCHER] and to call attention to another, the most flagrant case of apparent willful disregard of human life that I have ever known. I did not see the occurrence, but it was related in the city papers. Yesterday or the day before a street car struck a person down on Pennsylvania Avenue. The car stopped, of course. The motorman of the street car behind it got out to administer some relief to the injured man and an automobilist came along and killed that motorman.

That happened right here in Washington. That condition ought not to be allowed to exist anywhere. Necessarily there was confusion under the circumstances there that would have attracted the attention of any driver, and still when the motorman of the second car went out to administer some relief to the injured person he was run down and killed by an automobile right here on Pennsylvania Avenue.

Mr. MYERS. Mr. President, I know of no more lawless set of people than the chauffeurs of this city who drive automobiles. I do not believe there is one automobile driver out of fifty who observes the regulation about stopping his machine before it gets within 15 feet of a street car which has stopped, and which forbids automobiles from passing a street car while the car has stopped. I do not believe there is one automobile driver out of fifty who observes that regulation. I see automobiles every day sweeping right past street cars when people are alighting, and paying no more attention to them than if there were no such law at all.

It is practically impossible to convict anyone of a violation of the law. A few weeks ago I was alighting from a street car and an automobile swept by without paying any attention at all and I came very nearly being run over. If I had not noticed the approach of the car and stepped back a foot or two I would have been struck down. I was going to prosecute the driver of the machine. I got the number of the machine from the rear as it went by in its joyous career, and wrote the district attorney about it. I gave him the number of the car, but he informed me that I would have to swear to the identity of the driver; that when he came into court I would have to point him out and say, "This man was driving the car." I could not do that, of course. I did not get a good glimpse of the driver, so that it was practically impossible to identify him.

I do not believe there is one machine out of fifty in the city that observes the regulations. I believe the average rate of speed of automobiles in Washington is 30 miles an hour right on the most crowded streets, and I have seen some of them on residence streets that I believe were going 50 miles an hour. They turn corners without halting or paying any attention, and even without blowing their horns. If a man is not careful some automobile coming from a side street will slip up behind him and run over him and kill him. I believe the law ought to be that

anyone who fails to observe the regulations shall have his automobile confiscated, no matter who is driving it. If he insists on employing a lawless, reckless chauffeur, let him suffer the consequences.

It has become so that it is dangerous to cross the streets in Washington. About the only remedy seems to be for pedestrians to go armed and to draw their arms and shoot the chauffeurs who approach them in disregard of the law. There are drivers in this city who ought to be shot down just as a wild animal at large would be shot down. The minority of members of Congress who use street cars find their lives in constant danger.

Mr. President, I merely wanted to add my testimony to what has been said here. A very grave situation exists.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. FRANCE. I present an amendment to the pending bill, being the so-called Madden bill, which was offered some time ago in the House of Representatives and which I intend to offer as an amendment to the pending bill. I ask that the proposed amendment may be printed in the RECORD and that it may also be printed in the usual form and lie on the table.

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment is as follows:

Amendment intended to be proposed by Mr. FRANCE to the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, viz: At the proper place insert the following:

SEC. —. That hereafter it shall be unlawful for any owner, operator, manager, trustee, receiver, or lessee of any transportation system or systems, by land or water routes within the territorial boundaries of the United States of America and engaged in or soliciting interstate commerce under a common control, management, or arrangement, or any servant, employee, or agent of such owner, manager, trustee, receiver, operator, or lessee, or any other person having connection therewith, to deny or to refuse to furnish, by any device or method whatsoever, equal and identical rights, accommodations, and privileges to any person who shall pay, or offer to pay, the uniform charge made for such equal and identical rights, accommodations, and privileges in interstate transportation, when such refusal is on account of the race, color, or previous condition of servitude of the person so applying.

And it shall hereafter be further unlawful for any owner, operator, manager, lessee, trustee, or receiver of any system or systems of transportation within the territorial boundaries of the United States of America and engaged in or soliciting interstate commerce, or any servant, employee, or agent of such owner, operator, manager, trustee, receiver, or lessee, or any other person connected therewith, to operate upon any part of their transportation system or systems any car, vessel, train of cars, or other conveyance in and upon which any person, being transported to a final destination beyond the boundaries of any State or Territory of the United States of America, or beyond the boundaries of the District of Columbia, and paying, or offering to pay, the uniform charge made for transportation in interstate transportation, shall, on account of race, color, or previous condition of servitude, be separated from any other passenger, or be denied equal and identical rights, accommodations, and privileges accorded any other passenger paying or offering to pay such uniform charge for interstate transportation, or be permitted to be assaulted, molested, or in any other way injured or oppressed by reason of the exercise of any right herein granted or protected.

SEC. —. That any owner, manager, lessee, operator, trustee, or receiver of any system of transportation as set forth in section 1 of this act who shall violate or connive at the violation of any of the provisions of section 1 shall, for each such violation or connivance, forfeit not less than the full sum of $5,000, to be recovered in a proper United States court, in an action on the case, to the use of each person aggrieved by such violation, together with costs and reasonable counsel fees, to be fixed by the trial justice; and all other persons guilty of such violation or participation therein shall, upon conviction in a proper United States court, be fined $1,000, or imprisoned in a Federal prison for one year, or both.

SEC. —. That the provisions of this act shall apply to the interstate operation of transportation systems under Federal control, with like penalties and punishments for its violation.

SEC. —. That all acts, parts of acts, statutes, regulations, and orders not in conformity herewith are hereby amended, altered, or repealed.

Mr. MCKELLAR resumed and concluded the speech begun by him yesterday. The entire speech is as follows:

Mr. President, the pending railroad bill has been before the Senate for a number of days. Practically no interest has been taken in the bill. Senators have absented themselves from the Senate during the entire discussion. If they feel any interest in the bill they do not indicate it either by their presence in the Senate or by talking about it. It involves about one-fifteenth of the entire wealth of the United States. It is the most important measure affecting the interests and the prosperity of this country that was ever before Congress, and yet it is being allowed to pass along practically without any comment in the newspapers, and practically without any notice upon the part of the public. About one Senator in four or five, apparently, has looked over the bill, from what I can understand about the situation, and the country itself seems almost oblivious to the fact that there is pending before the Congress this very important measure.

Whether or not we are going to take any more interest in it as the debate goes on I can not say. I am sure it is not because we have made up our minds, because there are a great many of us that have considered it in but a perfunctory way, and there are a great many others of us that have not considered it at all.

I am frank to say, Mr. President, that I am greatly disappointed in the bill that has been reported out by the committee. I do not believe it is a wise measure. When its provisions are fully known I do not believe it will meet the approval of the country. It is wholly opposed to sound business principles, to say the least of it. In a large sense it is bolshevistic in the extreme. I have heard a great many people talk about the iniquities of the Plumb plan. About the only difference between the Plumb plan and the Cummins plan of control of the railroads is this: Under the Plumb plan the railroads are taken away from the owners, paid for by the Government, and turned over to the brotherhoods. Under this proposed measure the railroads are put in a trust and turned over to the security holders. The Government holds the bag under both plans. The people will be required to pay exorbitant charges under both plans. The plans are very similar and both approach Government ownership very substantially.

Mr. President, in continuing where I left off yesterday I desire for a few moments to address myself to the subject of the 5½ per cent guaranty provided in the pending bill. I am fully aware that the distinguished chairman of the committee, the Senator from Iowa [Mr. CUMMINS], takes a different view of the 5½ per cent guaranty which is provided for in section 6 of the bill. The chairman of the committee is of the opinion, as stated on yesterday, that this is not a guaranty provision, but that it is merely a declaration of policy. I think the chairman is mistaken in that; and I wish to read the provision of the bill itself. I quote from page 13 of the bill:

The commission shall initiate, modify, or adjust rates, fares, charges, and classifications, as nearly as may be, so that the railway carriers as a whole allocated to each district and subject to this act shall earn an aggregate annual net railway operating income equal, as nearly as may be, to 5½ per cent upon the aggregate value, as determined in accordance with the provisions hereof, of the railway property of such carriers in the district held for and used in the service of transportation.

Mr. President, there is no declaration of policy in these words. They are absolutely mandatory. They constitute, in my judgment, a guaranty.

Mr. President, I am convinced that this provision of the bill is not only wrong in policy but that, as a matter of law, it is unconstitutional. I base my statement that it is unconstitutional upon somewhat distinguished authority in this country. Four years ago it was very distinguished authority on one side of this Chamber, and it is probably just as distinguished authority to-day. I refer to the opinion of ex-Justice of the Supreme Court Mr. Charles Evans Hughes. He believes that that provision, with the accompanying provisions, is unconstitutional, and so do I, and there are decisions of the Supreme Court of the United States that uphold that view.

Before going into the legal question, however, I wish to say that, in my judgment, this is an absolute guaranty, susceptible of being enforced in the courts. I venture the opinion that if this provision becomes a law the railroads of the country will have the legal right, if it becomes necessary, to mandamus the Interstate Commerce Commission to fix such a rate as will yield a return of 5½ per cent.

Let us see what is the nature of that guaranty. Mr. President, under the Constitution of the United States this body, together with the House of Representatives, with the approval of the President, has the power to tax the people. It is true that measures passed by Congress giving the Interstate Commerce Commission the right to fix rates of fare and of freight on railroads have been upheld, and properly so; but I call the attention of the Senate to the fact that in holding such provisions constitutional the courts have done so upon the theory that what the Interstate Commerce Commission was directed to do was to fix a reasonable compensation for reasonable services rendered. Whenever you go beyond that you invade another jurisdiction, and that, in my judgment, can not be done under the Constitution.

What is the purpose here of providing that rates shall be fixed to return 5½ per cent upon the actual capital invested by the railroads? Is it for the purpose of fixing a compensation for services rendered? Not at all. It is a rate fixed for the purpose not of determining the compensation but for measuring income, for guaranteeing income, and I say that may not be done under our Constitution.

I say, in the next place, that it is not a wise policy for the American Congress to guarantee to any of its citizens that there

shall be a fixed return upon their property, regardless of what the citizen or property does to earn it.

Mr. UNDERWOOD. Mr. President——

Mr. McKELLAR. I yield to the Senator.

Mr. UNDERWOOD. Mr. President, I wish to call the attention of the Senator from Tennessee to the fact—I have forgotten the name of the case now, but I can furnish it to him—that one of the decisions of the Supreme Court of the United States is in relation to a case coming from Tennessee, where the legislature of that State in the early history of the building of railroads, provided in the charter of a railroad company that the compensation should be only a reasonable return upon the capital. That provision was attacked and was declared invalid, not on the ground that a reasonable return on the capital was not a fair basis of rate making, but on the ground that the legislative body failed to establish what was a reasonable basis or prescribe what the reasonable basis should be or provide a rule of action by which it could be determined. In the early history of rate making in this country, and in England as well, many railroad charters were granted on the very basis that rates should be based on a reasonable return on their capital, and such provisions have been sustained. So this is not a new problem.

The Senator refers to the decision of Justice Hughes. Justice Hughes's decision was written on the basis of the bill as originally introduced. It has been very considerably modified and his criticism of the bill met by the committee; and if the Senator will refer to the bill with reference to the just and reasonable return, as criticized by Justice Hughes in his opinion, and then look at the amendment—it may have escaped the Senator, because it was not clearly set out as an amendment. The original bill was introduced, and then afterwards very greatly amended in several particulars, and another bill was introduced as a substitute for it that came in intact and did not show the amendments; but if the Senator will compare the bill that Justice Hughes was criticizing with the bill that is now before the Senate, he will find that they are two very different measures in this particular.

Mr. McKELLAR. I have compared them, and I understand the changes that have been made. I have before me the provision that Mr. Justice Hughes criticized, and I also have before me the bill as it is at present written and proposed; and I venture the assertion that the vice pointed out by Justice Hughes is just as obvious in the present bill as it was in the original bill.

What was done was this: The original bill provided that one-half of the excess payments—in other words, one-half of the taxes levied upon the people and collected by the carrier—

one-half of all such payments to the board shall be invested or expended for the purposes set forth in section 25 hereof, and one-half thereof shall be deposited in a fund which from time to time shall be expended by the board in the purchase of equipment to be leased under proper terms to carriers in order to facilitate transportation, or to loan to carriers upon reasonable security in order to purchase equipment or other facilities, in the event that such carriers are unable to secure elsewhere the funds with which to provide themselves with adequate transportation facilities.

Now, that part of the bill was altered.

Mr. UNDERWOOD. I will say to the Senator, though, that that is not the part to which I am referring. I have not the bill before me, but it is the part with reference to rate making to which Mr. Justice Hughes's opinion directly related, where he claimed it was unconstitutional; and as the bill was originally introduced, the basis of rate making was a fair and reasonable return on the capital. It was not the disposition of the funds after they were collected that I was referring to or that his decision primarily goes to. It is a question of rate making, and not the disposition of the money after the rate is acquired; and that has been entirely changed in the present bill.

Mr. McKELLAR. Under the provisions of the original bill one half of the excess money secured by the rates was to be divided among the employees under certain conditions and the other half put in a contingent fund for the benefit of the weak or poor railroads. That is the substance of it.

Mr. UNDERWOOD. That is true, but his decision did not go to that point.

Mr. McKELLAR. Just one moment. The new bill provides that one-third of this excess collection shall go to the carriers themselves and two-thirds of it shall be put in a contingent fund to help crippled railroads. Now, my proposition is this——

Mr. UNDERWOOD. But, Mr. President——

Mr. McKELLAR. Just one moment. Let me state the case, and then the Senator can see whether or not he differs with me. My proposition is this, that Congress has not the constitutional power to delegate to the Interstate Commerce Commission the right to raise and collect money in this way, or in any other way; or, in other words, to tax the people, the tax to be devoted to the aid of broken down or needy railroad companies. You can not do it under any guise, and whenever you undertake to transfer or delegate the taxing power to the Interstate Commerce Commission to raise money for any such purpose you violate the Constitution.

Mr. UNDERWOOD. If the Senator will allow me, my recollection of Justice Hughes's opinion is that it did not go to that feature of the bill. It was with regard to the feature as to levying taxation, and that is what I thought the Senator referred to as the basis of the decision.

As the bill was originally prepared, I agree with the Senator about the amendment of which he speaks. It originally proposed that part of this fund should go to the employees. That was for individual effort; but there is a very different bill before the Senate to-day. Under that bill the proceeds of the fund so collected went to private enterprise or private employment; but under the bill as it stands to-day, it goes to the public. It goes to the Government of the United States. All this surplus fund goes to a Government board, just as it would go to the Treasury of the United States; not to a railroad. It never goes to a railroad. It is provided that the fund may be used to loan to the railroads, but the interest comes back to the Government.

The Treasury is loaning money to the railroads now. This fund that goes to the public would be loaned to the railroads. There is nothing unconstitutional about that. On the other hand, if it is not used for that purpose, it goes to a Government corporation to build cars and equipment to lend to railroads in the interest of the public, and it does not become the property of the corporation; but it possibly enables the weak road to rent, on reasonable terms, cars to furnish transportation facilities to the people on the weak roads, and give them the benefits that only the people on the strong roads get to-day. That is a very different aspect of the case from the way the bill stood when Justice Hughes rendered his decision.

Mr. McKELLAR. I will read from the bill itself. That is the best way to get at it. I am talking now about the contingent fund that is being raised on the excess rates that are to be fixed by the Interstate Commerce Commission. In other words, the excess of taxes that are levied by the Interstate Commerce Commission on the business of the country is to be put into a contingent fund, and here is what is to be done with it according to the bill:

And the said fund and all accretions thereof shall be employed or invested or expended by the board in furtherance of the public interest in railway transportation by carriers subject to the act to regulate commerce in avoiding congestions, interruptions, or hindrances to the railway service of the United States by carriers subject to the act to regulate commerce, or in furthering the public service rendered by them, either by way of purchase, lease, or rental of transportation equipment and facilities to be used by such carriers wherever the public interest may require, or by way of loans to such carriers, upon such fair and reasonable terms and conditions, in either case, as the board may prescribe.

Mr. UNDERWOOD. Exactly.

Mr. McKELLAR. Now, one moment. My proposition is that the United States Government may tax the people, if it so desires, and establish a fund for these purposes. If it wants to vote bounties to certain railroads in the country, or any other corporations in the country, or any individuals in the country, it has the right to do it if it can get the necessary majority in both Houses of Congress and get the President's signature to it; but under the Constitution it can not delegate its rightful power to tax to the Interstate Commerce Commission and let that commission tax the people for any such purpose.

Mr. UNDERWOOD. That is another question.

Mr. McKELLAR. That is the question that I am raising.

Mr. UNDERWOOD. But the question that Justice Hughes raised was not that question.

Mr. McKELLAR. It is exactly in the same line, and the same reasoning that applied to the question in Justice Hughes's argument applies to this question; in other words, that the Congress has not the right to delegate its power to the Interstate Commerce Commission in order to raise taxes for any purpose, I do not care what it is.

Mr. UNDERWOOD. I will say to the Senator from Tennessee that I do not agree with him entirely on that matter; but I only interrupted him to call his attention to the difference in the two bills at the time Mr. Justice Hughes wrote his decision and now. It will take an extended argument to present my views on the other question, and I will not attempt to do it in the Senator's time.

Mr. McKELLAR. I shall be glad to yield a little later.

Mr. UNDERWOOD. I would not trespass on the Senator now.

Mr. McKELLAR. I would prefer to go on and at least state the propositions that I desire to state.

Mr. CUMMINS. Mr. President, will the Senator yield?

Mr. McKELLAR. Of course I will yield to the chairman of the committee.

Mr. CUMMINS. I want the Senate to understand the relation of ex-Justice Hughes and ex-Senator Root and the associates of both to this question.

Mr. McKELLAR. If the Senator will permit me, I will state that I have Mr. Justice Hughes's opinion in the matter, and I am going to ask unanimous consent that it may be printed in the RECORD, so that the Senate can see just what it is.

Mr. CUMMINS. Very well; let us have it printed, because it has been circulated very generally. I have not a word to say, of course, as the Senator knows, in disrespect of ex-Justice Hughes. I think he is a very distinguished lawyer, and I say likewise of ex-Senator Root; but I want the Senate to understand that the railway executives employed ex-Justice Hughes. This is the way, at least, that it has been given to me, and I assume that it is true. Notwithstanding some things that have been said in this Chamber, the railway executives are opposed to this bill and are doing everything in their power to defeat it, and in order to help defeat it they employed ex-Justice Hughes to render an opinion for them with regard to this feature of the bill. The same thing is true of ex-Senator Root. The Securities Association, or whatever may be its technical name, representing in a general way the bonds of the railway companies, employed ex-Senator Root to render an opinion with regard to a feature in their plan that required the taking of excess earnings—not the same plan that we have here, but a plan that would present the same legal questions.

Mr. McKELLAR. Precisely.

Mr. CUMMINS. That I agree. All that I want the country and the Senate to know is that these opinions, coming indeed from distinguished men and lawyers, are the opinions of advocates of their respective interests, advocates of the two sides of that question.

Mr. POMERENE. Mr. President——

Mr. McKELLAR. Just one minute. I will yield to the Senator from Ohio in just a minute.

Mr. CUMMINS. I have said all that I care to say.

Mr. McKELLAR. Mr. President, I say I know nothing in the world about by whom Mr. Justice Hughes and Senator Elihu Root were employed. I know nothing about it, but I take the Senator's word for it. But I want to say that, so far as I am concerned, I do not think anyone on earth would charge for a moment that I represented anybody in this body except my constituents in Tennessee and the United States.

Mr. CUMMINS. No; and the Senator can not for a moment think that I have any such view.

Mr. McKELLAR. I am quite sure the Senator has not, but I do not like to have references made to paid attorneys.

Mr. CUMMINS. I am only saying that when we rely upon the opinion of ex-Justice Hughes we are not relying upon the opinion of a member of the Supreme Court. When we are relying upon the opinion of ex-Senator Root we are not relying upon an opinion that he would render as a Senator. We are relying in both cases on opinions rendered, after retainer, for the respective sides. It is perfectly proper for a lawyer to do that. We all take retainers, and have to take retainers; but the Senator knows as well as I do that when lawyers are retained there is just a shade of inclination toward the views held by their clients, and therefore we must not accept the opinions upon either side as the opinions of entirely impartial people.

Mr. McKELLAR. Of course I do not know to what extent Mr. Justice Hughes and ex-Senator Root are influenced by retainers. I do not happen to have the personal acquaintance with those gentlemen which Senators on the other side of the Chamber have. They have served with ex-Senator Root, and Mr. Justice Hughes was the candidate of the Republican Party for President. I rather assumed that these men were quite honest men, of the highest character, and would not attach their names to any document, whether paid for it or not, unless they honestly believed that the statement they made in that document was the law of the land; and I am inclined to think that what they have stated here was a proper legal opinion.

Mr. CUMMINS. They are honest men, and they are great lawyers, both of them; but they can not both be right upon this proposition, inasmuch as they are diametrically opposed to each other with respect to the constitutionality of this provision.

Mr. McKELLAR. Very well. We will leave that where it is. Now, I yield to the Senator from Ohio.

Mr. POMERENE. Mr. President, I simply want to offer this suggestion: The Senator from Tennessee has asked to have printed in the RECORD the opinion of Mr. Justice Hughes. Of course, that is great authority; but it seems to me that if Senators want the full benefit of the constitutional arguments on both sides the opinion of Mr. Johnson, I believe it was, as concurred in by ex-Senator Root and three or four other very able constitutional lawyers, should also be printed in the RECORD.

Mr. McKELLAR. I have no objection. I shall not interpose any objection if the Senator from Ohio [Mr. POMERENE] or the Senator from Iowa [Mr. CUMMINS] desires to have these decisions printed in the RECORD. I am trying to impress upon the Senate that this remarkable departure from the policies of the American Government with respect to its citizens is not believed by all the great lawyers in this country, at any rate, to be a constitutional departure.

I say that this is a guaranty of 5½ per cent to the railroads of the country; that it is not compensation for service done, because there is nothing in this bill that requires service of the railroads. Instead of requiring service of the railroads, a premium is put upon a lack of service, for you say to the good road, the well-managed road, the prosperous road, the road that looks after its own business, the road that gives the public the best kind of service, "We will penalize you for giving that service. You ought not to give it. We will penalize you, and we will take your money away from you for doing it." And you say to the poorly managed road, the road that has not good purchasing agents, that does not purchase its materials well, that has poor traffic managers and poor road superintendents, that does not keep up its rolling stock and does not keep up its equipment, and does not furnish the public any service, "We will reward you for not doing that by taking away the earnings of the good roads, and turning over an agency for the benefit of you fellows who do not do your duty a portion of those earnings."

I say that any such principle in any bill is wholly un-American, that it is wholly unjust, it is absolutely indefensible, and I do not see how anyone who knows the fact can say for a moment that a policy like that ought to be written into the law of the United States.

I do not know how other Senators are going to vote, but, so far as I am concerned, I shall never vote to take away the just earnings of a railroad that is well managed, that gives the public an efficient service, and turn those earnings, in part, over to another railroad that is not well managed and that does not give the public a good service.

But Senators say that that is a declaration of policy about the 5½ per cent. Why do you not put it in the bill, if it is a declaration of policy? I am inclined to believe, as a matter of law, that if you put in the bill that it is the declared purpose of the United States to furnish to the railroads 5½ per cent income on their capital invested, that would be a legal agreement which they could enforce in any court, and the Interstate Commerce Commission would be required—nay, be compelled—to fix the rates, if they are constitutional.

Why should we do this for any class of our citizens? If we do it for the railroads, why should we not do it for the banks; why should we not do it for the farmers; why should we not do it for the merchants; why should we not do it for labor; why should we not do it for the lawyers? There are many of them making an honest living. Why should we not do it for the doctors? Why should we not give them all a reasonable income of 5½ per cent? Why are we making fish of one and fowl of another? What reason is there? Why should we take this particular class of our citizens and put them in a different class or on a different basis from all other citizens?

You say because they are public-service corporations. If you are going to do that why should you not do it for the street car companies; why should you not do it for the electric-light companies; why should you not do it for the telegraph and telephone companies that deal with interstate commerce? I say that it is indefensible in policy to put this tax upon the American people, and it is nothing in the world but a tax. As a matter of fact, how are you going to apply the law when you pass it, Senators?

We have had a commission trying to value the railroad properties of this country for the last five years, and they have not finished yet; and in this bill you direct the Interstate Commerce Commission to value them in the twinkling of an eye, and give them 5 per cent return upon the valuation. Is it conceivable that they can do it?

Mr. POMERENE. Mr. President, the Senator has just made the statement that under this bill we require the Interstate Commerce Commission to make a valuation in the twinkling of an eye. I am sure the Senator does not mean quite that.

Mr. McKELLAR. If the Senator will excuse me, I will say this, that in this bill you are directing the Interstate Commerce Commission to fix such a valuation and to fix a rate for the year 1920, and it is not very long until 1920. This bill will not be passed by 1920, and before this bill is passed the duty

will be upon the Interstate Commerce Commission to fix a value upon which they are to allow 5½ per cent.

Mr. POMERENE. Mr. President, that question was simply preliminary to another one that I expected to ask. Let us assume that this bill is defeated. The Interstate Commerce Commission has in the past fixed rates, and it will be compelled in the future to fix rates. These rates have some relation to valuation. Presumably they have a relation to the actual valuation. If this bill is defeated, still they are obliged to make their rates for a certain return on a certain valuation, and the difficulty which the Senator suggests under this bill is going to obtain under any system of rate making you may have. So you are not getting away from it.

Mr. McKELLAR. Oh, no, Mr. President. There never has been such a direction to the Interstate Commerce Commission. All the law that is now on the statute books does is to direct the Interstate Commerce Commission to fix reasonable compensation for the service rendered. This is the first time in the history of this Government that the Congress has undertaken to direct the Interstate Commerce Commission to fix such compensation as would bring a certain figure to the owners of the railroad property.

Mr. POMERENE. Mr. President——

Mr. McKELLAR. Just one moment. I will yield to the Senator in just a moment. It is not fair for the Senator to ask a question and then to interrupt before I have an opportunity to answer.

Mr. POMERENE. I will not interrupt the Senator.

Mr. McKELLAR. Mr. President, the direction here to the Interstate Commerce Commission is not to fix compensation for services rendered; that is utterly foreign to this bill. It is to fix a tax that will bring a certain return to the railroads. Now, the Senator says that there has heretofore been a valuation, and there has been. I imagine it is a guess. They have never had a true valuation made, but they evidently have guessed at it; and yet what have they done under the guess? They have paid the railroads a net rental of 5 per cent for the last two years, while the war has been going on. I say 5 per cent, because in round numbers there are about $18,000,000,000 invested in the railroad properties, according to the guess, and 5 per cent on $18,000,000,000 is $900,000,000, which we have been paying to the railroads, and that is why I make that statement.

Let us see what we are going to do if this direction is constitutional and we carry it out. The Interstate Commerce Commission has to add immediately another half per cent. They must make an additional rate that will increase the rate we have been paying on the $18,000,000,000 to 5½ per cent. Then, in addition to that, they must increase the rates so as to take care of 1 per cent for betterments, improvements, and equipment. That is a per cent and one-half. Then it will probably take another per cent, not less than another per cent, to take care of the deficiency, because the railroads until recently have been running at a loss. It will mean that instead of giving these railroad companies a rate that will bring 5½ per cent you will have to give them a rate that will bring nearer 8 per cent.

Let us see where that is going to lead us under the terms of the bill. If the bill passes we have got to instruct the Interstate Commerce Commission to fix such rates and charges as will bring 7½ per cent—the 5½ per cent guaranteed, the 1 per cent for equipment, betterments, and the like, and at least another 1 per cent to take care of the deficiency. We have to raise the rates at once for the year 1920 somewhere between 20 and 25 per cent.

Mr. CUMMINS. Mr. President——

Mr. McKELLAR. Just one moment. I do not know how other Senators may feel about it, but when I realize that we have already increased the rates on passenger and freight traffic all the way from 25 to 150 and possibly 200 per cent in the last two years, with the other tremendous burdens upon the commercial and business world that have already been placed there by acts of Congress; when we indirectly, as we do in this bill, cause the Interstate Commerce Commission to raise rates from 25 to 50 per cent over what they are now, in the way of taxation, we are going to find that there are many people in the country who object to it and object very seriously, and I am one of them.

I now yield to the Senator from Iowa.

Mr. CUMMINS. The Senator has stated two or three times that we must levy a tax of 5½ per cent and then 6 per cent and then a half of 1 per cent more——

Mr. McKELLAR. Not 6 per cent. Five and a half per cent, and then 1 per cent for betterments and equipment, and then, to cover deficiency, at least another per cent.

Mr. CUMMINS. That has been stated here many times. I have not seen fit to try to correct all misrepresentations of the bill, because I know they have been unintentional. It is one-half of 1 per cent instead of 1 per cent that may be added to the 5½ per cent, and that is entirely within the discretion of the Interstate Commerce Commission. It need not add one-half of 1 per cent unless it believes that the welfare of the people of the country requires it. I hope the Senator from Tennessee will hold that in mind.

There is no suggestion of levying any tax or creating rates that will raise 8 per cent or 7 per cent or any other percentage save 5½ per cent upon the value of the property, whatever that may be. I am sure the Senator wants to be entirely accurate in his description of the bill, however much he may be opposed to it.

Mr. McKELLAR. I desire to be entirely accurate. I see that one-half of 1 per cent is correct instead of 1 per cent, but in other respects my statement is correct. Nor do I object to the railroads earning 5½ per cent. I hope they will all earn that or more. I want them to prosper. Five and a half per cent is not unreasonable. That is not my objection to this bill. I am against the guaranty.

Mr. President, you are paying 5 per cent now, and have been until recently running at a great loss of several hundred million dollars a year, taking it the year around. You provide that the 5½ per cent net income shall be given to railroads, you have to absorb that loss some way, and there is no way to do it except by taxation, and the Interstate Commerce Commission is compelled by the bill to tax so as to pay all the expenses.

I want to read just a moment what they are compelled to do, because it is pertinent at this time.

Under the provisions of the bill the Government gives the Interstate Commerce Commission power, with the exception of the one-half of 1 per cent—and really that is mandatory, too, because they can require it, it is a declaration of policy that the railroads will be entitled to it if we pass the bill—to tax the people of the United States to pay the railroad owners, first, their operating expenses; second, their bonded interest; third, all their taxes and other charges, and that takes into consideration bad debts; and, fourth, it directs the commission to tax the people enough to pay 5½ per cent and even more on their stock, whether good or bad, watered or unwatered, just so it may be included in the valuation.

Mr. CUMMINS. Mr. President——

Mr. McKELLAR. Just one moment. I do not mean by that that the bill directs that it be paid on the present issues of stock, but a valuation is to be fixed, and they are to pay on that valuation. Then, in addition to that, in order to be certain that the badly managed roads, the roads of little value, shall make their 5½ per cent, the commission is directed to fix such rates as will cause the better roads to earn more than 5½ per cent. I understood the Senator from Iowa the other day, in answer to some question that was asked him, not to agree with that statement, but——

Mr. CUMMINS. I certainly do not.

Mr. McKELLAR. I want to read to him from the bill. I read from page 14 of the bill:

> In so changing or modifying rates, fares, charges, and classifications from time to time in the manner provided in the act to regulate commerce, as amended, the commission shall take into consideration the interests of the public, the shippers, the wages of labor, the cost of maintenance and operation, including taxes, the requirements for additional capital in order to enable the carriers to adequately perform their duties to the public, and the conditions under which the same can be secured; and shall, so far as practicable, adjust rates, fares, charges, and classifications that the net operating income of the several carriers shall bear the same relation to the value of their respective properties. For the purpose aforesaid the commission shall from time to time determine the value of the property in each district and rate-making group so held for and used in the service of transportation, and lower or advance the rates, fares, or charges for transportation to produce, as nearly as may be, the net operating income above mentioned.

Mr. CUMMINS. What is the "net operating income above mentioned"?

Mr. McKELLAR. That means that you are going to have some of the roads earn more than 5½ per cent in order to equalize the others that do not make 5½ per cent.

Mr. CUMMINS. May I say to the Senator from Tennessee that the limit for all the roads in any district is an aggregate net operating income of 5½ per cent on the value of the property? That is the maximum which the Interstate Commerce Commission may permit the roads to earn.

Mr. McKELLAR. But listen to this——

Mr. CUMMINS. There is no authority for any possible increase of rates above that net operating income.

It is quite true, of course, and the Senator knows, that under a body of rates based upon a 5½ per cent return for net operating income for all the property some of the roads would earn 2 per cent, some 4, some 6 or 8, and some 9 per cent, and that would be true under any body of rates which the commission

might fix. It is true under the rates now in existence and was true under the rates in existence before the Government took possession of the railroads.

Mr. McKELLAR. Listen to this. This is the way the bill takes care of it:

It being impracticable to establish a level of uniform rates and charges within competitive areas which will sustain sundry carriers indispensable to the communities served by them—

That is, those that can not make the money, or will not make the money, or under your system will not be permitted to make any money, or will be penalized if they do make any money—

without enabling more favorably situated carriers to receive revenue from such rates, negligibly as to each service but in the aggregate substantially and unreasonably in excess of the aggregate over a fair return upon their property, unless regulated in the interest of the commerce of the United States as a whole, it is hereby provided that, subject to the exceptions and conditions of this act, no carrier subject to the provisions of this act shall be authorized to receive and retain for the transportation services rendered—

And so forth, over 5½ per cent.

In other words, the very purpose of the act is to provide for inequality of treatment and penalizing the industrious, ambitious, hard-working, good road, and give bounties to the roads that do not give the public good service. That is the whole sum and substance of the act, so far as the 5½ per cent is concerned, whenever you do that.

What is the reason for any road giving the public a good service? Take the roads from here to New York, one the Pennsylvania and the other the Baltimore & Ohio, both splendid roads and both of which, as I understand it, give the public splendid service. Suppose that one of those roads has an active, young, vigorous, intelligent, competent, and efficient president, who selects for himself a corps of competent assistants; that he is careful in employing his labor; that he has a purchasing agent who is one of the best in the land; that he conducts his railroad economically and fairly and justly; and that he gives the public a perfectly splendid service, a service that can not be equaled anywhere, we will suppose for the sake of the argument. After doing that he makes 10 per cent on his capital stock. Under the provisions of the bill something over 3 per cent of his earnings are taken away from him and given to other railroads, in substance, or put into a fund for other railroads.

Take, now, the other railroad and compare it. Suppose it has a president who does not know anything about the railroad business; that he is put there because of influence of some kind, financial or otherwise; that he has not got good superintendents; that his purchasing agent is not a competent purchasing agent and does not know how to buy materials for the railroad, does not know how to buy equipment, and loses thousands and thousands and perhaps millions of dollars in the purchase of supplies and equipment for his railroad; that he does not care a cent in the world about service to the public, and his railroad only makes 2 per cent.

Under the bill you take away from the well-managed road first described a part of what it has honestly and fairly earned, to the great benefit of the public, and turn it over and put it into the hands of the slovenly, ill-managed road and reward it thereby. I ask the Senator from Iowa what incentive there is on the part of any railroad to furnish the public a good service under such conditions?

I have read the bill, not as carefully as it ought to have been read; I have studied the bill, perhaps not as carefully as I ought to have studied it, because of the treaty that has been pending so long. But from the view that I take of it the public is hardly considered in it. You take great care of the railroad and its property, but there is no provision here to give the public an adequate and efficient service. There is no provision in the bill for any competition in service. Instead of there being a provision for competition in service, the bill breaks down every competitive idea by taking away from the well-managed road that which it has honestly earned and turning it over to the ill-managed road, that does not care whether it earns anything or not. I say that is indefensible.

What will that lead to? If we adopt that principle for all our corporations, if we adopt such a principle with all our people, what sort of service can we expect from public corporations or any other corporations? It is unwise in policy. It is absolutely indefensible in principle when you come to look at it and put the calm light of reason on it. It can not be defended.

Let me ask about the moral question. If I go out and work as a blacksmith and am a good one and earn $10 a day and some other man comes along and is a poor blacksmith and earns only $5 a day, what right has the Government to come along and tell me that the rewards of my work and my ingenuity and my industry shall be taken away from me and given over to the fellow who does not know how?

The principle is precisely the same. How can it be defended? I ask the Senator from Iowa right here and now this question: How does he defend the taking of the earnings of the well-managed roads and giving them to the ill-managed roads?

Mr. CUMMINS. Mr. President——

Mr. McKELLAR. I am delighted to yield to the Senator.

Mr. CUMMINS. I am not one of those who think that every road that fails to earn a fair return upon the value of its property is an ill-managed road. That is a fundamental error into which the Senator from Tennessee has fallen. He has just mentioned in high terms the Pennsylvania Railroad and the Baltimore & Ohio Railroad. Why does not the Baltimore & Ohio Railroad earn the same rate of return upon the value of its property that the Pennsylvania Railroad does? They are equally well managed, I assume; and I venture to say that nine-tenths, yes, nineteen-twentieths, of the railroads of the United States are managed with as high skill as can be brought to the service of transportation. The difference between the earning power of railroad companies may sometimes, it is true, be attributed to difference in the ability of managers, but that is a very rare case. The difference is usually attributable to the conditions over which neither road has any control whatsoever. I need not mention what they are, for they are obvious to every man who thinks about the subject a moment.

Now, I come to answer the question propounded to me by the Senator from Tennessee, and I am glad to answer it. I have answered it about eight or ten times since I began this debate, but the Senator and I agree that, in order to reach the full body of the Senate, it is necessary to repeat about fifty times everything that is material in a discussion.

I will tell the Senator why I defend this legislation. Suppose we had only one railroad and it was well managed; suppose its investment is $1,000,000—I use those figures merely for illustration, of course—and it is entitled to earn a fair return upon that investment of $1,000,000.

The Senator from Tennessee, when he compares the railroad company with the man who goes out as a woodchopper or blacksmith betrays his real view of public-utility enterprises. He does not see any difference between the blacksmith and the public utility. I see a very great difference between them; and I think that is the real point of departure between the Senator from Tennessee and myself. I believe in regulating public utilities; I believe in restricting their right to earn revenues or returns to a fair return upon the money which they invest in the business.

Mr. McKELLAR. There is no difference between the Senator from Iowa and myself on that subject.

Mr. CUMMINS. There must be a difference——

Mr. McKELLAR. There is none whatever.

Mr. CUMMINS. Because the Senator from Tennessee has just asked what right has the Government to take money from one blacksmith and give it to another. I assume that the Senator from Tennessee thought that was a fair illustration or else he would not have used it. I reply instantly that the Government has no right, either moral or legal, to take the money from one blacksmith and give it to another.

Mr. McKELLAR. I thought the Senator would answer the question in that way.

Mr. CUMMINS. But a corporation which is organized as a public utility or engaged in a public business is subject to very different control. If the Senator from Tennessee had listened to the argument made by the Senator from Wisconsin [Mr. LA FOLLETTE] he would have seen the basis of that control—namely, the company devotes its property, it dedicates it, to a public business in which the public has that interest which gives it the legitimate right to control and restrict the return upon the investment.

Mr. McKELLAR. There is no difference in the world between the Senator and me on that subject.

Mr. CUMMINS. There is no difference between us there?

Mr. McKELLAR. None whatever; but that is not my question. If the Senator will permit me just a moment——

Mr. CUMMINS. I should like to answer the Senator's question.

Mr. McKELLAR. Just one word. That is not my question. My question is, What moral or any other kind of right has the United States Government, under the terms of the bill, to take away the earnings of any of its citizens, whether a corporation or an individual, and give them to another of its citizens who is confessedly less deserving?

Mr. CUMMINS. Mr. President, I am about to answer that question.

Mr. McKELLAR. That is a question I desire to have answered.

Mr. CUMMINS. But it is necessary to precede the answer by what I have already suggested in order to present a fair perspective. If there were but one railroad and there were but one community and the one railroad served but the one community, I assume the Senator from Tennessee would not dispute the right or the propriety on the part of the Government to fix rates that would provide a fair return upon the investment?

Mr. McKELLAR. Mr. President, right there let me differ from the Senator. I think that the only power the Government can vest in the Interstate Commerce Commission, even under the illustration cited by the Senator, is to fix a fair and reasonable compensation to the carrier for the service it performs for the public.

Mr. CUMMINS. Precisely; and when the Interstate Commerce Commission comes to decide what is a fair and reasonable compensation or fair and reasonable rates—and the word "rates" may be used instead of the word "compensation"—how does the Interstate Commerce Commission reach a conclusion upon that point?

Mr. McKELLAR. It does so——

Mr. CUMMINS. Just a moment. It reaches the conclusion by an inquiry into the expenses of operation, the cost of maintenance, the amount of capital invested, or the value of the property, and then it attempts to establish rates that will pay the cost of maintenance and operation and make a fair return upon the value of the property or the investment, as the case may be. That is the way it proceeds.

Mr. McKELLAR. Oh, no, Mr. President; my proposition is that the Interstate Commerce Commission in fixing the rates in the case cited by the Senator is not concerned as to the effect they are going to have; it must fix the rates as a reasonable compensation for the service rendered. I tried to show a little while ago that under the Constitution of the United States the Congress has no power to delegate authority to the Interstate Commerce Commission to tax the public for the benefit of a corporation by permitting that corporation to make money.

Mr. CUMMINS. Mr. President, the Supreme Court has decided, I think, in a score of cases the real standard to be observed by the Interstate Commerce Commission.

Mr. McKELLAR. As a rule of computing compensation, but not as a method of computing taxation for the benefit of another individual or corporation concerned.

Mr. CUMMINS. I do not understand quite the distinction between compensation and taxation.

Mr. McKELLAR. I am trying to explain that from my viewpoint.

Mr. CUMMINS. But the Senator asked me a question, and I am endeavoring to answer it. I have answered it up to one point, assuming that we have a single corporation, and I am saying——

Mr. McKELLAR. Mr. President——

Mr. CUMMINS. I hope the Senator will not get impatient with me, because I can not answer his question except in my own way.

Mr. McKELLAR. Will not the Senator fix as a basis of his illustration not a single corporation but competitive corporations, for we are not dealing with single corporations, but are dealing with competitive corporations?

Mr. CUMMINS. I will do that in a few moments; but I think that by dealing with a single corporation the Senator will be better able to understand my view. I have already stated the duty of the Interstate Commerce Commission or any regulating tribunal in fixing rates for a single corporation. Now, we come to the many corporations which we must regulate and control, and we find that 4, 5, or a dozen—I care not how many they may be—competitive carriers which must do business at the same rate or disappear, for all competitive carriers must carry traffic at the same rate or substantially so.

We find that certain rates would give to the single carrier of which I have spoken a fair return upon its investment or upon the value of its property, but the same rates applied to the business of the remaining half-dozen carriers would not give to them a fair return upon the value of their property. We want to maintain these carriers; the public interest requires that they be maintained, and so we are driven to this necessity: The Interstate Commerce Commission must raise the rates so that they will provide a fair return upon the value of the property of the remaining carriers. Then they are lifted so high that the single carrier of which I have spoken will receive an excessive return. I do not want to put that burden upon the American people, and therefore we are trying here as best we can before the consolidation which I think is necessary shall be brought about, to avoid putting that burden upon the people by lifting the rates or the net operating income just a trifle above those in existence before the Government took possession, and then saying that if upon those increased rates any company earns more than 6 per cent, the excess it receives as trustee; it does not receive it as its absolute property but receives it under an obligation to pay it to the Government for such disposition as the Government may desire to make of it.

I am sorry I have taken so long to answer the question, and I am very much obliged to the Senator from Tennessee for yielding.

Mr. McKELLAR. If the answer is satisfactory to the Senator, I am glad it is so. I am frank to say that I do not think the Senator has answered the question which I put. It was simply how he defended taking away the honest earnings of a railroad that was giving to the public a splendid service and turning a portion of those earnings over to railroads that were not giving the public good service; and I do not think, with all due respect, that the Senator has answered that question.

Mr. JONES of New Mexico. Mr. President, if the Senator will yield, I should like to ask one question in connection with the statement just made by the chairman of the committee. As I understood the chairman of the committee, he stated that it was impracticable to allow a rate for one company different from the rate of another. I should like a little more information on that subject, if I may, and if it will not take too much time.

Mr. McKELLAR. May I ask the Senator to defer that for a little while?

Mr. CUMMINS. I will defer it, but I am sure a single word will answer it.

Mr. McKELLAR. All right.

Mr. CUMMINS. I said "in competitive business."

Mr. JONES of New Mexico. Oh, yes; I did not catch the word "competitive."

Mr. CUMMINS. And of course 85 per cent of the business of any given company of any magnitude is competitive business.

Mr. JONES of New Mexico. I did not catch the word "competitive."

Mr. McKELLAR. Now, Mr. President, as I understand this bill, it directs the Interstate Commerce Commission in the ensuing year of 1920 to fix the valuations and raise the rates—for that is what it means—to a point where the railroads may be paid net 5½ per cent on their capital invested.

Mr. DIAL. On the value of the property.

Mr. McKELLAR. On the value of the property, which is their invested capital, of course. Then I read this provision:

> That in the year 1925 and in every fifth year thereafter the commission shall determine what, under the conditions then existing, constitutes a fair return upon the value of such railway property, and it may increase or decrease the 5½ per cent basis herein prescribed, or the basis for the determination of excess income.

In other words, as I understand the bill, every five years the Interstate Commerce Commission must make a new valuation and a new assessment of taxation on the public in order to fix this reasonable return.

Now, let us assume that they perform their duty in 1920 at the present high prices—high prices of labor, high prices of material, high prices of everything—and in the year 1922 or 1923 prices fall. They are unable, according to the terms of this bill, to refix the charges until 1925. If so, there is a very great likelihood that an immense amount of money will be collected and turned over to the railroads, by this method of taxation, that ought not to be turned over to them.

Mr. CUMMINS. No; Mr. President——

Mr. McKELLAR. I yield.

Mr. CUMMINS. The Senator from Tennessee, I think, is wrong with regard to that construction of the bill. There is nothing in the provision which he read with respect to valuation. The power given to the commission in that paragraph is to change the basis. That is, they can reduce or increase the 5½ per cent; they can reduce or increase the standard of 6 per cent for determining excess income; but if the value of railway property shall decrease within the next year the Interstate Commerce Commission has full authority to put its 5½ per cent basis upon that valuation. It can do that at any time.

Mr. McKELLAR. The wording of the act does not say that; and I think the Senator will find that whenever this bill passes just as it is, and it is attempted by the commission to decrease the rates or to decrease the valuation except at the five-year intervals, it will be replied that the statute has fixed the five-year period of assessment of rates and of values.

Mr. CUMMINS. If it were so replied the commission could instantly say that it was an unsound position.

Mr. McKELLAR. It depends on the law. This law directs the commission what to do, and it must comply with the law.

Now I will pass to something else.

Mr. President, I have been concerned about the public in this legislation. I do not know where the public comes in. There is very little difference in principle between this bill and the Plumb plan. There is just one general difference between the Plumb plan and the Cummins plan.

[At this point Mr. MCKELLAR yielded the floor for the day.]

Friday, December 12, 1919.

Mr. MCKELLAR. Mr. President, when I discontinued yesterday afternoon I had referred to the similarity between the bill now before the Senate, known as the Cummins bill, and the Plumb plan, dealing with the same subject. There is not very much difference between plans. One is a little more direct than the other, but both are paternal and both bolshevistic. Under the Plumb plan the United States virtually buys the railroads and turns them over to the railway brotherhoods for operation. That is substantially the Plumb plan. Under the Cummins plan the Government becomes virtually responsible for the value of the railroads. It does not buy them outright, but makes them all good—it makes the bad good and the good bad—and then turns them over to certain of the railroad owners to be run through the political board of five to be appointed. In neither bill is the public protected; in neither bill are the public interests safeguarded.

In the one there is a guaranty that the earning capacity of the railroads to their owners shall be without question, while under the Plumb plan management and control for the benefit of those who actually operate them is guaranteed and at the same time pays the owners a big price for them. In principle they are identically the same; the Government becomes responsible for the roads in either event, in one case paying for them outright and in the other becoming guarantor of them.

The pending measure is about as nearly a Government-control bill or a Government-ownership bill as can possibly be arranged without providing actually for Government ownership. We may as well face the fact about it. If we pass this bill we are going to have all the elements of Government ownership without any of its benefits. Why do I say that? Mr. President, the railroads to-day are earning their own way under the present rates. They have been doing that since August last, I am informed. Do not let us forget that. Under Government control and operation they have been making money for the last three months, and are several million dollars to the good each month.

Mr. KING. Mr. President, will the Senator yield?

Mr. MCKELLAR. In just a moment I will yield to the Senator. They are earning their own way now under present rates. No man will dispute the fact that if the railroads are returned to their owners under the Cummins plan there must be an increase in rates. What excuse can Congress give for turning them back with the consequent necessity of increasing rates 25 to 50 per cent, when under present conditions the railroads are now paying their owners 5 per cent on the investment and earning their own way? If we have no choice between the Cummins plan and the Plumb plan it is the part of wisdom and the part of good sense, it seems to me, to pursue the plan that we already have by which the roads are sustaining themselves under the present rates. Surely it will be not to the interest of the shipping public and of the business public in this country to adopt another plan, which is virtually a plan of Government ownership and control, and which will require an immediate increase in the rates.

I now yield to the Senator from Utah.

Mr. KING. Mr. President, the Senator has just stated that the roads now and for a short time past——

Mr. MCKELLAR. Since August, I believe.

Mr. KING. Since August have been making a profit. My information is quite the reverse. It is possible the books may show some profit; but I assert that the Railroad Administration is not maintaining the roads as they ought to be maintained and that they are taking money from the maintenance column and crediting it to profit. I know of roads in this country that have deteriorated very greatly under the Railroad Administration; and I have no doubt in the world that the statement of the Senator from Iowa [Mr. CUMMINS] is true that there will be claims against the Government for millions and tens of millions of dollars, which it may take years to decide, for unliquidated damages because of deterioration of the roads through the maladministration of the Railroad Administration of the country.

Mr. MCKELLAR. I have no possible doubt about claims being presented by the railroad companies; they are certain to come in. That is the inevitable consequence of the policy that we have pursued, and just as inevitably is it the consequence of the proposed policy in dealing with the railroads. What we ought to do is to restore the railroads to their owners and let them work out their own programs of dealing with their own property. It is not the duty of the Government to furnish beforehand a program and a guaranty of the program, whether a guaranty is to the best business interests of the country or not. Those who believe in the principles of the Adamson law may well be for the Cummins proposal; those who believe in the Plumb plan may well be for the Cummins proposal. It just needs a little diplomacy to make the Plumb plan almost identical with the Cummins plan. That brings me to the so-called provisions for arbitration in this bill.

The board of transportation created by the bill passes upon disputes between the labor in the employ of the railroads and the employers. It is true that there is a committee appointed by the railroad transportation board, a committee of eight, four of whom shall represent labor and four of whom shall represent the carriers. If they differ the matter is to be certified to the transportation board that controls the carriers, and three out of the five members of this transportation board will settle the difficulty. Why, no one can be deceived by that. That is not arbitration. That is submitting the question to the representatives of the railroad owners, this transportation board of five, and their decision is final.

I say that there is no difference between this plan and the Plumb plan. Why? Well, surely under the Plumb plan the railroad operatives have to deal with the railroad owners. It is just as simple under the Cummins plan. Here comes a request upon the part of the operatives for, say, a $50,000,000 increase. It comes to the board. Well, now, what are the members of the board going to do? Are they going to decide that question against the operatives and disrupt the whole railway system, which is now by this bill combined into one? Are they going to do that? Which will be the line of least resistance? Which will be the easiest horn of the dilemma for them to take? Why, it is as simple as it can be. They will do just what Congress did in the case of the Adamson law. They will say, "All right, we will just let your wages be raised $50,000,000, and we will certify the matter to the Interstate Commerce Commission and let them raise the rates on the public to pay for it."

They are not interested in whether the wages are high or low. They have no interest in the question of wages any more. What interest have they in the wages? None whatever. Why? Because they are guaranteed their 5½ per cent, whatever the wages may be. The 5½ per cent is net.

I believe in the arbitration of differences between employees and employers, especially in the case of the railroads. They ought to be arbitrated; there ought not to be a tie-up of the country's business; but there ought to be a fair, just, and comprehensive arbitration of the differences by an impartial body, and not by the body that runs the railroads. This political board, three of one party and two of another, necessarily political—it can not be anything else but political—is not the proper body to pass finally upon the matter of arbitration of differences between railroad employees and their employers.

Mr. STANLEY. What board does the Senator refer to?

Mr. MCKELLAR. The transportation board.

Mr. STANLEY. That is the board of appeal.

Mr. MCKELLAR. Well, of course it is; but surely with the board that does the examining and makes the report in the first instance, being composed of four representatives of the labor unions and four representatives of the carriers, the Senator can not for a moment think that that body has any authority in the premises. The only board that has any authority in the premises is the transportation board.

As I said before, I believe in arbitration. I am rather inclined to think that I would consent to some proposition like this if the final power of arbitration were placed in the Interstate Commerce Commission, a representative of the Government, that has nothing to do with the railroads except the fixing of rates as laid down in this bill, and a body that is known to be fair.

Mr. STANLEY and Mr. NORRIS addressed the Chair.

Mr. MCKELLAR. Just a moment. I would much prefer it; but as it is now, the final control being vested in a political body of five men, three of whom are to belong to one political party and two of whom must necessarily belong to the other political party, I am unwilling to give my approval to that system of arbitration where that board is the manager and controller of the entire railroad system.

Mr. NORRIS. Mr. President——

Mr. MCKELLAR. Will the Senator from Nebraska excuse me a minute? The Senator from Kentucky first asked to interrupt.

Mr. NORRIS. Certainly.

Mr. STANLEY. Mr. President, as I gather from the Senator's statement he is under the impression that the board of wages and working conditions, being composed of two representatives

from the railroads and a like number from the labor organizations and crafts, and not being an odd number of men, will necessarily fail of agreement, and that all of these disputes will finally be determined by the transportation board.

Mr. McKELLAR. All of them that amount to anything.

Mr. STANLEY. I am inclined to concur with the Senator in that opinion.

Mr. McKELLAR. Why, of course.

Mr. STANLEY. One other question right at that point. If the crafts and labor unions name expert representatives, and the railroad organizations name capable and loyal representatives, and this alleged board of conciliation discusses the matter for five or six months, does the Senator think that will make it any easier for the board with final jurisdiction to settle the matter than if it came to them ab initio?

Mr. McKELLAR. It is possible that publicity may have some effect on the final decision of the transportation board. Publicity always has an effect; and this committee, composed of four representatives of labor unions and four representatives of the carriers, unquestionably ought to do some good in the matter of publicity only; but, so far as the ultimate right is concerned, they have none. But it is wrong in principle for another reason.

Mr. STANLEY. May I ask another question right at that point?

Mr. McKELLAR. Certainly.

Mr. STANLEY. In that event, does not the Senator think it would be better to adopt the principle which has worked, while this never has worked—the Canadian system of conciliation? There boards similar to those the Senator has described—nonpartisan, disinterested boards—have the right to hear these labor disputes. Strikes are forbidden while the disputes are pending before these boards. When the determination is made, whether for or against the labor organization, a copy of the report is furnished to both sides; it is furnished to the leading labor journal of Canada; it is furnished to certain other channels of publicity; it is furnished to any newspaper requiring it; it is furnished to any person, any private citizen interested in the matter, at the absolute cost of publication. That character of publicity has tended to bring this powerful force of public opinion to bear upon the party that is obdurate or in the wrong; but there is no such provision in this bill.

Mr. McKELLAR. None at all. This is based on an entirely different principle. I am rather inclined to think that a provision along the line suggested by the Senator, such as Canada has—and it is well known—is right and proper. I believe the same principle has been put into a bill that has been introduced here by the Senator from South Dakota [Mr. STERLING]. But even then, with limitations, this bill recognizes the rights of the labor unions and of the railroads, but it does not recognize the right to be represented of the great body of labor that is not in the labor unions. I am not advised as to just how many employees of the railroads are not incorporated in the labor unions, but there are a great many. There are thousands of clerks who labor with their hands just like any others who are not members. I venture to say that quite a respectful number of employees of the railroads are not connected with labor unions at all. They should have representation in this arbitration body, in any body of arbitration or conciliation; and surely neither class of the employees should be compelled to submit their differences to the five men that are given the control and the absolute management of these railroads. I do not think it is fair in principle, and I know it will not work in practice. It will cause disturbances from the very beginning and result in the only possible method of settling those controversies, namely, that the board will certify the increase asked for by the employees, and the Interstate Commerce Commission will be compelled, under the mandatory provisions of this bill, to transfer the burden to the people of the United States. Now, that is my judgment.

Mr. STANLEY. Mr. President——

Mr. McKELLAR. I yield to the Senator.

Mr. STANLEY. The Senator has been very patient, and I hesitate to interrupt him again——

Mr. McKELLAR. That is all right.

Mr. STANLEY. But while the Senator is on that subject in his very elaborate and able argument, I wish to call his attention to this matter, because I presume he has given it careful study:

The excellence and power of the Interstate Commerce Commission has been due in great measure to the fact that it has been free from political alliances and free from the suspicion of outside influences. Now, if you create this transportation board, which will assume powers hitherto exercised by the Interstate Commerce Commission, and clothe it with this power, it will be the most powerful organization, outside of the Government, in the United States. It will hold in its hands the industrial life and the hopes of the labor unions and of the railroad companies. This power to fix wages is an enormous power. Both sides of the controversy will necessarily be interested in the personnel of this board. Has the Senator considered any way by which such a board can be appointed whereby it will not be selected either at the instance of the labor movement or at the instance of the owners of these transportation systems?

Mr. McKELLAR. No, Mr. President. I realize the force of the suggestion made by the Senator from Kentucky; but neither I nor any other man, I believe, can arrange any such board that will give any such guaranty. The reason why I said that I should be inclined to support an amendment substituting the Interstate Commerce Commission for the transportation board as the final arbitrator in this matter, if we can not secure a better method of arbitration, is because of the very fact the Senator mentions, that it is well known that the Interstate Commerce Commission is not controlled by the railroads on the one side or the union or nonunion men on the other; but that as a whole that body has the confidence of all fair-minded men in this country; and having such a board already in existence, having the confidence, as I believe, of both sides, and having the confidence of the people of this country that it will do what is fair and square and just and reasonable, if we are to have final arbitration we had better leave it to that body which has done so well in the past.

Mr. CUMMINS. Mr. President——

Mr. McKELLAR. I yield to the Senator.

Mr. CUMMINS. Mr. President, the statement just made by the Senator from Tennessee presents a question on which there may be very fair difference of opinion. I think that I can recognize the matters within the range of fair differences, and I readily grant that that is a subject upon which men may differ. But if that is true, the Senator from Tennessee could very easily test the sentiment of the Senate and the judgment of the Senate upon the question by offering an amendment that would transfer that jurisdiction to the Interstate Commerce Commission.

However, I want to call the Senator's attention to what seems to be a very strange delusion upon his part. The relation of the transportation board to the railroads will not be any more intimate than the present relation of the Interstate Commerce Commission to the railroads. They occupy exactly the same attitude toward the railroads as a regulating, governing body. If a President of the United States were to select as members of the transportation board either incompetent or dishonest men, men who did not understand that it was their duty to protect the public within the limits of the law, then all the consequences suggested by the Senator from Tennessee would follow. But this bill is composed upon the theory that the President of the United States will select for a transportation board men who are just as competent, men who are just as impartial, men who are just as well disposed toward the public interest as the Interstate Commerce Commission can possibly be; and one is no more a political body than the other, because they both come from the same appointing power.

I hope the Senator from Tennessee will not make up his mind with regard to the bill upon the theory that we are to have a President who will appoint a transportation board simply to do the bidding of the railroad companies.

Mr. McKELLAR. Mr. President, in so far as the substitution of the Interstate Commerce Commission for the board is concerned, I think it would be a very great improvement, and I had intended to offer an amendment to that effect. As to the other matter, that brings me to a point where I desire to discuss for a few minutes this transportation board.

We have lately had a very apt illustration of the double board system in the United States. It has cost the American people probably a billion dollars to have a double-barreled board doing the same thing in another department of Government. I refer, of course, to the Shipping Board and the Emergency Fleet Corporation. Instead of establishing one board, in the stress of war times the United States Congress established two boards, with varying jurisdictions and with doubtful lines of demarcation between them, just as in these two boards. It was a failure from almost the beginning. The president of one board immediately became unfriendly, from the standpoint of service, at any rate, with the president of the other board. Their jurisdictions were so interwoven that one of the boards claimed jurisdiction of one subject and the other board of the same subject; and the differences between these two boards got to be almost, if not quite, a public scandal, to the immense loss of the American people.

With that sort of an experience before us, why should we, as reasonably sensible people, want to establish two other boards of like kind to handle the railways? The President was forced

to compel a consolidation of the work of those two boards before it was over with, such was the scandal in reference to it, such were the differences. Now, the committee in this case comes right along and gives us another such proposal. I want to read just a moment from the act by which the transportation board is established:

There is hereby created a transportation board, which shall be composed of five members, to be appointed by the President, by and with the advice and consent of the Senate—

And so forth.

The chairman shall be selected—

And so forth.

Each member of the board shall receive a salary of $12,000 per year, and be provided with suitable offices in Washington and elsewhere.

Now, listen to this:

And shall have power to employ such assistants, clerks, stenographers, attorneys, and experts as may be necessary to perform the duties hereby imposed upon it, and the compensations of such assistants, clerks, stenographers, attorneys, and experts shall be fixed by the board—

And so forth.

Then it goes on and transfers a very large proportion, probably the greatest proportion, of the business of the Interstate Commerce Commission to this board of five members. What is the object? What is the purpose? Why should we have two boards to run the same business with equal jurisdiction? Why should there be such questions raised? We found that it was a failure in the past in regard to the shipping interests of the country. Why should we think it would be a success if applied to the railroads? What is the underlying purpose of it? I do not know, and I make no charges about it. But it is remarkably peculiar that to a transportation board of this kind shall be turned over so large a part of the duties of the Interstate Commerce Commission. Why should there be set up this other large and expensive organization, with its thousands of employees and its millions of overhead expenses? We will be soon building expensive buildings for its separate use, and the taxes upon the people will be even more enormous. The Senator from Kentucky [Mr. STANLEY] is a member of the Interstate Commerce Committee. Could he tell us why this board was established?

Mr. STANLEY. Mr. President, as far as that provision of the bill is concerned, I am not of the opinion that there is a necessary conflict of authority or in any material degree a duplication of work. The taking over of the railroads by private enterprise and the reorganization of the whole system will necessitate an additional amount of labor that I believe it is rather generally admitted would entail upon the Interstate Commerce Commission, as at present constituted, greater labors than it is humanly possible for that very overworked and very busy body to perform. For that reason, as the Senator knows, the House bill has increased the personnel of the Interstate Commerce Commission.

The Interstate Commerce Commission performs two distinct classes of duty. One might be called judicial in a way. In fact, it was contended for many years, as the Senator well knows, that the fixing of rates and the like was a judicial function that Congress could not delegate to a commission. Then they perform other duties that are technical and ministerial, for instance, the enforcement of the safety-appliance act and the car-service act.

Mr. McKELLAR. I understand that.

Mr. STANLEY. And things of that kind, which require a technical knowledge of railroading, but are entirely different from the duties involved in the fixing of rates, and in the determination of capitalization, and in this bill, and duties of that character have been turned over to this board. They have separated by a very natural process the two distinct and entirely different businesses now conducted by the Interstate Commerce Commission, all of which require the highest technical skill and a knowledge of this very intricate business, and they allow the Interstate Commerce Commission to exercise a simpler although a more extended authority, and allow this board to perform other duties that are essentially different.

That part of this bill is not, to my mind, especially objectionable, if objectionable at all. But to make either one of these boards a court of final jurisdiction in labor disputes is to involve it in all character of troubles, and to subject it to every character of criticism, for there is no way to decide labor disputes without making one side or the other mad.

Mr. McKELLAR. I agree with the Senator in his last conclusion, and I disagree with him, of course, in his argument about the necessity of these two boards. I know that in the Military Affairs Committee during the war, when we had an officer whom we wanted to displace by reason of his inefficiency, and we wanted to do it diplomatically, we promoted him so as to get rid of him, and put a good man in his place. I was wondering whether the Committee on Interstate Commerce was not pursuing some such policy here, whether they did not want to get rid of the Interstate Commerce Commission, as far as possible, and to put something else in its place. Whether that was the purpose or not, I can not say. But there is one thing I do say, that whatever the purpose, any attempt to take away the powers of the Interstate Commerce Commission or to destroy its influence in this country is improper and wrong, and not a sound public policy, and will not be a popular policy in this country.

The Interstate Commerce Commission was organized in 1887 after a tremendous fight; but it has so conducted itself, taking it by and large, that it has been a benefit. I do not mean to say errors have not been committed; of course there have been errors committed. No board can get along without committing errors any more than no man can get along without committing errors. A man is of no account unless he does commit them sometimes; but for the most part it has been a commission that has been of great benefit to the transportation interests of the country, to the shipping public, to the commercial world, and to the railroads themselves. In many instances it has been the very bulwark of the rights and the interests of the railroads themselves. Why dispose of it by giving this sugar-coated pill? Why dispose of the great body of its functions? Why divide its jurisdiction? Why take away its power? What is the reason for doing so? I think the reason is shown just a little later.

Senators, this bill provides for one of the most gigantic trusts that was ever created in the history of the world. It provides for the consolidation, within a period of seven years, of the entire railroad interests of this country under the supervision of this one board. It provides for the consolidation of probably $20,000,000,000 worth of property.

Mr. FLETCHER. These interstate roads?

Mr. McKELLAR. These interstate and intrastate roads, because it combines them all, whether intrastate or interstate. Not only that, at first it starts out by what might be called what President McKinley, I believe, called many years ago "benevolent assimilation."

It provides that there should be not less than 20 railroad corporations and not more than 35. They are all absolutely under the control of the transportation board. They are controlled and managed as one institution, as one great railroad. I say that is a wrong policy and ought not to be permitted. No other railroad corporation in the country can be organized without the consent of the board. Not a foot of railroad can be built without the license and privilege to do so is extended to the person or the corporation by the board.

In the great part of our country that is undeveloped, so far as railroads are concerned, there ought to be new railroads built, but can they be built? If there are three out of the five members of the board here in Washington, or wherever they have their offices, who say that no railroad corporation can be formed in Tennessee or in Kentucky or in Texas or in Arizona or in Minnesota or in Wisconsin or elsewhere where they are needed, then, however great the necessity of those localities for a railroad, the corporation can not be organized and the railroad can not be built unless this political board so decrees.

The bill provides that every enterprise of that kind may be crushed out by the board if it is to the interest of the general railroad situation in the country. That is too much power to grant any board. It is contrary to American institutions and American policies. It ought not to be permitted, and I, for one, am not going to vote for it.

Railroad corporations now have very large powers. They are given even greater powers under the bill. All railroads that are constructed and existing at all are to be chartered by the United States Government under the provisions of the bill. A State government has no right to charter a railroad under its laws and constitution. The right of a State legislature directly or indirectly to give corporate existence to an enterprise to build a railroad is taken away from it by the bill. Not only that, but under the terms of the bill a railroad company, if it gets the permission of three of the five members of the transportation board, can run a double-track railroad right down the center of Salt Lake City, I will say to the Senator from Utah [Mr. KING]; they can run a double-track railroad right through the principal streets of Jacksonville, Fla., I will say to the Senator from Florida, or of Memphis, Tenn. They have a right under the enormous power given them under the provisions of the bill to run a double-track railroad down Fifth Avenue in New York City, if it is to their interest to do so, and if they can get the

permission of three members of the transportation board, by paying fair and just compensation.

I do not know how it is in other States, but in my State the Supreme Court of Tennessee has held—and I think it was an opinion that was delivered by my colleague [Mr. SHIELDS] when he was on the bench—that the resting places of the dead were sacred, and that a railroad could not run its tracks through a graveyard. That decision and every other law of like kind is set aside by the provisions of the bill. Listen to it:

Specific power is given to enter into any State or Territory of the United States in which there are lines of railroad of the system which it owns or into which extensions may be authorized and transact therein the business of a common carrier of passengers and freight without respect to the assent or dissent of any such State or Territory.

Mr. KING. Mr. President——

Mr. McKELLAR. Just one moment. Under the power granted by the provisions of the bill the homes or the streets of the living and the resting places of the dead can be desecrated by any railroad that gets the permission of three of the five members of the transportation board, and they can do it without regard to the people themselves first, to the local authorities, to the county authorities, or to the State authorities. All power is given them to go and take what they see fit. If they want to put railroads directly through the various cities of the country because it will be to their interest, a majority of the transportation board clothed with that power have the right to grant it, regardless of State law.

I now yield to the Senator from Utah.

Mr. KING. I was about to suggest to the Senator from Tennessee that I am inclined to think the view expressed by him as to the power of the board to determine the termini and the routes of railroads is correct; but, of course, it would be subject to the constitutional limitation that the property must be paid for, because it is taken for a public purpose.

Mr. McKELLAR. Oh, of course.

Mr. FLETCHER. Reasonable compensation.

Mr. McKELLAR. Yes.

Mr. KING. I am not sure, if the Senator will pardon me further, whether under the bill they would invoke the laws of the State as the modus operandi of ascertaining damages and being put into possession, or whether it would call for some act of Congress to determine that question, or whether it would be left to the whim and caprice of the board itself.

Mr. McKELLAR. When we pass the bill we will have passed a law which authorizes the railroad companies to do that. For instance, my home city of Memphis, Tenn., is built right along the bank of the river where what is known as Main Street, the principal street of the city, runs 4 miles north and south. Manifestly it would be to the advantage of a railroad company to have one or more lines of railway along that street through the city. If they want to use it they can take it under the provisions of this bill without let or hindrance. The fact that it may have been turned over to another use—a street car use or to the public under the eminent domain for use as streets or any other fact in connection with it—may be overridden by three of the five members of the transportation board. They have the unqualified right to go into any State and take what they want. That applies to every State in the Union, and I say that it is too much power to give this board or any other board.

Mr. GAY. Mr. President——

Mr. McKELLAR. I yield to the Senator from Louisiana.

Mr. GAY. I desire to inquire of the Senator from Tennessee, while he is speaking of the situation along the water front of the city of Memphis, whether the city control the water front and the dock facilities and whether they have any belt railroad along the river? Does the city of Memphis itself own the dock facilities there and the terminals and is there a belt railroad there?

Mr. McKELLAR. Yes; there is a belt railroad, and the city either now owns or is in the act of purchasing the dock facilities. But the railroad chartered under this bill can come along and take the belt railroad and the dock facilities under the provisions of the bill. They do not have to ask anybody about it except the transportation board. We have a perfect right to legislate on all features of interstate commerce, and a law enacted by Congress on that subject is paramount to any other law. Armed with the opinion or license of three members of the transportation board they have a perfect right to go into any State, into any community, into any city, either where the living or the dead rest, and take what they desire.

Mr. GAY. I desire to call the attention of the Senator to the fact that I have introduced an amendment to the bill in regard to control of the terminal facilities owned by the State or any subdivision thereof. I believe it is in line with the views he expresses.

Mr. McKELLAR. Of course, I shall be for the Senator's amendment, but this whole bill should be defeated. I want to say to the Senator that if he will carefully examine, as I know he either has or will, the terms of the bill, he will find it is filled with just this kind of power, that means the upsetting of business and local conditions in every State and in every city of the Union. It is an absolute departure from all precedent. All the powers of a paternalistic government are centered in a transportation board of five men, which board, in effect, supersedes and is superior to the Interstate Commerce Commission in the management and control and supervision of railroad affairs.

What is the reason for that? What is the reason for these vast powers? Our country has grown splendidly under the present system. While the European war was going on railroads have not multiplied in the United States, but in normal times they multiply and do the business of the country and do it well. Our country is prospering as never before. What is the reason for forming this gigantic monopoly and putting it in the hands of three men to run ruthlessly over the people of the country where they will?

I do not know how Senators are going to defend the powers granted to railroads or to the transportation board when they go back home and are confronted with the proposition that they have yielded to the railroads all rights to go into their cities and into their States and take whatever they may desire, only having to pay a reasonable compensation therefor under the Constitution.

Mr. FLETCHER. Mr. President——

Mr. McKELLAR. I yield to the Senator from Florida.

Mr. FLETCHER. May I ask the Senator from Tennessee whether he is certain that the action would not be based upon the recommendation of the board and to have the approval of the Interstate Commerce Commission? In a good many of the clauses, particularly on page 48, section 9, dealing with the subject of physical property, it is provided—

That neither the physical property nor the securities of another corporation already engaged as a common carrier shall be acquired through the powers of eminent domain except upon the recommendation of the board and approval of the commission.

Mr. McKELLAR. That refers to another thing entirely. If the Senator will examine it he will find that it refers to the consolidation of railroads. All the railroads are required to be consolidated within seven years. If they do not do it voluntarily, if the trust does not benevolently assimilate them within seven years, then the Government comes along and forcibly consolidates them and puts them into this gigantic trust. There can not be any question about that. If the Senator will read paragraph 5 of section 21 of the bill, on page 46, he will see that the language is clear and unmistakable. The power is perfect, and we have the perfect power to grant it if we desire to do so. It is not unconstitutional. It is directly in line with the Constitution. There can be no doubt about our authority to do just what is authorized in the bill or to grant to the railroad corporations the right to do just what is authorized in the bill.

Fifth. To enter any State or Territory of the United States in which there are lines of railway of the system which it owns or into which extensions may be authorized and transact therein the business of a common carrier or passengers and freight—

Not of passengers alone, but of freight also—

without respect to the assent or dissent of any such State or Territory.

Of course, as we all know, that includes every subdivision of the State. It is a complete, arbitrary power. I am not a prophet, but if we enact it into law I desire to say that we shall all hear from it not once but frequently in the future from our various constituents.

I come now to another provision of the bill which is known as the long-and-short-haul feature. We all recognize that for freight which is hauled a longer distance or for passengers that are hauled a longer distance the railroads should have a greater pay, other things being equal; but there has been built up in this country a system of rate making, and there are certain physical conditions in the country that make it necessary that the principle of the long and short haul should at times be modified. The Interstate Commerce Commission, as it is, now has the right and power to enforce the long-and-short-haul policy; it does not need any other power; it does not need any other direction. As now constituted, it is already enforcing that provision in proper cases. This power ought not to be in this bill; it ought to be left to the Interstate Commerce Commission to do what is fair and right and just and reasonable in the premises. I think there is where the power ought to be left. There are many inequalities that ought to be remedied. There are some in my

own State. There are localities in my own State where there are gross inequalities. Some of the inland cities of Tennessee like Jackson are sufferers from discriminating rates; but the Interstate Commerce Commission can and will remedy these discriminations.

Section 43 of the bill does away with the State railroad commissions.

Mr. CUMMINS. Mr. President, may I interrupt the Senator?

The PRESIDING OFICER (Mr. CAPPER in the chair). Does the Senator from Tennessee yield to the Senator from Iowa?

Mr. McKELLAR. I yield.

Mr. CUMMINS. In order that everybody may understand precisely the change that is made in section 4 of the interstate commerce act, I think I ought to say, if the Senator will allow me——

Mr. McKELLAR. I did not go into that, for I do not think it is of a great deal of importance, one way or the other, but I think probably the matter ought to be left entirely to the discretion of the Interstate Commerce Commission. However, I shall be very glad to have the Senator from Iowa explain the effect of the provision.

Mr. CUMMINS. If the Senator will permit me, I think I ought to state just what change is proposed, in that respect, by the pending bill.

At the present time the Interstate Commerce Commission has the power to authorize the road to charge more for a shorter distance than for a longer distance over the same line in the same direction, of course for the same commodity. There is no limit now upon its authority; no guide to the Interstate Commerce Commission in the exercise of that authority. The change that is made in this bill is to provide that the Interstate Commerce Commission may still authorize a higher charge for the shorter haul, but the rate for the longer distance which is less than the rate for the shorter distance must be a compensatory rate. That is the change and the only change. Personally I think we might well have made more changes than that, but it was the opinion of the committee that we ought not to go further than that at this time. I think no one can contend that a railroad carrying commodities over a longer distance should charge less for doing that work than a compensatory rate. That seems to me to be pretty well founded in reason and in justice.

Mr. McKELLAR. Well, there are facts to be taken into consideration in regard to that matter. Take the Seaboard Air Line, as an illustration. That line parallels the Southern and the Alantic coast lines; it has a longer line to Atlanta and to Birmingham than the others. If that were absolutely and unequivocally fixed upon as an unvarying rule of measure of compensation for service the Seaboard Air Line, by which the haul was so much longer, would manifestly get no business to those cities. Questions of that kind and similar questions which may not now be enumerated should be left just where they have been left heretofore—to the sound discretion of the Interstate Commerce Commission.

While I am on the subject of the Seaboard Air Line, by the way, I desire to say that I can understand why some railroads desire to be consolidated with the others and want a 5½ per cent guaranteed rate. Take conditions which existed in the late war—I am speaking wholly from memory—and if I am wrong I hope the Senator from Iowa, who knows the facts, will correct me. There are three virtually parallel lines of railroads to the South—the Atlantic Coast Line, the Southern, and the Seaboard Air Line. The Atlantic Coast Line and the Southern have made large profits during the last several years, while the Seaboard Air Line has not been able to make expenses. The effect of the Senator's bill—and it is a good illustration of its effect—will be to take away the earning capacity of the Southern and the Atlantic Coast Line and to help out the Seaboard Air Line. It will probably make a great deal of worthless stock of the Seaboard Air Line very valuable stock; just how valuable I do not know, for I am not an expert in railroad finance; but the inevitable effect of the bill will be to give value to the Seaboard Air Line that does not exist under present conditions. Why? Because the Southern Railway and the Atlantic Coast Line have built their lines through populous, industrious, and prosperous parts of our country and are reaping the benefit of having done so.

The other line, my understanding is, was built, to a large extent, by speculators through a thinly settled country, and the business is not there. If gentlemen undertake to invest their money in a project of that kind, why should Congress authorize the Interstate Commerce Commission to tax the American people to pay for the mistakes of those gentlemen in building a line of that sort? Surely Congress ought not to be asked to guarantee gambling debts.

Mr. CUMMINS. The reply to that suggestion is that the bill does nothing of the kind. That seems to be the fundamental error into which the Senator from Tennessee has fallen.

Mr. McKELLAR. The Senator will certainly admit that those three lines will go in one group; that the rates are to be fixed on the average earnings of the various railroad lines composing the group; and that under the very provisions of the bill the excess earnings of the roads that are prospering are taken away from them and loaned to or turned over to the roads that are not prospering in order to help them out. I consider that that is pure bolshevism and communism, and is an improper, unjust, unfair, and un-American policy, and I am not for it.

Mr. CUMMINS. Mr. President, if the Senator intends that remark to be taken seriously—and I have no doubt he does—will he tell me how much the earnings of the Seaboard Air Line in the southern district—and that is one of the districts into which I presume the Interstate Commerce Commission will divide the country—would be increased by this bill?

Mr. McKELLAR. No; no living human being can tell that; but the bill does this: It puts all the railroads under the management and control of a central board here in Washington, or its subagents, and what this board can do and what it will be its duty to do under this bill is to route freight going South or coming North in such quantities as will keep afloat all the lines; in other words, it will be its imperative duty in the routing of freight and passengers to protect the interests of all the lines. This will be taking from two good roads and giving to one bad one.

Mr. CUMMINS. The Senator is referring to a different part of the bill entirely.

Mr. McKELLAR. I know that, but there are so many parts of the bill that cover the various matters that they have to be referred to.

Mr. CUMMINS. The part of the bill to which the Senator now refers was prepared by the body of men to which he seems to give his confidence completely, namely, the Interstate Commerce Commission. The bill was prepared by the Interstate Commerce Commission in that respect, and was introduced in the House by Mr. ESCH, and was introduced in the Senate by the Senator from Ohio [Mr. POMERENE]. I am prepared to defend that proposal anywhere at any time; but it has nothing whatever to do with consolidations or with the features of this bill to which the Senator from Tennessee has been giving his attention.

Mr. POMERENE. Mr. President——

Mr. McKELLAR. Just a moment. I think it has; I differ from the Senator very materially about that. I think we have to consider every provision of this bill—how its various provisions are going to dovetail one into the other, what is going to be the effect on the country, what is going to be the effect of the rates on roads that are not now paying, and how much it is going to affect other roads that are paying. I do not believe in the principle. If the Seaboard Air Line is not making money, it is the fault of the Seaboard Air Line and not the fault of the Government, and it is not the duty of the Government to make that line earn money whether it can or not. If it earns money, it can only earn it by force of law, not by reason of merit under existing conditions.

Mr. CUMMINS. Mr. President, so far as this point is concerned, the Seaboard Air Line will have just the same opportunity to earn money that it has heretofore had. There will be no difference in that respect, unless the basis of 5½ per cent upon the aggregate value of all the property in the district shall have the effect of increasing rates. I do not think it will have that effect; I put my judgment against that of the Senator from Tennessee upon that point; but, so far as the earnings of the Seaboard Air Line are concerned, they will be just such as the management of that company can secure through the body of rates which the Senator from Tennessee has just said must be competitive and must be the same, at least to all terminal and competitive points. If any of the lines earn more than 6 per cent or 7 per cent, not one penny of it is to be taken and given to any other line or to any person.

Mr. KING. Will the Senator from Tennessee permit me to ask a question?

Mr. McKELLAR. I yield first to the Senator from Ohio, who has been desiring to be heard for several minutes.

Mr. POMERENE. Mr. President, I merely wish to make a suggestion in confirmation of what the Senator from Iowa has said in discussing the provision with regard to the routing of freight, and so forth. I can fairly state that it has been the judgment of the Interstate Commerce Commission for rather a long while that greater power should be given to the commission in that behalf. As a war measure we gave that power to the Interstate Commerce Commission; and it was largely be-

cause of the very beneficial results during the period of the war that these provisions were adopted.

With all due respect, I do not believe that the Senator from Tennessee fully appreciates the very great importance to the country of permitting some governmental body to route freight, particularly during seasons of the year when some railroads have not the capacity to accommodate their business.

Mr. KING. Mr. President——

Mr. McKELLAR. Just one moment. In answer to what the Senator from Ohio says, I think I do appreciate just what is proposed in this bill. It is a bill in every sense to strike down competition in service, to put a premium upon lack of attention to the public's business, to keep afloat the present peculiar policy by which they can treat the public without any consideration and draw a dividend on their investments just the same. For my part I think a bill ought to pass this body that is fair and just to the railroads, but at the same time one that will put them all on their mettle to conduct their operations as economically and as much to the public interest as possible. They should not look to the Government for their earnings. We ought to see to it that the well-managed road and, in fact, every road has the opportunity by prudent, careful management of its business to make money, and when it does make money we ought to permit it to enjoy what it makes. Whenever we proceed upon any other principle we tear down the structure of service to the public. We can only have service to the public by competition. We can not have it by penalizing good service and by putting a premium on poor service, by putting a premium upon poor service such as is done in this bill.

I now yield to the Senator from Utah.

Mr. CUMMINS. Mr. President, may I reply in just one sentence before the Senator from Utah asks his question?

Mr. KING. Yes.

Mr. CUMMINS. The Senator from Tennessee has characterized this bill as a bill to destroy competition in service and to penalize the efficient and the well-managed road. That is his conclusion. Of course, I have no way of reaching or overtaking that conclusion, because I do not know upon what he founds it.

Mr. McKELLAR. I found it on the bill as I read it.

Mr. CUMMINS. I want to put my judgment against that of the Senator from Tennessee in another generalization. I say this bill is to increase competition, to render it more effective than it has ever been before, and that it is not a bill to penalize efficient and skillful management; but when efficient and skillful management succeeds in earning more than is a fair return upon the value of its property, then it shall render an account of the excess to the Government. That is my judgment with regard to this bill, and I put it in juxtaposition to the judgment of the Senator from Tennessee. I have no doubt he is entirely sincere in his conclusion. I hope he will grant that I am equally sincere in mine.

Mr. McKELLAR. I not only grant it, but I know that every position that the Senator from Iowa takes in the conduct of this bill and his attitude toward this or any other bill in this body is always characterized by the utmost fidelity to the interests of the Government and the public that he so well serves. My conclusion is not meant to be any criticism whatever of the Senator from Iowa. We differ about the provisions of the bill. We differ about the effect of the language used. Inasmuch as we do differ, however, I believe it will help us to reach a just conclusion if the Senator will answer this question.

This bill fixes the reasonable income at 5½ per cent. Now, let us assume that a railroad running from here to New York or from here to St. Louis, or to both places, is just earning, with all the charges, 5½ per cent. If it earns any more, it will be taken away from it and transferred to this fund.

Mr. CUMMINS. No.

Mr. McKELLAR. Wait just one moment. If it earns any less, it will not make it. What incentive is there to go forward with that railroad, to make its earnings larger, to give better service, so as to attract business to it, if it is to be struck on the one side by taking away its excess earnings and having them transferred to a board or, on the other, by the Interstate Commerce Commission or the transportation board which says, "We will take away a part of your freight that you have built up here; you have built up too big a business, and we are going to take part of it away from you and route that freight along another line"? Thus attacked from both sides and, perhaps, from the rear by the labor unions, that will say, "We want an additional slice of what you are making"—attacked all around—what incentive has that railroad to go forward and give the country a better service?

Mr. CUMMINS. I will answer the Senator's question. In the first place, the railroad which he has in mind is not limited to the 5½ per cent. That is the first answer to his proposition.

Mr. McKELLAR. I do not understand the bill, then.

Mr. CUMMINS. That railroad, if it earns 7 per cent, retains 6½ per cent of it.

Mr. McKELLAR. I understand that, but I was excepting that. I do not want the Senator to make that mistake, because I have assumed that the one-half of 1 per cent for betterments and equipment and all that was taken out and everything like that and that the 5½ per cent is net.

Mr. CUMMINS. I am assuming it, too. That has nothing whatever to do with the earning of the company—the one-half per cent to which the Senator refers. That may or may not be added by the Interstate Commerce Commission, according to its discretion. But we will assume that the commission does not add it, but establishes rates upon a 5½ per cent basis for all the railroads of the district—that is to say, upon the aggregate value of all the railroads of the district. The railroad the Senator has in mind would then proceed to do business. Now, it would need all the skill that it has, all the efficiency which it can employ, we will say, to earn more than 6½ per cent, and it goes forward and earns 7 per cent, we will say—and many of them will. One-half of that above 6 per cent is left with the company. The company has the benefit, then, of one-half of 1 per cent above 6. If it earns 8 per cent, then the company has the benefit of one-half of 1 per cent between 6 and 7 and one-fourth between 7 and 8, and so on.

Mr. McKELLAR. To what figure?

Mr. CUMMINS. It furnishes all the incentive that men can feel to make their properties as efficient and with as high an earning power as possible. I can not conceive that men are going to be inefficient or disregardful of economies if by practicing economies and employing efficiency they can earn more money and keep more money than though they were careless and indifferent with regard to the management of the properties; and, of course, I think most of the railroads of this country have in operation been managed with efficiency always. They have been very criminal in some respects, in capitalization and in exploitation; but with those things the Senator is not now dealing, and I will not enter upon them.

Mr. McKELLAR. Mr. President, unfortunately nature has so constituted men and enterprise that they can not just stand still. It is an impossibility for the physical man to reach a place where he stops, and does not progress, and does not go back.

Perhaps unfortunately for some of us, perhaps unfortunately for a theoretical management of certain corporations, that rule of life is absolute—as absolute in corporations as it is in individuals. You have either got to go forward or you go backward. It is a law of nature. There is no such thing as standing still, even for an instant. And so, when it comes to railroads just earning up to the amount specified by law, it is not in the same situation that the Kentucky darky's dram was in.

His old friend and employer, who was supposed to be a very close-fisted man, called him in one morning and said: "Jake, would you like to have a drink?" Jake said he would, and his employer poured out some liquor in a tumbler and gave it to him, and Jake drank it with a good deal of satisfaction. When he got through his employer said, "Jake, did you like that liquor?" "Yes, sah; jes' right—jes' right—jes' right." "Why do you call it 'just right'?" "Well, sah, jes' because it is jes' right, sah—jes' right, sah." "Well, why do you call it 'just right'?" The darky said, "Well, if it had been any wuss, I couldn't have drunk it, and if it had been any better you wouldn't have give it to me; and so it's jes' right." [Laughter.]

Now, unfortunately, in railroading that can not happen. We can not just reach a point where there is neither retrogression nor progression. There is no standing-still point. We have got to go on, if we keep up the service, or we have got to go backward; and when you put a limit on the earnings of a corporation you put a limit upon its service to the public, necessarily.

Mr. CUMMINS. Do I understand from that observation that the Senator from Tennessee is opposed to all regulation that would interfere with the earnings of railway companies?

Mr. McKELLAR. Quite the contrary. I will state to the Senator in just a moment, in concluding what I have to say on this bill, just what I do believe in. Before doing it, however, I want to make my position perfectly plain.

I have no antagonism at all to railroads or to railroad companies. They are absolutely necessary to the prosperity and the well-being of the people of this country. They should be encouraged in every proper way. They should be protected in all of their property rights. They should be encouraged by the

Government to render their very best service. At all times they should be treated absolutely fairly by Congress, by the Interstate Commerce Commission, by the State commissions, and by every regulatory power.

I do not believe, I never have believed, in this so-called baiting of the railroads. It is not right. Business could not go along a day in this country without them. They are the great arteries of all business and all commerce. We must protect them in their lawful rights. We must see to it that they get a proper income. There is no desire upon my part in anything that I have said, or any inference that can be drawn from what I have said, that I am opposed to railroads; not at all. They are the builders up of communities, they are the builders up of States. A State full of railroads is a State of prosperity; it is a State of happiness; it is a State of progress; and I say that we ought not to pass any bill that will stop the building of railroads, as this bill does, in my judgment. We ought not to pass any bill that stops enterprise upon the part of the railroads themselves, as this bill does. We ought not to pass any bill that does away with competition in service, as this bill does. We ought not to pass any bill that does away with individual initiative, as this bill does. We ought not to pass any bill that allows all of these splendid corporations to gather together under one head and throttle all other railroad companies that it might be necessary to form in the future, as this bill does. I believe in the railroads. I believe in their necessity and their value, and that is why I am making this statement.

The Senator asked what I would do with them. I have prepared with some care just what I would do with them, and having prepared it with some care, I am going to read it rather than to attempt to state it. My idea of railroad legislation at this time may be set out as follows:

First. Terminate Federal control and restore the railroads to their several owners in a manner by which active competition in service may be restored and maintained.

Second. For the purpose of enabling carriers by railroad subject to the commerce act properly to serve the public during the transition period immediately following the termination of Federal control; provide for new loans to the railroads under the direction of the Interstate Commerce Commission, and with reasonable limitation upon these loans, together with a temporary guaranty of present income for a period not longer than six months, the House bill provision on the subject of loans to the railroads being deemed a wise and proper provision.

I may say in that connection that I doubt the wisdom of a six months' guaranty, but we might let the present rate of 5 per cent continue, say for 90 days, until they can secure these loans and go out and make their own way, as every other citizen goes out and makes his own way. I continue reading:

Third. Give to the Interstate Commerce Commission increased powers, including a supervisory jurisdiction over arbitration of labor troubles; the issuance of railroad securities and the chartering of additional lines, to the end that railroad securities may be stabilized and rendered a safe investment to the public; all dealings of the several railroad corporations with their employees; all subjects arising out of Federal control; refunding the carriers' indebtedness to the United States; and the establishment of minimum as well as maximum rates.

Fourth. Provide that existing rates—

I call special attention to that. The "existing rates," that are now making 5 per cent on the value of these roads, under Government control; not an increase, as provided in this bill, from 25 to 50 per cent, but existing rates. I resume:

Fourth. Provide that existing rates shall be continued with full power vested in the Interstate Commerce Commission to raise or lower them and thereby fix reasonable rates, to the end that both the railroads and the public shall be fairly treated and that each road that is efficiently, economically, and well managed shall be permitted to earn a just and reasonable income, but without Government guaranty.

Also, that railroads rendering the best service to the public and the greatest efficiency in management and operation shall be entitled to make the greatest income and that all railroads shall have and retain such incomes as they may rightfully earn without dividing any portion thereof with the Government or with other less favored railroads.

I say, Mr. President, that if this bill were recommitted to the committee with instructions to prepare a bill along those lines, it would be for the manifest benefit of the American public, and the manifest benefit of the railroads themselves. In turning the railroads back—and we ought to have done it long ago—we should make the terms fair and just toward all—toward the public, toward the railroad owners, toward the security owners, toward the operators, toward the men, both union and nonunion men. We should not put any theoretical plan on the statute books. We must not let the Government continue to hold the bag. We should not put it in the power of any railroad organization to exploit the American people.

The PRESIDING OFFICER (Mr. HARRIS in the chair.) The question is on the amendment of the Senator from Montana [Mr. MYERS].

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Harris	McNary	Smoot
Bankhead	Harrison	Moses	Spencer
Beckham	Hitchcock	Myers	Sutherland
Brandegee	Johnson, S. Dak.	Nelson	Thomas
Capper	Jones, N. Mex.	New	Townsend
Colt	Jones, Wash.	Newberry	Trammell
Cummins	Kellogg	Norris	Underwood
Dial	Keyes	Overman	Walsh, Mass.
Edge	King	Page	Walsh, Mont.
Fletcher	Kirby	Phipps	Warren
Frelinghuysen	La Follette	Pomerene	Watson
Gay	Lenroot	Ransdell	
Gore	McCormick	Sheppard	
Gronna	McKellar	Smith, S. C.	

Mr. WATSON. I have been requested to announce the absence of the Senator from Kansas [Mr. CURTIS], the Senator from New York [Mr. CALDER], and the Senator from Idaho [Mr. NUGENT] in attendance at a meeting of the subcommittee of the Committee on Finance.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Montana [Mr. MYERS].

Mr. MYERS. Mr. President, the pending amendment has been explained and debated twice prior to to-day, but as there are some Senators here now who were not present on either of those occasions, I will simply say, by way of explanation, that the amendment is designed to take out of the bill the provision which authorizes the appointment on the board of directors of each railroad corporation coming under the provisions of the bill two directors from the employees of the railroad and two from the public, who are not stockholders and have no pecuniary interest in the railroad.

I think that feature of the bill is unwarranted paternalism. I can see no necessity or excuse for it. The matter of wages and working conditions is amply taken care of by other provisions in the bill, where a tribunal is provided for the settlement of those things, in which the employees will have a voice and before which they will have a fair hearing. I can see no reason for putting in the bill this paternalistic feature. Therefore I have moved to strike it out.

[Mr. LA FOLLETTE addressed the Senate in continuation of the speech begun by him on Tuesday. After having spoken for nearly two hours, he yielded the floor for the day.]

RECESS.

Mr. CUMMINS. Mr. President, I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 4 o'clock and 50 minutes p. m.) the Senate took a recess until to-morrow, Saturday, December 13, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

FRIDAY, *December 12, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, our God and our Father, never far from any of us, we would draw near to Thee and receive that spiritual momentum sufficient unto the hour, that we may meet the conditions of life faithfully and efficiently, act wisely, do justly unto others as we would be done by and thus promote larger life, a finer influence with our fellow men, reduce injustice, right the wrongs and make the world a sweeter, nobler, more generous dwelling-place. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

PANAMA CANAL.

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1919.

WOODROW WILSON.

THE WHITE HOUSE, *11 December, 1919.*

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 3754. An act to amend sections 8 and 21 of the copyright act, approved March 4, 1909; and

H. R. 9822. An act to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication.

ORDER OF BUSINESS.

Mr. SELLS. Mr. Speaker, under the rules of the House this is the day set apart for the consideration of pension bills on the Private Calendar. The Committee on Pensions has two omnibus House bills and also one Senate bill on the calendar for consideration. I have been advised, however, that it is the wish of the House to proceed with the consideration of the military bill. I therefore ask unanimous consent that should the consideration of this bill be completed on or before 5 o'clock this afternoon it shall be in order to call up the private bills.

The SPEAKER. That would be in order without any unanimous consent.

Mr. SELLS. Then, Mr. Speaker, I ask unanimous consent that these bills be in order on next Friday.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that in case the pension bills are not considered to-day they be in order to be considered on next Friday. Is there objection?

Mr. SINNOTT. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Tennessee [Mr. SELLS] how he obtained the views of the House as to its wishes to-day? Has the gentleman conferred with the chairman of the Committee on Claims, the gentleman from Pennsylvania [Mr. EDMONDS].

Mr. SELLS. I understand that under the rule that was adopted making this military bill the order of business the chairman of the Committee on Military Affairs really has the right to call up this bill and to have it considered.

Mr. SINNOTT. I think there may be some question about that. I for one am not willing to concede that right.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. EDMONDS. Mr. Speaker, I object.

EXTENSION OF REMARKS.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to proceed for two minutes in order that I may have read in my time a telegram of resolutions adopted by the House of Representatives of Massachusetts relative to the sugar situation.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for two minutes for the purpose indicated. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, I send to the Clerk's desk and ask to have read in my time the resolutions referred to.

The Clerk read as follows:

(Telegram.)

BOSTON, MASS., *December 11, 1919.*

Representative ALLEN T. TREADWAY,
Washington, D. C.:

The Commonwealth of Massachusetts in the year 1919.

Resolutions memorializing Congress in relation to the deficiency in the supply of sugar within the Commonwealth.

Whereas the great deficiency in the supply of sugar within the Commonwealth is a hardship upon and harmful to the health and comfort of its people and prejudicial to its business interests; and

Whereas the supply and distribution of sugar being within the control of the Federal Government, it is not within the power of the general court to pass legislation which would increase the supply of sugar in this Commonwealth; and

Whereas it appears from the report of the special commission on the necessaries of life recently submitted to the general court that the deficiency in the supply of sugar within the Commonwealth is due to the fault of the National Sugar Equalization Board; and

Whereas there has been presented to the National House of Representatives by Hon. FREDERICK W. DALLINGER, Congressman from Massachusetts, a resolve to prohibit the exportation of sugar from the United States: Therefore be it

Resolved, That the Congress of the United States be, and hereby is, respectfully requested to investigate at once the actions of said National Sugar Equalization Board in order that the reasons for the deficiency in the supply of sugar may be ascertained and the responsibility therefor determined and placed where it belongs; and be it further

Resolved, That the Congress be requested to at once take every action possible to insure an adequate supply of sugar by prohibiting the exportation thereof from the United States, or by any other means that will give to the people of the country and of this Commonwealth the amount of sugar needed for their health and comfort to maintain the business of the Commonwealth; and be it further

Resolved, That the secretary of the Commonwealth be instructed to send copies of these resolutions by night letter to the Senators and Representatives in Congress from Massachusetts.

House of Representatives December 11, 1919.

Adopted.

JAMES W. KIMBALL, *Clerk.*

A true copy.
Attest.

ALBERT P. LANGTRY,
Secretary of the Commonwealth.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. Do I understand that the telegram as read is an instruction from the Massachusetts Legislature?

The SPEAKER. It is a respectful request.

Mr. TINCHER. Mr. Speaker, I ask unanimous consent to place in the RECORD a proclamation of the governor of Kansas convening the Kansas Legislature to deal with the coal situation in that State.

The SPEAKER. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD by printing a proclamation by the governor of Kansas relative to the coal situation. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, replying to the question asked by the gentleman from Ohio [Mr. GARD], I call his attention and the attention of the gentleman from Massachusetts [Mr. TREADWAY], who had this telegram read, that the language of the telegram does say as follows:

Therefore be it
Resolved, That the Congress of the United States be, and is hereby, instructed respectfully——

Mr. MADDEN. Why not? Why should they not do that?

Mr. BLANTON. And now that the gentleman from Massachusetts [Mr. TREADWAY] has been instructed as a Member of Congress, I want to ask him what he is going to do about it?

Mr. TREADWAY. Mr. Speaker, I would be very glad to answer the gentleman's question if I have the time.

Mr. WALSH. Mr. Speaker, reserving the right to object to the request of the gentleman from Kansas—and I shall not object to this request—I desire, if permitted, to call the attention of the House to the condition of the supply of print paper upon which the CONGRESSIONAL RECORD is printed. It is now costing about $60 per page to print it, and I trust that Members will refrain from asking for extensions of remarks unless the remarks pertain to measures under consideration. The Government Printing Office has men out all over the country endeavoring to secure a supply of print paper for the RECORD, and I believe that in such a stringency as this Members should be willing to cooperate by refraining from asking an extension of remarks for all sorts of communications and documents unless they pertain directly to matters under consideration.

Mr. GARNER. Mr. Speaker, does that mean that the gentleman gives notice to the House that after this request is granted he is going to object to any extraneous matter that does not pertain to the business of the House?

Mr. WALSH. I have indulged in that in the past, and when present shall think it my duty to object. If these various extensions are asked for, I think I shall exercise that right.

Mr. GARNER. I hope the gentleman will do so.

Mr. WALSH. I am just now asking Members to bear that in mind, so that objections may not be necessary.

Mr. GARNER. As a Member of the House I hope the gentleman will object and take that burden upon himself, unless the gentleman from Wyoming [Mr. MONDELL] and the gentleman from Missouri [Mr. CLARK] will do their duty and see to it that the RECORD is taken care of. I think they ought to do it as leaders of the House.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I have been impressed by the arguments brought forth by the gentleman from Massachusetts [Mr. WALSH]. I have not embarrassed myself nor been handicapped by any recent similar requests, and in this instance, therefore, I object.

The SPEAKER. The gentleman from Michigan objects.

AMENDMENT TO THE ARMY APPROPRIATION BILL.

Mr. EDMONDS. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. EDMONDS. I would like to make a parliamentary inquiry. I would like to ask the Chair whether the bill before the House yesterday comes under the head of a general appropriation bill?

The SPEAKER. The Chair does not understand the question.

Mr. EDMONDS. I would like to know whether that bill will be considered by the Chair as a general appropriation bill?

The SPEAKER. No. The Chair recognizes the gentleman from Kansas.

Mr. ANTHONY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8819.

Mr. SINNOTT. Mr. Speaker, I desire to make a preferential motion.

The SPEAKER. The Chair will state the question. The gentleman from Kansas moves that the House resolve itself

into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8819.

Mr. SINNOTT. Mr. Speaker, I desire to make a point of order against the motion, and also to make a preferential motion that the House resolve itself into Committee of the Whole House for the purpose of considering bills on the Private Calendar——

The SPEAKER. The Chair overrules the point of order.

Mr. SINNOTT. And I would like to be heard.

The SPEAKER. The Chair will hear the gentleman.

Mr. SINNOTT. Upon both those points of order. Mr. Speaker, the Speaker ruled last Friday that the rule before the House on last Friday displaced the bills upon the Private Calendar.

Now, the rule relating to the bill which was before the House yesterday is an entirely different rule. That rule merely authorized the motion to be made to go into Committee of the Whole House on the state of the Union for the purpose of considering that bill. But the rule before the Speaker last Friday directed the House to go into Committee of the Whole House on the state of the Union for the purpose of considering the bill H. R. 9755. Now, in the absence of some specific rule setting aside to-day, this day, being Friday, is devoted to bills upon the Private Calendar, pensions having the right of way.

Mr. WALSH. Will the gentleman yield?

Mr. SINNOTT. Now, there have been rulings, there have been decisions, cited to the Speaker and cited by the Speaker last Friday, to the effect that unless Friday was excepted from the operation of a rule that Friday would be eliminated. Those are in volume 4 of Hinds' Precedents, sections 3201 and 3202.

Mr. WALSH. Will the gentleman yield?

Mr. SINNOTT. Not for the present. I have examined all those rulings and all those decisions. The decision by Speaker Keifer and the decision by Speaker Carlisle were under a rule making a particular bill a continuing order of business. Not only that, but they were under a rule excepting from the operation of the rule revenue bills and appropriation bills. Mr. Speaker Carlisle held, in addition to the reason that the bill in question was made a continuing order, that because revenue bills and appropriation bills, and nothing else, were excepted from the operation of the rule, the rule indicated an intention on the part of the House to make no other exceptions. Those rules intended the exclusion of all other matters not expressly excepted, on the maxim expressio unius exclusio alterius, that when one thing is expressed that all the others are excluded, and it was upon that point as well as on the point of a continuing order that Speaker Carlisle overruled the point of order made by Mr. Reed. Now, Speaker CLARK has held that when there is a seeming conflict between the rules, as there may be to-day, between a rule presented by the Committee on Rules and the regular rule of the House, that it is the duty of the Speaker, so far as possible, to make the rules a consistent and harmonious whole—to reconcile one with the other in an endeavor to expedite the business of the House—and it seems to me that that principle should be maintained and followed by the Speaker to-day. Here is the Private Claims Calendar, having some 50 or 75 or 100 bills, deferred from time to time, and it seems to me that the Speaker might well rule to-day that because the rule which was adopted yesterday does not expressly eliminate Friday, that then the regular rules of the House should obtain.

Mr. LONGWORTH. Will the gentleman yield for a question?

Mr. SINNOTT. I do.

Mr. LONGWORTH. Does the gentleman maintain that the House has not the power to determine for itself what order of business it will take up for to-day?

Mr. SINNOTT. Oh, certainly the House may have that opportunity later on.

Mr. LONGWORTH. Precisely. But the gentleman can accomplish what he desires by voting down the motion of the gentleman from Kansas, and surely he can not maintain the Speaker can not recognize the gentleman from Kansas to make the motion?

Mr. SINNOTT. I have made the point of order against the motion, contending that that motion is out of order to-day until the motion to consider bills on the Private Calendar is disposed of.

Mr. WALSH. Will the gentleman yield?

Mr. SINNOTT. I will yield.

Mr. WALSH. Does the gentleman contend that the following rule—

That it shall be in order to entertain a motion that the House resolve itself into Committee of the Whole House to consider business on the Private Calendar in the following order on Friday of each week—

precludes the consideration by the House of a bill made in order under a special rule?

Mr. SINNOTT. Well, the gentleman is begging the question. I contend that the bill is not made in order for to-day; that the Private Calendar first has the right of way.

Mr. WALSH. The rule provides that after the adoption of the resolution it shall be in order to move to go into Committee of the Whole House on the state of the Union to consider that bill.

Mr. SINNOTT. Yes; I concede that, and the motion was made yesterday. Now, if the gentlemen in charge of the bill desired to protect themselves yesterday their motion should have been, instead of a motion to adjourn, a motion for a recess, and then the legislative day of yesterday would continue to-day. That was their protection.

Mr. WALSH. Will the gentleman yield further?

Mr. SINNOTT. I desire to quote another authority——

Mr. WALSH. Before the gentleman does that, will the gentleman kindly translate the Latin expression he used?

Mr. SINNOTT. When this matter was up yesterday the gentleman from Illinois [Mr. MANN] stated that to-day would be pension day. You will find that at the end of yesterday's proceedings on page 434 of the RECORD.

The SPEAKER. The Chair thinks that the rule that was adopted yesterday making the bill from the Committee on Military Affairs in order put that in a status where the motion to consider it could be recognized to-day by the Chair, if the Chair thought it wise. It was also in order to-day, according to the permanent rule, to move that the House resolve itself into the Committee of the Whole House to consider bills on the Private Calendar. Both of those motions are in order, and other motions might be in order. And it is the purpose of the Chair to recognize whatever motion the Chair thinks represents the desire of the House. Of course the Chair can not be certain what the desire of the House is, but the Chair has consulted different individuals who are interested in the various bills, and other Members, and has come to the conclusion that it was wise to recognize the gentleman from Kansas [Mr. ANTHONY].

Of course, the Chair can only guess what the House desires, and it is entirely in the hands of the House to determine what business it shall take up. If it votes down the motion of the gentleman from Kansas, then the next preferential motion would be in order by the chairman of the Pension Committee. The Chair overrules the point of order and recognizes the gentleman from Kansas [Mr. ANTHONY], who made the motion that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8819. The question is on the motion of the gentleman from Kansas.

Mr. BLANTON. Division, Mr. Speaker.

The SPEAKER. The gentleman from Texas demands a division.

The House divided; and there were—ayes 73, noes 27.

So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8819) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, with Mr. MADDEN in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8819, which the Clerk will report by title.

The bill was reported by title.

The Clerk read as follows:

At Camp Normoyle, Tex.: For construction for the completion of main shops, $30,000; for the purchase of real estate, $2,500.

Field Artillery—

Mr. BROWNING. Mr. Chairman——

Mr. LEHLBACH. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from New Jersey [Mr. BROWNING] is recognized for the purpose of offering an amendment, which the Clerk will report.

Mr. FORDNEY. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Michigan rise?

Mr. FORDNEY. I want to ask permission to address the House for five minutes out of order on the sugar question.

The CHAIRMAN. The gentleman from New Jersey [Mr. BROWNING] has the floor.

Mr. FORDNEY. Pardon me. I did not understand.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New Jersey [Mr. BROWNING].

The Clerk read as follows:

Amendment offered by Mr. BROWNING: Page 6, line 20, insert:

"ORDNANCE.

"To complete the purchase of real estate at Oldmans, Salem County, N. J., for Delaware ordnance depot, $250,000."

Mr. BROWNING. Mr. Chairman and gentlemen of the committee, on August 29, 1918, the Ordnance Department requisitioned a number of farms in Salem County, N. J., for the site of an ordnance depot. I do not recall just the number of acres taken on that date, but it was the major portion of 1,825 acres totaled, a small tract of which was taken in April, 1919, for railroad purposes.

This land was requisitioned from farmers of that district, and it has never been paid for; thus has great hardship been suffered, some of the farmers having been practically bankrupted.

The department established the Delaware general ordnance depot there and expended $4,236,650 in improvements, including expensive concrete foundations. The Government holds at this time 1,545 acres in the tract, all of which they now desire to retain permanently; 279 acres only have been returned to the original owners, leaving the 1,545 acres referred to, the buildings upon which are being used as a depository for various ordnance materials.

The farmers affected are my constituents, and I have been informed of many of the hardships to which they have been subjected. I saw a department letter written to one of the original owners, asking him to go back upon his land and submit an inventory of the damages sustained. This he did. He was also instructed to state in detail the damages to the property, which he did, and all was satisfactory except one very small item. After he had sent the matter to Washington and believed it was all settled he received another department letter, telling him to get off the land. He had by that time replanted his peach orchard which had been entirely destroyed, had fixed up his dwelling house, and placed a tenant therein. When he came to see me he asked my advice as to what he should do. I said to him, "Stay where you are. You can obey the first order, but you can not obey both orders; and so far as I can, I will protect you in what you do." I presume the man is still in possession of his property.

Mr. Chairman, those people had to give up their farms; they have practically no place to live, except in out-of-the-way locations, for farms can not be obtained except at very high prices, and it seems very unjust for the Government, after taking their land, never to have paid the owners one single penny.

I received the information only yesterday from the War Department to the effect that they wish to retain those 1,545 acres, and I was also informed that it will cost more to remove the Government's property, pay damages, and return the land to the owners than the purchase would cost at $250,000.

I therefore offer this amendment to appropriate $250,000 for the purchase of the land being held and used by the United States Government.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANTHONY. Mr. Chairman, I have no doubt but that the amendment of the gentleman from New Jersey is a meritorious one. It is one, however, that the committee has not considered. The reason it was not considered is that in the limitation that was placed upon the appropriation bill last July, the object of which was to prevent the department from going ahead and acquiring further real estate, specifically eliminated manufacturing plants and industrial propositions. So there has been no limitation on the power of the War Department at any time to go ahead and purchase this real estate providing it was necessary in order to protect the interests of the Government. That was the language of the bill. If the department has not already gone ahead and paid for that real estate, it is due undoubtedly to the negligence of the department and not to the limitation imposed by Congress.

Mr. BROWNING. I just want to say, in answer to the gentleman, that the department has taken up the ground, but on account of that limitation it is impossible for them to pay for it. They can not pay even, in this instance to which I am referring, the award for the ground turned back.

Mr. ANTHONY. The committee does not doubt the figures submitted by the gentleman, but it would like it better if it had verified figures, signed by the Chief of Ordnance or the Secretary of War. The gentleman will admit that it is rather dangerous to make large appropriations without such a foundation.

Mr. BROWNING. Mr. Chairman, I want to say, in answer to that, that on yesterday I called up the department, and the information which I have here was gotten from the department. I am told that they need that land and propose to keep it.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BROWNING. Mr. Chairman, a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 17, noes 35.

So the amendment was rejected.

Mr. LAYTON. Mr. Chairman, I move an amendment.

The CHAIRMAN. The gentleman from Delaware offers an amendment, which the Clerk will report. The Chair would state to the gentleman from Delaware that the amendment offered is not in order now. We have not yet reached that point. We are now on page 6, and we are considering the bill by paragraphs. The gentleman's amendment is written to be inserted on page 10. The gentleman will have to wait until we reach that point in the bill.

Mr. LAYTON. I move it as an amendment to page 6.

The CHAIRMAN. The gentleman's amendment reads on page 10.

Mr. LAYTON. I ask that it be modified in that respect.

The CHAIRMAN. Without objection, the Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. LAYTON: Page 6, line 20, as a new paragraph insert:

"For payment for land purchased by the United States for right of way for the railroad connecting the munition plant at Port Penn, Del., and the Delaware Railway at Mount Pleasant, Del., $32,270.90."

Mr. CALDWELL. Mr. Chairman, I make a point of order against the item on the ground that it does not appear in the bill. It is not germane to the bill. It is not in any part agreed to as being permissible as an amendment.

The CHAIRMAN. Does the gentleman from Delaware wish to be heard on the point of order?

Mr. LAYTON. I wish to be heard in this way. I will ask the indulgence of the committee——

The CHAIRMAN. The gentleman will have to confine himself to the point of order.

Mr. CALDWELL. Mr. Chairman, if the gentleman wants to make a speech I will reserve the point of order to let him make a statement.

The CHAIRMAN. The gentleman from New York reserves the point of order.

Mr. LAYTON. Mr. Chairman and gentlemen of the committee, I have a proposition here which is on all fours with that of the gentleman from New Jersey [Mr. BROWNING]. While the war was in progress it was necessary, of course, to build munition plants. The Government built a munition plant at Port Penn, on the Delaware Bay. In order that it might have more facile ingress and egress, they wanted a communication by rail between Fort Penn and the Delaware Railroad. This was for purposes of transportation both north and south. The Government proceeded in the Federal court at Wilmington and used the orderly processes of law. Viewers or adjusters, or whatever the proper name is, viewed these lands, condemned these lands, and made the award for these lands, and the Government took the lands over. It used the land. It graded them for railroad purposes. It cut through hills, it filled up dales, it put down the ties and laid the rails and built culverts, and on completion used the track, using locomotives and cars. It stands there to-day, a railroad track 8½ miles long by from 60 to 100 feet wide.

This is not a postwar proposition. This is a proposition where the Government took it over under process of law before the armistice was declared. That land is destroyed for all agricultural purposes. It runs through the most fertile and beautiful section of our State. The Government takes the position, on account of the bill passed here on the 11th day of July, 1919, that it can not pay for this land, and it says also that if it had the money it would not pay for the land, because it has another alternative, that alternative being that it could scrap the railroad, take up the ties and the iron and remove the ballast, and hand back the land to the original owners.

This is an obvious hardship of an inexcusable kind, obliging these people to employ lawyers, go into the Court of Claims, subject them to that interminable delay which characterizes such proceedings. I have found, Mr. Chairman, a curious contradiction on the part of Members of the House relative to the act of July 11, 1919, relating to Federal contracts. I recollect very well that the sole purpose of that act was to forbid the War Department from purchasing any new land or to erect any new buildings for war purposes. And it was not intended to prevent the department from paying awards already determined by due process of law. I do not believe that Congress would have been willing to pass a law bearing the interpretation that the War Department now places upon that act; neither do I believe that a department has any right to annul the proceedings lawfully and duly had in the condemnation of these lands between Mount Pleasant and Port Penn and compel the landowners to begin new proceedings to affect the same purpose,

namely, to ascertain the amount of damages due to the confiscation of these lands.

I append hereto a letter from G. F. Woods, Director of Real Estate Service of the War Department, bearing out the facts which I have given relative to the lawful procedure had in the condemnation of these lands and other matters.

The CHAIRMAN. The time of the gentleman from Delaware has expired.

Mr. LAYTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Delaware asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

WAR DEPARTMENT REAL ESTATE SERVICE,
OFFICE OF THE DIRECTOR,
Washington, December 12, 1919.

Hon. CALEB R. LAYTON,
House of Representatives.

MY DEAR MR. LAYTON: In response to the request made by your secretary to-day, I transmit the following information concerning the right of way for railroad connection to the Government's loading plant at Port Penn, Del. The right of way is about 8¼ miles long and varies in width from 66 feet to 100 feet, and contains 21 parcels having a total area of approximately 66½ acres.

The acquisition of title to the above-mentioned right of way was requested by the Ordnance Department August 1, 1918. Condemnation proceedings for the title were filed August 19, 1918, in the United States court for the district of Delaware at Wilmington, Del. The following jury was empanelled: Frank N. Overdeer, James B. Oberley, Albertus B. Stayton, B. Frank Walls, Joshua J. Lambden, Leonard V. Asprll, jr., Alexis P. Clark, Harry K. Fooks, William G. Williams, Harry S. Woodkeeper, Thomas I. Bird, and John H. Peach. The court ordered jurors to view on October 29, 1918, five of the tracts of land under condemnation.

Awards by the jury October 29, 1918, total $32,270.90, including damages of the five tenants. Verdict was rendered by the court October 30, 1918, as above.

January 11, 1919, the award of $32,270, from which $826 awarded as damages to certain tenants was to be deducted, was agreed to by the War Department. Figures furnished by the Ordnance Department indicate that the construction work on the railroad connection over the abovementioned right of way cost $300,293.69 and the cost of the construction work of the plant at Port Penn was $410,521.57.

The Ordnance Department has been requested to advise this office the date construction work was commenced on the railroad connection and the date the construction work was stopped, and as soon as this information is received it will be transmitted to you.

Respectfully,

G. F. WOODS,
Director Real Estate Service.
By EDWARD W. TURNER,
Lieutenant Colonel, Coast Artillery Corps.

Mr. CALDWELL. Mr. Chairman, I insist on the point of order.

The CHAIRMAN. The gentleman from New York renews the point of order. The Chair sustains the point of order. The Chair believes that the amendment is not germane to the item pending.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent to address the House for five minutes on the question of sugar.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to address the House for five minutes on the sugar question. Is there objection?

Mr. SNELL. Reserving the right to object, Mr. Chairman, if the gentleman will agree to produce some sugar that I can buy for my family I will not object.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan for five minutes out of order.

Mr. FORDNEY. Mr. Chairman and gentlemen, the petition just filed by the gentleman from Massachusetts [Mr. TREADWAY] is out of order, for this reason: There exists to-day a corporation created in the Food Administration office by the Government, a Government corporation known as the Sugar Equalization Board, which last year entered into a contract with Cuban sugar producers to purchase all export sugar from Cuba. That contract is in existence and extends over this year, expiring on the 31st day of December.

That corporation further entered into a contract, copies of which I have, with the sugar refiners of this country to the effect that the refineries would take that sugar purchased by that corporation from Cuba at a given price, yielding to this corporation, as I now remember it, 38 cents a hundred pounds, a profit to this corporation, which money was supposed to take care of the expenses of the corporation.

It was further agreed between the corporation and the Governments of Great Britain and France that Great Britain and France would not bid in the market for Cuban sugar during that time, provided the corporation distributed equitably and equally between the people of the United States and the people of Great Britain and France the sugar so purchased. Those contracts have been strictly complied with and are being complied with to-day.

We produce in this country about 25 per cent of our consumption of sugar, both from beet and can sugar. We import from our insular possessions—Porto Rico, Hawaii, and the Philippine Islands—another 25 per cent of our consumption.

The remaining 50 per cent of our supply of sugar is imported, chiefly from Cuba. No refiner of sugar in this country exports sugar produced in the United States, for the reason that on the exportation of refined sugar a drawback of 90 per cent of the duty paid on imported unrefined sugar is given to the refiners of the country. On all raw materials or any materials imported into this country and converted into a finished product, when the finished product is exported 99 per cent of the duty paid is returned to the manufacturer and exporter as a drawback. Therefore no sugar produced in this country is exported. The only sugar exported by anybody in the United States is such sugar as is imported, and to-day under these contracts we are in duty bound to export to Great Britain and France an equitable proportion of that Cuban sugar that is imported into this country from these purchases made by this board this year. Therefore a resolution coming at this time directing Congress to prohibit the exportation, or putting an embargo on the exportation of sugar, is in violation of the contract now existing between this Government corporation and the Governments of Great Britain and France.

Mr. KITCHIN. Will the gentleman permit an interruption?

Mr. FORDNEY. Certainly.

Mr. KITCHIN. What is the gentleman's opinion about this matter: Does he think it wise that the Government should authorize the President to purchase the Cuban crop now?

Mr. FORDNEY. I wanted to add that I have been urging members of the Committee on Agriculture to extend the power to this corporation to purchase the Cuban crop for the coming year and control again the price of sugar in this country for the coming year. If we do not, my friends, in my candid opinion, the consuming public of this country will pay more for their sugar than they will pay if it is controlled by this Sugar Equalization Board.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. I would like two minutes more.

SEVERAL MEMBERS. Make it five minutes.

The CHAIRMAN. Is there objection to the request that the gentleman's time be extended five minutes.

There was no objection.

Mr. FORDNEY. The reason I say that is that this corporation has fixed the price, in addition to the price that the refiners must pay for that raw sugar, and they have also fixed the price that refiners can charge for the sugar, and therefore the price at which the refiners are selling sugar in this country to-day is absolutely controlled by this Government corporation in the food department and the Food Administrator's office. Now, the taking away of that power to fix the price for the coming year is going to cause such competition in the sugar markets of the world, because of a shortage of the world supply of sugar of some 2,000,000 or 3,000,000 tons out of a total of 16,000,000 or 17,000,000 tons world's production, that in my opinion the price of sugar to the consumer will go to from 25 to 30 cents a pound. I believe this power to fix the price can be extended under the Lever Act, and if it is extended for another year in my candid opinion this Government corporation will purchase the remaining amount of sugar produced in Cuba not already sold, where practically 90 per cent of all the export sugar brought to the United States is produced, and it will be purchased at a price and sold to the refiners under such conditions as now exist for this year, and the price fixed by this corporation will be such that the refiners can charge wholesalers a price so that the consumers of this country will get sugar at a less price than they otherwise would.

Mr. MONDELL and Mr. KITCHIN rose.

Mr. FORDNEY. I will yield first to the gentleman from Wyoming and then to the gentleman from North Carolina.

Mr. MONDELL. Is the gentleman informed as to the present selling price of the Cuban crop?

Mr. FORDNEY. No.

Mr. MONDELL. I was told yesterday that it was 13½ cents a pound in Cuba.

Mr. FORDNEY. The price of last year was around 7 cents.

Mr. MONDELL. Yes.

Mr. FORDNEY. But now, as we have delayed the purchase of the crop until a portion has been sold, we must go into the market and compete with other people on that sugar at a price based on what the owner can sell it for to the people of the whole world.

Let me say that when I left my home in Michigan a week ago last Monday the price of sugar fixed by the Government for beet sugar was, I believe, 12½ cents a pound, wholesale. That price prevailed last week, fixed by the Government.

Mr. MONDELL. But the Government fixed the price of 17½ cents on Louisiana sugar, unrefined. Why does the Louisiana sugar producer get 17½ cents and the beet-sugar producer get 12½?

Mr. FORDNEY. It may be that the price of sugar in Michigan has been advanced by this corporation since that time. I do not know.

Mr. MONDELL. But they did not advance it.

Mr. FORDNEY. But let me say to you that our sugar crop began in the State of Michigan—began to be ground out—about 30 days ago. The beet-sugar refineries east of the Mississippi River began grinding out beets about 30 days ago, and that season lasts about 120 days. While that beet sugar is upon the market it supplies more than 50 per cent of the total consumption of sugar in the United States for four or five months or more.

Mr. MONDELL. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Wyoming.

Mr. MONDELL. Does the gentleman know why the Equalization Board held the wholesale price of Colorado and Michigan and California sugar down to 10 cents while they have allowed Louisiana planters to charge 17½ for their unrefined product?

Mr. FORDNEY. No; I do not know about that.

Mr. MONDELL. Having done that, how do they expect we are going to maintain a low price for sugar in America for a part of the crop?

Mr. FORDNEY. We can not maintain a lower or higher price in this country than is fixed by that corporation that has the power to fix the price; they have absolute control.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. REAVIS. I ask unanimous consent that the gentleman from Michigan may proceed for five minutes more.

Mr. ANTHONY. Mr. Chairman, reserving the right to object, I have no idea of being unduly severe on the gentleman from Michigan——

Mr. FORDNEY. That is very kind of the gentleman.

Mr. ANTHONY. But I submit that we ought not to take up any more time on other things while the bill is under consideration.

Mr. FORDNEY. I will not occupy any more than five minutes.

Mr. ANTHONY. With the understanding that no more time will be asked on this matter, I withdraw any objection.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none, and the gentleman is recognized for five additional minutes.

Mr. KITCHIN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. KITCHIN. Mr. Chairman, does not the gentleman think that Congress, now, before December 31, ought to pass some legislation by which the equalization board, or the President, can, for the benefit of the people of the United States, buy and distribute the Cuban crop?

Mr. FORDNEY. I have asked certain members of the Committee on Agriculture, which has this very thing in charge, to recommend to the House that authority be given to this corporation, which is a division or a part of a division of the Food Administrator's office, extending their power for another year in order that they may control the price of sugar in the United States, as they have during this year just passing out. I have asked that. I think it is wise.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. REAVIS. I was called out of the Chamber while the gentleman was talking, and I do not know whether he has adverted to what I had in mind or not, but does the gentleman not know that last September the equalization board, with the desire to continue its functions, asked the President for permission to buy the Cuban sugar at 6¼ cents per pound and he refused that permission?

Mr. FORDNEY. However that request, I am informed, was made by that board, the President, I am told, has not replied.

Mr. KITCHIN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. And in addition to that, let me say to the gentleman that the President has not yet, as I am informed, answered either of two letters addressed to him by that corporation. In addition to that, the beet-sugar manufacturers held a convention some 60 days ago in Chicago and requested by resolution to the Government that this corporation be given control over the price of sugar for the next year.

Mr. REAVIS. But if the President had replied to that letter in the affirmative last September we could have purchased all of that crop at 6¼ cents.

Mr. FORDNEY. Absolutely; yes.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. MARTIN. Mr. Chairman, I just want to state, in answer to the question asked by the gentleman from North Carolina [Mr. KITCHIN] in regard to legislation, that the Senate just a few moments ago passed the McNary bill, authorizing the equalization board to purchase the Cuban crop.

Mr. FORDNEY. I am very glad to hear that.

Mr. MARTIN. I want to say something more in regard to fixing the price of Louisiana sugar at 17 cents. Neither the Department of Justice nor any one else has ever fixed the price of sugar in Louisiana at 17 cents. What did take place was this: The Louisiana crop is about 25 per cent of the normal crop, and, owing to the shortage of sugar in this country, when we began to harvest our crop people from all sections of the United States came down there and offered us from 20 to 25 cents a pound for every pound of sugar in Louisiana. We were then told by the Department of Justice that this would be profiteering. It would not have been profiteering, for the reason that at 25 cents a pound a great majority of the sugar planters in Louisiana would not have made a profit on this year's crop, and there could be no profiteering when a profit does not exist. However, in order to avoid any friction with the Department of Justice the sugar producers of Louisiana agreed that they would not sell their clarified sugar at a price exceeding 17 cents per pound, and the Department of Justice stated that any price in excess of this figure would be considered as prima facie evidence of profiteering. For the purpose, therefore, of avoiding friction with the Department of Justice, the sugar producers of Louisiana have sold their sugar for much less than they were offered for it. I shall go into this matter fully when the McNary bill comes up for consideration.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. LEHLBACH. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. LEHLBACH: Page 6, after line 19, after the figures "$2,500," add the following as a new paragraph:

"RIFLE RANGE.

"At Caldwell, N. J.: For the purchase of the site known as Great Peace Meadows and the completion of the rifle range thereon, $200,000."

Mr. CALDWELL. Mr. Chairman, I make the point of order against the amendment, or reserve it, if the gentleman desires, in order that he may discuss it. It is not germane and it is not a part of the matter stricken out of the original bill.

The CHAIRMAN. The gentleman from New York reserves the point of order.

Mr. LEHLBACH. Mr. Chairman, it seems to me to be germane.

The CHAIRMAN. The gentleman reserves the point of order.

Mr. LEHLBACH. I know, but I do not want to discuss the matter if the point of order is to be sustained.

Mr. CALDWELL. I suggest that the gentleman go ahead and discuss it on the merits. If he makes a good speech I may withdraw the point of order.

Mr. LEHLBACH. Then, Mr. Chairman, I shall discuss the merits of the proposition. Under paragraph 113 of the national defense act the War Department is authorized to establish at various points rifle ranges, to be available not only to the military forces but also to the National Guard and to civilians under proper limitations. In 1917 an exhaustive examination was made of the terrain known as the Metropolitan District in and about the city of Greater New York and that section of the country for a suitable range. This was done because of the numerous military posts and the naval forces stationed in that vicinity, the National Guard, and also because of the large number of civilians who desire to avail themselves of the opportunity afforded by this paragraph in the national defense act.

At Caldwell, N. J., a site was found, about a square mile in area, suitable for such use, which could be purchased at a very low sum of money. A bill to that effect was passed by the Senate, but because of the great stress and quantity of military legislation in the Sixty-fifth Congress it was not reported in this House. However, the Navy Department, acting in cooperation with the War Department, did establish on this property, without the acquisition of the land, however, such a range. This rifle range is the greatest range in the country. It has 250 targets. There are 100 targets with a range of 1,000 yards, 100 targets with a range of 500 yards, and 50 targets with a range of 200 yards. There are over 25 buildings erected on the property, and the range is completely equipped. Last summer the national rifle match was held there, and over 5,000 marksmen participated. Thousands of visitors came there daily. The bill now under consideration was drawn and intro-

duced on or about August 25, 1919. The rifle-range proposition was under consideration by the War Department, but its recommendation to the Committee on Military Affairs did not come in until under date of September 25, 1919, after this bill had originally been introduced.

As I understand it, the letter of recommendation by the Secretary of War was not transmitted to the subcommittee having the matter in charge, being addressed to the chairman of the committee, the gentleman from California [Mr. KAHN], and for that reason the project was not included in this bill. As far as I am informed, I understand there is no opposition to it, and in the opinion of some it ought to have been included.

The Government has spent in labor and materials on this rifle range over $600,000. The purpose of this amendment is to authorize the acquisition of the land upon which the range and its attendant improvements are located. The property is now being held under options or leases, and unless the Government acquires title within a reasonable time the project will have to be abandoned and the $600,000 already expended will be scrapped. This range is located accessible to a population of 10,000,000 people. It may be reached by two railroads or trolley or by roads from all directions. It is, in direct line, about 18 miles distant from the city hall in Manhattan Borough, the heart of Greater New York. It is 14 miles distant from the city of Newark, which, with its suburbs, embraces a population of half a million. Within Greater New York and northern New Jersey, which this range is designed to serve, there are at least 41 rifle clubs and associations regularly chartered and maintaining membership in the Associated Rifle Clubs of New York and New Jersey. The benefits that will flow from the maintenance of this range are so obvious and its abandonment will be so disastrous that the willful waste of $600,000, although important, becomes a minor consideration.

Mr. CALDWELL. Will the gentleman yield?

Mr. LEHLBACH. I will.

Mr. CALDWELL. Does the gentleman know the price per acre at which the land is to be acquired?

Mr. LEHLBACH. Much of it at a nominal sum. A great part of the land is waste, but there are possibly two arable parcels.

Mr. CALDWELL. Can the gentleman state of his own knowledge the price the Government is expected to pay for it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEHLBACH. May I have two minutes more?

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey? [After a pause.] The Chair hears none.

Mr. CALDWELL. Can the gentleman say from his knowledge that the price the Government will be expected to pay for the land is a fair price?

Mr. LEHLBACH. It is fair.

Mr. CALDWELL. Then I will withdraw the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. LEHLBACH) there were—ayes 14, noes 20.

So the amendment was rejected.

Mr. BROWNING. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey? [After a pause.] The Chair hears none.

Mr. LEHLBACH. Mr. Chairman, I make the same request, to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLAND of Virginia. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 6, line 20, insert before the words "field artillery" a new paragraph, to read as follows: "Coast Artillery. To complete purchase of real estate for Coast Artillery school at Camp Eustis, Va., $42,198.23."

Mr. BLAND of Virginia. Mr. Chairman, the figures that are contained in that amendment are identically the figures which are shown on the photostatic copy which was sent to the Senate in the hearing on real estate purchases and to which I referred yesterday. I understand that this amendment is acceptable to the chairman of the Committee on Military Affairs. The land has been taken possession of, it is in use, and while I said yesterday that all land was under process of condemnation I find from the records that there was one tract of 50 acres, involving $2,500, which was not involved in condemnation proceedings and upon which the Government, as I am reliably informed by the Construction Division this morning, has constructed about a million dollars' worth of improvements, so that it is necessary for the Government to acquire that tract. The largest tract involved, approximating $8,000, belongs to a widow. The widow has a life interest in it, and the property was taken possession of some time ago. It was necessary to condemn this land in order to acquire full title. The land ought to be acquired, and I hope the amendment will be accepted.

Mr. ANTHONY. Mr. Chairman——

Mr. CLARK of Missouri. Mr. Chairman——

Mr. ANTHONY. I yield to the gentleman from Missouri.

Mr. CLARK of Missouri. Mr. Chairman, I move to strike out the last word for the purpose of having read a telegram from Representative UPSHAW about Camp Gordon.

The CHAIRMAN. The Clerk will read the telegram.

The Clerk read as follows:

ATLANTA, GA., *December 11, 1919.*

Hon. CHAMP CLARK, M. C.,
Washington, D. C.:

Gen. Pershing, who is on tour of military camps at request of Secretary of War, has carefully inspected Camp Gordon to-day. He expresses conviction that this great property, so recently bought by Government and so well suited for recruiting and distribution camp, should not be hastily disposed of, and naturally feels that Military Committee should wait until he submits his report. Courtesy to him and courtesy to Atlanta calls for postponement until both can be heard. Having been assured by members of committee that nothing would be done for several months, I came home to get facts during Pershing's visit. No harm can come from temporary postponement. Hope you will urge Congress in fairness to all concerned to strike Camp Gordon proviso from pending military bill.

W. D. UPSHAW.

Mr. LITTLE. Mr. Chairman, I move to strike out the last word. Mr. Chairman, at this point, following the reference to Gen. Pershing, I desire to suggest that the gentleman from New York [Mr. CALDWELL]——

Mr. CALDWELL. I told the gentleman I would put it in.

Mr. LITTLE. Put in the telegram from Gen. Pershing.

Mr. CALDWELL. I could not get my hands on it last night. I will some time during the day.

Mr. LITTLE. If the gentleman pleases, I believe it is better to put Gen. Pershing on record.

Mr. ANTHONY. Mr. Chairman, in regard to the amendment proposed by the gentleman from Virginia, I think it very proper we make provision for the purchase of the parcels of real estate covered by the amendment at Camp Eustis. The figures for the purchase of these parcels was presented to the committee, and it is undoubtedly necessary that the Government make provision to complete the contract, whether we continue that camp in its entirety or not, so that the committee has no objection to the amendment. But I would like to ask the gentleman from Virginia if he would be willing to make the language of his amendment conform to the other provisions for the purchase of real estate, making it simply read for purchase of real estate at Camp Eustis, Va., whatever the amount is.

Mr. BLAND of Virginia. I accept that.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to modify his amendment in what respect?

Mr. BLAND of Virginia. In the manner indicated by the chairman.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Modified amendment offered by the gentleman from Virginia [Mr. BLAND]: Page 6, line 20, insert before the words "Field Artillery," a new paragraph to read as follows:

"Coast Artillery: For purchase of real estate at Camp Eustis, Va., $42,198.23."

Mr. SNELL. Mr. Chairman, I would like to ask the gentleman this question.

Mr. ANTHONY. I will yield to the gentleman.

Mr. SNELL. I understood yesterday the committee had decided to cut out and oppose all of these extra amendments which are going to be presented on the floor of the House, and it was one reason why they wanted to present the bill in the amended form. I would never have voted for the bill coming out of the Committee on Rules to make this bill in order if I had not understood the committee were going to stand by it as presented here and not allow any of these additional matters to be brought in on the floor of the House.

Mr. ANTHONY. I will say to the gentleman this amendment is asked for by the War Department, and in the opinion of the committee it is absolutely necessary.

Mr. SNELL. Why did not the gentleman put it in in the first place? Nearly all of these were asked for by the War Department, and I understood that only matter carried in the bill would be considered at this time.

Mr. ANTHONY. We desire to eliminate the entire project at Camp Eustis.

Mr. SNELL. Why not stand for it now?

Mr. ANTHONY. But whether they continue it or abandon it, we will have to pay for these parcels of land.

Mr. McKENZIE. I would like to ask the gentleman another question. I want to understand this matter before we vote on it. If I understood the gentleman from Kansas [Mr. ANTHONY] correctly, he and his associates on this subcommittee favor the abandonment of Camp Eustis as a military project.

Mr. ANTHONY. We do.

Mr. McKENZIE. Now, then, if that is true, why shall we authorize an amendment here to spend $48,000 on a proposition to abandon?

Mr. ANTHONY. Let me explain to the gentleman and he will see the point. Camp Eustis is a war-time proposition. A great many millions of dollars have been expended there. Most of the land had been purchased, except these two tracts, which are under contract; the Government is in possession and has a million dollars worth of property on these tracts, and so it is obvious, I know, to the gentleman that we must make the purchase for the purposes of salvaging.

The CHAIRMAN. The question is on the amendment of the gentleman from Virginia [Mr. BLAND].

The question was taken, and the amendment was agreed to.

Mr. LINTHICUM. Mr. Chairman, I arise to inform the House of Camp Holabird, Md., perhaps the greatest motor-truck camp in the world, certainly the largest automobile repair shop in existence. Camp Jesup, at Atlanta, Ga., and Camp Normoyle, at San Antonio, Tex., are about two-thirds the size of Camp Holabird, while Camp Boyd, on the reservation of El Paso, is about one-third the size.

According to the testimony of Gen. Drake, there are 80 officers and 2,000 employees at Camp Holabird. It is located about 4 miles from the old city limits of Baltimore, on Colgate Creek; has large truck facilities and railroad connections. You will see, therefore, that it is admirably located from every economic point of view, being in close proximity to a city of 700,000 people, with its vast number of mechanics, having railroad and water connections which lead to all parts of the country and to every country of the globe.

There have been purchased at Camp Holabird 97.74 acres of land, costing $340,000, and upon construction, $4,933,000, making total expenditure of $5,273,000. I am thankful to say that this bill provides for the completion of the purchase of land at that camp, 43.53 acres having already been contracted for, the price agreed upon, and the people promised their money. They have been waiting for a long time for the payment, and the $140,000 which the committee gives under this bill will allow the Government to settle with these people who have long since parted with their property in the hope of prompt payment. We are very thankful that the committee has granted this appropriation. We feel that it is not alone the appropriation that is granted, but that the appropriation signifies that the camp has been adopted for continuation. That we shall look forward to great work of the Government in that section. I say we are pleased with this. We congratulate the committee upon its good judgment, and we know all Baltimoreans are thanking them for having given them their attention in this bill.

I am disturbed, however, over the fact that two very important items were not included. I realize the absolute futility of attempting to amend the bill, and will therefore not engage in an attempt which I know would be impossible of accomplishment. I want this House to know, however, Camp Holabird for their future information, and I hope to guide them in making the necessary appropriations in the very near future.

The two items which have been omitted from the bill as amended and which were originally carried in the bill when introduced are: First, for construction of railroad, receiving and storage yard, $53,000; and, secondly, for construction of steel storage building, $120,000. If the committee had made these two appropriations, as was originally contemplated, we would then have had a complete motor-truck camp in every particular. There has been great criticism of the Government for not taking better care of the vast number of automobiles at this camp. It is true that the officials have not been able to care for the machines as well as they would have liked. The trouble is there has not been sufficient shelter afforded by the Government for storage and protection. There have been several acres of valuable automobiles and trucks at this camp, and storage space has been absolutely unavailable. The $120,000 I spoke of was intended to build a storage warehouse for machines and those parts which it is necessary to carry for the supply of the territory embraced by this camp. It was intended to build five buildings at the camp, four for aviation hangars and one large steel building 250 feet by 400 feet. This would have given ample accommodation for the protection of all the valuable material belonging to the Government and located at this camp. It would have given excellent accommodations for the carrying of a large supply of parts and equipment for automobiles and trucks, and these buildings certainly should have been appropriated for.

The fact is the main building was started in the early part of this year and a large part of the material for its construction was gathered and contract awarded. The contract would have been completed and the building erected had it not been for the act passed by Congress on July 19 of this year, which prohibited further construction by the War Department.

No further criticism can be made of the Government when Congress absolutely refuses to carry out a contract for the erection of storage facilities which would care for the Government's property in the best manner. There should be no criticism otherwise, because the officials in charge of this camp have cared for the automobiles in the best possible manner. They have been covered wherever possible, and just so often they are examined and gone over so that time and weather will not seriously affect them; this, however, is only partial care at best, and had Congress not prevented the construction of this warehouse in July all the automobiles and repair parts would long since have been under cover and vast sums saved for the Government in preventing the deterioration of its property. I should say that a sum far in excess of the appropriation would have been saved many months ago by the construction of this building and the proper care of the property.

The other item for $53,000 was for the purpose of construction of railroad, receiving and storage yard. This would have given the camp much better railroad facilities. This item embraced trackage and grading and storage building. When the legislation of July of this year stopped construction work at this camp, all the grading for the railroad had been done and the ties and a part of the rails had been placed, and the $53,000 which was asked for would have completed the work. As it is, it now remains in an incomplete state, and the Government is deprived of the efficiency of the camp to the extent that the railroad and railroad storage house has not been built. These items were both recommended by the War Department, and it was impressed upon the committee how important and essential they were to the proper operation of the camp and protection of Government property. I say therefore that while we appreciate the appropriation of the money for closing contracts for the land, we feel that the committee has not placed this camp in position to do the very best work by lopping off the other two appropriations.

We must realize that the Government having a vast number of automobiles and trucks in its service ought to have the very best equipped and most up-to-date repair shop that can be procured; its property ought to be sheltered and cared for; its railroad facilities and railroad storage ought to be ample in order to be economical and efficient. It is therefore regretted that the committee has not seen its way clear to make these two appropriations.

I bring these matters to the attention of the House so that when the subject comes before us again we may be informed and act in the interests of the camp and the Government by embracing the two items omitted in this bill.

Certainly Baltimore, with its close proximity to the West, the coal and iron fields of the country and the cheap railroad rates, the doorway to the Southland, and with a harbor second alone to that of New York, is an admirable location for such a camp; that it should be fostered and enlarged as requirements demand is self-evident.

I sincerely hope that this camp, which has performed such a valuable service in salvaging and handling automobiles and trucks and has meant such a vast saving to the Government, should be dealt with liberally and well, so that its usefulness may become greater and more abundant as the demands upon its capacity require.

I do hope that the members of this committee may see the wisdom of granting the other two items of the appropriation, and that they may use their influence with the Senate committee in having them restored to the bill as was originally intended and as the War Department has so strongly advocated. [Applause.]

Mr. McKENZIE. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. McKENZIE. Is it not a fact that these automobile trucks have stood out in the open so long now that they are practically absolutely worthless, and would it not be another waste of money to put up a building to put them in?

Mr. LINTHICUM. The gentleman is wrong in that. If he should go there and inspect them, he would find they have been carefully covered up; that they have been cared for to the best advantage possible, and they are now in as good condition as you could possibly keep an automobile when out in the weather. And while they have taken the very best care of them, they could not continue to keep them in proper condition unless this appropriation of $120,000 is made to preserve them.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. LINTHICUM. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. ANTHONY. Mr. Chairman, the committee considered the item covered by the amendment of the gentleman from Maryland [Mr. LINTHICUM] and did not consider it advisable to place it in the bill, for the reason that the practical operation of this $5,000,000 motor plant up at Baltimore is in some doubt, as to whether the plant can be economically and profitably operated by the Government. So we declined to make provision for the appropriation for storage purposes. The War Department had from November 8 of last year to July 11 of this year to erect proper storage facilities for the service automobiles stored there. In all that time they had all the money they desired, but refused to afford proper protection to these vehicles, and instead of building sheds to further protect them, many of the committee believed that the trucks and automobiles should have been disposed of to the best advantage to the Government.

Mr. REAVIS. Will the gentleman yield for a question?

Mr. ANTHONY. I will.

Mr. REAVIS. The gentleman from Maryland [Mr. LINTHICUM], in reply to the question of the gentleman from Illinois [Mr. MCKENZIE], stated that these machines had not deteriorated to an appreciable extent.

Mr. ANTHONY. I yield the remainder of my time to the gentleman from Nebraska.

Mr. REAVIS. I have here a letter from Col. J. W. Furlow, colonel of the Motor Transport Corps, written on the 10th of this month, where the inquiry was made of him as to the deterioration of 2,100 machines that have been standing in the open for a year without protection, and in reply to that inquiry he writes the following:

> Considering the 2,100 vehicles that may be covered by the proposed construction, the saving from deterioration on items named in the preceding paragraph covering that number of vehicles is estimated at the approximate value of $250 per vehicle.

Or $525,000 deterioration annually on 2,100 machines. Seventy thousand have been standing in the open, just as these 2,100 machines have, and if you have time you may compute the loss to the Government by such neglect.

Mr. RAKER. Mr. Chairman, I move to strike out the last four words, the amendment being withdrawn.

The CHAIRMAN. The gentleman from California is recognized.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that I may proceed for five minutes out of order.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for five minutes out of order. Is there objection?

There was no objection.

Mr. RAKER. Mr. Chairman, I find in the Washington Times to-day, December 12, 1919, the noon edition, on page 1, the following statement, with headlines as follows:

> Would teach redism in school as unrest cure. Teaching of bolshevism in the schools is advocated by Congressman RAKER, of California, who declares that this is one way in which the danger of bolshevism may be impressed upon the Nation by education.

Yesterday the Committee on the Judiciary of the House had under consideration the bill H. R. 10379 and held hearings on that bill. I appeared before the committee advocating the passage of the bill.

I suggested the following amendment:

> On line 10, page 1, after the word "Government," insert as follows: "or to advise and advocate the overthrow or destruction of the Government of the United States."

The bill says:

> Those who advocate or teach the overthrow of the Government of the United States by violence or force.

I wanted to go a step further and make it the law that those who advocate the overthrow of this Government should be punished, and that all such publications should be made nonmailable.

The Committee on Immigration and Naturalization, of which I am a member, have been having this subject under investigation for the last month, and I have been strenuous in my efforts to amend the law and do all I can to eradicate radicalism and to deport all those who teach doctrines against this country, and particularly to enforce the present immigration laws and amend them so as to make them more stringent, to the end that those people who have been arrested and those that may be arrested on these charges, wherever sufficient, might be deported. In substance both before the committee and elsewhere I have said that there is no more important subject before the American people to-day than that of eradicating radicalism, doing what we can to prevent I. W. W.ism and to overthrow the doctrines of bolshevism and the doctrines advocated by the soviets of Russia. That it is our duty as American citizens to teach patriotism and Americanism in our common schools, and to use that great forum for that purpose, together with every other resource at our command. I have contended that all good American citizens, men and women, should give their time and ability to efforts for the eradication of these pernicious doctrines against our Government.

Now, that is the attitude I took on that subject and the attitude I take. I thank the House for granting me this courtesy at this time simply to make this statement. I am satisfied the paper tried to get me right, but it just twisted the words. I hope they will make the correction in the next edition, so as not improperly to represent me before the country, inasmuch as I am one who has been strenuous in my efforts to procure proper legislation, particularly as the author of the provision in the immigration bill that makes deportable one who teaches the unlawful destruction of property in the United States or who belongs to an organization that teaches and advocates it. [Applause.]

Mr. EMERSON. Mr. Chairman, I rise in opposition to the motion. I simply desire to second the suggestion made by the gentleman from California [Mr. RAKER].

I was very much interested in the remarks of the gentleman from Maryland [Mr. LINTHICUM] on the question of automobile trucks that are left out of doors. I have never understood why they could not be sold. Why should the Government keep them? Perhaps there is some reason for it, but I never have quite understood the reason.

I want to call the attention of the committee to the pending bill. Many of us had supposed that when the war was over it was over, but I find this bill contains many items to purchase land. I thought instead of buying land we would be selling land which we had bought for the purpose of carrying on the war, but it seems we are buying more land.

Perhaps it is necessary to pass this bill. I expect to vote against it simply as an object lesson. You know we are appropriating billions of dollars this year. We spent billions of dollars to carry on the war, and the people of this country stood for it. They stood patiently by and saw these great appropriations made. They stood for these bond issues and this high cost of living and things of that kind. But now that the war is over, the people look to us to economize and cut down every single item of expenditure that it is possible for us to cut down, and if there is any item in this bill that can be cut out it should be cut out. If every item in it can be cut out, then it should be cut out.

I want also to speak of the effect of these great appropriations on the country. We have got to begin to reduce taxes, to take taxes off the backs of the people of this country, and we can not do it if we continue to pile up these large appropriations. If we continue to pile up these large appropriations, it will increase the burdens on the people, not only in the matter of taxation but also in the matter of living costs and such things as that. They are always reflected throughout the entire industrial system of the country, and I for one stand here ready to vote against every appropriation that can possibly be eliminated at this time.

The sugar situation in this country is a disgrace to this Government, and some one somewhere is responsible for it. Either there is a hoarding of sugar for higher prices or the Government has neglected to look out for the interests of the people of this country.

We have been devoting too much time to the welfare of other countries and too little time to the welfare of the people of this country.

The Attorney General informed us that when we amended the food-control act that he could reduce the high cost of living, but instead of the cost of living being reduced it has been greatly increased.

The people of this country stood patiently by and submitted to high prices during the war, but the people of this country feel that over a year after the war there should be a settling down to peace conditions.

The Government must take some drastic action so that the food prices may not only be reduced but that an equal distribution may be made of foodstuffs, and especially sugar.

I have known of a sugar shortage in Cleveland when there was none in Washington. Such conditions should not be tolerated, and the people of this country will not tolerate it much longer. There is more unrest in this country right now because of the food situation than there is because of the coal strike or the steel strike. There is no reason in the world for eggs being over a dollar per dozen or apples 10 cents apiece and other food products 100 per cent higher than they were before the war.

We must do a little house cleaning here at home, and take this food situation in hand and use some strong-arm methods if they are necessary.

I believe that sugar is being hoarded for a higher price, and I believe the Government should go after these hoarders, as I supposed they were when we passed the amendments to the food-control bill. I realize that the Government is very busy, but the most important thing now for this Congress and the Government to attend to is this food situation.

There seems to be no way to stop this steady increase in the price of food products unless the Government takes a hand. If the Department of Justice has not enough power to prosecute these profiteers, we should give it to them. If they have it and are not exercising it, we should get after them.

I consider the high cost of food products a more dangerous menace to this country than the I. W. W. or the Bolsheviki, and God knows they are bad enough.

Complaints come from all over the country of an increased price in food products. This high cost is because of a lack of sufficient supply or too much demand abroad, or it comes from cornering food products and forcing up the price. If there really is not enough supply, the Government should encourage it. If it is because the supply is held from the people and cornered, the Government should take hold of the matter and regulate the supply.

In any event, the Government is to blame, and unless we do something the people will hold us responsible.

If we would reduce the high cost of living in this country we would eliminate 98 per cent of the unrest in this country. The foundation of the argument of all these peace disturbers right now is the high cost of living.

Workingmen have stated over and over again that if we reduced the high cost of living they would be satisfied with their present wages, and I believe most of them would. Unless this gradual increase in the cost of living is stopped the time is not far distant when we will be in the same condition they are in in Russia. The Revolutionary fathers when they went to market were obliged to fill the bottom of their carts with money, and unless we do something to stop this manipulating of food prices we will be in the same condition.

I am in favor of the Government doing whatever is necessary to choke off this control of food prices and the distribution of the same, even though we have to use some unusual methods.

The Clerk read as follows:

To complete Field Artillery training centers:
At Camp Knox, Ky.: For the purchase of real estate, $811,338: *Provided*, No land shall be purchased west of Illinois Central Railroad tracks for construction as follows: For general construction work, $59,000; for completion Dixie Highway, $100,000; for plumbing, heating, and refrigeration, $25,000; total for Camp Knox, $986,338: *Provided*, That no part of the unexpended balances of appropriations heretofore made for the support of the Army shall be expended for construction at Camp Taylor, Ky., and the Secretary of War is hereby directed to sell the real estate and buildings of such camp to the best advantage of the Government, the proceeds of such sale to be covered into the Treasury to the credit of miscellaneous receipts.

Mr. OGDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. OGDEN: Page 7, line 8, after the word "Government," insert: "When Camp Knox is prepared to take over the Field Artillery School now being conducted there."

Mr. OGDEN. Mr. Chairman, the amendment which I offer does not interfere with the policy of the Military Affairs Committee to salvage Camp Taylor; it only defers or suspends the salvaging of that camp until such time as Camp Knox can be prepared to take over the activities thereof.

The committee in providing for the ultimate salvaging of Camp Taylor is following the trend of the military policy of the War Department, which is to abandon not only the small camps of recent construction, but the small post as well and to concentrate the troops in divisional camps. A large school of Field Artillery, assisted by an Artillery regiment, is being conducted at Camp Taylor, and, to avoid the interruption of the school and the necessary entailing of a large expense in relocating temporarily at some other place the present activities of this camp, it is wisdom to retain Camp Taylor during the time that will be required to complete Camp Knox. I might add that there are now at Camp Taylor three regiments of the First Brigade of the First Division, in command of Maj. Gen. Summerall, and that the closing down of the camp would require these regiments to be transferred to some other place not so conducive to the contentment and welfare of the personnel of that famous division.

Mr. Chairman, although Camp Taylor, of all the camps throughout the United States, has become the most popular with the soldiers, chiefly by reason of the interest which the citizens of Louisville have manifested in their comfort and condition, and although the camp has been made historic by the presence there of "the mighty" First Division and its distinguished commander, Gen. Summerall, whose personal opinion is, by the way, that the camp has a military importance and should not be abandoned, I shall not ask the Congress to go further than as indicated in my amendment.

Gen. Snow, Chief of Field Artillery, has advised me that Camp Knox is not ready for the transfer thereto of the Artillery School, and it is his opinion that, besides the fact of Camp Taylor being, of any camp in the country, the best adapted for the conducting of the school, the transfer of its activities to some other place while awaiting the completion of Knox would not only seriously interfere with the progress of the work, but would incur a much greater expense than would be entailed in retaining Taylor until Knox is ready. Therefore, my amendment is in the interest of economy to the Government and of the efficiency of the School of Artillery.

Now, Mr. Chairman, as to Camp Knox. This reservation is located in Kentucky, but is not in the district which I have the honor to represent. It comprises an area of a little less than 40,000 acres. After the establishment of the Chief of Field Artillery, it was recognized that, in divisional cantonments, Artillery brigades could not be efficiently trained as a component part of a division, and to correct this condition four Artillery brigade firing centers were established, and one of them was located at Camp Knox. As plans for training called for an increase in the number of brigades at Camp Knox, it was quite obvious that the original tract would be insufficient in area to accommodate same, and as a result the reservation was expanded to include the acreage I have mentioned. The construction of this camp was strictly a war-time project, but its retention as a permanent post is essential to the reorganization plan of the Army. Prior to the war our permanent construction was limited to six regiments. We then had six regiments of Field Artillery. This number was increased by the national-defense act to 21, an augmentation of 15 regiments. Now, the additional regiments must be provided with barracks as well as training fields; they are permanent regiments and a part of the Regular Army under the national-defense act. We have at Camp Bragg capacity for six regiments of Field Artillery, and at Camp Knox capacity for nine such regiments. If Camp Knox were to be abandoned the Government, besides losing millions of dollars in salvaging it, would be required to expend many millions of dollars in the construction of another camp. It is not a choice between Knox and no camp, but a decision between Knox, upon which an expenditure of $17,985,212.52 has already been made, and a new camp, the building of which would require a disbursement of eight or ten millions of dollars. Is there a Member of the House who would favor the junking of such valuable property in the presence of the Government's imperative need of same? A solution for the problem of reduction in public expenditure can not be found in salvaging property that is necessary for public use. And, in the case at hand, such action would clearly not be wisdom, when salvaging the camp at salvage price would necessarily be followed by building another camp to fill the identical purpose designed for the one dismantled.

But, Mr. Chairman, the $17,985,212.52 would not represent the Government's total investment, even should the camp be abandoned. The Government has entered into contracts and assumed obligations which we must carry out, irrespective of the destiny of this camp. Four hundred citizens have been dispossessed of their property. Some of these hold contracts evidencing our Government's solemn promise to pay them a fixed price; others have been brought into courts in condemnation actions to have the awards fixed for their lands. All of these people have meritorious claims and are entitled to be paid. No doubt many of them have suffered for want of means with which to purchase other homes.

Assuming that the Government would have the right to return these lands, which approximate in acreage 17,000 acres, in my

opinion the bills for damages would approach the half-million dollar mark, and the Government would have nothing to represent this outlay of money.

The artillery practice, which extended over a period of more than five months preceding the signing of the armistice, was calculated to and did destroy valuable property. The destruction of woodlands and orchards by this means and the dismantling of the houses and buildings on these farms, together with the tearing of great holes in the fields, will enter into the bill for damages for which, under every rule of equity, the residents are entitled to be compensated. Furthermore, Mr. Chairman, the area of 19,000 acres which the Government now owns could not be used advantageously without acquiring the lands which I have been discussing, because these parcels or plats of land are scattered through the reservation, most of them being entirely surrounded by the land owned by the Government.

I have heard the suggestion that it would be economy to concentrate the Field Artillery regiments in one camp, and that Camp Bragg, in North Carolina, has sufficient area to serve the purpose. I wish to say in answer to this that our Army experts are not in accord with such a plan. It is their position that the area at Bragg is not extensive enough to afford the training accommodations, and also that it is necessary to have several locations in order to enable that branch of the service to take care of the Reserve Officers' Training Corps, the Reserve Officers' Field Artillery, and the National Guard Field Artillery. We have 22 regiments in the Reserve Officers' Training Corps, and they are scattered throughout the United States. It is the plan to take the officers from the colleges which they are now attending and in the summer time send them to the Artillery camps, where they can receive practical work. We have over 7,000 Reserve Officers' Field Artillery, and these officers must be kept in touch with training.

By maintaining the camps at their present locations these officers can be taken care of better.

There is another potent reason for not concentrating these regiments in one camp. Whether Fort Sill, Okla., or Camp Bragg, N. C., or Camp Knox, Ky., should be decided on as the camp of concentration, the facilities which now exist at the two abandoned camps would salvage 90 per cent loss to the Government, and the providing of increased necessary constructions at the camp retained would entail an expenditure of many millions of dollars. These reasons are sufficient, in my opinion, for supporting the bill under consideration, which makes an appropriation to carry out the War Department's plan.

In passing, I wish to say that the Military Affairs Committee deserves to be congratulated on bringing before the House a bill which bears the earmarks of economy. The camps which are considered as being without military importance are directed by the bill to be salvaged and the appropriations made for the camps which are to be retained are more than one-half less than the amount asked for by the War Department. Camps Gordon and Jessup, in Georgia; Camp Pike, in Arkansas; Camp Eustis, in Virginia, and many others are to be salvaged.

I believe it is the sense of the people that all unnecessary and useless war-time projects should be abandoned and the expenditure of money limited to the activities and the construction indispensable to peace-time conditions. I am in full accord with legislation which has in view the reduction of public expenditures and the resultant lessening of the burdens of taxation. Camp Knox is a useful and necessary project.

Mr. TILSON. What have they as to artillery-range facilities at Camp Knox? Is there sufficient ground, in the first place?

Mr. OGDEN. About 39,000 acres of ground in the reservation.

Mr. TILSON. Is it so located as to be suitable for artillery practice?

Mr. OGDEN. I understand from the War Department that it is one of the best locations that we now have—well adapted for artillery practice and the other uses in connection with a field artillery camp.

Mr. CANNON. How about West Point? Is not that a military proposition?

Mr. OGDEN. That is a part of this reservation.

Mr. CANNON. I thought it was right out of Louisville.

Mr. OGDEN. It is not a great distance.

Mr. GREENE of Vermont. Does the gentleman want to supplement his remarks to the gentleman from Connecticut [Mr. TILSON] by suggesting that very likely the difference in ranges between Camp Knox and Camp Bragg is indicated by the proposed policy of the department to make the artillery practice at Camp Bragg of the brigade and heavier formation order, whereas Camp Knox will be the base school for batteries and regiments?

Mr. OGDEN. I thank the gentleman for his suggestion. I also understand that Camp Knox will be limited to the guns with ranges from 2,000 to 8,000 yards and Camp Bragg to the larger guns—the railroad artillery.

Mr. GREENE of Vermont. I did not mean to indicate that there would be absolutely nothing done in heavier calibers at Camp Knox, but that the general proposition was of a more limited character.

Mr. OGDEN. Yes; that is my understanding.

Mr. Chairman, I have addressed myself mainly to showing the necessity for the camp rather than to the amount of the appropriation required to complete it. I have chiefly concerned myself with the policy which ought to be declared toward the camp, feeling that if the amount appropriated should prove insufficient to carry out the policy to complete the camp the policy itself would take care of that part of it. I wish, however, to speak briefly upon the great need for the early completion of the Dixie Highway and the moral as well as the legal obligation resting on the Government to complete it.

We will hear in the debate on this section of the bill severe arraignment of those responsible for the expenditure of so much money on this highway. I would remind my colleagues, however, that the citizens of that vicinity were not responsible for any of the waste or extravagance in the building of the road, and the citizens are the ones who are suffering and who will continue to suffer until the road is finished. When the Government went there it found one of the best highways in the State of Kentucky, and, owing to the fact that 10 miles of this road was in the range of fire of artillery practice, the Government summarily closed the road to public travel and agreed to build another road at another location to take its place. It can not honorably decline to finish the work. It is bound by every right known to mankind to provide a highway equal to the one which it took possession of and destroyed.

But, Mr. Chairman, I do not wish to be understood as upholding the enormous expenditure of $1,485,430 which has already been made by the Government on the building of less than 8 miles of the road. Slightly more than 2 miles of the road remains yet to be built. I understand that some investigation is to be conducted into this expenditure, and no doubt in the course of time all of the facts will be developed and brought to the attention of the people. Whatever the facts may be, they have no bearing upon the obligation which the Government has assumed to build this road. The expenditure of the appropriation of $100,000 carried in this bill should be safeguarded against waste and extravagance, to the end that it may be sufficient to complete the road without an additional appropriation.

I submit that Camp Knox should be retained and the appropriation carried in the bill for its completion approved, and that the amendment which I have offered to retain Camp Taylor, pending the completion of Camp Knox, should be adopted.

Mr. SNELL. Mr. Chairman, I rise in opposition. I desire to call the attention of the committee, and to get some information from the chairman of the Military Affairs Committee relative to the figures carried in the committee amendments, as compared with those introduced in the original bill. I notice that the original bill calls for an expenditure for land for $1,200,426. The committee advises an expenditure of $811,338. Will that provide for the purchase of all of the land that we intend to buy in this place?

Mr. ANTHONY. I will say to the gentleman that it provides for the purchase of those tracts which are under contract east of the Illinois Central Railroad which bisects the original reservation taken possession of by the Government. The committee came to the conclusion that about 8,000 acres of land, which are under contract, which lie to the west of the Illinois Central Railroad, could well be dispensed with. They wanted to provide a short artillery range there, which we thought would be a duplication of ranges upon the east side, and at the suggestion of the gentleman from Iowa [Mr. HULL] who made a personal investigation of the matter, the committee eliminated all land west of the Illinois Central tracks.

Mr. SNELL. Then the committee will not come before the House and ask for any further appropriations with which to buy further land in connection with Camp Knox?

Mr. ANTHONY. Not if we can get by with the elimination of all west of the railroad, as we are trying to do.

Mr. SNELL. The committee is going to stand upon that?

Mr. ANTHONY. Unless the Government is involved in such contractual obligations that it finds it can not get away from them.

Mr. SNELL. Then the committee is undecided?

Mr. ANTHONY. I do not know. We are trying to get away from it in this bill by reducing the appropriation.

Mr. SNELL. Coming to the appropriation of $50,000 for construction work, the original bill was $331,485. Does that mean

that the $50,000 is just a starter here and that you will have to appropriate the full amount asked for later?

Mr. ANTHONY. There has been, I think, about $17,000,000 expended for construction at Camp Knox.

Mr. SNELL. I understood that it was a very large amount.

Mr. ANTHONY. Of course, these buildings are all of the temporary cantonment type. A great many were in partial stages of completion, from 10 to 50 or 65 per cent complete. The committee felt it unwise to provide for the building and completion of all those structures, and we have allowed the minimum sum of $50,000 with the idea that it would allow them to complete a few of the absolutely necessary temporary propositions.

Mr. SNELL. Does the gentleman think that that will carry it for some time without additional expenditures for construction?

Mr. ANTHONY. Of course, the gentleman understands that all construction done during the war was of a temporary type. We might get by for from three to five years with the expenditure only of money for repairs at the Army camps and cantonments, but at the end of that time it would be necessary to replace all of these temporary buildings by permanent buildings.

Mr. SNELL. That is what I want to find out. Will it be necessary to have permanent buildings for as many as were provided for by the temporary structures?

Mr. ANTHONY. Probably not as many at that specific camp, but let me say to the gentleman that when the Congress is brought face to face with the proposition of replacing the temporary construction at all of the National Army camps and cantonments which we are retaining with permanent construction the expense bill will be appalling, for it will run up to many hundred million dollars.

Mr. SNELL. That is what I want to get before the Committee of the Whole.

Mr. ANTHONY. That is as near any figure as I can arrive at. The construction department has already notified us that if we keep in proper repair the temporary buildings at the Army camps and cantonments which we are retaining for the use of the Army of the size which we contemplate to make it, with proposed training activities, our repair bill will alone amount to about $60,000,000 a year.

Mr. SNELL. That is one reason why I want to keep the number of these camps under Government control as low as possible, because I know the expense is going to be enormous.

Mr. CALDWELL. Mr. Chairman, will the gentleman yield there?

Mr. SNELL. I yield to the gentleman from New York.

Mr. CALDWELL. I would call the attention of the chairman of the committee to the fact that in his reply he has overlooked the fact that part of the expense of this $50,000 is to make some of those houses which were on the land when we bought it habitable for our Army officers—to put in the necessary plumbing and sewerage.

Mr. SNELL. Here is an appropriation of $100,000 for the Dixie Highway, which originally was $226,100. What is the Dixie Highway, how long is it, and how much have we already expended upon it, and what is this additional $100,000 for?

Mr. ANTHONY. I would say to the gentleman that he has now struck a proposition which, in the opinion of the committee, smells to high heaven—if not of graft, at least of the most wanton waste and extravagance of any single proposition the committee ran across in all of its investigations.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SNELL. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FIELDS. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield first to the chairman of the committee, and then I will yield to the gentleman from Kentucky. Will the chairman of the committee give us the balance of the information in respect to the Dixie Highway and the money that has been expended upon it and the number of miles constructed?

Mr. ANTHONY. When the reservation was first taken possession of at Camp Knox there was a State highway which ran through the grounds, 8 or 10 miles in length. Because of military necessities it was decided to relocate that State highway. I think it was originally a macadamized road. When it was relocated the men who had charge of the relocation relocated it through a section of hills, where the expense of constructing the road was brought to a figure that is almost unbelievable in highway construction.

Mr. SNELL. What is the amount?

Mr. ANTHONY. The 8 or 10 miles constructed by the Government was at a cost of $155,000 a mile for construction when ordinarily in most of the States it could be built for $35,000 a mile. They asked for $250,000 to finish a mile and a half which is yet unfinished. The committee thought they ought at least to be ble to do it for $100,000, and so cut the appropriation.

Mr. FIELDS. Two and a half miles.

Mr. SNELL. The balance the gentleman thinks can be built for $35,000 a mile and——

Mr. ANTHONY. The balance is completed. The new survey is completed, all except 2½ miles or a fraction over that. That is around places almost solid rock and, of course, very difficult construction.

Mr. SNELL. I yield to the gentleman from Illinois.

Mr. McKENZIE. I would like to ask my colleague on the committee whether or not this road construction was inside the reservation or outside of it?

Mr. ANTHONY. It was inside, as I recall; the land taken over by the Government. Is not that correct? I may be mistaken.

Mr. OGDEN. A larger part of that was in the reservation.

Mr. SNELL. And some of it outside the reservation?

Mr. FIELDS. The original road was entirely in the reservation, but it runs through the firing range.

Mr. SNELL. Who had charge of the road that cost $155,000 a mile?

Mr. ANTHONY. The construction department of the Army.

Mr. SNELL. Built on a cost-plus contract or day labor? I would like to have one of those contracts if they happen to be floating about.

Mr. CALDWELL. No; they were not built on a cost-plus contract. They were built under the supervision of Army engineers.

Mr. GREENE of Vermont. Will the gentleman from New York inform me whether Wall Street was interested in this enormous expenditure for road building? I would like to find some place where Wall Street was not interested. Wall Street never got anywhere near like this——

Mr. SNELL. Well, if it is $155,000 a mile for the construction of a highway, we never had any such easy graft as that up in New York.

Mr. McKENZIE. May I ask the chairman of the committee another question?

Mr. SNELL. I will yield to the gentleman.

Mr. McKENZIE. I would like to ask the chairman of the committee to put in the RECORD somewhere something showing the amount of this road within the military reservation, and the amount outside of this reservation, and I would like to ask him now if he knows of any law on the statute books authorizing the construction of military roads outside of the military reservation?

Mr. ANTHONY. No; but I will say to the gentleman that during the war the War Department built roads inside and outside of military reservations wherever it served a military purpose for the Government. For instance, from here to Camp Humphreys, Va., the Government built 18 miles of concrete roadway on a public highway of Virginia.

Mr. McKENZIE. It is also true that they used soldiers at a dollar a day on that construction, working alongside of negroes at $3 or $4 a day.

Mr. SNELL. Was there any such reckless waste as this in the other work carried on at Camp Knox?

Mr. FIELDS. If the gentleman will permit, I will say that the Dixie Highway is a national highway, built in part out of Federal funds, and the War Department went in there and destroyed 11 miles of this road and they felt it was only right, and I think the people felt it was only right, that they should reconstruct that road.

Mr. OGDEN. It was necessary to abandon that part that interfered with the rifle range.

Mr. SNELL. I do not yield further. I would like to ask the chairman of the committee one more pertinent question; that is, if there is any other place where there was such reckless extravagance and waste of money in building highways as on this Dixie Highway?

Mr. ANTHONY. The committee found no such specific instance.

Mr. SNELL. This is one specific instance of reckless waste on the part of the War Department that I hope the investigating committee will investigate and bring all the facts before the House at an early date.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. Mr. Chairman, as I understand the situation in reference to the Dixie Highway it is this, that when it was determined to locate this camp at this particular place there was no idea the Dixie Highway would be destroyed. On the

other hand, it was thought that the highway would be a great benefit to the camp and that it would give the means of getting in and out of it and was one of the reasons for selecting the site. It soon developed that a piece of this road was going to fall within the area of fire, and if they permitted the general public to use the road it would probably result in the killing of a great many of our people. It was a national highway partly built by national funds, and a board was sent down there to relocate the highway. In order to relocate they had to have the consent of the State authorities and the approval of the county authorities. After considerable negotiation it was finally agreed that the road was to be built along the line as it is now being constructed, and to do that they had to make a great cut through a hill. It was a gigantic piece of work, but it is one that will last for all time, and as long as the United States is the United States it will be an aid and assistance to the people who live along the great Dixie Highway, one of the greatest arteries of highway transportation in the United States, and while it has been expensive no graft has been found, and I do not believe any will be found.

Mr. FIELDS. The main road ran from the city of Louisville to the camp.

Mr. CALDWELL. It is the main road from the city of Louisville into the camp. It was necessary for the camp and will be necessary for the camp as long as the camp stays there. If this bill is passed and Camp Knox is taken, we will always use the Government road and material needed for the camp will go over it.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. CALDWELL. I will.

Mr. HULL of Iowa. Did the gentleman see the enormous cut which he mentioned?

Mr. CALDWELL. The gentleman from New York did, but the gentleman asking the question only saw it from a height of 5,000 feet in the air, for he was flying over it while I rode over it.

Mr. HULL of Iowa. How deep a cut was it?

Mr. CALDWELL. I did not measure it with a foot rule.

Mr. HULL of Iowa. Was there any cut at all?

Mr. CALDWELL. Yes.

Mr. HULL of Iowa. Did it not run around the side of a hill and only for a short distance?

Mr. CALDWELL. It was for a considerable distance, and they had to cut off the side of the mountain.

Mr. FIELDS. The gentleman from Iowa will remember that the road is cut around a rocky hillside.

Mr. HULL of Iowa. How far was it?

Mr. FIELDS. Four or five miles.

Mr. HULL of Iowa. They built about 40 miles of road, and paid $150,000 a mile for it, and a school child knows that it did not cost that much. And every member of the committee knows that there was graft there.

Mr. FIELDS. Mr. Chairman, I challenge that statement.

Mr. CALDWELL. I will challenge that statement, too. I do not know and nobody else knows that there was graft there. If the gentleman knows it, he should have the men prosecuted.

Mr. KNUTSON. You can build a No. 1 road for $25,000 a mile.

Mr. FIELDS. I will say that if I knew of graft I would point out the individual connected with that graft, and I think the gentleman from Iowa ought to do the same thing.

Mr. HULL of Iowa. I have asked the investigating committee to find the man.

Mr. FIELDS. If there is graft, I hope they will find him.

Mr. HULINGS. Mr. Chairman, I desire to oppose the amendment.

We built cantonments and camps in this country for about two and one-half millions of troops. Now, I would like to know from this committee how many troops they are proposing to take care of in this country now. Are we going to have 596,000 of the Regular Army, which the War Department recommended to be taken care of, or are we going to have only 509,000, which, I understand, the chairman of the Military Committee wants? It seems to me that when we have had so much of this work done for the accommodation of at least two and one-half millions of troops who were better taken care of than any other army in the world, so far as cantonments are concerned, it would seem that this is a mighty good time to sell about three-fourths of all these camps that we have and apply the proceeds to the payment of such claims as the gentleman from New Jersey spoke of awhile ago, or all these other claims where the Government has taken over private property. That would seem to be the plain businesslike way, instead of putting more money into the plans and notions of the War Department.

Mr. CALDWELL. I am prepared to answer the question if the gentleman would like me to do so in his time.

Mr. HULINGS. If the gentleman knows.

Mr. CALDWELL. If I understand it, it is the policy of the committee to report a bill for only approximately 300,000 men in the Army. Personally I think it ought to be over 500,000 men, unless we have some kind of universal training. So far as disposing of all of this war material——

Mr. HULINGS. I prefer to take the opinion of a man like Gen. Wood, as to the number of soldiers, rather than the opinion of the gentleman from New York [Mr. CALDWELL].

Mr. CALDWELL. I am not far from Gen. Wood on that subject, although I do not agree with him in many things. But I do agree that we ought to have some kind of universal military training.

In reference to these camps——

Mr. HULINGS. I refuse to yield further.

Mr. CALDWELL. That is in keeping with all the Republican majority. Whenever they ask——

Mr. KNUTSON. The gentleman was going to reply to a question, and he makes a speech.

Mr. HULINGS. Mr. Chairman, I know that many people on this side of the House ought, in his opinion, to go to the gentleman from New York [Mr. CALDWELL] for information about military affairs, and those who seek him will probably secure a great fund of information. If I do not go to learn from him what I ought to believe and know about military matters, I hope he and the House will excuse me.

Mr. ANTHONY. Mr. Chairman, I believe the debate has been exhausted on this amendment of the gentleman from Kentucky.

The CHAIRMAN. The debate has been exhausted.

Mr. ANTHONY. Then I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The question was taken, and the amendment was agreed to.

Mr. CALDWELL. I have a perfecting amendment in the matter of punctuation of the bill.

The CHAIRMAN. The gentleman from New York offers an amendment.

Mr. CALDWELL. On line 24, after the word "tracks," insert a semicolon.

Mr. ANTHONY. The correction should be made.

The CHAIRMAN. Without objection, the Clerk will make the correction. The gentleman from Kansas [Mr. TINCHER] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. TINCHER: Pages 6 and 7, line 25, after the word "work" strike out "for completion Dixie Highway $100,000."

Mr. TINCHER. Mr. Chairman and gentlemen of the committee, I do not care to discuss this amendment. I think it has already been discussed to such an extent that every member of the committee feels that it is time to stop graft on the Dixie Highway, and the only way to stop it is to stop appropriating money for that graft. And the only thing this amendment seeks to do is to strike out "$100,000" appropriation for work on the Dixie Highway.

Mr. FIELDS. Mr. Chairman, I desire to oppose the amendment of the gentleman of Kansas [Mr. TINCHER]. I stated here awhile ago that the Dixie Highway runs through this reservation. It was necessary to change it, because the original highway through the reservation passed through the range of fire. Hence the necessity of a new survey.

They have completed all but 2½ miles of this new survey. This $100,000 is for the completion of the 2½ miles. It is not only a State highway but an interstate highway, and traffic is blocked because of the uncompleted part of it, which was of great inconvenience to the people of the entire country. It is an important road. The Government has destroyed the road, and I appeal to the reason of the Membership of the House as to whether or not it should complete this small gap of 2½ miles which is still uncompleted.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. KNUTSON. The gentleman states there is yet 2½ miles of the road to be completed, and this bill proposes to appropriate $100,000 to complete this road?

Mr. FIELDS. Yes.

Mr. KNUTSON. What is the nature of the topography of that country which makes it necessary that this road should cost such an unheard-of amount?

Mr. FIELDS. I will say to the gentleman that the unfinished portion must be constructed along the side of a steep hill, which is almost solid rock.

Mr. KNUTSON. In that event could we not save money by putting an airplane service across that cliff instead of finishing this road? [Laughter.]

Mr. FIELDS. I will say to the gentleman that we in Kentucky have not learned to operate aeroplanes, as have the people in the gentleman's State, so that we could not ride across that cliff in aeroplanes.

Mr. KNUTSON. But this is up in the moonshine country, is it not?

Mr. FIELDS. Not altogether.

Mr. KNUTSON. Mr. Chairman, I withdraw my amendment.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. GREENE of Vermont. Will the gentleman allow me to ask him whether there is not, in addition to this Dixie Highway, railroad transportation from Louisville to the post or some convenient site adjacent to it?

Mr. FIELDS. Yes. The Illinois Central Railroad runs through or near the post.

Mr. GREENE of Vermont. So that it is a convenient location, where the traffic and supplies intended for the Army may be taken from Louisville over the railroad?

Mr. FIELDS. Yes. Supplies may be taken by the railroad. But that is not the question involved here. The Government has destroyed or changed 11 miles of the Dixie Highway, and 2½ miles of the new survey is unconstructed or uncompleted.

Mr. GREENE of Vermont. And they have replaced the other part of the road with the small Monte Cristo contribution that has been made?

Mr. FIELDS. They have replaced all but 2½ miles.

Mr. GREENE of Vermont. That 2½ miles is part of the 11 which they promised to replace?

Mr. FIELDS. Yes.

Mr. LAYTON. Mr. Chairman, referring alone to the cost of construction under the most favorable circumstances on alluvial soil, with no rock or anything of the kind, it is costing about $40,000 per mile to build a 16-foot wide cement road.

Mr. FIELDS. Yes. The engineers agree upon the subject.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas [Mr. TINCHER].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. TINCHER. Mr. Chairman, I demand a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 17, noes 58.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

At Camp Bragg, N. C., for the purchase of real estate, $1,128,000; for construction as follows: For hospital, painting and carpentry, $5,000; for glazing one hangar, $1,000; for siding on administration building, $1,500; for gravel roads in reservation, $10,000; for gravel road to Fayetteville, N. C., $25,000; for incidental work and miscellaneous, $2,500; total for Camp Bragg, $1,173,000: *Provided*, That no part of the unexpended balances of appropriations heretofore made for the support of the Army shall be expended for construction at Camp Eustis, Va., and the Secretary of War is hereby directed to sell the real estate and buildings of such camp to the best advantage of the Government, the proceeds of such sale to be covered into the Treasury to the credit of miscellaneous receipts.

Mr. LITTLE. Mr. Chairman, I am very sorry to see disputes arising between members of this great committee over that road, and the difficulty they have had in adjusting the matter and of finding the man who got away with the $150,000. I suppose there is a man on the committee who can find that fellow, because he is evidently a mind reader. I find here in the RECORD of yesterday a statement by the gentleman from Connecticut [Mr. TILSON], in which he says:

I can not quite agree with my friend from Kansas [Mr. LITTLE] that we do not need any training of soldiers in time of peace or that any training that we may be able to give them in time of peace is practically useless, nor am I quite willing to go with him so far in the other direction as to take all of Mexico for a military training or drill ground for the training of our soldiers.

Inasmuch as I never made any statement of either kind, the gentleman must evidently be a mind reader, and as I never had such a thought, the gentleman evidently made the mistake of reading the wrong man's mind. [Laughter.] If he will get after the right man he may be able to find the one who got away with that $150,000.

Mr. TILSON. "The gentleman from Connecticut" is not a member of the Committee on Military Affairs, in the first place. In the next place he was following the gentleman from Kansas immediately, and had the impression fresh in his mind that the gentleman from Kansas had said something like that in effect, and also what the gentleman has just quoted in regard to Mexico.

Mr. LITTLE. The gentleman from Connecticut is an emeritus member of the Committee on Military Affairs and a past master in all its methods of information. I am sorry he is off the committee now, because when he was on the committee he was a very useful member. I said yesterday, before the gentleman spoke, that every boy ought to have an opportunity, before he goes to war, to learn how to march, and learn how to carry a gun, and learn how to take care of himself. I said there were certain things necessary to make a soldier, and that it takes time. I excepted from that general rule those in the Engineer branch and in the Artillery, who, of course, require exceptional technical training. I think it is the fact that we are not as far apart from each other as we sometimes think in our views on military matters, because I am convinced that the ultramilitarist, when he is toned down, is found not to want to kill everybody, and those who are accused by the ultramilitarist of being pacifists are really just as much concerned in having the country prepared for war when it comes as are the militarists. The gentleman from Connecticut went on to say that in the Spanish-American War his own regiment never had a chance to fire a rifle until it had been in camp for months, and the war was over. Now, one of the first things I did——

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. LITTLE. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to proceed for two additional minutes. Is there objection?

There was no objection.

Mr. LITTLE. The first thing I did when our regiment got to San Francisco was to go to general headquarters and ask that we be put upon target practice. I think the principal thing for the soldier is to learn how to shoot people, and hit them, and hurt them. I talked with a young man last night who was a top sergeant in the Argonne, and he said that one of the great difficulties there was that they never established any connection up and down the line. He said that if they put up a telephone, down it went the first thing you knew. An orderly would be told to go back and find the brigade headquarters, and the boy would say, "Where is it?" and his superior would say, "I don't know; go back and find it." That is the way that battle was fought. But the boy said something that I have been trying to tell you people for two years. He said, "If we had had one more fight like the Argonne we could have maintained our liaison and maintained our relations with headquarters and whipped the world," for then they would have learned by that battle how to fight the next one. And the boy was as right as a rabbit. That is the point I am trying to make. But as it was that battle was just a continual jumble. I heard the division commander of that boy's division tell about it, and he did not know nearly as much about it as the boy whom he had been training did.

You have got to have some preparation, gentlemen, and I do not like people to put me in the attitude of saying you have not, when I spent six months doing nothing else but training men for war in 1898. The boy explained the point exactly, that the first battle would have been a preparation for the second battle and they would have known how to fight. Just because I spent a couple of thousand dollars during the last two years on military schools it does not necessarily follow that I think the American taxpayers should spend a billion dollars a year on such enterprises, when we have 4,000,000 of the best-trained soldiers the world ever saw with us now.

Mr. BLAND of Virginia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLAND of Virginia: Page 7, line 18, strike out the colon and insert a period. Strike out the remainder of the paragraph to and including line 25.

Mr. BLAND of Virginia. Mr. Chairman, this amendment eliminates that portion of the bill which provides for the abandonment of Camp Eustis.

Before entering into a discussion of that proposition, I want to say that on yesterday the impression may have been obtained from my remarks that no further sum would be necessary for this camp if it were to be used as a permanent garrison point. That impression is erroneous. The information in my possession from Gen. Hagood, who is in charge of this camp, shows

that for permanent garrison purposes there would be required from $2,500,000 to $3,000,000 or $4,000,000.

Mr. GODWIN of North Carolina. Will the gentleman yield?

Mr. BLAND of Virginia. Yes; although I have only five minutes.

Mr. GODWIN of North Carolina. This amendment does not affect Camp Bragg in any way?

Mr. BLAND of Virginia. Not in the slightest. It simply strikes out the remainder of the paragraph.

The point I want to make is this: You have an act of Congress which prohibits the War Department from expending any other moneys on this camp. That is not affected in any way by this bill except as the payments are specifically authorized under this act.

In the second place, there is not a provision in this bill for the expenditure of any other money than is absolutely necessary to make effective the amendment that was adopted this morning for the purchase of land.

If you strike out this provision in the bill, you leave Camp Eustis as a proposition to be considered in the future.

Now, gentlemen, I submit to you that with all due respect to the distinguished gentlemen of the Military Affairs Committee, for whom I have the greatest respect, it is a little hasty to order that this camp shall be salvaged, when not 10 per cent of its value will be recovered, and convert the proceeds into the Treasury, without once going upon the land or without procuring the testimony of an officer of the War Department. All in the world that my amendment does now is to provide that you shall give the Military Affairs Committee an opportunity to investigate this thing, as you would investigate any business proposition that was to be considered by you in your personal affairs.

Mr. BLANTON. Will the gentleman yield?

Mr. BLAND of Virginia. In one moment. I have very little time. The strategic importance of this camp will be shown when you remember that it is located in a vicinity that has participated in every war that has ever been fought in the history of America. [Applause.] It was here that the Revolutionary War was won, within 7 miles of this camp. It was here that there was great fighting in the Civil War. It was here in 1898 that you established one of your camps from which to send troops to Cuba. It was from this point or near this point that you sent your troops to Cuba when they had the intervention there. It was from a point in this immediate vicinity that more soldiers went to France than from any other point in America save the port of New York.

Mr. ANTHONY. Mr. Chairman, I regard the amendment which the committee has made for the salvaging of Camp Eustis, in connection with the appropriations that we are making for Camp Bragg, as one of the most important provisions we have put in this bill. The reason for it is that the operations for which they propose to use Camp Bragg and for which they propose to use Camp Eustis are, in my opinion, so related that they can be consolidated at one point.

At Camp Bragg we are providing the longest artillery range that they will be able to have at any place in this country. The distances there are so great that they will be able to fire the artillery of large caliber which has been developed during this war over ranges of 28 miles and still have a back stop of 10 or 12 miles against a range of mountains for safety purposes.

Mr. GODWIN of North Carolina. Gen. Pershing was at Camp Bragg last week, and he made the statement that it was the most delightful location of any camp in the service for long-range firing.

Mr. ANTHONY. At Camp Eustis the Coast Artillery propose to establish a school for the training of certain sections of the Coast Artillery in handling large-caliber guns mounted upon railroad mounts. We believe that these guns can be handled and training received in firing at Camp Bragg. We want, if possible, to eliminate the necessity of maintaining two large establishments for practically the same purpose. The only argument for the retention of Camp Eustis is that water targets may be afforded for the large 14-inch guns mounted on railroad mounts.

Now, if the statement made to me by high authority in the War Department is correct that our coast defenses are now practically obsolete and must in the future be supplanted by large-caliber guns mounted on railroad mounts to make them mobile, able to be transported to any part of the coast that is threatened, there is no reason for anchoring at any one place the use of these large guns mounted on railroad mounts, because in the process of modernizing our coast defenses there will be spurs of railroad track run into available positions at every coast defense point where such construction is possible, so that the railroad mounts can be used for target purposes at any number of places.

As a result of the war and as a result of the policy of the War Department we are completing the building of 90 of these big 14-inch guns to be mounted on railroad cars, in addition to about 40 immense 12-inch mortars that are to be mounted on railroad mounts.

I do not believe it is necessary for this Government to waste money by keeping all of those immense engines of war in active commission or in active practice. I suggested to the chief of the Coast Artillery the other day that instead of keeping them in active use they should be stored away at some available point, all except a few of them, which may be used for the practical work of training and practice. They propose, if we allow them to go ahead with the development of Camp Eustis, to first call upon us for $4,000,000, as I read it from the estimates, for further construction. I think we would better look into the matter further before going into such expense.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia.

The question was taken, and the Chair declared that the amendment was rejected.

Mr. HARRISON. Mr. Chairman, I would like to be heard upon the amendment.

The CHAIRMAN. The Chair has already put the question, and the gentleman is too late.

Mr. CALDWELL. Then, Mr. Chairman, I demand a division, if the gentleman from Virginia is not to be permitted to speak.

The CHAIRMAN. The gentleman from New York demands a division.

Mr. CANNON. Mr. Chairman, are we voting for or against Camp Eustis?

The CHAIRMAN. To vote aye would be to vote for Camp Eustis.

Mr. CANNON. The ayes are for it and the noes against it?

The CHAIRMAN. Yes.

Mr. CANNON. I just wanted to know when to stand up.

The committee divided, and there were—ayes 20, noes 54.

Mr. CALDWELL. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from New York demands tellers. Those favoring tellers will rise and stand until counted. [After counting.] Not a sufficient number, and tellers are refused.

So the amendment was rejected.

Mr. HARRISON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. HARRISON: Page 7, line 25, after the words "receipts," insert: "But such action shall not be taken by the Secretary of War until there shall be provided at some other place now owned by the War Department, facilities, including water ranges for moving targets, for the training of railway artillery, and for other Army activities now at Camp Eustis."

Mr. ANTHONY. Mr. Chairman, on that I make the point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. ANTHONY. That it is legislation.

The CHAIRMAN. The Chair does not think that that point of order would lie.

Mr. ANTHONY. Then that it is not germane.

The CHAIRMAN. Does the gentleman from Virginia wish to be heard upon the proposition?

Mr. HARRISON. Mr. Chairman, this simply provides that until the activities now carried on at Camp Eustis are provided for at some other place, Camp Eustis shall be continued. It is in exact accord with what the committee has already done in respect to Camp Taylor, I think it was, or Camp Knox.

The CHAIRMAN. The Chair thinks the amendment offered by the gentleman from Virginia is in order. The Chair therefore overrules the point of order.

Mr. HARRISON. Mr. Chairman, the object of this amendment is simply to carry out what has already been done in regard to the provision respecting Camp Knox and Camp Taylor. I provide for continuing activities at Camp Eustis until suitable provision has been made elsewhere for such work. The fact about the matter is that the work at Camp Eustis has never been investigated by the subcommittee. Furthermore, the Committee on Military Affairs has never heard a word of testimony in regard to the abandonment of Camp Eustis. The camp is utilized by the Coast Artillery, an entirely different branch of the Army from any other branch of it. It is in no way connected with the Field Artillery. It is a branch unto itself. It is a highly specialized branch of the service, requiring special training. I am informed by Gen. Coe that the camp is essential for the use of the Army without regard to the number of men that we propose to have. There is no money asked; not a dollar. The only proposition that is now up for

this committee to consider is whether or not until the Army shall have an opportunity to establish a training base for the Coast Artillery elsewhere, the activities at Camp Eustis shall be continued.

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. ANTHONY. Does not the gentleman think that the whole matter is largely dependent on whether we consider these big guns on railroad mounts mobile artillery, coming under the jurisdiction of the Field Artillery of the Army, or whether they are considered as fixed coast-defense guns, and properly under the Coast Artillery?

Mr. HARRISON. I think the gentleman from Kansas may be right, but why pass on it now? Why not have the opportunity of securing expert advice?

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. GREENE of Vermont. The function of the Coast Artillery heretofore has been harbor defense.

Mr. HARRISON. Yes.

Mr. GREENE of Vermont. Coast defense is a misnomer. Our defenses are really harbor defenses and are fixed. This railroad transportation for artillery to ply between posts on the coast is comparatively new, is it not?

Mr. HARRISON. Yes.

Mr. GREENE of Vermont. If they say they need Camp Eustis where they may practice railroad artillery firing, why can they not do that at many of the points between the posts that we have now where there is railway connection?

Mr. HARRISON. They may be able to do it, but I think we ought to at least have testimony as to what is necessary.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. HARRISON. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HARRISON. The point I make is that we ought not here, haphazard, in this sort of way, without any consideration or advice upon the part of the military authorities of the country, to cut down their training. That is what it amounts to.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield further?

Mr. HARRISON. Yes.

Mr. GREENE of Vermont. What particular function does the Coast Artillery perform that renders it necessary that it should have training apart from that which it can get in the posts where it is now assembled?

Mr. HARRISON. It wants water target practice. I have been informed that to remove these big guns from Camp Eustis would cost over $500,000.

Mr. GREENE of Vermont. But it is the very function of the Coast Artillery to defend the coasts, and our posts are located on the coast.

Mr. HARRISON. This is simply a training camp——

Mr. GREENE of Vermont. Yes; but why do they not train at the places which they now have?

Mr. HARRISON. They have got the training facilities here; why move them?

Mr. GREENE of Vermont. The point, as I understand it, in the practical use of coast artillery is that it is not a mobile arm. It does not move itself in divisions and similar units for field evolutions. Its larger purpose is served by its fire control and its gunnery.

Mr. HARRISON. But it is not practiced at Camp Bragg, where it is intended to carry it.

Mr. GREENE of Vermont. But the purpose is served by giving——

Mr. HARRISON. If the gentleman will permit, does not the gentleman think before we destroy Camp Eustis that we ought to have a place provided where this work can be carried on?

Mr. GREENE of Vermont. That is the point I am trying to suggest by my question—that we seem already to have provided it. The experience of coast artillery in this World War, when they went to the field and took charge of the heavier calibers of field artillery, is not a fact upon which we should base future legislation, because the purpose of coast artillery is for coast defense and not for field artillery——

Mr. CALDWELL. Will the gentleman permit?

Mr. GREENE of Vermont. They went to the field at that time because we were short of field artillery.

Mr. CALDWELL. Is it not a fact that the matter of shooting on water and the matter of shooting on land are two different things, and that it is more deceptive on water than it is on land——

Mr. GREENE of Vermont. Oh, exactly, but——

Mr. CALDWELL. Well——

Mr. GREENE of Vermont. The gentleman has asked a question; now let me answer it. When distances are known, the question of whether you can see the objective point with your eye is not involved, because it becomes a mathematical proposition. They might be firing at indefinite distance——

Mr. HARRISON. I can not yield further.

The CHAIRMAN. The gentleman declines to yield further.

Mr. HARRISON. I want just a few minutes of my time to conclude what I have to say. The point I desire to bring to the attention of the committee is this, that we are interfering with the organization of the Army as advocated by the generals of the Army, the experts of the Army. It is something more than abandoning a camp field; it is breaking up a branch of the service and impairing its efficiency. At least, it may be; and we have made no personal investigation nor received any testimony from any source to guide us. I understand Gen. Pershing will visit this camp in a few days on an official inspection, and it seems to me to be the part of wisdom and common sense to hear what he may have to say. Furthermore, my amendment simply postpones the removal of the Army activities at Camp Eustis therefrom until the War Department has provided a more suitable place where these activities can be carried on. Now, I can not understand why there should be any objection to that proposition.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. HARRISON) there were—ayes 39, noes 51.

So the amendment was rejected.

The Clerk read as follows:

SIGNAL CORPS.

To complete Signal Corps camp at Camp Alfred Vail, N. J.: For the purchase of real estate, $110,000.

Mr. EAGAN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. EAGAN: Page 8, after the period in line 7, insert the following:

"That the Secretary of War be, and he is hereby, authorized to expend such portion of the unexpended balances of the appropriations made by the second urgent deficiency act dated October 6, 1917, for terminal storage and shipping buildings as may be necessary for the payment of awards to cover the acquisition of the following described real estate which has been requisitioned under the provisions of section 10 of the act approved August 10, 1917 (40 Stat. L., p. 276), to wit: Two thousand and eighty-nine acres of land, more or less, and appurtenances thereto belonging, situated near Metuchen, in townships of Woodbridge and Raritan, county of Middlesex, State of New Jersey, and now occupied as an ordnance depot and known as Raritan Arsenal.

SEC. 2. That where the title to the above-described real estate sought to be acquired by such requisitions, already served, proves to be defective by reason of the fact that all necessary parties in interest were not served with requisitions or for any other reason, the Secretary of War be, and he is hereby, authorized to purchase or to acquire by condemnation or otherwise such outstanding titles as are necessary to completely vest the fee simple title to such real estate in the United States of America."

Mr. EAGAN. Mr. Chairman, this amendment is in the same language as the bill H. R. 9144, introduced by the chairman of the Committee on Military Affairs [Mr. KAHN] on September 9, 1919, in compliance with a letter from the Secretary of War dated September 6, 1919, which I read:

WAR DEPARTMENT,
Washington, September 6, 1919.

To the CHAIRMAN COMMITTEE ON MILITARY AFFAIRS,
House of Representatives.

SIR: There is submitted herewith the draft of a bill to provide for the completion of the purchase of certain real estate for ordnance storage at Raritan Arsenal.

The act approved July 11, 1919 (public No. 7, 66th Cong., H. R. 5227), will prevent the payment of awards in requisition proceedings for the acquisition of titles to lands embraced within the site of Raritan Arsenal and Ordnance Depot, situated near Metuchen, N. J., where the Government has expended approximately $9,500,000 for permanent improvements. The completion of the purchase of this site is essential for the protection of the Government's costly investment. The payment of the awards, made or to be made, in cases where the land has been requisitioned, is necessary in order to protect not only the interests of the Government but also to afford relief to the original owners of the property, possession of whose lands and whose titles has been taken under the requisition proceedings. The titles of the claimants of many parcels of the land embraced in this site have been found to be so defective that in all probability it will be necessary hereafter to institute condemnation proceedings in order that a fee-simple title may be vested in the United States.

Raritan Arsenal can not be considered an industrial plant in the sense of the exception in the provision of H. R. 5227, which prohibits the purchase of real estate. Therefore it will require congressional action to permit the consummation of this transaction, which has been delayed

principally on account of the difficulty of ascertaining the true owners of the property.

Favorable consideration of the legislation proposed is earnestly requested.

Very truly, yours, NEWTON D. BAKER,
Secretary of War.

I understand that the materials in the buildings on the ground embraced in the Raritan Arsenal are worth upward of $340,000,000, ordnance, ammunition, and so on. I also understand the Raritan Arsenal is to be permanent, in which to put reserves for ammunition and ordnance in case of emergency. I am told by the officials of the War Department that unless provision is made for this storage to be continued there that it will be very expensive, if not impossible, to consider the removal and provide elsewhere for the storage of such ordnance and ammunition.

Mr. CANNON. Mr. Chairman, I want to ask the gentleman a question. How much money—I understand this is to utilize some appropriation that has been made?

Mr. EAGAN. Yes.

Mr. CANNON. I would like to know how much it is contemplated?

Mr. EAGAN. I asked that question, and they tell me approximately $650,000. Of course, an accurate estimate can not be made, because some land must be acquired by condemnation.

Mr. CANNON. How much of the five or ten millions appropriated would be available under the amendment of the gentleman?

Mr. EAGAN. I take it, of course, whatever would be required would be available. I do not know there is enough available for the purpose.

Mr. CANNON. Then nobody knows whether it is $600,000 or $100,000 or $6,000,000?

Mr. EAGAN. The War Department advised me that they believe that will be the amount—$650,000.

Mr. CANNON. Six million dollars?

Mr. EAGAN. No; $640,000 or $650,000.

Mr. CANNON. That is just a guess, I take it, at present prices. Is there any reason why we could not wait a year or two and let the Democrats and Republicans fight out about the increase of taxation and the increase of the dollar as compared with other credits? If we do not make this appropriation now, will we be defeated in a war hereafter?

Mr. EAGAN. Of course, the lands of these owners have been requisitioned, and it would seem to me some effort should be made to enable them to get their money when the War Department determines that they are entitled to it.

Mr. CANNON. This is to care for land that is to be condemned?

Mr. EAGAN. The land to be condemned, of course, is that to which they will be unable to get, I suppose, a clear title.

Mr. CANNON. You would not need this appropriation until after the condemnation was made?

Mr. EAGAN. Frankly, I am not advised as to the details of this matter. This was to be handled by my colleague from New Jersey, Mr. ACKERMAN. I do not know whether he is on the floor now or not.

Mr. CANNON. I am seeking the information. I have not the floor. The gentleman has it.

Mr. FIELDS. Have the landowners been dispossessed? Have they been moved off their land?

Mr. EAGAN. I am not informed as to that. But it may be, of course, that that is the case.

The CHAIRMAN. The time of the gentleman from New Jersey has expired. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. EAGAN and Mr. CALDWELL demanded a division.

The committee divided; and there were—ayes 20, noes 28.

So the amendment was rejected.

The Clerk read as follows:

CHEMICAL WARFARE SERVICE.

To complete the purchase of real estate at Salt Well site, Midland, Mich., $3,072.

Edgewood Arsenal, Md., for reservoir and pipe lines, $7,500.

Total for Chemical Warfare Service, $10,572.

Mr. MANN of Illinois. Mr. Chairman, is not the question now on agreeing to the committee amendment, which strikes out and inserts?

The CHAIRMAN. Yes. The question now is on agreeing to the committee amendment, which strikes out and inserts the language we have just adopted.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

AIR SERVICE.

To complete Air Service fields, as follows:

For hangars for storage at Aviation General Supply Depot at Fairfield, Ohio, $5,500.

For hangars for storage at Aviation General Supply Depot at San Antonio, Tex., $23,000.

For completion of barracks and quarters at Fords Island, Hawaii, $35,000.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman as to this appropriation at Selfridge Field, if that is for the purchase of the field or is it to spend more money on land that does not belong to the Government?

Mr. ANTHONY. The item provides for general construction.

Mr. LAGUARDIA. I want to state to the chairman, for the benefit of the committee, that we have spent millions of dollars on Selfridge Field; that the land is below the level of the lake; that we built dikes around it and have an expensive drainage system to keep it dry; that the title of the land is not in the Government. We are paying a high rental for this property, and I advise strongly against any more expenditure on Selfridge Field until we know what we are going to do with it.

Mr. SNELL. Will the gentleman yield for a question?

Mr. LAGUARDIA. Certainly.

Mr. SNELL. What do we own there if we do not own the land?

Mr. LAGUARDIA. We rent it. We own the buildings.

Mr. SNELL. How many buildings?

Mr. LAGUARDIA. I think it runs two to three million dollars' worth. I do not know.

Mr. ANTHONY. There have been $2,325,000 expended for construction.

Mr. LAGUARDIA. That does not include the drainage of land or the building of the dikes.

Mr. ANTHONY. That is entirely new matter which the gentleman has suggested. I will say the land involved there is 640 acres, and the present status is that it is in court. So they have not come to us yet for authority to purchase the land and provide the money.

Mr. LAGUARDIA. I will state to the distinguished gentleman that we are supposed to pay an enormous price for this building after spending a high price to improve it, and paying high rental.

Mr. GREEN of Iowa. What is this field?

Mr. LAGUARDIA. It is a flying field.

Mr. GREEN of Iowa. Why did they expend money for expensive buildings?

Mr. LAGUARDIA. They do not need it at that point. There is no reason for spending millions of dollars on Selfridge Field.

Mr. GREEN of Iowa. That is what occurred to me.

Mr. LAGUARDIA. It is one of the outrages of the $640,000,000.

Mr. ANTHONY. Will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. ANTHONY. In the plan for the retention of a certain number of air fields I understand that Selfridge is on the list for retention. It is one of the most northernmost of the flying fields that has been retained in the Central West, and it occurred to some of the members of the committee that it would be advisable to have a flying field somewhere in that locality. And because of its location, and from the fact that we have spent two or three million dollars on the land, we thought it would be a better thing to proceed there.

Mr. LAGUARDIA. Because we have spent so much let us hold this back until we find we will have to buy this land. Let us hold back the $35,000 until we find we will have to buy this land.

Mr. ANTHONY. The $35,000 that is provided in the bill is for the purpose of continuing work on the sewage disposition plant, which they regard as absolutely necessary.

Mr. LAGUARDIA. Suppose we spend that, do you want to present them with $35,000 more?

Mr. ANTHONY. The War Department is not to return it. They are going ahead to determine the legal status of the land.

Mr. LAGUARDIA. There is no question as to the legal status of the land.

Mr. ANTHONY. Oh, yes; there is. It is now in the court.

Mr. LAGUARDIA. For condemnation proceedings?

Mr. ANTHONY. Yes.

Mr. LAGUARDIA. There is no question of the legal status. I have information that they are asking an enormous price for the land even after we improve it.

Mr. LAYTON. Does the gentleman from Kansas think that he knows the mind of the War Department as to what they are going to do in this respect?

Mr. ANTHONY. We have their recommendation.

Mr. LAYTON. They say that they are going to scrap this Delaware railroad proposition.

Mr. LAGUARDIA. Mr. Chairman, I press my motion to a vote. I moved to strike it out. I moved to strike out lines 5 and 6 on page 9.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. LAGUARDIA. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from New York asks for a division.

The committee divided; and there were—ayes 19, noes 30.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For Chanute Field, Rantoul, Ill., $208,000.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last word.

Mr. GREEN of Iowa. I do this, Mr. Chairman, for the purpose of making an inquiry of the chairman as to the necessity for this field. This is another flying field?

Mr. ANTHONY. Yes; at Rantoul, in the State of Illinois. It is one of the most important flying fields that the Government has. It is located immediately adjacent to the University of Illinois. The scientific portion of that university has taken a great interest in aviation. Its college professors and scientific men have been of great aid in the development of aviation there. The field is regarded as an ideal one. Geographically it is well located. I believe the department has wisely concluded to retain it as part of the chain of flying fields from east to west.

Mr. GREEN of Iowa. I know the lay of the land in that vicinity, and it is level, of course. It is nearly as level as a floor. But is not that pretty high-priced land to take for a flying field? I should judge it is worth several hundred dollars an acre. Is it not?

Mr. ANTHONY. Yes; $305, I understand, they are proposing to pay for it. In our investigations we found that invariably the aviation people picked out these level pieces of land, frequently in river bottoms, and often they are the richest and most fertile lands in the neighborhood.

Mr. GREEN of Iowa. I think I could find land in Illinois that was not worth one-fourth of that.

Mr. ANTHONY. I do not know of any land in Illinois that could be bought for one-fourth of that.

Mr. GREEN of Iowa. Yes; and places where the land is practically nothing but sand. I do not think that such an expensive location ought to have been taken for a flying field in the first instance.

Mr. HULINGS. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last two words.

Mr. HULINGS. Mr. Chairman, I see in the report here, as to the present status, that the land to be purchased there is 640 acres, at $305. That is an aggregate of $208,000. Then the cost to complete the project, the amount to complete the purchase of the land, is $208,000 more. Is not that $416,000 for 640 acres of land?

Mr. ANTHONY. It is my understanding that the purchase of the land completes the project.

Mr. HULINGS. How much land?

Mr. ANTHONY. Six hundred and forty acres.

Mr. HULINGS. That is over $700 an acre.

Mr. ANTHONY. Oh, no.

Mr. HULINGS. It is $460,000 for 640 acres.

Mr. ANTHONY. No; $305 an acre.

Mr. HULINGS. It will not take more than half that.

Mr. ANTHONY. The gentleman perhaps confuses the duplication of language in the line. It means that is the last appropriation that is asked for to complete it.

Mr. MANN of Illinois. Mr. Chairman, I am an alumnus of the University of Illinois, and am very much interested in the work which it does. I have been very much interested in the Aviation Service in the Army from its inception. But I can not imagine anything more ridiculous than for the Aviation Service to go out in the best corn belt in the world, where farm land is higher priced than anywhere else in the world, to buy land for the purpose of preventing them from raising corn on it, in order to have an aviation field not large enough for aviation service.

For this land it is proposed to pay $305 an acre. If the Government gets the land it is advisable to carry out the contract, because undoubtedly with the present increase in prices this land is worth in the market from $400 to $500 an acre. But how ridiculous it is for the Government, for the purpose of having an Air Service, to seek out land which is the most expensive in the world, and which could be better used to raise produce. The Air Service does not care how much corn is worth or how much it costs, or how much wheat is worth or what it costs. They do not care anything about the high cost of living except as it applies to themselves individually, and they go out on the prairies of Illinois, right in the midst of the corn belt, and buy land at these high prices, and then say that it is because it is close to a university. Well, about the last thing that the University of Illinois ought to do is to take an interest in the Aviation Service. There are many things that the university can do more profitably than that. Their help during the war may have been advisable, as everybody's help was, but to locate a permanent flying field in this place is the very height of foolishness.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For Brooks Field, San Antonio, Tex., $140,446.
For Kelly Field No. 2, San Antonio, Tex., $349,686.33.

Mr. TILSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Connecticut moves to strike out the last word.

Mr. TILSON. I wish to ask the acting chairman of the committee the reason for these large appropriations for two flying fields in the same locality. There is one at Brooks Field, San Antonio, $140,000 plus, and one at Kelly Field No. 2, San Antonio, Tex., $349,000 plus.

Mr. ANTHONY. As is well known, during the war Texas was liberally endowed with the establishment of flying fields. They were scattered all over the State.

Mr. TILSON. These seem to be somewhat concentrated in one place.

Mr. ANTHONY. Three of them were concentrated at San Antonio. We went there to visit those establishments, and we found they were some of the best located of any that we had seen, with millions of dollars on permanent improvements already expended thereon; and inasmuch as the Government had spent this money on land which it had contracted to buy, it was obviously a businesslike thing and a sensible thing to do to go ahead and complete the purchase in order to protect the interests that the Government already had there. It is now proposed to use Brooks Field as a balloon station.

Kelly Field will be used as one of our principal flying centers. There are $4,000,000 worth of buildings already erected on Kelly Field.

Mr. TILSON. What kind of a balloon school is to be established there?

Mr. ANTHONY. Not a balloon school but a balloon station. They intend to construct beds for the balloons. I believe they call them beds. It is to be a station both for dirigibles and for observation balloons.

Mr. BEE. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman from the San Antonio district to explain.

Mr. BEE. I am not going into a defense of the appropriation, because we believe that the propositions are absolutely meritorious and do not need any defense. But in answer to the question of the gentleman from Connecticut, Brooks Field is separate and distinct from Kelly Field. Aviation has been carried on at Kelly Field since 1917. Brooks Field is a balloon school. It was used as a balloon school during the entire period leading up to the armistice. It was not a proposition that came up at that time. It was in use for some time prior thereto.

I present this fact to the judgment of the committee, that it has been demonstrated that under existing conditions the dirigible is considered the most useful aerial machine for the character of warfare that might be contemplated on the Mexican border, because of the topography of the country and the large timbered areas and the land covered with mesquite and cactus in that country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEE. I move to strike out the last word.

The CHAIRMAN. That motion has already been made.

Mr. BEE. I just wanted to make this explanation.

Mr. KITCHIN. I should like to ask what became of the amendment offered by the gentleman from Illinois [Mr. MANN] to strike out Chanute Field, at Rantoul, Ill.?

Mr. MANN of Illinois. I did not offer the amendment, Mr. Chairman, because just a moment before the gentleman from New York had offered an amendment to strike out the appropriation for Selfridge Field, Mount Clemens, Mich., of $35,000, and we had had a division on it, and every Democrat in the House voted to retain it, and every Republican except three or four voted to strike it out, and I did not want another such pitiable exhibition in the Congress of the United States.

Mr. KITCHIN. Nobody made out as good a case against Selfridge Field as the gentleman made out against Chanute Field, at Rantoul.

Mr. MANN of Illinois. Oh, yes; they did. The gentleman from North Carolina was not here. A better case was made out.

Mr. KITCHIN. We are all with you on this point after the strong argument made by the gentleman from Illinois.

Mr. MANN of Illinois. I am in favor of striking it out.

Mr. KITCHIN. I am, too.

Mr. MANN of Illinois. If the gentleman had been here, he would have voted to keep it in, just as he did before on Selfridge Field in Michigan.

Mr. KITCHIN. Oh, no; I voted against Michigan.

Mr. MANN of Illinois. No; the gentleman did not vote against Michigan. The gentleman voted in favor of keeping it in. The Republicans voted to strike it out, but you gentlemen on that side, who had never had any idea of economy, voted to keep it in.

Mr. KITCHIN. I ask unanimous consent that the committee return to the item for Chanute Field at Rantoul, Ill.

Mr. CRAGO. I object.

The CHAIRMAN. Objection is made.

Mr. SNELL. I want to ask the gentleman in charge of the bill in regard to the price that we are paying for this land for Kelly Field No. 2 near San Antonio. Perhaps the gentleman from Pennsylvania [Mr. CRAGO] can tell me.

Mr. CRAGO. All the information I can give the gentleman is that when we were at this point we made investigation as to the price of land and were assured by people in whom we had confidence that this was a reasonable price. In fact, land around San Antonio is increasing in value very rapidly.

Mr. SNELL. Has it increased because we have located these fields there?

Mr. CRAGO. That may be part of it, but there are other activities there. The city of San Antonio is growing very rapidly.

Mr. SNELL. What is the assessed valuation of property in this vicinity?

Mr. CRAGO. I do not know, nor do I think that would be any fair criterion, because you never know on what basis the assessment is made.

Mr. SNELL. Would it not be something on which to base an estimate?

Mr. CRAGO. It would not be in Pennsylvania, because our assessed valuation is always far below the selling price.

Mr. SNELL. I will admit that, but I would like to know if lands there are assessed anywhere near $200 an acre.

Mr. CRAGO. This is fine land, lying 3 or 4 miles from the great city of San Antonio, and you can readily recognize the fact that with railroad facilities and macadamized roads, and everything of that kind, with the land practically contiguous to the city of San Antonio, it is valuable land. Kelly Field No. 2 is really the flying part of Kelly Field, Field No. 1 being used for different purposes. The storage and supply base is at Kelly Field No. 2. At Kelly Field No. 1 they bought the land several years ago at approximately the same price.

Now, to salvage this plant or to move off from it and pay the damages and pay rental, we thought was not good business judgment, and as the two plants work properly together, it is a splendid location for the Aviation Service. There is no question about that, especially in view of what some people think may be our military activities in the near future.

Mr. SNELL. As nearly as I can learn, we go into various parts of the country and establish a school, raise the price of the land two or three or four times, and then pay the increased price when we come to buy it.

Mr. CRAGO. That is true in some cases. In others it is not. These projects were all started as war projects, and these locations were made by the different forces. All we could do was to take these locations as we found them, and determine in our own mind what was the best business proposition for the Government.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. WALSH having taken the chair as Speaker pro tempore, a message from the Senate by Mr. Dudley, its enrolling clerk, announced that the Senate had passed without amendment H. J. Res. 260, authorizing the payment of officers and employees of Congress for December, 1919.

The message also announced that the Senate had passed the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, in which the concurrence of the House of Representatives was requested.

AMENDMENT TO THE ARMY APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

Committee amendment: Page 9, line 18, add the following: "For purchase of real estate and acquisition of oyster rights at Langley Field, Va., $12,000.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

For general construction at Selfridge Field, Mount Clemens, Mich., $35,000.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out lines 5 and 6, on page 10.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. LAGUARDIA: Page 10, strike out lines 5 and 6.

Mr. LAGUARDIA. Mr. Chairman, now with the cooperation of the distinguished gentleman from North Carolina [Mr. KITCHIN], who was so willing to help us on Selfridge Field, we are back to it, and here is an appropriation of $190,000 to buy land, the price of which has not yet been fixed. This House has not yet decided whether we are going to buy that land, and we find ourselves in this position, that we are appropriating money for land which we have not decided to buy, the price of which has not yet been fixed, and the matter is still in court to ascertain its value, if any.

Mr. KITCHIN. Does not the gentleman know that I voted with him awhile ago on the Selfridge Field proposition?

Mr. MANN of Illinois. Oh, no Democrat voted with us.

Mr. KITCHIN. Two Democrats voted; yes—myself and another gentleman.

Mr. LAGUARDIA. Can not the gentleman get me more Democrats on this amendment?

Mr. KITCHIN. I am going to vote with the gentleman on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. ANTHONY) there were—ayes 47, noes 13.

So the amendment was agreed to.

Mr. KITCHIN. Now, I want to know whether the gentleman from Illinois wants to go back to Chanute Field with his amendment?

Mr. MANN of Illinois. Sure, I would in a moment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Committee amendment: Strike out all of line 7, page 10.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Strike out, page 10, lines 8 and 9, as follows: "Total for Air Service, $1,497,202.33."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Insert, lines 8 and 9, page 10, the following: "For purchase of Curtiss-Elmwood plant at Buffalo, N. Y., $1,804,300.49.

Mr. LAGUARDIA. Mr. Chairman, I will ask the attention of the committee to this item. I want to point out that the only argument presented for the expenditure of $1,804,300.49 is that an agreement was made with the Curtiss Co., of my State, if you please, whereby they promised the Curtiss Co. to take the Elmwood plant off their hands. After the armistice, and when we had stopped producing at that factory, they began to use the plant for storage purposes, and are now so using it. It is chock full of motor transport equipment. Mark you, this is a

factory, with machinery in it, and it is full of motor trucks for storage, and we are paying rent for it.

Mr. CALDWELL. How much?

Mr. LAGUARDIA. Three hundred thousand dollars a year, and they come to us and say, "Now, you have got to pay this amount, because if you do not, in three years we will get that much money from you anyway." It is as clear a case of holdup as was ever presented to this House, and I refuse to be held up by the Curtiss people or anybody else in my State or elsewhere.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. HICKS. Is there any machinery in this plant to manufacture aeroplanes?

Mr. LAGUARDIA. There is.

Mr. HICKS. What is the capacity of this plant?

Mr. LAGUARDIA. Oh, I do not know. It is a big plant.

Mr. HICKS. How much?

Mr. LAGUARDIA. I do not know. Hundreds of planes.

Mr. DEMPSEY. I will answer that. The capacity of the plant is 1,300,000 square feet.

Mr. HICKS. I mean the capacity with respect to turning out planes.

Mr. LAGUARDIA. Oh, I do not yield to the gentleman from New York. I have only a few minutes.

The CHAIRMAN. The gentleman from New York declines to be interrupted.

Mr. LAGUARDIA. It is not now being used as a factory, but we are paying a factory price for the rental of it.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. DEMPSEY. They did use it as a factory all during the war.

Mr. LAGUARDIA. That is correct.

Mr. DEMPSEY. And it is one of the largest factories in the United States.

Mr. LAGUARDIA. It was.

Mr. DEMPSEY. And it was used until aeroplanes were generally discontinued in the country.

Mr. LAGUARDIA. Yes.

Mr. DEMPSEY. And the situation is one that is not peculiar to this plant, but is a general situation which prevails, owing to the fact that they have discontinued aeroplane work.

Mr. LAGUARDIA. Is any other factory coming to us now and saying, "Take our plant off our hands"?

Mr. DEMPSEY. I do not know, but I will tell you about this plant in a moment, and why you should buy it. I do not want to take up the gentleman's time.

Mr. LAGUARDIA. I have some startling information on the next item of this bill.

Mr. DEMPSEY. Oh, I think we ought to confine ourselves to this item now.

Mr. LAGUARDIA. I will confine myself to this item. That is the whole proposition. The only justification for it is that they are charging us an exorbitant rental of $300,000 a year. We can move that equipment out of there. We have motor transport troops. Let us move the equipment out; let us go into this thing and find out what this agreement was with the Curtiss people and then appropriate for it, if we have to buy it, and if we have to pay factory rental for the building let us use it as a factory and not as a storage warehouse.

Mr. FISHER. The gentleman says that we could move this out? Where would we move it to?

Mr. LAGUARDIA. Does the gentleman mean to say that after all of the millions of dollars we have spent for equipment of Army posts and cantonments we have not a place to transport this motor-transport equipment?

Mr. FISHER. I would like to have the gentleman state just what warehouse or what place we have room for it, in which we could put this equipment now at Buffalo.

Mr. LAYTON. Then let us sell it.

Mr. LAGUARDIA. Then the gentleman would admit that we are being held up.

Mr. FISHER. I do not admit any such thing.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANTHONY. Mr. Chairman and gentlemen of the committee, while I have the greatest respect in the world for my colleague, Maj. LAGUARDIA, as a brave flying officer and a distinguished legislator, his business judgment as expressed upon the proposition of the acquisition of this Curtiss-Elmwood plant will hardly pass at par with me. The subcommittee of the House Committee on Military Affairs has most carefully investigated every phase of this proposed purchase. I only regret that Maj. LAGUARDIA, who was named as a member of that subcommittee, could not find the time to accompany the committee and participate in the hard work and labor it put in in the investigation of this and other aviation propositions. [Applause.] To any man who knows enough to operate a peanut stand on a corner and make a profit [laughter and applause] the question of the purchase of the Curtiss-Elmwood plant from a business standpoint is at once apparent. It is proposed to take over this plant at a cash cost to the Government of $1,800,000.

The building is a modern concrete and steel structure on 77 acres of ground in the midst of the manufacturing district of Buffalo, N. Y., that cost the Curtiss Co. $6,300,000 to build of their own money. We are now using it as a storage proposition pure and simple for Army trucks and for other surplus material.

Mr. HICKS. Will the gentleman yield?

Mr. ANTHONY. I would rather complete this, but I yield.

Mr. HICKS. Are we buying this as a factory or as a storehouse?

Mr. ANTHONY. As a storage proposition at this time.

Mr. CALDWELL. The gentleman would not impress the committee with the belief that it can not be used as a manufacturing proposition?

Mr. ANTHONY. It is equipped with the most modern machinery and can be turned over to-morrow in the production of aeroplanes, and I may say there are large automobile-manufacturing interests who are now trying to get this property away from the Government for their own purposes. We have stored there in that 1,300,000 feet of storage space available, which Gen. Marshall, of the Construction Corps, says it will cost $3 a foot to build at this time, $55,000,000 worth of Air Service surplus material, in addition to 3,000 Army trucks—Packard and General Motors Co. trucks—which are stored in one end in the middle of that concrete factory—one of the best pieces of storage work the committee saw in any place. We are paying for that factory $312,000 a year rental. We are advised by the authorities that we will need it for four years more. There is $1,200,000 rent. If we are compelled to move to some other place of storage, they say it will cost $300,000 merely to transfer the material from there to other storage points. That is the amount of money the Government would be compelled to pay out for rent or for moving that immense amount of material.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. I would ask that the gentleman have five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN of Illinois. How was the price fixed?

Mr. ANTHONY. I want to go into that phase of it. During the progress of manufacturing contracts which were held by the Curtiss people by our Government for the manufacture of aeroplanes the War Department advanced to them a total of $8,000,000. About $4,000,000 of this amount was taken up in the settlement of aeroplane contracts, leaving about four million and some thousand dollars over unpaid on the part of the Curtiss Co. Then came up the question of adjustment of the cost of this factory with the Curtiss people in connection with their Government contract. That contract provided that the Curtiss Co. should be awarded by the Government the difference between the war cost of that factory, $6,300,000, and its value to the Curtiss Co. as a peace-time proposition. The board of appraisers which was appointed under the provisions of that contract brought in a ridiculously low valuation of 7½ per cent as the peace-time value of this plant to the Curtiss Co., which, if that award had been allowed to go through, would have meant that the Curtiss Co. would have been able to retain the plant and have been able to cancel their obligation to the Government and receive $454,000, the 7½ per cent involved. The conference committee which had under consideration the last Army appropriation bill refused to carry an appropriation through at that time which was based upon that award. We have since investigated the matter and given it most careful scrutiny, and we believe it is a sound, safe proposition, and the sensible thing to do, to take over the plant at the price named in the bill.

Mr. MANN of Illinois. Does the gentleman yield for a question?

Mr. ANTHONY. I will yield.

Mr. MANN of Illinois. How does it happen that we pay $300,000 rent for property that we can buy at $1,800,000?

Mr. ANTHONY. That was the price agreed upon before any purchase proposition was contemplated.

Mr. MANN of Illinois. Well, that would seem to make it still worse. The Government agreed to pay rent at $300,000 a year for property worth less than $2,000,000?

Mr. ANTHONY. The property cost $6,300,000 to the Curtiss Co.

Mr. MANN of Illinois. Well, was that Government money?

Mr. ANTHONY. No; that is the Curtiss Co. money, not furnished by the Government.

Mr. MANN of Illinois. I thought the gentleman was definite in his statement, but I must confess now I do not understand him.

Mr. ANTHONY. What is it the gentleman does not understand, and I will try in my feeble way to clarify it?

Mr. MANN of Illinois. The gentleman was very clear before, and I can not understand how this price is arrived at.

Mr. ANTHONY. I think I have figures here that will give the idea. Of course, the question of the amortization of the value of that factory to the Curtiss Co. is involved in this whole transaction. The Curtiss Co. still owed the Government, as I understand it, over $4,000,000 of the unpaid balance. Now, as the bookkeeping is kept, the department has charged off $4,000,000 of that amount on its books with the Curtiss Co., feeling certain that in any settlement that is made that amount of amortization would be taken care of.

So that the difference between the $6,114,126, which the Curtiss people claimed the plant actually cost them—that is, the net figure—and the amortization which is actually paid in this settlement of $4,309,825.54 makes $1,804,300.49, the amount asked for in the present bill as a proper, equitable price to be paid for the plant.

Mr. SNELL. Will the gentleman yield for one more question?

Mr. ANTHONY. I yield.

Mr. SNELL. And the Government has already over $4,000,000 in this plant at the present time?

Mr. ANTHONY. Not in the plant.

Mr. SNELL. If they furnished the Curtiss Co. this money and charged it off the books, they really have it in the plant.

Mr. ANTHONY. Of course, you might say that.

Mr. SNELL. And we are simply completing the purchase?

Mr. ANTHONY. That may be true.

But the balance of this $4,000,000, I understand, is involved in what would be the actual amount of amortization finally allowed. The board of appraisers made it as low as 7½ per cent, which is a too ridiculously low value to put on it. It gave the Government the worst of it.

Mr. SNELL. There was no Curtiss money in the plant?

Mr. ANTHONY. Do not confuse the loan to the Curtiss Co. with the cost of the construction of the plant.

Mr. DEMPSEY. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. LAGUARDIA. Mr. Chairman, I object for the time being. If he will renew his request at the end of the five minutes——

The CHAIRMAN. The gentleman from New York [Mr. DEMPSEY] is recognized for five minutes.

Mr. DEMPSEY. Mr. Chairman, the chairman unwittingly said that the cost of this plant was $6,300,000. The report shows the cost was practically $7,000,000—$6,943,000. The plant itself covers about 30 acres. There is no better plant in the United States for any manufacturing purpose. It is an absolutely modern, up-to-date plant, built in the most modern way, of the best material, and it is the best fitted plant in the United States for future work in aircraft production. And it was used for aircraft production until we ceased in our efforts to make aircraft.

Mr. HICKS. How many planes did they turn out? Does the gentleman know?

Mr. DEMPSEY. I do not know. I know they did a great deal of work there; that they had thousands of men employed throughout the war.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. DEMPSEY. In just one moment, and I will.

In addition to this modern plant, which is, as I say, as good a plant as you can produce, the plant has with it 79 acres of land in a large city, one of the best cities in the country, land that is bound to increase in value, and is of very great value at the present time, something like 30 acres being in the plant proper. So you have this situation: You have a plant that cost $7,000,000; you have a plant that is thoroughly up to date; you have a large acreage of land in a big city, in a city that is growing very rapidly. And now, what is the situation of the United States with regard to it? Let us take the present. For the present you are in this position: You have $55,000,000 worth of property stored in it, and what are you going to do with it in the event that you abandon the plant? Nobody has made any provision; nobody can point to any near-by place where these supplies can be stored; nobody can say what it will cost to store them; nobody will say where you can find a place in which to store them.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. CAMPBELL of Kansas. What kind of property is stored there that is valued at $55,000,000?

Mr. DEMPSEY. There is the most modern kind of machinery for aircraft production, and there is something like 3,000 trucks and automobiles—high-priced automobiles, like the Packard—stored there, end on end, just as closely as they can pack them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEMPSEY. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Will the gentleman yield to me right there?

Mr. DEMPSEY. I yield to the gentleman.

Mr. GREEN of Iowa. With what the gentleman is saying about the land that is connected with this, the size of this great factory, and valuable machinery that is in it, it seems to me that the Government might use it for storage purposes and get this amount out of it. What does the gentleman think of that?

Mr. DEMPSEY. It seems to me they ought to get much more than the price out of it. Anybody who knows anything about the frontier will agree with me that land on the frontier not only in Buffalo but all the way down the river is absolutely jumping in value, and you have 79 acres of land there at Buffalo. You have, besides, this enormously valuable plant. Then you have this property that is stored in it. And what is the situation as to storage? I am not saying whether or not the Government made a wise contract in agreeing to pay the amount which it has agreed to pay, but the fact is the Government has agreed to pay $300,000 a year for storage, and it will eat up the entire purchase price before you know it, and instead of having this plant, with its land increasing rapidly in value; instead of having in the future a splendid plant for aircraft production at this great city of Buffalo, midway between the centers of population in the United States; instead of having this land that will produce a profit; instead of having all of it at the end of a short time you will have nothing. You will simply have paid out the $300,000 a year and have nothing to show for it.

Now, I am sure that the gentleman from New York [Mr. LAGUARDIA], who was able to impress his personality so favorably upon the great electorate of the city of New York, is not going to maintain the statement that this is not a wise purchase without basing it on facts, and he did not produce any facts to show that the electorate of Buffalo, the largest city in his State outside of the great center which he so ably represents, is trying to do anything here that is dishonest or that is to the disadvantage of the country. That is not true. The gentleman on reflection will not attempt to say that, but will recognize the situation as being one which in business prudence demands the purchase of this property at the very low price at which it can be acquired.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. HICKS. I am in favor of the gentleman's proposition. I want to ask the gentleman this question: In the hearing before the Committee on Military Affairs of the Senate the fact, I think, was developed that since the armistice was signed about 90 per cent of our aircraft production has been liquidated. Is it not a proper thing for the Government to have in reserve a factory of this kind, so that in case of an emergency we can have some chance of speedily building up an aircraft service?

Mr. DEMPSEY. I think so. I think the location is absolutely ideal, and I do not think there is a better plant in this country, or in the world.

Mr. HICKS. I agree with the gentleman thoroughly.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. BUTLER. I read here that this building cost the Curtiss people over $6,000,000.

Mr. DEMPSEY. Yes; practically $7,000,000.

Mr. BUTLER. Now, when we pay practically $1,800,000, how much will this building have cost the Government?

Mr. DEMPSEY. I can not tell what the arrangement is. I am not familiar with the arrangement.

Mr. BUTLER. It would cost the Government more than this figure, would it not? We can not get a $7,000,000 plant for $7,000,000 when there are other bidders, can we?

Mr. DEMPSEY. You are going to get a $7,000,000 plant for less than $2,000,000.

Mr. BUTLER. I can not understand how that can be. [Laughter.]

Mr. DEMPSEY. That ought not to trouble the gentleman.

Mr. BUTLER. But it does trouble me, and I can not help having it trouble me.

Mr. DEMPSEY. The fact that in this rare instance the United States is making a very good bargain should not trouble any of us.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BUTLER. How much will it cost?

The CHAIRMAN. There is not anything pending but the committee amendment. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For purchase of Dayton-Wright plant and real estate at Dayton, Ohio, $2,740,228.

Mr. CALDWELL. Mr. Chairman, yesterday I promised the gentleman from Kansas [Mr. LITTLE] that I would insert certain data in the RECORD. I now ask unanimous consent to extend my remarks in the RECORD in order to insert the data referred to.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. CALDWELL]?

There was no objection.

Following is the matter referred to:

The military necessities are illustrated from the official cables of Gen. Pershing on the subject, beginning almost with his first cable to this side, No. 85, of August 8, 1917:

"PAR. 3. Study here shows value and desirability of retaining our existing small arms target practice courses. In view of great difficulty in securing ranges in France due to density of population and cultivation, recommend as far as practicable the complete courses be given in United States before troops embark. Special emphasis should be placed on rapid fire."

Again, on September 25, 1917, cable No. 178:

"PAR. 1. Referring paragraph 3, my number 85, longer experience conditions in France confirms my opinion highly important Infantry soldiers should be excellent shots. Thorough instruction and range practice prescribed our small arms firing manual very necessary. Our allies now fully realize their deficiency in rifle training. Difficult secure areas for target ranges in France even now when crops off ground. Much greater difficulty soon when plowing begins. After ground secured in France considerable time required for troops to construct ranges and improvise target material. In theater active operations this time should be available for intensive training new weapons and formations. Therefore strongly renew my previous recommendations that all troops be given complete course rifle practice prescribed our firing manual before leaving United States. Specialty of trench-warfare instruction at home should not be allowed to interfere with rifle practice nor with intensive preliminary training in our schools of soldiers, companies, and battalions."

Again, on October 21, 1917, his cable No. 228:

"PAR. 16. Recommend that instruction of divisions in United States be conducted with a view to developing the soldiers physically and in knowledge of sanitation, inculcating high standards of discipline, producing superior marksmanship both on the range and in field firing exercises in large bodies. Close adherence is urged to the central idea that the essential principles of war have not changed, that the rifle and bayonet are still the supreme weapons of the Infantry soldier and that the ultimate success of the Army depends upon their proper use in open warfare."

The next is dated December 22, 1917, his No. 408:

"PAR. 1. Reference training of troops in United States, deficiencies noted here indicated, first, great laxity on the part of division and brigade commanders in requiring officers to learn their duties or to perform them efficiently; second, almost total failure to give any instructions in principles of minor tactics and their practical application to war conditions. Officers, from colonels down and including some general officers, are found ignorant of the handling of units in open warfare, including principles of reconnoissance, outpost, advance guard, solution of practical problems, and formation of attack; third, no training whatever has been given individual target practice on the range. Many officers of high rank are hopelessly ignorant of what this training consists of.

"SUBPAR. B. Suggest that important work in practical application of tactics and thorough training in musketry for all units be taken by Maj. Gen. John F. Morrison, and that these subjects be presented to our troops in great detail by his office; also, that all officers of whatever rank, including those in Regular Army, be held up to a high standard of accomplishment. Many of our high regular officers do not know how to instruct men practically, and they should either be compelled to learn or be removed.

"SUBPAR. C. I would recommend Maj. Gen. Richard M. Blatchford, National Army, as assistant to Maj. Gen. John F. Morrison, as Gen. Blatchford's experience in musketry should be invaluable. Too much importance can not be placed upon this sort of training as exemplified in our school of musketry at Fort Sill, Okla., the elements of which should be thoroughly pounded into our Infantry.

"PERSHING."

No. 952:

"SUBPAR. IF. Great battle now raging makes certain that too much trench warfare militates against successful conduct great operations. Morale troops long accustomed duty in trenches lowered thereby. When driven into open, men have feeling nakedness and helplessness. Current great battle also emphasizes extraordinary value highly trained riflemen and machine gunners.

"SUBPAR. IG. Recommend, therefore, following outline for training in United States: Thorough instruction in marksmanship to include known-distance firing for all men to 600 yards and in battle practice after method school musketry. Production excellent close-order drill gain of high discipline. Thorough instruction, both officers and men, in open warfare. Small units should be thoroughly grounded in patrolling in all forms of ——— and in attack and defense of minor warfare. Problems for such should customarily be prepared by next higher commander.

"PERSHING."

No. 990:

"PAR. 2. Reference target practice, have been informed that none of our troops have had practice above 300 yards. Consider this very grave oversight that should be corrected as soon as possible. Target practice should embrace instruction in skirmish firing and practical application of the principles of fire direction, control, and discipline, with especial emphasis upon instruction of your officers in musketry as applied to tactical problem in open warfare. Request advice as to action taken upon above recommendations, and also information regarding what instruction has been carried out in divisions to come over within the next three months.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out lines 10 and 11 on page 10.

The CHAIRMAN. Will the gentleman allow the Chair to make a suggestion?

Mr. LAGUARDIA. Yes.

The CHAIRMAN. These lines are being offered by the committee now as an amendment. They will have to be voted on, anyway.

Mr. LAGUARDIA. Then I want to oppose the amendment.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONGWORTH. Is not this item in the same category with all the items on pages 8 and 9, which by unanimous consent were read as original items?

The CHAIRMAN. They have application to that part of the bill which was stricken out, on pages 3, 4, and 5. Then the original bill began on page 8, relating to the Air Service, and continued on down to the roman letters, and then, wherever items appear in italics, they are supposed to be committee amendments.

Mr. LAGUARDIA. Then, I understand, this is a committee amendment?

The CHAIRMAN. It is a committee amendment.

Mr. LAGUARDIA. Then I rise for the purpose of opposing the committee amendment. I ask the attention of the committee on this item. Here, fortunately, we are not confronted with the situation that this plant is chock full of Government property, and that we are paying $300,000 rent. There is no Government property on this land.

Now, then, gentlemen, what is the situation? At the outset of the war we had an Aircraft Production Board, and we had certain gentlemen who had a great deal of influence on this board, who moved the technical section from Langley Field, where it was originally placed, and put it on the McCook Field, at Dayton, Ohio. We leased McCook Field from the city of Dayton, and we are now paying rent for the McCook Field.

This Dayton-Wright Field is owned and controlled by the same people—the Moraine Development Co., Col. Deeds, and that crowd. This lease, mark you, of the McCook Field expires in 1927. They want us to release McCook Field and give up that lease and buy permanently the Wright-Dayton plant, and they ask for it $2,740,228. We have spent large amounts on McCook Field and it is greatly enhanced in value. As was stated yesterday, Mr. Chairman, McCook Field is a dangerous flying field. Then why did they move it from Langley Field, where we had sufficient space and grounds to carry on experiments, and move it to McCook Field? Testing work is always dangerous. We are always bound to have accidents where we have testing work. But why did we abandon Langley Field and take McCook Field? They tell us that we must stay in Dayton, Ohio, because it is the only place where we can get the necessary mechanics. That is incorrect. Philadelphia is a good center. The Navy plant is located there. Langley Field is a short distance from Newport News and Hampton. We have mechanics there. There is no earthly reason why we should appropriate $2,740,000 now for this land scheme. Everybody in this committee knows that I am doing all I can to develop aviation in this country, but I am also doing all I can to stop the expenditure of millions of dollars that are being wasted on the purchase and improvement of swamp lands and land schemes like the Dayton-Wright project.

The distinguished gentleman from Kansas a few moments ago made a comparison with the corner peanut seller. I quite agree with the gentleman——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. LAGUARDIA. I quite agree with the gentleman from Kansas that a hard-working peanut seller on the corner, who pays value for his goods, and gives value in his five-cent package, can not comprehend such an outrageous steal on the Treasury of the United States as this project. While we were at war these same people to whom you now bow planned and schemed

this project. They moved out of Langley Field, where we had a good plant, and took it to McCook Field, and we paid the high rent. They knew that they had this plant next door, and now they come to you to get back McCook and sell their other land, and you are falling for it. I call the attention of the committee to this scheme, and it is only a scheme to get $2,608,000.

The air service does not need it. We can continue at McCook Field for a little while longer or we can go to Langley Field, and I urge your support in defeating this amendment and saving $2,608,000.

Mr. ANTHONY. Mr. Chairman, the purchase of the Dayton-Wright plant at Dayton, Ohio, does not come to the Committee on Military Affairs from any clique of men at Dayton, Ohio, or any men who have been involved in past waste of public money or peculations of public funds in the manufacture of aircraft. The proposition for the purchase of the Dayton plant comes to the committee from the officers of the air service of the Army, as honorable a body of men as I know of any place in this country. [Applause.] The proposition comes with the indorsement of the Secretary of War, whom I have never heard accused of being a dishonest man, and in the mature, careful judgment of the committee this is another manufacturing proposition wherein it is perfectly clear to the man who sits down and realizes the purpose for which the plant is desired, no matter who the man is that we are going to buy it from, no matter what his character may have been, or what he may have done during the war. It is to the distinct advantage of the Government to buy this plant if it intends to build an engineering development plant for the air service of the Army.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. ANTHONY. In a moment I will be glad to yield. We did try to provide such an engineering plant at Langley Field, and spent millions there, but it has been a failure, for the simple reason that they can not and could not get the skilled mechanics at Langley Field with whom to operate the plant. It was then moved to Dayton, Ohio. A temporary plant was built upon McCook Field which is now serving that purpose. The land there is not owned by the Government and it is not land adapted for the purpose. It is plain to anyone who visits the ground that it is absolutely necessary either to move the plant or to construct permanent buildings on the same ground, which would be very undesirable.

The most available plant is the old plant of the Dayton-Wright Co., 5 miles from Dayton.

The situation there is that this plant was built by the Dayton-Wright people at a cost of approximately $1,000,000 during the war to take care of Government contracts. During the war the Government put $690,000 more into extensions of buildings. By this proposition we secure the original building for $390,000 in money, as I understand it.

In addition to that main building we propose to buy the Moraine tract, as it is called, 800 acres more of valuable land which has two very valuable manufacturing buildings upon it which the Government can utilize, at a cost of half what it will cost to build anew. We are in addition providing a little more than $1,000,000 for new construction that will be involved there. We are asking for a total of $2,740,000, and the Air Service officials tell us that if they had to locate the plant some place else and build it entirely anew, based on present costs of construction, would cost the Government from $7,000,000 to $10,000,000. It is a business, economic proposition, like the other, in my opinion.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from New York.

Mr. LAGUARDIA. Will the gentleman tell us what we expect to pay for the Moraine land?

Mr. ANTHONY. Yes.

Mr. LAGUARDIA. How much an acre?

Mr. ANTHONY. I think it is approximately $700 or $800 an acre.

Mr. LAGUARDIA. Does the gentleman know the assessed value of that land?

Mr. ANTHONY. Oh, yes. The gentleman mentioned that the other day.

Mr. LAGUARDIA. It is $85 an acre.

Mr. ANTHONY. Assessed valuation does not always carry the true value of land in all localities.

Mr. LAGUARDIA. There is a big difference between $85 and $800.

Mr. ANTHONY. We went all over this land. It is located in the Miami Valley and is first-class agricultural land, probably as good as there is in the State of Ohio, and worth certainly $300 an acre. It is within a few miles of Dayton, surrounded by beautiful homes on the hills on one side of it, and will soon be in what will be a manufacturing suburb of Dayton; and while $800 an acre may be high, it is within the range of values of land in the locality.

Mr. BLAND of Virginia. Mr. Chairman, I move to strike out the last word. It is peculiarly significant that the information that skilled experts can not be obtained at Langley Field came from the aviation department. I presume the chairman knows nothing about that. The House Military Affairs Committee are compelled to take the advice of the Army.

Now, gentlemen, Langley Field, which has been constructed at an expense of over $8,000,000, is located within 10 miles of the plant of the Newport News Shipbuilding & Dry Dock Co., where the highest skilled experts in the United States are to be found.

They have gotten them for that concern and kept them there without any trouble, and I submit, Why could they not get experienced men at Langley Field?

Mr. LAGUARDIA. I would state to the gentleman that it is not so that we have abandoned Langley Field. We have two squadrons there, and we are contemplating putting a school of application there for aviation, and we can use Langley Field as an ideal technical school.

Mr. BLAND of Virginia. Of course; and just across the water from Langley Field the Navy is maintaining its aviation plant. I am not an aviator and I do not know what expert service is required, but I do know that if we get experienced men at the Newport News Shipbuilding & Drydock Co.; if you can get them in Norfolk, just a short distance away; if you can get them at the naval base, which is just across the water, then you will be able to get them at Langley Field. It is an absurd proposition to talk about abandoning that and spending about $2,740,000 elsewhere. I defy the Army to produce any evidence to sustain any such proposition. The Military Affairs Committee, of course, is taking the statement of the Army in that respect.

Mr. HULL of Iowa. Mr. Chairman, the gentleman from Virginia defies any military authority to demonstrate that Langley Field is not a proper place.

Mr. BLAND of Virginia. Mr. Chairman, will the gentleman yield? Is the gentleman qualified?

Mr. HULL of Iowa. I want to call the gentleman's attention to the fact that the location of propositions of this kind within 150 miles of the Atlantic coast has been condemned by two boards of military experts.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. No. I want to call the gentleman's attention to the fact, and also the attention of the committee to the fact, that you have not in this country anything like this plant for an engineering school.

Mr. EVANS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. No. The present condition of the production and development of aircraft is deplorable in this country. The gentleman from New York [Mr. LAGUARDIA] has been holding hearings, and I am a member of the subcommittee that has been with him, and every witness that we have had for the last two weeks has made the statement that we have not the proper facilities for the production of aeroplanes in this country to-day. I do not know, no man knows, what the future of the aeroplane is as a defensive measure, but we all realize that it is a very important instrument of warfare, and if you, by your votes to-day, take that item out of the bill you remove one of the big items for the protection of your country, and for this reason it should remain in there.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. No. It should remain there for the protection of the city which lately honored the gentleman from New York.

Mr. LAGUARDIA. Is the Dayton-Wright plant producing anything now or is it contemplated to produce anything there?

Mr. HULL of Iowa. Everyone knows that the McCook Field, at Dayton, is producing to-day, and it is the only engineering school in the Army. We want this Dayton-Wright plant to remove the McCook Field to.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. McKENZIE. Does the gentleman from Iowa favor the proposition of having the Army undertake the manufacture and the development of aircraft machines?

Mr. HULL of Iowa. I do not care to go into that controversial question at this time. I do know that the Army has to have an engineering school, and I would say further that I was one of the members of the committee that objected to this item. I think I was the last member of the committee to give in, and since then I have found out so much that I am more and more in favor of that item than I am of any other item. It is the one

item that we have got to have, an engineering school for aeroplane service.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. SNELL. The first item in the bill provides for the purchase of a building, $300,000. On what ground does this building stand? Who owns the ground?

Mr. HULL of Iowa. The Dayton-Wright Aeroplane Co. owns it.

Mr. SNELL. And when we buy this do we buy the land that this building stands on?

Mr. HULL of Iowa. Yes.

Mr. SNELL. That is included?

Mr. HULL of Iowa. Yes; and there are a lot of other things included. There are residences and a lot of other property there. As the gentleman has said, the entire property value to replace it would be four or five million dollars.

Mr. SNELL. What can be done here that can not be done at the Curtiss plant in Buffalo?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SNELL. Mr. Chairman, I ask unanimous consent that he be given two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SNELL. What is it proposed to do here that can not be done at the Curtiss plant?

Mr. HULL of Iowa. I had thought of that very thing, and it might be possible to concentrate everything in Buffalo, but as a matter of fact that should not be done. We should not place all of our eggs in one basket, and that is just what you are contemplating when you contemplate placing all in Buffalo. We will not have too much of the production of aeroplanes. As a matter of fact, I do not believe that we are to have very much commercial aviation for a very long time. No man can tell how it is going to be developed commercially, but we must have development for proper defense.

Mr. SNELL. What is it proposed to do with the property that we have leased for eight years yet?

Mr. HULL of Iowa. The gentleman means at McCook Field?

Mr. SNELL. Yes.

Mr. HULL of Iowa. The city wants that. It is in the city.

Mr. LAGUARDIA. And that is the whole propositon. The city wants it back and wants to dump something else on the Government.

Mr. HULL of Iowa. It is an unsafe proposition to have the plant at McCook Field.

Mr. SNELL. Why was it put there with a long lease?

Mr. HULL of Iowa. Simply because it was like a great many other things in an emergency. It was thought best to do it.

Mr. LAGUARDIA. That is it—millions and millions in land and that is why we have not any planes.

Mr. SNELL. The last item of $1,283,000 is for new construction, buildings, and so forth.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. GARD. Mr. Chairman, the country is face to face with a business proposition in a matter of the development of aircraft. When we went into the war, of course, the aircraft industry had only reached a limited development. Now that the war is ended practically 90 per cent, as has been testified by the gentleman from New York, of the aircraft industry has been liquidated. It is essential for the national protection that the engineering department of the aircraft industry be made permanent. In the matter of this item which has been advocated by the Committee on Military Affairs I think it has been well stated that the request comes from nobody in the city of Dayton, comes from no real estate clique, comes from no organization which seeks to get public money, but comes from the War Department of the United States. I have in my hand, and I read it with the privilege of the War Department, a report made by Capt. Estabrook of the Department of Engineers, who was sent out to Dayton at the request of the Air Service to find out about the present value of this site. Now, I only desire to read a little bit from it so you may be advised. Maj. Estabrook says:

That under no conditions should this proposal be rejected, but the sale should be consummated at once. Should the Air Service abandon this project the United States should exercise its option and acquire the plant, thereby saving their investment. It is firmly believed that if the United States acquires this property the same can readily be sold for $1,500,000, resulting in a saving of over $1,000,000.

Now, the proposition in brief is this: The experimental field is located at what is called McCook Field. The gentleman from New York [Mr. LAGUARDIA] has said that the lease of that expires in 1927. In this he is in error. I also have in my hand, and I read with the approval of the War Department, a statement showing in detail—I would be pleased to read it in full if I had time—the leases, of which the longest lease is for a period of 1922, and a great number of leases here are for eight months after the termination of the war. Now, McCook Field is at present an engineering field. It is necessary to have an engineering field and a number of things enter into it. First, you must have buildings, the proper buildings for doing the work. Second, you must have a field for the testing and the flying. Third, you must have a place which is secure. It must be a place in the interior of the country, or should be. Fourth, you must have a certainty of a labor market. Now, this McCook Field is something like 225 acres. It is not enough for testing and flying. South of the city of Dayton there is a place called the Dayton-Wright Field, which, with the contiguous land, is absolutely made to order for the continuation in the best proper place of a permanent engineering and manufacturing concern, and therefore the Committee on Military Affairs, which went there through its subcommittee some time ago, makes a unanimous report through that subcommittee in favor of accepting this common-sense business proposition, to take the place which appears of all places in the United States to be the best under the circumstances for the development of aviation. Now, as I said, there is no desire on the part of the city of Dayton or no desire on the part of anybody in the city of Dayton to profit in this matter.

Mr. EVANS of Nebraska. Will the gentleman yield?

Mr. GARD. If I had the time I would be glad to yield to anybody, because the matter is one I know particularly about, and I desire to afford all possible information.

Mr. EVANS of Nebraska. As I understand the gentleman, the price at which it is offered to the Government is much less than would be realized if it were sold?

Mr. GARD. Yes.

Mr. EVANS of Nebraska. What is it that induced the owners of that field to give something to the Government for nothing?

Mr. GARD. Oh, there is nothing in that.

Mr. ANTHONY. If the gentleman will permit, I desire to say in reply to such a question as that, that involved in this transaction is an investment in this Dayton-Wright plant of $690,000, which the Government put in during the war, in addition to the factory. If the Government does not buy the plant, it is allowed to go to the company at the appraised value; the Dayton-Wright people get this $690,000 additions to the factory for $64,000——

Mr. EVANS of Nebraska. I do not see the point, why they should not want to do that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARD. I will ask for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GARD. I will yield to the gentleman.

Mr. ANTHONY. So that in adjusting this matter of $690,000, which the Government has practically advanced to the company during the war for war purposes, the appraisal value would only be $64,000 in real money to go back to the Government if we do not buy the plant. Of course, that is a war contract we are face to face with.

Mr. EVANS of Nebraska. The owners of this plant intend to give up the profit on it and the difference between the bargain which the gentleman has just mentioned?

Mr. ANTHONY. Give up what?

Mr. EVANS of Nebraska. They intend to give up the profit, the difference between the selling price and the actual value of the plant, and likewise the difference between the money the Government advanced and the $64,000.

Mr. ANTHONY. I think the answer to that is that the same men owning the Dayton-Wright plant also are the principal owners of the Moraine Development Co., to whom we are to pay over a million dollars for their property.

Mr. GARD. In other words, Mr. Chairman and gentlemen of the committee, this proposition comes here in this wise: It is a recommendation of the War Department through several different agents sent out there from the Department of Engineers to investigate what was the actual value of the premises sought to be acquired under this item.

The value of the ground and buildings is absolutely honest and vouched for by the best men in the city of Dayton. It is the center of all aircraft activity in investigation now. It was the birthplace of the heavier-than-air machine. It is near a most progressive city, whose citizens will lend every aid to the success of aviation in America.

In addition to that, a committee of seven or nine—I do not remember which—from the Committee on Military Affairs of this House went to the city of Dayton. They were sent out

to determine the actual and present facts, and made an investigation, and they support this item. They went there to see the field, to see the buildings, and determine for themselves, with additional information from the War Department, what the value of the proposition was. So that the facts that are now presented to the House for their consideration of this item are, first, is there to be an engineering department of aviation? If so, it must be housed in the best possible place we can find. Of course, no one would say that there is no place in the United States other than this where that may not occur, but under the present conditions this is the most fortunate place at this time for the establishment of this field. Second, it is in the territory of the widest development of the best mechanical craftsmen in the country, and I say it with the utmost respect to other portions of the country. It is within a night's ride of Chicago, Detroit, Indianapolis, Toledo, and Cleveland, and all the cities where, by reason of necessity, are assembled the very best mechanical craftsmen in the country. It is necessary to have these men. It is necessary for the protection of this department, and it must be in the interior, away from the seaboard. Above all, here is a plant already completed, with buildings and grounds and everything, and if this plant be not accepted there must be an expenditure of at least $7,000,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I have listened very carefully to what has been said in support of this proposition by my distinguished friend from Kansas [Mr. ANTHONY], for whose judgment I have great respect and whom I ordinarily follow. But I can not follow him in this case. I know something about this matter myself. I have visited Langley Field. I have seen those splendid buildings, which cost somewhere from $8,000,000 to $10,000,000, the most elaborate of any I know in any of the aviation camps, and most of them not used at the present time. And what sense was there in moving this engineering camp to Dayton in the first place? Possibly during a war emergency they could not get the mechanics at that particular time. Suppose that is so; as the gentleman from Virginia has very well said, there is no reason why you could not get the mechanics at Langley Field at this time. Why should we talk about an engineering camp, a testing camp, not being located near the coast? I grant that a construction factory ought not to be located near the coast, but there is no reason why this testing field should not be located near the coast. And they say there has been many accidents where it is now located, because this building is near Dayton, near a large city. It is no nearer than the camp we have at Anacostia.

Mr. ANTHONY. Oh, yes; it is. The gentleman has made a misstatement.

Mr. GREEN of Iowa. I have not; because that is in the building part of the city, as the gentleman knows, and you can not get it any nearer. And I presume the gentleman and a large number of other Members of Congress have flown over this city without any accident. You can not take a flight from Bolling Field without going over this city or Anacostia. I have myself been over the Capitol at least a dozen times going back and forth.

Now, this is just simply a pure waste of money. The Aviation Department has no more need of this extra field than a wagon has for a fifth wheel. There is room, and room to spare, at Langley. It is not being used. It will not be used unless used for this purpose, and the only reason for this that I can see is because somebody wants this particular camp located near Dayton in order to increase the manufacturing capacity of that great city and the number of men employed there in some kind of way. There is no occasion for it whatever, and this item ought to be stricken out of the bill.

I place no reliance on the demands of Army officers, however distinguished they may be. If we yielded to their demands we would add to our appropriations at least a billion of dollars instead of reducing them, as we should. If we can not economize where we can get along just as well without, where will we economize?

The CHAIRMAN. The gentleman from Tennessee [Mr. FISHER] is recognized for five minutes.

Mr. FISHER. Mr. Chairman and gentlemen of the committee, there has been more loose talk about our Air Service since we entered the war than any other single thing connected with the Government. We have had more investigating committees to investigate that service than any other single branch of the Government. Now, the very distinguished and active gentleman from New York [Mr. LAGUARDIA] was absent from this country, probably flying over the Adriatic or making Liberty loan speeches for some of our allies, when a former Justice of our Supreme Court conducted an investigation of the Air Service and went into the details of the activities at Dayton, Ohio.

Thousands of pages of testimony were taken under his direction relative to all the transactions in and around Dayton, including matters relating to the plant now under discussion, and not a single thing that was wrong was disclosed relative to this matter. All of us who were here at that time knew that if anything could have been found which was adverse to the administration or which was wrong, as a matter of fact, it would have been found, because we knew the man that was at the head of that investigation, regardless of which side of the aisle we sat upon, was a most distinguished investigator, because all of us remembered the very splendid services he rendered in the State of New York in a very large investigation relating to insurance matters. After that investigation there were others, and the very distinguished gentleman from New York [Mr. LAGUARDIA] has not had the time since he got out of the service because he has been running for office and he has been holding hearings relative to a separate Air Service, all of which is a splendid work, to investigate and carefully study the reports made by these different investigating committees.

We have an investigating committee—the Select Committee to Investigate War Expenditures—and if there had been anything wrong with these transactions at Dayton, Ohio, they would have taken a bee line to discover something in order to make it known to the people of this country. The reason I say this—and I had not intended to speak on this matter—was the expression of "steal" and the expression "these same people." That is an expression with nothing definite to stand upon. When a man makes a charge of "steal" and refers in an insinuating way to "these same people," I want him to say what is known that is definite to substantiate the charge. This Government has spent hundreds of thousands of dollars to find the cause of the delay on the part of the Air Service, and to find out if there had been any graft or illegal acts in the aviation activities, and the man is not here now that can say truthfully that there was crookedness or graft relative to the Dayton proposition.

We have an investigating committee which was appointed in accordance with the provisions of the act of Congress approved March 3, 1915. It is called the National Advisory Committee for Aeronautics, and their report, which has been made to Congress within the past few days, tells us the real cause of the delay on the part of the Air Service. I will not read it all. I will read one paragraph:

> The science and art of aeronautics made wonderful progress during the war, due to the stimulus of necessity. Over 11,000 aviators were trained in the country, with a loss of 264 lives in training, and more than 13,000 airplanes were constructed in the United States. There were great delays, however, in getting an effective air force into action during the war, due primarily to the general lack of preparation for war, but particularly due to the lack of a proper scientific and technical foundation before the war.

That indicates to me that there is one committee without any partisan spirit that has found the true cause of the delay on the part of the Air Service. That means that as Members of Congress it is our duty to prepare this country along scientific and technical lines. In other words, we have got to have an experimentation plant, and where would we put it? When we think of aviation and aeronautics we think of Dayton, Ohio.

I never was in Dayton, and knew nothing about it until I went there to personally study the situation and give it my most careful investigation. But when we think of technical engineers relative to aviation, and skilled workmen relative to aviation, we think of Dayton, Ohio. There is a congenial center for technical experts along this line, and if we are not to let the Air Service stagnate, we must have some such plant, and there is no other place in this country comparable to this place.

Suppose we put it somewhere else. We have got to spend money for construction, and where is the man who knows anything about construction that will not say that the buildings at Dayton could be duplicated for anything near the sum that we are paying for them? I certainly hope this committee will adopt the amendment. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. CRAGO. Mr. Chairman, I was a member of this subcommittee that went to Dayton, and I want to state my position in just a few words, because otherwise the fact of my silence on this subject might be misunderstood.

I think this is not a local question. It is a national question. If it were local I would like to get something of this kind over in Pennsylvania. But we are so busy over there that we do not need anything of this kind.

But I want to say that I indorse most heartily what the gentleman from Tennessee [Mr. FISHER] has so well said regarding this project. [Applause.] We went to Dayton with open minds. We went over the McCook Field in the forenoon, going through

all the engineering shops and taking in everything we could in respect to them. In the afternoon we went out where it is proposed to make this purchase. We found the McCook Field in a small circumscribed area, the greater part of the land belonging to the city, which they want to get back very badly, the land being right up against the city proper. It is not a proper place for experimental aviation. Machine shops would be all right at that point, but we can not afford to pay the price that would be asked for city property of that kind worth $2,000 or $3,000 an acre. Later we were shown this other location.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. GREEN of Iowa. Why not move this field back to Langley, where it ought to be, and abandon McCook altogether?

Mr. CRAGO. I am frank to say that I know very little about the relative merits of these two fields. I am simply making this statement as to the merits of this particular proposition. We want to develop a school of aeronautical engineering. We have that, in a way, at McCook Field. We can not continue to keep that school there, and we can not keep that field. The whole question is a practical one, as to whether or not we want to invest this money at this locality.

Personally I looked for some time before I could convince myself that this locality, decided upon, was really what we wanted; and I will say now that after we went to Buffalo I tried to figure out in my own mind some way by which we could utilize that splendid plant at Buffalo, not only for storage and manufacturing purposes but for experimental and training purposes in that vicinity. But I found that this could not be worked out to the satisfaction of the department.

Now, we had with us men from the aeronautical service who were disinterested parties, so far as this real estate is concerned, and there was no question in the mind of any one of them but that the property was being offered to us at the proper price, a mere song compared with what these buildings would cost if they were now to be erected. The whole question in my mind then resolved itself to this: Did we want an engineering development school, an aeronautical engineering school, at Dayton or any other point? We found no other location so well adapted for the purpose, and so we concluded that this appropriation was well warranted.

I want to say before I close that we had with us that splendid leader of men, the commander of the Rainbow Division in France, Gen. Menoher, and anybody who could think that Gen. Menoher would lend himself to any scheme that was not all right would be sadly mistaken. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. LAGUARDIA. Mr. Chairman, this Dayton land is not going to run away over night, is it?

Mr. CRAGO. I do not know as to that, but our option can not hold out forever. I know, or I believe I know, that the General Motors Co. would be very glad to see the Government drop its rights in this field in order that they might take them over at a greater price.

Mr. LAGUARDIA. With all the land we have, available and equipped for technical purposes, does the gentleman now advise spending $2,700,000 at the present stage of aviation progress in this country?

Mr. CRAGO. Well, I am surprised that the people who are always claiming that they are in favor of the development of aviation, when you come on with any concrete plan by which that can be worked out and put into effect, are against it.

Mr. LAGUARDIA. I am speaking of the purchase of land.

Mr. CRAGO. I can not understand that proposition. I believe this is the proper plan.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Alabama moves to strike out the last two words.

Mr. BANKHEAD. Mr. Chairman, I am not a member of the Committee on Military Affairs, as are a number of other gentlemen who are now sitting here and listening to this debate. Since this paragraph came under consideration I have been endeavoring to listen to the debate, in order to secure some real information as to the merits of this proposition. The Committee on Military Affairs is a great committee in this House. It is invested with great authority. It is presumed to have made very careful investigation of these various items for which it is recommending these appropriations.

I must confess that I was very much astounded when I heard the distinguished member of that committee from New York, Maj. LAGUARDIA, apparently with deliberation, apparently without any reservation whatever, declare that this appropriation was a straight-out steal from the Treasury of the United States. Now, gentlemen, that is a serious charge for a member of a great committee to make, not only against those who may be privately interested in this, but against the merits of the proposition, and also against his colleagues upon the committee, and I assume that the distinguished gentleman did not make that charge lightly or unadvisedly, and I now desire to ask him if after reflection he desires to reiterate the charge he made a few moments ago that this appropriation was a steal, which implies a felonious taking away of Government money out of the Treasury of the United States.

Mr. LAGUARDIA. The first thing that was demanded after the armistice was the purchase of this Moraine property——

Mr. BANKHEAD. I am asking the gentleman if he reiterates his statement deliberately and emphatically made a few moments ago that this particular appropriation of $2,500,000 was a steal?

Mr. LAGUARDIA. I will give the facts, and the gentleman can draw his own conclusions.

Mr. BANKHEAD. The gentleman seems to be of the same opinion. Now, gentlemen, that implies either one or the other of two propositions, either that those who are privately interested in this enterprise in Ohio have hoodwinked the Committee on Military Affairs by a fictitious statement of fact to them to show the necessity for this appropriation, or else that the members of the committee have ignorantly and unwittingly allowed themselves to be made the tools for a steal for some private concern.

Mr. FIELDS. Or else that the gentleman from New York [Mr. LAGUARDIA] does not know what he is talking about.

Mr. BANKHEAD. I do not know whether he does or not. I have been sitting here undertaking to get light upon this proposition, and here is a distinguished member of that committee, a member of the majority party, who has lately been highly honored by the electorate of the greatest city in the United States of America, who upon his own responsibility as a Representative and as a member of that committee, deliberately puts in the RECORD and before the country the statement that here is a proposition of a steal out of the Treasury of the United States for private interests.

On the other hand the distinguished acting chairman of that committee, the gentleman from Kansas [Mr. ANTHONY] and other Republican members of the committee, say it is a bona fide transaction, and the dilemma that we are left in who are in doubt about this proposition is whether to believe that the gentleman from New York [Mr. LAGUARDIA], who has had larger experience in aeronautics than other members of the committee, knows what he is talking about and that this is a steal, or whether these other gentlemen are correct. So we are left at the end of this debate in the same situation that we were at the beginning of it, without any real facts upon which to base a conclusion.

Mr. DEMPSEY. Did the gentleman hear the chairman of the committee state that while a subcommittee visited this field at Dayton the gentleman from New York [Mr. LAGUARDIA], who made the statement to which the gentleman from Alabama referred, found himself unable to accompany the committee? And did the gentleman also hear the gentleman from Ohio [Mr. GARD], who represents the district and who knows the land personally and has a personal acquaintance which he can bring to bear upon this issue, state what his personal knowledge is?

Mr. BANKHEAD. I am inclined to think that the preponderance of testimony is in favor of the project, but it is important that Members in high responsibility in this House should not lightly make statements of the sort that have been made characterizing this propositon as a steal, or else they ought to have facts upon which to base a statement of that serious character.

Mr. CRAMTON. Mr. Chairman, a few moments ago the gentleman from Tennessee [Mr. FISHER] made some references to the investigation of aircraft production during the war in a way to lead this House and the country to believe that the conclusions of Justice Hughes after that investigation were in the nature of a certificate of good character for everyone concerned in that important work. That obliges me to call attention to this fact, which would not seem, perhaps, to have great relation to the question before us, except that gentlemen have urged the perfection of aircraft production as an argument for acquiring this Dayton property. This obliges me to call attention to the fact that the report of Justice Hughes did call into question, among others, the conduct of one distinguished citizen of Dayton, one Col. Deeds, and recommended his court-

martial because of his conduct in connection with aircraft production; but, notwithstanding the recommendation of the distinguished Mr. Justice Hughes, there was no court-martial of Col. Deeds and there was no attempt by the Secretary of War to get a court-martial, but, on the contrary, a number of distinguished men in the War Department tendered to Col. Deeds a banquet, at which the Secretary of War spoke in most glowing terms of the distinguished services of this citizen of Dayton.

Mr. LAGUARDIA. Mr. Chairman——

SEVERAL MEMBERS. Vote! Vote!

Mr. LAGUARDIA. Mr. Chairman, I think I have a right to be heard at this time.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. BLANTON. Mr. Chairman, upon what does the gentleman from New York take the floor?

The CHAIRMAN. Upon his motion to strike out the last word.

Mr. BLANTON. He has not made that motion.

Mr. LAGUARDIA. I make that motion.

Mr. BLANTON. He has already spoken once on the subject.

The CHAIRMAN. The Chair has recognized the gentleman from New York.

Mr. BLANTON. I simply want to know whether we are proceeding according to the rules of the House.

The CHAIRMAN. We are.

Mr. LAGUARDIA. In reply to the statement made by the gentleman from Alabama [Mr. BANKHEAD] I think I ought to give some facts. I will state that in the first place we started out to put the technical division at Langley Field, and at that time the technical division was under the control of Col. Deeds, who has been mentioned by the gentleman from Michigan [Mr. CRAMTON], and he transferred it to McCook Field. McCook Field was then as large as it is now. It has not shrunk any since that time. It was too small then, as it is too small now. We paid a handsome rent for it, but the first thing that the department asked for after the war was the purchase of this Dayton proposition.

Now, gentlemen, it has been stated here that we are to pay $850 an acre for this property. The assessed value is $85 an acre, according to the telegram received from Dayton. These people were either stealing their taxes from the State of Ohio or they are now trying to steal from the United States Government.

I defy and I challenge any man in the Aviation Service to say that this purchase is indispensable to the air service of the United States. It is not indispensable, and whatever technical experiment work we are doing at McCook Field we can carry on at Langley Field.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BANKHEAD. The gentleman now reiterates his charge, and I assume from the statement which he has made that it follows logically that any man who votes for this project in view of the information that the gentleman has given to the House, votes for a deliberate steal out of Treasury of the United States.

Mr. LAGUARDIA. That is not a fair question. If the gentleman wants to put himself in that position, I can not help it.

Mr. BANKHEAD. I am seeking information and advice.

Mr. LAGUARDIA. If the gentleman wants information I will tell him that this purchase is not necessary to the air service, and the only thing that the Secretary of War asks for in the hearings for appropriation for 1919–20 was the Dayton-Wright property. That was the only constructive suggestion that he had when he came before us, and if the gentleman will look at the hearings he will find that. This is not necessary, and we are asked to pay $850 an acre for land that is assessed at $85. We have other fields to go to, and this land is now controlled by the same people who controlled the McCook Field. They now want us to release that lease, and the gentleman can draw his own conclusion.

Mr. BUTLER. When was the assessment made?

Mr. LAGUARDIA. I suppose that is this year's assessment. I got the telegram on June 22.

Mr. BUTLER. Does the gentleman know whether or not any buildings have been put on the land since it was assessed?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MANN of Illinois. Mr. Chairman, I do not doubt that the Army—the Aviation Service—could make very good use of this Dayton-Wright plant. I have no doubt that it could make very good use of a great deal of money which might be given to them for various purposes, and it may be that we ought to pay $1,000 an acre for 1,500 acres of land, although it does seem to me that for that amount of ground the price is rather high for any sort of industrial purpose. After all, what we are confronted with is the question whether we will make any effort to economize in making the appropriation for the Government for the next fiscal year. We can not keep on making expenditures upon a war basis unless we raise the money by borrowing it through the issuances of bonds or by increasing the taxes. Who is there here who wants to vote for a bill to increase the taxes of the people of the country? Who is there here who has the nerve to say that he is in favor of issuing bonds to pay the running current expenses of the Government? This is one of the current expenses of the Government. Who is there in favor of making all of the appropriations which may be asked for by the various departments of the Government?

I have the greatest respect and feel the highest honor for the officers of the Army. Individually they are honest and capable. Collectively they think it is their business to raid the Treasury and get all of the money they can which they think can be used in the interest of increasing the efficiency of the Army, and they are not limited by any provision except where we limit them by votes. That is their business. I have no criticism of them for making the requests. It is our duty to determine whether we will tax the people more to accede to the requests.

The Government is not going to fail, the Aviation Service is not going to fail, if we do not make the appropriation; but if we keep on making appropriations because the departments ask for them, because the Army wants them here or there, and gives good reasons for them, some day—I do not know how soon it will be, but it will not be along partisan lines—the people will rise up and send a body of men here who will cut regardless of knowledge or care.

I have not much hope of getting help in economy from the Democratic side of the House. I have never known them, except upon rare occasions, to vote against expenditures where the Republicans were in control of the House. I regret very much to oppose the action of one of the great committees of this House, for the members of which I have the highest respect and consideration; but I believe the time has come when the representatives of the people of the United States must determine whether they are going to reduce expenditures or increase them. [Applause.]

The CHAIRMAN. The question is on agreeing to the committee amendment.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. I understand the proposition now is on the committee amendment?

The CHAIRMAN. That is correct.

Mr. LAGUARDIA. Those opposed to it should vote in the negative.

The CHAIRMAN. The gentleman is correct. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. ANTHONY) there were—ayes 48, noes 50.

Mr. ANTHONY. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chair appointed Mr. LAGUARDIA and Mr. ANTHONY to act as tellers.

The committee again divided; and the tellers reported—ayes 58, noes 58.

The CHAIRMAN. On this question the ayes are 58 and the noes are 58, and the amendment is rejected.

Mr. ANTHONY. Mr. Chairman, we counted Gen. SHERWOOD's vote wrongly. He voted in the affirmative, and we counted him in the negative.

Mr. WALSH. Mr. Chairman, is it too late to correct that?

The CHAIRMAN. The Chair thinks the Chair could do nothing more or less than to announce the vote as reported by the tellers; and, since the Chair has made the announcement, as far as the Chair is concerned, the result will stand.

Mr. GARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARD. The Chairman of the committee should certainly be permitted to give the correct statement of the vote. The vote in the affirmative was 59 instead of 58.

Mr. WALSH. But he announced 58.

Mr. GARD. He has the right to correct it.

Mr. WALSH. Not after the vote is declared.

The CHAIRMAN. The Chair thinks he ought to say to the gentleman from Ohio that, of course, the Chair is not interested in any way in the matter except from a parliamentary standpoint. The Chair has no personal interest upon either side of the question. There is but one thing for the Chair to do, and that is to announce the result as it is handed to him by the tellers.

After the announcement of the result it is impossible to open the case and the Chair refuses to permit it. [Cries of "Regular order!"]

Mr. GARD. Mr. Chairman, I ask unanimous consent that the Chairman may be permitted to state the correct vote.

Mr. WALSH. Mr. Chairman, I object.

Mr. SNELL. Mr. Chairman, I object.

The CHAIRMAN. Let the Chair state the question. The gentleman from Ohio asks unanimous consent that the Chairman be permitted to state the correct vote. Is there objection?

Mr. SNELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. LONGWORTH: Page 10, after line 11, insert a new paragraph, as follows:

"Nitrate plants: To complete purchase of real estate contracted for in connection with the erection of nitrate plant at Ancor, Hamilton County, Ohio, $180,000."

Mr. CALDWELL. I make a point of order against the amendment.

Mr. BLANTON. I make a point of order that the amendment is not germane.

Mr. LONGWORTH. Will the gentleman kindly reserve the point of order.

Mr. CALDWELL. I will reserve the point of order.

The CHAIRMAN. The Chair overrules the point of order. The gentleman from Ohio is in order.

Mr. BLANTON. Will the Chair hear me in regard to the point of order that it is not germane under the rule?

The CHAIRMAN. The Chair has decided.

Mr. SNELL. Regular order!

The CHAIRMAN. The question can not be opened up again and continue to be opened up. If the Chairman opens it up for the gentleman from Texas, he would have to open it up for everybody else on the floor. The point of order is overruled, and the gentleman from Ohio is recognized.

Mr. LONGWORTH. Mr. Chairman, this amendment is offered in connection with the purchase of ground for one of the three ill-fated nitrate plants that this Government has erected or partly erected. Some hundred and odd million dollars, probably more, have already been expended upon these three nitrate plants, which up to date have contributed absolutely not a pound of material of any use to the United States. Gentlemen will recall—and I do not intend, I will say to the gentleman my friend from Alabama to discuss the merits of the Muscle Shoals proposition—I will merely state that after the Muscle Shoals plant had been put under way the Government decided to build two other nitrate plants, two units equal to the Muscle Shoals unit, and a point in my county was decided upon for one of these. Why they chose that particular locality in my county no human being will ever know, but they made arrangements to acquire the land and proceeded with the construction of the plant. Up to date about $6,000,000 has been expended there, and the plant ceased construction when about 17 per cent completed. What the cost would have been if 100 per cent had been completed the Lord only knows; but the facts are these, that all the money due and payable to the contractors for those buildings has been paid in full, but not one cent has been paid to the people—all poor people—whose land was taken from them for the purpose of the erection of this plant. I shall not go into the details or present absolutely accurate figures, and I am speaking only in round numbers. The Government undertook to condemn an area of about 2,000 acres, all belonging to small farmers. In some cases they entered upon and took the land practically without notice. In other cases they negotiated options with the owners. The option usually read—I think in every case read—that the Government agreed to purchase this land at the end of 60 days at the agreed valuation, provided that it was found necessary for the erection of the plant. Since construction has ceased the Government now desires to occupy only 400 of those 2,000 acres, and forces the owners of those acres outside of the 400 upon which these ruins now stand to take back their farms, in some cases take back half their farm, one-half being left in the area under actual occupation.

Now, the fact is, as I say, all these people were poor people. Their farms were taken away from them. They in some cases bought other farms. Some sold their stock. In some cases they bought farms on mortgages in some other part of the country or engaged in some other business. I know of one young man whose farm was taken from him absolutely without notice—some 30 acres. He has sold his stock, his wagons, his implements, his cattle, and has bought a small grocery store. Now that farm would be of no conceivable use to him. He could not afford to take it back, and he, like everybody else, has not been paid one cent. Again, let me say that the rich contractors, the men who made the large profits, the Air Nitrate Corporation, which has been heard of in this House before, was paid a very large sum merely for superintending the construction of this plant, but not one of these poor farmers, who parted with their land against their will, has had one cent in 15 months. Now the Government says, "We are not going ever to occupy this plant. We only want 400 acres. We decline to carry out the rest of our contract with you." What is the result? They would have the right to bring a suit in the Court of Claims, and I suppose possibly they can get judgment. But we older Members of this House know if they were paid in 20 years they would be lucky, even if they got such a judgment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. May I have five minutes?

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LONGWORTH. Now, the object of this amendment is simply this——

Mr. SHERWOOD. Has the gentleman taken it up before the Committee on Military Affairs?

Mr. LONGWORTH. No; it was not necessary to bring it before the Committee on Military Affairs, because the department has ruled that they have the right to pay compensation for the 400 acres, but they have not the right to pay for the rest of the 2,000 acres. And the effect of my amendment will be precisely the effect that this bill has in such cases of the acquisition of these large camp areas—that the people owning property within those areas can receive compensation. It does seem a shame, gentlemen, that this great Government in acquiring property of this sort and in erecting these plants, which, unfortunately, in this case, was utterly useless expenditure of money, should fail to pay the little man. If the big fellow, the man that made large profits out of the erection of these buildings, is to be paid in full immediately, is it not fair that the poor men, whose property was taken away from them, should receive compensation for what they have lost? That is the only object and purpose of this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. GARRETT. Mr. Chairman, I shall support the amendment proposed by the gentleman from Ohio. I happen to have had an opportunity of obtaining some first-hand information concerning the situation at Anchor. Subcommittee No. 5 of this Special Committee on Expenditures paid a visit to this plant, and while there the facts were developed, not in the way of testimony before that committee but at a hearing of the Cincinnati Claims Board, at which the members of the subcommittee were present. And the equities presented by the gentleman from Ohio [Mr. LONGWORTH] are truly presented. Now, in supporting the amendment, however, let me say that I do not wish to be a party to the inferential criticism which the gentleman from Ohio has made of the policy adopted toward the Air Nitrates Corporation, or of the Air Nitrates Corporation itself. Much has been said about the Air Nitrates Corporation. That is a matter upon which I propose to reserve judgment until the facts are developed before the committee of which I am a member. I believe, though I can not be sure—I see the gentleman from Illinois present, the chairman of the committee—I believe that company, in a statement recently, denied it had received full payment for that work there. I do not remember the exact statement made, and I do not care to go into that anyway, but the gentleman from Ohio referred to it, and I understand the company has denied that full settlement has been made of it.

Mr. LONGWORTH. If the gentleman will yield—I did not state they had been paid in full. I simply stated that all the contractors, so far as I understood, for the buildings have been paid in full for the amount of work done.

Mr. GARRETT. So far as the purpose of our present discussion is concerned, it is immaterial. The farm owners, those who own the farms in that valley that were taken, were dispossessed of their lands. They were placed in such a situation that they could not utilize them, and it is right and proper that full authority should be given to the War Department, and that the department should exercise that authority to pay these people for the land that has been taken and for which they can not be recompensed in damages. It is one of those just cases similar to many——

Mr. CALDWELL. Is not the reason why the War Department can not settle now because of the provision that was put in the bill, the same as created these other additions?

Mr. GARRETT. The gentleman is right, and it is that point I wish to call attention to, because I wish to say there is no criticism from my standpoint to be attached to the War Department because of the failure to pay these parties, because the

act of Congress placed here on the military bill, ill considered, as I said the other day in opening the discussion on the resolution that made this bill in order, passed without full investigation and without realization of the extent to which it was going, did bring about the situation by which these innocent people there in this splendid valley, near the great city of Cincinnati, have been deprived of their rights.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment of the gentleman from Ohio [Mr. LONGWORTH].

Mr. FIELDS. Mr. Chairman, I move to strike out the last word. I rise to refer, first, to another matter in the bill.

Mr. DEMPSEY. Before the gentleman starts, I would like to ask him a question, as he is a member of the committee. Can he answer this question: Should not such situations as are presented by the amendment of the gentleman from Ohio [Mr. LONGWORTH] be dealt with in some general way instead of a single, isolated case being considered? If there are a large number of these cases, why should they not be rectified by general legislation?

Mr. FIELDS. I think so; but I hope the gentleman will not take my time.

Mr. Chairman, since the House has just adopted an amendment striking from the bill the Wright-Dayton Field, which is the engineering school for the Aviation Service of the Army, which is the very basis of that service, I am of the opinion that it would not be in the interest of economy to maintain all the fields that are provided for in this bill. First, I want to say that I am for liberal provisions for the Air Service. I think it is an important service, and I have been for the items in the bill, but since this important item has been stricken from it I believe that the maintenance of the entire number of fields provided for in the bill would not be in the interest of economy, because with the engineering school destroyed you could not properly operate the fields.

It is now too late to offer an amendment to strike a part of these items from the bill. The only way to do it, therefore, is through a motion to recommit.

What I want to do is to get some of these items out of the bill since the engineering school has been stricken out. I realize the necessity of fields on the western coast and on the Mexican border. I would not interfere with the fields at Houston and San Antonio, Tex., or at Riverside, Calif.; but it seems to me, in view of the situation with which we are confronted, we could well afford to dispense with the field at Rantoul, Ill., and the one at Park Field, Tenn., and the one at Sacramento, Calif., and the one at Miami, Fla., leaving the fields at Houston and San Antonio, Tex., and at Riverside, Calif. I shall make all the effort at my command to strike from the bill lines 11, 12, 13, and 14. I should not have done so and would not do so if the committee amendment providing for the purchase of the Wright-Dayton field had not been stricken from the bill. But since that has been done, I contend, gentlemen, it is in the interest of both economy and efficiency to reduce the number of these fields, and I hope when the time comes that the committee will support my efforts. [Cries of "Vote!"]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The question was taken, and the chairman announced that the ayes appeared to have it.

Mr. BLANTON. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 63, noes 24.

So the amendment was agreed to.

Mr. McKENZIE. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKENZIE: Amend by adding at the end of the bill, on page 10, the following:

"*Provided*, That no contract for the construction covered by the appropriations contained in this bill or the unexpended balances of appropriations heretofore made for the support of the Military Establishment, except repair work the cost of which can not be clearly estimated, shall be let to any contractor under what is known as the cost-plus percentage, or cost plus a fixed fee for compensation system form of contract: *Provided, however*, That work on construction let under such system now under process of completion may be completed."

Mr. CALDWELL. That does not apply to the past, but only for the future?

Mr. McKENZIE. Yes. Mr. Chairman, I dislike to take up the time of the House at this late hour, but I want simply to say that the purpose of this amendment is to prevent the letting of any future contract for construction provided by the appropriations contained in this bill or any of the unexpended balances referred to in the bill under the cost-plus system. [Applause.] The argument during the war was that haste was necessary and we had to have it; but God knows that haste is not necessary now. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. McKENZIE.]

The amendment was agreed to.

Mr. GARD. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 10, line 10, insert: "For purchase of Dayton-Wright plant and real estate at Dayton, Ohio, $2,740,000."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment. It has already been passed upon by the committee.

The CHAIRMAN. The point of order is sustained. There can be no question about it.

Mr. GARD. But it is a different amendment, Mr. Chairman. The amendment is different.

Mr. BLANTON. I make the point of order that the subject has been passed upon by the committee and already decided upon adversely to the gentleman offering the amendment. We have passed the paragraph also.

The CHAIRMAN. The Chair will look it up.

Mr. WALSH. Will the gentleman yield?

Mr. GARD. Surely.

Mr. WALSH. Is the language of the gentleman's amendment the same as the committee amendment with a different amount?

Mr. GARD. Yes.

Mr. WALSH. The committee amendment might have been amended by changing the amount. Does the gentleman from Ohio contend that he can now offer exactly the same amendment with a different amount?

Mr. CANNON. He could keep us here three months in that way.

Mr. GARD. This is the first opportunity we have had of voting on the proposition with a different amount.

Mr. WALSH. Oh, no; the committee amendment could have been amended.

Mr. GARD. The supposition is that while the House might not desire to purchase at one figure, it might desire to do so at a different figure.

Mr. WALSH. But the proper way to do that would be by offering to amend the committee amendment when it was under consideration.

Mr. CALDWELL. Under the agreement we had in the House this was to be considered as the text of the bill?

The CHAIRMAN. No; the gentleman is wrong about that. This was an amendment to the text of the bill.

Mr. BLANTON. I submit that the gentleman from Ohio had an opportunity when the amendment was under consideration to have offered an amendment to perfect the committee amendment. The subject matter has already been passed upon.

Mr. WALSH. Mr. Chairman, if I understand the gentleman from Ohio [Mr. GARD] correctly, he states that the only difference between his amendment and the committee amendment which was rejected is in the sum of money.

The CHAIRMAN. That is all.

Mr. WALSH. The gentleman might have offered an amendment changing the amount when the committee amendment was under consideration; and after we have acted on that very item I do not quite see how it can be offered in the same form, with the figures a little different, when we have passed beyond that part of the bill. We are not considering the part of the bill contained in line 10 now. We have adopted two new paragraphs.

The CHAIRMAN. The Chair believes that, having disposed of the subject matter of lines 10 and 11 by rejecting them and later having adopted amendments putting on two other propositions, the amendment of the gentleman from Ohio is not in order. The Chair believes that his amendment is substantially the same as the amendment which was rejected, and therefore the Chair sustains the point of order.

Mr. GARD. I ask unanimous consent to modify my amendment by inserting the word "construction" after the words "real estate" and to reoffer it.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to modify his amendment in the particular he has stated. Is there objection.

Mr. SNELL. I object.

Mr. GARD. Then I reoffer the amendment, to come in after the McKenzie amendment, and in this language:

For purchase of Dayton-Wright plant and real estate and construction at Dayton, Ohio, $2,740,000.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 10, line 10, insert, following the McKenzie amendment: "For purchase of Dayton-Wright plant and real estate and construction at Dayton, Ohio, $2,740,000."

Mr. BLANTON. Mr. Chairman, I make the point of order that the substance of that amendment was offered by the committee and was rejected, and that several other matters have intervened since then, and that we have passed on it; that the subject of this amendment has been disposed of by the Committee of the Whole.

The CHAIRMAN. The Chair sustains the point of order.

Mr. DARROW. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DARROW: Page 10, at the end of the bill, insert: "For Philadelphia quartermaster terminal, Philadelphia, Pa. For purchase of real estate, $319,500."

Mr. DARROW. Mr. Chairman, a contract was entered into by the War Department for the purchase of this real estate, on which the department has erected buildings for the quartermaster service. The department was not able to carry out the contract because of the resolution passed by the House, which prevented them from purchasing any more real estate. These people want either their property returned to them or their money, as agreed upon by the War Department.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. DARROW].

The amendment was rejected.

Mr. OGDEN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. ANTHONY. Mr. Speaker, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 8819) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, had directed him to report the same back to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ANTHONY. I move the previous question on the bill and amendments to final passage.

The SPEAKER. The previous question was ordered by the rule.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair thinks that no quorum is present.

Mr. ANTHONY. I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Doughton	Hicks	Kraus
Anderson	Dupré	Holland	Kreider
Aswell	Eagan	Houghton	Langley
Ayres	Eagle	Hudspeth	Layton
Barbour	Echols	Hulings	Lazaro
Blackmon	Ellsworth	Humphreys	Lea, Cal.
Bland, Mo.	Elston	Hutchinson	Lehlbach
Britten	Fairfield	Igoe	Little
Burke	Ferris	James	McClintic
Carter	Fess	Johnson, Ky.	McDuffie
Clark, Fla.	Focht	Johnson, Wash.	McFadden
Cleary	Freeman	Johnston, N. Y.	McGlennon
Copley	Fuller, Mass.	Jones, Tex.	McKenzie
Costello	Gandy, S. Dak.	Juul	McKeown
Davey	Goldfogle	Kahn	McKinley
Denison	Goodwin	Kelley, Mich.	McLane
Dewalt	Gould	Kennedy, Iowa	McLaughlin, Mich.
Dickinson, Iowa	Graham, Pa.	Kennedy, R. I.	McLaughlin, Nebr.
Donovan	Hamill	Kettner	MacGregor
Dooling	Hamilton	Kiess	Mason
Doremus	Haugen	King	Michener
Miller	Porter	Siegel	Voigt
Minahan, N. J.	Radcliffe	Sims	Walters
Montague	Ramsey	Slemp	Watson, Va.
Moore, Ohio	Reber	Small	Webster
Moore, Pa.	Robinson, N. C.	Steele	Wheeler
Moores, Ind.	Rowan	Strong, Pa.	Williams
Morin	Rowe	Sullivan	Wise
Newton, Minn.	Sabath	Sumners, Tex.	Yates
Nicholls, S. C.	Sanders, Ind.	Swope	Young, Tex.
Nichols, Mich.	Sanders, La.	Taylor, Ark.	Zihlman
Nolan	Saunders, Va.	Thompson	
Osborne	Schall	Upshaw	
Pell	Scully	Vare	
Phelan	Sears	Venable	

The SPEAKER. On this call 289 Members have answered to their names, a quorum.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The previous question is ordered under the rule. The question is on the engrossment and third reading of the bill.

The question was taken, and the bill was ordered to be engrossed and read a third time.

Mr. CRAMTON. Mr. Speaker, I demand the reading of the engrossed bill.

The SPEAKER. The gentleman from Michigan demands the reading of the engrossed bill.

Mr. MONDELL. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. CRAMTON. Yes.

Mr. MONDELL. Mr. Speaker, some gentlemen express a desire to be informed in respect to the business to come up tomorrow. The present expectation is that there will be presented a rule providing for a report from the war investigating committee, which will take up the major portion of the day.

Mr. CRAMTON. Mr. Speaker, I renew my demand for the reading of the engrossed bill.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3284. An act to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes; to the Committee on Agriculture.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Saturday, December 13, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of War, transmitting reports showing typewriters, adding machines, and other labor-saving devices exchanged during the fiscal year 1919 (H. Doc. No. 508); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Acting Secretary of the Navy, transmitting report showing the number of employees receiving the increased rate of compensation for the first four months of the fiscal year 1920 (H. Doc. No. 509); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PARKER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 3427) to establish a commission to report to Congress on the practicability, feasibility, and place, and to devise plans for the construction of a public bridge over Niagara River from some point in the City of Buffalo, N. Y., to some point in the Dominion of Canada, and for other purposes, reported the same without amendment, accompanied by a report (No. 492), which said bill and report were referred to the House Calendar.

Mr. RAYBURN, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10883) authorizing the counties of Beaufort, S. C., and Chatham, Ga.,

to construct a bridge across the Savannah River at or near Savannah, Ga., reported the same without amendment, accompanied by a report (No. 493), which said bill and report were referred to the House Calendar.

Mr. WINSLOW, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10558) granting the consent of Congress to the Connecticut River Railroad Co., its lessees, successors, and assigns, to construct a bridge across the Connecticut River, in the Commonwealth of Massachusetts, reported the same without amendment, accompanied by a report (No. 494), which said bill and report were referred to the House Calendar.

Mr. SIMS, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10922) to grant the consent of Congress to the Alfords Bridge Co. to construct a bridge across the Savannah River, reported the same with amendments, accompanied by a report (No. 495), which said bill and report were referred to the House Calendar.

Mr. VOLSTEAD, from the Committee on the Judiciary, to which was referred the resolution (H. Res. 394) requesting the Attorney General to furnish to the House of Representatives certain information regarding the fixing of the price of sugar, reported the same with amendments, accompanied by a report (No. 496), which said resolution and report were referred to the House Calendar.

He also, from the same committee, to which was referred the bill (S. 3076) authorizing suits against the United States in admiralty, suits for salvage services, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes, reported the same with an amendment, accompanied by a report (No. 497), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS, from the Committee on Claims, to which was referred the bill (S. 696) to carry out the findings of the Court of Claims in the case of Frank S. Bowker, reported the same without amendment, accompanied by a report (No. 491), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. O'CONNELL: A bill (H. R. 11113) to prohibit the exportation of sugar from the United States and its possessions; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11114) authorizing the United States Sugar Equalization Board (Inc.) to purchase the entire Cuban sugar crop for the United States and its possessions; to the Committee on Agriculture.

By Mr. BOX: A bill (H. R. 11115) to amend the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918; to the Committee on Immigration and Naturalization.

By Mr. ZIHLMAN: A bill (H. R. 11116) granting additional compensation to the officers and enlisted personnel of the Army, Navy, and Marine Corps, including nurses (female); to the Committee on Military Affairs.

By Mr. RAKER: A bill (H. R. 11117) defining sedition, the promoting thereof, providing punishment therefor, and for other purposes; to the Committee on the Judiciary.

By Mr. GANDY: A bill (H. R. 11118) authorizing the consolidation of lands in the national forests in the State of South Dakota; to the Committee on the Public Lands.

By Mr. DAVILA: A bill (H. R. 11119) to amend an act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917; to the Committee on Insular Affairs.

By Mr. SCOTT: A bill (H. R. 11120) fixing the per diem compensation of grand and petit jurors; to the Committee on the Judiciary.

By Mr. RHODES: A bill (H. R. 11121) to establish a national military park to commemorate the Battle of Pilot Knob, Mo.; to the Committee on Military Affairs.

By Mr. DARROW: A bill (H. R. 11122) to save daylight; to the Committee on Interstate and Foreign Commerce.

By Mr. BRIGGS: A bill (H. R. 11123) for the erection of a post-office building at Crockett, Tex., with an appropriation of $100,000 for such purpose; to the Committee on Public Buildings and Grounds.

By Mr. WOODS of Virginia: A bill (H. R. 11124) to authorize the Secretary of the Treasury to acquire, by condemnation or otherwise, such additional land in the city of Roanoke, Va., as may be necessary for the location of a new building, or for the enlargement of the present post office and Federal office and court building in said city, to cause the present building to be enlarged, or a new building erected, and making an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. MONTAGUE: A bill (H. R. 11125) to increase the salary of the United States marshal for the eastern district of Virginia; to the Committee on the Judiciary.

By Mr. DALLINGER: A bill (H. R. 11126) to save daylight in the first zone; to the Committee on Interstate and Foreign Commerce.

By Mr. WATKINS: A bill (H. R. 11127) making appropriation for the improvement of navigation in Sabine River in Louisiana and Texas; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 11128) making appropriations for the improvement of navigation of Red River in Louisiana and Arkansas; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 11129) to provide a site and public building at Homer, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11130) to provide a site and public building at Mansfield, La.; to the Committee on Public Buildings and Grounds.

Also (by request), a bill (H. R. 11131) to make the Star Spangled Banner the national anthem; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11132) granting an increase of pension to John N. Clark; to the Committee on Invalid Pensions.

By Mr. BENHAM: A bill (H. R. 11133) granting an increase of pension to Robert Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11134) granting an increase of pension to Luther Bedel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11135) granting an increase of pension to August H. Knippenberg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11136) granting an increase of pension to Flavius J. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11137) granting an increase of pension to David M. Haskell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11138) granting an increase of pension to John E. Collins; to the Committee on Pensions.

Also, a bill (H. R. 11139) granting an increase of pension to Webster Cotton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11140) granting a pension to Flora Heath; to the Committee on Invalid Pensions.

By Mr. BLACKMON: A bill (H. R. 11141) to retire Maj. R. M. Angus as a second lieutenant; to the Committee on Military Affairs.

By Mr. BROOKS of Illinois: A bill (H. R. 11142) granting an increase of pension to Andrew Reiber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11143) granting a pension to Thomas Skaggs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11144) granting an increase of pension to Sarah N. Bolinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11145) granting an increase of pension to William W. Freshwater; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11146) granting an increase of pension to Alice Moore; to the Committee on Invalid Pensions.

By Mr. CASEY: A bill (H. R. 11147) granting an increase of pension to Thompson S. Lozaw; to the Committee on Invalid Pensions.

By Mr. CLARK of Missouri: A bill (H. R. 11148) granting an increase of pension to Joseph J. Dalbey; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 11149) to authorize the President of the United States to appoint Charles A. Ranlett, major of Infantry; to the Committee on Military Affairs.

By Mr. DARROW: A bill (H. R. 11150) granting a pension to Louise H. Thornton; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 11151) granting a pension to Charley Thomas; to the Committee on Pensions.

By Mr. GANDY: A bill (H. R. 11152) for the relief of the First National Bank of Belle Fourche, S. Dak.; to the Committee on Irrigation of Arid Lands.

By Mr. GODWIN of North Carolina: A bill (H. R. 11153) for the relief of the widow of Hugh B. Ward; to the Committee on Claims.

By Mr. HARRELD: A bill (H. R. 11154) for the relief of Arthur Frost; to the Committee on Claims.

By Mr. HULL of Iowa: A bill (H. R. 11155) granting an increase of pension to James C. Smith; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Kentucky: A bill (H. R. 11156) granting a pension to Annie E. Walker; to the Committee on Pensions.

By Mr. KELLEY of Michigan: A bill (H. R. 11157) granting an increase of pension to Marshall F. Truax; to the Committee on Pensions.

By Mr. LEA of California: A bill (H. R. 11158) for the relief of the Liberty loan subscribers of the Santa Rosa National Bank; to the Committee on Claims.

By Mr. LONGWORTH: A bill (H. R. 11159) granting an increase of pension to Peter T. McQuain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11160) granting a pension to James B. Bristow; to the Committee on Pensions.

By Mr. MINAHAN of New Jersey: A bill (H. R. 11161) granting a pension to Elizabeth S. Ennis; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 11162) for the relief of A. W. Holland; to the Committee on Claims.

By Mr. RADCLIFFE: A bill (H. R. 11163) granting a pension to James Hanna; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 11164) granting a pension to Presima W. Plummer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11165) granting a pension to Ferdinand Lambert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11166) granting an increase of pension to Augusta Lambert; to the Committee on Invalid Pensions.

By Mr. SCOTT: A bill (H. R. 11167) granting a pension to Charles Grunert; to the Committee on Pensions.

Also, a bill (H. R. 11168) granting a pension to Thomas G. Aldreg; to the Committee on Pensions.

By Mr. SMITHWICK: A bill (H. R. 11169) granting a pension to John J. Boggs; to the Committee on Pensions.

By Mr. STEVENSON: A bill (H. R. 11170) for the relief of Elizabeth R. Nicholls and Joanna L. Nicholls, heirs of Joshua Nicholls; to the Committee on Claims.

By Mr. VAILE: A bill (H. R. 11171) granting an increase of pension to Hugh O. Neville; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

306. By the SPEAKER (by request): Petition of International Reform Bureau, Washington, D. C., for continuation of prohibition in interval between war prohibition and constitutional prohibition; also for extension of prohibition to Americans abroad so far as treaties do not prevent; to the Committee on the Judiciary.

307. Also (by request), petition of City Council of the City of Boston, favoring six months' embargo on the export of sugar; to the Committee on Agriculture.

308. Also (by request), petition of sundry citizens of Illinois, opposing methods adopted by the Government in obtaining injunction against strike leaders; to the Committee on the Judiciary.

309. Also (by request), petition of sundry citizens of Illinois, protesting against methods of the Government in issuing injunction against strike leaders in recent strike; to the Committee on the Judiciary.

310. Also (by request), petition of sundry citizens of Brockton, Ill., demanding that all political prisoners arrested during the war be released; to the Committee on the Judiciary.

311. By Mr. BACHARACH: Petition of Grand Lodge, Knights of Pythias, of New Jersey, praying for the freedom of Ireland; to the Committee on Foreign Affairs.

312. Also, petition of Grand Lodge, Knights of Pythias, of New Jersey, condemning mob violence in the United States; to the Committee on the Judiciary.

313. By Mr. CAREW: Petition of Industrial Commission of New York, opposing legislation which would place the Bureau of Mines in control of the explosives industry; to the Committee on Mines and Mining.

314. By Mr. CULLEN: Petition of sundry oil companies having oil wells in Mexico, protesting against methods employed by the Mexican Government in seizing oil wells in Mexico; to the Committee on Foreign Affairs.

315. Also, petition of National Advisory Committee for Aeronautics, recommending programs for military, naval, and postal air services; to the Committee on the Post Office and Post Roads.

316. By Mr. DALLINGER: Petition of Melrose Lodge, No. 1031, Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolsheviki; to the Committee on the Judiciary.

317. Also, petition of Brookline Lodge, No. 886, Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolshiviki; to the Committee on the Judiciary.

318. Also, petition of Paul Revere Branch, Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

319. By Mr. EMERSON: Petition of the Federated Churches of Cleveland, Ohio, urging that aid be given to the people of Armenia; to the Committee on Foreign Affairs.

320. By Mr. FULLER of Illinois: Petition of sundry farmers of Illinois, protesting against the importation of corn free of duty from Argentina; to the Committee on Ways and Means.

321. Also, petition of the Ancient Order of Hibernians, of La Salle, Ill., favoring House bill 3404; to the Committee on Foreign Affairs.

322. Also, petition of Hibbard, Spencer, Bartlett & Co., of Chicago, Ill., favoring reduction of postage on drop letters; to the Committee on the Post Office and Post Roads.

323. Also, petition of Local Union No. 7, United Brick and Clay Workers of America, opposing the Cummins bill; to the Committee on Interstate and Foreign Commerce.

324. By Mr. GALLIVAN: Petition of New England governors, regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

325. Also, petition of sundry citizens of Massachusetts, favoring embargo on the exportation of sugar; to the Committee on Ways and Means.

326. Also, petition of sundry veterans of the recent war and County Galway Men's Benevolent Association, favoring House bill 3404; to the Committee on Foreign Affairs.

327. Also, petition of Brookline Lodge, No. 886, Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolsheviki; to the Committee on the Judiciary.

328. By Mr. GREENE of Massachusetts: Petition of General Court of the Commonwealth of Massachusetts, favoring embargo on the exportation of sugar and favoring increased production; to the Committee on Agriculture.

329. By Mr. KELLY of Pennsylvania: Petition of Pittsburgh Chamber of Commerce, supporting the Government in coal situation; to the Committee on the Judiciary.

330. By Mr. KENNEDY of Rhode Island: Resolutions of Division No. 4, Ancient Order of Hibernians, of Providence, R. I., and Division No. 6, Ancient Order of Hibernians, of Woonsocket, R. I., favoring passage of House bill 3404, providing for appropriation for salaries for ministers and consuls to the republic of Ireland; to the Committee on Foreign Affairs.

331. By Mr. KING: Petition of William Schelp and 26 other citizens of Quincy, Ill., condemning the usurpation of power which has not been or can not be constitutionally conferred on the courts; to the Committee on the Judiciary.

332. By Mr. O'CONNELL: Petition of Geraldine Branch, Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

333. Also, petition of Missouri and Kansas publishers, regarding solution of paper shortage; to the Committee on the Post Office and Post Roads.

334. Also, petition of C. J. Tagliabue Manufacturing Co., of Brooklyn, N. Y., favoring 1-cent postage; to the Committee on the Post Office and Post Roads.

335. By Mr. ROUSE: Petition of Benevolent and Protective Order of Elks, No. 314, Covington, Ky., against the activities of the I. W. W. and Bolsheviki; to the Committee on the Judiciary.

336. By Mr. SINCLAIR: Petition of Williston Local, No. 3798, United Mine Workers of America, condemning the efforts of the Association of American Oil Producers in Mexico, the alleged patriotic Association for the Protection of American Rights in Mexico, and other organizations and individuals toward bringing about a war between the United States and a friendly neighboring country for the despoiling of Mexico; to the Committee on Foreign Affairs.

337. By Mr. TAGUE: Petition of General Court of the Commonwealth of Massachusetts, favoring embargo on the exportation of sugar and favoring increased production; to the Committee on Agriculture.

338. Also, petition of New England governors, presenting resolutions on recognition of Maj. Gen. Clarence R. Edwards; to the Committee on Military Affairs.

339. Also, petition of New England governors, requesting that the United States Shipping Board allocate some of its large ships to New England; to the Committee on the Merchant Marine and Fisheries.

340. Also, petition of New England governors, regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

341. Also, petition of Brookline Lodge, No. 886, Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolsheviki in the United States; to the Committee on the Judiciary.

342. Also, petition of County Galway Men's Benevolent Association, favoring House bill 3404; to the Committee on Foreign Affairs.

343. Also, petition of International Association of Railroad Storekeepers, concerning Cummins bill; to the Committee on Interstate and Foreign Commerce.

344. Also, petition of International Association of Railroad Supervisors of Mechanics, regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

345. By Mr. TREADWAY: Petition of New England governors, on return of railroads to private ownership; to the Committee on Interstate and Foreign Commerce.

SENATE.

SATURDAY, *December 13, 1919.*

(Legislative day of Friday, December 12, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

JOHN B. KENDRICK, a Senator from the State of Wyoming, appeared in his seat to-day.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

The VICE PRESIDENT. The question is on the amendment of the Senator from Montana [Mr. MYERS].

Mr. JONES of Washington. What is the pending amendment?

The VICE PRESIDENT. The amendment of the Senator from Montana [Mr. MYERS].

Mr. JONES of Washington. There are very few Senators present. There is but one Senator, the junior Senator from Louisiana [Mr. GAY], on the other side of the Chamber. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	McNary	Smith, Ga.
Brandegee	Johnson, S. Dak.	Moses	Smith, S. C.
Calder	Jones, Wash.	Nelson	Smoot
Capper	Kellogg	New	Spencer
Cummins	Keyes	Newberry	Sterling
Curtis	Kirby	Nugent	Thomas
Dial	Knox	Overman	Trammell
Dillingham	La Follette	Page	Watson
Frelinghuysen	Lodge	Phipps	
Gay	McCormick	Poindexter	
Gronna	McLean	Sheppard	

The VICE PRESIDENT. Forty-one Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. BANKHEAD, Mr. HARRISON, and Mr. NORRIS answered to their names when called.

Mr. KING, Mr. HARRIS, Mr. JONES of New Mexico, Mr. LENROOT, Mr. STANLEY, Mr. POMERENE, Mr. SUTHERLAND, Mr. CULBERSON, and Mr. COLT entered the Chamber and answered to their names.

Mr. BANKHEAD. I wish to announce that my colleague [Mr. UNDERWOOD] is absent on official business.

Mr. SHEPPARD. I have been requested to announce that the Senator from Nevada [Mr. PITTMAN] and the Senator from Virginia [Mr. SWANSON] are detained by illness in their families.

I have also been requested to announce that the Senator from Arizona [Mr. ASHURST], the Senator from Kentucky [Mr. BECKHAM], the Senator from Florida [Mr. FLETCHER], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Montana [Mr. MYERS], the Senator from North Carolina [Mr. SIMMONS], and the Senator from Mississippi [Mr. WILLIAMS] are absent on official business.

Mr. GAY. The Senator from Massachusetts [Mr. WALSH], the Senator from Delaware [Mr. WOLCOTT], and the Senator from Montana [Mr. WALSH] are detained from the Senate on public business.

The VICE PRESIDENT. Fifty-three Senators have answered to the roll call. There is a quorum present. The pending amendment is the amendment of the Senator from Montana [Mr. MYERS].

AMENDMENT OF FEDERAL RESERVE ACT—CONFERENCE REPORT.

Mr. McLEAN. Mr. President, I wish to give notice that on Monday next I shall ask the Senate to take up the report of the committee of conference on the disagreeing votes of the two Houses upon the bill (S. 2472) to amend the act approved December 23, 1913, known as the Federal reserve act. Senators will remember that action on the report was postponed several times to accommodate Senators who are interested in the bill, but who were absent. It is my information that they are now here, and that there is no objection to the disposition of the report on Monday next. I think it will take but a short time to dispose of it.

Mr. CUMMINS. In response to the suggestion of the Senator from Connecticut, I feel bound to say that unless the Senate orders otherwise, so far as the committee are concerned we shall feel obliged to keep the railroad-control bill before the Senate.

Mr. McLEAN. I think we will have a morning hour next Monday. I certainly hope that we shall have. This is a very important measure, and I trust the Senator from Iowa will not insist upon a recess, but let us have an adjournment to-day so that we can have a morning hour on Monday.

Mr. CUMMINS. While I recognize the importance of the bill in charge of the Senator from Connecticut, it can not be any more important than the bill now before the Senate.

AMENDMENT OF THE RULES.

Mr. KNOX. Mr. President, I desire to make a parliamentary inquiry. The other day I gave notice of an intention to present a resolution, and did present a resolution, changing one of the rules of the Senate in a manner to make it conform to the action the Senate took some years ago in relation to the Senate Office Building. I find that under Rule 40 a day's notice must be given, and I beg to inquire whether that means a calendar day or a legislative day? In other words, may I offer that resolution now?

The VICE PRESIDENT. While it is contrary to the opinion of the Chair, yet, in accordance with the precedents of the House of Representatives, the Chair has ruled that where the word "day" is used in the rules, unless it is specified as a calendar day, it is a legislative day. However, the Senator from Pennsylvania is within the time, as there has been a legislative day intervening since the Senator gave his notice.

Mr. KNOX. Then, Mr. President, I ask unanimous consent that the resolution I now offer be read and considered, stating, however, that, of course, if it provokes any discussion—and I have no idea that it will—I shall withdraw the request.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none. The Senator from Pennsylvania, as chairman of the Committee on Rules, has heretofore submitted the resolution, which the Secretary will read.

The Secretary read the resolution (S. Res. 260), as follows:

Resolved, That the standing rules of the Senate be amended by inserting in Rule XXXIV, paragraph 2, line 3, after the word "restaurant," the following: "and the Senate Office Building," so that the rules, as amended, will comply with the provisions of S. Res. 291, adopted by the Senate on February 17, 1909.

The resolution was considered by unanimous consent and agreed to.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 260) authorizing the payment of salaries of officers and employees of Congress for December, 1919, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. LODGE. I present a memorial from John C. Fremont Post, No. 729, Grand Army of the Republic, Department of Ohio, of Alliance, Ohio, indorsing the action of the Senate in refusing to ratify the treaty of peace with Germany without reservations

fully protecting the interests and sovereignty of the United States. I ask that the memorial be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

To the Hon. HENRY CABOT LODGE,
United States Senator from Massachusetts.

RESPECTED SIR: The undersigned members of John C. Fremont Post, No. 729, Grand Army of the Republic, of Alliance, Ohio, wish to express to you our hearty approval and indorsement of your stand and action upon the attempted ratification of the so-called league of nations.

We desire further to say that we believe you have in this fight been fearless, conscientious, and patriotic.

We send to you our best wishes and hopes for long-continued usefulness, prosperity, and health.

WM. M. ROACH
(And others).

Mr. CAPPER presented memorials of Local Lodge No. 571, Brotherhood of Railway Clerks, of Wichita; of Local Lodge, Amalgamated Sheet Metal Workers, of Horton; and of Local Union No. 1898, United Brotherhood of Carpenters and Joiners of America, of Girard, all in the State of Kansas, remonstrating against the passage of the so-called Cummins railroad bill and praying for a two years' extension of Government control of railroads, which were referred to the Committee on Interstate Commerce.

He also presented a petition of the Merchants' Association, Topeka, Kans., praying for the enactment of legislation looking to the maximum production of coal and the relief of industrial unrest, which was referred to the Committee on Education and Labor.

He also presented a memorial of the Retail Merchants' Association, of Ottawa, Kans., remonstrating against the enactment of legislation providing that retailers of manufactured articles carried in interstate commerce attach cost prices to such articles before they are sold to customers, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of sundry citizens of Ord, Nebr., remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

Mr. HALE presented a memorial of sundry Jewish citizens of Bangor, Me., remonstrating against the treatment of Jews in Ukrainia, which was referred to the Committee on Foreign Relations.

Mr. COLT presented a resolution of the City Council of Providence, R. I., favoring the enactment of legislation providing for a daylight-saving law for New England, which was referred to the Committee on Interstate Commerce.

Mr. SUTHERLAND presented petitions of Elkins Lodge, No. 1135, Benevolent and Protective Order of Elks, of Elkins; of Charleston Lodge, No. 202, Benevolent and Protective Order of Elks, of Charleston; of Martinsburg Lodge, No. 778, Benevolent and Protective Order of Elks, of Martinsburg; and of the board of directors of the Chamber of Commerce, of Wheeling, all in the State of West Virginia, praying for the enactment of legislation providing for the deportation of undesirable aliens, which were referred to the Committee on Immigration.

Mr. McKELLAR. I present certain resolutions of Lodge No. 91, Benevolent and Protective Order of Elks, of Chattanooga, Tenn., which I ask may be printed in the RECORD and referred to the Committee on Immigration.

There being no objection the resolutions were referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Be it resolved by Chattanooga (Tenn.) Lodge, No. 91, of the Benevolent and Protective Order of Elks, That we view with deep concern the spread of disloyalty and seditious sentiment promulgated by syndicalists, I. W. W.'s, and the Bolsheviki;

We believe that the time has arrived when Americans should assert themselves and drive from our shores all disloyal aliens and adequately punish those who betray this country by disloyal acts;

We therefore hereby call upon the United States Congress to immediately enact adequate laws providing for the summary deportation of every alien in this country who is a member of the I. W. W. or any other organization of like teachings and tendencies;

That said laws should further provide for the immediate cancellation of the citizenship papers of any naturalized citizen who shall affiliate with any such organization; and for drastic punishment of all persons who belong to or uphold the doctrines of such organizations;

We believe that no person or organization should be permitted to issue or to circulate any writing or pamphlets which has for its apparent object the undermining of American institutions or the inciting of rebellion.

We further demand that Congress forthwith appropriate sufficient money to effectively and promptly enforce laws enacted concerning these subjects: Be it further

Resolved, That a copy of these resolutions be forwarded to the two United States Senators from Tennessee and to the Congressman from this district.

W. R. SNYDER, *Chairman.*

Resolution adopted by a unanimous vote December 9, 1919.
[SEAL.] J. P. WINN,
Secretary Benevolent and Protective Order of Elks No. 91.

Mr. McKELLAR. I also present resolutions adopted by the National Retail Coal Merchants' Association, of Chicago, Ill., which I ask to have printed in the RECORD and referred to the Committee on Education and Labor.

There being no objection, the resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Resolution 3.

NATIONAL RETAIL COAL MERCHANTS' ASSOCIATION,
Chicago, Ill., December 5, 1919.

After consideration and discussion of Senate bills S. 3296, S. 3297, and S. 3378:

"In re Senator MCKELLAR'S bills 3296 and 3297, the executive committee voted unanimously that these bills receive hearty approval, and that the secretary-manager be instructed to convey to Senator MCKELLAR the fact of this approval and support. Also that the coal trade of the country be made acquainted with the text of these proposed laws, with a request for similar approval and support.

"In re the bill of Senator EDGE, S. 3378. It is the opinion of this committee that the proposed legislation, as covered by this bill, deserves and has its support. The secretary-manager be, and is hereby, instructed to communicate this opinion to Senator EDGE, and to acquaint the coal trade of the United States with the text of this bill and urge similar approval on the part of our constituent members."

Adopted.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 3533) to provide that certain enlisted men of the Regular Army and the National Guard shall be eligible to appointment to the United States Military Academy; to the Committee on Military Affairs.

By Mr. HARRIS:

A bill (S. 3534) authorizing the erection of a post-office building at Lawrenceville, Ga.;

A bill (S. 3535) authorizing appropriation for purchasing site and erecting post-office building at East Point, Ga.;

A bill (S. 3536) to construct a public building for a post office at the city of Thomson, Ga.;

A bill (S. 3537) authorizing appropriation for purchasing site and erecting post-office building at Decatur, Ga.;

A bill (S. 3538) authorizing the erection of a post-office building at Rossville, Ga.;

A bill (S. 3539) providing for the purchase of a site and the erection thereon of a public building at Hawkinsville, Pulaski County, Ga.;

A bill (S. 3540) to provide for the erection of a public building at the city of Canton, Ga.; and

A bill (S. 3541) for the erection of a public building at Nashville, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. WALSH of Massachusetts:

A bill (S. 3542) to authorize any person who was wounded while in the military or naval service of the United States during the war with Germany to wear the uniform of the United States Army, Navy, or Marine Corps, and for other purposes; to the Committee on Military Affairs.

By Mr. CALDER:

A bill (S. 3543) to encourage bank deposits by nonresident foreign corporations and nonresident alien individuals, and for other purposes; to the Committee on Finance.

By Mr. SUTHERLAND:

A bill (S. 3544) to provide for the purchase of a site and the erection of a public building thereon at Hurricane, W. Va.; to the Committee on Public Buildings and Grounds.

A bill (S. 3545) to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War, to certain widows, former widows, dependent parents, and children of such soldiers, sailors, and marines, and to certain Army nurses; granting pensions and increase of pensions in certain cases; and reducing the minimum length of service from 90 to 75 days;

A bill (S. 3546) granting an increase of pension to Jordan McComick;

A bill (S. 3547) granting a pension to Sarah M. Willison;

A bill (S. 3548) granting an increase of pension to Harriet L. Stone; and

A bill (S. 3549) granting an increase of pension to Samuel McAtee; to the Committee on Pensions.

AMENDMENTS TO RAILROAD-CONTROL BILL.

Mr. JOHNSON of California submitted two amendments intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which were ordered to lie on the table and be printed.

Mr. McKELLAR submitted four amendments intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which were ordered to lie on the table and be printed.

Mr. KING submitted two amendments intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which were ordered to lie on the table and be printed.

Mr. WALSH of Montana submitted an amendment intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which was ordered to lie on the table and be printed.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Tuesday, December 9 (legislative day of Monday, December 8), 1919.

Mr. LA FOLLETTE. Mr. President, there are three possible ways of dealing with the railway question at the present time: First, we may permit the roads to go back to private management and control at this time without the financial support of the Government and without legislation radically changing railroad organization, regulation, and control; second, we may adopt the pending bill or some similar measure which has for its purpose the rehabilitation of the railroads and radically changes their organization, regulation, and control; third, we may continue the present Government operation for some period after peace is declared in order thoroughly to test the efficacy of Government operation of the roads under normal conditions. I have suggested that this test period should be five years.

IMMEDIATE RETURN OF THE ROADS IS IMPRACTICABLE UNLESS ACCOMPANIED BY RADICAL AND FAR-REACHING LEGISLATION.

The first proposition, namely, that the roads be permitted to revert to private management at once, without any provision for the immediate and future financial assistance of the Government, has no support among the railway executives, and, so far as I know, has little support among the Members of the Congress or among the people generally. The reason is obvious. Everyone knows that the railroads of the country, if returned to private hands, are incapable of giving the country decent transportation facilities unless they receive assistance from the Government at once of hundreds of millions of dollars and unless their rates and charges are at once increased. That is what we are confronted with. Every bill and every plan which has been proposed for returning the roads to private management has in some form provided for immediate financial assistance of the roads by the Government and the collection from the public of vastly higher rates and charges than now prevail.

Mr. President, I should not dwell at all upon a fact so obvious were it not for the attempt, so persistently made in behalf of the railroads, to make it appear that their present plight is in some way due to Government operation and control during the period of the war. Any such claim is wholly unsupported by the facts. The truth is that the railroad system of this country had broken down prior to the war, and if there had been no war the roads would have been infinitely worse off than they are to-day unless the Government had taken them over to operate them or had financed them.

It is necessary that this vitally important fact be kept in mind in any discussion of this subject, for the purpose of the pending bill is to return the roads to the same men under whose management they became largely bankrupt and wholly inadequate to the needs of the country.

Why, President Wilson—and I call him as my first witness—said in his message to the Congress under date of December 7, 1915:

> The transportation problem is an exceedingly serious and pressing one in this country. There has from time to time of late been reason to fear that our railroads would not much longer be able to cope with it successfully as at present equipped and coordinated.

That, Mr. President, was under private ownership and private operation, with such control as the Interstate Commerce Commission exercised—a very limited control; a control that has at times in the past been denounced on this floor by some of the advocates of this bill as being in the interest of the railroads. You have heard in the course of this discussion, and it has been dinned in your ears by the railroad press of the country ever since the railroads came under Government control, that the railroads were in good condition at that time; that things have gone very badly since then, so far as results are concerned; that the properties have not been properly maintained; that they have been operated at a tremendous loss; that Government operation has been a failure under the most favorable conditions that could be conceived of.

Mr. Alfred P. Thom, counsel for the Railroad Executives' Committee, testified before a special committee of the Senate and the House more than a year before the Government laid its hands on these railroads, on November 20, 1916, with regard to the condition of the railroad property, gave some illuminating testimony on this subject. Mark you, he had made a careful study of the problem.

The Railroad Executives' Committee was formed in 1912, because the revenues of the roads had gotten into such an alarming condition that it was felt that a committee should be formed of the executives of all the roads of the country to consider the question of how the revenues of the roads might be increased. The war had not broken out then, and the administration had not thought of interfering. But so shaky, so unstable and insecure were the railroad companies of this country under private ownership and Government regulation by a commission that back in 1912 they organized an executive committee to save the railroads from ruin. This committee represents about 92 per cent of the railway trackage of the country.

Any critical study of the railroad situation will show that for years there was private manipulation and control, with the superficial regulation, the light touch here and there, of the Interstate Commerce Commission, the slap on the wrist now and then, but the major part of the whole business was clearly and dominantly within the control of the railway executives and the railway companies, and that the railway properties of this country could not carry a fictitious and fraudulent overcapitalization of the roads and ever make out any financial balance that could commend itself to investors. That is the trouble with the whole business.

It is a scheme of railroad transportation that represented a capitalization twice as great as the investment and the true value, and the companies have been bolstered up by false accounting, by fraud of every conceivable sort. I could stand on this floor and recite the testimony of the Interstate Commerce Commission for a week, sir, proving my assertion.

You can not sustain a system of that kind. And now that it has reached the point of utter demoralization we are presented with a scheme to have the Government close its eyes to all of this crime and wickedness and fraud in the past, forget it, and saddle the American people forever with the burden of it. Men who consent to that, Mr. President, ought to be retired from public service to private life.

Mr. Thom, the attorney for this Executives' Committee and its spokesman before the joint committee of the House and Senate, was better qualified to speak for the railways than any other man in the country. In describing the physical condition of the roads at that time and for the years immediately preceding it he said—now listen. Remember he was testifying in 1916, the year before the Government assumed the operation of the roads.

He said:

> Have there been no signs which an intelligent mind can not mistake of a menace to your transportation facilities? Has nothing occurred to arrest your attention? Have we learned no lesson from what happened in 1907, when there was a substantial increase in the business offered to the railroads, and a lack of yards, lack of tracks, and lack of cars brought on the panic in that year? Have we forgotten that the panic of 1907 was a panic of scarcity, not a panic of failures in business, but was a panic brought on by the inability of the communities to deal with another because the railroad facilities were inadequate, congestion everywhere, not yards of sufficient capacity for trains, not tracks sufficient to carry them, not cars sufficient to transport the business of the people? There in that year, in the midst of that plenty, came a panic due to these factors.

This was under private ownership, with a very limited control on the part of the Interstate Commerce Commission:

> There, in that year, in the midst of that plenty, came panic due to those factors. Have we forgotten the fact that in this last spring it became necessary to put an embargo upon the receipts of business in many parts of this country, including your own country of New England, Senator BRANDEGEE, due to the fact that you did not have yards enough and terminals enough to handle that business?

This was in the region, Mr. President, where with unrestrained hand Morgan and Mellen had been operating the New Haven and the Boston & Maine. I say with unrestrained hand, because the reports of the Interstate Commerce Commission itself show plainly enough that those men had their way, their

criminal way, unrestrained by the Sherman antitrust law, by the Department of Justice of this Government, or by the Interstate Commerce Commission; and it resulted in one of the scandals that will live as long as railroad history lives.

Mr. President and Senators, you can not over-capitalize properties two or three times and fail to have, under this sort of management, conditions of utter demoralization of transportation and overturning of all the principles of sound finance.

Mr. CHAMBERLAIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Oregon?

Mr. LA FOLLETTE. Certainly.

Mr. CHAMBERLAIN. Does the Senator happen to remember what was the aggregate of overcapitalization about November 20, 1916, and whether there has been any change in that capitalization since?

Mr. LA FOLLETTE. Mr. President, later on in the course of my discussion I take that matter up, and I think I will answer the Senator's question with absolute definiteness in a little time.

Mr. Thom continues:

> And that embargo was of sufficient importance to cause a member of the Interstate Commerce Commission—Commissioner Clark—to go and take personal charge with a committee of railroad men in that situation and try to work it out; and it remains unremedied to this day, because the fundamental want of yards and terminals and facilities has made it impossible. Do you forget the fact that at this present moment there is such a scarcity of railroad equipment that the commercial interests of the country have risen in arms and the Interstate Commerce Commission is conducting an investigation in the city of Louisville, through one of its members, in order to find a way of supplying with cars the commercial needs of the country?

You have been led to believe from the discussion here that the shortage of cars and all of the imperfections of the transportation system are chargeable to Government interference, but I would like to remind Senators that I am reading now the testimony of the counsel for 92 to 97 per cent of all the railway mileage of the United States, speaking before a committee on the 20th of November, 1916, more than a year before the Government took charge of the railroads, and speaking of conditions which had existed for several years. He said further:

> Are we justified in taking no note of the fact that in the last year there has been a smaller railroad construction than in any year, leaving out the Civil War, since 1848, and that in the last year there have been less than a thousand miles of new railroad construction in the United States? In a field which has heretofore been an inviting field to private enterprise, in a field that has found heretofore at every hand investors who are seeking to invest their surplus means, we find in the last year railroad construction into new territory has been in effect arrested and that nothing is going on in the way of carrying this pioneer of progress into the untouched wealth of the American Continent.

That is almost eloquent, Mr. President.

Mr. Thom testified further before the committee on November 24, 1916, just four days later, and on that occasion dealt principally with the financial condition of the roads and their inability to finance themselves further. I think Members of the Senate who have followed the discussion by the chairman of the Interstate Commerce Committee here, and particularly the Senator from Minnesota [Mr. KELLOGG], must have been impressed with the thought that Government interference has practically ruined the financial condition of the railroads. There is not a fact in railroad history to support that contention for a moment. Whatever burdens the railroads have been under financially which have interfered with their meeting the demands of the public as a transportation system has been due simply to the attempt to conduct the business upon fictitious capitalization.

I have reviewed and have in my notes the history of the overcapitalization of the railroads of the United States. There is not anything approaching it in the business history of the world. It has been the subject of articles, reviews, and volumes by leading financiers of Europe as a protection to English investors in American railway securities. Books have been written analyzing the reports of our railroads so that the falsification could be sifted out and investors could find out exactly the facts upon which to feel warranted in investing their money.

After referring to the fact that the wealth of the country increased about 8 per cent a year, and that the railway facilities should keep pace with this development, Mr. Thom referred to the new money it would be necessary for the railways to obtain annually for the succeeding 10 years, and said:

> We take, then, 8 per cent, as the result of these figures, to indicate the annual growth that must be provided for in railroad facilities of all sorts in order to keep up with the 8 per cent of increase and the business of the country, and the result of that is that during the next 10 years there will be needed approximately $1,250,000,000 a year in order not to constrict the business and productive energy of the country and in order to supply them reasonably with the facilities which this growing business will require.

I saw Senators, the few who attended upon the session, sit here with expressions of surprise upon their faces as the Senator from Iowa [Mr. CUMMINS] disclosed the fact that there had been an appropriation of $1,225,000,000——

Mr. McKELLAR. One billion two hundred and fifty million dollars.

Mr. LA FOLLETTE. Yes; $1,250,000,000 to take care of railroad finances during the period of nearly two years that the Government has been in possession of the railroads. Here is Mr. Thom talking a year before the Government took hold at all, and estimating that it would take $1,250,000,000 a year "in order not to constrict the business and productive energies of the country, and in order to supply them reasonably with the facilities which this growing business will require." Continuing, Mr. Thom said:

> Now, those figures, of course, are not accurate; those figures indicate a mere attempt to forecast within some sort of reasonable limit the needs of the railroads and the public interest annually during the next 10 years. Those figures apply only to the amount that will be required to increase your facilities—

Now mark that—

> They do not contemplate the amount that will be required to refund your maturing debt—

I am still quoting from Mr. Thom—

> From the best information that we can obtain there will be required to refund maturing debts during that time a sum approximating $250,000,000 a year, so that the requirements of the railroads for new money during the period to which I allude are estimated by us to be $1,500,000,000 a year.

Now, this estimate was made in November, 1916, months before we entered the war. It showed that the railroads must receive $1,500,000,000 of new money annually, $1,500,000,000 in addition to what they were receiving as operating revenue. They were demanding annually a sum in excess of what they were receiving as revenues, larger than was then required for the expenses of the Government of the United States for all purposes.

This estimate did not take into consideration the increase of wages which as events have shown it was necessary to give railway employees during the last two years. Neither did it take into consideration the great increase which has occurred in the cost of fuel and equipment. These items alone would add at least another billion dollars a year in the last two years to Mr. Thom's estimate of the amount of money the roads needed to receive over and above their regular operating income if they were to fulfill their duties as common carriers.

Mr. McAdoo's actual experience with the roads after the Government took them over and he began operating them as director general strikingly corroborates Mr. Thom's testimony given in 1916. In his testimony before the Interstate Commerce Committee on January 3, 1919, Mr. McAdoo said:

> On February 2, 1918, all lines under Federal control were directed to prepare and send in budgets of improvements immediately required to increase capacity and efficiency and promote safety in operation. The letter of instructions provided:
>
> "(a) From the financial standpoint it is highly important to avoid the necessity of raising any new capital which is not absolutely necessary for the protection and development of the required transportation facilities to meet the present and prospective needs of the country's business under war conditions. From the standpoint of the available supply of labor and material it is likewise highly important that this supply shall not be absorbed except for the necessary purposes mentioned in the preceding sentence.
>
> "(b) Please also bear in mind that it may frequently happen that projects which might be regarded as highly meritorious and necessary when viewed from the separate standpoint of a particular company, may not be equally meritorious or necessary under existing conditions when the Government has possession and control of the railroads generally, and therefore when the facilities heretofore subject to the exclusive control of the separate companies are now available for common use whenever such common use will promote the movement of traffic.

Continuing, Mr. McAdoo testified:

> The budget submitted in response to these instructions called for expenditures chargeable to capital account that is exclusive of large sums chargeable to maintenance, amounting in the aggregate to $1,329,000,000, which, upon careful revision, was reduced to $975,000,000.
>
> I wish to say that these budgets were submitted by the corporations themselves, which were at that time still in control of the properties and were operating them under the direction of the director general.

I think that is a fact that ought to be borne in mind in considering the Government operation of the railroads. For a considerable period after they were taken over they were operated by the owners just as they had been before, although there was a general authority exercised, in a very limited way, however, until the Director General of Railroads felt his way along to a knowledge of the situation that would enable him to take a more commanding position in directing the transportation business of the country. But even then it is to be remembered that the men who have run the railroads under Government operation are the railroad officials of the old organizations.

I have my files literally filled with reports from employees in the different transportation districts of the country, charging that the railroad officials whom the director general felt obliged

to retain in charge of the transportation service have not been loyal to the Railroad Administration and the Government; but that they have conspired to give Government operation a black eye. In other words, that they have unnecessarily increased expenses and have otherwise been playing into the hands of the railroad owners for the return of these properties to private control. I wish to say to Senators that no man will take that correspondence, running into the thousands of letters, and examine it, some of it coming from men of such standing as must be recognized as authoritative, and not feel that there has been concerted action on the part of many railway officials, retained in important positions by the Railway Administration, to make Government operation a total failure.

Mr. President, Mr. McAdoo, further testifying as to the condition of these roads when they were taken over by the Government, said:

So that these are the budgets which were presented by the railroad corporations and represented what they thought it was necessary or desirable to do to their respective properties. This amount, $975,000,000, which was first authorized by the division of capital expenditures, was subsequently increased from time to time by new and unforeseen requirements, and particularly by large orders for locomotives and freight cars, until the improvements definitely authorized to December 1, 1918, amounted to $1,254,396,158. To an important extent there was inadequacy of terminal facilities and a serious lack of coordination and use of those in existence.

That was not all. He proceeds:

In the fall of 1916 the transportation stringency reached such a point that traffic was almost paralyzed through inability to dispose of it at destination. In the fall of 1917, despite strenuous efforts, and yet under a larger degree of coordination than had ever before been attempted to prevent such a situation, a paralysis of the transportation situation again occurred. * * *

The seriousness of the situation is shown by the fact that on January 1, 1918, there were reported on all roads a total of nearly 145,000 cars accumulated on account of the congestion which prevailed in the territory east of Chicago and St. Louis and north of the Ohio and Potomac in excess of the normal movement.

Now, mark you, Mr. President, that was January 1, 1918, only a few days after the Government had taken over the roads. That was the condition under private ownership, as regulated under the easy-going system of the Interstate Commerce Commission at that time.

It will be recalled that in the latter part of 1916 the Interstate Commerce Commission made an investigation of the failure of the railways to furnish transportation, and in the report of that investigation filed on December 28, 1916, Commissioner McChord said:

In some territories the railroads have furnished but a small part of the cars necessary for the transportation of staple articles of commerce, such as coal, grain, lumber, fruits, and vegetables. * * *

This was a year before the Government took over the railroads. This report is dated December 28, 1916, and relates to conditions under examination months before that.

I quote further from Commissioner McChord's report:

In consequence mills have shut down, prices have advanced, perishable articles of great value have been destroyed, and hundreds of carloads of food products have been delayed in reaching their natural markets.

Mr. McAdoo further testified upon this subject:

In 1918 the railroads in this country were without any reserves of motive power at all.

He is speaking now of the early part of 1918, as will appear. They had not any reserves of motive power. That does not indicate efficiency. That does not indicate a command of a transportation system that is to minister to 110,000,000 people under private as opposed to Government operation. I want to impress upon the Senate that we had a situation that *compelled* Government operation.

Mr. McAdoo says:

In 1918 the railroads in this country were without any reserves of motive power at all. They went into the winter with nothing in the way of motive-power reserves. They did not have sufficient new locomotives; I mean, they were not delivered; and it was necessary, therefore, to repair the old locomotives. * * * As soon as the armistice was signed I restored the eight-hour day, and we have kept up with our locomotive repairs and now have nearly 1,100 of them in reserve with which to go into the winter, as against none last year.

This evidence, Mr. President, taken from sources most friendly to the railroads, shows how completely had been their failure under private management, and explains why the railroad officials are not willing to take the property back unless they are handsomely paid for doing so and are guaranteed the financial support of the Government for the future.

I shall not now dwell upon the sordid and criminal methods by which the great railway system of this country was wrecked under private operation and converted into a liability instead of an asset. No other industry in all the history of the world has been favored and fostered as have been the railroads of the United States. They have received the value of an empire in gifts of land alone.

Are Senators aware of the extent of the gifts of public land made to the railroads by Congress? They have secured more of the public domain than the homesteaders and homemakers. Under the homestead law there have been entered the sum total of 115,000,000 acres of land. But Congress has granted to the railroads the vast sum of 190,000,000 acres out of the public domain. That is an area equal to the States of Ohio, Indiana, Illinois, Missouri, Iowa, Nebraska, and Wisconsin. They were permitted to have their own way about capitalization. They were allowed to burden transportation by a fictitious issue of stock that is simply staggering and appalling. In addition to that, they have had donated to them a principality in public land—190,000,000 acres! That is not all. They were given outright, by donations, to build their lines and roads, through private and quasi public contributions, town bonds, city bonds, county bonds, municipal bonds of various sorts, farm mortgages in some instances, the individual mortgages of farmers put behind the building of the railroads, and the aggregate of that has been estimated at $2,000,000,000.

The railroads not only received the value of an empire in gifts of land, but they were practically exempted from taxation for years, and they now pay only a moiety of the taxes that they should pay on their property. They possess the great right of eminent domain, enabling them to build their tracks and their terminals where they will. They have been permitted by unfair methods to destroy the great inland water routes of commerce and thus to rid themselves of their only rivals.

Yet, sir, with all these advantages, with all these special privileges, and with the richest country in the world to serve, under private management and control they were reduced to the sorry plight I have indicated and which I have proven, not by the statements of witnesses hostile to them, but by their own attorney, Mr. Thom, supported by Mr. McAdoo, a public official.

A little later I may point out some of the causes which have led to the destruction of the railway systems of the country and show that the bill under consideration will in no wise remove the causes or correct the evils inherent in the former system of private operation. The point I am now making simply at this time is that the railroads of the country were wrecked, not by Government operation during the war, but through private operation prior to the war,——

Mr. CHAMBERLAIN. Mr. President——

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Wisconsin yield to the Senator from Oregon?

Mr. LA FOLLETTE. Let me finish the sentence: And that the demand for new and radical legislation proposed in order to maintain the business of the roads does not arise out of any condition traceable to Government operation during the last two years. Now I yield to the Senator.

Mr. CHAMBERLAIN. I simply wanted to ask the Senator whether he thought that if the water had been squeezed out of the stock of these companies prior to November 20, 1916—that is, if they had been capitalized at their actual value—the roads would not have gone into bankruptcy?

Mr. LA FOLLETTE. Oh, no. There is no question about that, Mr. President. Why, the wonderful resources of this country, the products of this country, the tonnage of this country will support, under the liberal transportation charges allowed, any transportation system that may be operated, if it be upon a sound financial basis.

Mr. CHAMBERLAIN. Mr. President, has there ever been any attempt to squeeze the water out of this stock—this overcapitalization?

Mr. LA FOLLETTE. No.

Mr. CHAMBERLAIN. Does the overcapitalization exist today just as it did when the Government took the roads over?

Mr. LA FOLLETTE. Absolutely. Let me say to the Senator from Oregon, when I came into the Senate in 1906 and proposed that there should be a valuation of railroad properties based upon the true value of the property, I could get no support for the proposition. That was in 1906.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. LA FOLLETTE. Certainly.

Mr. DIAL. I should like to ask the Senator from Wisconsin whether the theory of the bill is not a question of watered stock or of capital stock at all, but of actual valuation of the properties?

Mr. LA FOLLETTE. I will come to that in a little while, and I shall be grateful to the Senator if he will hear me when I do come to it.

The fact is that the railways and their security holders are hundreds of millions of dollars better off to-day as the result of Government operation than they would have been if the roads had continued under their former managers.

THE PENDING BILL.

Mr. President, I come now to consider the pending bill in a more critical way. The second of the possible courses open to us which I have indicated involves the passage of the pending bill or some similar measure which will attempt a rehabilitation of the railroads physically and financially to provide for future maintenance and efficient operation. A mere statement of the character of the legislation proposed ought to be conclusive proof of the impossibility of enacting well-considered legislation upon this great problem between now and the 1st day of January. I understand that the reason why we are to be hurried in the passing of the proposed railroad legislation is because the President in his address to the Congress on the 20th of May last, which was cabled from Europe, stated that it was his purpose to return the railroads to their owners at the end of the calendar year.

The Federal control act, approved March 21, 1918, under which the railroads have been operated, provides as follows:

That the Federal control of railroads and transportation herein as heretofore provided for shall continue for and during the period of the war and for a reasonable time thereafter, which shall not exceed one year and nine months next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace.

When the President issued his proclamation of December 27, 1917, taking over the railroads pursuant to the authority contained in the act of August 21, 1916, he referred to the war with Austria as the reason for taking over the roads, as much as to the war with Germany. When the act of March 21, 1918, above quoted, fixed the time for the termination of railroad control by the Government as one year and nine months following the proclamation of peace by the President, it meant peace with Austria as well as peace with Germany.

There has been no proclamation by the President of the exchange of ratifications of the treaty of peace either with Germany or with Austria. Since the treaty with Austria has not even been transmitted to the Senate for consideration there is no probability that it will be possible for the President to issue such a proclamation for some considerable time. As the statute extends the period of railway control one year and nine months after such proclamation, the act of the President in returning the roads at the end of the present month, if he does so return them, is optional with him and is one for which he and not the Congress must assume full responsibility.

When the President cabled us his message from Paris last May I do not suppose he anticipated that the time of the Senate would be so fully occupied with other matters that it would be unable to give any attention to railroad legislation until the opening of the present session. Such, however, proved to be the case. I am not questioning the President's power to return the railroads to private operation at the end of the present month if he chooses to do so, but I see no reason to doubt that he will reconsider his purpose in view of the fact, anticipated by no one at the time he sent his message, that the Senate was unable to take up this great problem of railroad legislation until the present session.

I am pleading with the Senators who give me attention at this time for an opportunity to consider the great problem with which we are confronted and not be driven to take this bill that has been reported here, with its novel, not to state it more critically, propositions to be put into operation with only just a week or two to consider them at the outside. It looked yesterday as though the bill were going to be passed without further consideration of the Senate.

Mr. CHAMBERLAIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Oregon?

Mr. LA FOLLETTE. Certainly.

Mr. CHAMBERLAIN. May I ask the Senator this question? Suppose the President turns these properties over to private ownership at the end of the year, and there is no legislation enacted by Congress, would the country be in any worse fix than it was when the Government took them over, or would it be in any worse fix than it would be in if the bill became a law?

Mr. LA FOLLETTE. I will say to the Senator that while I do not think we ought to turn the roads back without some legislation, I do think it would be infinitely less harmful, less fraught with incalculable disaster, to turn them back without any legislation whatever than to do it under this bill.

Mr. CHAMBERLAIN. I probably ought not to have interrupted the Senator, but a remark of his sometimes suggests a question in which I feel very much interested.

Mr. LA FOLLETTE. That is all right. I am really grateful to the Senator for his attention to my address here to-day.

It seems to me important, in considering the provisions of the bill, that we should know something of its origin. We are all aware that the Senate Committee on Interstate Commerce, a majority of whom reported this bill favorably, held a number of hearings in January and February of this year at which various representatives of the railways, the security holders of the railways, chambers of commerce, railway employees, and other organizations appeared and gave testimony. The former Director General of the Railroads, Mr. McAdoo, and the present director general, Mr. Hines, also appeared before the committee, as did several members of the Interstate Commerce Commission.

In addition, various representatives of farmers, of labor, and other organizations appeared before the committee. It would naturally be expected that the views of Mr. McAdoo, who had control of the railroads from the time they were taken over by the Government up to the time of the hearings, or those of his successor, Mr. Hines, would have had great weight with the committee in framing this bill. You will search this bill in vain, however, for anything that remotely resembles the views of Mr. McAdoo or Mr. Hines expressed to the committee in those hearings. It might be expected that the representatives of the railroad brotherhoods, who appeared before the committee and who showed themselves to be among the ablest and best informed witnesses, would have had some weight with the committee and that their views would find some place in this bill. On the contrary, it will be discovered, upon comparing the bill and the testimony of those men, that nothing they advocated is embodied in the bills and that everything they opposed is found in it.

Some 60 or 70 witnesses were heard by the committee. They presented views and plans, sometimes embodying their own opinions, sometimes embodying those of the organizations they represented, but you may examine all the testimony given by those witnesses, all the plans and suggestions presented by them, and you will find nothing remotely suggesting this bill *until you come to the testimony of Mr. T. DeWitt Cuyler, of the Railway Executives' Committee.* In the plan urged upon the committee by Mr. Cuyler and modified to some extent by the suggestions of the representatives of the railway investors' committee, *you will find the substance of every major proposition embodied in this bill.*

You will remember that upon the Railway Executives' Committee, which spoke through Mr. Cuyler, are to be found the executives of all the leading railways of the country, representing 92 per cent of the railway trackage of the United States. So when Mr. Cuyler speaks he speaks for the railroads of this country.

There are certain other interested parties in this game. You have the railroads represented by an organized body of their presidents, created in 1912 and continued down to the present time, and you have Mr. Thomas D. Cuyler appearing before the Committee on Interstate Commerce of the Senate and telling that committee what kind of legislation the railroad presidents want.

You have also another body, represented by another group of selfish interests, that do not so much concern the public; you have the owners of railroad securities, the gentlemen who have bought the watered stock of these railroads and who, therefore, want rates imposed upon the public high enough to give them a guaranteed return upon their investment. They bought those stocks at all kinds of speculative prices, and if they can get a United States Senate subservient enough and a House of Representatives subservient enough to impose upon the people of the United States a law that shall give them from 5½ to 6 per cent upon those speculative securities, that is good enough for them. So they can afford to have somebody on the ground here to represent their interests. They selected a most able man; his name is Warfield.

Now, Senators, in scanning and analyzing this bill remember two things: That you have represented in this bill the interests of the railroads, presented by Mr. Cuyler, and you have represented in this bill the interests of the security holders, presented by Mr. Warfield, and wherever you find Mr. Warfield and Mr. Cuyler in this bill you find selfish interests in it.

The Railway Security Holders' Committee spoke through their chairman, Mr. Warfield, whose testimony before the committee will be found on page 789 and subsequent pages of the hearings. Mr. Cuyler's testimony begins at page 305 of volume 1 of the hearings, and the essentials of his plan are set forth on pages 308 to 312, inclusive. You have but to compare the propositions urged by Mr. Cuyler and Mr. Warfield with the pending bill to see how exactly the bill represents the wishes of the railway executives and the holders of railway securities.

For example, section 1 of the bill provides for private ownership and operation of the railroads. Paragraph 1 of the railway executives' plan provides for the same thing.

For brevity I will hereafter refer to the railway executives' plan merely as the "railroad plan."

Section 2 of this bill makes the Government carry for a period of 10 years the debt owing to it by the railroads as the result of Federal control without offsetting the indebtedness of the railways to the Government arising out of the same transaction.

Section 18 of the "railroad plan" asserts—and I quote the language—

Provision should be made for the funding by the United States of indebtedness of carriers to it growing out of Federal control.

Sections 3 to 7 and subsequent sections of the bill propose to create a transportation board to assume a part of the functions heretofore exercised by the Interstate Commerce Commission.

Paragraphs 3 and 4 of the "railroad plan" provides for the creation of a department of transportation which corresponds in all particulars to the transportation board of the bill, except that under the "railroad plan" a Cabinet member would have been the head of it; but the railway security holders did not want that. The Railway Security Holders' Committee objected to this particular feature of the "railroad plan," and it was omitted from the bill. See testimony of Mr. Warfield, chairman of the Railway Security Holders' Committee, page 800.

The powers of the transportation board of the bill and the department of transportation of the "railroad plan" are substantially the same.

The provision of section 5 of the bill, continuing in force the existing rates and charges until changed by the Interstate Commerce Commission, is but a paraphrase of section 11 of the "railroad plan," though in justice to the latter it should be said that the four-month guaranty of the standard income of the roads contained in section 5 of the bill seems not to have been requested by the railway executives. The committee went them one better.

Sections 4 and 6 of the bill, providing for a net annual income of 5½ per cent on the value of railroad property, and the manner of distributing the excess which shall be earned by the more profitable roads, merely work out in detail the propositions embodied in paragraphs 1, 2, and 3 of the scheme of the security holders found on page 793 of volume 1 of the hearings, and are suggested more generally in paragraph 8 of the "railroad plan."

Sections 7 and 8 of the bill relate to the transportation board already considered and to the details of its organization.

The scheme for the Federal incorporation of all railroads and their consolidation, and the consequent wiping out of all State control over them, provided for in sections 9, 10, 11, 12, and 13, and some subsequent sections of the bill, merely describe in detail the system of Federal control provided for in paragraphs 19 and 20 of the "railroad plan."

The labor provisions of the bill, beginning with section 25, providing for regional boards of adjustment, merely carry out in detail the provisions of sections 13 and 17 of the "railroad plan."

The antistrike provisions of section 30 of the bill are but a paraphrase of section 17 of the "railroad plan."

In section 31, however, the bill goes further than the "railroad plan," and makes it a crime for anyone in any way to aid the men engaged in a strike.

The provisions of the bill, section 6, also see section 44, page 87, giving to the national authority power to fix all rates, State and interstate, and conferring upon the Interstate Commerce Commission the power to prescribe minimum as well as maximum rates, are demanded in sections 2 and 10 of the "railroad plan."

Even details of the bill, such as requiring a certificate of convenience before terminals or branch lines can be built, pages 7 and 8 of the bill, simply carry out the provisions of paragraph 5 of the "railroad plan."

No one can read this bill who is familiar with the testimony given before the Interstate Commerce Committee without being convinced that the bill was framed in exact compliance with the wishes of the railway officials, with the provision added for a guaranteed return on the investment made to comply with the demands of the committee of railway-security holders.

I do not contend, of course, that this bill should be defeated simply because it embodies the requests of the railway officials and the security holders. I do not even contend that it should be defeated because it ignores and disregards the express wishes of the other and much more numerous classes of people whose representatives argued before the committee in opposition to the claims of the railway-security holders and the railway executives, but I do say that a bill so framed should be carefully scrutinized in all its provisions by every Senator before he gives it his support.

We all know that the railroads of this country have fought against every attempt at Government regulation, whether Federal or State. Every law which requires the railways to pay a fair and reasonable tax upon their property, every law which forbids rebates and discriminations by which individuals and entire communities are often ruined for the profit of railroad managers, every law which seeks to prevent the charging of extortionate rates by the railroads, every law which requires them to take even the most common precautions for the protection of the health and lives of their employees, every law which seeks to protect the public against extortionate rates in order to pay interest and dividends on the watered stock and overcapitalization of the railroads—in fact, sir, every law which seeks to subject the railroads to the rules of honest business conduct, whether the law is State or National, was passed only after the most vicious and bitter opposition by the representatives of the railroads.

Mr. President, we have had government by great interests, and if you want to know what is causing the unrest in this country, you want to look to the fact that men in public office have been serving special interests instead of the public. And to meet that, let me say to the Senator from South Dakota [Mr. STERLING], instead of espionage laws to suppress public complaint, you require, sir, let me say, a reform of the Government itself. Make Government responsive to the public weal and the public interests, and there will be no serious unrest.

I sometimes think, when these repressive methods are under consideration, that if we would give a little more attention to making this Government what Washington made it, and what Lincoln conceived it to be, we would have every man in this country, and every man who comes to this country, supporting the Government—ready to die for the Government. You would not see red flags; you would see the Stars and Stripes if the Stars and Stripes represented the kind of Government that Washington gave us and Lincoln died for.

The trouble with this country, Mr. President, is that men have served corporate interests for 25 years, instead of serving the public, and the public condemns it, is getting restive under it, and criticizes it. They do not like it. They know they have been robbed. They know that instead of prices going up they should have gone down for a quarter of a century. You know that, if you stop a minute to think. There is not any sense in the advance of prices. Advances in price in war times we have always had, but before the war prices should have gone down, down, down, down, every year. Why? Because inventions, because superior organization, because everything that goes to advance civilization, means just that thing, or it means that civilization is a failure.

I must not turn aside for this sort of discussion. It just crossed my mind as I was talking. It takes such hold of me that I do not know when I will stop it if I start on it.

Anybody who comes to the United States comes here because the conditions of the government that he is living under are not satisfactory to him, and because he thinks he will have more freedom here; and, Mr. President, this Government of ours for many, many years has been held to be the asylum of the oppressed. The reason why we can build up the ideal democracy of all the world is because those who yearn for more liberty come here, and liberty under the Constitution is all that one who comes to this country seeks, all that anyone who lives in this country wants, and with that we can have a perfected democracy in this country.

Mr. STERLING. Will the Senator yield?

Mr. LA FOLLETTE. I will.

Mr. STERLING. Mr. President, does the Senator think they ought to have the liberty when they come here, whether they are foreign born or native born, to advise and encourage the overthrow by force and violence of this Government which Washington fought for and Lincoln died for? Does the Senator think they ought to have that liberty? That is the repressive measure to which the Senator alluded a little while ago.

Mr. LA FOLLETTE. Now, I will answer the Senator. Mr. President, the Senator represents an idea in this country that stands for suppression and repression. I remember that it was Elihu Root and some members of the Union League who decided and declared that because Senators on this floor had expressed their opinions in the exercise of their constitutional rights they ought to be taken out at sunrise and shot.

Mr. President, the exercise of the constitutional right of free assemblage and free speech is no menace and can never be any

menace to this Government. If anybody advocates a change in its form by methods which are un-American, meet it in the forum of free discussion of American principles and American rights, and those false ideas can never survive for an hour. But if you seek to repress them, if you force them into underground channels, if you get them where they can not be answered, then they may do harm. But out in the open, with free discussion, with just simply the literal and spiritual interpretation of the Constitution, a bad idea can not live in the open air and under the sunlight of free, liberal discussion in the United States.

I say just this, Mr. President, that there would be no menace to this Government for a minute, for an hour, if this Government were truly responsive to the interests of the public. It is just exactly that sort of thing in government that has made people critical of this Government, and made them denounce the existing conditions; and I say to you that you can not cure those conditions and purge this Government and make it truly representative without free discussion. If you can not defend your record as a United States Senator, if you can not defend your record as a Member of Congress, or as a governor, on what you have been doing throughout these years, then there is something wrong with your record. If you want to protect that by statutes that shall repress discussion and prevent men from reviewing your record under penalty of going to jail, then you acknowledge a condition of things that is the end of real constitutional democracy.

Mr. President, returning to the further analysis of this bill: I suppose that my experience with the railroads while I had the honor to be governor of the State of Wisconsin is somewhat similar to that which some other Senators had while governors of their respective States. It was always the same old story of bribery and corruption of every description on the part of the railroads to defeat the most necessary legislation for their regulation and control.

So it is that when I read this bill and discover from its history that every major provision in it merely represents the demands of those railroad interests which have always opposed every attempt at honest railway regulation, I feel bound to inquire whether the bill is in the interest of the public or in the interest of the railways. I know of nothing even in the most recent history of railway regulation and management which would lead me to belive that railway methods and purposes at the present time are substantially different from what they were a few years ago. The records and recent opinions of the Interstate Commerce Commission, the recent scandals in the cases of the New Haven Road, the Illinois Central, and the Frisco, the looting of the Chicago & Alton, and the revelations made during the so-called Harriman investigation, all indicate that railway methods and purposes require just as careful watching to-day as they did in the early years of railroad history.

The plan which the railroads brought forward and which has been written into the bill has been the plan of the railroads for several years. Even before the war it had been elaborated and submitted to a special committee of Congress substantially in its present form.

The testimony of Mr. Thom, which I have before quoted, given before the joint committee of the Senate and the House on October 23, 1916, and a pamphlet which he put in as evidence at that time, found on page 41, volume 2, of the appendix of the hearings on the bill, show not only that the railway executives had this plan carefully worked out at that time, but show also how clever was the propaganda which the railroads were then putting forth to secure the adoption of the "railway plan" now before the Senate.

Another bit of railway propaganda which has just come to my attention is found in a dispatch from New York, under date of November 28 last, which I quote from the Washington Herald of November 29. It is as follows:

> The railroads of the United States are about to spend $1,000,000 in six weeks to "educate" the people and the legislative governmental officials of the United States. The purpose of this drive is to inspire legislation favorable to private operation and continued private profits for the railroad owners. The million will be spent before the end of December—the date fixed by President Wilson for the return of the roads. * * * The move is backed by the Association of Railroad Executives, of which Dewitt Cuyler is chairman and Frank Fayant is assistant to the chairman. The offices of the organization are at 61 Broadway. * * * "The purpose of this advertising campaign is to influence the public to demand the proper legislation throughout the United States on the railroads' needs," said one of the men responsible for the campaign. It will set before the public the facts in the railroad situation and urge measures essential to the welfare and safety of the roads under private ownership.

A little later I am going to read you the first one of the announcements of this million-dollar campaign by one of the great railroad presidents of the country who succeeded in getting the front page of the New York Times last Sunday with this advertising stuff.

This article continues:

> Magazines, newspapers, and every kind of periodical publication are to be used. In size and scope this tremendous campaign of publicity has been equaled only by the advertising which the Chicago packers published while they were being investigated by the Federal Trade Commission.

I suggest that it would be well for the public interest if we would educate ourselves on this subject and not leave that labor wholly to the railroads.

THE BILL IS IN THE INTEREST OF THE RAILWAYS AND AGAINST THE PUBLIC INTEREST.

My opposition to the bill is not based alone upon its administrative details or its temporary features. I am opposed to the fundamental principles of the bill. The fact that the bill proposes to make the Government carry for 10 years at least a large indebtedness of the railways to the Government growing out of Government operation of the roads, while requiring immediate payment by the Government to the railways of the amounts owing to them on account of the same transaction, is, of course, unfair, but compared with the other and more vicious features of the bill that is unimportant.

So also the provision in the bill for a guaranty to railroads for four months after they are returned to private control of a certain "standard return" is, in my opinion, wholly unjustified.

But, sir, a guaranty to the roads for four months of a standard return is a small matter as compared with the guaranty forever which this bill gives to them.

[Mr. LA FOLLETTE yielded the floor for the day.]

Wednesday, December 10, 1919.

Mr. President, I shall proceed to state my further objections to this bill.

I. THE GUARANTY FEATURE OF THE BILL.

Section 6 of the bill provides:

> The commission shall initiate, modify, or adjust rates, fares, charges, and classifications, as nearly as may be, so that the railway carriers as a whole allocated to each district and subject to this act shall earn an aggregate annual net railway operating income equal, as nearly as may be, to 5½ per cent upon the aggregate value, as determined in accordance with the provisions hereof, of the railway property of such carriers in the district held for and used in the service of transportation.

A further provision of the same section provides:

> And it may, in its discretion, add to the basis above mentioned one-half of 1 per cent upon the aggregate value of said property, to make provision, in whole or in part, as the case may be, for what are commonly known as nonproductive improvements, betterments, or equipment, which, according to the custom heretofore prevailing, have been charged to capital account.

So, as a matter of fact, the net operating income provided for really is 6 per cent instead of 5½ per cent, although this one-half of 1 per cent shall not thereafter be capitalized for rate-making purposes.

Senators, do you realize just what that provision means with respect to that one-half of 1 per cent? It means that the public is hereafter to pay rates high enough to provide a part of the property that is used by common carriers, which this bill by its terms vaguely describes as nonproductive property; that that class of property is not to be supplied by those engaged in the business, but that rates are to be charged to the public high enough to make the public supply that part of the property.

I wonder if there are Senators here who get the full import and meaning of that provision of the bill? The common law, before we became an organized Government, established the amount that every corporation or individual engaged in conducting a public-service corporation of whatever character should be entitled to receive. What was it? A reasonable return upon the amount invested in the business, and the owner of that business, individual or corporation, was obliged to furnish all of the plant. The common law of England from the very beginning said that all the return that should be recognized as lawful for one conducting that kind of a business, a public-service business—stage-coach line, tramway, railway, what not—whoever conducted that business should furnish the capital and receive as a remuneration only a fair return upon the amount actually invested in the business.

That came to be the accepted common-law rule, and we took it over, and when we enacted our first interstate-commerce law in 1887 we simply wrote into that the recognized and established common-law rule.

I want to emphasize the fact that this bill radically changes the old common-law rule, radically changes what has been established in every act that has been passed by Congress and by every State in the Union in dealing with public-service corporations; for, whatever may have been the enforcement of the law, however lax it may have been, however much railroad power has

been able to manipulate commissions—yet, nevertheless, there has always been recognized and written into the law the principle that the public-service corporation must furnish the capital, and all that it invested in the business, whether it was productive or nonproductive, should be taken into account and listed, and upon the "fair value" of that property it should have a return, and that return should be a "reasonable return."

Mr. KING. Mr. President, will the Senator permit an inquiry?

The PRESIDING OFFICER (Mr. SMITH of South Carolina in the chair). Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I yield, with pleasure.

Mr. KING. I think the statement just made by the Senator relative to the common law is entirely accurate. I was trying to brush aside the cobwebs of the past, and recall, if I could, any decisions or statements by publicists and economists who have written with respect to the common law, particularly as to a situation of this character:

Given a certain amount of capital stock which is invested in business which is impressed with a public character, and granting a reasonable compensation upon that capital, naturally that property from year to year becomes, in part at least, obsolescent, and must be renewed. To bring it down to a concrete case, a railroad costs $100,000,000 as an original investment. A fair return, obviously, should be granted upon that investment. From year to year the property deteriorates, and there must be added capital. It would seem to me intolerable that in the course of 20 years, or 10 years, when perhaps as much capital would be called for to keep the road in repair and in proper shape as was originally invested, there should be earnings upon double the original investment.

It has been said by Mr. Hill that it would cost a billion dollars a year to maintain the railroads of the United States in proper condition. Suppose that there were twenty billions—and there are not—but assuming that, in 20 years there would be, then, $40,000,000,000 of investments—the original 20 and 20 added at the rate of one billion each year. The American people ought not to be called upon to pay a return upon an investment of $40,000,000,000.

What I am trying to get at is the Senator's view, if he cares to express it at this time or later on, as to how the railroads should be treated in the way of compensation for the additional capital required to keep the roads up to a proper standard. If you pay 5 per cent only, and it takes 3 per cent or 4 per cent or 5 per cent to keep them up to a proper standard, and it is a capital charge in a way, it would seem to me you would have to increase the amount allowed them. How would the Senator deal with that, if I have in a very rambling and imperfect way made myself clear?

Mr. LA FOLLETTE. The Senator always makes himself understood. Few Senators on this floor, if any, state their views more clearly than the Senator from Utah. I think he is always especially happy in his expressions, and I am rather glad that he has asked me this question. If I can, I shall be glad to make answer to it.

I understand that the principles that have been recognized as stating the rule in the regulation of public-service corporations were laid down by the United States Supreme Court in opinions rendered in the seventies.

Now, Mr. President, what did those decisions determine? That brings me to answer in a specific way the question of the Senator from Utah [Mr. KING]. They determined that the railroads are bound to provide adequate service and equal service at reasonable rates.

In defining "reasonable rates" the courts decided the public must pay rates high enough to defray all the operating expenses, all the cost of maintenance, and it must pay more than that—a fair return on the amount of money invested in the business. That is all settled, that is all established, and when you have said that you have said all there is about it.

The rate which will supply the cost of operating expense, the cost of maintenance, and a fair return upon the money actually invested in the business is a lawful rate, and any rate beyond that is an unlawful rate. Never since there has been any recognition of public-service corporations and their rights has there been any other principle recognized in law. This bill undertakes to fix a different principle. Mark you, Congress can not as a matter of practical legislation fix rates. It has neither the technical knowledge nor the time to investigate the complex subject of rate making. Heretofore we have said that the Interstate Commerce Commission shall fix reasonable rates.

But now for the first time we are asked to write into the law what the rates shall be. You can not pass a law that does not contravene every recognized principle of the common law and of the statutes if it allows less to a railroad company than a reasonable return on the property, or if on top of the reasonable return it takes from the public anything more than a reasonable return.

That is the vice, that is one of the vital weaknesses, of the proposed bill.

Mr. KING. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Utah.

Mr. KING. Probably the committee reporting the bill takes the position that a reasonable rate, at least until 1925, would be 6 per cent. But they arbitrarily take away a part of the reasonable rate, to wit, one-half of 1 per cent, and compel its investment in betterments and permanent improvements.

Mr. LA FOLLETTE. Yes. In other words, they require the public to contribute or donate to the railroad a part of the property and part of the railroad plant. If they say that 5½ per cent is a reasonable rate, then 6 per cent is an unlawful rate. If they put upon the people of the country one-half of 1 per cent upon all of the traffic of the country, the millions and hundreds of millions exacted from them, wrongfully and unlawfully, contravenes all the established principles of the common law and all the long line of statutes enacted by Congress upon that subject in the years gone by.

Mr. OVERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from North Carolina?

Mr. LA FOLLETTE. With pleasure.

Mr. OVERMAN. Having fixed a reasonable rate at 5½ per cent, as I understand it, the bill takes into contemplation an additional percentage and provides for the excess to be put into a certain fund.

Mr. LA FOLLETTE. That is correct.

Mr. OVERMAN. If the railroads make more than 5½ per cent, even if that is a reasonable rate, the excess is more than a reasonable rate; and what right have we to fix that rate so that the return will be more than 5½ per cent?

Mr. LA FOLLETTE. Absolutely none.

Mr. OVERMAN. Then it is an indirect tax upon the shippers——

Mr. LA FOLLETTE. It is.

Mr. OVERMAN. Because if they make more than 5½ per cent, instead of taking the excess, it is the duty of the commission to reduce the rates to the public.

Mr. LA FOLLETTE. Why, of course. Let me say further, in response to the Senator from North Carolina, that if 5½ per cent is a reasonable rate, the railroad is entitled to that. If it is not a reasonable rate—if 6 per cent is a reasonable rate or 7 per cent is a reasonable rate—we have no right to take the difference from them. They are entitled to the 6 or the 7 per cent. You can not lawfully and properly and justly demand of the people any rate to make them contribute a part of the investment of the property of the public-service corporations of this country. That is exactly what is designed to be done here. I do not think it is the business of Congress to say that 5½ per cent is a proper rate. I have never believed for a moment that it was within the proper function of a legislative body to determine the rate. You have not the opportunity for the investigation necessary to say what is a proper rate. The only reason why a rate of 5½ per cent is written in here is because the holders of the railroad securities have been strong enough to come to Congress and dictate.

Mr. OVERMAN. How can we fix a reasonable rate unless we know what the value of the property is?

Mr. LA FOLLETTE. We can not do so; we can not approximate to it. The Interstate Commerce Commission for 12 or 13 years laid on the desks of Senators on the first day of the session every year their annual report, saying that they could not fix reasonable rates without knowing the value of the property. Do you know the terms of this bill? It juggles a little bit. I do not mean that in an offensive sense; but it refers to ascertaining the rates under the act of 1913, when it comes to the reorganization of the railroads. It sets down specifically that the Interstate Commerce Commission, immediately after the passage of this act, shall fix a rate that shall pay 5½ or 6 per cent, when you include the additional one-half of 1 per cent on the value of the property. How are they going to find it?

What will they do? They will take the "book value"; and the book value of the railroads of this country is rotten beyond all expression. That I can prove over and over again, as I have done heretofore on this floor.

What this bill means, Senators, is just this: You are about to be called upon to vote to validate all of the water-logged securities that have been issued by the railroad corporations and that have been denounced by the courts and the commission for 40 years; you are about to validate all of the water-logged

stock that has been set afloat in the current of railway operations. I can not conceive of your doing it. I do not believe you will. From my point of view you can not defend it for a minute. This is the culmination of all the iniquity condensed into 70 years of fraudulent and fictitious overcapitalization of the railroads of this country, and it is proposed to saddle it upon the people of this country for all time.

Valuation under the law that we passed a few years ago will not be completed for at least three years, and when completed by the Interstate Commerce Commission, what then? It will have its long course through the courts. You know that perfectly well. You could not clothe the commission with the authority finally to fix the value of the railroads. The railroads are entitled, under the Constitution, to have the value finally passed upon by the courts. So we provided for a review in the court of all of their work. It will take 10 years. When you write a law here saying that immediately upon its passage rates shall be fixed to make a certain return upon the value of the property, how are you going to find it if you do not take book value that is discredited by everyone?

You can not do any wrong to a railroad if you try. You can not do any wrong to the holder of a railroad security if you try. Why? Our courts will not permit you; that is why. If you had a disposition to rob the railroads of this country you could not do it. Do not be afraid of erring upon that side; you can not err upon that side; the courts will protect railroad investments; the courts will make certain that there is no confiscation; the courts will assure to every man who has put his money into the railroads of this country that he shall have a fair return upon the actual value of the property.

I will now resume the discussion of the bill that I had in hand when somewhat diverted by the interrogatory of the Senator from Utah.

Mr. SHEPPARD. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Wisconsin yield to the Senator from Texas?

Mr. LA FOLLETTE. I am delighted to yield to the Senator.

Mr. SHEPPARD. Does the Senator think that Congress ought to attempt to establish any definite, unchangeable system for the determination of rates?

Mr. LA FOLLETTE. I do not think that Congress ought to pretend to fix rates.

To return to my argument, as a matter of fact the net operating income provided for in this bill is really 6 per cent instead of 5½, although the additional one-half of 1 per cent shall not hereafter be capitalized for rate-making purposes. Then follow provisions disposing of the excess earnings above 6 per cent, the effect of which is that one-half of the excess between 6 and 7 per cent goes to the reserve fund of the carriers. Senators appreciate that, I hope.

Mr. STANLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Yes; to be sure.

Mr. STANLEY. I should like to ask the Senator a question for information. Here is a situation that puzzles me in that very proposition:

You have two roads with common termini. One road is much longer than the other, much less wisely constructed, and yet it must charge the same rate on through traffic. Let us assume the case of two roads between Louisville and St. Louis. Where the through traffic of both roads is the bulk of the traffic how are you going to provide a rate which shall be only compensatory to one road, without imposing a charge that is not sufficient to the other; or, on the other hand, if you take the poorer road as the basis and give it a rate that is compensatory, how are you going to keep the better-constructed road from charging a rate that is in excess of what would otherwise be a compensatory rate? To harmonize the rates between two roads with common termini has been the puzzle to my mind.

Mr. LA FOLLETTE. Mr. President, I have for my guidance in this matter only one principle. I know that we have a right, with reference to every one of these roads, to exact from it a service that is adequate and impartial, and we ought to compensate it upon the capital that it put into the business at a certain rate that shall be reasonable. If there is another road lying beside it that was wrongfully, foolishly constructed, built perhaps out of spite, built out of folly, built to enrich regardless of public interest, and capitalized at an amount greatly in excess of its fair value, do you think there is any justification, I will ask the Senator from Kentucky, in imposing a rate upon the public to pay for the folly and the iniquity and the crookedness that is back of that road? No, Mr. President. If some of these roads have to go into the hands of a receiver in order to strike a fair basis of what their true value is, let them go that course. The public is not responsible for their having been called into being. They were built as a part of the railroad game, and expected to be imposed upon the public, and the public to be soaked and bled to sustain them.

Then follow the provisions disposing of the excess earnings above 6 per cent, the effects of which are that one half of the excess between 6 and 7 per cent goes to the reserve fund of the carriers, the other half to the contingent fund of the Government. If 5½ per cent is a just rate, what you charge above that is an unlawful rate; and you are going to satisfy the Government and the railroads, the only two people that can get into court and make any opposition to your robbery, by dividing between them the spoils which you take out of the people. That is what it amounts to.

Then, as I say, follows the provision disposing of the excess earnings above 6 per cent, the effects of which are that one half of the excess between 6 and 7 per cent goes to the reserve fund of the carriers, the other half to the contingent fund of the Government, to be used generally to bolster up the weaker roads; and of any excess above the 7 per cent, one-fourth goes to the reserve fund of the carriers and three-fourths to the contingent fund of the Government; and after this reserve fund exceeds 6 per cent of the value of the railway property an increment therefrom goes to the contingent fund of the Government.

Some Senators may be able to reconcile themselves to vote for that provision for the spoliation of the public; but there will come a day, later than this day, when there will be a reckoning upon a full and fair understanding by the people of this country of what the terms of this bill really mean to them.

Without at this time attempting to follow the ramifications relating to the disposition of the reserve fund and the contingent fund, I direct attention to the main proposition, which I have quoted from section 6 of the bill. You will observe that the paragraph quoted involves several propositions.

First, it commands the Interstate Commerce Commission to initiate and fix rates high enough to accomplish a certain purpose. There is no longer any question of the commission's power to fix only a minimum rate or a reasonable rate, and there is no option or exercise of discretion left to the commission. The command of the bill is that the commission shall fix the rate so as to produce a certain income. This, in the plainest words possible, is a guaranty by the United States of a certain income to the railways.

Now, what is the rate which the commission is to fix?

It is a rate so high that the railways located in the district shall as a whole earn an aggregate annual net operating income equal to 5½ per cent, and, as supplemented by another provision of the bill, this is really 6 per cent. According to this feature of the bill if there are various railroads in the district earning less than the guaranteed return and others earning substantially the amount guaranteed, the rates for all of them must be raised up to a point where as a whole they will receive the guaranteed return.

The next question suggested by this provision of the bill is how the value of the railroad property of the district upon which railways are to receive a net operating income of 6 per cent is to be determined. The language of the paragraph in question is that such value "shall be determined in accordance with the provisions hereof." The reference to "provisions hereof," quoted, evidently relates to the following provision found in the same section of the bill:

> For the purpose aforesaid, the commission shall from time to time determine the value of the property in each district and rate-making group so held for and used in the service of transportation, and lower or advance the rates, fares, or charges for transportation to produce, as nearly as may be, the net operating income above mentioned.

This, of course, says no more than that the commission shall determine the value of the property. How it is to determine the value of the property is not stated. It is precisely at this point that the scheme of the railway executives begins to be revealed.

If the commission is forced by the terms of this bill to make a valuation to-day—or, as the bill states it, "immediately"—then I say that the valuation of the railway property is a matter wholly within the hands of the railways themselves. For six years we have had a commission at work with an army of experts valuing the railroads of the country, and it will be three or four years longer before that work will be completed. Then the valuation of the commission will go to the courts before the result can be used by the Interstate Commerce Commission in valuing railway property. When this bill therefore commands the Interstate Commerce Commission, overburdened with its multitude of other duties to forthwith—and that is what the bill means—value the railway properties for the purpose of fixing these rates, it simply says in another way that the Interstate Commerce Commission must accept the valuation which the

railroads place upon their properties; that is, the fictitious and fraudulent valuation which they carry on their books.

Another fact to be considered is that one of the elements entering into valuation of railway property, as all know, is the cost of reproduction. That is one of the elements, not a deciding or controlling element, but simply one of the elements which it is made under the valuation law the duty of the Interstate Commerce Commission to ascertain. Now, with the present high cost of materials and equipment and labor and everything else, it must be evident that by giving consideration to this element a valuation will be arrived at for rate-making purposes far in excess of the value of the property a few years ago, and far in excess of what its value will be a few years hence.

Do you wonder, Mr. President, that the railroad executives and security holders are clamoring for this legislation when the cost of reproduction is far in excess of normal? Do you wonder that they are clamoring for this legislation now in order that they may forestall the valuation of their property by the commission engaged in railway valuation a few years hence when they shall have completed the task assigned to them by Congress?

The members of the Interstate Commerce Commission can no more immediately value the railway properties of the country for the purposes of this bill than any equal number of the Members of the Senate could so value them. Why, sir, the Interstate Commerce Commission can not even properly inspect the expense accounts of the railways, much less value their properties. The commission recently said:

> Our force of examiners is relatively so small as to make it impossible at regular intervals to inspect the accounts of the railroads and other instrumentalities of interstate commerce and thus to give assurance that the results of their operation, their net incomes, their assets, and their liabilities will be correctly shown on their books.

The Senator from Minnesota [Mr. KELLOGG] in his address, I think, left the impression upon the minds of the Senators who listened to him, as he did at least upon my mind, that the railroad investment account since the enactment of the Dolliver-Hepburn bill of 1906 could be relied upon as reasonably accurate. He was arguing manifestly that, in this interval between the time when the present bill should be enacted and that period some 3, 6, or 10 years hence when railway valuations should be determined by the Interstate Commerce Commission and finally settled by the courts and might be relied upon, these investment accounts should be accepted as a substitute for the true, fair valuation of railway property.

I take it that the effort of the Senator from Minnesota to persuade the Senate that since the Dolliver-Hepburn law was enacted the supervision of the Interstate Commerce Commission of the accounts of the railroads provided for in section 20 of that bill purged these book statements of their fraud, and that therefore to a very large extent the book values of the railroads could be depended upon as a basis for fixing the rates under this bill.

The Senator from Minnesota and every other Senator who knows anything about the history of railroad legislation and accounting knows perfectly well that all of the fraud and the cheating and the chicanery, the fictitious capitalization prior to 1906, is still carried upon the books, and that it taints, it putrefies with its corruption, the accounts based upon that false and fraudulent statement.

Down to 1906, when the Hepburn-Dolliver bill was passed, the railroads conducted their accounting without any Government control whatever that amounted to anything. They put in "india-rubber" funds, "yellow-dog" funds; all of the iniquities of juggling were carried in those accounts up to that time. Everybody knows—it is a matter of accredited history—that you can not depend upon anything in railroad accounting prior to 1906, when the Hepburn-Dolliver bill was passed, at the end of a long struggle of 13 years to try to correct the evils that existed in the old legislation of 1887. It was a bill of many sections, but it had just one section in it of value, and only one. After all that long struggle the only section in the Hepburn-Dolliver bill that was worth the paper on which the bill was written was section 20. Interstate Commissioner Prouty so stated shortly after the legislation was enacted. He said that the only section in that whole law that was of any account whatever was section 20. But I say to you that they have been clamoring for more help to check up on the iniquities of the railroads' bookkeeping from 1906 down to now, and here is a statement from them, fresh, new, recent. What do they say? I read it again:

> Our force of examiners is relatively so small as to make it impossible at regular intervals to inspect the accounts of the railroads and other instrumentalities by the Interstate Commerce Commission, thus to give assurance that the results of their operations, their income, their assets, and their liabilities will be correctly shown on their books.

The commission added:

> The law places upon the carriers the full responsibility for the correct statement of their accounts in accordance with the prescribed rules and regulations. The responsibility does not rest upon the commission, and the burden of such a requirement would be sufficient to demonstrate the impracticability of any such plan.

They say further:

> It is well to add that the present statements of the assets and liabilities of the carriers are still largely affected by the records and accounts of the period prior to the legislation giving authority to the commission over the accounts of the carriers.

Of course, that is so. They carry all that falsehood, all that water, in the account. The Senator from Nebraska [Mr. NORRIS] touched the nerve center of this thing while the chairman of the committee was speaking. His practical mind at once went to the proposition.

I am advised that the investment accounts of the first five railroads valued under the valuation law of 1913 are double the estimated cost of reproduction.

The valuation board has done quite a bit of work, but it did not feel safe, up to day before yesterday, in making an order fixing the valuation, under the law, on more than five railroads. All those are still subject to revision. That section of the Interstate Commerce Commission which has charge of valuations has had some serious handicaps on its work.

But so common is it to look upon this investment account as a measure of railroad valuation that I observed that the distinguished chairman of the Committee on Interstate Commerce, in his first day's argument in support of the bill, referred to that investment account of railroads as a basis for comparing the net operating incomes of the various roads for 1918. He stated that the investment account was—and I quote his words—"supposed to reflect the actual investment in money in railway property," and frankly said that he believed the investment accounts were flagrantly wrong in many instances. He said, and I again quote his words—

> that is the only thing that for the purposes of this comparison I can assume, and it is an assumption which was directed in the act of 1918.

Since the chairman of the committee found himself constrained in turning to some standard of measurement of railroad properties upon which to base an estimate of railroad profits to turn to this investment account, I think any Member of the Senate ought to be willing to pardon the Interstate Commerce Commission if it does the same thing if we throw upon them the responsibility of fixing rates upon values when they have no value ascertainable upon which to fix the rates other than the bookkeeping accounts of the railroad companies.

I continue to speak of the chairman's discussion. He proceeds to show the great diversity in the income of the railroads of the country by these very percentages of net operating income upon their respective investment accounts.

The Senator from Iowa rather guardedly stated that he could not agree that the Interstate Commerce Commission should accept the investment account as a finding of value without carefully reviewing it. I do not know how they will review it. I do not know where they will get the data to make deductions from and comply with the terms of this bill, which requires them to act immediately upon its passage. The commission have a vast amount of work yet to perform before they can determine the real true fair value of railroad property, and, mark you, after they have made their findings, by the very terms of the law their findings must be reviewed in the courts. A long and tedious process.

Mr. CUMMINS. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Iowa.

Mr. CUMMINS. I do not intend, of course, to reply to the Senator from Wisconsin at this time. I shall take occasion a little later to correct what I regard as some of his mistakes; but at this moment I may say that I assume the Senator from Wisconsin knows that the principles which have been announced by the Interstate Commerce Commission for its guidance in ascertaining values are involved in a case that is being argued to-day in the Supreme Court; at least it was assigned for argument to-day, and I have no doubt that before long we will have the view of the Supreme Court with regard to the correctness of the principles which the Interstate Commerce Commission has laid down for its guidance in reaching values.

Mr. LA FOLLETTE. Oh, I understand that, Mr. President. I do not understand, however, that that will settle the question of value as to any particular road, but that with respect to each one of these roads the value will have to be fought out before the Supreme Court. I am quite as familiar with the provisions of the valuation law as the Senator from Iowa and quite as familiar as any other Senator with what the Interstate Commerce Commission is doing.

I was particularly interested in the discussion and colloquy of the Senators upon the subject, because it showed the hopeless confusion in which it was involved and made it clear that if this bill becomes effective in the immediate future the whole matter of valuing railway properties for the purpose of fixing rates which will yield a net revenue of 6 per cent thereon would be entirely under the control of the railroads until we have a completed valuation by the commission and have it passed upon by the courts.

There is a further matter of great importance to be considered at this point. Senators will observe that the rates must be fixed high enough so that the net operating income of the railroads is to be 5½ or 6 per cent.

Now, sir, I have searched the bill in vain to find any regulation of railway expenditures, whether in salaries, equipment, or anything else, except that there is some indirect regulation of wages. But no one, I think, would ever argue that there would be any danger of the railroads paying out too much in wages to employees. There is danger, however, of their paying out and appropriating immense sums of money for salaries and expenses, and yet you will not find anywhere in the bill any check upon that side of the business.

There is danger that the officials of the roads will organize construction companies and corporations for selling supplies and equipment to the roads and kindred operations, and in that way loot the roads of fabulous sums by excessive charges.

I say that an investigation of the railroads of the country, from the Pennsylvania down, will show officials of the roads interested in inside construction and supply companies. Now, then, it is an elementary principle of business that no man who is in a position of trust should buy and sell from and to himself with an opportunity of profit to himself and transact business upon that principle when the public is to foot the bill. Members of common councils, agents of the Federal Government and of all the State governments are checked by criminal statutes against that sort of business; and yet, without limit and without check, the railroad systems of the country have practiced upon an innocent and unprotected public the scheme of furnishing the supplies, the engines, the cars, the facilities, by factories and manufacturing plants of various kinds organized by the officials and managers of the railroads, stockholders in the business, furnishing supplies to their companies and robbing not only the stockholders but the public by paying unconscionable prices for all of the supplies furnished to the roads. Engines have been bought for the leading railroad company of the United States of a private organization at a 40 per cent higher price than they could be furnished by the company itself in its own manufacturing plant. Volumes of testimony have been taken by the Interstate Commerce Commission on this subject.

In fact, this is one of the ways in which so many of the roads have been plundered in the past; it is one of the causes for the wretched condition of the roads prior to the time when they were taken over by the Government; and it is one of the causes for a perennial demand for increased rates.

Prof. Parsons, in his work on Railroads, the Trusts, and the People, page 449, says:

> One must go to the history of private railways, built especially in the United States, to find the records of fraud and corruption that blacken the railroad history of the world. In former chapters we have shown how, through construction rings and through frauds, hundreds of millions of dollars have been stolen from the people in the construction of private railways. In a number of instances, as we have seen in the case of roads at considerable length, the railway was a fraud from beginning to end. It was built for graft, was graft, and nothing but graft. Public lands and moneys have been devoted to railway building in countries having private roads and in countries having public systems. The difference is that in the United States, though enormous quantities of the people's land and money have been given away to railway corporations, the people do not own a mile of the railways; the private companies own them all, while in many other countries where public land and money have been put into the railroads the roads thus paid for have been kept as the property of the people.

Of course, the people of the United States have paid for our railroad systems over and over again. They have paid for them in donations; they have paid for them in excessive rates; they have paid for them in land grants.

I think that it is a fair thing to say that practically every railroad that has been constructed in the United States has been constructed upon this plan: A construction company is organized and a right of way is procured under contract. The construction company goes out and makes an estimate, sells bonds for enough to pay for the construction of the road——

Mr. OVERMAN. And frequently counties are bonded.

Mr. LA FOLLETTE. Of course, that is true.

Mr. OVERMAN. As was the case as to the Winston-Salem road, where the counties gave enough to build the road.

Mr. LA FOLLETTE. That is true in almost every community. I was overlooking that. The townships and the counties have bonded themselves for enough to build the roads. Then bonds are issued and a big profit is made in selling the bonds. Finally, when it is all sifted out, the bonded indebtedness of the roads is about what has been put into the property. That indebtedness is never paid off; it remains as a mortgage on the road. All the stocks which are issued are just so much water. The bonded indebtedness of the railroads of the United States represents, in a rough way, what has been put into the business, without a dollar of the money being contributed by the people who assume to own the roads.

Then stocks are issued and rates are charged high enough to pay interest on the bonds and to pay dividends on the stock. That system goes on; but they do not stop with that. Still higher rates are charged, rates high enough—and that is proper—to pay for maintenance and to pay for operation. They do not stop with that. They increase the rates another level—and that has come to be recognized; they have been permitted to do that by the railroad commissions—they accumulate a surplus and they pile up that mighty surplus until finally, by unjust rates which they have taken out of the public, they have a sufficient surplus if they want to build another branch road to build it not out of new capital but out of the surplus that they have taken as an excessive charge from the people. And this measure, as I read it and as I understand it, is to crystallize and fix all of this past wrong as a burden upon the people for all time to come.

President Hadley, of Yale University, in his work entitled "Railroad Transportation," page 5, says:

> The conditions which seemed to have most to do with causing the present crisis—

Referring to the panic of the early eighties—

> were, first, an unprecedented rapid expenditure of capital for railroads and other permanent investments; second, a system of business methods which rendered it easy for interested rings to manipulate the market for their own purposes. In the three years, 1880–1882, we built 29,000 miles of railroad, an addition of 34 per cent. Not more than one-third of these were justified by existing business. Of the two-thirds excess, a considerable portion was built to put money in the hands of builders as distinct from the owners.

Prof. Parsons, in the work previously quoted from, on page 127, says:

> Not a few railroads have been built for graft—built for what the promoters could get out of them in the way of construction profits, etc., or through selling to companies controlled by them. Many a time a few promoters, with plenty of energy and some capital, have organized a railroad company and issued stock, reserving enough to keep control, bonded the road for full value, secured State and municipal aid, and national assistance also perhaps, and voted themselves a construction contract at an enormous margin of profit, by means of which they got out of the road every dollar they had put into its promotion, with millions in addition, and yet retained the ownership and control of the railway in which not one cent of their money remained invested.

I expect somebody will say with reference to those quotations that they are old, but I will show you that the railroads, according to the Interstate Commerce Commission, have been doing the same thing very recently. I simply wanted to strike a few high points along the course of railway history.

In his work Prof. Parsons reviews the organization, mergers, and transformations of most of the leading railways of the country, and shows in each case from official records that his generalization which I have just quoted is correct.

I am not going to take the time of the Senate to review the scandalous history of railway graft, fraud, and fictitious capitalization. A little of the water has been squeezed out of the railway securities by foreclosures and reorganizations, but many billions of it are there yet, and if this bill becomes a law the people of this country are going to be taxed to pay interest and dividends on these roads so long as the system lasts for which this bill provides.

But you may say that these abuses occurred years ago. All railroads are now good railroads; all railway officials now are merely seeking the opportunity to serve the public; they have reformed, and so it is that we can take a bill which they hand us, more far-reaching in its effect than all other railroad legislation that has heretofore ever been passed in this country, without taking the trouble even to know its contents.

Have the railroad executives suddenly reformed? Let me call your attention to a few paragraphs taken from the recent reports of the Interstate Commerce Commission. The New Haven case is reported in volume 31 of the Interstate Commerce Commission reports as late as 1914. I quote from page 30 and subsequent pages of that volume where the Interstate Commerce Commission says:

> The New Haven system has more than 300 subsidiary corporations in a web of entangling alliances with each other, many of which are seemingly planned, created, and manipulated by lawyers expressly retained for the purpose of concealment or deception.

I wonder if any of the fine legal ability that framed the railroad plan embodied in the bill which the Senate is asked to pass could have been referred to.

Continuing, the Interstate Commerce Commission said:

Ordinarily in any investigations of this character evidence is easily adduced by placing the witnesses upon the stand, but in this investigation the witnesses, other than the accountants of the commission, were, in the main, hostile, and, with few exceptions, their testimony was unwillingly given. The result of our research into the financial workings of the former management of the New Haven system has been to disclose one of the most glaring instances of maladministration revealed in all the history of American railroading.

Note well the language—"one of the most glaring instances of maladministration revealed in all the history of American railroading." This is not ancient history.

Further the commission states:

The difficulties under which this railroad system has labored in the past are internally and wholly due to its own management.

Referring further to the attempt of the New Haven unlawfully to acquire control of the Boston & Maine Railroad, another road, the commission says, on page 559:

The subject matter of this inquiry relates to the financial operation of a railroad system which, on June 30, 1903, had a total capitalization of approximately $93,000,000, of which $79,000,000 was stock and $14,000,000 bonds. In the 10 years from June 30, 1903, this capitalization was increased from $93,000,000 to $417,000,000, exclusive of stock premiums, or an increase of $324,000,000. Of this increase approximately $120,000,000 was devoted to its railroad property, and was expended for betterments and equipment. This leaves the sum of $204,000,000 which was expended for operations outside of its railroad sphere. Through the expenditure of this sum this railroad system has practically monopolized the freight and passenger business of five States of the Union. It has acquired a monopoly of competing steamship lines and trolley systems in the section which it serves. The financial operations necessary for these acquisitions, and the losses which they have entailed, have been skillfully concealed by the juggling of money and securities from one subsidiary corporation to another.

I shall only take time to refer in this connection to one other case, and that is the case decided by the commission January 9, 1914. It is entitled: "933 St. Paul & Puget Sound Accounts," etc. It is reported in the Twenty-ninth Interstate Commerce Commission Reports, page 508. In that case the Interstate Commerce Commission, among other things, said—and I quote:

By means of these entries the income of the Chicago, Milwaukee & St. Paul Railroad Co. for the year 1910 was overstated by more than $5,000,000. As a result of this overstatement of income for the fiscal year ending June 30, 1910, the report of the St. Paul Co. for the succeeding year showed an apparent falling off in revenue and income as compared with the previous year of over $2,000,000. In its report to the stockholders for the latter year, the explanation offered by the officers of the company was that the large decrease in the net operating revenue is accounted for—

Mark well the language—

by the inability to obtain increased rates, and the great increase in the cost of labor.

Of this statement the commission said:

This statement was not in accordance with the facts in the case. Had the income of the year 1910 been properly reported, the net income for the following year, instead of showing a decrease, would have shown an increase of about $2,800,000 over the net income of the fiscal year ending June 30, 1910. The reference to the great increase in the cost of labor was no less at variance with the real facts.

What I have just read are only samples of the modern, up-to-date methods by which the old, old game of robbing the public is still played by the railroads. I could give you many other illustrations, but this is enough to show that the railroad officials of to-day need just as close watching as they did in the old days. It is not any more safe to-day to allow them to make a law for themselves than it was in the days of Jay Gould, Oakes Ames, and others of their ilk. The crude methods by which railway managers robbed and exploited the public have largely given way to new and subtler ones. The railroad buccaneer of the early days has been succeeded by the high financier of the present day. Instead of continuing as lawbreakers, the railroads now essay the rôle of lawmakers. The latter is much safer, and also more effective.

Mr. President, even if the demand of the railroad security holders that they have a guaranteed net income on their investment was put into this bill, I can not understand how, if the public interest was at all regarded, there was not some provision put in the bill relating to the gross amount which the railways might collect from the public—the gross amount. The net operating income, of course, is only what is left after all expenses have been paid.

Why not put a provision in this bill limiting the salaries of railway officials? I notice that when the railroad bill was before the House a short time ago, Judge SIMS submitted a list of 208 general officers of railroads in 1917, before real Federal operation, including attorneys and receivers, drawing over $20,000 a year salary and running from $20,000 to $120,000 per year; and he proposed to limit the salaries of these gentlemen to $20,000 a year in so far as they were to be a charge on or against operating cost. This item alone would have saved a good many million dollars to the people of this country, who in the long run pay, in the increased cost of the necessaries of life, the exorbitant salaries of railway officials. It was not part of the plan submitted by the railway executives to have any limitation of this sort placed on the expenses of the roads, so we find nothing of the kind in the bill.

I pause here, Mr. President, to refer to the list presented by Judge SIMS when the railroad bill, known as the Esch bill, was pending in the House. I am not going to take the time to read this salary list clear through; it is somewhat extended; but it is taken from the official report made, as I understand, to the Interstate Commerce Commission. I will read just a few of the salaries:

The following were the officials and attorneys of the Pennsylvania system who received salaries of $20,000 and in excess of that sum for the year 1917:

Samuel S. Rea, president	$75,460
James J. Turner, vice president	40,620
W. W. Atterburry, vice president	40,000
W. Heyward Myers, vice president	35,200
Edward B. Taylor, vice president	31,235
G. L. Peck, vice president	30,030
George Dallas Dixon, vice president	30,000
D. T. McCabe, vice president	30,000
B. McKeen, vice president	25,020

Why not have put into the bill a provision prohibiting interlocking directorates of railways, to become immediately effective—it is provided in the bill that it shall become effective after a certain lapse of time—instead of postponing it for two years, within which time most of the high financiering will have been completed under the terms of this bill? Why not put into it a provision to the effect that no officer or director of a railroad should be interested, directly or indirectly, in any construction company, supply company, or other concern selling supplies or materials to the railways? Provisions like these were no part of the railway executives' plan, so they are not to be found in the bill.

Think for a moment what all the vast plan of reorganization which this bill proposes means to the financiers, attorneys, and employees in the way of fees and bonuses and commissions and profits! Why, every railroad corporation in the country is to be broken up; new corporations are permitted, not only permitted but required; the securities of the old companies have got to be given up in exchange for the new. Why, sir, this bill simply lets loose an orgy of railroad manipulation which makes all that has gone before seem insignificant. It requires the reorganization of all the railroads in the country, and places no limit upon the commissions, fees, or profits that may be extracted from that proceeding. The records of the Interstate Commerce Commission show something of the fabulous profits that the insiders make out of the reorganization of a single railroad. Multiply that by the number of railroads in the country and you get some idea of the amount which is ultimately taken out of the public in the vast scheme of reorganization and consolidation which this bill requires, and nowhere is there a limitation or a check upon the amount of these expenditures. This bill puts a premium on extravagance and the squandering of the money collected from the people. This will continue even after the reorganization of the railway companies, because it guarantees a fixed net income without in any way limiting the expenditures.

I shall not consider at any length the proposal of this bill to take the profits of the more successful roads and use them for the benefit of the weaker roads, because I have no doubt that the Supreme Court will declare that particular provision unconstitutional. Ex-Justice Hughes and many other leading lawyers have already given opinions to that effect, and I fail to see how, if the constitutional provision against taking private property without compensation is to be given consideration, any other conclusion can be reached than that this provision in the bill, if it should ever become a law, will be held unconstitutional. The distinguished chairman of the committee, in the very able and candid argument he made in support of this bill, admits that there is a grave question respecting the constitutionality of this provision.

So that all you are sure of, if this bill becomes a law, is that you will have made the people of this country guarantee a net operating income to the railroads of 5½ to 6 per cent; that the value upon which that percentage is based will be fixed by the roads themselves; and that there is no limit upon the gross and extravagant expenses which must be paid out of the rates charged before the net income is provided for.

What you will accomplish, and all you are sure of accomplishing by this provision of the bill, if you succeed in writing it into the statutes of the United States, will be to mortgage the people of this country to the railroads. Jay Gould would turn green with envy if he could see how his successors in railway manipulation, under the plan of this bill, are about to exploit the people under a law passed by Congress far more successfully than he was ever able to do by his unlawful methods.

[At this point Mr. LA FOLLETTE yielded the floor for the day.]

Thursday, December 11 (legislative day of Wednesday, December 10), 1919.

Mr. LA FOLLETTE. Mr. President, last night when the Senate recessed I had just concluded discussing one point of the divisions of the discussion as I had arranged them in my argument, and had reached this proposition with which I desire to begin my discussion to-day.

II. THE LARGE INCREASE OF RATES WHICH MUST FOLLOW, IF THIS BILL BECOMES A LAW, WILL GREATLY INCREASE THE PRICE OF THE NECESSARIES OF LIFE.

Mr. President, it is not stating it too broadly or too strongly to say that at the present time there is an imperative demand, the gravity of which can not be overstated, that the prices which the people of this country are now obliged to pay for the necessaries of life must be speedily and materially reduced. If this be not done and done quickly the suffering that will come to this country in the near future will have no parallel in all our history, in my humble opinion. We have reached the limit.

Back of this condition also stalks the specter of social and industrial unrest, the menace of which is admitted by every one. Sir, it seems incredible to me that any legislation which is certain to result in a great and immediate increase in the cost of the necessaries of life should find support in this body at the present time; yet, sir, that is exactly what this bill, if it becomes a law, will accomplish. Indeed, that is the very command of the language of the section which I have been discussing.

The Interstate Commerce Commission, as soon as the roads are returned to private hands under this bill, are by the terms of the bill compelled to initiate rates, fares, and charges so that the net operating income of 5½ or 6 per cent shall be earned upon all railway property, the value of which will be fixed in the manner I have described, because it can be fixed at the present time in no other way. It was not contended by any witnesses appearing before the Interstate Commerce Committee that the present rates would supply the net operating income required by this bill, and such contention has not been made and will not be made I undertake to say by any person with the least knowledge of the facts. It is not, in the conditions, possible. On the contrary, all the testimony and all the opinions of experts was to the effect that a return of the roads to private hands must immediately be followed by increased rates; and this opinion was held even before it was settled that this bill would contain a guaranty to the roads of the excessive rates I have been discussing.

Mr. President, Mr. Cuyler, the chairman of the railway executive committee, to whose evidence and plan I have already referred, gave some illuminating testimony before the Interstate Commerce Committee on January 9, 1919. I refer to this testimony on page 324 and subsequent pages of volume 1 of those hearings, and I quote.

The Senator from Michigan [Mr. TOWNSEND], addressing an inquiry to Mr. Cuyler says:

Senator TOWNSEND. Do you think if you could merge the small lines tributary to the Pennsylvania Railroad that you could finance them under this scheme of yours?

Under a scheme that should require a certain percentage to be paid on all the securities held by the security holders.

Mr. CUYLER. I think we could; yes, sir. I think the roads generally could finance themselves if the bankers and the investing public felt that there was a proper superstructure of rates that would insure their return.

Mr. TOWNSEND. What page is the Senator reading from?

Mr. LA FOLLETTE. Page 324 of volume 1.

Senator TOWNSEND. A large part of the matters rests upon rates?

That is not an assertion. That is a question asked by the senior Senator from Michigan. Mr. Cuyler makes this answer:

Mr. CUYLER. It seems to us that it is the keynote of the whole situation.

Rates! Rates! Rates!

Senator TOWNSEND. Could you operate the railroads succesfully on the present rates?

Mr. CUYLER. Assuming the present rate of wages and cost of materials, and everything of that kind?

Senator TOWNSEND. Yes.

Mr. CUYLER. No, sir; and I do not think the Government could either.

When he said "No, sir," he answered the question propounded to him by the Senator, and if he had been in a court the other part of his answer would have been stricken out as unresponsive and volunteered testimony, offered to bolster up his bill.

He says:

I do not think the Government could either.

But the Government is, on the present rates, operating the roads, and has been since July, at a profit.

Mr. OVERMAN. Mr. President, I should like to ask the Senator a question.

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Wisconsin yield to the Senator from North Carolina?

Mr. LA FOLLETTE. Certainly.

Mr. OVERMAN. The Senator stated yesterday that the roads were operating under the Government at a net profit of $12,000,000.

Mr. LA FOLLETTE. I said a net profit of $12,000,000 for the month of August, and a net profit of $19,000,000 for the month of September, and a net profit of $11,000,000 for the month of October. We have not yet got the returns on November, although we are in December.

Mr. OVERMAN. And but for the increase of the wages we would have had a profit of about $10,000,000 for July, as I understood the Senator?

Mr. LA FOLLETTE. Yes. There was an increase.

I tell you, Senators, we have turned the corner in Government operation. I have been supplied with testimony, thousands upon thousands of letters tending to show that there has been some underhand work on the part of the old railroad organizations to make Government operation a failure, but I am not reflecting upon the head of the administration of Government operation. I want that distinctly understood. Mr. McAdoo, I think, brought to the Railroad Administration great executive ability. That, I think, has to be accorded to that man even by his enemies. Mr. Hines, who succeeded him, is one of the ablest railroad men in the country. But you must remember—and I think we ought to be practical in looking at this question—you must remember that the railroads do not want to have the Government continue this operation. They want the property back in their own hands.

Mr. OVERMAN. Mr. President, one other question. I understand from the Senator from Iowa [Mr. CUMMINS] that the roads owe the Government, and will owe when this bill passes, $600,000,000. The Senator's contention, I understand, is that if we have to continue the plan under which we are now operating, we will be compelled to pay that debt?

Mr. LA FOLLETTE. We shall absolutely wipe it out, I will say to the Senator from North Carolina, and we shall begin to pile up a surplus. On the other hand, just as sure as the sun shines on the world to-day, if you turn the roads back—and I will show you in a few minutes from the presidents of the roads themselves—they will demand an increase in rates of practically three-quarters of a billion dollars. Mr. President, by the terms of this bill we say, "You shall immediately adjust the rates to pay a certain percentage, to pay 5½ or 6 per cent on all securities, to pay these railroads all these vast sums," and I say to you, Mr. President, that the Interstate Commerce Commission will be under the command of Congress to proceed to increase these rates. They will not have the responsibility—you will have it. Do you understand what Director General Hines has figured out as the result of any increase in rates? He has traced it out. He is an old railroad financial expert. Every time I have seen him before the Committee on Interstate Commerce I have been a good deal impressed with his technical knowledge of the financial side of railroading. He says that when you advance rates $1, so that the producer of the product is charged $1 more than he was on a given shipment as it leaves the factory, and you trace the result of that $1 of increase of rates from the manufacturer to the jobber, and from the jobber to the retailer, you find that $1 of increase is multiplied to $5 of cost on every $1 of increase in railroad rates by the time it reaches the ultimate consumer. That is the calculation of a man who has been affiliated with railroads all his life.

Let me go back just a minute here to get the connection:

Mr. CUYLER. Assuming the present rate of wages and cost of materials, and everything of that kind?

Senator TOWNSEND. Yes.

Mr. CUYLER. No, sir.

That is, they could not operate the railroads successfully on the present rate, taking into account wages and cost of material and everything of that kind.

Mr. CUYLER. No, sir; and I do not think the Government could either.

Mr. Cuyler was not asked what the Government could do, but knowing that it must be admitted that a return to private management would require an immediate increase in rates, he volunteered the information that the Government would have to increase rates also just the same as the railroads would have to if they were taken back.

On this point, however, I prefer to take the testimony of Mr. McAdoo, who knew the facts thoroughly with respect to Government operation, rather than the testimony of Mr. Cuyler. Mr. McAdoo testified that under continued Government control, mark those words, "under continued Government control," not only would there be no advance in rates, but that the rates would very soon be reduced. Now, just think of that, Senators. I assume you would all like to see us turn the bend in the road, and reach a point where the cost of living would begin to fall. It would solve a lot of things. Mr. McAdoo says if you continue Government operation you will soon be able not only to successfully operate the roads under the present rates but to begin to reduce the rates. I quote from page 71, volume 1, of the hearings, the testimony of Mr. McAdoo:

Director General MCADOO. My feeling is that the cost of materials and supplies is likely to decline. Take coal, particularly. Our fuel bill for 1918 for 10 months was $140,000,000 more than for the same period in 1917.

I do not believe coal is going to remain at any such high price as that. I think that the cost of crossties and lumber and steel and all of those things will be reduced to a more reasonable basis. The railroads will get the benefit of those things. I think there are further economies in operation in peace time which were not possible under war conditions.

I think there are further economies—

Says Director General McAdoo—

further economies in operation in peace times which are not possible under war conditions. The excessive pressure of necessities for war purposes will be relieved. I think we will be able to effect very large economies in 1919 under the unified plan which I think would not be possible under diversified control, and I think that at the end of the year 1919 we will be able to reduce the rates.

As I hope to show before I finish, Mr. McAdoo's prediction so far as the facts are available has been shown to be correct, and there is no reason why a reduction of rates can not be made very soon if Government operation is continued. I am speaking now, however, not of the probable reduction of rates under Government control but of the certainty of an increase of rates if the roads are returned to private control.

Mr. Howard Elliott, president of the Northern Pacific Railway, on the 21st day of last month—that is, only 20 days ago—at a meeting of the Academy of Political Science in New York, made some very illuminating statements upon that subject; that is, the matter of the immediate necessity for an increase in freight rates.

Mr. JOHNSON of South Dakota. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from South Dakota?

Mr. LA FOLLETTE. I yield.

Mr. JOHNSON of South Dakota. I do not desire to interrupt the Senator from Wisconsin in his very clear discussion of this matter, but I want to ask him a question. I ask if his conclusions and the facts which he has stated, as shown by subsequent events since the hearings in which Mr. McAdoo testified, have not since been borne out; and if he does not think that the showing of the roads will continue equally as good as it has in the last few months under present freight rates?

Mr. LA FOLLETTE. I did not quite get the Senator's question. Does he mean that the showing for the recent months would tend to support the statement that railroad operation by the Federal Government is a failure or that it is a success?

Mr. JOHNSON of South Dakota. My question is, Would not the showing which the railroads have made in the last few months, as outlined by the Senator from Wisconsin, indicate to him that that showing will be continued under the present freight rates?

Mr. LA FOLLETTE. Yes. Mr. President, I think perhaps the Senator from South Dakota was not on the floor when I stated that earlier in my observations this morning. I think that is shown by the trend of the financial current, the showing month by month of the rate sheets, expenditures and receipts, the fact that there has been a net profit month by month, notwithstanding that it has been necessary to adjust wage differences and extend the readjustment back to May; and by the fact that the railroads have been able to show a very considerable profit in August, in September, and October, notwithstanding the steel strike was on throughout the latter month. I am inclined to the view that they will be able to show a profit under Government operation in November, notwithstanding both the steel strike and the coal strike.

The quotations which I shall make from the report of the proceedings of the meeting which Mr. Elliott addressed are taken from the New York Tribune account, which was published on November 22, 1919. That is pretty recent evidence. The Tribune report of the proceedings is very complete. I quote the opening paragraph from the Tribune, as follows:

How is the investor to be persuaded to provide a matter of more than $2,000,000,000 annually to rehabilitate the Nation's railroads?

Railroad and labor officials, financiers and students put their heads together in an effort to find an answer to the question yesterday at three sessions of the Academy of Political Science.

Those two paragraphs are the comment of the writer upon the proceedings at the session of the Academy of Political Science.

You will observe that the problem of the railways was how to get $2,000,000,000 annually out of the investors. That two billions annually is to be borrowed money. That was the argument of Mr. Elliott, and he advanced the following propositions, which I shall take up one by one:

First. That a day's pay or a unit of quantity of any article of commerce will purchase far more transportation, both freight and passenger, to-day than ever before in the history of the country. In other words, rates have not increased in proportion to the increase in wages and prices of commodities.

You will observe that he is laying the foundation for a demand for a rate increase.

It is undoubtedly true that the freight and passenger rates have not increased in proportion to the increase in the price of commodities.

A further proposition of Mr. Elliott was, and I quote again from him, as reported:

Second. The so-called standard return of $925,000,000 for all roads does not represent a sum large enough to attract new capital needed for future expansion, and the net operating income for the year ending June 30, 1917, was $1,035,000,000, or $100,000,000 more than the standard return. Since then the plant has been increased in value and capacity and is fairly entitled to a much larger return.

Mr. Elliott neglected to state that the plant has been increased in value and capacity at the expense of the Government. As stated by Mr. McAdoo in the testimony I have heretofore quoted, the improvements definitely authorized by the Government up to December 1, 1918, amounted to $1,254,396,158. The Government, at its own expense, increased the value and the capacity of the railroad plant. The proposition now is to capitalize that increased value for rate-making purposes.

The next proposition was that—and I quote again from Mr. Elliott—

Third. That many millions of dollars must be spent in doing work on equipment and tracks that could not be done during the war period, and additional expense must be met in 1920, such as higher prices for fuel and additional charges not included in the 1919 accounts, and that there is a steady and large increase in taxes.

These are given as a further reason for an increase in rates. One of the beauties of the railroad business is that when taxes increase or prices go up on anything that has to be purchased it is not necessary to practice any economy to meet the situation, as it is in other business, as it is for individuals, but the increased prices furnish an excellent basis for an increase of rates.

Mr. Elliott then stated as his next proposition the following:

A failure to obtain additional revenue will mean bankruptcy for many roads and serious financial difficulties for all.

Of course, upon such a showing to the Interstate Commerce Commission there will be no doubt about the roads getting an increase in rates. Concerning the amount of additional revenue, Mr. Elliott says:

Fourth. The total additional revenue needed, while running into very large figures, is not large considering the needs and powers of a virile nation of 105,000,000 people, that has absorbed $21,000,000,000 of Liberty bonds in two years. They can well afford to have a good transportation machine and to encourage rather than discourage the owners to create and maintain it.

Mr. Elliott, you will observe, leaves us in doubt as to the exact amount of increased revenue the railroads will require, but he seeks to prepare us for it somewhat by saying that it will run into "very large figures," but he thinks that a people who have absorbed $21,000,000,000 of Liberty bonds in two years can absorb another very large increase in fares and rates and charges by the railways. That this "very large sum" is to be raised by increased rates is made clear by Mr. Elliott, for in his next statement he says:

Fifth. For the purpose of making good the disparity between income and outgo, for the purpose of restoring the earning power of the roads, for the purpose of establishing that earning power as a basis that will create a credit for the immediate upbuilding of the transportation machine, the railroads are *now preparing to ask for an increase in rates.*

You will observe that the railroads are going to demand rates not only high enough to make good the disparity between income and outgo but high enough to vastly improve the credit of the railroads. That means, of course, high enough to boost railway stocks. When a railroad talks about credit it does not mean credit in the sense that ordinary business men use the term, as equivalent to ability to borrow money on the faith that it will be returned. That is one thing; that is a business proposition.

The sale of bonds secured on the property of the railroads involves very little credit. The sale of stocks, however, is largely an affair of credit. The increased value of railway bonds and the decreased value of railway stocks in recent years has been a matter of great concern to the roads; but, of course, if this bill becomes a law railway stocks will become as good as railway bonds, or even better, for the pledge of the Government will back them, and they will bring far more in dividends than the bonds will pay in interest.

Mr. Alfred P. Thom, general counsel for the Association of Railroad Executives, from whose testimony I have already quoted, was at this meeting addressed by President Elliott, from whose address I have just been reading. I copy the following paragraph from the proceedings, as reported, which purports to give the substance of some of the remarks of Mr. Thom:

> Because of the necessity of expansion to new and undeveloped fields, Alfred P. Thom, general counsel for the Association of Railroad Executives, declared that much new money must not only be attracted from private investors, but they must be coerced. The problem of the railroads—

I am still quoting from Mr. Thom, as reported in the New York Tribune—

> The problem of the railroads and the problem of the public in respect to transportation is a problem of credit, he said. The test of any governmental regulation of privately supported transportation facilities is whether it adequately provides for and maintains the necessary railroad credit.

No doubt he felt that the people of this country had submitted to so much coercion lately that it will not be difficult for the railways to coerce them into paying a few billion dollars more in increased railway rates and charges.

Mr. President, those are the statements of Mr. Elliott and Mr. Thom on this subject. I do not know whether there are many Members on the floor of the Senate who heard or have read the testimony of President Kruttschnitt, of the Santa Fe road. Of all the railroads in the United States, I suppose the Santa Fe is recognized as one of the best managed; and of all the men who have testified before the Committee on Interstate Commerce for a good many years, since I have been a member of that committee, I think Mr. Kruttschnitt gave evidence of a comprehension and a mastery of railway problems exhibited by no other man, and I do not think there is any other railroad president in the United States who is in his class at all.

You may have seen in the newspapers in the last 10 days the statement that there was to be a campaign inaugurated by the railroad companies of the United States within the present month of December in which they were to expend more than a million dollars in advertising to put this bill through. Such a statement as that appeared in the Washington Herald a few days ago, and yesterday I read it into my remarks, copied from the Washington Herald. Yesterday one of those advertisements appeared in a New York paper, the New York Sun, and another is to appear to-day. That is already announced. There are large, glaring headlines. The railroads of the country are starting out to "educate" the public to sustain Congress in passing this bill. They are going to have an orgy of advertising, paid for by the railroads, who expect to profit out of the advanced rates that will follow the passage of this bill, and security holders, who expect to realize on 20 and 30 per cent investments of watered securities that will be brought to par when this bill passes. They are to finance the advertising campaign that is now to deluge the press of the country.

Mr. SHEPPARD. Mr. President, does the Senator have reference now to the Cummins bill?

Mr. LA FOLLETTE. I have reference to the pending bill; I have reference to any bill that seeks to return these roads to the owners at this time. I say to the Senator from Texas that if you return the roads to the owners at this time we will at once be confronted with a proposition to increase rates in order to "save them from bankruptcy." They have the campaign all planned for that purpose.

I have a certain faith that Government ownership is the ultimate solution of this question, but I believe that the best course for the people of this country, for the Government, for everybody concerned, is to continue Federal operation until such time as a thorough study of this problem can be made, because we have every reason to believe that we can continue Government control without further increasing rates upon the people of this country or further loss to the Government and that we can continue Government operation with a growing profit each month that will enable us to wipe out all of the losses of the extravagant war period; and we know from the testimony that is on every hand, the demand of Mr. Elliott, the demand of railroad men everywhere, that immediately upon the return of the roads to the private owners there shall be a tremendous increase in rates.

Now, Mr. President, I say that with regard to any measure now, in view of all the facts as I have been able to gather them, there is but one safe course open to us, and that is to defeat the pending bill, defeat likewise the House bill, and continue Government operation. How long we should continue it is another question. I should like to see it continued for a definite period.

Mr. SHEPPARD. Let me ask the Senator this question: Do these late efforts to mold public opinion in behalf of the early return of the railroads, as evidenced through publication to the country, specify any particular bill, or does the propaganda favor any bill to return the railroads at an early date?

Mr. LA FOLLETTE. Mr. President, I had in my hands just before I came on the floor an advertisement which appeared in the New York Sun of yesterday, but I returned it to the gentleman who brought it to me, who was going to show it to one of the other Senators, who he thought might desire to present it to the Senate, otherwise I would have had it. It may be returned to my desk before I conclude, and if so I will present it and have it read into the RECORD. This campaign has just begun. Last Sunday Mr. Kruttschnitt, the president of the Southern Pacific, of whom I have been speaking, gave out an interview. It had a conspicuous place. It was manifestly the beginning of this campaign in the newspapers.

Mr. SHEPPARD. Under this campaign would the Esch bill be as acceptable to these people as the Cummins bill?

Mr. LA FOLLETTE. Mr. President, I have no doubt that the railroads would prefer the Cummins bill, but I also have no doubt they would take the Esch bill if they could not get the Cummins bill; anything to get the roads back, and get the increase in freight rates, and free the roads from absolute Government control.

They do not want Government control to have a test under normal peace-time conditions. Therefore we are to have a million-dollar campaign of advertising, flooding the newspapers with all manner of exaggerated statements to back up Senators on this floor to vote to put this bill or the Esch bill through.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. With pleasure.

Mr. KING. The Senator has been assuming—and I am not questioning the accuracy or the propriety of the assumption—that a return of the railroads to private control under either the Esch or the Cummins bill, or some other bill of similar terms, will involve a large increase, necessarily, in freight rates; or, at any rate, an appeal will be made for an increase in freight rates, presumably based upon the fact that there will be a large deficit. I was called out for a little while this morning, and did not hear all the Senator's discussion. Has the Senator demonstrated, or furnished the reasons which he has to suggest, that there may not be a demand for an increase in rates if the roads are continued under the control of the Government, in view of the fact that quite likely there may be, with the period of readjustment in this country, a reduction in the freight and passenger traffic of the United States?

I know the Senator has stated that in July, August, September, and October—at least, in August, September, and October—instead of there being a deficit there was a surplus in the earnings. Has the Senator any reason to believe that there will be an increase in the earnings, or that this record will be continued, in view of what seems to me inevitable, namely, a fall in prices, and more or less of a dislocation of our business resulting from getting back to normal conditions, and a reduction in the passenger and in the freight traffic?

Mr. LA FOLLETTE. Mr. President, I answer the Senator with great pleasure. Of course, I am not able to furnish any statistics further than those that each day brings to the desks of the financial division of the Government Railroad Administration. But if the Senator will go down to the Interstate Commerce Building—the Hurley-Wright Building—and will interview the Railroad Administration, as I have, he will, I am sure, come away with the best opinion of the men who are in touch with existing traffic conditions of this country that there will be no necessity for an increase in freight rates if the roads remain with the Government; that, on the contrary, there is a strong probability that freight rates will be decreased if the roads

remain under Government operation; that it is the belief of the Railroad Administration that the coming year is to be the largest and most profitable year in traffic. I will not say as against the abnormal condition of the war period, but that there will be the largest tonnage of railroad traffic that this Government has ever known outside of that; and I am not sure but that was included; but, for safety, I will say outside of the peak point of the war period.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER (Mr. GAY in the chair). Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. Certainly.

Mr. CUMMINS. At a later time I shall examine, as best I can, the suggestion that the operation for the last three months by the Government has resulted in a profit. Just now, however, assuming the verity of the statement that there has been Government operation in the last three months at a profit, and, assuming that the Interstate Commerce Commission is convinced of that fact, I want to ask the Senator from Wisconsin if it be not true that it is utterly impossible that under this bill there will be any increase in rates?

Mr. LA FOLLETTE. Mr. President, I would like to ask the Senator from Iowa whether he relies upon the Interstate Commerce Commission, which he denounced upon this floor—and I have his speech and I have his minority report made on the confirmation of certain of the interstate-commerce commissioners—whether they can be relied upon always to protect public interests when the railroads come pressing upon them for an increase in rates?

Mr. CUMMINS. I have had occasion in the past to criticize somewhat severely certain decisions of a member of the Interstate Commerce Commission and I have nothing whatever to retract.

Mr. LA FOLLETTE. Not of a member of the Interstate Commerce Commission, if the Senator will permit me to interrupt him, but of the commission.

Mr. CUMMINS. That is quite true.

Mr. LA FOLLETTE. It was not the decision of one member.

Mr. CUMMINS. That is quite true, but I at least have never fallen into the habit of believing that the Interstate Commerce Commission, because it decided wrongly in a particular case could therefore never decide rightly. I have not lost my confidence in the integrity of the Interstate Commerce Commission, much as I differ from some of its members and at times from a majority of its members with regard to its application of the law. But if we are not to place confidence in the administration of the law by the Interstate Commerce Commission then there is no hope of regulating the railways of course.

I only assert that if the statements that have just been made by the Senator from Wisconsin are well founded, that with the 5½ per cent provided in the bill for a net operating income based upon the value of the property, it is impossible that the Interstate Commerce Commission shall raise the rates——

Mr. LA FOLLETTE. Is it? Let us see.

Mr. CUMMINS. Unless it violates the law.

Mr. LA FOLLETTE. I will answer that.

Mr. CUMMINS. Under any provision of any statute that has ever been suggested the discretion must be reposed in some regulating tribunal and that regulating tribunal up to this time is the Interstate Commerce Commission.

Mr. LA FOLLETTE. Now, the Senator says that because we had a profit of $12,000,000 in one month, $19,000,000 in another month, and $11,000,000 in another month, for that reason, if we pass the bill and guarantee 5½ or 6 per cent profit on all the water that there is in the railroads, they will not have to raise the rates to meet it; that is the argument.

Mr. CUMMINS. That is not the argument. We guarantee in the bill no return upon water. The Senator from Wisconsin must, according to his own statements here, realize that it is to be a 5½ per cent return upon the value of the property. If the value of the property——

Mr. LA FOLLETTE. Let me interrupt the Senator right there. He knows that the Interstate Commerce Commission can not immediately proceed, as required by this bill, to find the value of the property upon any evidence that they have in their hands at the present time. He knows that perfectly well. He knows perfectly well that the true valuation of the railroads will not be ascertained for years to come. I have here a recent report of the Interstate Commerce Commission in which they say that without that valuation they are absolutely at sea on the subject of ascertaining what is the reasonable and proper rate to return. They can not determine how to return 5½ per cent on the true value of the property unless they know the true value of the property, and if the railroad valuation provided for by Congress in the act of 1913 is not completed, how are they going to find the value of the property except by taking the "investment" account of the railroads as a basis?

Mr. CUMMINS. They can find it a great deal better than we can. They have a great deal more information about it than we have.

Mr. LA FOLLETTE. They have the same information that we have—that is, they have the book values—the "investment account." They have those padded and inflated and watered statements that the Senator himself is obliged to say are unreliable, and they say themselves and they have said it for 13 years to the Congress of the United States, that without an accurate and scientific valuation of the railroad property, an inventory of the property, they "have no means of meeting the statements in the book accounts of the railroads."

Mr. CUMMINS. They are making the rates now——

Mr. LA FOLLETTE. Yes; they are making the rates now, but they do not pretend that they are making rates that are reasonable. They can not tell whether they are reasonable or not. There never has been a reasonable rate under the law down to the present time. The Interstate Commerce Commission has said over and over again that there is no method of obtaining information upon which to base a reasonable rate until they have accurate information as to the value of the railway properties.

Mr. CUMMINS. Precisely.

Mr. LA FOLLETTE. Rates have been made that are not reasonable. They have had to be made in that way.

Mr. CUMMINS. I understand, but somebody must make the rates for the years intervening between now and the completion of the valuation. The Interstate Commerce Commission must do that.

I agree that the Interstate Commerce Commission can not accurately determine the value of this property. I do not question that, but it is the only thing that we can do, it is the only body to which we can commit that power.

Mr. LA FOLLETTE. We have not any measure for ascertaining what are just and reasonable rates, no measure that can be applied by the Interstate Commerce Commission or by the Railroad Administration. You have the record of the Interstate Commerce Commission. You have men put upon that body who have yielded to unjust demands for increases in rates since 1910, and yielded to the demands for increases when the Senator from Iowa said it is wrong they should. We have a Railroad Administration that is conducting the business at the present time upon a basis that renders a profit to the Government, and they will tell you, as they told me, that no increase in rates will be necessary if the roads remain with the administration for the present.

On the other hand, we have the statements of the railroad presidents and railroad representatives that they will demand an increase of anywhere from $400,000,000 to $700,000,000 in rates if the roads go back to private management. This boils it down to a very definite alternative. You have a bill before you that says the Interstate Commerce Commission shall immediately adjust these rates so as to pay 6 per cent on the value of the property, and the only value of the property that the Interstate Commerce Commission can resort to, since by the terms of this bill it is commanded to adjust these rates immediately, is the book values, the "investment" accounts, the railroad valuations furnished by the railroads themselves.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. Certainly.

Mr. KING. Had the Senator fully answered, or at least as fully as he desired, the question that I propounded a moment ago?

Mr. LA FOLLETTE. I think I did. I think I answered it pretty fully.

Mr. KING. I want to suggest to the Senator that he has been criticizing, and perhaps very properly—I will not say criticizing, but he has been animadverting upon the fact that certain railroad employees who have been in charge of the railroads, governed by the selfishness that human nature manifests, have adopted a certain course and are anxious for the return of the railroads to private management. The Senator has been stating that certain persons in the employ of the Government in connection with the operation of the railroads have made certain statements with respect to the ability of the Government to make a profit upon the operation of the roads if the railroads are permitted to remain under the Government.

Does not the Senator think that perhaps those persons are influenced by a desire, first, to keep the roads in their present situation so that they may retain their positions, probably positions which are profitable, and, secondly, because the criticism, whether just or unjust, has gone forth that they have mismanaged the roads and if they can prevent their return to private operation there may be an opportunity upon their part to so manage the roads in the future as to relieve them of those criticisms, or at least to cover up in a proper way the mismanagement with which they are charged? Does not the Senator think he ought to discount the statements of those men who claim that the operation of the railroads by the Government will result in profits?

Let me say furthermore that the charge has been made to me repeatedly that many of the roads have been discriminated against, that they have deteriorated in value and run down, and assuming that there has been a profit, if there had been a proper expenditure of money and proper bookkeeping, there would have been losses for September, October, and November.

Mr. LA FOLLETTE. Mr. President, I am entirely at a loss to surmise what could have gotten into the Senator's mind to lead him to believe that there is any defect in their bookkeeping. Is that a thing to be presumed? I suppose these Government accounts are entitled to absolute credit as to their integrity.

I will say to the Senator from Utah that if he will interview members of Interstate Commerce Commission and members of the Railroad Administration, I am confident that he will come out of his investigation with exactly the same views that I have—absolutely confident of it. I think that all the members of the Railroad Administration have had it thoroughly ground into them that the roads are going back to private ownership and that they have weeks and months ago adjusted themselves to that view.

The statement that the President made months and months ago that he would turn the roads back on the 1st of January, unless Congress legislated otherwise, I think laid the foundation for that belief. Then the propaganda that followed has further impressed that upon them. They have adjusted themselves to it. They are in that attitude of mind. They are not giving any credit to Government operation to which it is not entitled. It would be much more to their advantage, going back into private railway employment, to discredit than to give credit to Government management and operations. There is no discounting these figures. This much we have got; this much we know: We know that net receipts are increasing under conditions that have not been very favorable. We have had the big steel strike on; we have had the big coal strike on; and those conditions have unmistakably affected railroad revenues.

I do not know now whether I have fully answered the Senator or not. I want to answer him as fully as I am able.

Friday, December 12, 1919.

Mr. LA FOLLETTE. Mr. President, as a forerunner of the campaign by the railroads which is just at hand and the preliminary advertisements of which are beginning to appear in the newspapers in quarter and half page and full-page advertisements—some of which I have seen and which, if they are not presented by any other Senator upon the floor and incorporated in the RECORD before the debate closes, I shall put into the RECORD—as a preliminary to the advertising campaign conducted by the railroads in order to pave the way for this legislation, last Sunday, December 7, the New York Times had on the front page of its news section an interview with Mr. Kruttschnitt.

From which I read:

To escape bankruptcy the revenues of the carriers must be increased, and the only way to do this, with present volume of traffic and wage schedules, is by increasing rates. The amount of the increase is measured by the amount which the earnings of 1919 (partly estimated) fall short of being a fair return, say 6 per cent, on the property investment of the carriers.

Not upon the value of their property, but upon what their books show, which is known by every student of railway finance to be a grossly exaggerated and padded account.

Here is the leading railway executive of the country confirming the views expressed by the distinguished Senator from New Jersey [Mr. FRELINGHUYSEN] the other day on the floor of the Senate when he suggested it was the only basis—the only means at hand—by which to determine the rates at present.

Mr. FRELINGHUYSEN. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. I made no suggestion of that character. I asked the Senator from Iowa [Mr. CUMMINS] whether the property-investment account was the basis of valuation which would be taken to establish the rule of rate making. It was an interrogatory and it was not a statement by me in any way whatsoever. The Senator from Iowa replied that the Interstate Commerce Commission were not directed in the act in any way to take the property-investment account, but that they themselves could determine under the act what valuation should be taken.

Mr. LA FOLLETTE. Mr. President, I happen to have the exact language of the Senator right before me, taken from the reporter's notes.

Mr. FRELINGHUYSEN. From what is the Senator quoting?

Mr. LA FOLLETTE. I am quoting from what the Senator said as taken down by the reporter, exactly as the Senator said it.

Mr. FRELINGHUYSEN. All right; read it.

Mr. LA FOLLETTE. I will read it into the RECORD:

Mr. FRELINGHUYSEN. Is it not true that the only basis of valuation that can be established for a fixed return of rates is through the property investment account?

Does that not indicate an opinion in the back of the Senator's mind that that was the only basis? He puts it up to the Senator from Iowa and it is a plain disclosure of what was in the mind of the Senator from New Jersey, a member of the committee:

Is it not true—

he says—

that the only basis of valuation that can be established for a fixed return of rates is through the property-investment account?

Mr. FRELINGHUYSEN. I asked the Senator from Iowa that question, and he said it was not, and I accepted his answer.

Mr. LA FOLLETTE. But evidently the Senator came out of six weeks' deliberation on the bill as a member of the committee with the fixed notion in his mind that book investment would be accepted as the basis upon which the rates would be made under the bill. That is all I said about his position and his own words confirm what I have said.

The statement of Mr. Kruttschnitt, that I have just read, presented to the public in last Sunday's issue of the New York Times, shows that is what they are going to demand. I resume reading from that interview just at the point where I left off to make some comment upon it:

The amount of the increase is measured by the amount which the earnings of 1919, partly estimated, fall short of being a fair return, say, 6 per cent, *on the property investment of the carriers.* Freight rates—

Now listen further—

Freight rates would have to be sufficiently raised to produce—

Now you will get the figures, now you will get the measure of the railroad demand—

Freight rates would have to be sufficiently raised to produce $742,000,000, the estimated shortage.

A study made in September, 1919, of the relation of freight rates and value of commodities transported on the railroads shows that the needed $742,000,000, just one-half of 1 per cent of the estimated value of commodities transported, otherwise stated, would increase their value per ton from 119 to 119.59.

There you have, Mr. President, the statement of the leading railroad president of this country as to the exact extent of the demand which they are going to make if this bill ever becomes a law.

Mr. Robert Woolley, member of the Interstate Commerce Commission, in his address delivered in Philadelphia recently, referring to the increase in rates which it was agreed must follow upon the return of the railroads to private management, said:

What the measure of this increase may be, I am sure I do not know. It seems to be generally agreed that it will have to be at least 25 per cent; some have placed it as high as 50 per cent. In a speech delivered at St. Louis in June last Director General Hines said that an advance of $300,000,000 on freight rates would be reflected in the cost of the finished article to the consumer to the extent of $1,500,000,000. Investigations made in normal times amply justify such predictions. For instance, when an increase of 10 cents per ton was granted on anthracite coal in 1902 the price of a ton of anthracite coal to the consumer advanced 50 cents, and it has never come down. An increase of 25 per cent in freight rates would mean approximately $875,000,000 additional.

Kruttschnitt says $742,000,000. Commissioner Woolley was reckoning pretty close to the figures later issued by Kruttschnitt.

Eight hundred and seventy-five million dollars additional which the people would have to pay to the railroads; and, using Mr. Hines's ratio, $4,375,000,000 additional which the ultimate consumer would have to pay for what he uses, eats, and wears, because when he buys the finished article he pays an accumulation of increases.

The private-control propagandists have been desperately trying to lull the public into the belief that the manufacturer, the jobber, or the retailer, possibly all three, would absorb this rate increase and the consumer not be allowed to feel it. I do not think in a final showdown—

Says Mr. Woolley—

the American people will stand for such an insult to their intelligence. We are fighting the high cost of living—

I am still continuing to read from the commissioner's address—

and Congress is now enacting legislation strengthening the arm of the President and the Attorney General. We are trying to bring about industrial peace. Those who have got a vision from the war and the economic revolution that has followed in its wake are pleading with us as a Nation to produce more, to save more, to spend less, in order not only that we may improve our present condition, but that we may be prepared to play a wonderful part in the future.

Does Congress propose to turn back the railroads to their owners at this perilous time, and thereby make new high price levels inevitable, instead of lower price levels possible, or does it propose to enact legislation requiring the holding of these roads for a fixed reasonable period following the proclaiming of peace, and thereby aid the vitally important work of checking the profiteer and getting us back to normal? That is the problem in a nutshell. There is no blinking or evading it.

Who is to be benefited by this tremendous increase in rates? Who is to be benefited by fixing a level of assured return on stocks? How large a proportion of the people of the country are going to receive the benefits of this tax that is levied upon all the rest? In order to make this return, according to Kruttschnitt, you have got to levy enough to produce $742,000,000. Multiply that by five and you will see what the people have got to pay—nearly $4,000,000,000 added to the present desperately high cost of living. To benefit whom? To benefit a few stockholders.

It has been suggested during the course of this debate that railroad stockholders represent the vast body of our citizenship. I have on my desk the report of the Interstate Commerce Commission made on the 25th day of March, 1919, showing that there are in round numbers some 600,000 stockholders in the first-class roads, which roads represent 97 per cent of the traffic of the country. But who owns the majority of that stock? A little handful of men—20 of the biggest stockholders in each one of those roads and their subsidiaries own a majority of the stock; in other words, 1.3 per cent of the stockholders in class 1 roads, numbering only 8,301 individuals, represent a majority of the stock that is to have the benefit of the enormous increases that are to be levied as a tax upon the consumers of this country, amounting to $4,000,000,000.

Put this added burden upon transportation and it will mean fully $1,000,000,000 of increase to the agriculture element of this country alone. I get those figures from a letter which came in my mail this morning from the Farmers' National Council. They say:

Fully $1,000,000,000 of the increase in the prices consumers must pay for goods will fall upon the farmer, and he will have to pay the railroads for carrying farm products at least $200,000,000 more.

A total of at least $1,200,000,000 yearly the farmers are to be compelled to pay in addition to their present enormous financial burdens if this bill becomes a law.

Mr. Joseph B. Eastman, also a member of the Interstate Commerce Commission, in a statement filed before the Senate Committee on Interstate Commerce last July—mark the date—said:

The roads have recently been operating with earnings which would drive many of them into bankruptcy if in private hands; but the director general has felt, and I think wisely, that the depression may be the temporary result of the uncertainty following the cessation of hostilities, and that the country can better afford, for a time at least, to carry the burden of insufficient revenues through taxation as a part of the war cost than to suffer further advances in rates, whose ultimate effects no man can foretell.

Backed by the resources and powers of the Nation, he has been able to base his policy upon this belief, and it must be clear that no such policy could be pursued either now or in any similar situation in the future if the roads were in private hands.

It is fair to say that since Mr. Eastman filed that statement with the committee the experience of the Government with the roads has shown that there is no longer a monthly loss under Government operation but a profit each month amounting to several million dollars. This means, of course, a profit after all charges and expenses of Government operation have been paid, including the exceedingly high compensation paid to the railroads, which is based upon their average income for the three best consecutive years in their history.

But even suppose that for the next year or two, during the period of readjustment after the war, the Government could not operate the railroads at a profit. Suppose there was even a loss. Would it not be far better to pay the flat amount of the loss out of the Treasury than to have the amount multiplied fivefold, as it will be, when it reaches the consumer, if it is taken care of by an increase in rates?

There is another point that deserves mention right here. We are apt to forget that railway rates and charges under Government operation were not increased in the same proportion that prices of commodities have increased generally in this country during the war period. Mr. Woolley makes this point so clearly in his address from which I have quoted that I will adopt his statement. He said:

The chief criticism of the average man against Federal control is the increase in freight rates; yet Mr. Daniel Willard is quoted as having stated at Boston a few weeks ago that a ton of freight buys more transportation in the United States to-day than ever before in the history of the country. Of course, he meant that whereas the Interstate Commerce Commission beginning in June, 1917, had first increased class rates in official classification territory 15 per cent, and had later granted a similar increase of commodity rates, and that in June, 1918, the Director General of Railroads had granted a general increase for the whole country of 25 per cent, making in the most favored section the net increase only about 43.75 per cent, the prices of other commodities, such as food, cloth, steel, fuel, etc., had gone up from 75 to 300 per cent.

Whatever the exact percentages may be, there is no doubt that under Government operation railway rates have been lower than they would have been under private control.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER (Mr. EDGE in the chair). Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. STANLEY. Were the troops moved during this period and the materials moved during this period for the Government, for war and other purposes, charged up to the railroads? Were they given credit for the cost of this work just as in the case of private individuals, or was it simply a matter of bookkeeping? That is a matter that would affect this result.

Mr. LA FOLLETTE. I want to say this: I made inquiry about that. I could not get definite figures as to freight. My impression is, from the best information I could get, that the Government paid the same rate for freight hauled for the benefit of the War Department and the other departments that the public paid; but, of course, when it came to transporting men, these men had a commutation. I do not remember just what it was. It seems to me it was something like a cent a mile. I think they rode for a cent a mile wherever they were transported, and, of course, that greatly reduced the return to the Government.

I repeat, whatever the exact percentages may be, there is no doubt that under governmental operation the rates have been lower than they would have been under private control, and have been operated to keep the costs of the necessaries of life, such as food, clothing, and fuel, from going up higher than they otherwise would have gone.

It can not be doubted that the return of the roads to private control would be the signal for an increase of rates amounting to hundreds of millions of dollars when paid in the first instance by the shipper, but which will amount to several billions of dollars in increased rates on the necessaries of life when passed on to the consuming public and paid by it.

Support of this bill means that you are ready to take the responsibility of placing that unnecessary burden upon the people at this time.

On yesterday I picked up the Boston Post. I note that the shippers are beginning to understand what the passage of this bill will mean to them. From the Boston Post of yesterday I read the following:

TEXTILE MEN ALARMED.

Heads of the various manufacturing plants see nothing but an increase in rates. Textile men in particular have been annoyed by the crisis they see just ahead, because increased transportation means advances in prices of raw materials, in finished products, and in everything that enters into the determination of what their goods shall sell for in the markets of the world in competition with manufacturers from other and more favored sections of the country.

Although there has been no settled policy agreed upon, there is a belief among those who have been most intimately concerned with the situation that about the only way out is for the New England governors to unite in a request to the Federal authorities to continue their control of the railroads beyond December 31, or until some definite congressional action shall be taken to readjust conditions generally, so that the roads may be operated on a scale which will not be ruinous to the manufacturing and transportation interests alike.

III. GOVERNMENT REGULATION OF RAILWAY SECURITIES.

It is claimed as a merit for this bill that it gives the Government full control of railway securities. Section 12 of the bill provides that two or more railway corporations engaged in interstate commerce may form a new corporation under the provisions of this bill for the purpose of consolidating their properties, or any part thereof, into one corporation for the management and operation thereof.

This section in subdivision (c) provides:

The bonds of the corporation, at par, together with the outstanding capital stock, at par, shall not exceed the value of the consolidated properties as determined by the commission, including in said properties a reasonable working capital.

It is then provided that—

It shall be the duty of the commission to proceed immediately to the ascertainment of such values for the properties involved in the proposed consolidation.

Section 21 provides: Five or more persons, citizens of the United States, with the recommendation of the board, may form a corporation for the maintenance and operation of existing railways or for the construction, ownership, and operation of new lines. The provision with respect to securities under this section is as follows:

The capital stock of any such corporation shall be fixed by the commission, having due regard to the value of the railway property contained in the system which the corporation is organized to own, maintain, and operate, as ascertained and determined by the commission, with the power to increase the same as additions, betterments, and extensions are added to the system through expenditures properly chargeable to capital account.

Section 13 of the bill provides, in effect, that after the expiration of seven years, if the plan of complete railroad consolidation has not been carried out, then the Government, acting through the board, shall form a corporation and compel the remaining railroads to come into the scheme.

I am sure if Senators have followed the discussion by the two members of the committee who have already spoken they will see that provision of the bill is of more or less doubtful validity, and is somewhat questioned by them. Indeed, I think the Senator from Minnesota [Mr. KELLOGG], if I remember his statement rightly, expressed the very gravest doubt as to the validity of that proposition and as to the wisdom of it if it could be made valid. It is provided that the capitalization of such corporation "in bonds and capital stock shall not be greater than the value of the properties ascertained by the commission under the said act of March 1, 1913, with such additions thereto as may be necessary on account of enlargements of the properties so to be consolidated."

That is quoted from the bill. I will refer to it a little later. Section 14 provides that—

Any railway corporation which now owns and operates any line of railway engaged in the transportation of interstate or foreign commerce, having been incorporated under the laws of any State or Territory, is hereby authorized and empowered to reincorporate itself and become a corporation under the laws of the United States in the manner and subject to the terms and conditions herein provided.

Section 24 contains the provision authorizing the issuance of short-time notes not to exceed at any one time 5 per cent of the par value of securities of any railroad which are to be exempt from the regulatory provisions of this bill. There are various other provisions not necessary to mention regulating the details of the contemplated exchange of stocks and securities by which the existing railway corporations are to be transformed into a new corporation under the Federal law. The fundamental provisions, however, in regard to the issuance of railway securities in all of these different provisions, are to the effect that the Interstate Commerce Commission shall immediately value the property, and that the stocks and bonds issued shall not exceed the value of the consolidated property so determined, including, however, in said property, as it is stated, "a reasonable working capital." This provision has, of course, the same vice as the one previously discussed, in that it requires the Interstate Commerce Commission immediately to value railway properties.

The railways know that the Interstate Commerce Commission can not do this, except it accepts the valuation which the railways themselves may place upon the properties. I shall not repeat the argument I have already made on this subject in discussing section 6, but call attention to this important difference between the evils arising under the provisions of this section and those I am now considering.

If an improper valuation is made for rate-making purposes, if the Interstate Commerce Commission is deceived and afterwards learns of the deception, the error can be corrected. The injury to the public occasioned by the false valuation used in fixing rates may be serious, but relief from it can eventually be obtained after the error is discovered.

In the case of valuation, however, *for the purpose of an issue of bonds and stocks an error once made can never be corrected.* The Government may disclaim responsibility for the value of the securities issued in the strongest and most positive terms, but it can never escape the compelling force of the argument that the individual bought the securities on the Government's assurance that they represented only the fair value of the property of the company, and that the Government is in honor bound to permit the railroads to maintain a schedule of rates and charges sufficiently high to pay the promised interest on the bonds and dividends on the stock so issued.

As one goes into the relations of the railroads to the public he first sees the vice of overcapitalization as an excuse for excessive transportation charges.

Mr. STANLEY. Would the efficiency of these railroads be impaired by an amendment to that provision providing that in any finding by the Interstate Commerce Commission based upon the physical value of the railroad only a certain per cent of the property values as indicated by the property accounts could be issued in stock? In other words, if the book values or the property account, as they call it, showed the railroad properties were worth $100,000,000, suppose they were permitted to issue 60 or 70 per cent of that amount of stock. Could not the railroad be operated just as well on a stock issue of 60 per cent of its value as 100 per cent? I am just asking for information.

Mr. LA FOLLETTE. Mr. President, my objection to this provision, as the Senator will observe if he follows me for 5 or 10 minutes further, is fundamental. I think that this Government can not take the responsibility of sanctioning a new issue of railroad securities without incurring the responsibility of approving *all the issues that have gone before.* If the Government authorizes on the existing property an additional issue of securities, it is tantamount to validating all the water in the securities now outstanding, and I am confident that any honest, thoroughgoing valuation of the roads will show that 40 to 50 per cent of the capitalization is fraudulent and fictitious.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER (Mr. PHIPPS in the chair). Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. STANLEY. The point I wish to make is this: Leaving out of consideration the direct question which the Senator presents, namely, that they ought to be allowed to issue new capitalization, new stocks, and bonds at this time, even if that were done, whether wise or unwise, if a given railroad was prepared to consolidate with certain others under the provisions of the bill, to surrender and cancel the existing evidences of ownership, and to accept in lieu thereof the new issue of stocks—I presume that is what would be done, as they did in the cases of other consolidations like the Great Northern and the Northern Pacific—in that event, if a new stock issue was 50 per cent or 60 per cent, or any other per cent of the old capitalization, with the right to issue additional stock in the event investigations of the Interstate Commerce Commission justified it, would such a provision impair the efficiency of the road or materially affect the total value of the securities issued or have any other effect upon the railroad issuing the stock except to provide a smaller basis and a weaker argument for increased freight rates?

The public generally knows about what the railroad properties are worth, and the value of the securities will depend not upon the face value of the stock but upon the dividends declared upon it. If a property, as indicated by the property investment account, should be valued at $100,000,000 and they issued $50,000,000 of stocks, they will pay twice as much in dividends as if they issued $100,000,000 of stock. The income of the railroad from the sale of $50,000,000 worth of stock will be practically what it would be from the sale of $100,000,000, because the public is going to buy the stock, not on account of the book valuation but on account of the return it pays the holder. If it is watered stock and pays a small amount the purchaser of it will buy it at a depreciated figure, and it will be worth correspondingly less than its face value.

In the event the bill is passed and the issue of stock is authorized, would it not be wise, in the opinion of the Senator from Wisconsin, to limit the capitalization to a certain per cent of the value as indicated by the property account pending investigation by the Interstate Commerce Commission?

Mr. LA FOLLETTE. I must say in answer to the question of the distinguished Senator from Kentucky that I can not give my assent to any proposition which contemplates the Government assuming the responsibility of regulating the issuance of securities by private corporations, even when they are engaged in the transportation business.

I am going to define it. I suppose I shall stand quite alone in my view upon the question, but it is the result of no sudden conclusion upon the subject. It is a matter upon which I have had occasion to do such thinking as I am capable of doing in the years gone by.

I contend that it is no business of the Government to undertake the regulation of the securities or the financial affairs of public-service corporations. I will now proceed to give my reasons for that belief.

As one goes into the relations of the railroads to the public he sees first the vast overcapitalization as an excuse for excessive transportation charges. It is quite natural that he should first think of correcting the evil by limiting the capitalization to the actual value of the railroad property—many years ago I entertained the same view—but it is inevitable that he should ultimately realize that the true relation of the common carrier to the public and the true principle upon

which that relation should be controlled does not impose upon the Government the necessity to regulate the complex financial affairs of great national railways. In short, all interests with which the public is in any way concerned can be fully protected by a simple and logical method, a method which protects the people against obligations and responsibilities which they can not escape if their Government attempts to regulate the financial operations of the great interstate railways.

What interests have the public in the control of the railways? As to interstate transportation the people of the country are interested in, first, the character of the service rendered, and, second, the price which they must pay for that service. Now, sir, they have no other or further interest.

What obligations do the railroads owe to the public? The Government charters the common carrier and clothes it with the sovereign power to take private property, even against the consent of the owner, for the carrier's use. The acceptance of this sovereign power operates to dedicate the property of the railway to public use, and imposes upon the carrier the obligation to so use its property as to furnish to the public—what? Three things: Adequate service, impartial service, reasonable rates.

What duty does the Government owe to the public in regard to the common carrier that it has chartered and given this great power? It has created the common carrier. It has invested it with power to take private property for public use. From its nature, within a limited area along its course, the railroad is a natural monopoly. Possessed of this great power the railroad might ignore its obligations and oppress the public. The Government is therefore bound to see to it that the creature it has clothed with its sovereign power shall discharge its public obligations. It therefore becomes the duty of the Government to so control this carrier-monopoly that the public shall be guaranteed adequate service, impartial service, and reasonable rates. The interest of the public goes no further. The obligation of the Government goes no further.

To acquit itself of this obligation to the public what is the Government required to do? It must of necessity ascertain the fair value of the property which the common carrier uses for the public. It owes no duty to the public to undertake the regulation of the financial operations of the railroads. The Supreme Court has well said:

> If a railroad company has bonded its property for an amount that exceeds its fair value, or if its capitalization is largely fictitious, it may not impose upon the public the burden of such increased rates as may be required for the purpose of realizing profits upon such excessive valuation or fictitious capitalization.

The fair valuation of the property is the true basis. The public need not concern itself at all with the villanies of overcapitalization which abound in the history of every railroad in the country.

To execute its public trust, the Government must, in addition to ascertaining the fair value of the property, know exactly the amount of money which the common carrier expends in maintaining the property used for benefit of the public. It must also know exactly the cost or outlay of the common carrier in operating the railroad.

Having ascertained these three important essentials—the fair value of the property, the cost of maintaining the property, and the cost of operating the property—the Government is then prepared to enforce adequate service, impartial service, and reasonable rates.

To this end it must make rates sufficiently high to pay the operating expenses, and also to meet the entire cost of maintenance, and enough in addition to insure an adequate return upon the fair value of the property of the common carrier.

It is charged with no duty to become legally or morally answerable for the financial juggling of the railway management. The rate which it fixes may indirectly operate to restrain overcapitalization; it may even tend to squeeze the water out of excessive stock and bond issues already set afloat, but neither the railroads nor the dealers in railway stocks and bonds have any cause for complaint. The railroads have no right to exact from the public rates high enough to pay excessive interest and dividends upon stocks and bonds which exceed the fair value of the property.

No warrant or excuse can be offered for the Government assuming any responsibility regarding capitalization of common carriers for the protection of investors.

The purchase by an individual of railway stocks and bonds as a speculation or for investment is solely a matter of option with the purchaser. He buys in his own right and at his own risk. Upon principle, the Government owes no other or different obligation to the man who buys railroad stocks and bonds than to the man who buys Standard Oil or Tennessee Coal & Iron stocks and bonds, or to the man who purchases a horse, or a house and lot, or a farm.

But should the Government assume the responsibility of controlling the issue of railway stocks and bonds, it will enter upon an undertaking fraught with the gravest danger to the public, an undertaking certain to impose unnecessary and unjust burdens upon transportation.

A dozen or fifteen years ago every railroad in the United States would have taxed its resources to the last limit to resist conferring upon the Government the power to supervise and regulate its financial operations. To-day they hail with satisfaction and delight the prospect of such legislation, and it is to be noted that the organs of Wall Street and the stock exchanges especially commend this particular feature of this bill.

The reason, sir, is obvious. The railroads of the country carried their fictitious capitalization to a point where within the last few years the public has grown suspicious of the soundness of these securities. Values rapidly declined. Various schemes were devised to boost the market. They failed. Then came the bold demand for some Government action that would rehabilitate these depreciated securities and stimulate the languishing business of the stock exchanges. Now the railroads are hungry to have some form of Government sanction for all future bond and stock issues. Such an approval would at once make an issue of bonds and stocks "a good thing" in the market. The Government may disclaim that its action is a guaranty of the value of such securities. The proposed law may even so provide, as it does, in specific terms, but for all that, the investor will claim that in good morals the Government is bound, in its dealings with the railroads, to make the transportation charges high enough to protect the securities which it has authorized the railroad companies to place upon the market. But, more than this, Mr. President, when the Government through its commission has authorized a railroad to make an additional issue of bonds or stocks it will in effect *have validated all its issues of stocks and bonds then outstanding.*

If it were a proper function of government to superintend and regulate the issue of railroad securities in which private parties speculate or invest, it would be vital that the commission charged with this great responsibility should know the true value of the property of the railroad underlying such securities. But the Interstate Commerce Commission does not possess such information. It will be years before the commission will have completed its valuation of the railroad property of the country under the law recently enacted. When the commission has finished that great economic undertaking and submitted its tentative findings, its work will under the law have to be tested and tried out in the courts before it becomes even sufficiently stable to form a basis for fixing railroad rates and charges, much less of issuing securities upon it. In the meantime is the Interstate Commerce Commission to be called upon to guess at the value, and upon that guess to authorize railroads to increase their capitalization?

The commission has been completely at the mercy of the railroads in every contest over rates where the companies have raised the question that the rates fixed by the commission would not permit the earning of a reasonable return upon their property. And now it is proposed to require the commission to decide, upon the facts presented to it, that securities may be issued, upon which the railroads are "henceforth to be supplied with the money they need."

Referring to the fact that the railroads had control of all evidence regarding the value of their properties and that it was powerless to meet that evidence in any contest involving the value of railroad property, the Interstate Commerce Commission in its report for 1909 said:

> There is no way by which the Government can properly meet this testimony.

I have before me here another report in which reference is made to the investment account. It says:

> Thus at the first touch of critical analysis the balance sheets published by the American railways are found to be inadequate.

This was after the commission had been authorized and empowered to enforce a uniform system of bookkeeping upon the railway companies of the country—

> They are incapable of rendering the service which may be rightly demanded of them. One cure seems possible for such a situation, and one only, and that is for the Government to make an authoritative valuation of the railway property and to provide that the amount so determined should be entered upon the books of the carriers as the accepted measure of capital assets. Under no other condition can the commission complete in satisfactory manner the formulation of a standard system of accounts.

If the commission can not in this fundamental issue "meet the testimony" of the railroads in a case involving merely the fixing of a freight rate, how dangerous to impose upon them the infinitely greater responsibility of determining whether

railways shall issue, it may be, hundreds of millions of dollars of stocks and bonds, which will become a permanent burden upon transportation. Consider the lasting wrong which this may work upon the public. The railroads will always have the advantage. They are more familiar with the case as it is to be presented than the commission can hope to be. They have a powerful organization. They have an army of trained engineers, statisticians, accountants, masters of railway finance, and special counsel.

If the railroads win wrongfully in a rate case, it is a hardship upon the public; but an erroneous decision on fixing a rate too high may be corrected. The case may be reviewed; the excessive rate may be lowered in a subsequent proceeding, but a wrongful decision by the commission allowing a railroad to issue millions upon millions of dollars of securities, which are at once thrown upon the market, is an everlasting burden upon the public and an everlasting injury to the people.

Whoever buys railroad securities now buys at his own risk. Whoever buys securities upon the issue of which the Government has set the seal of its approval will, in good morals, hold that the Government must under all circumstances maintain railroad rates so high as not to impair the value of those securities. The moment that investments are made in securities authorized by the Government, that moment property rights in those securities become fixed. The commission may find that it has been misled; that it has grossly blundered; but its mistake is irrevocable. It is not simply the question of having temporarily imposed a hardship upon a community; it is a case of having inflicted an irreparable injury upon a helpless and unoffending public.

If the plan of railway reorganization and reissue of railway securities was to become effective only after there had been an actual valuation of railway properties and it was provided that the securities issued should be cut down to the actual value of the railway properties, something might be said in its favor. Even then the Government would have no business to place its stamp of approval upon the securities of privately owned railroads any more than upon the securities of any other corporation. But the purpose of the present legislation seems to be to forestall the actual valuation of the railway properties and at the present time secure the Government's approval to the present vastly inflated stock issues.

In what I have so far said upon this subject I have assumed that it was the purpose of this bill to require the Interstate Commerce Commission to limit the stocks and bonds a railroad company may issue under the provisions of this bill to an amount substantially equal to the actual value of the property. A critical examination of the sections of the bill, however, would seem to indicate that the commission is not held to that rule.

Section 21, which relates to the formation of a new corporation to own and operate one of the existing railway systems or to construct, own, and operate a new line, provides only that the capital stock of such a corporation shall be fixed by the commission, "having due regard" for the value of the railway property contained in the corporation.

Section 24 gives the railway 90 days after the approval of this act to issue securities, without any sort of Federal regulation, and provides that after that time all State control of the regulation of securities of corporations organized in the respective States shall cease.

The provision of section 24 effecting such a result is as follows:

> The jurisdiction conferred upon the board by this act shall be exclusive and plenary, and such carriers subject to this act may issue securities in accordance with the provisions of this section without securing approval other than as specified herein.

Of course, in the charters of many railways organized under the laws of different States, control over securities as well as rates is expressly reserved to the States. It is clearly the purpose of this section to free the railroads at the expiration of 90 days from the passage of the law from the control over the issuance of securities which the States now possess. I find nothing in section 24 limiting the amount of the securities which the board may authorize under the terms of that section. It would seem, therefore, that at the end of 90 days after the passage of this act all State control over the issuance of railway securities under this section is abolished and the whole matter is left with this newly created board, with absolutely no limit placed upon the amount of securities it may authorize a railroad company to issue.

Mr. President, there are many other features in this bill sufficient to condemn it utterly. It takes the first step, and a very long one at that, toward wiping out State railway commissions and all State control of railroads. It deprives the States of the right now generally exercised of levying and collecting inheritance and transfer taxes on railway securities issued by corporations organized under the laws of the respective States. In a State like Wisconsin, under the laws of which several great railroad corporations were formed, the loss of this item of revenue alone from inability to collect the tax from nonresidents is a serious matter. It pretends to preserve some sort of competition among railroads, but it really destroys all incentive to competition, for it leaves little or no profit to compete for. It is an invitation to the grossest and most reckless extravagance and waste of money by guaranteeing a fixed net income without any limitation upon expenses.

The very natural desire of the railways to control the numerous boards and commissions and regulatory bodies which the bill sets up invites them to even greater political activity than heretofore, while their consolidation and unification under the provisions of this bill will make them a more sinister and dangerous force in the life of the Nation than they have been before.

But, sir, I am not going to dwell further upon these or many other vicious features of the bill, but I will go directly to certain provisions which, if they are enacted into law, will create a crisis in the affairs of this country the result of which no man can foresee. I now address myself to the labor provisions of the bill.

[At this point Mr. LA FOLLETTE yielded the floor for the day.]

Saturday, December 13 (legislative day of Friday, December 12), 1919.

IV. THE LABOR PROVISIONS OF THE BILL.

Section 25 of the bill creates a "Committee of Wages and Working Conditions" and also three "Regional Boards of Adjustment." The Committee of Wages and Working Conditions is to be composed of eight members, four of whom are to represent labor and to be selected by the board from a list furnished by the railway labor organizations and four to represent the railway carriers and to be appointed by the board from the list of names submitted by the carriers. By the same section it is provided that "the Committee of Wages and Working Conditions shall have jurisdiction over controversies respecting wages and working conditions of employees upon railway carriers subject to this act." It is made the duty of the Committee of Wages and Working Conditions to consider all complaints respecting wages and working conditions submitted by representatives of employees or carriers and to make decisions, by majority vote, as soon as practicable. The decisions of the committee shall be certified to by the board and "shall take effect when approved by the board."

If the Committee of Wages and Working Conditions is evenly divided, the question "shall be referred to the board, whose decision shall be binding."

It is thus seen that no decision of the Committee of Wages and Working Conditions amounts to anything until it is approved by the board; and in any case where the committee is evenly divided, as it would be, of course, in every contest where there was a substantial dispute between employees and employers respecting wages or working conditions, the board would take charge of the controversy, and its decision would be final.

The board, it will be recalled, consists of five members, appointed by the President, and there is no provision that labor shall have any representation on the board. Therefore, every decision with respect to wages and working conditions is ultimately decided by a board upon which labor has no representation.

Section 27 confers upon the Regional Board of Adjustment jurisdiction of questions arising in ordinary railway controversies other than controversies relating to wages and working conditions.

Section 30 of the bill provides—I shall not take the time to read that section, because I assume that every Senator here must have read section 30 of the bill.

Section 30, after prohibiting any agreement between employees of the railroad to cease work in order to achieve any improvement in wages and working conditions, contains the following proviso:

> *Provided*, That nothing herein shall be taken to deny to any individual the right to quit his employment for any reason.

The framers of this bill give to the individual the poor privilege of quitting his job if he can not make enough to sustain himself.

A man who works on the railroad for a number of years unfits himself for any other business in proportion as he qualifies himself for that business, and if there comes a time where there is imposed upon him conditions under which he finds it impossible to maintain himself and his family, to support them, to educate them, this provision of the proposed law will force that

man to deal single handed and alone with the railroad corporations.

As practical men of affairs, Senators must know that any individual workman, particularly in dealing with a railroad company, puts his position and his employment in jeopardy if he complains about his working conditions and the wage orders that affect them. He must go hat in hand into the office of the superintendent. A discipline runs through this system of employment that is not unlike that of the Army; and you might as well expect a private soldier under military regulations to secure for himself better conditions affecting his employment as to expect one single individual in the railway service to do so.

Mr. GRONNA. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from North Dakota?

Mr. LA FOLLETTE. I yield.

Mr. GRONNA. It may be that my question is rather a simple one, but, as I understand the Senator from Wisconsin, the provisions of this bill authorize the individual laborer to quit his job as an individual. Does not it also apply collectively—that is, to labor organizations? Would not such an organization, if it sees fit, have the same privilege under the proposed law as an individual?

Mr. LA FOLLETTE. In response to the Senator's inquiry, let me read him section 30 of the bill, which is as follows:

SEC. 30. It shall be unlawful for two or more persons, being officers, directors, managers, agents, attorneys, or employees of any carrier or carriers subject to the act to regulate commerce, as amended, for the purpose of maintaining, adjusting, or settling any dispute, demand, or controversy which, under the provisions of this act, can be submitted for decision to the committee of wages and working conditions or to a regional board of adjustment, to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movemen of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement and with like purpose substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce; and, upon conviction, any such persons shall be punished by a fine not exceeding $500 or by imprisonment not exceeding six months, or by both such fine and imprisonment:

Then follows the proviso to which I was addressing myself—

Provided, That nothing herein shall be taken to deny to any individual the right to quit his employment for any reason.

But let me say to the Senator from North Dakota that if a body of employees of a railroad company acting in concert as a body, in order to improve wages or working conditions, decline to continue in the service of the company, of course the direct effect will be to interfere in a material way with the operation of trains upon which they are employed, and I do not believe that any lawyer here would undertake to say that a Federal court would not instruct a jury that from that act alone they would be warranted in finding that these men quit with the intention of interfering in a substantial way with the operation of trains.

Mr. GRONNA. Mr. President——

Mr. LA FOLLETTE. Let me say just a word further. The very purpose of this provision is to prevent strikes, and the very benefit which the employee derives from the strike is that it gives him collective strength in grappling with the great corporations to bring them to a serious consideration of the demands labor makes.

Mr. GRONNA. Mr. President, if the Senator will further permit me, I have not had the benefit of hearing the discussion before the committee—if that provision means that labor would have no right to hinder or to prevent others from taking the places of the men who have quit, I should favor it.

I am frank to say to the Senator from Wisconsin that I never shall vote for any provision or for any law that will compel any man or any body of men to work, whether singly or collectively, because that is a cheap form of slavery; but I do believe that we ought to have laws to regulate labor as well as everything else and prohibit them from preventing other people from working.

I wish to say to the Senator from Wisconsin that that is as far as I would want to go. If it is the intention of this provision simply to say that it shall be illegal for labor organizations or any other kind of an organization to prevent labor from working, of course I could vote for that, but I never could support a proposition that labor individually or collectively shall not have the right to quit, and if that is the purpose of the section I think we ought to know it before we vote upon it.

Mr. LA FOLLETTE. Mr. President, I do not believe that any lawyer in this body, I do not believe that anyone reading this provision of the bill, can be in any doubt as to its meaning.

Mr. KNOX. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Pennsylvania.

Mr. KNOX. I should like to have the matter cleared up in my own mind. The Senator from Wisconsin said that the purpose of the thirtieth section was to prevent men from striking. Is that purpose avowed? Is that admitted?

Mr. LA FOLLETTE. I think it is. Permit me; I think I can answer that question by quoting the statement of the chairman of the committee.

Mr. KNOX. While the Senator is looking for the matter that he is seeking, I should like to say that in my mind there is a distinction between a prohibition by a law which enjoins men from seeking to prevent the operation of lines of transportation and a provision that would prevent them from striking, although the strike might have the indirect or the direct effect of clogging the lines of transportation. The courts have drawn that distinction in quite a number of cases. I remember that in the earlier trust cases the court announced that the combination of productive industries was not prohibited by law, although the direct effect was the blocking of the channels of interstate commerce; and what I want to know is whether we can proceed upon the theory that that is the intention of the framers of this bill—that it is to prevent railroad men from striking for just cause.

Mr. LA FOLLETTE. Mr. President, I do not think there can be the least doubt concerning it. Let me quote this from the chairman of the Committee on Interstate Commerce, in the majority report which accompanied the bill as it was laid before the Senate.

The report says:

In making the strike unlawful, it is obvious that there must be something given to the workers in exchange for it.

Mr. President, let me say to the Senator from Pennsylvania that the purpose of this section—and I think the majority of the committee will all of them concede what I am saying—is unmistakable. It is to make the strike unlawful under any circumstances. It is to compel all the employees of the railroads to submit their grievances first of all to a committee composed of four railroad employees and four employers, called the Committee of Wages and Working Conditions; but that committee can render no decision that is effective. It may render decisions, but no decision it renders can go into effect until it is approved by the transportation board, which not only has an absolute jurisdiction over the Committee of Wages and Working Conditions but has a large jurisdiction over very many of the operations of the railroads. This Committee of Wages and Working Conditions, to which the railway employees are first required to go, passes upon the grievance, but the decision of the committee can not go into effect until the board passes upon it. The employee has representation upon the Committee of Wages and Working Conditions. He has no representation upon the board.

Since when has it been the policy of legislation in modern times, under any system of compulsory arbitration, to send laboring men to a board upon which they have no representation? That is what is proposed in this bill. True, they have equal representation with the employers upon the Committee of Wages and Working Conditions, but that committee can decide nothing final with respect to any matter of controversy. Before any of its decisions can be effective they must go to the board, upon which labor has no representation.

Mr. KNOX. Mr. President, will the Senator tell me how the board is constituted? Is there any requirement at all as to the character of men that shall compose it?

Mr. LA FOLLETTE. The board is composed of five men. It is appointed by the President and must be confirmed by the Senate. That is the only limitation upon the President in making the appointment.

Mr. KNOX. There is no restriction? Labor may be represented on the board if the President sees fit, may it not?

Mr. LA FOLLETTE. There is no restriction. The President could make them all labor men if he wanted to.

Mr. KNOX. That is just what I wanted to know, whether there is any restriction upon the power of the President?

Mr. LA FOLLETTE. No; no.

Mr. KNOX. And none on the power of the Senate? The Senate could reject the board if they did not think they were the right kind of men?

Mr. LA FOLLETTE. Oh, yes; but there is no assurance that upon that board there will be any representative of labor. Furthermore, as an illustration of the way labor fares when its interests are to be disposed of by some committee or some conference which is appointed by the President, look at the personnel of the Industrial Commission that met here recently. It had some labor representatives on it; that is true. I suppose that personnel probably would have been approved and confirmed had the personnel of the recent industrial labor conference that met

in Washington been submitted to the Senate; and yet the representation that labor had upon that conference was such that it was tied hand and foot. It was utterly helpless and powerless. And let me say to the Senators here that no country on the face of the earth, in all the history of the differences between labor and capital, has ever been able to enforce compulsory arbitration upon labor. Everywhere that it has been attempted it has failed. We are starting out here upon a line of policy that for a generation of time has been demonstrated to be a failure—a failure in Canada, a failure in New Zealand, a failure wherever it has been attempted. Arbitrary and oppressive legislation with regard to labor has always resulted in conditions where the Government itself has considered it impracticable to enforce those harsh provisions.

Mr. STERLING. Mr. President, will the Senator permit a question?

Mr. LA FOLLETTE. Certainly.

Mr. STERLING. Granting that what the Senator says in regard to compulsory arbitration is true, is it quite true with reference to what we term compulsory investigation—that is, a law which will prevent the carrying on of a strike or will prevent a lockout during the period when a controversy is being investigated by a competent tribunal?

Mr. LA FOLLETTE. Oh, yes. The experience of Colorado, which has a statute of this kind, has demonstrated as I think the representatives of the State of Colorado will agree with me, the utter futility of that sort of legislation. The investigations that were imposed upon the authority that was named in the statute were so onerous and so multiplied by one side or the other of the controversy that it broke down in its execution. It has been ineffective there. They had a compulsory-arbitration statute somewhat similar to that of Canada. Indeed, I think it was modeled upon the Canadian law.

Mr. STERLING. I have not followed the operation of the law in Colorado, but my understanding is that the compulsory-investigation law of Canada has been reasonably successful.

Mr. STANLEY. Mr. President, if the Senator will excuse me, the compulsory-arbitration law of Canada——

Mr. STERLING. It is not a compulsory-arbitration law, if I may interrupt the Senator. It does not require, it does not compel, arbitration.

Mr. STANLEY. If the Senator will excuse me, in using the term "compulsory arbitration" I made use of an expression that is found in this bill and is used on this floor. It is a misnomer and a contradiction in terms. You can not have compulsory arbitration—that is, compulsory agreement. An agreement must be voluntary; but we have fallen into the habit of speaking of this paradoxical and impossible thing and have incorporated it in this bill.

The compulsory-arbitration law of Canada, as applicable to common carriers, is different from the law as applicable to employees generally. There are two acts—I forget the technical name of each of them, but they possess the same principles, and in the main I think they are salutary. They provide explicitly, both the act governing employees upon common carriers and the act governing employees generally, that strikes shall not be prohibited except under certain conditions. The law provides, as the Senator has said, for an investigation. After that investigation is made it provides for giving it the widest publicity, the investigation having been made by a board composed of representatives of each of the contending parties, labor and capital as a rule. The employees name a representative and the employers name a representative and the Government names a third party, and they make a thorough investigation. The law prohibits strikes during the pendency of this investigation, which can not exceed a limited time. After the investigation is made the law provides for the widest publicity. It is to be published in the official labor journals, to be published in certain other publications, to be given to the editor of each newspaper requesting it, and to be furnished to all other persons at the cost of publication.

Then if either party after this investigation, and after this publicity, agrees to abide by the finding of this board, after such agreement that finding has the force and effect of a decree of a court. But unless and until the contending parties voluntarily concur and through their duly accredited representatives indicate their acceptance of the agreement it has no binding force whatever.

Mr. STERLING. The Senator from Kentucky has given the version of the law as I understand it in the main. The point I wished to bring out is that pending the investigation and prior to the publication of the findings of the tribunal investigating it a strike or lockout is prohibited.

Mr. STANLEY. That is a fact.

Mr. LA FOLLETTE. Mr. President, I am not quite sure whether I have responded to the question that was asked of me. If I have, I would like to resume my argument where I broke off.

Mr. LENROOT. The Senator from Pennsylvania [Mr. KNOX] asked the Senator whether it would not be entirely possible for the President to appoint upon this transportation board railroad employees. I would like to ask my colleague whether in his opinion the duties devolving upon this board are not of such a character that it would almost inevitably follow that the members of the board would be practical railway men who have had experience in executive management?

Mr. LA FOLLETTE. That is a very good point, Mr. President, to be taken into consideration in this connection. The duties imposed upon this board are duties that require training in railroad traffic, railroad operation, and railroad finance. This board must deal with the question of the reorganization of the railroads, the reissue of securities, and so forth. It is to be a board the importance of whose functions I do not think is to be considered inferior at all to those of the Interstate Commerce Commission.

Mr. STANLEY. Will the Senator yield right there?

Mr. LA FOLLETTE. I yield to the Senator from Kentucky.

Mr. STANLEY. This board requires, as I understand it, the highest character of technical skill on account of the fact that the enforcement of the safety-appliance act and the car-service act and a great many similar acts will devolve upon it.

Mr. LA FOLLETTE. I should say that the enforcement of those acts, while upon the human side are vitally important, of course, will be subordinated in importance and magnitude to the consideration of the financial side.

Mr. STANLEY. In either event, assuming that the President would appoint upon the board practical railroad men, some of them operators and some of them operatives, all of them vitally interested in the success of this business as segregated from other business, as conductors, firemen, and engineers, and as railroad presidents usually are in the raising of a rate, for instance, with such a board as that, taken entirely from one end or the other of this railroad proposition clothed with the right to fix wages and to reflect them in rates, what would become of the shipper?

Mr. LA FOLLETTE. I think that is a pertinent question.

Mr. CUMMINS. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Iowa.

Mr. CUMMINS. There is no limitation or attempted limitation in the bill with regard to the power of the President in making the selection of members of the transportation board.

Mr. LA FOLLETTE. Oh, no.

Mr. CUMMINS. In response to the suggestion just made by the junior Senator from Wisconsin [Mr. LENROOT], I have a somewhat intimate acquaintance with some of the chiefs of the brotherhoods, their character, their attainments, their ability, and I say here that in view of the duties which are to be performed by the transportation board, any one of those heads of the certain unions who have attained prominence would be in every way highly qualified. I do not know anyone who would be more highly qualified than some of the heads of these brotherhoods. But it is perfectly obvious that the President can appoint whomsoever he likes, and if those appointments are confirmed by the Senate, they would enter upon the discharge of their duties. I only make this suggestion with regard to any limitation outside the law upon the President in making the selection.

Mr. LA FOLLETTE. Mr. President, I quite agree with what the Senator from Iowa, the chairman of the committee, has said with respect to the qualifications of some of the heads of these railroad organizations, perhaps of all of them. They are men of not only liberal education, but men with practical knowledge of all transportation matters. But, Mr. President, that is not the type of men who will be selected for this work, and if it were, there would not be more than one representative of labor on the board, and labor would hand itself over to a control that would render it helpless. It would be credited with having representation, but it would have no power. It would be submerged. It would be in the minority.

I believe that the controversies of labor that have been most successfully handled have been handled by boards where there was an even balance, and where if one side stood out against the other they had to submit to the public the basis upon which they stood, and public opinion compelled the side that was manifestly in the wrong to yield.

But that is quite beside the question that was asked of me when I was diverted from the line of my argument by the Senator from North Dakota [Mr. GRONNA]. It is plain that

we have a proposal in this legislation with regard to controversies in which labor is affected which denies labor the right to quit work in a collective body, and which makes it an offense punishable by fine and imprisonment if they cease from their employment by concerted agreement, because I am sure that if any lawyer reads section 30 he will be bound to say that the courts would be warranted in so construing the law and in authorizing the jury under the facts submitted to it to so find.

Now, Mr. President, that is the reason why I take it that the Senator from Iowa, the chairman of the Committee on Interstate Commerce, said:

In making the strike unlawful, it is obvious that there must be given something to the workers in exchange for it.

What the worker is given by this bill in exchange for his right to strike is a decision by a board in the selection of which he has no voice, and a board which, by reason of its constitution and the power it will exercise, will inevitably come under the domination of the railroads. When we get through with the fine phrases of these sections of the bill we will find that what it proposes is exactly this:

First, the compulsory reference to a board of five members appointed by the President of all disputes which may arise between railway managers and the employees respecting wages and working conditions; and, second, a prohibition of strikes under penalty of a $500 fine and six months' imprisonment.

The law on this subject, as it exists up to this hour, was laid down over 25 years ago by one of the ablest jurors that this country ever produced, in a celebrated case that arose in the State of Wisconsin.

I will not take the time of the Senate to go into the litigation in detail. It is sufficient to say that in 1894 Henry C. Payne, of Wisconsin, and two others were the receivers of the property of the Northern Pacific Railroad, and as such receivers, following a familiar practice, they gave notice that they were going to reduce the expenses of the operating company by a substantial cut in the wages of the employees. The employees gave notice that if the threat of the receivers were carried out they would go on a strike. The receivers applied to Federal Judge Jenkins, of the eastern district of Wisconsin, who promptly issued his injunction prohibiting the strike, and in language not unlike that of this bill, prohibited the men from "combining and conspiring" to quit the service of the receivers, "with the object and intent of embarrassing the operation of the road."

That is the language reported in his order of injunction. This case is reported as Farmers Loan & Trust Co. against Northern Pacific Railway Co., Sixtieth Federal, 803.

An appeal was taken to the circuit court of appeals, and the case on appeal is reported as Arthur and others against Oakes, Sixty-third Federal Reporter, 310. The case was heard before Mr. Justice Harlan and Circuit Judges Woods and Bunn. Mr. Justice Harlan wrote the opinion, and I quote from it the following well-settled statement of law:

The right of an employee engaged to perform personal service to quit that service rests upon the same basis as the right of his employer to discharge him from further personal service. If the quitting in the one case or the discharging in the other is in violation of the contract between the parties, the one injured by the breach has his action for damages; and a court of equity will not, indirectly or negatively, by means of an injunction restraining the violation of the contract, compel the affirmative performance from day to day or the affirmative acceptance of merely personal services.

Again, the opinion says:

It was competent for the receivers in this case, subject to the approval of the court, to adopt a schedule of wages or salaries and say to employees, "We will pay according to this schedule, and if you are not willing to accept such wages, you will be discharged." It was competent for an employee to say, "I will not remain in your service under that schedule, and if it is to be enforced I will withdraw, leaving you to manage the property as best you may without my assistance." In the one case, the exercise by the receivers of their right to adopt a new schedule of wages could not, at least in the case of a general employment without limit as to time, be made to depend upon considerations of hardship and inconvenience to employees. In the other, the exercise by employees of their right to quit in consequence of a proposed reduction of wages could not be made to depend upon considerations of hardship or inconvenience to those interested in the trust property or to the public.

Now comes the gist of the decision and the important and fundamental principle of law, and I quote further:

We have said that if employees were unwilling to remain in the service of the receivers for the compensation prescribed for them by the revised schedules it was the right of each one on that account to withdraw from such service. It was equally their right without reference to the effect upon the property or upon the operation of the road to confer with each other upon the subject of the proposed reduction in wages and to withdraw in a body from the service of the receivers because of the proposed change. Indeed, their right as a body of employees affected by the proposed reduction of wages to demand given rates of compensation as a condition of their remaining in the service was as absolute and perfect as was the right of the receivers representing the aggregation of persons, creditors, and stockholders interested in the trust property and the general public to fix the rates they were willing to pay their respective employees.

There is one other quotation from the opinion, which I should have stated was also the unanimous opinion of the court. The quotation I am now about to read——

Mr. STANLEY. Will the Senator from Wisconsin give me the citation of the case to which he is referring?

Mr. LA FOLLETTE. It will be found in Sixty-third Federal Reporter, page 310.

Mr. OVERMAN. The Federal Reporter is not a report of the United States Supreme Court?

Mr. LA FOLLETTE. No; but the opinion was rendered at the time when one member of the Supreme Court sat with the judges of the district court and formed the circuit court of appeals. They tried the cases that came up from the district court, and then from their determination appeals, if any, were taken to the Supreme Court.

Mr. OVERMAN. This was not the Supreme Court?

Mr. LA FOLLETTE. No; but it is the opinion of Justice Harlan when he was a Supreme Court judge, sitting with the Federal judges in that circuit to dispose of this case.

Mr. STANLEY. Was that case appealed?

Mr. LA FOLLETTE. No; the case was not appealed. It is my understanding that this is the law, decided by the highest court that passed on it, down to this hour.

There is one other quotation from the opinion which I should have stated to be also the unanimous opinion of the court. The quotation I am now about to read does not relate directly to the principles of the bill under consideration, but it relates to the injunction order or covers a case such as that in which the order of injunction was issued, as I believe unlawfully, a short time ago in the coal miners' strike.

I quote from page 317 of Mr. Justice Harlan's opinion, where it is said—and I just stop here for a moment to say that I regret beyond expression that the action of the Federal court at Indianapolis is not in some form or other to be reviewed by the Supreme Court of the United States, because I regard it as absolutely a reversal of all the authorities and entirely unwarranted in law.

I quote from page 317 of Mr. Justice Harlan's opinion, where he said:

But the vital question remains whether a court of equity will, under any circumstances, by injunction, prevent one individual from quitting the personal service of another? An affirmative answer to this question is not, we think, justified by any authority to which our attention has been called or of which we are aware. It would be an invasion of one's natural liberty to compel him to work for or to remain in the personal service of another. One who is placed under such restraint is in a condition of involuntary servitude, a condition which the supreme law of the land declares shall not exist within the United States or in any place subject to their jurisdiction.

The proposition is to change the law relating to the right to strike, as I have just read it, by declaring that it is a crime for employees to agree together to quit their employment in a body for the purpose of maintaining their side of a dispute with their employers over wages and working conditions. There are two sufficient reasons why a law of this kind should never be passed. One is that it can never be enforced. The other is that if it could be enforced it would mean the degredation of labor and eventually the subversion and destruction of our free institutions.

Consider for a moment what would follow the passage and enforcement of such a law. No one is foolish enough to contend that the principle established by such legislation would be confined to railroad employees. There is no body of labor in all the world less likely to go on a strike than the great railway brotherhoods. Every Senator knows, every man in the country knows, that members of those great organizations would never go out on strike unless there was no way left them to maintain their most cherished and fundamental rights.

Every argument that can be made in favor of applying such a law to the railroad brotherhoods can be made for its application to employees in practically every other business conducted in the country. In the complex organization of society to-day there is scarcely a line of business the cessation of which would not bring hardship and suffering to the public. Any substantial interruption or suspension of the telegraph or the telephone service or mining or the operation of street cars, the manufacture of clothing, or the raising or storing of food products would cause immense hardship to the public.

So that once we admit the principle of this bill into our law it would only be a short time, two or three years at most, until the right of labor in any employment to strike will be destroyed, and I will go further and say until the right of those engaged in production will come under the same control, under the same principle, and farmers will be subject to dictation by

the Government as to what and how much public necessity and public demands require that they shall produce.

You are entering upon an uncharted sea in writing a precedent for legislation of this sort into the statute. Laws like this once existed in England and in other countries. They exist to-day in India and among other subject peoples, and we know the methods by which they are, and ever have been, enforced. They are enforced, and ever have been, by the sword and the bayonet, by the destruction of every vestige of free speech, of free assembly, and of free press. The enforcement of such laws has ever brought in their wake poverty and ignorance, indescribable suffering and degradation of the masses, and luxury and power to the few.

But, Mr. President, it is unthinkable that such a law as this can ever be enforced in the United States. There is no body of labor in the United States so uniformly of American stock as the railroad brotherhoods. Their ancestors had fought for centuries and suffered and died by thousands to establish and maintain the right which by a stroke of the pen you propose to take away from them in this bill. You will do well to read the history of the labor movement in England for the last three or four centuries before you try to enforce this sixteenth century law upon the labor of this country.

In 1349–50 England passed various statutes compelling a man "if he has no means of his own" to serve whoever required his services." (23d Edward III.)

A distinguished English historian tells us that—

The main object of these statutes was "to check the raise in wages consequent upon the great pestilence called the 'black death.'" (Stephens's History of Criminal Law, England, vol. 3, p. 204.)

In 1548 England passed an act which might have been taken as a model for section 30 of the bill. It forbade laborers to "conspire not to make or do their work but at a certain price or rate" under the penalty of losing an ear and of being declared infamous. (2d and 3d Edward VI, ch. 15.)

In 1720 England passed another act declaring all agreements of various laborers "for advancing their wages or for lessening their usual hours of work" to be null and void and imposing a penalty of imprisonment for entering into such an agreement. (7 George I, ch. 13.)

In 1800 England passed a statute which provided imprisonment with hard labor for the workman who "enters into any combination to obtain an advance of wages or lessen or alter the hours of work * * * or who hinders any employer from employing any person as he thinks proper, or who, being hired, refuses without any just or reasonable cause to work with any other journeyman or workman employed or hired to work." (40 George III, ch. 60.)

If there had been real merit in any legislation prohibiting strikes, surely it would have manifested itself during the years covered by these antistrike laws in Great Britain; but everyone who is familiar with the labor movement of England knows that the men struck in spite of the statutes and because of the statutes, and finally not only forced their repeal, but in 1906 caused the adoption of the trades-dispute act, whereby combinations and agreements among laborers in furtherance of a trade dispute are made legal and the parties thereto are specifically exempted from prosecution. Instead of our learning anything from the history of the world, we are going back to fifteenth and sixteenth century legislation and forgetting all that has happened in the long struggle in England in the meantime. Here is the more recent legislation which has been worked out by the processes of evolution from just exactly such provisions as have been written into the pending bill. It took two or three centuries to do it, but we ought not, with the enlightenment of this country and our advanced civilization, to put aside that history. We ought to learn something and take some advantage from the experience of the world in dealing with these matters.

Section 5, subdivision 3, of the act passed in 1906, provides:

An act done by a person in contemplation or furtherance of a trade dispute shall not be actionable on the ground that it induces some other person to break a contract of employment or that it is an interference with the trade, business, or employment of some other person or with the right of some other person to dispose of his capital or his labor as he wills.

The same section gives the following definition of a trade dispute:

The expression "trade dispute" means any dispute between employers and workmen or between workmen and workmen, which is connected with the employment or nonemployment or the terms of employment, or with the conditions of labor of any person; and the expression "workmen" means all persons employed in trade or industry, whether or not in the employment of the employer with whom a trade dispute arises.

Speaking of this statute in a case brought under it, the court said:

It is plain that the main object of the act was to put trade-unions in a peculiar and preferential position and to treat trade disputes differently from all other disputes. Thus section 1 altered the law of conspiracy—or, rather, I should say, repeals the law of conspiracy—where there is a trade dispute, but leaves it intact in every other case. Section 2 sanctions peaceful picketing where there is a trade dispute. Section 3 was probably intended as a rider to section 1. It alters the established common-law liability of an individual apart from conspiracy, not generally, but only where there is a trade dispute, either in contemplation or in existence. (Conway v. Wade, L. R. King's Bench Division, 1908, Vol. II, p. 844.)

Mr. President, it is my information that the statesmanship of England long ago recognized the wisdom of fostering labor organizations and that their legislation has been so shaped and formed and their policy has been so directed as to encourage the organization of all labor into unions, so that the Government in dealing with labor has a responsible organization, with a responsible representative, with whom it can communicate and with whom it can discuss the problems of labor. It may be that it is the law of human institutions that we are to take nothing out of the experience of the enlightened nations of the world in handling these problems, but that we too must beat over the hard, rough ground, hew out through the jungle a course for ourselves, and that we can not chart that course and guide our feet by the light of the experience of a great Government like Great Britain. If we profit by the experience of other nations we shall reverse the policy that seems to be taking possession, especially since the war period, of the Congress of the United States and the administration of this Government in its attitude toward labor and labor unions.

Mr. KING. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. GRONNA in the chair). Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I yield.

Mr. KING. Without expressing any opinion as to the wisdom and propriety of the antistrike provisions of the pending measure, I should be very glad if the Senator from Wisconsin would give his views with respect to the question of providing for or the duty of Congress in this bill or of State legislatures, in dealing with purely State matters, providing——

Mr. LA FOLLETTE. With purely State matters?

Mr. KING. With purely State matters, that is, controversies between labor in the States in contradistinction to interstate matters—as to the wisdom of providing legislation that will, if humanly possible, without abrogating the liberties of individuals, prevent strikes.

It seems to me such a waste of resources, such a waste of time, such a destructive policy to have strikes in our industrial system, that if there is any human way possible to avoid strikes that way ought to be followed. If we can do it by legislation—and I should be glad to get the Senator's view as to that—we ought to enact such legislation. If it may not be done, if we are to go on in this, I was going to say revolutionary way—and it is revolution, in a way—of striking, interrupting the processes of production, we must expect that there will in time be a diminution of productivity, an interruption of the orderly processes of government, and certainly an interruption of the transportation system.

It is a very difficult problem, I concede, to deal with, but, if the Senator from Wisconsin is opposed to the strike provision of the pending bill, what remedy does he offer to deal with this question, particularly as to the great corporations engaged as carriers, whose work is so vitally connected with the welfare of the people?

Mr. LA FOLLETTE. Mr. President, I quite agree with the view of the Senator from Utah that the strike is a terrible thing; it is wasteful; it is tragic. I think we ought, if possible, to work out a solution that would bring on such a condition of equilibrium, such a reign of absolute social justice, as would remove all occasion for strikes. I think that is the remedy; not the application of force at the point where you get the natural and inevitable result of something that has gone before.

But, Mr. President, to outline a remedy for strikes along the line I have suggested to my friend from Utah I would want to take considerable time. I have a very definite notion as to what is the real cause of all this tremendous and menacing disturbance that has been making our social order fairly quake under our feet. I think you have to go back a period of about 20 years to find the source of the trouble and that you have to treat it from its source, or all your treatment is not only a waste but is an aggravation of the trouble, of the disease that has fastened itself upon our business, political, and social life.

So I must say to the Senator—and I feel somewhat flattered to know that the Senator would care to hear from me an expression of opinion upon the subject—that I expect in connection with matters that are coming up, not in relation to this bill but matters that are coming up very shortly before the Senate, to take some time in discussing that question. I do not believe, let me say in conclusion—and I want to go on and com-

plete what I have to say upon this bill, if possible, to-day and at as early a time to-day as I can—I do not believe that we can treat any of the disorders resulting in strikes and other menacing conditions which we see here and there over our whole country from ocean to ocean—criticism of government, denunciation of the acts of Congress, complaint about economic conditions, protest against the growing cost of living which the people of the country can not understand and for which they can not find any justification—I do not believe that we are to find any solution whatever in simply repressing all criticism of existing conditions. I think we have got to hunt back along the trail of the trouble and find the cause of it and treat the cause; in other words, we have got to go to the root of the matter, and we can not do it by prescribing a drastic treatment of the surface manifestations of the disease which is deep-rooted and of long standing.

Our Clayton Act, in section 20, was evidently intended to adopt the principle of the English statute. We had, as I think, a flash of enlightenment, of real, progressive, democratic enlightenment, in dealing with labor when we enacted the Clayton Act.

In this connection I call attention to what is taking place in England to-day. The press of this country under date of November 17, 1919, carried the following news dispatch from London under date of November 16:

[Associated Press.]

LONDON, *November 16.*

James Henry Thomas, general secretary of the National Union of Railway Men, in a special at Bristol to-day, outlined the plan of the Government to give the men representation on a joint board of management, and expressed the hope that the arrangement would be accepted.

The Government proposed, Mr. Thomas said, that the railways be managed by a joint committee of executives on which the workers would have three representatives, with powers equal to those of the general managers.

The plan also would create a joint board, composed of five general managers of railways and five delegates of the locomotive men and the National Union of Railway Men, to negotiate all matters concerning conditions of service. Any dispute arising would be referred to another body of 12, comprising 4 representatives of the railways, 4 appointed by the men, and 4 delegated to look after the interests of the public. One would be a trade-unionist, not connected with the railways, and one would represent the cooperative movement.

Neither body, said Secretary Thomas, could withhold from the men the right to strike, but it was obvious that they would not strike while a matter was under discussion. He would be mad, he added, to suggest that there would be no more strikes, but was convinced the machinery proposed would insure smooth working and improve the men's conditions.

Now, this hasty sketch of English law is instructive. It shows the impossibility of enforcing such legislation even by the most drastic measures. Furthermore, the recent London dispatch which I have read points out the method of dealing with the problem and shows that they are giving the men some substantial control of the conditions of their service.

So far we have been talking about organized labor as distinguished from agricultural labor, but agricultural labor and the farmer everywhere is alive to the danger of permitting the adoption of the principles of this bill. The farmer demanded and obtained exemption from the provisions of the Lever Act; otherwise it would have been unlawful for him to store or hold his grain for a higher price. If you can pass and enforce against labor the antistrike provisions of this bill, with more reason and with less violence to the fundamental rights of men, you can pass and enforce a law forbidding the farmers to combine to hold their products for a better market; you can take from them their right to build their own elevators to store their grain, the right to hold their cotton, because it would restrain or prevent production and transportation and restrict the supply of the necessaries of life.

But even this is not all.

Turn to section 31 of this bill and you will see that it proposes to make it a crime to give so much as a crust of bread or a penny of money to a striking miner or his family, because that would be aiding an unlawful strike. I can not understand how men even contemplate such legislation as this. The danger they have feared of the suspension of transportation and the cessation of mining can all be avoided, not by any such method as is proposed in this bill, but by the simple method of paying the employees decent compensation for their services, and giving them a reasonable control over their conditions of service. It is only a few days ago that the Secretary of the Treasury published a statement that the operators of the coal mines in 1917 made profits from 15 per cent to 100 per cent on what they claimed to be their invested capital; that throughout 1918 their profits ranged from 15 to 300 per cent on invested capital, and that for 1919 their profits are alleged to be less, but the figures are not complete and no estimates are given for this year. These are the gentlemen who are really responsible for the coal shortage of the country, not the men who are seeking only a wage sufficient for the necessaries of life. Suppose they do give up a little of their swollen profits in an increased wage, who will suffer by it? I do not know whether the average wage of the miners is $1,000 or $1,100 a year; I believe it is something like that; but I know that it is insufficient for them to live on and maintain their families in the degree of comfort they ought to have, and their wages would not be sufficient for that purpose even if they were given the increase which they asked for.

There was a short and simple remedy, Senators, for the strike. The Government should have taken possession of the mines, called the miners back to work, and paid them the increased pittance of a few cents a day recommended by the Secretary of Labor, and it would have been a better way to solve it than to drive them back under the threat of their being jailed if they did not go.

You do not cure any of the differences, you do not remove the menace, when you force men to work on penalty of imprisonment. One of the great values of the strike is to call the attention of the public in an impressive manner to the dangerous conditions from which the strikers suffer. The strikers and their families always suffer more as a result of a strike——

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. LA FOLLETTE. Yes.

Mr. KING. I dislike to interrupt the Senator, but I am afraid that recent events have demonstrated that some of the strikes which have been called in contravention of the wishes of the leaders of the union organizations have not been called for the purpose of securing wages which were fair, because they were getting fair wages, but were called for the purpose of forcing a change in the economic and industrial system of our Government. I know that the I. W. W. have advocated and are advocating strikes, and still more strikes, regardless of the question of wages or wage conditions or labor conditions; that if you should give them a higher wage to-day, all that they demand, in fact more than the business would justify, they would strike to-morrow, because they purpose overthrowing our form of government and converting this Nation into a communistic or bolshevistic government. I think that ought to be said with respect to some of the strikes that are called in these days.

Mr. LA FOLLETTE. What strike, particularly, has the Senator in mind as being brought on with a view of changing the form of government and establishing bolshevism in this country?

Mr. KING. I do not know that I had any particular one in mind when I made that observation. I had in mind the several strikes in New York that were called over the protests of the labor leaders. One was the typographical strike. One was the longshoremen's strike.

Mr. LA FOLLETTE. But the Senator understands that the labor leaders are not the men who control the question of whether or not a strike shall be had in any labor organization.

Mr. KING. Oh, I appreciate that fact.

Mr. LA FOLLETTE. The Senator knows that a labor organization is intended to be a little democracy, and all of the decisive and important acts of the labor organization must come from the membership itself, and that should be so. I am sure the Senator will agree that it should not be an oligarchic sort of an institution, with control from the top down.

Mr. KING. Oh, absolutely.

Mr. LA FOLLETTE. But I do not know of any strike that has been brought on in this country excepting it had to do with wages or working conditions of the laboring men.

Mr. KING. I think the Senator will agree with me that the I. W. W.'s have announced over and over again that their purpose was to strike, and if they secured the increase to strike again. Mr. St. John and others who have written for them have said so; indeed, their literature is filled with declarations of that character. It is not a question of the amount of wages. The purpose is to destroy the wage system and to destroy unionism; and many of these people have denounced the trade-unions as bitterly as the most reactionary capitalist has denounced them.

Mr. LA FOLLETTE. Yes; but surely, Mr. President, in dealing with this labor problem, the Congress of the United States is going to make its laws with reference to the great body of the labor of this country.

There are 4,040,000 wage earners in this country organized into unions and affiliated with the American Federation of Labor.

The railway employees, organized in 14 brotherhoods, number 2,000,000 men. These brotherhoods have been maintained many years.

There are also a large number of railway employees who have formed new organizations within the last two years.

There is no class of our citizenship more loyal to the principles of democracy as interpreted by Abraham Lincoln than the wage earners of the United States.

Take the railroad brotherhoods, and they are almost all of them native Americans, practically to a man, between two and a half and three million of them, the finest type of men that you can find anywhere, I think, in this country. That service calls for men of that character, calls for men of courage, and men of sincerity and purpose, men of integrity, of character, and the safety of the public and the stability of business in this country depend on keeping that same high grade of men employed in the transportation industry.

Sir, instead of doing anything to humiliate them, instead of doing anything that shall press them back toward serfdom, it ought to be the purpose of Congress to throw around them all the safeguards possible in order that you should retain in that employment men of the highest type of manhood and the greatest independence of character.

It seems to me that Congress, since the war particularly, has been driving blindly in the wrong direction. I do not know whether it is the effect of the war or what it is, but whenever there is criticism of government, wherever there is complaint of the hard, oppressive economic conditions felt in every American home, it is seized upon by reactionaries in Congress and out and distorted into an attempt to overthrow government. And Senators here from day to day advocate the suppression of all criticism by force. We have come out of an era of force, and it is assumed we must use force on everybody in order to preserve government. It is suggested that Congress write laws on the statute books that shall cripple and destroy the spirit of true democracy in this country in order to silence all criticism of government. There are no strikes in this country for the purpose of overturning this Government or for the purpose of changing our social order. There is not a strike in the United States that did not originate in a reasonable demand for better wages and better working conditions. Do you think it strange that we should have had those come now upon us, and have had so many of them, when you have this enormous increase in the cost of living? And, mark you, in connection with this coal strike, they have been figuring the advance in the cost of living since 1917—as to what it is from 1917 down to now. But do you not know—you must know—that the cost of living has been steadily increasing for 20 years in this country? It ought to have gone down every year. There was every reason for it to go down. But trusts and combinations have acquired such a control of markets and prices on all the necessaries of life that it has been possible for them to increase prices at will. As the prices began to go up, naturally you had a demand on the part of labor for more wages.

And wages, always trailing a long way behind the increased cost of living, began to be raised about 20 years ago, but the cost of living was at all times far in advance of the increase in wages.

The ablest statistical authority in this country has recently investigated the increase in wages covering the period from 1900 to 1912, inclusive, and carried with it, side by side, a scientific investigation of the increase in the cost of living. The result of that investigation established the fact that the increase in wages was more than offset by the increase in the cost of living, so that there was really a decrease in wages of from 10 to 15 per cent for the 12-year period.

And I undertake to say that the cost of living since 1913 has exceeded by more than 30 per cent the advance in wages for the last six years.

So, Mr. President, I say that we ought to approach the consideration of the disturbances and the complaints and the demands of people who have limited incomes and who are dependent largely upon their weekly wages, in view of all that they have suffered in the last 18 years, with a pretty liberal spirit; and instead of saying to them when they strike that a machine gun is the answer, and that "You are going back to work because we need the product that you produce; whether you like conditions or not, you are to go back," I venture to say that we will better serve our country and exhibit a broader and higher statesmanship if we will approach these problems in a somewhat different spirit than has been manifested by Congress since the close of the World War.

In connection with what I have been saying, may I put before Senators this idea: Of course there has been some increase in the wages of these railway employees, and I know there is a prevailing sentiment over the country that railroad employees are the artistocrats of labor that they are very well paid. I think the public is likely to overlook a good many things with respect to that which it is well to remind them of. In the first place, the hazards of this business are very great. Railway employees have themselves to carry the burden of a tremendously heavy insurance charge, and take it out of their wages. It is difficult, if not impossible, for them to make good terms with the old-line life insurance companies. They can not afford to do it, their business is so hazardous. We slaughter these railroad employees at a tremendously rapid rate.

I am going to give you some figures. I am also going to show you, Senators, if you will be patient with me just a few minutes longer, that under Government operation we have improved that condition, as we have improved pretty nearly every other condition. Before this debate is over, if the question should arise, I want the privilege of laying before the Senate the improvements that have been made under Mr. McAdoo and Mr. Hines in railroading in the public interest. It is simply a wonderful thing.

Mr. JOHNSON of South Dakota. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from South Dakota.

Mr. JOHNSON of South Dakota. I am very much interested in what the Senator states and I want to ask him, for my own information only, whether the estimate which was made as to the scale of wages complying with the high cost of living included the difference in hours of labor or not? Does the Senator know?

Mr. LA FOLLETTE. Yes; it covered everything that could enter into the problem in order to make a thoroughgoing scientific summing up of the whole situation. I shall be glad to refer the Senator to the authorities.

I just want to call attention to one thing that we sometimes forget in considering the increase in wages, for instance, of engineers, conductors, and trainmen particularly. Did you ever stop to think that one train crew earns vastly more for a railroad company to-day than it did 20 years ago? Let me give you the figures.

With the increased size of the engines and length of trains and the improved devices for handling freight, labor costs the railroad less now, even though they pay more wages, than it did 20 years ago.

The labor cost for an engineer per ton-mile unit was one and six-sevenths times greater in 1890 than in 1913. You would hardly believe that, but you had small engines, you had freight cars that would hold only 18 or 20 tons, and a trainload then was not comparable to a trainload now. In the railroad business the volume of traffic and the ability to handle it rapidly and to handle it with the same amount of labor is a great source of revenue. So that labor to-day is earning vastly more for the railroad companies than it ever earned before. I have on my desk here the increase year by year in the train haul, the increase year by year in the load that is put into each freight car, the increase year by year in the capacity of the engines——

Mr. FLETCHER. I wish to ask the Senator if he can inform us as to the increase in the number of employees?

Mr. LA FOLLETTE. Yes. I have all those tables prepared, and will submit them to the Senate before the debate upon this bill is concluded.

I will just say in conclusion on the subject of strikes that the strikers and their families always suffer more as a result of the strike than the general public. I think we ought to remember that the railroad employees of the country, together with their families, represent about 10,000,000 of our population. They have their homes, they have their children and their wives. They will never engage in any strike unless they are driven to it by conditions that ought to be adjusted even at the expense of the great disturbance that results from a strike, because they are in a worse position than the rest of the public. Talk about the starvation and the hardship that are to result from the strike! Their resources stop when they strike, their wages are at an end. They have to live off of the accumulation of their earnings, which will be wasted rapidly when they cease to earn, and these stable, steadfast, intelligent American citizens are not going to project upon the country a strike and bring upon their own families all of the suffering and hardship that would result from a general railroad strike unless the evil is so great that it can not be endured.

There is no danger of a strike unless the condition of the worker is intolerable. Insure to the laborer a decent wage for his service and reasonable control of the conditions under which he works and we will have no more strikes. So long as this simple measure of justice is denied to the workman we will continue to have strikes and we ought to have them.

V. CONTINUATION OF GOVERNMENT OPERATION.

My proposition is a simple one. I would continue Government operation of the railroads for some definite period long enough to give the country a complete demonstration of the success or

failure of the system. After an intimate experience covering a good many years of attempted railroad regulation, I am convinced that it is impossible to properly regulate privately owned and controlled railroads. I believe that our Government should own and operate our railroads just as they are owned and successfully operated in many of the leading countries of the world to-day. But whether I believe in Government ownership or not, I should favor an extension of the present Government operation for some years to come. No one can fairly claim that our experience with the railroads during the two years of operation under our war conditions is any test whatever of Government operation. We are in a fortunate position at the present time to go forward and make a thorough test of Government operation. We need only to pass a short and simple act providing that Government operation shall be continued for such definite period as we might agree upon. Let a commission be appointed to make a careful study of the results of operation of the railroads under Government operation as well as under private operation. By the time we are ready to legislate upon the subject intelligently the valuation of the railroads will have been completed, and we can then intelligently frame the necessary legislation either for taking over the roads permanently or returning them to private ownership.

It will be recalled that the President in his message to Congress just prior to leaving for Europe to frame the league of nations stated that he had no opinion of his own respecting the settlement of the railroad question in this country, and I think there can be little doubt that a measure such as I suggest for extending Government control for a definite period would meet his approval. His thought has been, as I read and interpret his messages, that it was important to have the question settled promptly whether the railroads were going on for some definite period under Government control or whether they were going to be returned to private hands. If it should be settled that the Government is to continue the operation of the railroads for the next few years all uncertainty would be ended. Plans for equipment and extension and betterment could go forward and there would be no interruption or disturbance of business conditions whatever.

The alternative of that course is the adoption of some hasty, insufficiently considered legislation concerning which neither the Congress nor the people are informed. It may be that the course I suggest would lead ultimately to Government ownership. If it did, it would be because Government operation proved a success.

I listened attentively to such testimony as was produced before the Interstate Commerce Committee; I have listened attentively to the debate, so far as there has been any upon the bill, and I have yet to hear a substantial argument against the course I suggest.

THE RESULTS OF NEARLY TWO YEARS OF GOVERNMENT OPERATION.

I hold no brief for the former or present Director General of Railroads, but I have no patience with the attempt to belittle and misrepresent the great work that has been accomplished in the transportation service of the country during the two most trying years in all our history. I am aware that it is constantly charged that under Government control wages have been raised and the number of employees increased, thereby greatly increasing the cost of operation. These statements are undoubtedly true, but it has not been shown that the wage increases have been excessive or that the numbers of employees have been unnecessarily increased.

There is undoubtedly very marked difference between the course which will be pursued by the railway executives if the railroads are returned to them and the course which the Government will pursue if the roads continue under Government operation. The railway executives frankly avow their purpose to secure an immediate and large advance in railway rates and charges. Under Government operation we are sure there will be no increase in rates or charges, and it is hoped that even a reduction will be made therein. If Government operation continues there will be no attempt to reduce wages. If the roads are returned to private hands such an attempt, it is probable, will almost immediately follow.

Considerable interesting testimony was given on this subject before the Senate committee. Mr. Cuyler, from whom I have previously quoted on this subject, testified as follows:

Senator TOWNSEND. What would be the effect if you had charge of the roads and attempted to reduce wages?

Mr. CUYLER. Senator, I think it would be a bold man who would answer the question. I come from the quiet town of Philadelphia and I do not want to get into trouble.

Senator GORE. Do you think if the Government owned the roads it would ever reduce the wages?

Mr. CUYLER. I do not think it would.

Senator TOWNSEND. If the Government should continue to control the railroads, it is almost certain that wages would not be lowered, is it not?

Mr. CUYLER. I believe so. I may say that I am, perhaps, not an unbiased witness on that subject, because I am so strong in my feeling that the railroads ought to be permitted to conduct their business the same as any other line of business in that respect.

Note now the testimony of Mr. McAdoo. I quote from his testimony:

Senator CUMMINS. What effect do you think it would have upon the railroads if you were to dismiss them from Government operation on the 1st of March?

Director General MCADOO. They would be in a great deal better condition and in a better situation than they were on the 1st of March, 1917—infinitely better.

Senator CUMMINS. Physically or financially?

Director General MCADOO. Physically and financially.

Senator GORE. You mean 1918, do you not?

Director General MCADOO. I mean 1917 or 1918. In the first place, their properties have been kept up and their motive power and equipment are in much better condition, and they have not been scrambled. There is not a single railroad in the United States to-day the integrity of whose property has not been preserved. While the wages of labor and working conditions have been properly improved and defined, they are now enjoying rates sufficient to meet those wage increases and to maintain those conditions, and I think adequate rates ought to be preserved. We put wages and rates on a fair basis, I think. In addition to that, they will have had the benefit of a great deal of financing done by the Federal Government for their account. Of course, the terms of the settlement of these debts that must follow must be eased. The roads are not hurt by having the Federal Government as a creditor for the equipment, etc., that has been supplied.

Senator CUMMINS. Well, let us see about that. Let us analyze that a moment. As far as wages are concerned, it is not probable that they would be decreased.

Director General MCADOO. I should think they would not be.

Senator CUMMINS. Or lessened?

Director General MCADOO. I should think they would not be. I think they should not be.

I will merely quote a paragraph now from the testimony of Mr. Coyle, president of the Brotherhood of Railroad Station Employees. In response to a question by a member of the committee whether if it were assumed that the employees wages under private operation would be as satisfactory as under Government operation, that would remove the feeling of preference that the employees had for Government operation, Mr. Coyle testified:

Why, that would have a tendency to do that, but the great talk of a great many railroad officials—not all of them, but a great many of them—has been—and, of course, it has its effect on the employees—"What do you think you are going to receive after the Government gives these railroads up?" And that naturally has the men in a turmoil, more or less, as to how soon that is going to be; and we believe that as long as these plans are being considered it would be well for the employees if they knew that for a definite period at least they would be able to earn enough to enable them and their families to get along in a fairly decent way.

Here is the crux of the matter: Continue Government operation with no decrease in wages and no increase in rates, or go to private control and decrease the wages and increase the rates.

Now, sir, there has been a great deal said with regard to the expense of Government operation. I touched upon that matter a little in the minority report which I filed and showed that the monthly deficit, of which so much was made by the critics of Government operation, had already been turned into a monthly profit from the operation of the railroads, and that the Government, far from losing money on them, was now making money.

On page 7 of that report I gave a table showing the net gain and loss from the operation of the railroads for the last five months. At the time that report was prepared the figures for October were not available. They have since been procured and show a net gain from Government operation for the month of October of $11,000,000. Had it not been for the steel strike I am convinced that the gain would have been many millions greater. The result of the last six months of Government operation, therefore, stands as follows:

Month.	Net gain.	Net loss.
May		$37,642,128
June		26,031,860
July		2,031,547
August	$12,397,112	
September	19,000,000	
October	11,000,000	

In other words, the proposition of the gentlemen who demand the return of the railroads at the present time is that the Government, having operated the roads during the period of the war and borne the losses, shall now turn them back at a time when we are reaching something like a settled condition and when it is realizing a profit from their operation.

There is one other phase of Government operation too little considered, but to which I wish briefly to call attention, and that is the work which has been done under Government operation to promote the safety of the employees and the public. Accident Bulletin No. 66 of the Interstate Commerce Commission, on page 11, shows that the total casualties to passengers, employees, and the public resulting from the railroad service for the year ending December 31, 1916, was:

Deaths	10,001
Injured	196,722

For the year ending December 31, 1917:

Deaths	10,087
Injured	194,805

The figures for the year ending December 31, 1918, are

Deaths	9,286
Injured	174,575

Shortly after the Government took control of the roads it made a survey of the field of accidents resulting from train operation, and organized a department to minimize such accidents as far as possible, with A. F. Duffy at the head of the department. This bureau did not get into operation until the latter part of 1918, but the result of the work that they were able to do in the last two or three months of that year is reflected in the substantial decrease of deaths and injuries even for 1918. The result of the work of this department for 1919, as far as the figures are available, is remarkable. Official bulletins issued show that the decrease for the first seven months of the year in employees killed was 774, and in employees injured was 20,447. The decrease in the total of deaths, including employees and the public for the same period, was 1,389 killed and 22,106 injured. It is estimated by the officials connected with the work of this department that the deaths and injuries from railroad operation can easily be decreased by at least one-half. Where was the mark of efficiency during all the years of private operation when it let this useless slaughter of its employees and the public proceed unchecked?

The figures that I have given do not by any means reflect the full benefit to the public and the employees which will accrue from this single department of the public service. It must be remembered that during the time covered by these figures millions of soldiers were moved, the train schedules were disarranged, and there is no reason to doubt when conditions become completely normal the deaths and accidents resulting from the operation of trains under private management will be reduced much more than one-half if Government control is continued. Of course this kind of work costs money, and so it was neglected under private management, and will be again neglected just as soon as the roads are permitted to go back to private hands, where they will be run for the dollars they will make for their owners without regard to saving the lives of the public or the employees.

Mr. President, I shall have occasion as the bill is further considered to bring to the attention of the Senate some other matters which I consider of much importance to the issue raised by this proposed legislation, and, sir, I shall feel at liberty to do so as the consideration of the bill goes forward, but for the present I will content myself with what I have said.

Mr. NORRIS. Mr. President, at the conclusion of a brief explanation which I desire to make in connection with a resolution which I am about to offer, I shall ask unanimous consent to present the resolution out of order and have it referred to the Committee on Interstate Commerce.

I have reached the conclusion that there is quite a propaganda going on at the present time in the country in reference to the pending railroad bill. While I am not complaining of that, and while I fully concede that all citizens or any group of citizens interested either for or against this or any other legislation have a perfect right to pursue any honorable means to advance their ideas and have them placed on the statute books if possible, I think when such a propaganda is apparent that the people ought to know just what is being done, how it is being done, and, if possible, what it costs. If we are to be influenced by evidence we ought to know its source and know whether those who produce it have any prejudice or bias in its production. I am offering the resolution and saying what little I shall say in connection with its presentation in that kind of a spirit.

I repeat, I am not complaining that the propaganda to which I shall call attention is wrong or that it is illegal, but I do believe there is a propaganda of considerable extent to bring about the passage of this bill, and I think the people of the country ought to know, if possible, who is behind it, who is interested in it, and what it is costing.

I have here, Mr. President, a copy of what purports to be an advertisement, which is headed as follows:

To the American people:

It is the declared purpose of the United States Government to restore the railroads at an early date to the control of their owners.

The Association of Railway Executives represents those upon whom at that time responsibility will again rest for the prompt and successful movement of the country's commerce.

Those constituting this association are keenly conscious of their accountability to the public.

They have accordingly determined to present as fully as they can the fundamental facts and considerations which they themselves must face in their efforts to provide satisfactory railroad service.

It is hoped to engage the interest of the whole American people, whose welfare is so vitally dependent upon adequate transportation.

The country can grow only as the railroads grow. The railroad problem must be solved—and solved rightly and soon—if our country is to prosper.

It is to promote that prosperity—permanently and in the interest of the whole people—that railroad executives will present to the public the situation as they see it.

Mr. President, I think that is a fair and an honorable statement, and I am not finding fault with what is said; I do not want anyone to get that idea. I think, however, that the propaganda will go much further, and that its indirect influences will be much greater than as outlined by the plan suggested in the paper which I have read. This statement I have read is signed by 80 or 90 heads of railroad corporations, their attorneys, chairmen of boards of directors, and so forth. I will not stop to read the signatures, but I ask that the signatures be printed in the RECORD.

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). Without objection, the request of the Senator from Nebraska will be complied with.

The names appended to the paper are as follows:

ASSOCIATION OF RAILWAY EXECUTIVES.

(Thomas De Witt Cuyler, chairman.)

Alfred P. Thom, general counsel; Frank Andrews, chairman board of directors, Gulf Coast Lines; J. A. Baker, receiver, International & Great Northern Railway Co.; A. R. Baldwin, receiver, Denver & Rio Grande Railroad Co.; W. H. Beardsley, president Florida East Coast Railway Co.; W. G. Besler, president and general manager Central Railroad Co. of New Jersey; S. T. Bledsoe, general counsel, Atchison, Topeka & Santa Fe Railway Co.; W. G. Brantley, president and general counsel Atlanta, Birmingham & Atlantic Railway Co.; Harry Bronner, president Missouri Pacific Railroad Co.; E. N. Brown, president and chairman Pere Marquette Railway Co., St. Louis-San Francisco Railway Co.; William Buchanan, president Louisiana & Arkansas Railway Co.; E. G. Buckland, president Central New England Railway Co., Rutland Railroad Co., president and general counsel New York, New Haven & Hartford Railroad Co.; Ralph Budd, president Great Northern Railway Co.; H. E. Byram, president Chicago, Milwaukee & St. Paul Railway Co.; M. J. Carpenter, president Chicago, Terre Haute & Southern Railway Co.; James T. Clark, president Chicago, St. Paul, Minneapolis & Omaha Railway Co.; W. A. Clark, president Los Angeles & Salt Lake Railroad Co.; W. R. Cole, president Nashville, Chattanooga & St. Louis Railway Co.; Walter P. Cooke, president and general counsel New Orleans Great Northern Railroad Co.; E. R. Darlow, president Buffalo & Susquehanna Railroad Corporation; A. T. Dice, president Philadelphia & Reading Railway Co.; W. M. Duncan, president Wheeling & Lake Erie Railway Co.; Howard Elliott, president Northern Pacific Railway Co.; Newman Erb, president Ann Arbor Railroad Co.; S. M. Felton, president Chicago Great Western Railroad Co.; W. H. Finley, president Chicago & North Western Railway Co.; W. R. Freeman, receiver, Denver & Salt Lake Railroad Co.; Carl M. Gage, president Huntingdon & Broad Top Mountain Railroad & Coal Co.; S. R. Guggenheim, president Nevada Northern Railway Co.; Carl R. Gray, president Western Maryland Railway Co.; John H. Hammond, acting president Bangor & Aroostook Railroad Co.; Charles Hayden, president Chicago, Rock Island & Pacific Railway Co., chairman of board, Minneapolis & St. Louis Railroad Co.; Thomas D. Heed, receiver, Chicago & Eastern Illinois Railroad Co.; J. M. Herbert, president St. Louis Southwestern Railway Co.; C. W. Huntington, president Virginian Railway Co.; J. H. Hustis, temporary receiver, Boston & Maine Railroad Co.; C. E. Ingersoll, president Midland Valley Railroad Co.; L. E. Johnson, president Norfolk & Western Railway Co.; Larz A. Jones, president Alabama & Vicksburg Railway Co., Vicksburg, Shreveport & Pacific Railway Co.; Morgan Jones, president Abilene & Southern Railway; Howard G. Kelley, president Grand Trunk Railway System; William T. Kemper, receiver, the Kansas City, Mexico & Orient Railroad Co.; J. R. Kenly, president Atlantic Coast Line Railroad Co.; John B. Kerr, president New York, Ontario & Western Railway Co.; Julius Kruttschnitt, president and chairman of executive committee, Southern Pacific Co.; H. R. Kurrie, president Chicago, Indianapolis & Louisville Railway Co.; A. R. Lawton, president Central of Georgia Railway Co.; C. M. Levey, president Western Pacific Railroad Co.; E. E. Loomis, president Lehigh Valley Railroad Co.; L. F. Loree, president Delaware & Hudson Co., Kansas City Southern Railway Co.; Robert S. Lovett, president Union Pacific Railroad Co.; Morris McDonald, president Maine Central Railroad Co.; C. H. Markham, president Illinois Central Railroad Co.; N. S. Meldrum, president and chairman Texas & Pacific Railway Co.; J. L. Nesbit, general agent, Georgia, Florida & Alabama Railway Co.; William T. Noonan, president Buffalo, Rochester & Pittsburgh Railway Co.; William C. Osborn, vice president, Detroit, Toledo & Ironton Railroad Co.; A. H. Payson, president, Northwestern Pacific Railroad Co.; C. A. Peabody, chairman executive committee, Illinois Central Railroad Co.; E. Pennington, president Duluth, South Shore & Atlantic Railway Co., Minneapolis, St. Paul & Sault Ste. Marie Railway Co.; C. E. Perkins, president Chicago, Burlington & Quincy Railroad Co., Colorado & Southern Railway Co., Fort Worth & Denver City Railway Co.; Mark W. Pottern, president Carolina, Clinchfield & Ohio Railway; Samuel Rea, president Pennsylvania Railroad System; J. H. Reed, president Bessemer & Lake Erie Railroad Co.; E. P. Ripley, president Atchison, Topeka & Santa Fe Railway Co.; Bird M. Robinson, president American Short Line Railroad Association; W. L. Ross, president and receiver, Toledo, St. Louis & Western Railroad Co.; C. E. Schaff, receiver, Missouri, Kansas & Texas Railway Co.; T. M. Schumacher, pres-

ident El Paso & Southwestern System; A. H. Smith, president New York Central Lines; E. C. Smith, president Central Vermont Railway Co.; Milton H. Smith, president Louisville & Nashville Railroad Co.; W. T. Stewart, vice president, Gulf & Ship Island Railroad Co.; R. H. Swartout, president Norfolk Southern Railroad Co.; I. B. Tigrett, president Gulf, Mobile & Northern Railroad Co.; W. H. Truesdale, president Delaware, Lackawanna & Western Railroad Co.; Frank Trumbull, president and chairman of board, Chesapeake & Ohio Railway Co., Hocking Valley Railway Co.; F. D. Underwood, president Erie Railroad Co.; O. P. Van Sweringen, president New York, Chicago & St. Louis Railroad Co.; Roberts Walker, president Chicago & Alton Railroad Co.; Henry Walters, chairman of board, Atlantic Coast Line Railroad Co.; Louisville & Nashville Railroad Co.; William H. White, president Richmond, Fredericksburg & Potomac Railroad Co., Washington Southern Railway Co.; Charles A. Wickersham, president Atlanta & West Point Railroad Co., Western Railroad of Alabama; Daniel Willard, president Baltimore & Ohio Railroad Co.; W. H. Williams, president Wabash Railway Co.; B. A. Worthington, president Cincinnati, Indianapolis & Western Railroad Co.

Mr. OVERMAN. What is the paper from which the Senator has read?

Mr. NORRIS. I have read everything that is on it except the signatures, and the Senator can judge for himself as to what it is. I take it that it is an advertisement that is going into the newspapers of the country.

Mr. President, I have here, under a New York date line, an article by a newspaper writer which, I presume, has been printed in a large number of papers all over the country, calling attention to this propaganda. It is written by Mr. Frederick M. Kirby. It is as follows:

The railroads of the United States are about to spend $1,000,000 in six weeks to "educate" the people and the legislative and executive governmental officials of the United States. The purpose of this drive is to inspire legislation favorable to the private operation and railroad owners. The million will be spent before the end of December—the date fixed by President Wilson for the return of the roads. It is doubtful whether the necessary legislation will be enacted by that time.

The move is backed by the Association of Railroad Executives—

The article that I have just read is signed by the railroad executives—

of which De Witt Cuyler is chairman and Frank Fayant is assistant to the chairman. The offices of the organization is at 61 Broadway. The appropriation is being distributed through several advertising agencies. The contracts are cancelable; that is, they can be withdrawn at the pleasure of the agencies placing them.

"The purpose of this advertising campaign is to influence the public to demand proper legislation throughout the United States on the railroads' needs," said one of the men responsible for the campaign. "It will set before the public the facts in the railroad situation and urge measures essential to the welfare and safety of the roads under private ownership."

Magazines, newspapers, and every kind of periodical publication are to be used.

In size and scope this tremendous campaign of publicity has been equaled only by the advertising which the Chicago packers published while they were being investigated by the Federal Trade Commission.

I have other newspaper articles to the same effect, which I will not read; but I want to call attention to an advertisement appearing in the New York Sun of December 10, from which it will be seen that the propaganda is not confined to the railroad executive or to the security holders, but that other friendly financial institutions are going to the trouble of placing advertisements in newspapers to bring about legislation. This is on page 2 of the issue of the Sun of December 10, and says in big type:

DANGER TO OWNERS OF RAILROAD SECURITIES!

You should realize that it rests with Congress whether your railroad securities will be made valueless or whether you will have a reasonable return upon your investment.

This is no time for you to ignore the situation or expect others to protect your interest; you should write at once to your Congressman and Senators at Washington, D. C., demanding that the railroads shall not be turned back to their owners on any unfair basis.

Act at once and act vigorously! The time is short.

If you don't act you may lose the value of your investment.

NATIONAL SURETY CO.,
World's Largest Surety Company, 115 Broadway.

I want to read, as calling attention to this propaganda, part of the resolutions adopted at Chicago on November 21 and 22, 1919, by a conference of farmer and labor delegates that was held on those dates in Chicago. One of the resolutions reads as follows: There are resolutions on various subjects, and I am reading only what applies to this particular subject, and not all of what applies to this:

We are reliably informed that the railway security holders have organized an advertising propaganda campaign through the press, to cost over $10,000,000, to secure the enactment by Congress of legislation to put into effect these security holders' plan for the return of the railroads.

This plan involves a Government subsidy to railroad security holders, through congressional instruction to the Interstate Commerce Commission to fix rates which will yield at least 6 per cent upon the present capitalization of the railroads, which includes at least $7,000,000,000 of watered stock. The plan will increase the cost of living by about $4,000,000,000, based upon the increase of freight charges of about $1,000,000,000.

Mr. POMERENE. Mr. President——

Mr. NORRIS. In just a moment I shall be glad to yield to the Senator. Let me finish this:

The efforts of the railroad security holders to buy the press of the country, democracy's last line of defense, is the most un-American act recorded in our Nation's history.

I yield to the Senator.

Mr. POMERENE. I simply desired to ask the Senator what he was reading from.

Mr. NORRIS. I am reading from the resolutions adopted in Chicago at a farmers' and laborers' conference held November 21 and 22, 1919.

Mr. POMERENE. Who offered the resolution?

Mr. NORRIS. I do not know who offered it. It was a resolution adopted at that conference. It was a resolution reported by their committee on resolutions and adopted by the conference.

Mr. President, I have here a statement by Mr. Benjamin C. Marsh, who is secretary and director of legislation of the Farmers' National Council, Bliss Building, Washington, D. C., which says:

Wednesday afternoon, December 10, 1919, Mr. Scully, in the office of Thomas F. Logan in the Hibbs Building, showed me a quarter-page copy of an advertisement sent by the Railroad Executive Association urging fair treatment for the railroads. He informed me that the contracts for placing these advertisements were in the hands of Thomas F. Logan & Co. (Inc.), 680 Fifth Avenue, New York City, and that if I desired to get any advertisements for the Farmers' Open Forum I should communicate with that agency and ask for a copy of the advertisement.

Mr. Scully informed me that the Railroad Executive Association was planning to spend hundreds of thousands of dollars, and perhaps millions of dollars, in this advertising, which he said was to educate the people of America on the railroad situation.

Thursday morning, December 11, 1919, Mr. Harry B. Hunt, of the Newspaper Enterprise Association, office in the Munsey Building, Washington, telephoned me that in reply to a wire of inquiry to the advertising department of the Newspaper Enterprise Association he had received a wire that the contracts for these advertisements of the Railroad Executive Association had been signed between the Thomas F. Logan & Co. and the Newspaper Enterprise Association, but that they had not yet received copy of their advertisements.

Mr. President, in a copy of the magazine called "The Editor and Publisher," of November 27, 1919, there is a page—page 29—headed "Tips for the advertising manager," and it proceeds to give the names of the various advertising agencies for the benefit of the newspaper fraternity, in order, I presume, that they may communicate with them if they desire to enter into contracts for advertising along the lines indicated; and among those addresses and names of people who are taking advertising for various kinds of things is one that reads as follows:

Thomas F. Logan, 680 Fifth Avenue, New York. Making 5,000 1-inch contracts generally for Association of Railway Executives.

So I take it that there can be no doubt that Thomas F. Logan is going to be the advertising medium through which this propaganda, at least on the part of the executives, is going to be given to the people; and in that respect it might be interesting for the Senate and the country to know who Thomas F. Logan is.

In an investigation conducted by the Senate Agricultural Committee about a year ago—I do not remember the date—running over several weeks, when they were investigating the packers, it was disclosed that Thomas F. Logan was at that time getting $500 a month from Swift & Co., packers of Chicago; $500 a month from the Standard Oil Co of New Jersey; $500 a month from the Standard Oil Co. of Indiana, $700 a month from the Atlantic Refining Co.; $500 a month from the Freeport Sulphur Co.; and $500 a month from the General Electric Co.; that he was at that time the Washington correspondent of the Philadelphia Inquirer, an editorial writer on Leslie's Magazine, an editorial writer on the Wall Street Journal, an editorial writer on the American Economist, an editorial writer on the Fourth Estate, which is a trade publication for newspapers, an editorial writer for Forbes' Magazine, and an editorial writer for the Manufacturers' Record; and he had been just prior to that, although I believe at the time of this investigation he had ceased that connection, an editorial writer on the Washington Post.

An exceedingly interesting fact brought out in that investigation was that while Thomas F. Logan—who was getting, among other things, $500 a month from Swift & Co., and at that time his various salaries and the fact that he was representing all these magazines and newspapers were unknown so far as that committee was aware, that, and by the way, the only one of these activities that the committee investigated was the one in reference to Swift & Co., because we were only investigating the packers at that time—while Thomas F. Logan claimed to be getting this salary from Swift & Co. as an advertising expert, yet in all the investigation, the examination, and the cross-examination, both of Mr. Logan and of all the representatives of Swift & Co. who appeared on the stand, which included Louis F.

Swift himself, they were not able to give to the committee, and did not give to the committee, a single identical instance of an advertisement that he ever wrote or that he ever saw. It was said that he gave advice as to how they should advertise; but they were unable to produce and did not produce a single memorandum of advice that he had ever sent, although his office was in Washington and the office of Swift & Co. was in Chicago.

It was disclosed, however, from the files of Swift & Co., which were brought into evidence by the Federal Trade Commission on their investigation, that various communications passed between Thomas F. Logan and Swift & Co. on other subjects than advertising, giving them information as to conditions of legislation and various other things.

I might say, by way of parenthesis, that when the time comes, if it does come, when the Committee on Agriculture reports to the Senate some legislation that is pending before it in relation to the packers I intend to go into it in more detail. I only refer to it now because it is evident that this same man is going to conduct what is called an advertising propaganda. If it is conducted in the same way that his activities for the packers were handled, there will not be so much advertising as, perhaps, other kind of work.

Mr. President, I want to say again, in conclusion, that the only object I have is to let the public know who is behind this propaganda and who is supplying the money and the funds for carrying it on. I will not find fault with the propaganda and I will not complain about it; but I think it is right, when such a thing is going on, that, first, those who have the responsibility of passing on the legislation should know about it; and the people who are asked to write to us and to influence us in our official action should know what the facts are. I therefore ask unanimous consent, out of order, to offer a Senate resolution, which I will ask the Secretary to read, and then I will ask that it be referred to the Committee on Interstate Commerce.

The PRESIDING OFFICER. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 261), as follows:

Resolved, That the Committee on Interstate Commerce be, and it is hereby, instructed to make an investigation for the purpose of ascertaining to what extent there has been organized in the country a propaganda to influence Congress in the passage of S. 3288, a bill further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended; and particularly to ascertain the amount of money that has been expended and that it is contemplated to expend for such purpose by the Association of Railway Executives, and to what extent such association or others, representing either the railroads or directly or indirectly representing the security holders, are using the newspapers of the country in an advertising propaganda for the purpose of bringing about the passage of said bill.

Mr. POMERENE. Mr. President, I have no objection to the resolution. I agree with the Senator from Nebraska that when there is a propaganda in favor of any bill the Senate has the right to know the source of it and the forces which are back of that propaganda. But I go a little further than the Senator from Nebraska in this, that I should like to know the source of the propaganda against this bill, as well as of that for it.

Mr. NORRIS. Will the Senator yield?

Mr. POMERENE. Certainly.

Mr. NORRIS. The Senator is a member of the committee to which I have asked that the resolution be referred. I will join with the Senator in any amendment to take in any other propaganda, no matter what it is. I agree with the Senator that we ought to have it all.

Mr. POMERENE. Mr. President, I think there has been some propaganda in favor of certain other proposed legislation which probably would have been more satisfactory to the security interests. But when the so-called Plumb plan was presented it was heralded throughout the country that a fund of $4,000,000 was to be raised to defeat this legislation and to promote the so-called Plumb plan and to secure its enactment. I am not denying their right to do that, but it seems to me that fairness to the public requires that there should be an investigation on both sides, so that we may know who it is that is back of a proposition which requires the purchase of all the railroads of the country at the public expense, to be turned over to a certain class of employees.

Mr. NORRIS. Will the Senator yield?

Mr. POMERENE. Certainly.

Mr. NORRIS. I agree with the Senator. I do not know of any such propaganda. I have not heard of it. They have not come to me very much about any propaganda, except that which I mentioned. But I will join with the Senator in amending this resolution, or helping to pass any other resolution, if he says there is any other propaganda, either for or against the bill, for parts of it or against parts of it. I would be glad, when it comes before the committee, if the Senator will have it amended so as to include them all.

Mr. POMERENE. I think the Senator and I can have no difference of opinion bearing upon that subject. I recognize the fact that there is a certain propaganda for or against any legislation that comes up before the Senate. I am constantly receiving, as no doubt the Senator is, communications by wire and by letter demanding, in the interest of the public, that I vote either for or against certain legislation, all of which is inspired by lobbies here in the city of Washington. I like to know what is going on, and I like to see the wheels going around when it comes to propaganda either for or against any legislation. It is very interesting. I have no objection to the reference of the resolution to the Committee on Interstate Commerce.

Mr. KING. I want to ask the Senator from Nebraska whether the resolution is broad enough to inquire as to the propaganda carried on in favor of the Plumb plan?

Mr. POMERENE. That is just what I called attention to. The resolution calls for an investigation as to certain propaganda in favor of the bill, and I made the suggestion that it ought to include propaganda against the bill as well.

Mr. NORRIS. Mr. President, let me answer the Senator's question. It is not broad enough, but I should be very glad to have it broadened so that it would cover all, as I have already said to the Senator from Ohio. If anyone thinks that any other propaganda in connection with the bill ought to be investigated, I shall be glad to see the resolution amended to that end. It can not be too broad to suit me.

Mr. KING. I have had perhaps many thousands of petitions and statements that demand—I want to emphasize the expression, "demand"—that I shall vote for the Plumb plan. I have had only perhaps 10 or 15 in favor of either the Cummins bill or the Esch bill, so called. There is a very wide and extensive propaganda in favor of the Plumb plan, and, of course, many of the demands I have received are that I shall vote against the Cummins bill or the Esch bill. So, speaking for myself, the only propaganda that I have come in contact with is that in favor of the Plumb plan and propaganda against the Cummins bill and against the Esch bill.

The PRESIDING OFFICER. The resolution will be referred to the Committee on Interstate Commerce.

FOREIGN EXCHANGE AND TREATY OF PEACE.

Mr. UNDERWOOD. Mr. President, I see the leader of the Republican Party on the floor, and I want to divert a moment from the matter before the Senate and ask to have read an article that I saw in the Washington Post this morning. I think it is quite illuminating and indicative of the fact that something ought to be done. I ask that the Secretary may read the article.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

CANCEL ORDERS IN UNITED STATES—CRISIS IN EXCHANGE FORCES EUROPE TO STOP BUYING HERE—BANKS URGE RATIFICATION—JOIN BUSINESS HOUSES IN DEMANDING EARLY COMPROMISE BY PRESIDENT AND SENATE ON VERSAILLES TREATY—SAY AMERICA WILL LOSE MARKETS AND BEAR BRUNT OF MONEY CRASH.

[By Carl W. Ackerman, special correspondent of the Washington Post and Public Ledger.]

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NEW YORK, *December 12.*

The international financial situation is becoming so critical that, in the opinion of several bankers whom I met to-day, the United States will have to ratify some kind of a peace treaty early next year or bear the chief burdens of a collapse in international exchange. Believing that there are only those two outcomes of the present highly dangerous situation, the business interests are doing everything within their power to have the treaty of Versailles ratified by a compromise between President Wilson and the Republican leaders of the Senate.

Because dollars are now becoming so expensive in all European countries, hundreds of foreign business houses are canceling orders in this country. Every day the cables bring a new list, and frankly the exports and foreign departments of the big banks are very seriously concerned.

COTTON ORDERS MAY STOP.

Many instances of canceled orders could be given, from cigarettes to hooks and eyes, but the biggest surprise of all came to-day when several cotton exporting houses received cable advices from Europe indicating that unless there is a readjustment of exchange rates there will be no more orders for cotton from this country.

This week 10,000,000 cigarettes, packed for export, were unloaded at a sacrifice in Brooklyn, following the cancellation of orders abroad. Another concern, marketing hooks and eyes in France, which had orders for $500,000 worth, had the shipments stopped by cable, and have notified the manufacturers here that unless there is some adjustment because of the low market value of the franc they will not accept the goods.

MAY FIND MARKETS CLOSED.

Until very recently this country has not been seriously affected by the exchange situation, as Europe has been buying heavily because of her needs, despite the high cost of American dollars, but with every European currency now greatly depreciated the foreign houses are "calling a halt."

An attorney for one of the big banking institutions of the city, in whose hands has been placed the collection of an account in France, said to-day that within another month not only the business houses of this country doing an export business but the farmers and manufacturers would find practically every market in the world closed to American business unless peace was declared.

"The situation to-day is like this," he said. "France can not afford to pay 1,000,000 francs for merchandise valued at 500,000 francs six months ago. English merchants can not buy in this country, which is now the most expensive market in the world, when English money is depreciated 30 or 40 per cent.

FARMER WILL YET AWAKE.

"The farmer does not understand what this means now, but when he finds there is no foreign market for his wheat or cattle, when the planter learns that no one in Europe wants his cotton, they will awaken to the peril of the international situation."

For several days, now, the pound, franc, lire, mark, and kronen have been dropping on the local exchange. Some foreign countries have placed an embargo on imports. The question which none can answer is: "How low can foreign money go before there is a break?"

BANKERS USING PRESSURE.

Bankers and business men have decided that they must call a halt. I know from conversation with these men that they are bringing every possible bit of pressure to bear upon the White House and Senate to ratify the treaty. Reports which have been received here during the past 12 hours indicate that the treaty will be ratified shortly after Congress meets in January.

It would probably be ratified before were it not for the fact that everyone here realizes there must be a compromise which both sides, Republican and Democratic, can claim as a victory. As soon as such an agreement is worked out, it is said, the treaty of peace will be ratified and signed.

Mr. UNDERWOOD. Mr. President, I do not want to delay discussion of the pending bill, which I think is most important, but the business situation in the country and the world is becoming so acute, it is filled with so much danger not only to the American business man but especially to the American farmer, that I do not believe the Senate can afford to continue to mark time about the grave matters which confront the country. There can be no question that the statements in the article which has just been read at the Secretary's desk are true and that they present to the American people an alarming situation.

No one can deny that the value of foreign exchange has been cut in half so far as its present purchasing power on the other side is concerned. No man can deny that if the continued drop in the value of exchange goes on the purchasers of cotton and wheat, iron and steel, and the manufactured products from our country in the European markets can no longer continue to buy.

The hour can not be far distant, if this condition is not remedied, when there will be a distinct drop in the prices of all products raised or manufactured in the United States. It will be reflected into the pocket of the cotton farmer of the South. It will be reflected into the pocket of the wheat farmer of the West. It will be reflected into the pocket of the manufacturer of the North and the labor of the North.

There can not be any question about the reason why exchange is in this precarious condition. It is not normal. It is not because 5 French francs will not approximately purchase an American dollar, and it takes 14 francs now to purchase an American dollar; but it is because the European countries have no gold to send to this country and no credit with which to buy our goods.

The only way to establish credit—and the future trade of this country depends upon Europe establishing credit—is by the establishment of peace conditions.

There is American credit. There is American gold that can go to Europe to remedy the condition if we establish peace. But American gold and American credit will not go to Europe to take the chances if there is any possibility of the issues of the Great War being again opened.

Mr. President, I did not rise to-day to criticize anybody about the present situation. We differ radically about whether the treaty of peace should be ratified or how it should be ratified. I favor unconditional ratification. The distinguished leader of the majority party in the Senate favors ratification with reservations that the President in an open letter said would nullify the treaty.

That merely goes to show that there are differences in this body, that we are far apart on many questions. I am not critical of those who do not agree with me. Every man is entitled to his own views. I do not question for a moment that those who differ with me entertain their views honestly. But I do say that there is a responsibility resting on the Senate and it rests upon the majority party at this hour and this time.

I do not care what the people say about the treaty being dead or the treaty being beyond the control of the Senate. The treaty is in the Senate of the United States. Technically speaking, it is on the table of the Vice President, where it was left when the Senate last acted upon it.

A majority of the Senate can bring it back to life. In my judgment the overruling of the decision of the Vice President was contrary to parliamentary law and the best parliamentary practice. I believed then and I believe now that the Vice President was correct in his ruling, but if the Senate made a mistake in that ruling in holding that the treaty did not continue to be before the Senate for action after certain resolutions were disposed of, a majority of the Senate can change that opinion and change that ruling and open the treaty immediately for consideration.

But you may say, What would it avail us to go back to consider the treaty as long as we can not find 64 votes to ratify it? That may be true; but I recall that in the last days of the consideration of the treaty a proposal was made on the floor of the Senate to appoint a committee of conciliation to see whether Members of the Senate could get together and accomplish some results. It was a common-sense treatment of the situation. What I rose to say is that it is a common-sense treatment of the situation now.

I want to say to the leader of the majority party in the Chamber, so far as my viewpoint is concerned, that he is not doing his full duty to the country in the grave emergency and under the conditions that confront us by waiting idly for something to turn up, waiting to see whether the President will withdraw the treaty and resubmit it, waiting to see whether the minority on this side will agree to the proposition that he has already submitted and that has been rejected. The situation requires affirmative action on the part of those who are responsible for the situation, and that is the party in control of the Senate.

I realize that the question goes beyond the Senate. It would be idle for 64 men in the Senate to reach an agreement about ratification of the treaty if we knew that the agreement would not be ratified by the President of the United States. The President has one vote; the Senate has the other. Those two votes must concur in order to accomplish anything. I recognized the fact that the President having promised the European signatories to the treaty compact that he would stand for unconditional ratification, his hands were tied to make a compromise until the Senate by a vote rejected unconditional ratification. But the Senate has made its record vote on the subject. The people of the United States demand peace. They are entitled to peace, and the time has come when a reasonable compromise should be made in the Senate that can be approved of by the Executive of the land.

I should like to have any Senator here say that a ratification of the treaty can not be made that would not be approved by the President. I do not know whether it could or could not, and neither does any other Senator, because the Senate has not made the slightest effort to get in touch with the President of the United States and to work out a compromise of the matter. There is but one way in which it can be done.

Mr. KING. Mr. President, will the Senator permit an interruption?

Mr. UNDERWOOD. Certainly.

Mr. KING. I am not sure that I agree with all that the Senator has said or the position which he has taken, if I understood him rightly. I may not have interpreted his position accurately, as I was not in the Chamber when he began his address, but it seems to me the rational, patriotic position to assume with respect to the treaty, one which has been assumed by many of the Senators, was that the treaty was not a party question and should not be made a party issue. I share that view.

Mr. UNDERWOOD. So do I.

Mr. KING. I think the responsibility is as much upon the Democrats as upon the majority side to try to frame a treaty that will be acceptable to the President, assuming that he has the other vote. If I understood the Senator from Alabama correctly, I do not feel that the burden rests merely upon the Republicans, upon the majority side of the Chamber, to formulate reservations, if there be reservations, that would meet the approval of the President. I think that it is a joint enterprise, if I may be permitted that expression, and that the obligation rests upon us all rather than upon any party.

Mr. UNDERWOOD. Of course, as the Senator explained, he did not enter the Chamber in time to hear all of my argument, and therefore did not get the drift of it. I have no combat whatever with what the Senator says. Of course we are all responsible. This ought not to be a partisan question. But when you come to action in any legislative body the initiation of action rests upon those who control the majority. The majority determine when matters shall come up in the Chamber and when they shall not. The majority initiate action, and the majority control is on the other side of the Senate Chamber. Therefore I say that the first move in the matter rests with the majority party in the Senate, and it is their dereliction if they fail to act. That is all there is to it.

So far as I am concerned, I realize that a compromise has to be made. I think that if the Members on this side of the Chamber were not willing to meet Senators on the other side of the Chamber halfway and agree upon a reasonable compromise and bring peace to the land, they would be subject to criticism, and just criticism.

But we can not act alone. From the other side of the aisle is where the initiation must come. That is what I am talking about.

So far as I am concerned, I go this far. I would be willing to vote for any ratification resolution to bring peace to this land to which the Senator from Massachusetts [Mr. LODGE], the leader of the majority in this Chamber, and the President of the United States can agree. I do not know how any man can go further than that. [Laughter.] That is certainly not throwing any logs in the way of ratification. If the majority party in this Chamber and the President of the United States can not reach an agreement for the ratification of the treaty, then they had better let the country know it. If the majority party is not willing to try to reach an agreement with the President of the United States by which the treaty can be ratified, they ought to send it back to the President, notify him distinctly that they will not ratify the treaty, and give the executive branch of the Government an opportunity to negotiate peace in some other way.

Primarily, the country is entitled to peace. Now, what I want to know is—and I should like to ask the Senator from Massachusetts—if he is still averse to moving the appointment of a committee on conciliation to try to get the majority side of the Chamber and the minority side of the Chamber and the President of the United States together in an agreement for the ratification of the treaty of peace?

Mr. LODGE. I will answer in my own time.

Mr. UNDERWOOD. I shall be glad to have the Senator answer.

Mr. LODGE. I prefer to answer in my own time, when the Senator from Alabama concludes.

Mr. UNDERWOOD. I realize that, and that is perfectly right. I hope, however, when the Senator's time comes to answer that he will give us a clear and distinct answer.

I recognize that the appointment of such a committee is the only way by which we can secure peace. We can not accomplish that result by again bringing the treaty before the Senate and debating it, for that would only get us further apart; but there is a way by which it can be accomplished; that way lies in the hands of the Senator from Massachusetts, the leader of the majority party in this body, and it is to move the appointment of a committee to endeavor to bring the two sides of the Chamber together and ascertain whether an agreement can be made that will meet the approval of the President of the United States. It is idle for us to talk about reaching an agreement here by ourselves.

You may say that the President is on a sick bed and unable to receive a committee; but the President is well enough to appoint representatives to meet a committee of the Senate and to represent his views in the matter, if he desires so to do. I think we should ascertain whether he does so desire and give him the opportunity to act. The only way that opportunity can be brought about is by affirmative action on the part of the Senate.

I will say, if the Senator from Massachusetts, the leader of his party, desires peace, there is yet one mode open to him, and that is to move a committee on conciliation. If he is willing to do that, then the country can realize that the door is not closed to peace. If, however, the Senator from Massachusetts is unwilling, because of reasons that may appeal to him, to attempt to bring the Senate and the President in accord on this great question, then I say the responsibility for present conditions—peace conditions, business conditions—must rest on the shoulders of the Senator from Massachusetts.

Mr. LODGE. Mr. President, the Senator from Alabama [Mr. UNDERWOOD] has brought before the Senate an article which I read this morning in the Washington Post by a gentleman named Carl Ackerman, apparently of German origin, whose name, I think, I have before observed during the war. It did not surprise me. I have known for some time that the fall in exchange would undoubtedly be used as a form of pressure to expedite action on the peace treaty, with which it has no possible relation. We are at peace with England and France, yet the exchange with this country has fallen in both those countries. The real purpose of Mr. Ackerman's article is found at the end, where he says that what is necessary to do is to secure a series of reservations in connection with which both sides can claim a victory. That is the purpose of Mr. Ackerman and that is the purpose of this particular form of propaganda.

There is no doubt about the condition of exchanges. Of course, we all know that; we have watched them fall. The ratification of the treaty, amended or unamended, with reservations or without reservations, would have no more effect on the course of the world's exchanges than it would have on the incoming and outgoing of the tide. It is an absolutely vacuous, insincere argument. There is no connection between the two things, as is very well known by the people who are putting it forward. International exchanges rest on certain economic laws which can not be repealed or amended either by statutes or treaties.

Mr. President, I am going to waste no time on the question of exchanges. That involves too many economic laws to be brought in in connection with a subject with which it has nothing to do.

As to duty to the country, Mr. President, in regard to the treaty of peace with Germany, carrying with it the league of nations, every Senator and every American must decide the question for himself. I can only do my duty on this question as I see it; and it seems to me that the most important thing connected with the treaty is to see to it that if we join the league of nations we do not endanger the peace, the safety, and the independence of the United States. That, to my mind, is more important than any other question now pending.

The reservations adopted by a decisive majority of the Senate aimed only at Americanizing the treaty and making it safe for the United States. They interfered with nobody else. There were only two reservations that touched anything but the league covenant. One of them related to the labor clauses, so called.

Mr. THOMAS. Mr. President, they were a part of the league covenant.

Mr. LODGE. If the Senator will allow me to finish my sentence, I think he will not be dissatisfied. The labor provisions were as much an excrescence upon the treaty of peace with Germany as the covenant of the league, and they were really a part of the league covenant, as the Senator from Colorado says.

The other reservation affecting the treaty of peace with Germany and not relating to the league covenant is, of course, the one in regard to Shantung. I do not believe there can be found any considerable minority in the Senate who will not desire at least to go on record that the United States does not wish to be a party to that particular infamy.

Mr. President, I am not going to rehearse the parliamentary question which was raised and voted upon by the Senate two or three times. Of course, the treaty is here. Every rejected bill is here, but after the vote on the passage of a bill has been taken the bill has been defeated and that vote has been reconsidered, everyone who knows anything of parliamentary law knows that that ends it. It is open to the President at any moment to bring the treaty again before the Senate, according to the rules, according to parliamentary law, about which there can be no dispute. He has nothing to do but withdraw it. The rules provide that he may withdraw it without the assent of the Senate, and he can then at once resubmit it. That apparently he declines to do. I do not know whether his attitude is due to the fact that he declines to recognize the decision of the Senate upon a parliamentary question or whether he is unable to make any concession even on a matter of form; but there is no difficulty about bringing the treaty back here.

Mr. President, on the day before the treaty was finally voted upon I had a conversation with the Senator from Nebraska [Mr. HITCHCOCK], who then told me that he was not prepared to make any proposals. He was informed that if he desired to make any proposals before the treaty went to a final vote with reservations we should be glad to consider them. No proposals were made; the opportunity was refused, and we were allowed to proceed to a final vote on the treaty without any proposal being made. There is what we proposed. When I say "we," I am not speaking of Republicans alone, but of the Democrats who voted with us, sometimes as many as 10. They voted with us on this question, and they bear the same responsibility that we do.

I have never sought to make the treaty a party question; I have tried to keep it away from partisan considerations all summer long. I have never used the word "party" in any way in connection with it. The chairman of the Democratic national committee has made it from the beginning a party question. It has been made a party question on the other side; it has been forced on us simply because we furnished most of the votes, although not all. If it is forced on us, we shall take what we believe to be the American side, and advocate what is necessary for the protection of the United States.

Mr. President, it is for those who are the friends of the treaty as it stood without any modification to make proposals if they have any to make. We are ready to listen to and consider any such proposals. We have been willing to do this from the beginning. We have offered our reservations believing them to be sound. Now, if modifications are desired, let them

be offered by those who are discontented with the reservations as they stand and who think they might vote for them if they were in any degree modified. Give us an opportunity to see what you propose.

As to a committee of conciliation, Senators on the other side of the Chamber who share the views of the Senator from Alabama have nothing to do but come forward, if they are duly authorized by the President, and tell us what modifications they would like us to consider. The committee of conciliation is sitting on both sides of this aisle.

Now, Mr. President, the Senate is not going to deal, with my assent at least, with some unofficial collection of persons whom the President may select to discourse about the treaty with a majority of the Senate. The Senate, of course, can deal with the President. We are coordinate branches of the Government, and of course we can meet. Also, Mr. President, we can arrange it among ourselves, and I think it is better that we should arrange it among ourselves. Those of us who have voted for the reservations have no one to consult except ourselves, and when we make an agreement to anything it will be carried out. If the President desires to present to the Senate any modifications or concessions from his position, it is open to him to do it. He has nothing to do but withdraw the treaty, resubmit it, send in a message, tell the Senate what changes he thinks ought to be made, and we will consider them. It is he, and he alone, who is standing immovably on his original position, which was that the treaty must be ratified without crossing a "t" or dotting an "i." He has not suggested a single modification. We have suggested—those of us who were dissatisfied with the treaty as it stood—14 reservations or conditions which we believed would lead to the ratification of the treaty, which we know would lead to its ratification, if the President did not stop it; but he stands there perfectly immovable. He directed his party to vote against the treaty with those reservations. He said it was a nullification of the treaty. It is not a nullification unless "nullification" is equivalent to the word "Americanization." There is not a reservation there that is not put there to protect the United States.

That is the situation as it stands to-day. If the President desires to suggest modifications in the reservations which have been offered and adopted by a decisive majority of the Senate, let him do it. We, of course, are ready to consider them with all the respect that they deserve.

Mr. UNDERWOOD. Mr. President, the Senator from Massachusetts rejects the theory that the conclusion of a treaty of peace with Germany in any way affects the condition in reference to foreign exchange. Of course a large number of the great bankers and business men of America disagree with him in that position. I believe myself that the world will not get back to peace conditions in reference to business and prices until a treaty of peace is ratified; but that is neither here nor there on the matter of grave importance before the Senate.

The Senator from Massachusetts says in one breath that this treaty is dead and can not be acted on, and in the next breath he invites the Members of the Senate on this side of the Chamber, if we have any proposals to make by way of modification of the treaty, to introduce them and bring them before the Senate—to bring our proposals before the Senate for consideration on what he terms a dead treaty of peace! Well, now, either the Senator desires to scoff at our helpless position, or in his heart he does not feel that the treaty of peace is as dead as he says it is.

Mr. LODGE. Mr. President, if the Senator will pardon me, I have not a word of objection to make to his argument, but I do not think he ought to misstate what I said. I said that if the President would send the treaty back here, so that it would be before us, then, of course, we could consider any suggestions he had to make. I did not say it was before us now, because it is not.

Mr. UNDERWOOD. I was referring to a prior statement of the Senator in reference to our offering reservations or amendments, and not to his later statement about the President.

Now, Mr. President, it is true, I have no doubt, that the President of the United States could withdraw this treaty and resubmit it, but why should he do so if he can expect only unfriendly treatment at the hands of the Senate? And that is indicated in the atmosphere of this body. Why should he do it? What is to be accomplished by it? There is not a Member of the Senate who does not know that if we want to consider the treaty a majority can put life into it. If the President were to withdraw it and send it back, it would not be before the Senate. It would be before a committee that took months to report it to this body before. What the country wants is action, not delay.

The proposal that I made to the Senator from Massachusetts did not go to the technicalities in which he has indulged in the debate. It went to the substance of the matter. I did not ask him to yield the question as to whether he is right or wrong about the treaty being dead or what its status is. I asked him whether he would ask for a committee of this body on conciliation, to see if it was possible, in some way or somehow, to reach an agreement with the Executive by which the treaty could be confirmed; and, of course, we all know that if that agreement was reached there would be no difficulty in disposing of the technical details that confront us. If an agreement was reached, and it pacified the Senator from Massachusetts in any way, I have no doubt the President would yield and withdraw the treaty and resubmit it. Of course, the President of the United States would not let a detail of that kind stand in the way of the ratification of this treaty and the peace of the land.

The proposal I made does not go to the technicalities of this debate. The Senator from Massachusetts answers my question by arguing the position that he took before, and contending that his position is the only American position in this matter. I do not desire to indulge in general debate as to who is right or wrong. If we continue that debate, we will continue to make the people of America suffer. I think the time has come when the technicalities of this debate should be dismissed, when the Senate ought to make an earnest effort to secure the ratification of this treaty of peace, and an agreement with the President. The President lies to-day on a sick bed. He is amply able to attend to the business of the Nation; but it is not fair for the Senate to say, when it holds the treaty here in its own possession, that the fault lies with the President of the United States because he does not initiate action in the matter.

If the Members of this body want peace, it is no reflection on the dignity of the Senate in a proper way to propose a conference to bring about peace; but that proposal the Senator from Massachusetts, standing here as the representative of the majority party in this body, repudiates. He will have no peace unless the President of the United States will yield to his imperial will. That is the situation that confronts the country; and I say this country is in a bad way, with its Executive disabled by sickness and the Senate of the United States obstinately refusing to take action for fear that it may yield on some technicality that it has heretofore insisted upon.

Mr. President, no man can tell what this condition may lead to, not only in the personal life of the Nation but in its business affairs. No man can predict what the future holds if we continue to stand on this precipice with dogmatic obstinacy, each man insisting upon his own position, and no man willing to yield in behalf of his country, his countrymen, and the peace and happiness of this Nation.

Mr. HITCHCOCK. Mr. President, I had not expected to participate in this discussion, which I think, unfortunately, interrupts the railroad bill, but the Senator from Massachusetts saw fit to refer to a conference which he and I held together the day before the treaty was voted on, and bringing my name into the matter he sought to leave the impression that we on this side of the aisle were not desirous of reaching a compromise with those who were insisting upon the so-called Lodge reservations. I desire to give my recollection of that conversation, and I shall be glad to have the Senator from Massachusetts interrupt me if he thinks I make any error.

The meeting was held for the purpose of seeing whether it might be possible to bring about a settlement of the reservation differences by a compromise. I agreed with Senator LODGE, as I thought substantially as to the fact, that his resolution of ratification, with the reservations in it which we called destructive, would be beaten. We agreed, furthermore, in the expectation that after his resolution was beaten in the Senate a resolution of unqualified ratification would also be defeated. We agreed also in the expectation that a resolution of ratification containing reservations which I should propose on behalf of the minority of the Senate would also be beaten. I put it to the Senator from Massachusetts at that time, as a proposition from this side, that after those respective defeats of the various propositions, the Senate should thereupon take a recess and give opportunity for the two sides to get together in a conference and effect a compromise. The Senator from Massachusetts thereupon informed me that he was anxious for the ratification of the treaty, and that he would see whether he could bring about such a suggestion as I proposed.

After that time I heard no word from the Senator from Massachusetts. I fully expected, and I told my associates on this side that, after the various resolutions were defeated, as we believed they would be defeated, I thought it probable that we would have a recess of a day or two, and that a compromise might then be effected.

Mr. LODGE. Mr. President, if the Senator will allow me——
Mr. HITCHCOCK. I yield.
Mr. LODGE. I told the Senator that we were ready to receive proposals, but they must be made before we went to a vote. I have no recollection about any recess agreement. I certainly agreed to nothing of that sort, for I had no authority to agree to it, and we waited here, giving opportunity, as we thought, for any proposals to be made. None were made. That is all that I said, and I think that is correct; none were made.

Mr. HITCHCOCK. That is not inconsistent with my statement that I urged the Senator from Massachusetts, after the inevitable defeat of his resolution and of our two resolutions, that we should have a recess; and he told me he would see if he could bring it about, and that was the last word I heard from him.

Mr. LODGE. Mr. President, that I can not agree to. I have no recollection of anything of the kind.

Mr. HITCHCOCK. That is my very distinct recollection; and the subsequent events bear out the statement which I have made.

When the so-called resolution containing the Lodge reservations was brought to a vote it not only failed to receive a two-thirds vote of the Senate, but it did not even receive a majority vote of the Senate. It received only 39 votes upon the first occasion of its being brought to a vote, only a little more than a third of the Senate, and that was due to the fact that a large number of the very Senators who had been instrumental in injecting these destructive reservations into the resolution themselves voted against the resolution.

That brings me to say, Mr. President, that the Senator from Massachusetts, in my opinion, had a solemn obligation which he owed, not only to the Senate of the United States but to the country at large. He, as chairman of the Committee on Foreign Relations, was in charge of the treaty. He had said that he desired to see it ratified in some form.

Mr. LODGE. I did not say in some form; I said with the reservations that I offered.

Mr. HITCHCOCK. With the reservations. But, Mr. President, instead of consulting with those who also desired ratification of the treaty, who were willing to make concessions, he consulted only with Senators upon the other side of the aisle, and chiefly among the 14 or 15 Republican Senators who never would vote for the treaty under any circumstances.

Mr. LODGE. Mr. President, I can not permit that statement of my conduct to pass. I consulted many Senators on our side, the Senator from Wisconsin [Mr. LENROOT] will bear me out; and I will say that I consulted chiefly with those who were known as mild reservationists.

Mr. HITCHCOCK. My proposition stands, Mr. President, that the Senator from Massachusetts, charged by the Constitution and by the organization of the Senate with the duty of conducting the treaty to ratification, if possible, made no effort to secure the support of 45 Senators on this side of the aisle who wanted the treaty ratified, and who were willing to make concessions; but instead of that he came to his understanding with 14 or 15 Senators on the other side of the aisle whose votes could not be depended upon for the ratification of the treaty.

Mr. LENROOT. Will the Senator yield?

Mr. HITCHCOCK. In a moment. If the Senator from Massachusetts intended to favor the ratification of the treaty, felt that it was his duty to bring about ratification if possible, here was his field, on this side of the aisle, where there were more than 40 Senators anxious for ratification, and when, instead of that, he arranged with 15 Senators on the other side of the aisle for reservations when they would not even vote for the treaty, he was inviting and planning, as I believe, the destruction of the treaty.

Mr. LODGE. Mr. President, I do not think, if the Senator will allow me, that he has any right to charge motives on anybody. My object was to get the treaty ratified with the reservations that had been put on by a majority of the Senate. I did not go and consult with the Senator from Nebraska and the others to whom he refers, because their votes were not their own.

Mr. LENROOT. Will the Senator yield?

Mr. HITCHCOCK. I yield to the Senator from Wisconsin.

Mr. LENROOT. I would like to ask the Senator from Nebraska if it is not a fact that during the time the reservations were being prepared, and negotiations were going on with reference to them, he repeatedly stated to Senators upon this side of the aisle that the time had not come when he and his colleagues could consider reservations at all?

Mr. HITCHCOCK. I do not gather the significance of the Senator's inquiry.

Mr. LENROOT. The Senator from Nebraska has just charged the Senator from Massachusetts with the obligation to consult him, and he left the inference that if the Senator from Massachusetts had consulted him they might have gotten together upon reservations, when during all that time the Senator from Nebraska absolutely refused to consider any proposition with reference to reservations. That is the significance of it.

Mr. HITCHCOCK. Mr. President, that statement is as far from the truth, almost, as the insult which the Senator from Massachusetts has flung to Senators upon this side of the aisle, in stating that their votes do not belong to themselves. The Senator from Wisconsin very well knows that weeks ago—yes, I think it was months ago—upon the floor of the Senate I stated that we would take up the reservation question when we reached that question, but we realized that reservations must be considered in their due course.

But we have never had the opportunity, on this side of the aisle, to arrange an adjustment of differences upon the question of reservations with Senators upon the other side of the aisle. We have sought little conferences with a few men, but upon the other side of the aisle there has been a unanimous agreement as to reservations, and even when we from this side of the Chamber have offered reservations which we knew to be absolutely acceptable to seven or eight Senators on the other side of the aisle, those Senators themselves have voted against the reservations which they had created and which we had offered.

Mr. LENROOT. Will the Senator yield?

Mr. HITCHCOCK. No; I decline to be interrupted until I finish my statement.

The Senator from Massachusetts indicates occasionally that he is in favor of the ratification of the treaty; but his whole course in the conduct of the treaty in the Senate of the United States, in cooperating with the enemies of the treaty in the framing of reservations, makes it almost impossible to give credence to the statement which he makes. Now, let us see what there is in the way of corroborative evidence as to the position of the Senator from Massachusetts.

When the vote had been taken upon the resolution of ratification offered by the Senator from Massachusetts, and the vote had been taken upon the other resolutions of ratification, and they had all failed of a majority even of the Senate, we on this side first sought an adjournment in order that we might have time to consult and possibly compromise with Senators on the other side of the aisle on the subject of reservations. That was refused, and an adjournment was forced, not, however, until the Senator from Massachusetts had accomplished what he thought would kill the treaty definitely. It was he who moved the reconsideration; it was he who moved to lay the motion to reconsider on the table; and it is he who stands in the Senate now and proclaims that the treaty is dead. And when the Senator from Ohio [Mr. POMERENE] offered a resolution providing for a committee of conciliation the Senator from Massachusetts led the Senators on the other side in tabling the resolution at that time. How can the Senator from Massachusetts, after all these acts, claim that he proffered and we refused a compromise?

That is not all. After the deed had been done, Mr. President, the Senator from Massachusetts came out in an interview, which was carried by the Associated Press all over the United States, which I shall take the liberty of reading, at least in part. It was published in the papers of November 22. I think, in justice to the Senator, I had better read the whole statement:

I have no especial comment to make. The case is very simple. After four months of careful consideration and discussion the reservations were presented to the Senate. They were purely American in their character, designed solely to Americanize the treaty and make it safe for the United States.

Under the President's orders the followers of the administration in the Senate voted down those reservations. It was also shown by a vote that there was a decisive majority against the treaty with the reservations.

I suppose that means "without reservations."

Mr. LODGE. It is a misprint. It should read "without."

Mr. HITCHCOCK (reading)—

Those reservations as presented to the Senate will stand. There is no room for further compromise between Americanism and the supergovernment presented by the league. All I ask now is that we may have the opportunity to lay those reservations before the American people. To that great and final tribunal alone would I appeal.

WOULD INJECT THEM INTO CAMPAIGN.

I wish to carry those reservations into the campaign. I wish the American people to read and study them. They are not like the covenant of the league. They are simple. I do not see that there is one of them to which any American can object. I want the people to see them, understand them, and think of them in every household, on every farm, in every shop and factory throughout the land. Then let them decide.

Mr. President, that is entirely harmonious with my view of the action taken by the Senator. He refused the opportunity to compromise. He led his party in defeating the offer made by the Senator from Ohio [Mr. POMERENE] for a committee of conciliation. He insisted on going to the parliamentary limit of offering a resolution of reconsideration and then moving to lay it on the table so that it might be considered as absolutely dead, in his opinion, with which I do not agree. After that had been done he insisted on an adjournment of the Senate sine die, in order that there might be no possible other opportunity of getting together. Then he goes to the public in a public statement and rejoices that now the treaty is dead and it is to be the political issue in the next campaign.

The Senator from Massachusetts can not escape from that record. He can not escape from the record which he has made here in the Senate to kill the treaty. He can not even convince the American people that he believes in the treaty or wants to have it ratified.

It is not fair for him to stand here and charge us, who made every effort of compromise and settlement and who are now ready, as the Senator from Alabama says, to meet any compromise and settlement. The Senator instead of standing here and claiming that the treaty is dead might accede to the proposal for the appointment of a committee for conciliation and compromise as originally made by the Senator from Ohio [Mr. POMERENE]. Nothing might come of it, but it is a hope; and anyone who believes in having a peace settlement, anyone who wants to stop the terrible effect of an indefinite postponement of peace on business, on labor, on society in general, and on government, ought to grasp even at the last straw to bring about a settlement.

We have as many votes on this side to give as the Senator has on that side, and more. We are entitled to some consideration. We alike are Senators of the United States, and it is not right for the Senator from Massachusetts, after he has been able to develop only 41 votes at the most, a minority of the Senate, in favor of his resolution of ratification, to say that there shall not be a single other change.

It has been said that I have stood here and declared that there should not be any reservations in the treaty. What I did say was that the treaty should not be amended, and the Senate has said it. The Senate itself by nearly 50 votes has said that there should not be the dotting of an "i" nor the crossing of a "t" in the treaty. But we recognized long ago that reservations were inevitable. The Senator knows very well that reservations were submitted to the Democratic conference weeks ago, and that that conference authorized me to present reservations to the Senate, as I did. The Senator from Massachusetts knows that I did have those reservations printed, and that I offered them one by one here in the Senate as substitutes for reservations which he presented; and the Senator knows also that after the treaty had passed from the Committee of the Whole into the Senate proper I again offered those reservations as a whole as a substitute for his.

He therefore is in no position to say that we have proffered nothing. We have proffered something. If the Senator is willing to take those offers as made by us and take the reservations made by him and voted down by the Senate, we are willing to meet him in a compromise, we are willing to meet him in a give-and-take committee, and we are willing to do it not only because we believe that it is ordinarily important to have this treaty ratified but we believe that the world is in a crisis, that business is going the way of destruction in the United States. Not only is foreign exchange being ruined so that our exports will be largely choked up and our storehouses and warehouses will soon be filled to overflowing with 15,000,000 tons of agricultural products of one sort or another that we will find difficulty in marketing—not only that, but he knows as I know that we will be in imminent danger of losing over 600,000 tons of German shipping, our only title to which is found in the treaty. The Senator from Massachusetts knows that we seized a hundred vessels in our ports after we went to war with Germany, which German companies had left with our ports when we were a neutral Nation, and that we have no title to those vessels, and that if, after peace comes between Great Britain, France, and other countries and Germany, those vessels go into a European harbor, they can be libeled by the former German owners in the courts of France or Great Britain or any other standard country of Europe, and can be taken away from us by the decree of those courts.

Moreover, $800,000,000 of the property of German nationals which we have seized in this country and proceeded to liquidate, the funds of which we propose to hold for the payment of claims of our citizens against Germany, either for damages upon the sea or damages in Germany, the Senator knows very well that we can not hold without a serious controversy with Germany.

So I say there are material reasons why we should at this time waive some of our convictions if necessary and modify some of our views and qualify some of our differences. We hold out the olive branch. We are ready for the appointment of a committee. We are ready for conferences. We are ready to find out whether there is a spirit of compromise on the other side, or whether you want to definitely defeat the treaty, upon which not only depends so many of our great material interests but upon which also may depend to a large extent the safety and the stability of government all over the world.

There is the offer. If it is not taken, the country will judge who is sincere. The country will know whether there is any honesty in the professions of those who say they are for the league and vote to kill it. There it is.

Mr. LODGE. Mr. President, I think I have served long enough as an object of competition between the two distinguished aspirants for the Democratic leadership.

I only want to say by way of correction that I never said the treaty was dead except in the Senate. I knew very well that it could be brought again before us by action of the President, as I know it now. The work of resurrection lies with him.

One other point has been raised by the Senator from Nebraska. What he says about me is a matter of indifference. My opinion of him and his opinion of me are of no consequence. What is of consequence is dealing rightly with the treaty.

But the Senator from Nebraska raised one point with great eloquence and earnestness, as always, as to what we should lose—600,000 tons of German shipping and $800,000,000 of German money. I do not think we should lose them, but even if we should, I will say that the great and vital interests of the United States, not now, but in the future for unborn generations, are not for sale for 600,000 tons of German shipping or for $800,000,000.

Mr. WALSH of Montana. Mr. President, every Member of the Senate, I am very sure—I certainly speak my own sentiments—entertains the very highest respect for the Senator from Massachusetts [Mr. LODGE]. He has served long and very faithfully in this body, and some deference is due to a man of his age and experience. But I can not allow to pass unnoticed the remark of the Senator from Massachusetts—and I wish he would not leave the Chamber for just a moment—to the effect that he did not confer with Senators on the Democratic side in relation to some adjustment of the difficulty over the treaty because their votes were not their own. That language, I think, Mr. President, is quite clearly violative of the rules of debate in the Senate—Rule XIX. I refer to subdivision 2 of that rule, which is as follows:

> No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

I call the attention of the Senator from Massachusetts to it, in the hope that perhaps he will be glad to withdraw the utterance.

Mr. LODGE. Mr. President, the Senator from Nebraska [Mr. HITCHCOCK] attacked my motives, which is against the rules. He went so far as to say that credence was not to be given to my statements. It never occurred to me to call him to order or to try to take his statement out of the RECORD. But if it will soothe the feelings of the Senator from Montana to have me withdraw the statement that I made, which I think is absolutely true, that the votes of certain Democratic Senators on the other side are not their own, I will withdraw it and ask that it be stricken from the RECORD.

Mr. WALSH of Montana. Mr. President, I call the Senator to order for repeating the statement, and I ask that he withdraw the statement in which he asserted that his former statement is true.

Mr. LODGE. I beg the Senator's pardon; I did not hear him.

Mr. WALSH of Montana. I raise the point of order that the Senator is again in violation of the rules of the Senate by making the statement that the former statement made by him is true.

Mr. LODGE. If the Senator thinks my apology was out of order, I will apologize again. I regret that I should have hurt the feelings of the Senator from Montana by stating that I thought the votes of some of the Democratic Senators were not their own. I can not do more than regret it and ask that it all be stricken from the RECORD.

The VICE PRESIDENT. There is no power in the Chair to require a Senator to do anything but sit down, and the Senator from Massachusetts has sat down.

The Chair has a number of times recently—and this is a good time to mention it—observed that Senators are imputing im-

proper motives to other Senators upon the floor of the Senate. It is not a pleasant task for the Chair to decide the question. It is not a pleasant task for a Senator to object. What the purpose of the rule was I do not know. Whether it was to prevent personalities, bitterness, assaults, and things of that kind I do not know, but the rule is there. This is not the first instance. There have been a great many instances. There have been two or three to-day which, in my judgment, I will say were in violation of the rule. The Chair hopes that Senators will take the rule to heart and neither tell a truth nor a falsehood about each other.

Mr. WALSH of Montana. Mr. President, I desire to say a few words on the subject, as it was referred to in a newspaper interview given by one of the Senators some time ago. I did not feel that an expression of view in that way called for any particular comment from anybody upon this side at that time, but I embrace the opportunity to say that it is hardly right for a United States Senator to be interviewed by a newspaper and to attribute to a great mass of his colleagues, 30 or 40 of them, the position of being simply automatons.

Why, Mr. President, I am included in that class, as a matter of course. I am not conscious that anybody commands my vote in this body upon the treaty or upon any other question. It may be that it is done without my knowledge. It so happens that I am, and from the beginning have been, very heartily in favor of the ratification of the treaty. Before the treaty was negotiated at all I raised my voice in favor of a league of nations for the settlement, in some peaceful manner, of international controversies likely to lead to war, and when a scheme was worked out which was the best that the statesmen of the world could devise, I was in favor of it, not because the President of the United States, who happens to be a member of my particular political party, was one of the drafters of it; but, very naturally, I endeavor to accommodate my views as closely as I can at all times to those of my party associates. Who is there in this body who does not do so? If I had some misgivings concerning some of the features of the measure, I was disposed to yield those to the judgment of the great man in the White House, whose actions and whose declarations in connection with the war, and whose enunciation of the principles for which the war was fought and upon which it should be settled evoked the plaudits of the world. As a matter of course, I was quite willing to counsel and advise with him and to accommodate any views I might have to his own views upon this important question. Further than that, sir, neither he nor any other man controlled my vote.

But now, Mr. President, because there are nearly 40 Members upon this side who believe with the President of the United States that this is the great opportunity to substitute the peaceful adjustment of international controversies for a determination of them by the arbitrament of war, why are any of us to be charged with having surrendered our convictions?

This is not the first time that a great many of the Members upon this side have been in entire harmony with the President of the United States upon some very important public questions. Some of us sometimes have differed from him. I am myself in that class. I did not hesitate to differ from the President of the United States upon a matter upon which he had set his heart almost as strongly, perhaps, as he ever did upon the ratification of the treaty with Germany. I refer to the legislation in relation to the Panama Canal tolls. I did not hesitate to speak in this body and to record my vote against him on that question. Later developments have rather convinced me that, perhaps, he was right about the matter and I was wrong, although upon the ground upon which I voted the way I did I have no hesitancy in indorsing the position I then took. But, Mr. President, why am I subject to be charged with surrendering the commission that I received from the people of the State of Montana and being regardless of my oath simply because I happen to agree with the President of the United States? Why should anybody because upon this particular matter the great majority of the Democrats upon this side—three-fourths of them—agree with the President of the United States, as they have upon most of the legislation which he has recommended to Congress, be charged with being under his domination or dictation?

Has not the same situation of affairs been presented with respect to Republican Senators and Republican Members of the House of Representatives when a Republican occupied the presidential chair? There was, as you recall, some considerable division of opinion between the two branches of Congress and the last Republican President of the United States, but between the Congress and his predecessor things went on pretty smoothly, and I do not recall any very great controversies between the Members of Congress and Republican Presidents in the past. They have endeavored to work in harmony. It is the theory of the Government that they will work in harmony. Very likely the President was disposed to yield something to a positive expression upon the part of members of his party in Congress and members of his party in Congress were disposed to yield something of their own opinions to accommodate them to his views in order that legislation might be enacted at all. What is the difference between the existing situation and that? I trust, Mr. President, that at some time or other we shall be given credit on both sides of the Chamber for an endeavor to discharge our duties as we see them.

Now, just a further word, Mr. President. The Senator from Massachusetts has again asseverated in this body his desire to see the treaty ratified with reservations. I am very glad to accept his statement. I have not previously heard such a statement emanating from the Senator from Massachusetts. Perhaps at some time or other he did declare that he desired the treaty ratified with reservations, but if he ever made the statement it was during my absence. I have always assumed since he made his speech on the 12th day of August, 1919, that he desired to see the treaty killed. I am unable to understand his speech on that occasion on any other theory whatever. I will read a brief paragraph from it. The Senator from Massachusetts starts out with this statement:

> Mr. President, in the Essays of Elia, one of the most delightful is that entitled "Popular Fallacies." There is one very popular fallacy, however, which Lamb did not include in his list, and that is the common saying that history repeats itself. Universal negatives are always dangerous, but if there is anything that is fairly certain it is that history never exactly repeats itself. Popular fallacies, nevertheless, generally have some basis, and this saying springs from the undoubted truth that mankind from generation to generation is constantly repeating itself. We have an excellent illustration of this fact in the proposed experiment now before us of making arrangements to secure the permanent peace of the world.

If that means anything at all, it means that any arrangement between nations for securing the permanent peace of the world is a "popular fallacy." He continues:

> To assure the peace of the world by a combination of the nations is no new idea.

Then he proceeds, as most of you will recall, to tell how the Holy Alliance failed in that regard and how other attempts of like character failed. The obvious conclusion to be drawn from all this is that this experiment would fail as all of its prototypes had done. But I read another paragraph. After having talked about the Holy Alliance, he said:

> I have taken the trouble to trace in the merest outline the development of the Holy Alliance, so hostile and dangerous to human freedom, because I think it carries with it a lesson for us at the present moment.

He compares the preamble of the Holy Alliance and the preamble of the covenant of the league of nations, and then says:

> No one would contest the loftiness or the benevolence of these purposes. Brave words, indeed! They do not differ essentially from the preamble of the treaty of Paris, from which sprang the Holy Alliance. But the covenant of this league contains a provision which I do not find in the treaty of Paris, and which is as follows:
>
> "The assembly may deal at its meetings with any matter within the sphere of action of the league or affecting the peace of the world."

He goes on to discuss that feature of the covenant, condemns it most heartily, and then adds:

> If Europe desires such an alliance or league with a power of this kind, so be it. I have no objection, provided they do not interfere with the American continents or force us against our will, but bound by a moral obligation, into all the quarrels of Europe. If England, abandoning the policy of Canning, desires to be a member of a league which has such powers as this, I have not a word to say. But I object in the strongest possible way to having the United States agree, directly or indirectly, to be controlled by a league which may at any time, and perfectly lawfully and in accordance with the terms of the covenant, be drawn in to deal with internal conflicts in other countries, no matter what those conflicts may be.

Mr. President, I invite your attention to the fact that not a single reference is made in any of the 14 reservations which have been proposed, and which were adopted by a majority of the Senate, touching in any manner that feature of the covenant. Accordingly I can not resist the conclusion, except, of course, for the statement made by the Senator to-day, that he is against a league which contains any such covenant as that proposed.

I am not going to continue the analysis of the Senator's remarks; they are all of the same tenor and lead inevitably to the same conclusion, namely, that the Senator from Massachusetts does not want any of this league at all. I think, perhaps, unless his sentiments concerning the matter have undergone a radical change, in that fact lies the explanation of why the treaty was not ratified.

Mr. KIRBY. Mr. President, common sense is a rare talent. It does not seem to me that it has been overexercised or unduly developed in some of the debates in the Senate recently. What is the status of the treaty to-day, and what is the public to think of the discussion that has gone on here? What is to be expected about the procedure for its ratification hereafter?

The majority leader says that the treaty has been finally disposed of so far as the Senate is concerned and so far as it can be done under parliamentary usage. He relies on the first and second subdivisions of Rule XXXVII, both of which I ask to have inserted in the RECORD at this point as a part of my remarks.

The VICE PRESIDENT. Without objection, the matter referred to will be inserted in the RECORD.

The matter referred to is as follows:

RULE XXXVII.

EXECUTIVE SESSION—PROCEEDINGS ON TREATIES.

1. When a treaty shall be laid before the Senate for ratification, it shall be read a first time; and no motion in respect to it shall be in order, except to refer it to a committee, to print it in confidence for the use of the Senate, to remove the injunction of secrecy, or to consider it in open executive session.

When a treaty is reported from a committee with or without amendment, it shall, unless the Senate unanimously otherwise direct, lie one day for consideration, after which it may be read a second time and considered as in Committee of the Whole, when it shall be proceeded with by articles, and the amendments reported by the committee shall be first acted upon, after which other amendments may be proposed; and when through with the proceedings had as in Committee of the Whole shall be reported to the Senate, when the question shall be, if the treaty be amended, "Will the Senate concur in the amendments made in Committee of the Whole?" And the amendments may be taken separately, or in gross, if no Senator shall object, after which new amendments may be proposed. At any stage of such proceedings the Senate may remove the injunction of secrecy from the treaty or proceed with its consideration in open executive session.

The decisions thus made shall be reduced to the form of a resolution of ratification, with or without amendments, as the case may be, which shall be proposed on a subsequent day, unless by unanimous consent the Senate determine otherwise, at which stage no amendment shall be received unless by unanimous consent.

On the final question to advise and consent to the ratification in the form agreed to, the concurrence of two-thirds of the Senators present shall be necessary to determine it in the affirmative, but all other motions and questions upon a treaty shall be decided by a majority vote, except a motion to postpone indefinitely, which shall be decided by a vote of two-thirds.

2. Treaties transmitted by the President to the Senate for ratification shall be resumed at the second or any subsequent session of the same Congress at the stage in which they were left at the final adjournment of the session at which they were transmitted, but all proceedings on treaties shall terminate with the Congress, and they shall be resumed at the commencement of the next Congress as if no proceedings had previously been had thereon.

3. All treaties concluded with Indian tribes shall be considered and acted upon by the Senate in its open or legislative session, unless the same shall be transmitted by the President to the Senate in confidence, in which case they shall be acted upon with closed doors.

Mr. KIRBY. The Senator from Massachusetts says that the treaty is finally disposed of so far as the Senate is concerned. The Democratic leader of the fight on this side gets up and says the consideration of the treaty ought to be resumed, and the distinguished Senator from Alabama [Mr. UNDERWOOD] says it ought to be and must be resumed, that not only the interests of the United States but the interests of the world require it.

Now, what has been done? The Democratic leader did not move to reconsider the vote by which the treaty failed of ratification. The Senator from Alabama did not make any sort of a motion whatever to bring the matter to the further consideration of the Senate; and no Senator on the Republican side has done so. Why? Evidently because all agree that it can not be done under the rules of the Senate—either that or we are disposed to talk here rather than do things that we all seem to think ought to be done.

Mr. HITCHCOCK. Mr. President, will the Senator yield to me for a moment?

Mr. KIRBY. Yes.

Mr. HITCHCOCK. For myself, I wish to say that I shall certainly not make any motion calculated to bring up the treaty until we have been able by means of conferences to ascertain whether there is any chance of doing something with it. I think it would be very unwise to attempt to bring it in here and merely kick it around like a football. I believe the time for discussion has passed and that we should not continue discussion of it; but when it is brought in here it should be acted on finally and ratified.

Mr. KIRBY. Mr. President, I agree to the Senator's statement. He thinks, as a matter of expediency, that the discussion of the treaty should not be revived now; but it has been revived. What is the purpose of the Senate relative to the treaty? It is insisted on the one side, and practically conceded on the other, that the treaty has been finally disposed of, so far as it is within the power of the Senate to do so under its rules and under the Constitution by which the Senate is given authority to advise and consent to the ratification of treaties. If that is the case, the whole discussion this afternoon has been out of order, and I do not know whether or not any benefit has resulted from it.

I believe this is the greatest question before the people of the United States to-day and that it is only approached in importance by the problems involved in transportation and the control of the railroads. I should like to see it finally disposed of. I voted for the ratification of the treaty without reservation or amendment. I even favored one or two of the reservations that were proposed after our side began to propose reservations, but that was yesterday. That is all in the past. As I understand, this treaty can be laid before the Senate at any time for its consideration, and until it is laid before the Senate the majority leader has said that it shall not be further considered, and all of us seem to agree that under the rules that it probably can not be done.

Mr. FLETCHER. Mr. President, I only want to suggest that the rules themselves provide that they may be waived by a two-thirds vote. I believe the treaty is here. I believe the Senate can deal with it. Certainly, if it can not be done by a majority vote, it can be done by a two-thirds vote. The Senate can take it up if any desire to take it up is manifested by those who hold such a relation to the subject, the chairman of the committee and others having charge of the measure and who are friendly to it. Unquestionably, the treaty could be laid before the Senate by regular process at any time. It will take two-thirds to ratify it. Two-thirds can take it up and consider it.

Mr. President, I am not going to enter into discussion about it; but that, to my mind, is clearly the situation. I remember that when the final vote was taken I inquired of the Senator from Massachusetts whether he was proposing to move to send the treaty, together with the action of the Senate thereon, back to the President. He said no; that was not necessary. The treaty never has been sent back to the President; but the Senator from Massachusetts can not very well dispose of the article which has formed the basis of this discussion, submitted by the Senator from Alabama [Mr. UNDERWOOD], as being mere propaganda work and as originating, as he has indicated, from some sort of questionable source. The sentiment expressed in the article is pronounced and country wide. I am getting letters and telegrams and resolutions passed by chambers of commerce and boards of trade and business institutions all over the country, calling for some action upon the treaty, and insisting that the treaty ought to be ratified and that we ought to get back to normal conditions.

What I hold in my hand is but a sample of such resolutions. It is a copy of resolutions that were unanimously adopted by the board of directors of the Baltimore Chamber of Commerce on December 8, 1919. I should like to have it read, Mr. President, and with that I will conclude what I have to say now.

The PRESIDING OFFICER (Mr. JOHNSON of California in the chair). Is there any objection?

Mr. CUMMINS. What is the request of the Senator from Florida?

The PRESIDING OFFICER. The request is for the reading of the resolutions which the Senator has sent to the desk.

Mr. TOWNSEND. Mr. President, I will ask the Senator from Florida if he will not consent to have it printed without reading. There are very few Members in the Chamber, and we ought to proceed with the railroad bill.

Mr. FLETCHER. Very well; I am agreeable to that. Perhaps it is just as well. I thought it might be of interest to some who had heard the other article read.

The PRESIDING OFFICER. In the absence of objection, it will be so ordered.

The matter referred to is as follows:

BALTIMORE CHAMBER OF COMMERCE,
OFFICE OF THE PRESIDENT,
Baltimore, December 10, 1919.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SIR: I am directed by the board of directors of this chamber to transmit to you copy of the inclosed resolutions, which are respectfully submitted for your consideration.

Very truly, yours,

W. H. HAYWARD, *President.*

Resolutions unanimously adopted by the board of directors of the Baltimore Chamber of Commerce December 8, 1919.

Whereas our United States of America brought to a successful end a great war, fought by all the people, irrespective of creed, race, or political following, at an untold cost in human lives and vast sums of money, willingly spent for humanity's cause for justice and freedom; and

Whereas more than a year has passed since the signing of the armistice and still no peace treaty has been signed, the delay creating an unsettled and chaotic state for the entire civilized world, and at the same time jeopardizing the fruits of war won at tremendous sacrifice of life and treasure; and

Whereas the board of directors of this chamber, varying from its usual custom of taking no part in affairs of a political nature, now believes itself justified in this crisis in abandoning its traditional policy, feeling that the question at issue is not that of a political or party affair, but a question of vital importance to the entire business world, and being fully persuaded that no international financial plans for extension of credit to Europe can be arranged until a peace treaty is signed, and that without such credits being extended our export trade must obviously suffer, causing reaction that will be reflected unfavorably in our own domestic trade; and

Whereas the board of directors is assured that the peoples of these United States, irrespective of party, demand that a treaty shall be signed, such as will secure to us the glories of victories won and in keeping with the faith pledged our allies: Therefore be it

Resolved, That the board of directors of the Baltimore Chamber of Commerce, speaking for the important interests it represents, urges upon the President of the United States and upon the United States Senate the great need for immediate action upon the peace treaty, and most earnestly appeals to them, personally and individually, to put beyond them all political and partisan consideration, and in humanity's name and in the interest of the world's commerce, industry, and finance make an honest and strenuous endeavor to harmonize existing differences now preventing action, to the end that a compromise may be immediately reached that will command the two-thirds vote of the Senate necessary for ratification; and be it further

Resolved, That the President of this chamber be, and hereby is, requested to immediately transmit to the President of the United States and to every Member of the United States Senate a copy of these resolutions.

Mr. LENROOT. Mr. President, the other day the Senator from Alabama [Mr. UNDERWOOD] lectured the Senate for not expediting the consideration of the railroad bill. The Senator from Alabama then opposed the taking up of the sugar bill because of the paramount importance of the railroad bill; and then the Senator from Alabama proceeded to make a partisan speech—he admitted it was a partisan speech—upon the peace treaty, and the Senate that day lost about two hours in the consideration of the railroad bill because of the injection of this question into the Senate at that time by the Senator from Alabama. The Senator from Alabama again this afternoon injected this question into the Senate, and again we are losing about two hours in the consideration of the railroad bill; and with all due respect to the Senator from Alabama, it does seem to those of us who have listened to his speech that it has been an afternoon of political sharpshooting rather than a manifestation of any sincere desire to expedite the consideration and disposition of the peace treaty. I am only going to say one word upon the subject, Mr. President, in reply to what the Senator from Nebraska has said, and a word as to what the Senator from Alabama has said.

The Senator from Nebraska knows full well that during the time these reservations were under consideration and being prepared, not by the enemies of this treaty but by the friends of the treaty who desired ratification with proper reservations, he absolutely declined, upon behalf of the friends of the treaty upon the other side of the aisle, even to consider reservations; and it ill becomes the Senator from Nebraska to charge the Senator from Massachusetts with bad faith in not consulting him and the other Democratic Senators with reference to these reservations. Unless he would have made a different reply to the Senator from Massachusetts than he made to many of us who approached him upon that subject, he would have told the Senator from Massachusetts, as he told many other Republican Senators, that the time had not arrived when he could consider reservations at all.

Now, just one other word.

The fact is that these reservations were prepared by friends of the treaty, they were adopted by the Senate, and the President of the United States declined to consider them. He sent a note to the Senator from Nebraska, to be read to the Democratic conference, saying that these reservations nullified the treaty. Now, the President of the United States having said that, and especially since the Senator from Alabama says that he is willing to vote for the ratification of the treaty under any conditions that the Senator from Massachusetts and the President may agree upon, it is up to the President of the United States. Most of the Senators upon the other side seem willing to abdicate their function under the Constitution to advise the President with reference to treaties; it is up to the President of the United States, inasmuch as he has said he would not accept these reservations, to indicate to the Senator from Nebraska [Mr. HITCHCOCK], who represents him, what he is willing to take; and until he does that it is useless for anybody upon this side of the aisle to make any effort of any kind whatever.

The Senator from Alabama suggests a committee on conciliation, and in the same breath he says the consultation should be with the President of the United States. I want to ask the Senator from Alabama whether he or the Senator from Nebraska is not the one to consult the President of the United States; and, if he has any proposition to offer, let either one or both of them make it to the Senator from Massachusetts [Mr. LODGE], and they know that any definite proposition they have to make will receive consideration on this side.

The Senator from Nebraska refers to the reservations that he offered on the last day of the session as an offer of compromise, when the Senator knows that the crucial reservation in this entire matter is the reservation upon article 10, and he knows that the reservation that he offered upon that article is nothing but a sham, and that it leaves the obligation under article 10, with his reservation adopted, exactly as it stands without any reservation whatever. Why, Mr. President, if there are to be offers of compromise upon the other side—and I hope there will be; there ought to be, and there ought to be now—they must not be sham offers of compromise. They must be offers in good faith.

Mr. HITCHCOCK. Mr. President, what has the Senator to say concerning the published statement of his leader that the reservations, as drawn by him, represent the irreducible minimum? Does that indicate that there is any possibility of a compromise? Has not the Senator from Massachusetts first boasted that the issue must go into the next campaign, and then did he not, upon the 1st of December, come out with a statement, published in all the newspapers, to the effect that no compromise was possible; that the resolution must be taken exactly as proposed by the majority, and as voted for by 39 Members; that it represented the irreducible minimum, and that no compromise was possible; that the President must take that or lose the treaty? Does the Senator think that after that statement was made there is much opportunity on this side for securing a compromise?

Mr. LENROOT. Does the Senator from Nebraska believe that is the position of the Senators on this side of the aisle?

Mr. HITCHCOCK. I do not like to doubt that it is the position of the Senator from Massachusetts. This is an authorized statement which I understand the Senator from Massachusetts makes.

Mr. LENROOT. Then I should like to ask the Senator, if he believes that, and the Senator from Alabama believes that, and if they believe that there is no possibility of a compromise on this side of the aisle, why are they taking the time of the Senate in delaying the consideration of the railroad bill?

Mr. HITCHCOCK. For myself, I can say that I am perfectly willing to believe that those are the views of the Senator from Massachusetts, but I certainly have a large hope that they do not represent the views of all the Senators on the other side of the aisle. I have had the impression, and I still cherish the hope, that there are enough Senators on the other side of the aisle to respond to the overwhelming public demand of the United States for a compromise. The Senator from Massachusetts may adhere to this position, but I hope that even his adamant will may give way not only to the public opinion of the country but, as I believe, to the sentiment which has developed on the other side of the aisle.

In view of the statement of the Senator from Massachusetts, however, I do not see that it lies in the mouth of the Senator from Wisconsin to twit us with failure to offer compromise. It was from the other side that the action was taken to make the treaty impossible of reconsideration by the Senate. It was from the other side that the resolution for sine die adjournment came, when we were urging opportunity for a compromise.

It was from the other side that the votes came which laid on the table the resolution of the Senator from Ohio [Mr. POMERENE] proposing a committee on conciliation and agreement. How can we doubt, in view of all these experiences, that the sentiment of the other side, as well as the sentiment of the leader of the other side, is not very favorable to compromise?

Mr. LENROOT. Again, then, I ask the Senator from Nebraska, what is the use of his occupying the time of the Senate? But the Senator from Nebraska knows that is not so. The Senator from Nebraska knows that the Senator from Massachusetts has stated that he and the other Senators on this side of the aisle are ready to consider any proposition of compromise that the other side has to make.

Mr. HITCHCOCK. I am very glad to hear it. That is the first positive statement on the subject that I have heard; and I hope the Senator not only represents his own opinion but represents the opinions of enough Senators on the other side to make a compromise possible.

Mr. LODGE. Mr. President, if the Senator will allow me one moment, I said over and over and over again to-day that we would listen to and consider any proposal the other side had to make.

Mr. HITCHCOCK. Well, Mr. President, that is a very mild statement—that you will listen to any proposal for a settlement. There is nothing mild about this statement as published. What the Senator from Massachusetts now says differs materially from what the Senator from Wisconsin stated, and what the Senator from Massachusetts has just stated is quite in accordance with what he stated on the 1st of December, when Congress met.

He said:

Those reservations, the work of months, represent the views of the United States Senate—

Of course he is mistaken about that. They did not represent the views of the United States Senate, as the vote showed. They did not even represent the views of the majority of the United States Senate, as the vote showed—

and, in my judgment, of a vast majority of the people of the country. They constitute the irreducible minimum.

That means they can not be changed.

Immaterial verbal changes would be foolish and needless. If the President desires to have prompt ratification of the treaty with Germany, he has only to accept the reservations as they stand. We desire final action, as I have said, but action must be based on the acceptance of the reservations as they are.

That sounds very final to me, and if the Senator from Wisconsin has a basis for the hope which he expresses and the proposition which he makes, I am very glad to know it. Certainly, I could not derive it from the statements of the Senator from Massachusetts.

Mr. LENROOT. Mr. President, I am not going to violate any confidences, but if the Senator from Nebraska will formulate and present a proposition for settlement such as a very large number of Democratic Senators have said they will be glad to see incorporated in the resolution of ratification, I want to assure the Senator that there is a very large probability that we will be getting together, and very soon. But if we must rest entirely upon the opinion of the President of the United States, and if the President of the United States will be unwilling to change his opinion in the slightest degree so as to accord with the overwhelming sentiment of the country, then, of course, I concede that it is hopeless to expect any ratification of the treaty. If the President of the United States will, in the slightest degree, attempt to accord his will with the will of the overwhelming sentiment of the country we will get together.

Mr. UNDERWOOD. Mr. President, I have only a word to say. I had finished my remarks on this subject, but the Senator awhile ago referred to my position yesterday, when I insisted that the railroad bill should stay before the Senate. I still occupy that position. I think the railroad bill is the most important piece of legislation before the country except the treaty of peace. Nothing is more important than that our country should be at peace.

The Senator says that I have indulged in political debate. Possibly I have. I do not indulge in it often. But I think I am justified in indulging in a political debate on this subject, not as to what is in the treaty, not as to whether the position of the Senator from Massachusetts or the position of the President of the United States is correct, but in a political debate on the subject that the majority party in this Chamber have gone to sleep at the switch; that they hold the responsibility of action in this matter and are not acting. Now, so far as I am concerned, until the treaty is ratified or disposed of in some way, in season and out of season, when the opportunity presents itself, I propose to call the attention of the Senate and the country to the fact that there is no affirmative action coming from the other side.

Oh, the Senator says that it is up to the Senator from Nebraska or the President of the United States to come in all humbleness to the other side of the Chamber and propose concessions; or that the other side of the Chamber is willing to act when they are informed by us what is the position of the President of the United States. It seems to me, Mr. President, that that is the most remarkable position for a party in power to take that I have ever known in the history of legislative government. I served with the Senator from Wisconsin [Mr. LENROOT] at the other end of the Capitol some years ago, when the positions were reversed, when my party was in power in the House and his party was in power in the White House, and there were differences that arose, as they do now, between the House and the President. I do not recall, and I am sure that the Senator from Wisconsin does not recall, any time when the leadership of the majority party then in the House of Representatives, the party to which I belong, called on the minority leadership to negotiate the passage of bills with the Republican President. The negotiations that took place between us were between the responsible leadership of the House and the responsible President. This side of the Chamber is not responsible for the transaction of business in the Senate. We should, of course, cooperate with the majority side when they are right, and they will be right if they attempt to bring about peace in the world, and we should cooperate with them; but the responsibility for initiating action does not rest on the minority party.

Mr. KNOX and Mr. LENROOT addressed the Chair.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator yield; and if so, to whom?

Mr. UNDERWOOD. I yield to the Senator from Pennsylvania.

Mr. KNOX. Mr. President, the Senator from Alabama has twice referred to the fact that nothing constructive has been suggested from this side and that the responsibility for there not being a technical determination of the peace of the world therefore rests upon us. I want to ask the Senator from Alabama if he will join in a unanimous-consent agreement to pass without amendment or debate the first paragraph of a resolution that I offered November 6, 1919, to this effect; and I might say that there is abundant precedent for a partial ratification of treaties:

Resolved, That the Senate of the United States unreservedly advises and consents to the ratification of this treaty in so far as it provides for the creation of a status of peace between the United States and Germany.

Mr. UNDERWOOD. As far as my own position is concerned, I will advise the Senator what it is, if he wants to know it. Of course, that does not commit anybody but myself. I do not know what the position of the President is, or what is the position of my colleagues, and that is why you can not do anything when the other side of the Chamber says they will not attempt to conciliate. But I will answer the Senator's question, so far as I am concerned, and it goes no further than my own position. I am originally for the unqualified ratification of this treaty of peace, so as to bring immediate peace between this country and Germany. But if there is no other way to get peace between this country and Germany, in order that the world may be at peace, I would go this far, and I think it is substantially in accord with what the Senator has proposed. I would be willing by reservation, if there is no other way, and the President of the United States is willing to accept it, to strike out of the treaty of peace all clauses relating to the league of nations, so far as we are concerned, not compelling the countries of Europe that have accepted the treaty, that have the league of nations in existence and are functioning under it, to agree to it, as the first clause of the Lodge resolution required them to do, but I mean so far as the United States alone is concerned I would be willing to agree to a reservation to strike out every clause that relates to the league of nations, ratify the balance of the treaty of peace entirely, and have the peace of the world, with the league of nations existing as to all other countries, and then leave it to the people of the United States to determine whether they would elect a Congress to ask that they be admitted into the league in the future or a Congress that would declare it to be the policy of the country to stay out. That is my answer as to my position.

Mr. KNOX. I congratulate the Senator from Alabama upon his courageous, his patriotic, and his wise conclusion. Then he would be willing to do just exactly what the second provision of this resolution stipulates, that we should enter the league of nations as a consulting member. My reading of the European press within the last week or 10 days indicates that the only disappointment they are expressing over there is that they will be without the advice and counsel of the United States. Now, let us unanimously declare the war to be at an end; unreservedly declare that the war be at an end. Let us then join, as a consulting member, the league of nations, with the probability that as time goes on it will be amended in such a way that we would be willing to become a full member of the league of nations, and you have the whole proposition solved.

Mr. UNDERWOOD. I will say to the Senator from Pennsylvania that I do not want it understood that I am not in favor of ratifying the treaty of peace with a league of nations in it; but in order to get peace, I would be willing to vote for a resolution that excluded it for the time being, and left it to the country to determine whether they want to go into it in the future or not.

Mr. LENROOT. Will the Senator yield?

Mr. UNDERWOOD. I will yield.

Mr. LENROOT. I should like to ask the Senator if he is willing to go as far as that, why is he not willing to ratify the treaty with the reservations that were adopted by the Senate?

Mr. UNDERWOOD. Because they emasculated the whole treaty. The President was exactly right when he said that the Lodge reservations nullified the whole treaty, not only for us but for the world. That is the reason I was opposed to them. I am not in favor, and I did not say so, of destroying the league of nations to keep the peace of the world. The proposal of the Senator from Pennsylvania is a very different proposal from the proposal of the Senator from Massachusetts. One would destroy the league of nations in its entirety. One would emasculate it, so far as the world is concerned. The proposal of the Senator from Pennsylvania would leave the league of nations intact, and leave it to the future determination of the people

of the United States as to whether they would become parties to the league or stay out of the league.

I would be willing to purchase peace by reserving the question as to whether we should become parties to the league of nations until the people of the United States could act on it. But the proposal of the Senator from Wisconsin would not only emasculate the league for us but it would destroy the existing organization.

Mr. LENROOT. The reservations do not affect in the slightest degree the relations of the other nations to the league. The reservations only do partially what the Senator from Alabama now says he is willing to do wholly.

Mr. UNDERWOOD. Not at all. They require the other countries of the world, at least three of them, to agree to it.

Mr. KNOX. Mr. President, may I ask the Senator another question?

Mr. UNDERWOOD. Certainly.

Mr. KNOX. Or, rather, ask him if he will not definitely answer my previous question. That is, will he, as in executive session, join in a unanimous-consent agreement to pass the first paragraph of the resolution I have suggested?

Mr. UNDERWOOD. So far as I am concerned, I would. I can speak for nobody but myself.

Mr. KNOX. I shall give the others the opportunity later on.

Mr. UNDERWOOD. So far as I am concerned, I want peace. I could not get peace the way I want it. The first proposal of the resolution of the Senator from Pennsylvania does not kill the league of nations. It merely leaves us out for the time being. It will leave it to the people of the United States in the future to determine the position of this country in the matter, and I am perfectly willing, so far as I am concerned, to purchase peace at that price. I think that when there are men here who are willing to surrender their own views and their own positions to that extent to bring their country to peace, the position now occupied by the majority party in this Chamber, denying any opportunity to secure peace on any terms, is not justified, and can not be justified by the people of the country.

Mr. BRANDEGEE. Mr. President, it is very distressing to listen to the wailings that come after a funeral, especially after we have had an interim where other matters were concerned; but I suppose a wake has to be held over the corpse and almost daily grief is expressed over the infanticide which was committed by our friends across the aisle under the written orders of their chief.

However, the distress which I feel over such a condition is somewhat relieved by the naïve appeal made by the Senator from Alabama [Mr. UNDERWOOD]. The proposal that the Senate having repeatedly voted that it was the sense of the Senate that those 14 reservations were the irreducible minimum which, in the opinion of the Senate, would make it safe for the United States to enter the league, should enter upon the somewhat humiliating task of beseeching somebody to appoint a committee of humiliation or conciliation to compromise what they said was the irreducible minimum, so that the infanticides might in some way escape from the predicament in which they find themselves involved by having obeyed the orders of their leader, is truly touching.

I hate to be drawn into this intricate controversy, and I fear that I can not administer any balm to the lacerated feelings of the gentlemen attending the wake, especially if it is to be held every afternoon while the railroads are side-tracked and the Senator from Iowa [Mr. CUMMINS] frets himself away in the delusion that he is going to pass the bill that particular afternoon.

I know it is the end of the week, and we had all hoped to be out of this, but we ought to console ourselves over the delay of the railroad bill by the thought that compared with the sufferings we endured while we were breaking the heart of the world it is a mere bagatelle. It is a great relief to me to breathe the clear atmosphere of the soft-coal smoke of the railroads, even if the strike is on, for a brief period in the interim of treaty talk.

In passing, I want to express my sorrow that the Senator from Arkansas [Mr. KIRBY] should have seen fit to rise a few minutes ago and state that the leader of the Democratic Party, the Senator from Nebraska [Mr. HITCHCOCK], had berated the Republican Party about their delay in bringing forth this relief, and that the Senator from Alabama [Mr. UNDERWOOD], whom the herald angels were singing was to be the leader, had talked conciliation, and no motion or life had been visible out of all these valuable suggestions that had been heard. I hope the Senator from Arkansas was accurately posted as to who was the head, and that the herald angels had accurately diagnosed the situation which lies as yet in the womb of the future.

But there will be no committee of conciliation on the remains which were interred here before we took the recess. As the Senator from Alabama has wisely and truthfully remarked, there are two parties to the making of a treaty in this country, at least. One is the Senate and the other is the President, and, as the Senator says, each have one vote. The Senate has voted, and the treaty, so far as the position of it here in the Senate is concerned, is dead, subject to withdrawal of the remains by the President. If he wants back at the White House this defunct piece of paper with some printing on it, all he has to do is to send over here for it. We will give it to him with great pleasure. Then, if he is firmly set that the country is so overwhelmingly for it as that it will pass if he sends it back, he can retransmit it here.

But it is said by some of the Senators across the aisle that there is no use trying to do anything about the matter until we know whether the President will accept what we do, and I think very likely that is true.

But the Senator from Alabama, with all his appreciation of delicate humor, will not charge us with the duty of ascertaining what the President will do or what he will think about any proposition connected with the treaty.

Mr. UNDERWOOD. If the Senator will allow me——

Mr. BRANDEGEE. Certainly.

Mr. UNDERWOOD. Of course, there may be a new parliamentary procedure, and there may be new parliamentary tactics, but when once I occupied the position that the Senator from Massachusetts now occupies or a relative position, and it was necessary for me to ascertain what should be done in the public interest, I called at the White House and reached several conclusions, sometimes conclusions that my distinguished friend from Connecticut could not agree to when the Republican President and the Democratic leader had reached their conclusions. Nevertheless the conclusions were finally written into law in the interests of the country.

Of course, we do not control the majority of this body. The treaty on the table is dead as long as your majority says it is dead, and only that long. It will be alive when your majority says it is alive. The Senator from Pennsylvania [Mr. KNOX] has made a suggestion so far as getting peace is concerned that he will go that far. I would like to ask the Senator from Connecticut if he would go that far?

Mr. BRANDEGEE. I was coming to that, but in order to relieve the apprehensions of the Senator from Alabama I will say yes; I would.

Mr. UNDERWOOD. That is all right. Then there is the opportunity. Why should you close the door? Why should you have closed the door?

Mr. BRANDEGEE. I have not closed any door.

Mr. UNDERWOOD. You say the treaty is dead.

Mr. BRANDEGEE. No; I say that the remains that you slaughtered still lie here.

Mr. UNDERWOOD. I am not surprised at all that the Senator is trying to pass his corpse to us. He can revive his corpse, however.

Mr. BRANDEGEE. "Shake not thy gory locks at me." I am not the father of the bastard. The Senator has made me anticipate myself in what I was about to say. I differ with him in his diagnosis of the parliamentary situation about the treaty. It is a curious fiction or theory or fantasm of the imagination which has been let loose upon us in relation to this particular treaty, that no matter how many times you kill it, it is livelier after its last death than it was before it was killed.

I know of no proceeding requiring a two-thirds vote of the Senate which, when it fails to get the two-thirds vote, is not terminated. The rule requires that if you want to suspend a rule you have to get a two-thirds vote. I in my innocence have always hitherto supposed that when I moved to suspend the rules and they called the roll, and I did not get my two-thirds vote, that I did not get the rule suspended. Not at all! The Senator from Alabama would say that is only one try. You can make it as many times as you have the mind to until you quit. You are not beaten when you are defeated. It is only "Heads I win, tails you lose." A treaty can not be defeated. Whenever you defeat it you simply open the door for another vote on it, and whenever we get a two-thirds vote the treaty is ratified, but when we do not get the two-thirds, far be it from us to admit it is dead. It is only a wicked partisan spite in some way that will claim, if you do not get your two-thirds under the Constitution, that you do not ratify your treaty.

The Constitution provides that if the President returns a bill to Congress without his approval and states his objections, which process is called a veto, that it may be passed over his veto if each House shall so declare by a two-thirds vote, but

if you do not get your two-thirds vote you do not pass it over his veto, and that is settled. But when the Constitution says you have to get the votes of two-thirds of all the Senators present in order to ratify a treaty and you do not get that, it does not mean you have not ratified the treaty. The treaty is right there somewhere on the President's desk, and can be called up at any time. I should like to know how it can be called up at any time by either a majority vote or a two-thirds vote, as the Senator from Florida has ingeniously suggested. The treaty is dead, just like a bill on the calendar that has been voted on and voted down. It is not necessary to take the piece of paper upon which the defeated bill is written and order the Sergeant at Arms to put it in the furnace of the Capitol and burn it up in order to kill the bill.

The thing is dead so far as the Senate is concerned. It is immaterial how many informal outside nonpartisan committees of conciliation travel back and forth among the cloakrooms here. Anybody can make the point of order that the treaty has been voted on and lacked a two-thirds vote, and therefore it is dead.

Coming now to the question of the Senator from Alabama as to the proposal of the Senator from Pennsylvania, I have said from the beginning that with the whole country crying for peace when the country was divided and split into hostile camps almost, and conscientiously so, upon the question of the wisdom of projecting this great country, removed 3,000 miles by an ocean from the other members of the league, it was the essence of cruelty and the height of folly to put this country into that league. When that question was presented the country split on it, and it is folly to defer peace and say that the world can not have peace until we agree upon a split question.

Why, Mr. President, I am convinced that Congress has no authority to ratify such a treaty as this; that the Constitution gives us no power to make any contract like this, designed not to make war under a constitutional provision, but to eternally preserve the peace and take all measures that some council sitting abroad shall say are necessary to preserve peace all over the world. I do not think we have that constitutional authority. We know that families are rent, churches and societies and political parties are split all through the country over the advisability of plunging this country into the league. I will not use the term which the Senator from Nebraska used concerning the Senator from Massachusetts that the President's "imperial will" determines that he will not have any peace unless he can have his covenant also. Whether his will is imperial or not is immaterial to me, but I say that for him to take that position with the world calling for peace is not the position of a reasonable man, in my opinion. I do not believe either France or Great Britain care a fig about this thing; I think they are as badly split up over the question of the efficacy and the policy of the league of nations as we are; I think they were overpersuaded into it by the President—I say that to hold up the whole world's peace by insisting upon that without submitting the question to the country is utterly inexcusable.

Whatever the President may have thought when he negotiated the treaty, whatever he may have thought even after the warning given him in writing by more than one-third of the Senate, whatever representations he may have made to those with whom he was negotiating abroad, and however sincerely he may have been convinced that his representations were correct, he must now know—if he does not he is the only man in America who is ignorant of the fact—that he did not represent the views of America when he said he represented the overwhelming wishes of America.

I am no hand to prophesy majorities; it may be that he represented a majority, but I do not believe he did. I believe that this matter should go to the polls on the naked question of whether we should enter the league of nations or not after peace has been decided. I do not believe a single State in this Union would authorize the execution of any such document as this. I do not believe there would be a corporal's guard of voters, when you got through with the debate on the stump, in favor of it in a single State. However that may be, that is a question of opinion also.

I am perfectly aware that it is very easy for each of us to say that whatever he thinks is the overwhelming sentiment of the American people. Both political parties think that every time they enter a campaign but one of them is always wiser when it comes out. So I am not very much intimidated when Senators stand up here and shake their fists at me and tell me I am thwarting the overwhelming sentiment of the American people. That is mere assertion and, I think, false. At any rate, the American people have not had a chance to express their opinion on this matter.

But I would say, as I have said from the beginning, let us have peace in whatever constitutional way it may be had. Leave the nations of Europe their league of nations; they have organized it. Let them ratify their German treaty over there; let them set up their league. Then, as the Senator from Alabama [Mr. UNDERWOOD] has said, get the peace treaty ratified or establish peace by joint resolution, unless the President should veto it—and I do not know as to that—and then submit to the people the question whether or not they want to join the league. I should think that was a very common-sense thing to do.

From the beginning, ever since the President submitted the treaty to us, I have said that what is holding up peace is not the Senate but is the President's insistence that we shall not have peace unless we have it with his covenant of the league of nations in it. Under the existing situation, however firmly he may be satisfied in his own opinion—and, after all, he is only one man—however satisfied he may be that we ought to enter the league, I do not think that he ought to take the position that he will deny his own country peace unless they will take something which they do not want.

We do want peace. Let other nations set up their league themselves in Europe, and then let the American people instruct their next Congress, at the same time they elect the next President, whether they would like to have this country enter the league or not. Is not that fair? Could ever a question be conceived of upon which it was more proper to consult the people of this great country than a question of whether or not they shall be forced into a foreign alliance?

Mr. UNDERWOOD. If the Senator will allow me to interrupt him a moment——

Mr. BRANDEGEE. Certainly.

Mr. UNDERWOOD. I understand he says that he is in favor of the proposal which the Senator from Pennsylvania [Mr. KNOX] made and that some other Senators are in favor of it?

Mr. BRANDEGEE. Yes.

Mr. UNDERWOOD. We may differ as to what the final verdict of the American people may be, but I am sure that my friend from Connecticut has courage enough to submit it to the verdict of his people.

Mr. BRANDEGEE. Certainly.

Mr. UNDERWOOD. I would be willing to submit it to mine.

Mr. BRANDEGEE. It would not take any courage at all to do that.

Mr. UNDERWOOD. If that is the case, why should we continue to talk and say the treaty is dead? Why should we not appoint a committee on conciliation, right here in the Senate, and allow the Foreign Relations Committee to take the treaty up and see if we can not bring the treaty before the Senate and get action in the interest of the American people? Why should we continue to throw rocks at each other, when a way is pointed out?

Mr. BRANDEGEE. I would not throw even a clamshell at the Senator from Alabama. [Laughter.] All I can say is that the Senator knows perfectly well that, although sometimes I get pretty cross at the Senator from Massachusetts [Mr. LODGE], I never would want to inflict upon him the penalty of sending him down to the White House to talk about this treaty with the President. [Laughter.]

Mr. UNDERWOOD. Somebody has got to do it.

Mr. BRANDEGEE. I know.

Mr. UNDERWOOD. Let the duty rest on the Senator from Massachusetts.

Mr. BRANDEGEE. I suggest to the Senator from Alabama that he go.

Mr. UNDERWOOD. I should be very glad to do so, if it were my duty to go, but it is not.

Mr. BRANDEGEE. I know the Senator would.

Mr. UNDERWOOD. The responsibility and duty rest on the Senator from Massachusetts. There is no question about that.

Mr. BRANDEGEE. Of course, opinions may differ about that.

Mr. UNDERWOOD. The Senator from Massachusetts is the majority leader in this body and is supposed to represent it.

Mr. BRANDEGEE. If the Senator from Alabama can induce the Senator from Massachusetts to do that, I want to reserve a seat. [Laughter.] But the Senator from Nebraska has been there and knows as much, I presume, as any of his colleagues about the President's view concerning this matter; and if the Senator from Alabama is willing to take the view of the Senator from Nebraska about it I do not believe he would take the view of the Senator from Massachusetts, even if the Senator from Massachusetts should be competent to present his views when he got back here.

But whatever the facts about that matter may be, the Senator from Alabama has touched a fact, in my opinion, when he says that there is no use for his friends on the other side to tell us

what they will agree to unless they know whether or not they can deliver the goods, because if they should appoint members of a committee on conciliation and they should agree to the very plan that the Senator from Pennsylvania and the Senator from Alabama have just been discussing and should take it down to the President and he put his foot on it and said, "Never," I do not believe you would accomplish anything, because when they got back here——

Mr. UNDERWOOD. The Senator and I do not differ on that question. It requires a responsible authority to speak to a responsible authority to reach an agreement in the Senate.

Mr. BRANDEGEE. But the Senator has stated that one responsible authority is in the White House and the other is here.

Mr. UNDERWOOD. The other is here.

Mr. BRANDEGEE. Yes.

Mr. UNDERWOOD. Represented by the control of the Senate, which at this time is on the other side of the Chamber. There are Senators on this side who are willing to cooperate to get peace, but the responsibility for action rests with you, and the country is going to hold you responsible if you do not act. I am willing to yield a great deal to get peace and will go with your side of the Chamber to get it; but you can not avoid your responsibility by trying to put it on the Senator from Nebraska or on the membership of this House to initiate action. The responsibility rests with you.

Mr. BRANDEGEE. Mr. President, the Senator must not put me in the position of trying to avoid any responsibility. He can not put too much of the responsibility for this thing onto me. I would take the whole of it if I could, and be proud to do so, because I would let this thing stay dead just as it is, and I helped you to kill it, too; but what I say is that there is no use to talk about agreeing to such a proposition as the Senator from Pennsylvania has suggested until you know whether the President will agree to it; and certainly I assume you could easily find that out.

Mr. UNDERWOOD. As a practical proposition——

Mr. BRANDEGEE. But if you will make that kind of a proposition to this side of the Chamber, I will tell you in advance I will agree to it.

Mr. UNDERWOOD. The Senator is now side-stepping the question, in my judgment.

Mr. BRANDEGEE. I am not side-stepping it.

Mr. UNDERWOOD. If the Senator were willing either to take a vote in this Chamber or to appoint a committee to ascertain whether there are 64 votes in the Chamber that will sustain the proposition suggested by the Senator from Pennsylvania—and it is ascertainable by a committee—for one he can count me in favor of it. He counts himself another. Now, if it is ascertained that the Senate will furnish 64 votes to ratify the treaty on that basis, the proposal can then be laid before the President; but it would be idle to go to the President and ask him to suggest it until the Senate had indicated that it was willing to accept it.

Mr. BRANDEGEE. Mr. President, I have from time to time been engaged in the business of getting 48, 64, and other numbers of Senators to do various things, and I find it is a somewhat tedious work. It would be idle to go through all that labor until you knew that the proposal had been presented to the President and met his approval.

Mr. UNDERWOOD. I agree with my friend—and we have known each other for a long time——

Mr. BRANDEGEE. There is no use talking to me about a conciliation committee on reservations, because the Senator understands my personal position, which is not that of the Senator from Massachusetts at all. I simply voted for the reservations because if we have got to go into the league I want to go into it with those reservations; but I would not vote to go into it even with those reservations.

Mr. UNDERWOOD. I understand the position of the Senator from Connecticut.

Mr. BRANDEGEE. I do not know what the Senator from Massachusetts may have said in some speech from which the Senator from Montana [Mr. WALSH] quoted, claiming the Senator from Massachusetts was opposed to the ratification of the treaty even with reservations; but that is absurd, because the Senator from Massachusetts stood here openly and offered the resolution to ratify the treaty with the reservations.

All I say is that I have voted for those reservations, which are themselves compromises between the different Senators who voted for them, and I would not abate one jot or tittle from them. I am on record as having voted for every single one of them, and I did so because I thought they were vitally necessary for our protection, and there is no room for compromises with me.

Mr. UNDERWOOD. As I understand the Senator's position and mine, we are at the two extreme poles of this equation. He is not in favor of the league of nations at all, while I favored the ratification of the treaty unconditionally.

Mr. BRANDEGEE. Precisely.

Mr. UNDERWOOD. But he and I are able to agree on a way out.

Mr. BRANDEGEE. Yes.

Mr. UNDERWOOD. The Senate has been engaged in the business of "passing the buck" for practically two months. The people are anxious to secure peace and a ratification of the treaty of peace. Is it not time for the Senate to stop "passing the buck," appoint a committee of some kind to ascertain whether there is a point of view on which the treaty can be ratified, and then notify the President? If the President rejects it, that is the end of it; then that is the President's responsibility; but until we do that it is our responsibility, and we can not escape it.

Mr. BRANDEGEE. Oh, well, I do not consider it so at all, because I think that it is the President's business to resubmit the treaty if he wants further action on it. We have performed our duty and our function with relation to the treaty, in my opinion, and if the President wants to submit it in another form or in the same form or try it again that is his business. So the Senator will see why I differ from him about that.

Mr. BANKHEAD. Mr. President, I have not consumed a moment's time during the discussion of this question in the Senate for two months or more, and I do not intend now to indulge in a discussion of the question, but I think the time has come when I may be pardoned for making merely a suggestion.

I have been in Congress for more than 30 years, in the House and Senate, and during that time I have never known an important bill that affected the whole country to pass and become a law without its going to a conference committee. We have been engaged for quite a while, and perhaps will be engaged for quite a while longer, in the discussion of this railroad bill. Is there a Senator here who expects that that bill shall pass the Senate and become a law without going to a conference committee, a committee composed of Members from both Houses, and the differences being worked out and compromised in that conference?

The suggestion of my colleague that a committee be appointed is nothing more than a suggestion that a conference committee be appointed or agreed to here in the Senate.

Mr. SMOOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Alabama yield to the Senator from Utah?

Mr. BANKHEAD. I do.

Mr. SMOOT. The Senator can not recall any case where a conference committee was ever appointed until after a bill had passed the House and the Senate. This is a measure that has not passed the Senate.

Mr. BANKHEAD. I understand that, Mr. President; and I take no stock whatever in all this objection that the treaty is dead, and therefore can not be considered in any form or manner. What I think the Senate ought to do is this: I think that the responsible leader on the other side, the Senator from Massachusetts [Mr. LODGE], who has charge of this measure, ought to consent informally—it does not require any action of the Senate—to the creation of such a committee as my colleague has suggested. It may be done by agreement. If he will consent to appoint five Senators from the other side, and consent that the Senator from Nebraska [Mr. HITCHCOCK], who represents this side, may appoint five Senators, and let them meet, go into conference, discuss this whole question, and honestly and faithfully try to compromise their differences, I believe such a committee could be appointed.

A committee of that kind is really a conference committee. It takes no formal action of the Senate to appoint such a committee. The Senator from Massachusetts and the Senator from Nebraska by agreement could appoint it, and they doubtless would have the consent of their colleagues. When they have appointed the committee, if they can reach an agreement, then will be the time to go to the other party to this treaty, the President, and say: "Here is what the Senate has agreed to do. Here is what we can pass. We can ratify this treaty if you will agree to the compromise that has been made and agreed upon."

What is the objection to that? Why not do that? I want to say in my place here, and I assume the responsibility for saying it, that the Senator who objects to a course like that is absolutely opposed to the ratification of this treaty on any condition whatever and that he is willing that this condition of war shall continue indefinitely. He is willing to see the

business of the country go absolutely to pieces. He is willing to see the manufacturing industries of this country suspend. He is willing to see the Government of the United States lose all of its foreign markets and have no consumers except those at home. That is his position, and there is no use in his denying it, if he is not willing to agree that this conference committee shall be appointed, five to be selected on that side and five on this side, and let them get together and see if they can not work out an agreement. I believe they can; and when they have done that and have gone to the President and said, "Here is what we have accomplished; here is what we can do; are you willing?" I think he will say, "Yes."

Mr. KNOX. I ask unanimous consent, as in open executive session, for the consideration of the resolution which I send to the desk.

Mr. HITCHCOCK. Let the resolution be read.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent, as in open executive session, for the consideration of a resolution, which will be stated by the Secretary.

The resolution was read, as follows:

Resolved, That the Senate of the United States unreservedly advises and consents to the ratification of the treaty of Versailles in so far only as it provides for the creation of a status of peace between the United States and Germany.

Mr. HITCHCOCK. I object, Mr. President.

The PRESIDING OFFICER. Objection is made.

Mr. KNOX. Mr. President, after first expressing my great surprise and disappointment at the objection, I ask unanimous consent for the present consideration of the joint resolution which I send to the desk.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent for the present consideration of a joint resolution, which will be stated by the Secretary.

The joint resolution (S. J. Res. 136) declaring that a state of peace exists between the United States and Germany was read the first time by its title and the second time at length, as follows:

Resolved, etc., That peace exists between the United States and Germany.

The PRESIDING OFFICER. Is there objection?

Mr. HITCHCOCK. Mr. President, I object.

The PRESIDING OFFICER. Objection is made.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. CUMMINS. I call for the statement of the pending question.

The PRESIDING OFFICER. The Secretary will state the pending amendment.

The SECRETARY. The pending amendment is the amendment in two parts offered by the Senator from Montana [Mr. MYERS].

In the first part, on page 44, line 7, after the word "directors," it is proposed to strike out all down to and including the word "board," on line 18, in the following words:

At least two of whom shall be selected from the classified employees of the corporation from a list of four such classified employees certified as hereinafter provided. The commission shall prescribe the manner in which such employees shall present and certify the names of those persons who may be nominated by the employees to fill said offices. Two of said directors shall be appointed by the board. Upon all committees of the board of directors upon which power to act in any matter relating to the affairs of the corporation is conferred there shall be one director so selected from the classified employees and one director appointed by the board.

In the second part, on the same page, page 44, beginning on line 20, after the word "prescribe," it is proposed to strike out all down to and including the word "corporation," on line 7, page 45, in the following words:

save that the terms of not more than one of the directors chosen from the employees or appointed by the board shall expire at the same time. The compensation of the directors chosen by the stockholders and classified employees shall be fixed in the by-laws, subject to the approval of the board, having due regard to the time which they respectively give to the service of the corporation, and the compensation of the directors appointed by the board shall be fixed by the board; all such compensation and the expenses incident to attendance upon the board of directors or committees to be chargeable to the operating expense of the corporation.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Utah suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Johnson, S. Dak.	Lodge	Sheppard
Bankhead	Jones, N. Mex.	McKellar	Smith, S. C.
Brandegee	Jones, Wash.	McNary	Smoot
Cummins	Kellogg	Moses	Thomas
Dial	Kendrick	Norris	Trammell
Fletcher	Keyes	Overman	Underwood
Gay	King	Page	Walsh, Mass.
Gore	Knox	Phipps	Walsh, Mont.
Harris	La Follette	Pomerene	Warren
Hitchcock	Lenroot	Ransdell	Watson

The PRESIDING OFFICER. The roll call shows 40 Senators present, not a quorum. The Secretary will call the names of absentees.

The Secretary called the names of the absent Senators, and Mr. CAPPER, Mr. DILLINGHAM, Mr. KIRBY, Mr. NEW, Mr. POINDEXTER, and Mr. STERLING answered to their names when called.

Mr. WALSH of Montana. I desire to announce the absence of the Senator from Nevada [Mr. PITTMAN] on account of a death in his family.

The PRESIDING OFFICER. Forty-six Senators have answered to their names. There is not a quorum present. What is the pleasure of the Senate?

Mr. CUMMINS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. SPENCER, Mr. CALDER, Mr. SMITH of Georgia, Mr. SUTHERLAND, and Mr. COLT entered the Chamber and answered to their names.

Mr. SUTHERLAND. I have been requested to announce that the Senator from Kansas [Mr. CURTIS] and the Senator from Idaho [Mr. NUGENT] are detained on committee work.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Montana [Mr. MYERS].

The amendment was rejected.

Mr. POINDEXTER. Mr. President, I offer the following amendment.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. On page 8, after line 9, add the following as a new paragraph:

In the case of any carrier under Federal control under said act approved March 21, 1918, where no agreement has been made by said carrier for compensation, the President shall pay to such carrier the total amount of just compensation or standard return as provided for in the first paragraph of section 1 of said act for the period under which the property of such carrier was under Federal control, in all cases where such amount may be needed to pay the interest upon bonds or other indebtedness of such carrier as the same may become due or where it may be overdue; and such payment by the President of said total amount shall not deprive such carrier of the right to present its claim for additional compensation to be determined as provided in said act.

Mr. CUMMINS. Mr. President, with regard to the amendment just offered by the Senator from Washington, I think the word "needed" in the amendment should be changed to "necessary." I take it there will be no objection to that.

Mr. POINDEXTER. I have no objection to that change.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. CUMMINS. With that change, I can see no objection whatever to the amendment. I had supposed that the bill really provided for that now. It does provide for it so far as the railroads which have entered into contracts are concerned. I have no objection to the amendment.

The amendment was agreed to.

Mr. THOMAS. I offer the following amendment.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. Add as a separate section at the end of the bill the following:

SEC. 50. That if any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid such judgment shall not affect, impair, or invalidate the remainder of the act but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment has been rendered.

Mr. CUMMINS. Mr. President, the amendment offered by the Senator from Colorado is, I think, a very appropriate one. It is quite common in complicated legislation of this character, and I am thoroughly in favor of it, and hope it will be adopted.

The amendment was agreed to.

Mr. SPENCER. I offer the following amendment.

The PRESIDING OFFICER. The Senator from Missouri offers an amendment, which the Secretary will read.

The SECRETARY. On page 60, line 2, insert the following proviso:

Provided, That if there should arise differences between subordinate officials (and by subordinate officials is meant those heretofore classified as such by the United States Railroad Administration and such other classes as may be so designated by the board) and the railroad corporations concerning any complaint, grievances, matters, and disputes, including questions of discipline and controversies arising in ordinary railroad operations where the executive officers of the railroad corporations and the accredited representatives of the subordinate official or group of subordinate officials fail or are unable to reach a satisfactory settlement, the board is hereby authorized and directed to appoint a special board of adjustment composed of eight members, four of whom shall represent subordinate officials and four of whom shall represent railway carriers, and said special board shall have jurisdiction over controversies respecting wages and working conditions of said subordinate officials and shall have due regard for any existing agreement between any carrier and said subordinate officials, and shall certify their decisions to the board, which decisions shall take effect when approved by the board.

Whenever it shall be necessary, under the provisions of this act, to appoint such special board of adjustment, each organization of subordinate officials may nominate candidates for the memberships representing subordinate officials and the board shall appoint four members from among such nominees, and each railway carrier may nominate one candidate for the memberships representing the carriers and the board shall appoint four persons from among such nominees. If no nominations be made in either group, or if less than four nominations in either group be made, the board may, at the expiration of 15 days from said notice, appoint persons to fill the vacancies in the groups for which nominations have not been made: *Provided*, That the candidates to represent the carriers may be presented by the carriers jointly, and the candidates to represent the subordinate officials may be presented by the organizations of subordinate officials jointly.

If the special board of adjustment is evenly divided upon any question, the matter in dispute, together with all records of proceedings pertaining thereto, shall be referred to the board, whose decisions shall be final. The board shall certify to the commission all decisions of the special board of adjustment when approved by said board and all decisions by said board in cases referred to it promptly upon deciding the same, and said certificate shall be conclusive evidence before the commission of the matters so determined and certified.

The special board of adjustment herein provided for shall be appointed from time to time as herein provided, as occasion may require, and shall cease to exist when its action in connection with the matters for which it was created has been completed.

Mr. CUMMINS. Mr. President, when the bill was prepared in the committee the word "employee" or "employees" was used. It was supposed, I think, by every member of the committee that it would include all the employees of the corporation. It is now said, and with reason, that according to the terminology of the Interstate Commerce Commission and of the Railroad Administration the word "employee" will not be construed to mean what are construed as subordinate officials; that is, men who have some supervisory power, although quite a long way down the line, such as yard foremen, track masters, train dispatchers, and the like.

The Senator from Missouri has discussed the matter with me, and I assume the amendment is offered so that all the employees of the railroad corporation will have an opportunity to fight out their disputes with the corporation. I can see, and I think anyone can, that it would not be fair, probably, to what are known as the classified employees, that is, the regular railway unions, to have members of these other unions, who are called subordinate officials, upon the boards which are to pass upon the rights, privileges, wages, and working conditions of the classified employees.

I do not speak for any member of the committee, but for this reason I have become convinced that the amendment offered by the Senator from Missouri is a proper one and ought to be adopted, at least for the purpose of putting in conference any controversy of that kind. Therefore I shall make no objection to the amendment.

Mr. POMERENE. Mr. President, I hope the matter may go over until Monday for further consideration. The Senator from Iowa has correctly stated the view of the committee as I understood it. I am sure I thought and I think every member of the committee thought that we were providing a plan for the settlement of all disputes between the company and any of its employees, and I believe that the word "employees" is comprehensive enough to include the subordinate officials.

Whether I am correct in that or not, this difficulty suggests itself to my mind: Are we entirely clear as to line of cleavage between what may be called a subordinate official and the employer? I should like to consider that a little further.

Mr. SPENCER. Mr. President——

Mr. POMERENE. I yield to the Senator from Missouri.

Mr. SPENCER. The Railroad Administration as now constituted has definitely and specifically classified those who in this amendment are called subordinate officials. They consist of train dispatchers, traveling auditors, yardmasters, claim adjusters and investigators, roadmasters, storekeepers, and others of that class. Therefore the amendment provides that it shall apply only to those who have been classified by the Railroad Administration as subordinate officials and to such others as the board of transportation hereafter may put into that class.

So there can be, if I answer the Senator's question, no possible misunderstanding or uncertainty where the line of cleavage, as the Senator so well expresses it, exists. It is a definite class of men, in number somewhere between 85,000 and 110,000, who do not belong to the American Federation of Labor, who have no representation there, who are expressly denied by the Railroad Administration representation as employees, and who therefore constitute a class entirely by themselves and for whom, if no provision is made, there will be no process of adjustment of their grievances and difficulties.

Mr. POMERENE. The Senator from Missouri has very satisfactorily answered the difficulty that I had in mind, and I therefore withdraw the objection which I was going to interpose to its present consideration.

Mr. WATSON. I understand there are some 425,000 employees of railroads who are not in any labor union?

Mr. SPENCER. That may be.

Mr. WATSON. They are unorganized?

Mr. SPENCER. That may be.

Mr. WATSON. Does this amendment have reference to them?

Mr. SPENCER. I think not.

Mr. WATSON. What about station agents?

Mr. CUMMINS. May I inquire what was the observation of the Senator from Indiana?

Mr. WATSON. I am trying to get at the meat of the amendment of the Senator from Missouri.

Mr. SPENCER. So far as the amendment goes, it applies to a distinct recognized class of subordinate officials who are denied representation either in the American Federation of Labor or among the employees, but who are definitely described and about whose classification there is no question, but it does not make any provision for the number of employees, which the Senator characterized as 425,000, who do not belong to labor unions. Those are included in the term "employees" and are provided for by the provisions of the bill.

Mr. WATSON. Take station agents, for instance. As I understand the situation, there are 65,000 of them. Are they included in the terminology of the bill itself or within the provisions of the amendment?

Mr. SPENCER. I do not have the information as to whether a station agent is included in the classified list of subordinate officials.

Mr. WATSON. Neither have I. That is the reason why I ask the question.

Mr. SPENCER. The list of them is complete. If they do come within the list prepared by the Railroad Administration headed "Subordinate officials," they are so classified.

Mr. SMITH of South Carolina. I should like to ask the Senator from Missouri a question.

Mr. SPENCER. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. The purpose of the Senator's amendment, I understand, is to provide some machinery by which employees, who are not technically known as employees but subordinate officials, may adjust whatever differences may arise between them and the company.

Mr. SPENCER. Exactly.

Mr. SMITH of South Carolina. That is the point the Senator meets?

Mr. SPENCER. That is correct.

Mr. SMITH of South Carolina. I wish to ask the Senator if he knows of any instance in the history of railroading where the so-called subordinate officials have ever had a sufficiently grave situation to cause them to act as a body or to require bodily treatment as to wages?

Mr. SPENCER. My information is that the occasion has arisen not infrequently. If the Senator will allow me, they are in this incongruous position. Under the bill boards of settlement are composed, upon the one hand, of representatives of the railroads and, upon the other hand, of representatives of the employees. The subordinate officials are not designated as employees and have no representation in the deciding board.

If the amendment were not made, when the differences of these eighty-five thousand-odd men come up they are met by a board composed, on the one hand, of representatives of the railroads who are antagonistic to them and, on the other hand, of representatives of employees who are under them and who are antagonistic to them, and they are thus compelled to submit their differences to a board upon which they have no representation whatever.

Mr. SMITH of South Carolina. This is the point I desire to call to the attention of the Senate: I do not know any body of men whose duties lead them more directly in touch with the

company that is operating the road than the so-called subordinate officials. Day by day, almost hour by hour, they come in personal contact with the company and with the representatives of the company. You have your yardmaster, you have your trainmaster, you have your train dispatcher, who are really the officials of the transportation system. If there is a set of employees in the country whose individual work and whose relation to the company is known and recognized by the company, it is this very body of men.

I doubt very much if there is really in the history of railroading in the country a case where a serious difficulty has arisen between the company and its subordinate officials. My experience has been that they are more zealous and perhaps in a way more jealous of the prerogatives which they enjoy under the company than are some of the larger men of the company.

I know that we had a railroad strike down in my part of the country and the so-called subordinate officials seemed to pride themselves on the fact that they took off their coats and became really laborers. They went out and transferred freight, for it was at a great transfer station. They worked morning, noon, and night, and had no regard whatever for hours. Ordinarily they would perhaps have been denominated "scabs."

I doubt very much the wisdom of attempting now to put them in the category of employees and framing machinery here for attempting to adjudicate any difference that might arise between them and their company, unless there is some evidence that they are not a part and parcel of the working company itself. I do not think that we ought gratuitously to go out and attempt to frame legislation to cure a condition that at least is very remote, if, indeed, it will arise at all.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Missouri a question in reference to the amendment. It seems to me such an amendment is a very proper one, but I am wondering if it includes all the employees who are not included under the provisions of the original bill. Can the Senator say definitely whether it includes the other employees?

In other words, I think if we are going to legislate for a portion of the employees, we should see that the terms of the bill provide a proper tribunal where all the employees may go in the event of differences with their employers.

Mr. SPENCER. I am sure the Senator from Tennessee will recognize the difference between the class which is designated as "subordinate officials" and the class which is designated as "employees."

Mr. McKELLAR. Of course.

Mr. SPENCER. The amendment has nothing to do with the latter, but applies entirely to the former. It is intended to provide for the classes of railroad operatives who can fairly be designated as subordinate officials, and in order to make it doubly sure it is provided that it shall apply to those who have been so designated as subordinate officials by the Railroad Administration. Then, if by chance there might be any single class that has been omitted, the amendment provides, in order to make it perfectly comprehensive, that it shall also apply to such others of that designation as may be hereafter specified by the board of transportation.

Mr. McKELLAR. In other words, as the Senator understands the amendment, it provides that the interests of all subordinate officials and all employees shall be under the transportation board?

Mr. SPENCER. So far as the subordinate officials are concerned, the Senator is quite right. It is intended to deal only with that class of subordinate officials.

Mr. KING. Will the Senator permit an inquiry?

Mr. SPENCER. Certainly.

Mr. KING. The pending measure provides instrumentalities—boards, agencies, appellate tribunals—for the purpose of determining disputes with reference to wages, hours of labor, working conditions, and so forth. Why may not those boards as constituted in the bill meet the conditions to which the Senator refers, or if they are not comprehensive enough why may they not be expanded in some way, their powers increased or the personnel changed in some particulars, in order to meet the exigencies which the Senator has in mind?

Mr. SPENCER. That is the very purpose of the amendment.

Mr. KING. It seems to me the Senator is seeking to create another board or additional machinery, notwithstanding the very elaborate provisions which are found in the bill, to settle labor disputes and controversies between employees and those who are denominated officials working for the Government.

Mr. SPENCER. It was to obviate the very wise suggestion of the Senator from Utah that the amendment was so drawn that there should be no special additional board created.

The board provided for in the amendment is not a permanent board with permanent salaries, so that there is no additional machinery added. It is a temporary board of adjustment that is provided to meet situations as they may arise, and when the occasion for which they have been appointed has ended, the board itself drops out of sight.

Mr. KING. Let me ask the Senator another question, if I may. Will this amendment, if it should be adopted, compel the persons whom he has in mind to join a union or to create an organization of their own, either affiliated with the American Federation of Labor or with some other organization?

Mr. SPENCER. I think most of them are already organized into unions of their own, but not in affiliation with the American Federation of Labor, for when they formed their organizations, having in mind their general welfare and the betterment of their wages and working conditions, the American Federation of Labor said, "You can not come in with us, for you are not employees, and we will not have any organization with us that represents even subordinate officials. We deal with employees only and we want no unions of officials or of subordinate officials." Therefore this class is not in affiliation with the American Federation of Labor, and there is no provision for a strike under their form of organization. I repeat that the most of them, if not all of them, do have organizations of their own to promote their welfare and their general working conditions.

Mr. KING. I desire to ask one other question, with the permission of the Senator. Are not their relations such with reference to their employers that they are brought in contact with them, so that the principle of collective bargaining is not involved and the reasons which justify and, according to some, demand the organization of labor do not exist in this instance?

Mr. SPENCER. I should say emphatically not. I think the Senator will realize, if he will recollect the history of the past with regard, for example, to yardmasters or to yard foremen or to train dispatchers, who constitute a class by themselves and are subordinate officials, that there have been many occasions, as I attempted to say when the Senator from South Carolina [Mr. SMITH] interrupted me, when they had real grievances that ought to have been considered and passed upon by some fair tribunal that could arbitrate the matter. It is such a tribunal that this amendment seeks to provide.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Missouri [Mr. SPENCER].

The amendment was agreed to.

Mr. SPENCER. Mr. President, my attention has been called, in connection with the amendment just agreed to, to the fact that no provision has been made for a temporary clerical force or for compensation for the board during the time of their operation; and, after consultation with the chairman of the committee, if there be no objection I present an additional clause to be added to the amendment.

The PRESIDING OFFICER. Without objection, the vote whereby the amendment just adopted was agreed to will be reconsidered. The Chair hears none. Now, the Senator from Missouri offers an amendment to the amendment which he has heretofore proposed.

Mr. SPENCER. Mr. President, I propose to add to the amendment the following clause:

The compensation of such special board of adjustment, together with such clerical, stenographic, or other assistance as may be necessary, shall be provided by the board in such amount and under such regulations as to the board may seem wise.

Mr. THOMAS. Mr. President, I understood the Senator to say that it was not intended by his amendment to provide compensation for the board which the amendment created.

Mr. SPENCER. That was, doubtless, because of my inability to make myself clear.

Mr. THOMAS. No.

Mr. SPENCER. What I intended to say, and what I thought I had said, was that there was no permanent board or permanent compensation provided for. Of course, the Senator from Colorado will recognize—no one better than he—that if this board is called into existence there would undoubtedly have to be stenographic, clerical, or other assistance.

Mr. THOMAS. I was struck with my understanding of the Senator's statement, because of its uniqueness. I do not know of any board appointed by the provisions of any Federal law that sooner or later does not receive compensation.

Mr. SPENCER. I fear it would be so unique as to be almost unthinkable.

The PRESIDING OFFICER. The Senator from Missouri offers an amendment to his amendment, which the Secretary will state.

The SECRETARY. It is proposed to add as a separate paragraph at the end of the amendment:

The compensation of such special board of adjustment, together with such clerical, stenographic, or other assistance as may be necessary, shall be provided by the board in such amount and under such regulations as to the board may seem wise.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. KING. I offer two amendments to the pending bill and ask that they be printed and lie on the table.

The PRESIDING OFFICER. It will be so ordered.

Mr. CALDER. I offer an amendment to the bill which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The SECRETARY. On page 76, after line 4, it is proposed to insert a new section, to be temporarily numbered section 34½, to read as follows:

SEC. 34½. That the first paragraph of section 1 of the act to regulate commerce, as amended, be further amended by striking out the words "natural or" after the second occurrence of the word "except" in such paragraph.

Mr. CALDER. Mr. President, the amendment is to section 1 of the commerce act, which provides, among other things, that there shall be included within the purview of the act transportation of oil or other commodities except water and except natural or artificial gas. I propose to strike out the words "natural or" which, if the amendment is agreed to, will permit the Interstate Commerce Commission to have control, to the limited extent given in the section referred to, of artificial gas.

The reason for this amendment is that there are a number of States in the Union where artificial gas is produced and transported into other States where local public service commissions have no control over it. This proposed legislation has been urged by many interests throughout the country, and I hope the amendment will be agreed to.

Mr. POMERENE. Why does the Senator include artificial gas within the provisions of the commerce act and not include natural gas?

Mr. CALDER. I am perfectly willing, if the Senator desires, to amend my amendment, also to strike out the words "artificial gas."

Mr. CUMMINS. I do not understand that the amendment of the Senator from New York does include artificial gas.

Mr. CALDER. It does not.

Mr. CUMMINS. The commerce act as it is now excludes both natural and artificial gas from its operation. The amendment offered by the Senator from New York is to strike out the words "natural or" in the exception, which would leave companies for the distribution of natural gas within the operation of the interstate-commerce act and subject to the jurisdiction of the Interstate Commerce Commission. That is the effect of the amendment offered by the Senator from New York.

Mr. CALDER. That is correct.

Mr. KELLOGG. May I ask the chairman of the committee a question?

Mr. CUMMINS. Certainly.

Mr. KELLOGG. This subject was considered by the committee, and it was not thought wise for the committee to include in the bill provisions for the control of the gas companies of the country, including natural-gas lines and artificial-gas lines. Is the chairman prepared now to say that the gas companies that are under control of local or State authority, and usually of city authority, shall be turned over to the Interstate Commerce Commission?

Mr. CUMMINS. I am not. I told the Senator from New York that the question had been before the committee. The Senator from Minnesota will remember that one of the reasons given for the inclusion of natural gas within the jurisdiction of the commission was that, we will say, from Ohio—I am not sure whether it is Ohio or Pennsylvania—wherever, anyhow, natural gas is produced, it had been piped across the river into the State of New York and was being used in Jamestown, N. Y., for instance, and that the people of the State in which the gas was produced felt that, in view of the rapidly diminishing supply of natural gas, it ought to be kept within the States in which it was produced, and, therefore, are prepared to stop the distribution of the gas into the State of New York from either Ohio or Pennsylvania; I do not remember which State.

Mr. CALDER. Pennsylvania.

Mr. CUMMINS. The committee considered that, and it came to the conclusion not to change the law in that respect; but, of course, the Senator from New York has a perfect right to appeal to the Senate to modify the law in that behalf if he so desires.

Mr. CALDER. Mr. President, in further support of my amendment I will say that natural gas is produced in large quantities in Pennsylvania. A number of the cities and villages in New York along the Pennsylvania border use that natural gas. The public-service commissions of New York have no control over fixing the price or examining into the quantity or quality of the gas produced and the circumstances concerning its production or its sale. The control of the public-service commission of Pennsylvania ends at the State line, and it seems to me that, at least in the case of natural gas, the Interstate Commerce Commission might be given this limited control over the product.

Mr. KING. Mr. President, will the Senator yield?

Mr. CALDER. Yes.

Mr. KING. If gas is produced in Pennsylvania and transmitted by pipe lines to New York for use there, obviously the municipalities or the corporations buying it would have a right to fix any terms that they pleased with the vendors.

Mr. CALDER. With the vendors, undoubtedly.

Mr. KING. They could fix the price at 80 cents a thousand feet or 50 cents a thousand feet, whatever the competitive price might be. It seems to me that they could determine the price, the same as when cattle or any other commodities are taken from one State to another. Those who seek to purchase can fix such terms as the competitive market permits them to fix.

Mr. CALDER. Yes; but, if the Senator will permit me, gas is different from cattle or lumber or any other commodity used in everyday life. It is a commodity that everyone must use; we have no way of providing natural gas in the State of New York; and this seemed to me and to the people of the portion of the State of New York using natural gas the best way to handle the situation.

Mr. KELLOGG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Minnesota?

Mr. CALDER. I do.

Mr. KELLOGG. Perhaps I do not understand the Senator's amendment. Does the Senator's amendment leave both natural and artificial gas carriers under the Interstate Commerce Commission?

Mr. CALDER. No; it leaves only natural-gas carriers under their control. That is all; it does not touch artificial gas.

Mr. CUMMINS. It is hardly accurate to say it leaves natural-gas carriers under the control of the Interstate Commerce Commission——

Mr. KELLOGG. It places natural-gas carriers under their control.

Mr. CALDER. It places them under the control of the commission.

Mr. CUMMINS. Because neither artificial-gas lines nor natural-gas lines are now within the jurisdiction of the commission.

Mr. KELLOGG. I should have said it places them under the jurisdiction of the commission.

Mr. CALDER. Yes; my amendment places natural-gas carriers under the Interstate Commerce Commission.

Mr. KELLOGG. As I understand, all the natural gas that is piped to New York is sold through the local gas companies.

Mr. CALDER. It is sold by the Pennsylvania gas companies to municipalities and citizens in New York.

Mr. KELLOGG. Yes; but through the gas companies in New York.

Mr. CALDER. Oh, no; through the gas companies in Pennsylvania?

Mr. KELLOGG. What company distributes it in the city of New York?

Mr. CALDER. It is not distributed in the city of New York, but in the cities along the Pennsylvania border, such as Jamestown, Dunkirk, and other cities. It is sold by the Pennsylvania natural-gas companies, where the gas is produced, to citizens and municipalities in New York.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Colorado?

Mr. CALDER. I do.

Mr. THOMAS. I thought the Senator had yielded the floor.

Mr. CALDER. I yield the floor.

Mr. THOMAS. Mr. President, the Interstate Commerce Commission is the most overworked body in the country. Its duties are far beyond the powers of the number of men composing it if they should work night and day. One of the purposes of this bill—and I think one of its commendable purposes—is to relieve that commission of a very considerable part of its duties. I do not believe that it is wise or proper to place upon the shoulders of this commission the duty of taking jurisdiction over and providing for the control and distribution of gas. It is naturally a matter of local concern, because the supplies are distributed to different communities, and is not a matter of national concern, as is the transportation system of the country. It is true that gas produced in one State and

piped into another furnishes a subject for interstate control, but if the needs of the communities dependent upon such a supply of gas for illumination and heat require interstate regulation it will be far better to put it somewhere else.

I am not as familiar with the powers and jurisdiction of the Interstate Commerce Commission as is the Senator having charge of the bill or the senior Senator from Wisconsin [Mr. LA FOLLETTE]; but I know enough about them to know that the tasks already imposed upon them are superhuman, and I certainly hope the Senate will not put this added burden upon an already overworked commission.

RECESS.

Mr. CUMMINS. Mr. President, I want to say to the Senators who are present, and I hope they will communicate the statement to the Senators who are not present, that on Monday I intend to ask the Senate to hold a night session for the further consideration of this bill. I think it has become necessary in order to dispose of the bill within the time in which it is absolutely imperative that it shall be disposed of one way or the other.

Having made that statement, I move that the Senate take a recess until 11 o'clock Monday morning.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until Monday, December 15, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

SATURDAY, *December 13, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D,. offered the following prayer:

Our Father in heaven, our hearts go out to Thee in praise and gratitude that the dark cloud which has been hovering over us as a people is clearing away, that despondency is giving way to hope in the economical, social and business conditions.

The strike fever is abating. The unrest is waning. People are beginning to see that what hurts one hurts all and what helps one helps all, that secrecy in Governmental affairs is giving way to publicity, and truth is dawning upon our people and life is taking a larger hold upon all.

Goodness, truth, justice, equal rights are in the ascendency to the glory and honor of Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

CORRECTION.

Mr. BLANTON. Mr. Speaker, I desire to correct the RECORD. Yesterday on the convening of the House the gentleman from Massachusetts [Mr. TREADWAY] had read from the Clerk's desk a telegram in the nature of a memorial to Congress from the Legislature of the Commonwealth of Massachusetts. Upon the reading of that telegram the gentleman from Ohio [Mr. GARD] made this inquiry:

Do I understand that the telegram as read is an instruction from the Massachusetts Legislature?

Then later facetiously I made this statement:

I call the attention of the gentleman from Massachusetts [Mr. TREADWAY], who had this telegram read, that the language of the telegram does say as follows:

"Therefore be it

"*Resolved,* That the Congress of the United States be and is hereby instructed respectfully"—

And so forth.

I notice that, since the telegram was printed in the RECORD, the word "instructed" was left out. As a matter of fact, the telegram did contain that word "instructed," though I am inclined to believe it was merely an error of the transcriber; but as a matter of fact it did contain the word "instructed." I have no objection to its going out; but in going out under the circumstances, without explanation, it apparently leaves the question raised by the gentleman from Ohio and myself without any foundation. I just merely call attention to the fact that the word "instructed" did appear at the time it was read, but was omitted when printed in the RECORD.

Mr. GARD. Supplementing the statement of the gentleman from Texas, I desire to state that after the gentleman from Massachusetts [Mr. TREADWAY] showed me the telegram, which he obtained the right to have read and which was read, it seemed to me that the word "instructed," which was in this telegram, was inadvertently used, and very probably not in the original transcript of the message from the Massachusetts Legislature, but put in probably by the telegrapher or some one not in authority. The word "instructed" in the particular place it was in that telegram did not make good sense and did not follow connectedly the preceding and subsequent phraseology. It was a most immaterial word, and I think if it was taken out the gentleman from Massachusetts did exactly what was right, and if there be any necessity of moving any correction to make the telegram conform to the unquestioned facts I will be glad to make such motion.

Mr. BLANTON. I am raising no objection to its going out.

Mr. TREADWAY. Mr. Speaker, I think in fairness I may offer one word of explanation. The statement of the gentleman from Ohio [Mr. GARD] and the statement of the gentleman from Texas [Mr. BLANTON] are both entirely in accord with my understanding of the matter. I will say, however, that I asked the telegraph office to check up the telegram and verify the phraseology, and it was returned to me later in the day with the word to which both gentlemen refer, "instructed," stricken out, showing it was not in the original message or in the resolution as adopted by the Legislature of Massachusetts. And I would further say that the word was not stricken out in the CONGRESSIONAL RECORD at my request. It was turned in by me exactly as read, and I did not ask to have it eliminated. But, naturally, as the gentleman from Ohio so well explained, it had no purpose and no connection with the message as sent by the legislature.

AMENDMENT TO THE ARMY APPROPRIATION BILL.

The SPEAKER. The previous question has been ordered on the bill H. R. 8819, and the gentleman from Michigan had demanded the reading of the engrossed bill.

Mr. CRAMTON. Mr. Speaker, I wish to withdraw that demand.

The SPEAKER. The gentleman withdraws his request for the reading of the engrossed bill. The third reading of the bill has been ordered.

The bill was read the third time.

Mr. GARD. Mr. Speaker——

Mr. MANN of Illinois. Mr. Speaker, I desire to make a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MANN of Illinois. I am.

The SPEAKER. Does any member of the committee opposed to the bill desire to make a motion to recommit?

Mr. FIELDS. I desire to make a motion to recommit, but I am not opposed to the bill.

The SPEAKER. The gentleman does not qualify. Does any member of the minority desire to make a motion to recommit——

Mr. GARD. I am of the minority and opposed to the bill, and I offer a motion to recommit.

The SPEAKER. The Chair recognizes the gentleman from Ohio.

Mr. MANN of Illinois. Does the gentleman from Ohio say that he is opposed to the bill?

Mr. GARD. Yes.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GARD moves to recommit the bill H. R. 8819 to the Committee on Military Affairs, with instructions to report the same back instanter with the following amendment:

"For purchase of Dayton-Wright plant and real estate at Dayton, Ohio, and for construction necessary to make it suitable for the Air Service engineering experimental station, $2,740,228."

Mr. BLANTON. Mr. Speaker, I make the point of order against the proposed amendment that it is not germane to the bill which was submitted to the House under the resolution brought in from the Rules Committee; that that bill does not provide for any Air Service school at Dayton, Ohio, or any such project, and that the project proposed is not germane to the purposes and scope of the bill under the rule.

Mr. CRISP. Mr. Speaker, if the Chair has any doubt, I would like to be heard on the point of order.

The SPEAKER. The Chair will be glad to hear the gentleman.

Mr. CRISP. Mr. Speaker, it seems to me the point of order is absolutely without merit. Here is a bill from the Committee on Military Affairs, which is a legislative committee, which provides for the purchase of certain land, Army cantonments, industrial plants, and so forth, for the military service of the country. The amendment proposes to reinsert in the bill an item that was reported out by the Committee on Military Affairs and that was stricken from the bill in the Committee of the Whole.

Mr. BLANTON. Will the gentleman yield there?

Mr. CRISP. I will.

Mr. BLANTON. I am sure the gentleman from Georgia is mistaken, because instead of its being in the bill it was proposed on the floor of the House in the way of an amendment.

Mr. CRISP. The gentleman is just as far wrong in that as in his point of order. If he will look at the bill, he will see that it was reported out from the Committee on Military Affairs. The gentleman will find on page 10, in line 10, the following words:

For purchase of Dayton-Wright plant and real estate at Dayton, Ohio, $2,740,228.

I do not feel like consuming the time of the Speaker further, for I am sure the Speaker will overrule the point of order.

The SPEAKER. The Chair finds the bill makes a number of appropriations for different fields, and the Chair thinks a provision for the addition of any field is not subject to a point of order, and therefore overrules the point of order.

Mr. GARD. On that I move the previous question.

The SPEAKER. The gentleman moves the previous question on the motion to recommit.

Mr. MADDEN. Mr. Speaker, I demand the yeas and nays on the vote.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Ohio [Mr. GARD] to recommit the bill with instructions.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. MANN of Illinois. Mr. Speaker, I demand a division.

The House divided; and there were—ayes 52, noes 61.

Mr. GARD. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. MANN of Illinois. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Ohio [Mr. GARD] makes the point of order there is no quorum present. The Chair thinks no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members; those in favor of the motion will, as their names are called, answer "yea," and those opposed will answer "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 153, nays 161, answered "present" 2, not voting 116, as follows:

YEAS—153.

Anthony	Dyer	Linthicum	Rainey, Ala.
Ashbrook	Evans, Mont.	Lonergan	Rainey, H. T.
Ayres	Evans, Nev.	Longworth	Rainey, J. W.
Babka	Fields	McArthur	Randall, Calif.
Barkley	Fisher	McCulloch	Rayburn
Bee	Flood	McDuffie	Rhodes
Bell	Foster	McKinley	Riordan
Benham	French	McKinley	Romjue
Benson	Fuller, Mass.	McPherson	Rose
Bland, Mo.	Gallivan	MacGregor	Rouse
Bowers	Gandy	Maher	Rubey
Brand	Ganly	Major	Rucker
Brinson	Gard	Mann, S. C.	Sanford
Brumbaugh	Garland	Mansfield	Sherwood
Byrnes, S. C.	Garner	Martin	Sims
Caldwell	Garrett	Mays	Smith, Mich.
Campbell, Kans.	Glynn	Mead	Smith, N. Y.
Campbell, Pa.	Godwin, N. C.	Merritt	Smithwick
Cantrill	Goodwin, Ark.	Michener	Stedman
Caraway	Greene, Vt.	Mondell	Stephens, Ohio
Carew	Griffin	Moon	Stevenson
Carss	Hardy, Tex.	Mooney	Stoll
Carter	Haskell	Moore, Va.	Tague
Casey	Hayden	Moores, Ind.	Temple
Chindblom	Hays	Morgan	Tillman
Clark, Fla.	Heflin	Morin	Tilson
Clark, Mo.	Howard	Murphy	Vinson
Cole	Hull, Iowa	Nelson, Mo.	Watkins
Cooper	Hull, Tenn.	O'Connell	Watson, Pa.
Copley	Jacoway	Oldfield	Weaver
Crago	Johnson, Miss.	Olney	Welling
Crisp	Jones, Pa.	Overstreet	Welty
Crowther	Kincheloe	Park	Whaley
Cullen	Kitchin	Parker	Wilson, La.
Curry, Calif.	Lanham	Parrish	Wilson, Pa.
Dent	Lankford	Phelan	Wright
Dickinson, Mo.	Larsen	Platt	
Doremus	Lee, Ga.	Porter	
Drane	Lesher	Pou	

NAYS—161.

Ackerman	Browne	Davis, Minn.	Goodall
Almon	Buchanan	Davis, Tenn.	Goodykoontz
Anderson	Burdick	Dickinson, Iowa	Graham, Ill.
Andrews, Nebr.	Burroughs	Dominick	Green, Iowa
Bacharach	Butler	Dowell	Greene, Mass.
Baer	Byrns, Tenn.	Dunbar	Griest
Bankhead	Candler	Dunn	Hadley
Begg	Cannon	Echols	Hardy, Colo.
Black	Christopherson	Edmonds	Harreld
Bland, Ind.	Classon	Elliott	Harrison
Bland, Va.	Collier	Esch	Haugen
Blanton	Cramton	Evans, Nebr.	Hawley
Boies	Currie, Mich.	Fordney	Hernandez
Box	Dale	Frear	Hersey
Briggs	Dallinger	Fuller, Ill.	Hickey
Brooks, Ill.	Darrow	Good	Hicks
Hill	McClintic	Reed, W. Va.	Thomas
Hoch	McLaughlin, Mich.	Ricketts	Timberlake
Houghton	McLaughlin, Nebr.	Robsion, Ky.	Tincher
Huddleston	Madden	Rodenberg	Tinkham
Ireland	Magee	Rogers	Towner
Jefferis	Mann, Ill.	Sanders, N. Y.	Treadway
Johnson, S. Dak.	Mapes	Saunders, Va.	Vaile
Johnson, Wash.	Monahan, Wis.	Scott	Vestal
Keller	Moore, Pa.	Sells	Voigt
Kelley, Mich.	Mott	Shreve	Volstead
Kelly, Pa.	Mudd	Sinclair	Walsh
Kendall	Nelson, Wis.	Sinnott	Wason
Kennedy, Iowa	Newton, Mo.	Sisson	White, Kans.
Kennedy, R. I.	Ogden	Slemp	White, Me.
Kiess	Oliver	Smith, Ill.	Williams
Kinkaid	Padgett	Snell	Wilson, Ill.
Kleczka	Paige	Snyder	Wingo
Knutson	Peters	Steagall	Wood, Ind.
Kraus	Purnell	Steenerson	Woods, Va.
LaGuardia	Quin	Stephens, Miss.	Woodyard
Lampert	Raker	Stiness	Young, N. Dak.
Little	Ramseyer	Strong, Kans.	Zihlman
Luce	Randall, Wis.	Summers, Wash.	
Lufkin	Reavis	Sweet	
Luhring	Reed, N. Y.	Taylor, Colo.	

ANSWERED "PRESENT"—2.

Emerson MacCrate

NOT VOTING—116.

Alexander	Focht	Lazaro	Sabath
Andrews, Md.	Freeman	Lea, Calif.	Sanders, Ind.
Aswell	Gallagher	Lehlbach	Sanders, La.
Barbour	Goldfogle	McAndrews	Schall
Blackmon	Gould	McFadden	Scully
Booher	Graham, Pa.	McGlennon	Sears
Britten	Hamill	McKenzie	Siegel
Brooks, Pa.	Hamilton	McKeown	Small
Browning	Hastings	McLane	Smith, Idaho
Burke	Hersman	Mason	Steele
Cleary	Holland	Miller	Strong, Pa.
Coady	Hudspeth	Minahan, N. J.	Sullivan
Connally	Hulings	Montague	Sumners, Tex.
Costello	Humphreys	Moore, Ohio	Swope
Davey	Husted	Neely	Taylor, Ark.
Dempsey	Hutchinson	Newton, Minn.	Taylor, Tenn.
Denison	Igoe	Nicholls, S. C.	Thompson
Dewalt	James	Nichols, Mich.	Upshaw
Donovan	Johnson, Ky.	Nolan	Vare
Dooling	Johnston, N. Y.	O'Connor	Venable
Doughton	Jones, Tex.	Osborne	Walters
Dupré	Juul	Pell	Ward
Eagan	Kahn	Radcliffe	Watson, Va.
Eagle	Kearns	Ramsey	Webster
Ellsworth	Kettner	Reber	Wheeler
Elston	King	Riddick	Winslow
Fairfield	Kreider	Robinson, N. C.	Wise
Ferris	Langley	Rowan	Yates
Fess	Layton	Rowe	Young, Tex.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. NICHOLS of Michigan with Mr. HASTINGS.

Mr. KREIDER with Mr. LEA of California.

Mr. LANGLEY with Mr. LAZARO.

Mr. STRONG of Pennsylvania with Mr. HOLLAND.

Mr. TAYLOR of Tennessee with Mr. DONOVAN.

Mr. BARBOUR with Mr. WRIGHT.

Mr. BRITTEN with Mr. WISE.

Mr. BROOKS of Pennsylvania with Mr. WATSON of Virginia.

Mr. BROWNING with Mr. VENABLE.

Mr. LAYTON with Mr. KETTNER.

Mr. LEHLBACH with Mr. JONES of Texas.

Mr. MCFADDEN with Mr. JOHNSTON of New York.

Mr. FREEMAN with Mr. SABATH.

Mr. GOULD with Mr. ROWAN.

Mr. SANDERS of Indiana with Mr. MCKEOWN.

Mr. KAHN with Mr. MCLANE.

Mr. KEARNS with Mr. MCGLENNON.

Mr. KING with Mr. MCANDREWS.

Mr. BURKE with Mr. TAYLOR of Arkansas.

Mr. ROWE with Mr. ASWELL.

Mr. NOLAN with Mr. IGOE.

Mr. MILLER with Mr. FERRIS.

Mr. THOMPSON with Mr. DEWALT.

Mr. COSTELLO with Mr. SUMNERS of Texas.

Mr. DEMPSEY with Mr. SULLIVAN.

Mr. MCKENZIE with Mr. JOHNSON of Kentucky.

Mr. DENISON with Mr. UPSHAW.

Mr. OSBORNE with Mr. HAMILL.

Mr. ELLSWORTH with Mr. STEELE.

Mr. ELSTON with Mr. SMALL.

Mr. VARE with Mr. DAVEY.

Mr. EMERSON with Mr. DUPRÉ.

Mr. MASON with Mr. HUMPHREYS.

Mr. WARD with Mr. COADY.

Mr. RADCLIFFE with Mr. GOLDFOGLE.

Mr. MOORE of Ohio with Mr. HUDSPETH.

Mr. ANDREWS of Maryland with Mr. YOUNG of Texas.

Mr. GRAHAM of Pennsylvania with Mr. ROBINSON of North Carolina.
Mr. WHEELER with Mr. CLEARY.
Mr. WINSLOW with Mr. BOOHER.
Mr. FAIRFIELD with Mr. SEARS.
Mr. RAMSEY with Mr. GALLAGHER.
Mr. YATES with Mr. BLACKMON.
Mr. HAMILTON with Mr. PELL.
Mr. HULINGS with Mr. O'CONNOR.
Mr. REBER with Mr. EAGLE.
Mr. HUSTED with Mr. NICHOLLS of South Carolina.
Mr. RIDDICK with Mr. EAGAN.
Mr. SIEGEL with Mr. DOUGHTON.
Mr. SMITH of Idaho with Mr. DOOLING.
Mr. WALTERS with Mr. CONNALLY.
Mr. NEWTON of Minnesota with Mr. HERSMAN.
Mr. HUTCHINSON with Mr. NEELY.
Mr. JAMES with Mr. MONTAGUE.
Mr. JUUL with Mr. MINAHAN of New Jersey.
Mr. FESS with Mr. SCULLY.
Mr. FOCHT with Mr. SANDERS of Louisiana.
Mr. WEBSTER with Mr. ALEXANDER.

Mr. EMERSON. Mr. Speaker, I voted "no." I am paired with the gentleman from Louisiana, Mr. DUPRÉ, and I want to withdraw my vote of "no" and vote "present."

The SPEAKER. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. EMERSON, and he answered "Present."

Mr. MACCRATE. Mr. Speaker, how am I recorded?

The SPEAKER. In the negative.

Mr. MACCRATE. I want to withdraw that vote and answer "present."

The SPEAKER. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. MACCRATE, and he answered "Present."

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent for the consideration of an amendment at this time.

The SPEAKER. The gentleman from Kansas asks unanimous consent for the consideration of an amendment, which the Clerk will report.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object——

Mr. ANTHONY. The gentleman will probably be in favor of this if he will have the courtesy to withhold his objection for a moment.

The SPEAKER. Everybody will have the right to object after it is read. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ANTHONY: On page 10, line 9, after the last period, strike out the period, substitute a colon, and insert the words:

"*Provided*, That such payments shall be in full for all claims and accounts against the Government of the United States."

The SPEAKER. Is there objection?

Mr. MADDEN. Reserving the right to object, Mr. Speaker, I would like to know just exactly what that means. What paragraph is it attached to?

Mr. ANTHONY. I was called up by the Air Service this morning, Mr. Speaker, and was informed that it would be advisable to insert that language in order to protect the Government against the possibility of having to pay any further claims for settlement.

Mr. MADDEN. That is in connection with the Curtiss-Elwood plant?

Mr. ANTHONY. Yes; that is in connection with the Curtiss-Elwood plant.

Mr. CALDWELL. Reserving the right to object, Mr. Speaker, the gentleman does not claim that this provision applies to any contract other than the purchase of this property?

Mr. ANTHONY. No. It is confined to the Curtiss-Elwood plant, where about $600,000 of claims are still pending, which would be wiped out by this amendment.

Mr. CALDWELL. Those being the claims that both the representatives of the Air Service and the Curtiss people in testifying before the committee said would be settled by this payment?

Mr. ANTHONY. Yes. This makes sure of it.

Mr. HULL of Iowa. It applies to all the claims of the Curtiss Co. against the Government for the factory.

Mr. LAGUARDIA. So that the Curtiss people, if we put in this proviso, will not be able to come in and ask for anything further?

Mr. ANTHONY. That was the reason for putting it in.

Mr. LAGUARDIA. Put it in, then, by all means! [Laughter.]

The SPEAKER. Is there objection to the consideration of the amendment?

There was no objection.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. Is the bill ordered to be engrossed and read a third time?

Mr. MANN of Illinois. I would like to ask unanimous consent for another slight amendment.

The SPEAKER. The gentleman from Illinois asks unanimous consent to submit another amendment.

Mr. MANN of Illinois. In the amendment offered yesterday in the committee by my colleague [Mr. MCKENZIE] the words "contained in this bill" were used, which is artificial language and should be "contained in this act." I ask unanimous consent that the word "bill" be changed to the word "act."

The SPEAKER. The gentleman from Illinois asks unanimous consent to substitute the word "act" for the word "bill." Is there objection?

There was no objection.

Mr. MANN of Illinois. I ask unanimous consent that the bill be considered as engrossed and read a third time.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Should not the Chair state that the amendment offered by the gentleman from Kansas [Mr. ANTHONY], the chairman of the committee, was adopted?

The SPEAKER. The Chair so stated. The Chair asked if there was objection, and none was heard. The gentleman from Illinois [Mr. MANN] asks unanimous consent that the bill be considered as engrossed and read a third time. Is there objection?

Mr. GARD. Did not the gentleman from Michigan [Mr. CRAMTON] withdraw his request for the reading of the engrossed bill?

Mr. MANN of Illinois. You can not amend the bill properly after it is engrossed and read a third time, and this is to save time and consideration when it goes to the engrossing clerk.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. MANN of Illinois. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Illinois asks for a division.

Mr. FIELDS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The yeas and nays are ordered on the passage of the bill. As many as favor the passage of the bill will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 183, nays 128, answered "present" 5, not voting 116, as follows:

YEAS—183.

Almon	Crowther	Hayden	Mansfield
Anthony	Cullen	Heflin	Martin
Babka	Curry, Calif.	Hernandez	Mays
Bankhead	Dale	Hill	Mead
Barkley	Darrow	Hull, Iowa	Merritt
Bee	Dempsey	Hull, Tenn.	Mondell
Bell	Dent	Jacoway	Moon
Benham	Dotemus	Jones, Pa.	Mooney
Benson	Drane	Kelley, Mich.	Moore, Va.
Black	Dunbar	Kendall	Moores, Ind.
Bland, Mo.	Edmonds	Kennedy, Iowa	Morgan
Box	Esch	Kincheloe	Morin
Brand	Evans, Mont.	Kitchin	Mudd
Briggs	Evans, Nev.	Knutson	Nelson, Mo.
Brinson	Fields	Langley	O'Connell
Browne	Fisher	Lanham	Ogden
Brumbaugh	Flood	Lankford	Oldfield
Buchanan	Fordney	Larsen	Oliver
Byrns, Tenn.	French	Lee, Ga.	Olney
Caldwell	Fuller, Mass.	Linthicum	Overstreet
Campbell, Kans.	Gallivan	Lonergan	Padgett
Campbell, Pa.	Ganly	Longworth	Park
Candler	Garland	Luce	Parker
Cantrill	Garner	Lufkin	Parrish
Caraway	Garrett	McAndrews	Peters
Carew	Glynn	McArthur	Phelan
Carss	Godwin, N. C.	McCulloch	Platt
Casey	Goodwin, Ark.	McDuffie	Porter
Chindblom	Green, Iowa	McKiniry	Pou
Clark, Fla.	Greene, Mass.	McKinley	Rainey, Ala.
Clark, Mo.	Greene, Vt.	McPherson	Rainey, H. T.
Cole	Griffin	MacCrate	Rainey, J. W.
Collier	Hadley	MacGregor	Raker
Copley	Hardy, Tex.	Magee	Randall, Calif.
Crago	Harrison	Maher	Rayburn
Crisp	Haskell	Major	Reed, N. Y.

Riordan	Smith, Idaho	Taylor, Colo.	Weaver
Robsion, Ky.	Smith, Mich.	Temple	Welling
Rodenberg	Smith, N. Y.	Thomas	Welty
Romjue	Smithwick	Tillman	Whaley
Rose	Steagall	Tilson	Wilson, La.
Rouse	Stedman	Timberlake	Wilson, Pa.
Sanders, N. Y.	Steenerson	Vaile	Woods, Va.
Sanford	Stephens, Ohio	Vinson	Wright
Saunders, Va.	Stiness	Watkins	Zihlman
Slemp	Tague	Watson, Pa.	

NAYS—128.

Anderson	Echols	Kiess	Sells
Andrews, Nebr.	Elliott	Kinkaid	Sherwood
Ashbrook	Evans, Nebr.	Kleczka	Shreve
Ayres	Foster	Kraus	Sims
Bacharach	Frear	Lampert	Sinclair
Baer	Fuller, Ill.	Lesher	Sinnott
Begg	Gandy	Little	Sisson
Bland, Ind.	Gard	Luhring	Smith, Ill.
Bland, Va.	Good	McClintic	Snell
Blanton	Goodall	McLaughlin, Mich.	Snyder
Boles	Goodykoontz	McLaughlin, Nebr.	Stephens, Miss.
Bowers	Graham, Ill.	Madden	Stoll
Brooks, Ill.	Griest	Mann, Ill.	Strong, Kans.
Burdick	Hardy, Colo.	Mann, S. C.	Summers, Wash.
Burroughs	Harreld	Mapes	Sweet
Butler	Hawley	Monahan, Wis.	Tincher
Byrnes, S. C.	Hays	Moore, Pa.	Tinkham
Cannon	Hersey	Mott	Towner
Christopherson	Hickey	Murphy	Treadway
Classon	Hicks	Nelson, Wis.	Vestal
Cooper	Hoch	Newton, Mo.	Voigt
Cramton	Houghton	Paige	Volstead
Currie, Mich.	Howard	Purnell	Walsh
Dallinger	Huddleston	Quin	Ward
Davis, Minn.	Ireland	Ramseyer	Wason
Davis, Tenn.	Jefferis	Randall, Wis.	White, Kans.
Dickinson, Mo.	Johnson, Miss.	Ricketts	White, Me.
Dickinson, Iowa	Johnson, S. Dak.	Riddick	Williams
Dominick	Johnson, Wash.	Rogers	Wilson, Ill.
Dowell	Keller	Rubey	Wingo
Dunn	Kelly, Pa.	Rucker	Woodyard
Dyer	Kennedy, R. I.	Scott	Young, N. Dak.

ANSWERED "PRESENT"—5.

Ackerman	Reavis	Reed, W. Va.	Stevenson
Emerson			

NOT VOTING—116.

Alexander	Focht	Layton	Rowe
Andrews, Md.	Freeman	Lazaro	Sabath
Aswell	Gallagher	Lea, Calif.	Sanders, Ind.
Barbour	Goldfogle	Lehlbach	Sanders, La.
Blackmon	Gould	McFadden	Schall
Booher	Graham, Pa.	McGlennon	Scully
Britten	Hamill	McKenzie	Sears
Brooks, Pa.	Hamilton	McKeown	Siegel
Browning	Hastings	McLane	Small
Burke	Haugen	Mason	Steele
Carter	Hersman	Michener	Strong, Pa.
Cleary	Holland	Miller	Sullivan
Coady	Hudspeth	Minahan, N. J.	Sumners, Tex.
Connally	Hulings	Montague	Swope
Costello	Humphreys	Moore, Ohio	Taylor, Ark.
Davey	Husted	Neely	Taylor, Tenn.
Denison	Hutchinson	Newton, Minn.	Thompson
Dewalt	Igoe	Nicholls, S. C.	Upshaw
Donovan	James	Nichols, Mich.	Vare
Dooling	Johnson, Ky.	Nolan	Venable
Doughton	Johnston, N. Y.	O'Connor	Walters
Dupré	Jones, Tex.	Osborne	Watson, Va.
Eagan	Juul	Pell	Webster
Eagle	Kahn	Radcliffe	Wheeler
Ellsworth	Kearns	Ramsey	Winslow
Elston	Kettner	Reber	Wise
Fairfield	King	Rhodes	Wood, Ind.
Ferris	Kreider	Robinson, N. C.	Yates
Fess	LaGuardia	Rowan	Young, Tex.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. SCULLY (for) with Mr. HULINGS (against).

Mr. ROBINSON of North Carolina (for) with Mr. REAVIS (against).

Mr. LEHLBACH (for) with Mr. ACKERMAN (against).

Mr. STEVENSON (for) with Mr. LAYTON (against).

Mr. DUPRÉ (for) with Mr. EMERSON (against).

Mr. LAZARO (for) with Mr. HUTCHINSON (against).

Mr. NEWTON of Minnesota (for) with Mr. RADCLIFFE (against).

Mr. LAGUARDIA (for) with Mr. MICHENER (against).

Mr. LEA of California (for) with Mr. RHODES (against).

Until further notice:

Mr. BOWERS with Mr. NEELY.

Mr. BARBOUR with Mr. JONES of Texas.

Mr. FESS with Mr. CARTER.

Mr. GRAHAM of Pennsylvania with Mr. COADY.

Mr. HAUGEN with Mr. DOOLING.

Mr. KING with Mr. SULLIVAN.

Mr. SCHALL with Mr. EAGAN.

Mr. SWOPE with Mr. GALLAGHER.

Mr. WOOD of Indiana with Mr. GOLDFOGLE.

Mr. REED of West Virginia with Mr. HERSMAN.

Mr. WEBSTER with Mr. KETTNER.

Mr. LAGUARDIA. Mr. Speaker, I am paired with the gentleman from Michigan, Mr. MICHENER, and therefore have not voted. Had I not been paired I would have voted "yea," in support of the Committee on Military Affairs.

Mr. ACKERMAN. Mr. Speaker, I voted, but I notice that I am paired.

The SPEAKER. The gentleman is paired with the gentleman from New Jersey, Mr. LEHLBACH.

Mr. ACKERMAN. Then I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

On motion of Mr. ANTHONY, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXPENDITURES IN THE WAR DEPARTMENT.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit the following report from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 416.

Resolved, That immediately upon the adoption of this resolution the House shall take up for debate House Report No. 487 from the Select Committee on Expenditures in the War Department; that the said report, together with any minority views accompanying the same, shall then be read, and that immediately thereafter there shall be four hours of debate on the said report, one-half to be controlled by the gentleman from Illinois [Mr. GRAHAM] and one-half to be controlled by the gentleman from Tennessee [Mr. GARRETT], which debate shall be confined to the subject matter of said report.

Mr. CAMPBELL of Kansas. Mr. Speaker, I would like to make an arrangement for time on the rule, if I can secure an agreement with the gentleman from Kentucky [Mr. CANTRILL]. How much time does the gentleman desire on the rule?

Mr. CANTRILL. Mr. Speaker, I will say to the gentleman that this is such an unprecedented rule that we would like to have as much time as the gentleman can possibly give us. Of course, the time is absolutely under his control, but I hope the gentleman from Kansas will be very liberal.

Mr. CAMPBELL of Kansas. Would it be agreeable to the gentleman from Kentucky if I take one hour and yield him one-half of that time?

Mr. CANTRILL. Mr. Speaker, in order to expedite the business of the House, if the gentleman will yield us 30 minutes of that time that will be agreeable.

Mr. CAMPBELL of Kansas. I shall yield to the gentleman from Kentucky one-half of the hour to which I am entitled under the rule. I would like also to have it understood that there shall be no division or vote on the previous question upon the adoption of the rule, and I make that request.

The SPEAKER. The gentleman from Kansas asks unanimous consent that after one hour's debate the previous question shall be considered as ordered on the rule. Is there objection?

There was no objection.

Mr. CAMPBELL of Kansas. Mr. Speaker, this resolution brings before the House a partial report from the committee heretofore appointed to investigate expenditures in the War Department. War is expensive, whenever or wherever waged.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I would rather not yield just now. This war has been unusually expensive. Waste follows war—waste of material, waste of money, waste of everything God and man created. This is to be expected; but war is not a license for peculation or an excuse for incompetency in the conduct of war. It does not justify anyone connected with it to show favors through which men may accumulate millions out of the war. The people of our country expected the war would be expensive. They appropriated for its conduct, all told, nearly $34,000,000,000. Between twenty-three and twenty-four billions of dollars have been expended in the conduct of the war; ten billions were loaned to our allies. These are sums so colossal that no one comprehends the figures, and generations yet unborn will be paying interest upon our national debt. Therefore, it is entirely proper that Congress, representing the American people, who have furnished the men and the money with which to conduct this war, should know something about the details of what has been done with the money furnished by them. They have a right to know something of the details of the conduct of the war, something that would indicate whether or not the men conducting it were competent for the work that they had undertaken, and it was for the purpose of enlightening the American people on these questions that this investigation was ordered. It is for the purpose now of partially advising the American people that this resolution is brought before the House in order that there may be discussion upon the evidence that has been produced before the committee of investigations showing what has been done.

I reserve the remainder of my time and yield 30 minutes to the gentleman from Kentucky [Mr. CANTRILL].

Mr. GARNER. Mr. Speaker, will the gentleman yield for a question before he takes his seat?

Mr. CAMPBELL of Kansas. I shall have to decline to yield.

Mr. GARNER. The gentleman does not want to be interrogated?

Mr. CAMPBELL of Kansas. Not at this time.

The SPEAKER pro tempore (Mr. HICKS). The gentleman declines to yield. The gentleman from Kansas has consumed four minutes.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield 30 minutes to the gentleman from Kentucky [Mr. CANTRILL], to be disposed of as he may desire.

Mr. CLARK of Missouri. Mr. Speaker, this is such an important matter that I suggest the absence of a quorum.

The SPEAKER pro tempore. The gentleman from Missouri makes the point of order that there is no quorum present. The Chair will count. [After counting.] Evidently no quorum is present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Kansas that a call of the House be ordered.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 90, noes 1.

So the motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Fairfield	Kincheloe	Sabath
Andrews, Md.	Ferris	King	Sanders, Ind.
Aswell	Fess	Kreider	Sanders, La.
Barbour	Fisher	Layton	Saunders, Va.
Barkley	Flood	Lazaro	Schall
Blackmon	Focht	Lea, Calif.	Scully
Bland, Ind.	Frear	Lee, Ga.	Sears
Booher	Freeman	Lehlbach	Sherwood
Bowers	Gallagher	McFadden	Siegel
Britten	Garland	McGlennon	Small
Brooks, Pa.	Godwin, N. C.	McKeown	Snell
Browning	Goldfogle	McLane	Steele
Brumbaugh	Goodall	McLaughlin, Nebr.	Steenerson
Clark, Fla.	Gould	Mason	Strong, Pa.
Cleary	Graham, Pa.	Michener	Sullivan
Coady	Griffin	Miller	Sumners, Tex.
Connally	Hamill	Minahan, N. J.	Swope
Copley	Hamilton	Montague	Taylor, Ark.
Costello	Hastings	Moore, Ohio	Taylor, Colo.
Crago	Hersman	Moore, Pa.	Thompson
Crisp	Holland	Neely	Treadway
Davey	Howard	Nicholls, S. C.	Vare
Davis, Tenn.	Hudspeth	Nichols, Mich.	Venable
Denison	Hulings	Nolan	Walsh
Dent	Humphreys	O'Connor	Walters
Dewalt	Husted	Osborne	Ward
Donovan	Hutchinson.	Parker	Watson, Va.
Dooling	Igoe	Pell	Webster
Doughton	James	Radcliffe	Wheeler
Drane	Johnson, Ky.	Ramsey	Wilson, Ill.
Dunn	Johnson, S. Dak.	Randall, Calif.	Winslow
Dupré	Johnston, N. Y.	Reavis	Wise
Dyer	Jones, Tex.	Reber	Yates
Eagan	Juul	Reed, N. Y.	Young, Tex.
Eagle	Kahn	Robinson, N. C.	
Ellsworth	Kearns	Rowan, N. Y.	
Elston	Kennedy, R. I.	Rowe, N. Y.	

The SPEAKER pro tempore. On this roll call 285 gentleman have responded to their names, a quorum.

Mr. BLANTON. Mr. Speaker, I make the point of order——

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. I make the point of order, Mr. Speaker, that——

The SPEAKER pro tempore. If the gentleman from Texas will kindly withhold his point of order, the Doorkeeper will open the doors, and the Chair recognizes the gentleman from Kansas to move to dispense with further proceedings under the call.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The gentleman from Texas will state his point of order.

Mr. BLANTON. Mr. Speaker, I make the point of order that in order for a resolution from the Committee on Rules to be in order in the House it must seek to make in order some proposed legislation or some report or resolution from some committee that calls for action by the House of Representatives. I make the point of order that the resolution brought in here by the Committee on Rules does not seek in any way to make in order the present consideration of any legislation; that it does not seek to make in order any report or any resolution from any committee which calls for action by the House of Representatives; and, that being the case, it is clearly out of order.

Mr. CAMPBELL of Kansas. Mr. Speaker, if there was anything in the contention of the gentleman from Texas, the point of order should have been made when the resolution was presented rather than after a discussion of the resolution.

Mr. BLANTON. I am sure that the gentleman from Kansas does not claim that what he has said thus far would constitute any debate on any matter. [Laughter on the Democratic side.]

Mr. CAMPBELL of Kansas. I was addressing the Chair. I did not expect any statement I make in respect to the importance of a discussion of the expenditures of the War Department being made known to the public would have any impression whatever upon the gentleman from Texas. It did impress, I think, other Members of the House. It constituted a beginning of the discussion of this resolution.

Mr. BLANTON. I make the further point of order that we ought to have a quorum here.

The SPEAKER pro tempore. The gentleman from Texas is out of order. The gentleman from Kansas has the floor.

Mr. CAMPBELL of Kansas. And the point of order made by the gentleman from Texas comes entirely too late, even if there were anything in it.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. One point of order is before the House now.

Mr. BLANTON. We want a quorum here to hear this discussion.

Mr. WINGO. Oh, Mr. Speaker, a point of order of no quorum——

The SPEAKER pro tempore. The Chair will say to the gentleman from Arkansas that——

Mr. BLANTON. I make the point of order that there is no quorum present.

Mr. WINGO. The gentleman certainly has the right to make the point of order of no quorum.

Mr. BLANTON. We want a quorum here, to be impressed by what the gentleman from Kansas says.

Mr. TILSON. Mr. Speaker, I make the point of order that this point of order is dilatory.

Mr. BLANTON. Well, we have not over 90 Members on the floor of this House right now.

The SPEAKER pro tempore The gentleman will be in order.

Mr. TILSON. The roll call just had revealed the presence of a quorum.

The SPEAKER pro tempore. The Chair will rule on the point of order made by the gentleman from Texas that it is dilatory, for the call just made discloses that a quorum is present, and the Chair will rule on the other point of order that even though it may have had merit if made in time that it comes too late, and therefore overrules that point of order.

Mr. KITCHIN. Mr. Speaker, I am sure the Chair did not intend to rule that the point of no quorum was dilatory. You can make that when it is evident there is no quorum present. I think a gentleman has the right to make that at any time, and the Chair can count, and if there is a quorum present he can announce it. Now, if the Chair should make that precedent, it would be very dangerous, in that we might find ourselves without a quorum, and the Chair might simply say that the point of no quorum is dilatory.

Mr. FORDNEY. Mr. Speaker, the roll call just now showed a quorum present, and there is no question but what the point made by the gentleman is dilatory.

Mr. KITCHIN. Of course, if business has taken place after it is announced that a quorum is present, you can make the point of no quorum.

Mr. MANN of Illinois. Mr. Speaker, I do not think the Speaker should rule that the point of no quorum is dilatory. It has been frequently held by various Speakers that the question of a quorum being a constitutional right that the point of no quorum could not be held as dilatory. Whether the vote disclosing a quorum is present binds the Chair at that time, I do not undertake to say, though if I were in the Chair I would count. Certainly the point of no quorum can not be held to be dilatory.

The SPEAKER pro tempore. The Chair has no desire, of course, to be arbitrary in his ruling, but the way it seems to the Chair is this: The point of order of no quorum was made; the roll call developed a quorum was present. Immediately the point of order was made by the gentleman from Texas that there was no quorum present——

Mr. BLANTON. I am sure the Chair would not do an injustice. I made the point of order that the rule was out of order, because it did not seek to make in order legislation or a report that asked affirmative action by the House. That was a matter which the Chair considered, and that intervened between the former determination of a quorum answering to their names. It was evident, as shown by the always just position of the gentleman from Illinois [Mr. MANN], that there is no quorum present, and that it is a constitutional question.

The SPEAKER pro tempore. Will the gentleman from Texas allow the Chair to ask him a question, so as to straighten out this matter?

Mr. BLANTON. Certainly.

The SPEAKER pro tempore. Did the gentleman from Texas make the point of order that no quorum was present immediately after the roll call or try to make the point that the motion of the gentleman from Kansas was not in order?

Mr. BLANTON. I first made the point of order that the motion of the gentleman from Kansas [Mr. CAMPBELL] was out of order, for the reasons then stated by me, and then while we were discussing that the gentleman from Kansas, in an unkindly spirit—which he usually does not exhibit—said that his action in trying to let the people know about the expenditures in the War Department did not impress me, whereas it did impress me. But after he said that, I demanded a quorum here to hear him make his statement, and I made the point of no quorum.

The SPEAKER pro tempore. The Chair was not under the impression that the position was as now stated by the gentleman from Texas [Mr. BLANTON]. Evidently the Chair was therefore in error, because business had intervened, and therefore the point of no quorum was in order. The Chair was under the impression that the gentleman from Texas [Mr. BLANTON] immediately made his point of order of no quorum after the declaration that a quorum was present. In view of the corrected impression of the Chair, the Chair will hold that the point of order made by the gentleman from Texas that no quorum is present is well taken, and the Chair will count. [After counting.] One hundred and twenty-five Members are present, not a quorum.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The roll was called, and the following Members failed to answer to their names:

Alexander	Ferris	Lea, Calif.	Rowan
Andrews, Md.	Fess	Lee, Ga.	Rowe
Aswell	Flood	Lehlbach	Sabath
Barbour	Focht	Little	Sanders, Ind.
Blackmon	Freeman	Longworth	Sanders, La.
Bland, Ind.	Gallagher	Luhring	Saunders, Va.
Booher	Gallivan	McCulloch	Schall
Bowers	Goldfogle	McFadden	Scully
Britten	Good	McGlennon	Sears
Brooks, Pa.	Goodall	McKenzie	Siegel
Browne	Goodwin, Ark.	McKeown	Sinnott
Browning	Goodykoontz	McLane	Slemp
Brumbaugh	Gould	McLaughlin, Mich.	Small
Burroughs	Graham, Pa.	McPherson	Smith, Idaho
Cannon	Green, Iowa	Madden	Smith, Ill.
Casey	Greene, Vt.	Mansfield	Snyder
Clark, Fla.	Griffin	Martin	Stedman
Clark, Mo.	Hamill	Mason	Steele
Classon	Hamilton	Merritt	Stevenson
Cleary	Hastings	Michener	Strong, Pa.
Coady	Haugen	Miller	Sullivan
Connally	Hersman	Minahan, N. J.	Sumners, Tex.
Cooper	Holland	Montague	Swope
Copley	Houghton	Moore, Ohio	Taylor, Ark.
Costello	Howard	Moores, Ind.	Temple
Crago	Hudspeth	Morin	Thompson
Davey	Hulings	Mudd	Tillman
Davis, Tenn.	Humphreys	Neely	Tilson
Denison	Husted	Nicholls, S. C.	Treadway
Dent	Hutchinson	Nichols, Mich.	Vare
Dewalt	Igoe	Nolan	Venable
Dickinson, Iowa	James	O'Connor	Walters
Donovan	Johnson, Ky.	Olney	Watson, Va.
Dooling	Johnson, S. Dak.	Osborne	Webster
Doughton	Johnston, N. Y.	Park	Wheeler
Dunn	Jones, Tex.	Pell	White, Kans.
Dupré	Juul	Porter	Winslow
Dyer	Kahn	Radcliffe	Wise
Eagan	Kearns	Ramsey	Woodyard
Eagle	Kennedy, R. I.	Randall, Calif.	Yates
Edmonds	King	Reavis	Young, Tex.
Ellsworth	Kreider	Reber	
Elston	Layton	Rhodes	
Fairfield	Lazaro	Robinson, N. C.	

The SPEAKER pro tempore (Mr. WALSH). On this roll call 259 Members have answered to their names. A quorum is present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER pro tempore. The gentleman from Kansas moves that further proceedings under the call be dispensed with.

The question was taken, and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. BLANTON. Division, Mr. Speaker.

The House divided; and there were—ayes 100, noes 6.

So the motion to dispense with further proceedings under the call was agreed to.

The SPEAKER pro tempore. The Doorkeeper will open the doors. The gentleman from Kentucky [Mr. CANTRILL] is recognized for 30 minutes.

Mr. CANTRILL. Mr. Speaker, I yield 30 minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, this resolution is without precedent, so far as I know, in the history of the procedure of the House of Representatives. Shortly after Congress was convened a resolution was agreed to by which a committee of 15 was created for the purpose, as it was stated at that time, of auditing the immense cost of the war. That committee of 15 was divided into 5 subcommittees. One of these subcommittees, headed by the distinguished gentleman from Illinois [Mr. GRAHAM], has been at work for seven months, and the result of that labor is embodied in this so-called report. Now, Mr. Speaker, what is this report?

It first sets forth that they learn from the War Department that 4,668 claims had been adjusted, 2,185 claims are pending, and 2,700 other claims are under consideration. Out of that immense number of claims the committee selects eight. And what does it say about those eight? It suggests that in the settlement with these eight corporations or firms the committee is of the opinion that the salvage values allowed were too large. And the nearest clause in this report that approaches the specific is to be found in these words:

> In some of the cases cited they seem to have been obviously tainted with fraud.

And that is what we are here to discuss for four mortal hours this afternoon. Why, Mr. Speaker, this great body is not engaged in child's play. This great body is not a moot court. What was this committee appointed for? To make a definite, specific report. The nearest they come to making a report is to say that some transactions seem to be tainted with fraud.

Now, Mr. Speaker, that is casting an aspersion in an indirect way that ought not to be made. If this committee found fraud they ought to have said so; they ought to have fixed the responsibility; they ought to have said who was guilty of the fraud, and in what respect, and furnished a bill of particulars. [Applause on the Democratic side.] But they have not done anything of the kind.

What on earth are we going to vote on at the end of these four hours, anyhow? What are we here for? What concrete proposition is to be before the House when this four-hour debate is ended? I know that gentlemen on the Republican side of the Chamber are ashamed of this whole procedure even though they may not say so. [Applause on the Democratic side.]

The proper thing to do with this resolution is to vote it down. Such an asinine performance as this has never before been enacted in this House since I have been a Member.

It is suggested that somebody should have the right to review these settlements. That is the business of this committee. That was what they were appointed to do. What have they been doing for seven months?

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. POU. I would rather not, but if the gentleman insists I will.

Mr. BLANTON. I want to suggest to the gentleman that the committee does not even make a recommendation to this House.

Mr. POU. That is very true, of course. There is absolutely nothing but a mere suggestion that there may be fraud somewhere, when it was their business to point it out if anybody was guilty of fraud.

Nobody in this House wants any rascal protected. What was this committee created for? It was not created for the purpose of bringing in a suggestion here and then have this House debate a mere suggestion. That is a ridiculous proposal.

So I conclude, Mr. Speaker, by saying that it is due this House, it is due the dignity of the procedure of this House, to vote down this resolution; and I am constrained to repeat here and now what I said when the resolution was presented creating this committee of 15: When all is said and done, when you have finished your investigations, when you have finished your debate, when all this great affair shall have passed into history, the verdict of the world will be what the verdict of all intelligent, fair-minded men is now, that never in the history of mankind was so great an undertaking carried through with

such great administrative efficiency and with so little suggestion of fraud on the part of those charged with the management of the Great War. [Applause on the Democratic side.]

Mr. Speaker, I yield back the remainder of my time.

The SPEAKER pro tempore. The gentleman yields back two minutes to the gentleman from Kentucky [Mr. CANTRILL.]

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. I make the point of order that there is no quorum present to hear this important discussion of this rule.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and four Members are present. There is no quorum present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. The gentleman from Kansas moves a call of the House. The question is on agreeing to that motion.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BLANTON. A division, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Texas demands a division.

The House divided; and there were—ayes 86, noes 1.

So a call of the House was ordered.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Freeman	Little	Rowan
Andrews, Md.	Gallagher	Longworth	Rowe
Anthony	Gallivan	McArthur	Rucker
Aswell	Gandy	McClintic	Sabath
Babka	Godwin, N. C.	McCulloch	Sanders, Ind.
Barbour	Goldfogle	McFadden	Sanders, La.
Barkley	Good	McGlennon	Sanders, N. Y.
Bell	Goodall	McKenzie	Saunders, Va.
Black	Goodwin, Ark.	McKeown	Schall
Blackmon	Gould	McKinley	Scully
Bland, Ind.	Graham, Pa.	McLane	Sears
Booher	Green, Iowa	McLaughlin, Mich.	Sherwood
Bowers	Greene, Vt.	McPherson	Siegel
Britten	Hamill	Madden	Sims
Brooks, Pa.	Hamilton	Major	Sinnott
Browne	Hardy, Tex.	Mann, S. C.	Sisson
Browning	Harrison	Mansfield	Slemp
Burke	Hastings	Martin	Small
Cannon	Haugen	Mason	Smith, Ill.
Carss	Hayden	Mays	Snyder
Carter	Hernandez	Merritt	Steele
Casey	Hersman	Michener	Stephens, Ohio
Clark, Fla.	Hickey	Miller	Stevenson
Cleary	Holland	Minahan, N. J.	Strong, Pa.
Coady	Houghton	Montague	Sullivan
Connally	Howard	Moore, Ohio	Sumners, Tex.
Copley	Huddleston	Moore, Pa.	Sweet
Costello	Hudspeth	Moores, Ind.	Swope
Crago	Hulings	Mudd	Taylor, Ark.
Davey	Hull, Tenn.	Neely	Taylor, Colo.
Davis, Minn.	Humphreys	Nicholls, S. C.	Temple
Davis, Tenn.	Husted	Nichols, Mich.	Thompson
Denison	Hutchinson	Nolan	Treadway
Dent	Igoe	O'Connor	Vare
Dewalt	James	Oldfield	Venable
Donovan	Johnson, Ky.	Oliver	Voigt
Dooling	Johnson, S. Dak.	Olney	Walters
Doughton	Johnston, N. Y.	Osborne	Watson, Va.
Dupré	Jones, Tex.	Padgett	Webster
Dyer	Juul	Parker	Whaley
Eagan	Kahn	Pell	Wheeler
Eagle	Kearns	Porter	Winslow
Edmonds	Kennedy, Iowa	Radcliffe	Wise
Ellsworth	Kennedy, R. I.	Rainey, Ala.	Wood, Ind.
Elston	King	Ramsey	Woodyard
Evans, Mont.	Kreider	Randall, Calif.	Wright
Fairfield	Layton	Reavis	Yates
Ferris	Lazaro	Reber	Young, Tex.
Fess	Lea, Calif.	Riordan	
Flood	Lee, Ga.	Robinson, N. C.	
Focht	Lehlbach	Rodenberg	

The SPEAKER pro tempore (Mr. HICKS). On this roll call 232 Members have responded to their names. A quorum is present. The Doorkeeper will open the doors.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER pro tempore. The gentleman from Kansas moves that further proceedings under the call be dispensed with. The question is on agreeing to that motion.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BLANTON. A division, Mr. Speaker.

The SPEAKER pro tempore. A division is demanded.

The House divided; and there were—ayes 103, noes 0.

The SPEAKER pro tempore. The Doorkeeper will unlock the doors. The gentleman from Kansas [Mr. CAMPBELL] or the gentleman from Kentucky [Mr. CANTRILL] is recognized.

Mr. CAMPBELL of Kansas. I suggest that the gentleman from Kentucky take his time. There will be only one more speech on this side.

The SPEAKER pro tempore. The gentleman from Kentucky has 23 minutes remaining.

Mr. CANTRILL. Mr. Speaker, the rule reported to the House by the votes of the majority members of the Rules Committee is without parallel in the history of the House. No action is proposed in the rule relative to House Report No. 487. The rule simply provides for "talk," and if there is any one thing of which the country is justly tired, it is "talk" by the American Congress. [Applause on the Democratic side.]

Since last May, when the Republican Party took charge of the legislative branch of the Government, there has been nothing but talk, and to-day the majority party puts itself on record by a special rule to fritter away a whole valuable legislative day to make in order a lot of useless talk. [Applause on the Democratic side.] Why does not the majority party bring in some rule to take some action on some useful legislation for which the country is waiting? [Applause on the Democratic side.] Under this rule a whole day is to be wasted in criticizing the actions of the gallant officers and men who were largely responsible for winning the Great War. Instead of passing some helpful legislation for the benefit of the soldiers and sailors who won the war, you are wasting time in idle criticism of a great victory. [Applause on the Democratic side.]

Everyone in the country knows that if the Republican Party had been in power in the country when the war was won that the majority party now would never had created a committee to investigate the expenditures in the War Department. You established this committee and are making these reports for purely political reasons on the eve of a presidential election [applause on the Democratic side], and after months of expensive and laborious effort on the part of the investigating committee all you can do is to come before the House with a special rule asking for a full day of "talk." [Applause on the Democratic side.]

When this committee was first proposed I stated to the House that it was to investigate the acts of officers and men who had won a victory, and a glorious victory, and had won the victory in such a way as to uphold the best traditions of the American Army and Navy. In all of the reports I have read from the Committee to Investigate the Expenditures of the War, not a single word of praise or commendation has been said by the majority of that committee in behalf of the thousands of splendid officers and men who won the greatest victory in all history. [Applause on the Democratic side.]

This committee states that out of 9,543 claims which have been filed with them that 8 of them do not appear entirely satisfactory to the committee, and having come to that conclusion without any definite charge of fraud in any one of the 8 cases the majority party rushes in here with a special rule to talk all day about what they think of these 8 cases, so that the RECORD can be filled with a lot of loose charges against the administration and franked all over the country for political effect in the next campaign. [Applause on the Democratic side.]

It is certainly a sorry proceeding and one that will be resented, in my opinion, by all patriotic citizens regardless of politics. If the majority party is determined to follow such foolish procedure, I sincerely hope that every member of the minority will vote against the adoption of this rule and make an effort to save the time of the House for more valuable work. If this rule is adopted, every Member here knows that not 20 Members will stay on the floor during the day to hear the magnificent orations which have been carefully prepared for political effect, and if the majority is determined to pass the rule it ought to go further and bring in another rule to force at least their own Members to stay here and be punished by the flood of oratory which is in store for them. [Applause on the Democratic side.]

We all know that even the majority Members do not intend to waste a day by punishing themselves by attendance on the floor to listen to speeches forced on them by a special rule. If there was ever a time in the history of the Nation when idle talk should be thrown into the discard, that time is now, and I again call the attention of the country to this sorry spectacle presented here to-day by the majority party.

I have been much interested in comments from some Republican papers in the country relative to this committee of investigation. Of course, I would not say anything discourteous concerning any member of this committee, but I noticed in a leading Republican paper the other day a comment on the action of that part of the committee which went to France to examine Gen. Pershing. The committee landed in France just about the day Gen. Pershing was sailing for the United States, and the general politely told the committee to go to a place hotter than

the Great Desert. The Republican paper mentioned above in an editorial was unkind enough to say that the heads of the committee would make useful material for hatracks. This is but a sample of the comments being made by Republican papers in the country about this investigating committee, and now the great Committee on Rules in this House becomes a party to such foolish procedure by bringing in a special rule to give this investigating committee the right to consume a full day belonging to the American people in idle and useless talk.

If the investigating committee has found out anything that is wasteful or criminal on the part of any officer of the Government, let them make specific charges and come before the House asking for proper action. After months of labor the committee has been unable to uncover a single case of actual fraud or crime in the greatest undertaking in all history, where thousands of men handled billions of dollars. [Applause on the Democratic side.]

The committee has worked diligently hoping to uncover some scandal so that it could be used for political effect against the administration. The minority has had practically no representation on these committees to investigate the conduct of the war. The whole proceeding has been bitterly partisan and the investigation entirely controlled by the majority party, and yet with all of this no scandal or fraud or crime has been uncovered in the conduct of the war. The weakness of the report from the investigating committee is a wonderful tribute to American officers and men, who won a glorious victory for American arms. [Applause on the Democratic side.] This investigating committee will not accord to those men the tribute to which they are entitled, but the American people will give them their just due.

Until the investigating committee comes before the House with some report worthy of action and consideration, I sincerely hope that this body will vote down this proposed rule. [Applause on the Democratic side.]

The G. O. P.—the "Good Old Promiser"—is long on promises to the people before election, but woefully short on performances when it is given power. The G. O. P.—the "Glorious Old Pharisee"—brings to a climax its record of inefficiency when it asks the House to adopt such a rule as is now proposed. [Applause on the Democratic side.]

Let the American people take notice that the majority party in Congress has gotten to such a stage that all it can do is to talk, and that a special rule is needed to afford them even that. [Applause on the Democratic side.]

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. The last count of the House showed that we had only 104 Members present. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present.

Mr. CAMPBELL of Kansas. I am obliged to the gentleman from Texas, because I want a quorum here when I make some remarks on the resolution.

Mr. BLANTON. I am sure they will be glad to hear them. It is awfully hard to keep them here.

The SPEAKER. It is clear that there is no quorum present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Kansas moves a call of the House. The question is on agreeing to that motion.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. BLANTON. A division, Mr. Speaker.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 72, noes 14.

Mr. BLANTON. I ask for the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The question is on ordering a call of the House.

The question was taken; and there were—yeas 104, nays 137, answered "present" 3, not voting 188, as follows:

YEAS—104.

Almon	Buchanan	Dickinson, Mo.	Hayden
Anderson	Byrnes, S. C.	Dominick	Hersman
Ashbrook	Byrns, Tenn.	Doremus	Hull, Tenn.
Ayres	Caldwell	Drane	Jacoway
Babka	Campbell, Pa.	Emerson	Johnson, Miss.
Bee	Candler	Evans, Mont.	Johnson, Wash.
Benson	Cantrill	Fields	Kincheloe
Black	Caraway	Fisher	Kitchin
Bland, Mo.	Carew	Gandy	Lanham
Bland, Va.	Carss	Ganly	Lankford
Blanton	Clark, Mo.	Gard	Larsen
Box	Collier	Garner	Lesher
Brand	Crisp	Garrett	Linthicum
Briggs	Cullen	Godwin, N. C.	Lonergan
Brinson	Davis, Tenn.	Hardy, Tex.	McAndrews
Brumbaugh	Dent	Harrison	McKiniry
Maher	Park	Rubey	Upshaw
Moon	Parrish	Sims	Vinson
Mooney	Phelan	Sisson	Weaver
Moore, Va.	Pou	Smithwick	Welling
Nelson, Mo.	Quin	Steagall	Welty
O'Connell	Rainey, J. W.	Stephens, Miss.	Whaley
O'Connor	Raker	Stevenson	Wilson, La.
Oliver	Rayburn	Stoll	Wingo
Olney	Romjue	Tague	Woods, Va.
Padgett	Rouse	Thomas	Wright

NAYS—137.

Andrews, Nebr.	Foster	Lampert	Sells
Bacharach	Frear	Luce	Shreve
Baer	French	Lufkin	Sinclair
Bankhead	Fuller, Ill.	Luhring	Smith, Idaho
Begg	Fuller, Mass.	McArthur	Smith, Mich.
Benham	Garland	McDuffie	Snell
Boies	Good	McLaughlin, Nebr.	Steenerson
Brooks, Ill.	Graham, Ill.	MacCrate	Stephens, Ohio
Burdick	Green, Iowa	MacGregor	Stiness
Burroughs	Griest	Magee	Strong, Kans.
Butler	Hadley	Mann, Ill.	Summers, Wash.
Campbell, Kans.	Hardy, Colo.	Mapes	Taylor, Tenn.
Cannon	Harreld	Monahan, Wis.	Tilson
Chindblom	Haskell	Morgan	Timberlake
Christopherson	Hawley	Morin	Tincher
Classon	Hays	Mott	Tinkham
Cole	Hernandez	Murphy	Towner
Crago	Hersey	Nelson, Wis.	Vaile
Cramton	Hickey	Ogden	Vestal
Crowther	Hicks	Paige	Voigt
Currie, Mich.	Hill	Peters	Volstead
Curry, Calif.	Hoch	Purnell	Ward
Dale	Hull, Iowa	Ramseyer	Watson, Pa.
Dallinger	Ireland	Randall, Wis.	White, Kans.
Darrow	Jefferis	Reavis	White, Me.
Davis, Minn.	Jones, Pa.	Reed, N. Y.	Williams
Dempsey	Keller	Reed, W. Va.	Wilson, Ill.
Dowell	Kelly, Pa.	Rhodes	Winslow
Dunbar	Kendall	Ricketts	Wood, Ind.
Dunn	Kennedy, Iowa	Robsion, Ky.	Woodyard
Echols	Kiess	Rodenberg	Young, N. Dak.
Elliott	Kleczka	Rogers	Zihlman
Evans, Nebr.	Knutson	Rose	
Evans, Nev.	Kraus	Sanford	
Fordney	LaGuardia	Scott	

ANSWERED "PRESENT"—3.

Heflin	Mead	Sweet

NOT VOTING—188.

Ackerman	Gallagher	Longworth	Riddick
Alexander	Gallivan	McClintic	Riordan
Andrews, Md.	Glynn	McCulloch	Robinson, N. C.
Anthony	Goldfogle	McFadden	Rowan
Aswell	Goodall	McGlennon	Rowe
Barbour	Goodwin, Ark.	McKenzie	Rucker
Barkley	Goodykoontz	McKeown	Sabath
Bell	Gould	McKinley	Sanders, Ind.
Blackmon	Graham, Pa.	McLane	Sanders, La.
Bland, Ind.	Greene, Mass.	McLaughlin, Mich.	Sanders, N. Y.
Booher	Greene, Vt.	McPherson	Saunders, Va.
Bowers	Griffin	Madden	Schall
Britten	Hamill	Major	Scully
Brooks, Pa.	Hamilton	Mann, S. C.	Sears
Browne	Hastings	Mansfield	Sherwood
Browning	Haugen	Martin	Siegel
Burke	Holland	Mason	Sinnott
Carter	Houghton	Mays	Slemp
Casey	Howard	Merritt	Small
Clark, Fla.	Huddleston	Michener	Smith, Ill.
Cleary	Hudspeth	Miller	Smith, N. Y.
Coady	Hulings	Minahan, N. J.	Snyder
Connally	Humphreys	Mondell	Stedman
Cooper	Husted	Montague	Steele
Copley	Hutchinson	Moore, Ohio	Strong, Pa.
Costello	Igoe	Moore, Pa.	Sullivan
Davey	James	Moores, Ind.	Sumners, Tex.
Denison	Johnson, Ky.	Mudd	Swope
Dewalt	Johnson, S. Dak.	Neely	Taylor, Ark.
Dickinson, Iowa	Johnston, N. Y.	Newton, Minn.	Taylor, Colo.
Donovan	Jones, Tex.	Newton, Mo.	Temple
Dooling	Juul	Nicholls, S. C.	Thompson
Doughton	Kahn	Nichols, Mich.	Tillman
Dupré	Kearns	Nolan	Treadway
Dyer	Kelley, Mich.	Oldfield	Vare
Eagan	Kennedy, R. I.	Osborne	Venable
Eagle	Kettner	Overstreet	Walsh
Edmonds	King	Parker	Walters
Ellsworth	Kinkaid	Pell	Wason
Elston	Kreider	Platt	Watkins
Esch	Langley	Porter	Watson, Va.
Fairfield	Layton	Radcliffe	Webster
Ferris	Lazaro	Rainey, Ala.	Wheeler
Fess	Lea, Calif.	Rainey, H. T.	Wilson, Pa.
Flood	Lee, Ga.	Ramsey	Wise
Focht	Lehlbach	Randall, Calif.	Yates
Freeman	Little	Reber	Young, Tex.

So a call of the House was refused.

The Clerk announced the following additional pairs:

Mr. MERRITT with Mr. RUCKER.

Mr. PLATT with Mr. STEDMAN.

Mr. PORTER with Mr. TAYLOR of Colorado.

Mr. SINNOTT with Mr. TILLMAN.

Mr. SLEMP with Mr. WATKINS.

Mr. SMITH of Illinois with Mr. WILSON of Pennsylvania.

Mr. ANTHONY with Mr. BARKLEY.

Mr. MOORES of Indiana with Mr. SAUNDERS of Virginia.

Mr. ESCH with Mr. HEFLIN.

Mr. GLYNN with Mr. HOWARD.
Mr. GOODALL with Mr. HUDDLESTON.
Mr. GOODYKOONTZ with Mr. MCCLINTIC.
Mr. MUDD with Mr. SHERWOOD.
Mr. GREENE of Massachusetts with Mr. MAJOR.
Mr. GREENE of Vermont with Mr. MANN of South Carolina.
Mr. JOHNSON of South Dakota with Mr. MANSFIELD.
Mr. KELLEY of Michigan with Mr. MARTIN.
Mr. PARKER with Mr. SMITH of New York.
Mr. LONGWORTH with Mr. MAYS.
Mr. MCCULLOCH with Mr. OLDFIELD.
Mr. MCKINLEY with Mr. OVERSTREET.
Mr. MCLAUGHLIN of Michigan with Mr. RAINEY of Alabama.
Mr. MCPHERSON with Mr. HENRY T. RAINEY.
Mr. MADDEN with Mr. RANDALL of California.
Mr. MONDELL with Mr. RIORDAN.
Mr. HAUGEN with Mr. LEE of Georgia.
Mr. SNYDER with Mr. ALEXANDER.
Mr. TEMPLE with Mr. BLACKMON.
Mr. TREADWAY with Mr. BOOHER.
Mr. WALSH with Mr. CLEARY.
Mr. WASON with Mr. COADY.
Mr. NEWTON of Missouri with Mr. HUDSPETH.
Mr. BLAND of Indiana with Mr. BELL.
Mr. BROWNE with Mr. CASEY.
Mr. COOPER with Mr. FLOOD.
Mr. COPLEY with Mr. GALLIVAN.
Mr. DICKINSON of Iowa with Mr. CLARK of Florida.
Mr. DYER with Mr. GOODWIN of Arkansas.
Mr. EDMONDS with Mr. GRIFFIN.

The SPEAKER. On this vote the yeas are 104, the nays are 147. The nays have it. A quorum is present. The gentleman from Kansas [Mr. CAMPBELL] is recognized for 26 minutes.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Is it not necessary to dispense with the call of the House?

The SPEAKER. A call of the House was refused.

Mr. BLANTON. Did the Chair announce it?

The SPEAKER. The Chair said, "The nays have it."

Mr. CAMPBELL of Kansas. Mr. Speaker, it is not surprising that gentlemen of the minority should put in the day filibustering against a resolution that enables the House to discuss the manner of the expenditure of the billions of money that the American people paid in loans and in taxation into the Treasury of the United States for the conduct of the war. The grossly incompetent manner in which the administration conducted the business of the Government in connection with the war is so notorious that the country has already taken notice of it, and this House can not, through its minority, prevent a further discussion of the incompetent manner in which the administration conducted its part of the war. [Applause.] The gentleman from Kentucky [Mr. CANTRILL] endeavored adroitly to make this rule in order in such form that the House might discuss the manner in which our soldiers and officers conducted themselves. No encomiums are too great upon the conduct of the officers and men of the Army of the United States. [Applause.] They did their part. [Applause.] We are here to-day to discuss the manner in which the President and the Secretary of War and those responsible for the business of the Government did their part. [Applause.]

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I yield for a question.

Mr. CLARK of Missouri. Did the gentleman say the officers of the Regular Army?

Mr. CAMPBELL of Kansas. No; the officers and men of the Army.

Mr. CLARK of Missouri. Did not the gentleman first say the officers and men of the Regular Army?

Mr. CAMPBELL of Kansas. No.

Mr. CLARK of Missouri. I thought the gentleman did.

Mr. CAMPBELL of Kansas. There has been no question at any time with respect to the manner in which the men in the field have done their part in connection with this Great War The only question that has been raised by the American people, or any part of them, or any of their representatives, has been as to the manner in which their money has been expended and the manner in which the business of the Government has been conducted by the administration.

Mr. BENSON. Will the gentleman yield?

Mr. CAMPBELL of Kansas. For a question.

Mr. BENSON. Does the gentleman think we would have done better under Secretary of War Alger than we have done under Secretary of War Baker?

Mr. CAMPBELL of Kansas. Oh, yes; a thousand to one. [Applause.]

Mr. WELTY. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Not now. During the discussion this morning between roll calls some one said that if there had been a Republican administration, of course, this resolution would not now be before the House. Why, that is true. [Applause.] There would have been no occasion for it. [Applause.] Incompetency would not have marked every act of the administration. [Applause.]

Mr. WELTY. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. No. [Cries of "Do not yield."]

Mr. WELTY. Why not? Why do not you gentlemen want him to yield?

Mr. CAMPBELL of Kansas. I very respectfully decline to yield.

The gentleman from North Carolina [Mr. POU] and the gentleman from Kentucky [Mr. CANTRILL] both stated that there was nothing to bring before the House, nothing to discuss, nothing in which the American people were interested. I beg leave respectfully to differ with both of these gentlemen. There is somthing in which the American people are interested. There is something that they are entitled to hear and have discussed. Some 30 or 40 volumes of testimony have been taken by the committee making this investigation. In these volumes of testimoney matters have been disclosed that the American people should have discussed in their hearing, or so that it may reach them. These are matters in which the taxpayers and the bond purchasers have a vital interest. They paid the bills and they have a right to know what has been done with their money. They have a right to know the manner in which the War Department expended the money.

Mr. WELTY. Mr. Speaker, will the gentleman yield there?

The SPEAKER. Does the gentleman yield?

Mr. CAMPBELL of Kansas. Yes; if the gentleman insists.

Mr. WELTY. Yes; I would like to have the gentleman yield.

Mr. CAMPBELL of Kansas. For a question, and I will ask the gentleman to make it brief.

Mr. WELTY. It is charged here in this report that there was a combination to defraud the Government. Why do not you set that matter out so that there could be prosecution, and so that we might know who has been guilty of defrauding the Government, what particular person or persons?

Mr. MANN of Illinois. Oh, we will prosecute under the next administration all right. [Applause on the Republican side.]

Mr. WELTY. Did you prosecute the Beef Trust?

Mr. CAMPBELL of Kansas. Never mind; I do not yield further.

Mr. WELTY. During the Spanish-American War?

Mr. CAMPBELL of Kansas. I do not yield further. Will the gentleman be kind enough to take his seat?

Mr. WELTY. I wish the gentleman would answer the question.

Mr. CAMPBELL of Kansas. It is quite impossible to secure prosecution of the violators of the law in this administration. [Applause and cheers on the Republican side.]

Mr. WELTY. Why do not you point it out, then?

Mr. BLANTON. Mr. Speaker, a point of order.

Mr. CAMPBELL of Kansas. I will answer the gentleman.

Mr. WELTY. Why do not you point it out? If any crime has been committed, why do not you point it out and be men?

Mr. BLANTON. Mr. Speaker, a point of order.

Mr. CAMPBELL of Kansas. I do not yield.

Mr. BLANTON. But we want to hear the gentleman from Kansas, and it is improper for the Republicans to prevent us by their cheers from hearing him.

Mr. CAMPBELL of Kansas. The gentleman desires that something specific be stated. I will state something specific. Mr. H. R. Long, a shoe manufacturer of Massachusetts——

Mr. BLANTON. R. H. Long. The gentleman ought to get it right.

Mr. CAMPBELL of Kansas. Oh, yes; Democrats should know him. He was the last Democratic candidate for governor of Massachusetts [applause and cheers on the Republican side], and I think the Democratic candidate for governor in a former campaign.

Mr. WELTY. Proceed and show where he is a criminal.

Mr. CAMPBELL of Kansas. I would even be willing to leave that to the gentleman from Ohio.

Mr. WELTY. The gentleman has the floor.

Mr. CAMPBELL of Kansas. This gentleman is a shoe manufacturer. He had contracts with the Government that amounted to over $22,000,000. He purchased rejected floor sweepings

from textile manufacturers, to be used in the manufacture of knapsacks and belts for the use of our soldiers overseas, and the War Department purchased these knapsacks and belts manufactured out of this trash from Mr. Long. The materials had been rejected by every other manufacturer.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL of Kansas. For a question.

Mr. GARRETT. Is the gentleman aware of the fact that the Long contracts were investigated by the committee, to the committee's satisfaction, I presume, and that they did not dare even mention the Long proposition in this report? [Applause on Democratic side.]

Mr. CAMPBELL of Kansas. I have the testimony. I do not yield further. I want to satisfy the gentleman from Ohio and others.

Mr. GRAHAM of Illinois. Mr. Speaker, will the gentleman yield for a suggestion?

Mr. CAMPBELL of Kansas. Yes.

Mr. GRAHAM of Illinois. That the committee has not yet finished its investigation of Mr. Long. [Applause on the Republican side.]

Mr. ASHBROOK. They have been a long time at it.

Mr. CAMPBELL of Kansas. Mr. Long had contracts not completed at the end of the war running into millions of dollars. Nothing was done by Mr. Long toward supplying the Government with the articles called for in these contracts. The contracts were entered into during the period of from five months to two days before the end of the war. He brought claims against the Government for $10,000,000, for what service he had rendered God alone knows, because the testimony does not disclose; but it does say that he had done nothing toward completing his part of these contracts. But the War Department—not the soldiers in the field nor the taxpayers in the country—the War Department settled with Mr. Long for $1,367,859.35 for contracts upon which he had furnished the Government nothing.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. For a question.

Mr. RAKER. Could the gentleman give the House the benefit of the name of the board and the names of the members composing the board that adjusted this claim?

Mr. CAMPBELL of Kansas. I do not know.

Mr. RAKER. I wonder if the committee has the names?

Mr. GRAHAM of Illinois. We will furnish that in our discussion on the floor.

Mr. RAKER. That will be presented to the House?

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. No; I want to give an illustration——

Mr. BLANTON. I think we ought to have a quorum here to hear it.

Mr. CAMPBELL of Kansas. I do not yield.

Mr. BLANTON. Mr. Speaker, I make the point of order that we have not a quorum here to listen to the gentleman from Kansas.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count.

Mr. CAMPBELL of Kansas. Well, it is getting more interesting than it was, anyway. [Applause on the Republican side.]

Mr. BLANTON. To a small audience.

Mr. CAMPBELL of Kansas. Oh, there is a good audience here.

Mr. GARRETT. And less accurate. [Applause on the Democratic side.]

Mr. CAMPBELL of Kansas. Oh, I take what I state from the testimony.

The SPEAKER. One hundred and fifty-one Members are present, not a quorum.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Kansas moves a call of the House.

The question was taken.

Mr. BLANTON. Mr. Speaker, I demand a division.

The House proceeded to divide.

Mr. BLANTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The question is on ordering a call of the House. The Clerk will call the roll.

The question was taken; and there were—yeas 109, nays 139, answered "present" 10, not voting 174, as follows:

YEAS—109.

Almon	Bee	Box	Brumbaugh
Ashbrook	Bland, Mo.	Brand	Buchanan
Babka	Bland, Va.	Briggs	Byrnes, S. C.
Bankhead	Blanton	Brinson	Byrns, Tenn.
Caldwell	Garrett	Moon	Sisson
Campbell, Pa.	Godwin, N. C.	Mooney	Smith, N. Y.
Candler	Hardy, Tex.	Moore, Va.	Smithwick
Cantrill	Harrison	Nelson, Mo.	Steagall
Caraway	Hersman	O'Connell	Stedman
Carss	Huddleston	O'Connor	Stephens, Miss.
Clark, Mo.	Hull, Tenn.	Oldfield	Stevenson
Collier	Jacoway	Oliver	Stoll
Crisp	Johnson, Miss.	Overstreet	Tague
Cullen	Kincheloe	Park	Thomas
Davis, Tenn.	Kitchin	Parrish	Tillman
Dent	Lanham	Phelan	Upshaw
Dickinson, Mo.	Lankford	Quin	Vinson
Dominick	Larsen	Rainey, Ala.	Watkins
Doremus	Lesher	Rainey, J. W.	Weaver
Drane	Linthicum	Raker	Welling
Evans, Mont.	Lonergan	Rayburn	Welty
Fields	McAndrews	Riordan	Wilson, La.
Fisher	McClintic	Romjue	Wingo
Gallivan	McKinley	Rouse	Woods, Va.
Gandy	Maher	Rubey	Wright
Ganly	Mann, S. C.	Saunders, Va.	
Gard	Martin	Sherwood	
Garner	Mead	Sims	

NAYS—139.

Anderson	Esch	Kleczka	Rose
Andrews, Nebr.	Evans, Nebr.	Kraus	Sanders, N. Y.
Ayres	Evans, Nev.	Lampert	Scott
Bacharach	Fordney	Langley	Sells
Baer	Foster	Little	Shreve
Begg	Frear	Luce	Sinclair
Benham	French	Lufkin	Smith, Idaho
Benson	Fuller, Ill.	Luhring	Smith, Mich.
Boies	Fuller, Mass.	McArthur	Snell
Brooks, Ill.	Garland	McKinley	Stephens, Ohio
Burdick	Good	McLaughlin, Nebr.	Strong, Kans.
Butler	Graham, Ill.	MacCrate	Summers, Wash.
Campbell, Kans.	Green, Iowa	Madden	Sweet
Cannon	Greene, Mass.	Magee	Taylor, Tenn.
Carew	Griest	Mann, Ill.	Temple
Chindblom	Hadley	Mapes	Tilson
Christopherson	Hardy, Colo.	Monahan, Wis.	Timberlake
Classon	Harreld	Mondell	Tincher
Cole	Haskell	Morgan	Towner
Cooper	Hawley	Murphy	Vaile
Crago	Hays	Nelson, Wis.	Vestal
Cramton	Hickey	Newton, Minn.	Voigt
Crowther	Hicks	Newton, Mo.	Volstead
Currie, Mich.	Hill	Ogden	Walsh
Curry, Calif.	Hoch	Paige	Ward
Dale	Hull, Iowa	Peters	Wason
Dallinger	Ireland	Purnell	Watson, Pa.
Darrow	Jefferis	Randall, Wis.	White, Kans.
Dempsey	Johnson, Wash.	Reavis	White, Me.
Dowell	Jones, Pa.	Reed, N. Y.	Williams
Dunbar	Kelley, Mich.	Reed, W. Va.	Wilson, Ill.
Dunn	Kelly, Pa.	Rhodes	Winslow
Echols	Kendall	Ricketts	Wood, Ind.
Elliott	Kennedy, Iowa	Robsion, Ky.	Young, N. Dak.
Emerson	Kinkaid	Rogers	

ANSWERED "PRESENT," 10.

Black	Kiess	Ramseyer	Woodyard
Greene, Vt.	Knutson	Sanford	
Hersey	MacGregor	Tinkham	

NOT VOTING—174.

Ackerman	Flood	Lea, Calif.	Reber
Alexander	Focht	Lee, Ga.	Riddick
Andrews, Md.	Freeman	Lehlbach	Robinson, N. C.
Anthony	Gallagher	Longworth	Rodenberg
Aswell	Glynn	McCulloch	Rowan
Barbour	Goldfogle	McDuffie	Rowe
Barkley	Goodall	McFadden	Rucker
Bell	Goodwin, Ark.	McGlennon	Sabath
Blackmon	Goodykoontz	McKenzie	Sanders, Ind.
Bland, Ind.	Gould	McKeown	Sanders, La.
Booher	Graham, Pa.	McLane	Schall
Bowers	Griffin	McLaughlin, Mich.	Scully
Britten	Hamill	McPherson	Sears
Brooks, Pa.	Hamilton	Major	Siegel
Browne	Hastings	Mansfield	Sinnott
Browning	Haugen	Mason	Slemp
Burke	Hayden	Mays	Small
Burroughs	Heflin	Merritt	Smith, Ill.
Carter	Hernandez	Michener	Snyder
Casey	Holland	Miller	Steele
Clark, Fla.	Houghton	Minahan, N. J.	Steenerson
Cleary	Howard	Montague	Stiness
Coady	Hudspeth	Moore, Ohio	Strong, Pa.
Connally	Hulings	Moore, Pa.	Sullivan
Copley	Humphreys	Moores, Ind.	Sumners, Tex.
Costello	Husted	Morin	Swope
Davey	Hutchinson	Mott	Taylor, Ark.
Davis, Minn.	Igoe	Mudd	Taylor, Colo.
Denison	James	Neely	Thompson
Dewalt	Johnson, Ky.	Nicholls, S. C.	Treadway
Dickinson, Iowa	Johnson, S. Dak.	Nichols, Mich.	Vare
Donovan	Johnston, N. Y.	Nolan	Venable
Dooling	Jones, Tex.	Olney	Walters
Doughton	Juul	Osborne	Watson, Va.
Dupré	Kahn	Padgett	Webster
Dyer	Kearns	Parker	Whaley
Eagan	Keller	Pell	Wheeler
Eagle	Kennedy, R. I.	Platt	Wilson, Pa.
Edmonds	Kettner	Porter	Wise
Ellsworth	King	Pou	Yates
Elston	Kreider	Radcliffe	Young, Tex.
Fairfield	LaGuardia	Rainey, H. T.	Zihlman
Ferris	Layton	Ramsey	
Fess	Lazaro	Randall, Calif.	

So the call of the House was refused.

The Clerk announced the following additional pairs:
Until further notice:
Mr. KNUTSON with Mr. BELL.
Mr. DAVIS of Minnesota with Mr. HAYDEN.
Mr. LAGUARDIA with Mr. OLNEY.
Mr. HERNANDEZ with Mr. MCDUFFIE.
Mr. KENNEDY of Rhode Island with Mr. POU.
Mr. RODENBERG with Mr. PADGETT.
Mr. STEENERSON with Mr. WHALEY.
Mr. STINESS with Mr. VENABLE.
Mr. ZIHLMAN with Mr. SABATH.
Mr. WOODYARD. Mr. Speaker——
The SPEAKER. Was the gentleman present and listening when his name was called?
Mr. WOODYARD. No; I was in the cloakroom.
The SPEAKER. The gentleman can be recorded as present.
Mr. MANN of Illinois. The Speaker has declared that no quorum was present.
The SPEAKER. The Chair says that the gentleman could be recorded as present.
Mr. GREENE of Vermont. Mr. Speaker, under that ruling, I would be recorded as present.
The result of the vote was announced as above recorded.
Mr. BLANTON. Mr. Speaker, I move that the House do now adjourn.
The SPEAKER. The gentleman from Texas moves that the House do now adjourn.
Mr. BLANTON. And upon that I ask for the yeas and nays.
The yeas and nays were ordered.
The SPEAKER. As many as are in favor of the motion to adjourn will, as their names are called, answer "yea" and those opposed answer "nay," and the Clerk will call the roll.
The question was taken; and there were—yeas 104, nays 151, answered "present" 1, not voting 176, as follows:

YEAS—104.

Almon	Crisp	Larsen	Quin
Ashbrook	Cullen	Lee, Ga.	Rainey, Ala.
Babka	Davis, Tenn.	Lesher	Rainey, J. W.
Bankhead	Dent	Linthicum	Romjue
Bee	Dickinson, Mo.	Lonergan	Rouse
Benson	Dominick	McAndrews	Rubey
Black	Drane	McClintic	Sherwood
Bland, Mo.	Evans, Mont.	McDuffie	Smithwick
Bland, Va.	Evans, Nev.	McKinley	Steagall
Blanton	Fields	Maher	Stedman
Box	Fisher	Mann, S. C.	Stephens, Miss.
Brand	Gallivan	Martin	Stevenson
Briggs	Gandy	Mead	Stoll
Brinson	Ganly	Moon	Taylor, Colo.
Brumbaugh	Garner	Mooney	Thomas
Buchanan	Garrett	Moore, Va.	Tillman
Byrnes, S. C.	Godwin, N. C.	Nelson, Mo.	Upshaw
Byrns, Tenn.	Harrison	O'Connell	Vinson
Caldwell	Hersman	O'Connor	Watkins
Campbell, Pa.	Huddleston	Oldfield	Weaver
Candler	Hull, Tenn.	Oliver	Welty
Cantrill	Jacoway	Overstreet	Wilson, Pa.
Caraway	Johnson, Miss.	Park	Wingo
Carew	Kincheloe	Parrish	Wise
Carss	Kitchin	Phelan	Woods, Va.
Collier	Lanham	Pou	Wright

NAYS—151.

Anderson	Foster	Knutson	Ramseyer
Andrews, Nebr.	French	Kraus	Randall, Wis.
Anthony	Fuller, Ill.	Lampert	Reavis
Ayres	Fuller, Mass.	Langley	Reed, N. Y.
Bacharach	Glynn	Lankford	Reed, W. Va.
Begg	Graham, Ill.	Little	Rhodes
Benham	Green, Iowa	Luce	Ricketts
Boies	Greene, Mass.	Lufkin	Robsion, Ky.
Burdick	Greene, Vt.	Luhring	Rodenberg
Burroughs	Griest	McArthur	Rogers
Butler	Hadley	McCulloch	Rose
Campbell, Kans.	Hardy, Colo.	McKinley	Sanders, N. Y.
Cannon	Harreld	McLaughlin, Nebr.	Saunders, Va.
Chindblom	Haskell	MacCrate	Scott
Christopherson	Haugen	MacGregor	Sinclair
Classon	Hawley	Madden	Smith, Idaho
Cole	Hays	Magee	Smith, Mich.
Crago	Hernandez	Mann, Ill.	Sneed
Cramton	Hersey	Mapes	Steenerson
Crowther	Hickey	Monahan, Wis.	Stephens, Ohio
Currie, Mich.	Hicks	Mondell	Strong, Kans.
Curry, Calif.	Hill	Moores, Ind.	Summers, Wash.
Dale	Hoch	Morgan	Sweet
Dallinger	Hull, Iowa	Mott	Taylor, Tenn.
Darrow	Ireland	Murphy	Temple
Dempsey	Jefferis	Nelson, Wis.	Tilson
Dowell	Johnson, Wash.	Newton, Minn.	Timberlake
Dunbar	Jones, Pa.	Newton, Mo.	Tincher
Dunn	Kelley, Mich.	Ogden	Tinkham
Echols	Kelly, Pa.	Paige	Towner
Elliott	Kendall	Parker	Vaile
Emerson	Kennedy, Iowa	Peters	Vestal
Esch	Kiess	Platt	Voigt
Evans, Nebr.	Kinkaid	Purnell	Volstead
Fordney	Kleczka	Raker	Walsh
Ward	White, Kans.	Wilson, Ill.	Young, N. Dak.
Watson, Pa.	White, Me.	Winslow	Zihlman
Welling	Williams	Woodyard	

ANSWERED "PRESENT"—1.

Bell

NOT VOTING—176.

Ackerman	Ferris	Kreider	Robinson, N. C.
Alexander	Fess	LaGuardia	Rowan
Andrews, Md.	Flood	Layton	Rowe
Aswell	Focht	Lazaro	Rucker
Baer	Frear	Lea, Calif.	Sabath
Barbour	Freeman	Lehlbach	Sanders, Ind.
Barkley	Gallagher	Longworth	Sanders, La.
Blackmon	Gard	McFadden	Sanford
Bland, Ind.	Garland	McGlennon	Schall
Booher	Goldfogle	McKenzie	Scully
Bowers	Good	McKeown	Sears
Britten	Goodall	McLane	Sells
Brooks, Ill.	Goodwin, Ark.	McLaughlin, Mich.	Shreve
Brooks, Pa.	Goodykoontz	McPherson	Siegel
Browne	Gould	Major	Sims
Browning	Graham, Pa.	Mansfield	Sinnott
Burke	Griffin	Mason	Sisson
Carter	Hamill	Mays	Slemp
Casey	Hamilton	Merritt	Small
Clark, Fla.	Hardy, Tex.	Michener	Smith, Ill.
Clark, Mo.	Hastings	Miller	Smith, N. Y.
Cleary	Hayden	Minahan, N. J.	Snyder
Coady	Heflin	Montague	Steele
Connally	Holland	Moore, Ohio	Stiness
Cooper	Houghton	Moore, Pa.	Strong, Pa.
Copley	Howard	Morin	Sullivan
Costello	Hudspeth	Mudd	Sumners, Tex.
Davey	Hulings	Neely	Swope
Davis, Minn.	Humphreys	Nicholls, S. C.	Tague
Denison	Husted	Nichols, Mich.	Taylor, Ark.
Dewalt	Hutchinson	Nolan	Thompson
Dickinson, Iowa	Igoe	Olney	Treadway
Donovan	James	Osborne	Vare
Dooling	Johnson, Ky.	Padgett	Venable
Doremus	Johnson, S. Dak.	Pell	Walters
Doughton	Johnston, N. Y.	Porter	Wason
Dupré	Jones, Tex.	Radcliffe	Watson, Va.
Dyer	Juul	Rainey, H. T.	Webster
Eagan	Kahn	Ramsey	Whaley
Eagle	Kearns	Randall, Calif.	Wheeler
Edmonds	Keller	Rayburn	Wilson, La.
Ellsworth	Kennedy, R. I.	Reber	Wood, Ind.
Elston	Kettner	Riddick	Yates
Fairfield	King	Riordan	Young, Tex.

So the motion was rejected.
The Clerk announced the following additional pairs:
Until further notice:
Mr. BAER with Mr. CLARK of Missouri.
Mr. BROOKS of Illinois with Mr. GARD.
Mr. SANFORD with Mr. HARDY of Texas.
Mr. FREAR with Mr. RAYBURN.
Mr. GARLAND with Mr. SIMS.
Mr. GOOD with Mr. SISSON.
Mr. KELLER with Mr. TAGUE.
Mr. MORIN with Mr. DEWALT.
Mr. SELLS with Mr. DAVEY.
Mr. SHREVE with Mr. HOWARD.
The result of the vote was announced as above recorded.
Mr. CAMPBELL of Kansas. Mr. Speaker, when interrupted by the gentleman from Texas by his motion to adjourn, I was just about to give an illustration of the contracts held by Mr. Long, of Masachusetts, with the War Department.
The witness is Mr. Bennett. I am reading from page 2149 of the hearing. He says:

Mr. BENNETT. I can give you a list of them if you want them. The first is mail bags. It was for only $314, but it was given on August 28, 1918, and it was to be completed in July, I think. The next one is for ration bags given on April 15, 1918, marked in the contract "Urgent need," was to be completed 25 per cent in September; same in October, November, and December. There was nothing done on the contract at all. The whole thing was canceled and Mr. Long got $10,091.67 for canceling.

Mr. BLANTON. Mr. Speaker, right there, will the gentleman yield in fairness?
Mr. CAMPBELL of Kansas (continuing the reading):

The Government got $325 of odds and ends which Mr. Long did not use in his future work. Mr. Long got $16,700 worth of raw material, and he allowed the Government for it $133.33.

Does not the gentleman from Ohio [Mr. WELTY] think he ought to be prosecuted, and that the man who made that settlement with him ought to be prosecuted?
Mr. BLANTON. Mr. Speaker, will the gentleman yield?

ENROLLED JOINT RESOLUTION SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:
H. J. Res. 260. House joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919.

ADJOURNMENT.

Mr. CAMPBELL of Kansas. Now, Mr. Speaker, I move that the House adjourn.

The SPEAKER. The gentleman from Kansas moves that the House do now adjourn. The question is on agreeing to that motion.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until Monday, December 15, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of Commerce, transmitting a copy of a report of the Chief of the Division of Publications for the fiscal year 1919, was taken from the Speaker's table, referred to the Committee on Expenditures in the Department of Commerce, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. SWEET, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10183) to authorize the aids to navigation and for other works in the Lighthouse Service, and for other purposes, reported the same with an amendment, accompanied by a report (No. 498), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SANFORD, from the Committee on Military Affairs, to which was referred the bill (H. R. 10331) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1919," approved July 9, 1918, reported the same without amendment, accompanied by a report (No. 499), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 9636) for the relief of Samuel Friedman as trustee for the heirs and devisees of B. Friedman and Henry Mills, and as trustee for the heirs and devisees of Emanuel Loveman, deceased, and the same was referred to the Committee on the Public Lands.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WOODYARD: A bill (H. R. 11172) providing for the purchase of a site and the erection thereon of a public building at Hurricane, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. DYER: A bill (H. R. 11173) to promote the efficiency of the permanent Military Establishment, and for the retirement of certain enlisted men who served as temporary officers during the war between the United States and Germany; to the Committee on Military Affairs.

By Mr. LANGLEY: A bill (H. R. 11174) for the erection of a Federal building at Pikeville, Ky., and increasing the limit of cost for the site; to the Committee on Public Buildings and Grounds.

By Mr. GOODALL: A bill (H. R. 11175) for the public sale of customhouse building and site at Kennebunk Port, Me.; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON of Washington: A bill (H. R. 11193) providing for the exclusion, deportation, and expulsion from the United States of certain aliens, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. HAYDEN: A bill (H. R. 11194) to amend section 2319 of the Revised Statutes of the United States relating to mining claims; to the Committee on the Public Lands.

By Mr. DYER: Resolution (H. Res. 419) instructing the delegates from the United States of America to the peace conference to protest against former prejudices, hatred, and persecution against the Jews in certain portions of Europe forming part of newly created free Governments; to the Committee on Foreign Affairs.

By Mr. NEWTON of Missouri: Concurrent resolution (H. Con. Res. 39) protesting against the merciless persecution of the Jewish people of Ukraine and other States in eastern and southeastern Europe; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 11176) granting an increase of pension to Ephraim Whitson; to the Committee on Invalid Pensions.

By Mr. BRAND: A bill (H. R. 11177) for the relief of the estate of Joseph Hanserd; to the Committee on War Claims.

By Mr. DICKINSON of Missouri: A bill (H. R. 11178) authorizing the appointment of Maj. W. H. Allen as major in the Regular Army; to the Committee on Military Affairs.

By Mr. McANDREWS: A bill (H. R. 11179) granting a pension to Victor A. Benson; to the Committee on Pensions.

By Mr. MacGREGOR: A bill (H. R. 11180) for the relief of John C. Bush; to the Committee on Claims.

By Mr. MORIN: A bill (H. R. 11181) to reimburse Earl V. Larkin for injuries sustained by the accidental discharge of a pistol in the hands of a soldier in the United States Army; to the Committee on Claims.

By Mr. MURPHY: A bill (H. R. 11182) for the relief of Benjamin R. Buffington: to the Committee on Military Affairs.

Also, a bill (H. R. 11183) requiring the Secretary of War to issue an honorable discharge to Benjamin R. Buffington; to the Committee on Military Affairs.

By Mr. SELLS: A bill (H. R. 11184) granting an increase of pension to Samuel G. Dinsmore; to the Committee on Pensions.

Also, a bill (H. R. 11185) granting an increase of pension to John C. Wilson; to the Committee on Pensions.

Also, a bill (H R. 11186) granting an increase of pension to Daniel K. Rowe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11187) granting a pension to Leon J. Collins; to the Committee on Pensions.

Also, a bill (H. R. 11188) granting a pension to Russell M. Huff; to the Committee on Pensions.

Also, a bill (H. R. 11189) granting a pension to Thomas G. Pardue; to the Committee on Pensions.

By Mr. TAGUE: A bill (H. R. 11190) for the relief of the employees of the Mead-Morrison Manufacturing Co., of East Boston, Mass.; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11191) granting a pension to Mattie Dunn; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 11192) granting a pension to Willie E. Vaughan; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

346. By the SPEAKER (by request): Petition of the First Christian Church of Vinita, Okla., for extension of full American citizenship to Indians; to the Committee on the Judiciary.

347. Also (by request), petition of sundry veterans of the World War, for recognition of Irish republic; to the Committee on Foreign Affairs.

348. Also (by request), petition of sundry citizens of Illinois, concerning methods taken by the Government in securing injunction in the recent strike; to the Committee on the Judiciary.

349. Also (by request), petition of the International Brotherhood of Bookbinders, New York, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

350. By Mr. BABKA: Petition of the Four-Ones Manufacturers' Association, of Chicago, Ill., indorsing the research activities of the Forest Products Laboratory of the United States Department of Agriculture, Madison, Wis.; to the Committee on Agriculture.

351. By Mr. CRAMTON: Petition of Rathsburg & Muir and other merchants of Imlay City, Mich., against passage of the Siegel cost-price marking bill; to the Committee on Interstate and Foreign Commerce.

352. Also, memorial of John E. Swan, Peter La Forge, and John W. Newell, for increase of pay for persons in the custodian service of the United States; to the Committee on Appropriations.

353. Also, memorial of O'Brien J. Atkinson Branch of Friends of Irish Freedom of Port Huron, Mich., for passage of the Mason bill, H. R. 3404; to the Committee on Foreign Affairs.

354. By Mr. CULLEN: Petition of Poughkeepsie Lodge, No. 275, Benevolent and Protective Order of Elks, for deportation

of undesirable aliens; to the Committee on Immigration and Naturalization.

355. Also, petition of the St. Paul Association of Public and Business Affairs, regarding railroad problem; to the Committee on Interstate and Foreign Commerce.

356. By Mr. DYER: Petition of the Missouri Aeronautical Reserve Corps, pertaining to the future welfare of the Air Service; to the Committee on Military Affairs.

357. Also, petition of Anthony Kessler's Sons, of St. Louis, Mo.; St. Joseph Paper Box Co., of St. Joseph, Mo.; Columbia Transfer Co., of St. Louis, Mo., all favoring 1-cent postage on drop letters; to the Committee on the Post Office and Post Roads.

358. Also, petition of Commodore Barry Branch, Friends of Irish Freedom, commending Congress on rejection of the league of nations; to the Committee on Foreign Affairs.

359. By Mr. FULLER of Illinois: Petition of Father Eugene O'Growney Branch, Friends of Irish Freedom, for House bill 3404; to the Committee on Foreign Affairs.

360. Also, petition of Haddorf Piano Co., of Rockford, Ill., for 1-cent postage on drop letters; to the Committee on the Post Office and Post Roads.

361. By Mr. GALLIVAN: Memorial of the Commonwealth of Massachusetts, on the deficiency in the sugar supply; to the Committee on Agriculture.

362. By Mr. GOODWIN of Arkansas: Petition of Washington-Lee Camp, No. 80, American Legion, of Lewisville, Ark., for legislation to curb anarchy and for punishment of murderers of the soldiers at Centralia, Wash.; to the Committee on the Judiciary.

363. By Mr. LINTHICUM: Petition of sundry ex-service men, favoring passage of Johnson bill, providing for bonus for soldiers, sailors, and marines; to the Committee on Military Affairs.

364. Also, petition of Joseph S. West, of Baltimore, Md., favoring passage of the Cummins bill; to the Committee on Interstate and Foreign Commerce.

365. Also, petition of the Central Fire Insurance Co. of Baltimore, Md., regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

366. Also, petition of Grace Bell Micheau Post, No. 44, American Legion, for deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

367. Also, petition of M. P. Hubbard & Co. and Home Fertilizers & Chemical Co., both of Baltimore, Md., regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

368. Also, petition of Stuart, Keith & Co., of Baltimore, Md., favoring 1-cent postage on drop letters; to the Committee on the Post Office and Post Roads.

369. Also, petition of Berndt & Co., of Baltimore, Md., offering amendments to the Esch bill, to take care of refrigerator cars; to the Committee on Interstate and Foreign Commerce.

370. By Mr. MAHER: Petition of Poughkeepsie Lodge, No. 275, Benevolent and Protective Order of Elks, for deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

371. Also, petition of the Private Soldiers and Sailors' Legion, of Washington, D. C., favoring House bill 10373; to the Committee on Military Affairs.

372. By Mr. O'CONNELL: Petition of Poughkeepsie Lodge, No. 275, Benevolent and Protective Order of Elks, for deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

373. Also, petition of St. Paul Association of Public and Business Affairs, regarding railroad problem; to the Committee on Interstate and Foreign Commerce.

374. Also, petition of southern Illinois editors, indorsing the zone postal law; to the Committee on the Post Office and Post Roads.

375. By Mr. STINESS: Petition of the City Council of Providence, R. I., indorsing legislation for a daylight-saving plan for New England; to the Committee on Interstate and Foreign Commerce.

376. By Mr. TILSON: Petition of Wadhams Post, No. 49, Grand Army of the Republic, favoring House bill 9369; to the Committee on Invalid Pensions.

377. By Mr. TINKHAM: Petition of Brookline Lodge, No. 886, Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolshevists; to the Committee on the Judiciary.

378. Also, petition of sundry citizens of Brockton, for release of political prisoners arrested during the war; to the Committee on the Judiciary.

SENATE.

MONDAY, *December 15, 1919.*

(Legislative day of Friday, December 12, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

CHARLES B. HENDERSON, a Senator from the State of Nevada, appeared in his seat to-day.

CHICAGO (BROADVIEW) HOSPITAL (H. DOC. NO. 518).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, information relative to the Speedway or Broadview Hospital in Cook County, Ill., which, with the accompanying paper, was referred to the Committee on Military Affairs and ordered to be printed.

ANNUAL REPORT OF UNITED STATES SHIPPING BOARD (H. DOC. NO. 435).

The VICE PRESIDENT laid before the Senate the third annual report of the United States Shipping Board, which was referred to the Committee on Commerce.

FINDINGS OF THE COURT OF CLAIMS.

The VICE PRESIDENT laid before the Senate a communication from the Assistant Clerk of the Court of Claims, transmitting, pursuant to the order of the Court, a certified copy of the findings of fact and conclusion filed by the court in the case of Fore River Shipbuilding Co. *v.* The United States, which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 8819) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 3, 1920, and for other purposes," approved July 11, 1919, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 1199) to prohibit the purchase, sale, or possession for the purpose of sale of certain wild birds in the District of Columbia, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented a petition of Local Lodge No. 19, Benevolent and Protective Order of Elks, of Hartford, Conn., praying for the enactment of legislation providing for the deportation of undesirable aliens, which was referred to the Committee on Immigration.

He also presented resolutions adopted at a conference of New England governors held in Boston, Mass., favoring a rank for Maj. Gen. Clarence R. Edwards commensurate with the services rendered by the Twenty-sixth Division, and also that the United States Shipping Board be requested to allocate some of its large ships to the New England owners, operators, and managers of steamers, which were referred to the Committee on Military Affairs.

He also presented a petition of the Yankee Division Veterans' Association, of Willimantic, Conn., praying for the enactment of legislation granting to soldiers a bonus based on the time spent in the service, which was referred to the Committee on Military Affairs.

He also presented a resolution adopted at a conference of New England governors held in Boston, Mass., favoring the return of the railroads to their owners only under certain conditions, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of the Fairfield County Farm Bureau, of Danbury, Conn., remonstrating against the reports by the daily press that the farmers are in sympathy with those who desire to reduce the hours of labor and curtail production, which was referred to the Committee on Education and Labor.

He also presented a memorial of sundry Jewish citizens of Waterbury, Conn., and a memorial of the combined Jewish organizations of Bridgeport, Conn., remonstrating against the treatment of the Jews in the Ukraine and favoring action on the part of the Government to prevent a repetition of these outrages, which were referred to the Committee on Foreign Relations.

He also presented a petition of Thomas Ashe Branch, Friends of Irish Freedom, of New Britain, Conn., and a petition of Local

Division, No. 7, Ancient Order of Hibernians, of New Haven, Conn., praying for the freedom of Ireland, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented a resolution adopted by the Council of Clubs and sundry organizations and citizens of Kansas City, Kans., favoring the passage of the so-called Smith-Towner bill creating a Department of Education, which was referred to the Committee on Education and Labor.

He also presented a petition of the board of directors of the Chautauqua Association, of Beloit, Kans., praying for the exemption of Chautauquas from the operations of the so-called luxury tax, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Willard, Kans., remonstrating against the adoption of compulsory military training, which was referred to the Committee on Military Affairs.

He also presented memorials of Prairie View Division, No. 276, Order of Railway Conductors, of Goodland; of Local Lodge No. 1095, Brotherhood of Carpenters and Joiners, of Salina; and of the Central Labor Union, of Dodge City, all in the State of Kansas, remonstrating against the passage of the so-called Cummins railroad bill and praying for a two-years' extension of Government control of railroads, which were ordered to lie on the table.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McLEAN:

A bill (S. 3550) granting a pension to James B. Webster; (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 3551) granting a pension to Harriet A. Erb; and

A bill (S. 3552) granting a pension to Joseph B. Doan; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 3553) making provision for the irrigation of Indian lands within the limits of the Curlew irrigation district in the State of Washington; to the Committee on Indian Affairs.

By Mr. NORRIS:

A bill (S. 3554) to regulate interstate commerce, to incorporate the Federal railroad company, and for other purposes; to the Committee on Interstate Commerce.

By Mr. POINDEXTER:

A bill (S. 3555) authorizing the Secretary of Agriculture to make a survey of pulp woods on the public domain and to prepare a plan for the reforestation of pulp-wood lands, and appropriating the sum of $1,000,000 for these purposes; to the Committee on Agriculture and Forestry.

By Mr. SMITH of Georgia:

A joint resolution (S. J. Res. 138) authorizing the Secretary of War to furnish material, forces, and help for the construction of a pontoon bridge for temporary use across the Chattahoochee River at West Point, Ga.; to the Committee on Military Affairs.

CHATTAHOOCHEE RIVER PONTOON BRIDGE.

Mr. HARRIS. Mr. President, a serious condition in my State exists on account of a flood which has occurred. The Army engineers are giving assistance to relieve the distress there and it is desired to construct a pontoon bridge across the Chattahoochee River to take the place of the only bridge. I introduce the joint resolution, which I send to the desk and ask to have read.

The joint resolution (S. J. Res. 137) authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That in order to provide immediate temporary relief for the city of West Point, Ga., necessitated by the recent flood of the Chattahoochee River, which washed the bridge away at that point, the Secretary of War is hereby authorized and directed to detail the necessary engineers to construct and maintain a pontoon bridge across the Chattahoochee River at West Point, Ga., it being understood that the city of West Point will provide the necessary materials not owned by the Government and loan material and to permit the use of such bridge as a highway, under the supervision and regulation of the mayor or other proper authorities of such city, for such time as the Secretary of War shall determine to be necessary.

Mr. HARRIS. If there is no objection to the joint resolution, and if it may be passed without debate, I ask unanimous consent for its present consideration. The necessity for the legislation, as I have stated, arises because of a flood which has occurred in my State. All the main streets of the city are under water, all the business houses and many residences are surrounded by water. The Army engineers are on the ground and desire to construct a pontoon bridge over the Chattahoochee River. West Point is one of the most important manufacturing cities of our State, and is situated in Troup County, which purchased more Liberty bonds than any county of similar population in the United States.

Mr. SMOOT. Mr. President, as I understand, this is a joint resolution?

Mr. HARRIS. It is a joint resolution.

Mr. SMOOT. Let it go to the committee.

Mr. HARRIS. Very well, but I should like to have it acted upon immediately.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on Military Affairs.

Mr. LENROOT subsequently said: From the Committee on Military Affairs, I report back favorably without amendment the joint resolution (S. J. Res. 137) authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes. This is a joint resolution which was introduced to-day by the Senator from Georgia [Mr. HARRIS].

Mr. HARRIS. Mr. President, I ask unanimous consent for the immediate consideration of this resolution on account of the great distress of the people residing in and near West Point, Ga. The only bridge for pedestrians, wagons, and automobiles across the Chattahoochee River at this place was washed away by the floods. As I stated this morning, the town has been under water several days, the water being several feet high in the main streets and in a large number of residences, and there is great distress, and for that reason I sincerely hope that no Senator will object to the passage of the resolution.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENTS TO RAILROAD-CONTROL BILL.

Mr. STERLING submitted seven amendments intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, which were ordered to lie on the table and be printed.

THE AMERICAN MERCHANT MARINE.

Mr. SMITH of Georgia. Mr. President, I desire to ask whether a letter written by the chairman of the Shipping Board has been brought to the attention of the Senate. It is a letter written by Judge Payne, addressed to the Southern Commercial Congress, and presented a week ago to that congress in Savannah, Ga. If it has not been brought to the attention of the Senate, I ask permission that it be printed in the RECORD.

The VICE PRESIDENT. The letter will be printed, if that action has not heretofore been taken.

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

UNITED STATES SHIPPING BOARD,
Washington, D. C.

Statement made by John Barton Payne, chairman of the United States Shipping Board, to the Southern Commercial Congress, Savannah, Ga., Monday, December 8.

Subject: American merchant marine and what must be done to permanently establish it.

The purpose of the Shipping Board is to establish a permanent American merchant marine, ultimately resting on private enterprise and private capital, supported by the grain and cattle growing farmers of the Mississippi Valley and the West and the Northwest, by the cotton growers of the South, by the miners of the East and West, and by the producing labor and capital of our great manufacturing institutions.

If the American people are to maintain their present high standards of living and retain even approximately their present position in finance and trade, our annual surplus must be sold in foreign markets, and we can not do this without ships—ships owned and controlled by Americans flying the American flag into every port of the world.

The war has given us ships. We now have 1,300 Shipping Board ships, operating 41 trade routes, carrying our products under our own flag into the important world ports. By the end of 1920 this number will be increased to some 2,250. Sales of ships to Americans are being made, but the sales do not keep pace with the new launchings.

The problem of establishing a permanent merchant marine presses for solution. No question of Government ownership is involved. The question is not between public and private ownership, but between American and foreign ownership. We want an

established American merchant marine; how it shall be owned is less important. We desire that every ship now Government owned shall be sold to and be privately owned and operated by Americans for Americans, but that will come later. Now, the chief thing in hand is to create a merchant marine. Ships alone will not do this. Indeed, unless we have men, money, and brains in the shipping business ships may become a liability rather than an asset.

How, then, may a merchant marine be established? It can not be done in a day. It can not be done by legislation alone. It requires time, habit, growth, and individual capacity, initiative and enterprise. Many seem to think the Shipping Board can do this by reducing the price of ships and instantly shipping men will spring up and all our ships will be bought by private owners, and, presto, a merchant marine is a fact. This is a serious error. A substantial reduction in price would undoubtedly sell some 300 of our best ships, but this would not touch the problem. Ships can not be sold in large numbers until the country is prepared to buy them. It is not now prepared.

We have only a few successful shipping companies; they, however, insist that we reduce our prices, and we would thereby be able to sell the ships. That this is a fallacy is of easy demonstration, as is also their claim that there is a world market price for ships.

There is no such market price. No other country has ships ready for immediate delivery, hence there can be no world market price. The demand for ships for present use can not be met by building ships for future delivery; the need for tonnage is instant and pressing, and is now greater than ever before, and cargo rates are higher. We alone have ships for sale, ready for spot delivery. Our prices are based on a fair estimate of cost, and a regular schedule of prices and terms is maintained, the same to all persons. When can we build ships cheaper? Certainly there is no indication here or abroad that labor and materials are getting cheaper. How, then, can ships be cheaper? England's costs are rising and she has no ships for sale; indeed, she is in the market to buy ships. You ask, then, "Why do not we sell our ships?" Because we want to sell to our own people for use under our own flag, and our country has not yet begun to think in terms of ships. We have not acquired the ship habit. Who loans money on ships? Whom of your acquaintances would buy a ship mortgage? Are your neighbors sending their boys to sea? These things must come to pass before we are a maritime Nation, prepared to buy over 2,000 ships.

The few American shipping companies now in the market can not and will not buy all our ships. To illustrate: We had a conference recently with one of our largest shipowners. He had urged Congress to require us to reduce our price of $200 to $225 per ton to $125 to $140 per ton. We asked him how many ships his companies would buy at his prices. He replied, "About 100." We then asked how many the entire shipping interests of the country would purchase. He replied, "About 200 more." We then asked, "How does that leave the Government? We sell you 300 of our best hand-picked ships at 40 per cent less than cost. We are left with more than 1,800 ships of all sorts on our hands, which the Government must operate in competition with the better ships of the private owners. That will not solve the problem. Your few companies with 400 or 500 ships do not make a merchant marine adequate to the needs of the country. Must the Government, after selling you its best ships at much less than cost, less than you can possibly build them for, keep the poorer ships, and operate them at this great disadvantage?" He admitted that his plan would not solve the problem and that he was probably looking at it from his own rather than the Government's point of view.

What, then, is the solution?

Congress should let it be understood that it will not compel the board to sell ships. Agitation to this end keeps conditions unsettled and prevents sales. The hope that Congress will compel us to sell the ships in a short time heads buyers off, hoping for low prices.

The Shipping Board must be left to deal with the problem. We are making a number of sales, and the demand at present prices is increasing, but much time must pass before the ships can be sold. No new enterprise, involving billions of capital, was ever established in a day.

My conclusion is, it is not possible to have a successful American merchant marine until the country grows into the ship habit.

(a) The American newspapers and magazines must arouse the thinking men among manufacturers, investment bankers, farmers, and labor to the necessity for a merchant marine; teach the people to think and act in the language of shipping. They must first understand, then they will act. Already great strides are being made. Even now we have 300 firms or companies operating Shipping Board ships. They employ on land and sea nearly 60,000 men in this service. We maintain a recruiting service and schools to teach officers, engineers, and sailors how to do the work and fit them for the sea.

(b) The Congress is giving the matter close attention, and besides the Greene bill should pass a mortgage bill substantially like the one now before the Merchant Marine and Fisheries Committee, to guarantee investors a lien for the purchase price of the ships which will, in financial circles, have as much value as a railroad mortgage, and investment bankers and the public may freely invest in ship securities.

(c) American insurance is essential. Companies must be encouraged and new ones established that we be not dependent on foreign companies for our ship insurance, as we are now. This is of great importance.

(d) The American Bureau of Shipping must be developed and strengthened, to the end that in all technical matters affecting shipping we may be independent of any foreign institution.

Meantime, with the aid of individual operators, we operate the ships with as much profit as unsettled conditions of the time permit, but nevertheless with a profit, and the work of creating an American merchant marine goes on.

These are the high lights.

To accomplish this great task all Americans of all classes must pull together. The tales of the sea must become the gossip of the nursery and of the fireside.

It is not possible for America to hide her head in the sand. Will she attempt a splendid but decaying isolation or will she go down to the sea in ships, and, using her own Panama Canal, unite the Americas, the Orient, and the Occident in friendly trade, and lend her aid toward an enduring peace?

HOUSE BILL REFERRED.

H. R. 8819. An act to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1920, and for other purposes," approved July 11, 1919, was read twice by its title and referred to the Committee on Military Affairs.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gronna	McKellar	Smith, Ga.
Ball	Hale	McLean	Smith, Md.
Bankhead	Harding	McNary	Smoot
Borah	Harris	Moses	Spencer
Brandegee	Harrison	Nelson	Stanley
Calder	Henderson	New	Sterling
Capper	Johnson, S. Dak.	Newberry	Sutherland
Culberson	Jones, Wash.	Nugent	Thomas
Cummins	Kellogg	Overman	Townsend
Curtis	Kendrick	Page	Trammell
Dial	Kenyon	Phipps	Walsh, Mass.
Dillingham	King	Poindexter	Walsh, Mont.
Edge	Kirby	Pomerene	Watson
Fernald	Knox	Ransdell	Williams
Frelinghuysen	La Follette	Sheppard	
Gay	Lenroot	Sherman	

Mr. WALSH of Montana. I wish to announce that the Senator from Nebraska [Mr. HITCHCOCK] is absent from the city on important business.

I desire also to announce that the Senator from Nevada [Mr. PITTMAN] is absent on account of death in his family.

Mr. McKELLAR. The Senator from Kentucky [Mr. BECKHAM], the Senator from Florida [Mr. FLETCHER], the Senator from New Mexico [Mr. JONES], the Senator from Tennessee [Mr. SHIELDS], the Senator from North Carolina [Mr. SIMMONS], and the Senator from South Carolina [Mr. SMITH] are detained on official business.

Mr. SHEPPARD. I have been requested to announce that the Senator from Virginia [Mr. SWANSON] is detained by illness in his family.

Mr. BANKHEAD. I wish to announce that my colleague [Mr. UNDERWOOD] is detained on official business.

Mr. KING. The Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Montana [Mr. MYERS], and the Senator from Missouri [Mr. REED] are absent on public business.

The VICE PRESIDENT. Sixty-two Senators have answered to the roll call. There is a quorum present. The pending amendment is the amendment of the Senator from New York

[Mr. CALDER]. [Putting the question.] The noes seem to have it.

Mr. CALDER. I ask for a division.

Mr. WALSH of Montana. May the amendment be stated?

The VICE PRESIDENT. The Secretary will read the amendment.

The SECRETARY. On page 76, after line 4, insert the following as a new section:

SEC. 34½. That the first paragraph of section 1 of the act to regulate commerce, as amended, be further amended by striking out the words "natural or" after the second occurence of the word "except" in such paragraph.

Mr. CALDER. Mr. President, there seems to be a lack of information on the part of some Senators as to the purpose of the proposed amendment.

The amendment is offered so as to put natural gas, where it is taken from one State to another, under control of the Interstate Commerce Commission. I have here a letter from a member of the public service commission of New York State, who says:

I believe that a very small amendment to the interstate-commerce law so as to include instead of exclude natural gas would largely solve the problem. The Interstate Commerce Commission would deal with both aspects of the question, first, the conservation of the supply in so far as interstate use is involved for the benefit of the communities which have adapted themselves to the use of this fuel, and, secondly, the just and fair distribution of the remaining supply as among those communities. The States can not do it, but if we had this interstate control provided the individual States might well be left and ought to be left with full and exclusive powers to regulate prices and service of the gas after transportation.

We are in this difficult situation in the counties in New York State bordering on the Pennsylvania line. The gas comes from Pennsylvania transmitted by pipe lines. We have no control over the price or the amount of gas that comes into our State, and the consumers and municipalities of our State are at the complete mercy of the Pennsylvania Gas Trust. The same thing, it seems to me, might occur in other States. I know that in Ohio gas is obtained from West Virginia.

I can not for the life of me understand why the amendment should not be agreed to. There is no Federal control over natural gas at the present time. The Government has supervision over oil that is piped from one State to another, from the producer into the State where it is consumed, and it seems to me that this same supervision should extend to natural gas.

Mr. KING. Mr. President, will the Senator yield?

Mr. CALDER. Certainly.

Mr. KING. It seems to me that under the law of the State of New York, under the ordinances of the municipalities into which the gas is taken, there is sufficient power now to regulate the price and the standard. I do not understand that because gas may be brought from some other State into a given State the latter does not have power to regulate the price to the consumer. If it is brought into a municipality a franchise must be obtained and the city may impose such reasonable limitations as it may deem necessary. It may fix the price at which the vendor shall supply the gas to the inhabitants of a city.

I do not quite understand the broad statement of the Senator that the State of New York and the municipalities within the State have no control over the gas that is brought into that State from the State of Pennsylvania.

Mr. CALDER. Of course the municipalities in New York State can deal with the Pennsylvania companies, and they can refuse to purchase the gas if they so desire. But the difficulty is that these companies have their pipe lines across the border and laid in the streets of our cities; they have a complete monopoly; they can cut the supply off if they wish, and in fact they have threatened to do so; they can raise the price unduly and we are without relief. We are powerless without this legislation. Our public service commission insist that they have control over these commodities which are purely intrastate, but they have no control where the gas originates in an adjoining State.

Mr. KING. If the Senator from New York will pardon me, conferring upon the Interstate Commerce Commission the power to regulate rates for artificial or natural gas would not compel, as I conceive the law, the producer of the gas in one State to convey it into another State. It is entirely at his option whether he will cross the line and vend his product in some other State. It seems to me the municipalities in which the gas is used may fix the price and may prescribe the terms under which it may be sold within the municipal limits.

I have no doubt that county regulations may be prescribed by the county commissioners with respect to conveying gas along the public highways within the counties in order to reach the municipalities, and I have no doubt that the county officials have authority under the laws of the State of New York to prescribe regulations with respect to the sale of gas within the limits of the counties.

Mr. CALDER. In reply to what the Senator suggests, I desire to call his attention to a brief filed recently in the court of appeals in New York in relation to this very subject:

Recently the Pennsylvania company attempted to raise its rates. A citizen of Jamestown filed a complaint with the New York Public Service Commission, alleging that the new rates were exorbitant. The gas company was directed to answer the complaint. It filed with the commission a demurrer to the jurisdiction of the commission, which the commission overruled. The gas company then sued out a writ of prohibition. Its petition alleges that the attempted regulation of its rates is an unconstitutional interference with interstate commerce.

The writ was granted at special term and vacated at the appellate division.

The matter is now pending in our court of appeals in New York. Then the brief goes on to state the details regarding the matter.

It seems to me, Mr. President, that the transportation of natural gas is a subject which ought to come under the control of the Interstate Commerce Commission. There is no other governmental department that can supervise it. This commodity is now entering into interstate commerce in such large volume that it ought to be regulated in the manner provided by the amendment.

Mr. POMERENE. Mr. President, this question was only incidentally before the Interstate Commerce Committee during its hearings. I think I personally spoke about it at the time. I have had some information bearing upon the subject growing out of some litigation in which I represented the city of Canton some years ago, before I came to the Senate.

In eastern Ohio the larger part of the natural-gas supply comes from West Virginia. Nearly all of the cities in eastern Ohio are supplied, to a greater or less extent, by the East Ohio Gas Co., which gets its supply largely from another company in West Virginia. Both of these companies are subsidiary companies of the Standard Oil Co. The gas is delivered by the West Virginia company—I am not giving its corporate name—to the medial line of the Ohio River. Thence it is received by the East Ohio Gas Co. In the several cities in Ohio gas rates are fixed by the municipalities.

The franchises of the gas companies are granted for a limited period of years. They are now having very serious trouble in securing a sufficient quantity of gas in Salem, Alliance, Canton, Cleveland, and other cities. A large part of the gas produced in Ohio is piped into the State of Michigan and consumed there.

I had hoped that we might have fuller information upon the subject than we now have, but as this amendment has been presented, I expect to vote for it. It seems to me that when gas is delivered from one State into another it is a proper subject for the jurisdiction of the Interstate Commerce Commission. Legally speaking, I see no difference between the Federal Government taking control of pipe lines which are used for the interstate conveyance of oil and of interstate lines which are used for the conveyance of gas. It may be that in the practical administration of the subject there are difficulties which I do not now have in mind.

Mr. KING. Mr. President, will the Senator from Ohio yield to me?

Mr. POMERENE. Yes.

Mr. KING. If it is the function of the Federal Government to take control of gas which is produced in one State and carry it into another, why may not the Federal Government take charge of the coal which is produced in Ohio, in Wyoming, and in Pennsylvania, and regulate its price and distribution throughout the United States? Why may it not take charge of wool which is produced in the States of the West and regulate that; and of salt which is produced in my State and regulate its price and distribution throughout the United States?

Mr. POMERENE. Mr. President, it is a sufficient answer to that question to say that Congress has jurisdiction of the regulation of interstate commerce. Of course, when it comes to the practical application of the rule, we might meet with difficulties as to the several commodities.

I may say that at the first session of this Congress I asked the Appropriations Committee for a small appropriation for the Geological Bureau in order to enable them to make a survey of the gas territory. A similar survey was made in Oklahoma, and, I think, in Kansas, and to the benefit of the people generally in those sections. I felt there should be a similar survey made in the eastern gas fields. The distinguished chairman of the Appropriations Committee considered that it was unwise to take up that subject at that time; and I had it in mind to ask the Appropriations Committee for a similar appropriation when the regular appropriation bills of the session are brought before the Senate.

Mr. CUMMINS. Mr. President, before the Senator from Ohio finishes I desire to suggest to him, especially in view of the question just put by the Senator from Utah [Mr. KING], a phase of

the matter which has troubled me. I make the suggestion to the Senator from Ohio, for I want him to consider the subject from that standpoint.

I have no objection whatever to making pipe lines for the conveyance of natural gas operated between States subject to the jurisdiction of the Interstate Commerce Commission, and that is all that is accomplished by the amendment of the Senator from New York; but the relief which he hopes to secure through the subjection of pipe lines to the jurisdiction of the Interstate Commerce Commission will, in my judgment, be entirely impossible.

We can make pipe lines as common carriers subject in their operation to the Interstate Commerce Commission; that is, we can regulate the commerce in that way; but we can no more prevent the State of Ohio from passing a law which will limit the distribution of natural gas in that State to the State itself than we can prevent the State of Pennsylvania from saying that certain of its coal shall not be transported beyond the State. Much less could we give to the Interstate Commerce Commission the authority to fix the price of the commodity when it is delivered in Jamestown or at any other point in New York. In other words, the whole effect of the amendment, if it were adopted, would simply be to regulate the operation of the common carrier, prescribe, if you please, the terms upon which the gas should be carried through the pipes by the common carrier; but we can no more give to New York the relief which it seeks in this amendment than we could give to the public of my State relief in connection with the price of coal that might be shipped in from Ohio or from Pennsylvania. We can prescribe the terms on which the common carrier shall deliver the commodity, but we can not further interfere with it. I have not believed therefore that the amendment proposed by the Senator from New York would be of any avail whatsoever, so far as the relief which the people of New York seek to secure is concerned. That is my only objection to the amendment.

Mr. POMERENE. Mr. President, I think I am in accord with the views expressed by the Senator. The only thing we can do is to regulate the transportation of the commodity; we can not, I am sure, fix the price of the gas.

Mr. CALDER. Mr. President, I have a brief prepared on this very subject, and, if I am correct in my understanding of it, the decision of the Supreme Court is entirely at variance with the views just uttered by the Senator from Iowa. I quote from that brief as follows:

> In West v. Kansas Natural Gas Co. (221 U. S., 229–255), the question was whether a State had a right to prohibit the sale or shipment of its products to other States. Oklahoma undertook to prevent the piping of natural gas out of the State. She claimed that this statute was enacted to conserve her natural resources.
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> The United States Supreme Court pointed out that the object of the statute was to prevent waste, and politely indicated the selfish nature of the measure. Justice McKenna used this language:
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> Gas, when reduced to possession, is a commodity; it belongs to the owner of the land, and, when reduced to possession, is his individual property, subject to sale by him, and may be a subject of intrastate commerce and interstate commerce. The statute of Oklahoma recognizes it to be a subject of intrastate commerce, but seeks to prohibit it from being the subject of interstate commerce, and this is the purpose of its conservation. In other words, the purpose of its conservation is in a sense commercial—the business welfare of the State, as coal might be, or timber. Both of these products may be limited in amount, and the same consideration of the public welfare which would confine gas to the use of the inhabitants of a State. If the States have such a power a singular situation might result. Pennsylvania might keep its coal, the Northwest its timber, the mining States their minerals. And why may not the products of the field be brought within the principle? * * * To what consequences does such power tend? If one State has it, all States have it—
>
> And so forth.
>
> The court held that no legislature had the right to provide that such a commodity could not be shipped.

Mr. CUMMINS. Mr. President, I am not asserting that we could pass a law that would prohibit a man who has a commodity to sell from selling it outside of the State. If I was understood as saying that, I was misunderstood. What I was saying is that when we adopt the amendment which the Senator from New York has offered we simply make a pipe line which crosses the boundaries of two States a common carrier and subject that common carrier to the provisions of the act to regulate commerce. It is supposed that every person in Pennsylvania or Ohio who has gas to distribute can put the gas into this pipe line. The common carrier is not the vendor of gas. The common carrier is the carrier of gas, and it has nothing to do with the ownership or the distribution of the commodity except to transport it through its pipe line from one State to another.

Mr. WILLIAMS. Like an oil pipe line.

Mr. CUMMINS. Precisely as on oil pipe line. Every person who has gas to sell, if he is proximate to a pipe line, has the right to connect with the pipe line and put his gas into it. There are great difficulties, of course, in the practical administration of a law of that kind, just as it has been found to be practically worthless in transporting oil from Oklahoma to Texas, and possibly in other communities; but I have no objection on the ground of the difficulty in its operation. I am only saying that when a pipe-line company is made a common carrier and subjected to the jurisdiction of the Interstate Commerce Commission it will not give the relief to the people of New York that the Senator has in mind. That is my judgment.

Mr. CALDER. Mr. President, I know that this will not give complete relief, but I am anxious, as the people of the southern section of New York are, that there should be some tribunal to which we might appeal for investigation, or information, or perhaps relief in some way or other. There is no other place to go to to-day. This whole subject is entirely out of the purview and control of the public-service commissions of the respective States, and it ought to be lodged somewhere.

Mr. THOMAS. Mr. President, I think the last remark of the Senator from New York indicates the motive—and I use the term in the most proper sense—that has inspired this amendment. The Senator says, in effect, that he hopes to bring relief in some way or other to a condition which perhaps is not satisfactory. That position graphically illustrates the tendency to come to Congress to secure relief for every imaginary human ill. If a man is dissatisfied with his gas bill, or with his sugar bill, or with his physician's bill, he at once wants either an investigation or a congressional law, or both, if he can get them. We have been making progress in that direction very rapidly since the outbreak of hostilities, although the tendency was manifest for a good many years before that time.

The Senator from Iowa [Mr. CUMMINS], who is one of the best-informed men upon everything regarding interstate commerce, has, to my mind, very clearly drawn the distinction between the regulation of a carrier and the regulation or control of the product which is the subject of carriage. I do not see how the creation of an added jurisdiction of the Interstate Commerce Commission over the subject of transporting gas from Pennsylvania to New York is going to relieve the unsatisfactory conditions which seem to pervade the communities of southern New York where the commodity is consumed. It will not get relief of some sort, or of any sort, but it will add very materially to the burdens of the Interstate Commerce Commission.

That brings me to the real objection which I have to the amendment.

The Interstate Commerce Commission already has more duties to perform under the law than it is possible for it to accomplish. One reason why the staff of assistants, examiners, experts, inspectors, and so forth, is so numerous is the enormous amount of business which Congress has seen fit to impose upon its shoulders. Now, we propose by this amendment, instead of relieving an overburdened commission, to add to it another duty, which the Senator from Iowa says will be practically perfunctory, in so far as any material benefit is concerned, but which will inevitably result in the establishment of another subbureau on natural gas, with a superintendent and deputy superintendent, a secretary and a deputy secretary, scores of stenographers and their deputies, and perhaps another million dollars of appropriation for the purpose of enabling the Interstate Commerce Commission to oversee merely the carriage of a commodity, but not to provide for its distribution, fix a price upon it, or otherwise exert any authority over the matter of bargain and sale of the commodity.

Mr. President, it seems to me that if this sort of legislation is desirable, we ought not to confine it to natural gas. Artificial gas may equally be produced in Pennsylvania and piped into New York, or vice versa. The sale of cotton and wheat and coal may also form, as it does form, a very large proportion of interstate commerce.

Why not authorize the Interstate Commerce Commission to take charge of and control these very desirable and necessary commodities? Where will we draw the line between the regulation of the carriage of material and the price or distribution of the material itself? The distinction may be very clear in our minds; it is not clear at all to the man who is suffering from prices and who thinks it is a matter of carriage; and if he fails to get the relief which he thinks ought to come through the enactment of a measure of this kind, then his discontent increases, and he either damns Congress for its incompetency and stupidity or else he attributes some improper motive to those having charge of the administration of the law.

I think, Mr. President, that if we are going to create some Federal jurisdiction or authority over this particular subject we ought to put it somewhere else. There are a number of bureaus in the city of Washington whose duties overlap each other. Some time ago, in a magazine article, I read quite an interesting

account of this evil of overlapping of jurisdictions; and the extent to which it goes is remarkable, even under lax conditions such as prevail here in Washington in the administration of public affairs. We have a Trade Commission; we have a number of others that have been created, or if the pinch comes we might shut our eyes and establish one more. The Senator from Utah [Mr. KING] suggests the Bureau of Mines. Then there is the Bureau of Standards; in fact, there are lots of bureaus here. A man can not go on the street and throw a stone without endangering the life or the limb of half a dozen people representing as many bureaus in the city.

The Interstate Commerce Commission is, as I have stated, worked to death. There is no question but that it has the public confidence. It tries and tries very nobly and constantly to carry the obligations that we have placed upon it. It has failed in certain instances. It may break down altogether if we keep increasing the load, and thus adding to its difficulties of functioning.

I hope the amendment will be rejected.

Mr. HARDING. Mr. President, I simply want to add that there is a very great interest in some helpful regulation of natural-gas service; but I can not understand how it is possible to bring about this regulation under any authority of the Interstate Commerce Commission or in any harmony with its service as a transportation division.

The Senator from Colorado [Mr. THOMAS] has just touched upon a rather interesting phase of the matter. The present complaint in Ohio, notably, is due to the waning supply of natural gas and the attending advancement in the rate charged for service. I have never understood that the interstate-commerce function, the regulation of interstate commerce, regulated rates on service to the consumer. The Senator from Colorado brings up the point that we are ultimately to have interstate transportation of artificial gas. That is one of the big enterprises of the very near future. Unquestionably we are to have gas manufactured at the coal mine and translated in pipe lines to the various sections of the country. Moreover, we are soon to have the tremendous enterprise of producing power at the coal mine and transmitting power over State lines to various sections of the country. It opens up a very large question, and I do not think we are going to meet it by shunting off a momentary proposition on to the Interstate Commerce Commission. If the various States are unable to meet this situation with their public-utilities commissions, it ought to be taken up as a separate matter, quite apart from the ordinary transportation of commerce.

I think, therefore, that the Senator from New York will best serve his purpose if he omits shunting this into the railroad bill and insists upon taking it up in a much broader way.

Mr. KING. Mr. President, just a word.

Within the past month I have received three letters which are somewhat paralleled by the position taken by the Senator from New York. One letter was written by a constituent of mine, stating that the price of the lumber which we obtain in Utah from Oregon is too high; that the venders are charging too much; and that inasmuch as it is interstate commerce—that is to say, that it comes to us by a common carrier engaged in interstate-commerce business—the Congress of the United States has power to take up the price of lumber in the State of Utah, or in any of the States to which it is sent, and regulate the prices and regulate the distribution. I received another communication recently because of the acute coal situation. It was written from California, and the contention was made that the mines in Utah and the mines in Wyoming producing coal, which is transported to the Pacific coast, were either charging too much, or that the railroads were charging too much, and that Congress should pass a law regulating the sale and distribution in California, or in those States to which the coal is sent, of coal mined in Utah or Wyoming.

So the spirit seems to be, Mr. President, that Congress has the power not to regulate the instrumentalities of transportation under the interstate-commerce clause of the Constitution but to regulate the sale and the vending of the articles and the commodities that enter into interstate commerce. In other words, Congress is to assume police power and jurisdiction over commerce, over the States, regulate the price of products manufactured and vended within the States or brought within the States and there sold. Of course, such a position is manifestly absurd, and reveals a failure to appreciate the limitations upon the Federal Government and the powers and the duties of the State government.

The Senator from Iowa [Mr. CUMMINS] very properly indicated the limitations upon the Federal Government. There is no complaint here, as I understand the Senator from New York [Mr. CALDER], that the gas company discriminates against some other gas company that is engaged in the transportation of gas from one State to another, or that the instrumentality employed in transmitting the gas is improper; that it is wasteful; that the pipe line is inadequate; or that it is insufficient; or that there should be some regulation of the instrumentality. The theory seems to be that Congress should regulate the price and the distribution within the municipalities of the State of New York.

Mr. POMERENE. Mr. President, I think the Senator, with all due respect, is wrong when he says there is no complaint in the communities where the gas is furnished. The fact is there is a very great deal of complaint. I am not clear that the difficulty can be met in the way indicated by this amendment, but it is charged in Ohio, for instance, that when the municipal franchises are about to expire they threaten to cut off the supply in one town because they can get a larger price in another town, and the consumers are in this way subject to the mercy of the company. I do not say that is true, but I simply say that is the complaint which is being made.

Mr. KNOX. May I inquire of the Senator from Ohio if that is not a matter subject to regulation by your State public utilities commission?

Mr. POMERENE. Mr. President, I think they have tried to deal with it somewhat. I am not entirely clear as to the statutory authority which has been conferred upon the State commission. But the franchises are usually given by the several municipalities themselves, and they set out the terms and the conditions, and the price at which the company shall furnish the gas.

Mr. KNOX. If the Senator from Utah will permit me, it is pretty generally the case that all public utilities of that character are bound to furnish their service without discrimination, either as between individuals or as between communities.

Mr. POMERENE. That power should exist. It did not exist some years ago in Ohio; but whether or not the law has been changed, I do not know.

Mr. KNOX. If I may be permitted to advert to something that the Senator from Ohio said a moment ago, I am not a particle apprehensive about the imminence of our having to pipe the country for the transportation of artificial gas. Most extraordinary things are occurring in the gas fields which the public know very little about. Within the last 60 days, within 15 miles of the courthouse of the city of Pittsburgh, there have been discovered, on what were supposed to be old, worked-out fields, from which no gas had been obtained for years, the most tremendous gushers that have ever been discovered anywhere. When I was there a week or 10 days ago I visited one well that is producing 50,000,000 cubic feet of gas a day, and that comes from finding a new sand. They have gone down deeper, some 3,200 or 3,300 feet, and it is the consensus of opinion among what are known as the gas "scouts" out in that part of the country that all that sand, which extends up the Allegheny River toward New York, will be as fertile, or practically as fertile, as that portion of it which was tapped so near the city of Pittsburgh. Rather an amusing incident connected with it is that we were depending largely on West Virginia, just as Ohio has been depending on West Virginia for her gas, and has been for the last 10 or 15 years. When they turned this 50,000,000 cubic feet well into the pipe lines they blew the West Virginia gas back on them.

Mr. HARDING. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Ohio?

Mr. KING. I yield to the Senator from Ohio.

Mr. HARDING. There would be an equalization of rates by the State utilities commission; but what is clearly a shortage of gas as compared with the demand leads to discrimination. If the gas supply were abundant it would be very natural for a gas company to wish to distribute to all the consumers it might enlist; but very recently in my home city there has been promulgated a new schedule, and a rather considerate one, I think. Aiming to serve the greatest number of people in domestic consumption, the minimum price is given to the domestic consumer based on a limited supply. For instance, the minimum price of gas is on 5,000 feet. To the consumer who uses a second 5,000 feet the price is raised, and for each additional 5,000 the rate goes up, until the consumer who used to buy gas in 100,000 lots at 15 cents per thousand now pays about 70 cents a thousand, or something like twice what the domestic consumer pays.

That reflects the waning supply of natural gas, and on the waning supply are based the discriminating prices in various communities of the State. My colleague has pointed out one wrong with which he is very familiar, because it comes from his home county. A local council refused to grant the gas company a franchise at a rate which it thought comparable to other rates existing in Ohio. Instantly the gas company makes the complaint that it has not the gas to furnish them the supply they

desire, and the proposal is to shut them off. No community wishes to be shut off from so desirable a commodity, and then this conflict arises. But I am at a loss to understand, though I am willing to vote for any measure that will bring the thing under a broad consideration, how the Interstate Commerce Commission can become the successful arbiter in this very important question.

Mr. CALDER. Will the Senator yield?

Mr. HARDING. Certainly. If the Senator will permit me, the Senator from Utah has the floor.

Mr. KING. I yield to the Senator.

Mr. CALDER. This amendment does not go as far as I would like to have it go.

The trouble to-day is we have no place to go to get accurate information of all these things, and it seemed to me this is the way, without unnecessarily burdening the commission. New York, Buffalo, Dunkirk, and Jamestown, in New York, get gas from over the border in Pennsylvania. We can be shut off from the supply, if they seek to raise the price and we are not willing to give it, and our public-service commission has no control over that situation. I am trying to get somewhere with it, and while I know it does not quite meet what the Senator from Iowa [Mr. CUMMINS] would like to do, or I would like to do myself, it seemed to me this was a way whereby we could get information about the subject and have some control over at least part of it.

Mr. KING. Mr. President, as I understood the Senator from New York—and his later remarks corroborate his former statement—there is no complaint with respect to the instrumentalities employed in transmitting gas. There is no contention that the corporation that owns the gas pipe lines for transmitting the product from Pennsylvania to New York is discriminating against producers, or proposes to ship or sell the gas in some other State. I can readily perceive the necessity of some legislation, if there is one gas line which is a common carrier for the product of a number of producers from one State to another, and it discriminates and favors A by giving him a rate of transportation in preference to the rate which is given B or C. But that is not the condition here, and the contention of the Senator from New York seems to me to be that the Federal Government, through the power of the Interstate Commerce Commission, whether it has it now or whether we shall confer it upon it, shall fix the prices at which gas shall be sold and the regulations under which it shall be sold in the various States, obviously matters which belong to the States themselves, or to the municipalities into which the gas may be carried by the manufacturer of the product.

Mr. CALDER. Mr. President, under my amendment the Interstate Commerce Commission can not fix the price of gas. I know that. It can fix the price, perhaps, of the transportation of gas, but under this amendment the Interstate Commerce Commission can find out how much gas there is, where the supply is, if it is available for transportation, and all such information. There is no other place to go to-day to get that information that I know of.

Mr. KING. Mr. President, I do not think we ought to devolve upon the Interstate Commerce Commission the fishing excursions which the Senator suggests. This information is readily available. The States may obtain it and doubtless the States are obtaining it as fast as the exigencies require. It seems to me that we ought not now to increase the burdens of the Interstate Commerce Commission. As the Senator from Ohio [Mr. HARDING] said a moment ago, when the power bill is passed, doubtless there will be created some board that will have to do with the question of power, treating it from the interstate-commerce standpoint; and if it becomes necessary then to increase the power of the board which may be created and it becomes apparent that pipe lines that are used in the transmission of gas should be placed under the supervision of some organization or board created by the Federal Government the matter can then be considered in a comprehensive manner.

Mr. SUTHERLAND. Mr. President, I suggest that in addition to the governmental agencies which already exist, and which might properly take control of this subject, there is the Geological Survey; and if the Senator from New York will apply, or his State will apply, to the Geological Survey, he can obtain the data in regard to the whereabouts of gas, the quantity that flows through the pipes, and other information.

It has been mentioned that the gas companies are already resorting to the production of artificial gas. In some sections of my State, and no doubt in Pennsylvania, they are already engaged in the manufacture of natural gas through great producer gas plants. The Government itself has built near Fairmont, in West Virginia, for the primary purpose of securing essential ingredients for the manufacture of explosives, a great producer gas plant, which will inevitably come into the possession of some of the pipe-line companies sending gas from our State to other States. These pipe-line companies, realizing that the supply of gas is constantly waning, are themselves engaged in the enterprise and looking over the field carefully for the purpose of establishing great producer gas plants.

It seems to me that the Interstate Commerce Commission is not the body which would naturally take hold of this subject. It would rather come under the jurisdiction of the Bureau of Mines or the Geological Survey, which already has an immense amount of data relating to the subject. Inasmuch as has already been pointed out by the Senator from Iowa [Mr. CUMMINS] and by the Senator from Utah [Mr. KING] under the interstate-commerce clause of the Constitution the Federal Government can not fix the price of this commodity—and that is the primary complaint which is made—it would be unwise to saddle upon the Interstate Commerce Commission this additional duty when it has no organization at hand ready to take it up.

Mr. CALDER. Mr. President, in the discussion a moment ago the junior Senator from Utah [Mr. KING] inquired whether or not I had any information as to the waste of gas. The remarks of the Senator from West Virginia [Mr. SUTHERLAND] prompt me to call attention to a report of Samuel S. Myer, of Columbus, Ohio, published by the Smithsonian Institution. The statement he made is as follows:

> In tests on over 1,000 oils wells in West Virginia it was shown that the waste of natural gas of each well was at the rate of 12 M. cubic feet a day, or 4,380 M. cubic feet of natural gas a well per annum. There are at least 16,000 oil wells in West Virginia, and at this rate the annual waste from this source would be at least 70,000,000 M. cubic feet of natural gas, equivalent to about one-third of all the natural gas used for domestic consumption in the United States.
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> In a recent publication there is a picture of a gas well in West Virginia showing two 4-inch lines on a hillside blowing at least 5,000,000 cubic feet of natural gas into the air in order to get oil.

Mr. President, it seems to me that the legislation is meritorious. It would lead ultimately to legislation that would enable the people of the country to know just where the gas was, just how it could be obtained for the country at large, and at a reasonable figure.

The VICE PRESIDENT. The question is on the amendment of the Senator from New York [Mr. CALDER]. He has asked for a division.

On a division, the amendment was rejected.

Mr. LENROOT. I do not think that the railway problem has ever been better stated than in the report of the Interstate Commerce Commission of last year, where they said:

> The fundamental aim or purpose should be to secure transportation that will be adequate for the Nation's needs, even in time of national stress or peril, and to furnish to the public safe, adequate, and efficient transportation at the lowest cost consistent with that service.

Mr. President, in the attempted solution of the problem there are three elements that must be considered—the interest of the investor, the interest of the employee, and the interest of the public. While the Committee on Interstate Commerce has devoted many months to a consideration of the problem, as one reads the hearings one is convinced that the interest of the investor and the interest of the employee constituted by far the major portion of the presentation to the committee. I, of course, most freely acknowledge that the committee, in its consideration of the problem, had primarily in mind the public interest; but, while there are those three items that must be considered—the interest of the investor, the interest of the employee, and the interest of the public—the interest of the public is the first and greatest consideration. In order to secure such a solution as is suggested by the Interstate Commerce Commission, from the public standpoint, two things must be sought—a reasonable rate and efficient service. Those things can not be secured unless there be protection to the legitimate investor and justice to the employees upon the railroads.

There are several plans that have been proposed, and I shall discuss the pending plan in some detail a little later, but I want to spend a little time upon the general outline of some of the different plans that have been proposed. So far as the pending plan is concerned, I can not support the bill, because I believe that if it should be enacted into law it would only further complicate a very badly complicated situation. I do not believe that it would result in efficient railway transportation with reasonable rates or efficient service.

One of the plans that has been presented and concerning which a great propaganda is now going on over the country I wish to analyze at some length. I refer to the Plumb plan of railroad control. I am glad to say that it is apparent that no Senator upon either side of the aisle has been found who is willing to introduce in the form of a bill that plan. It seems to me clear that the plan is destructive of every principle of legislation in the public interest, and yet we are told that there is a fund of $4,000,000 which has been raised to further the plan.

I do not believe that up to this time there has been placed in the CONGRESSIONAL RECORD any analysis or outline of what the plan is.

In the first place the Plumb plan, according to the bill that was introduced in the House by request—and I am glad to say that I understand that the Representative who introduced it has since stated that he himself is not in favor of it—proposes to immediately vest in the Government upon a date to be named in the bill all of the railroads in the country, and a scheme of valuation is laid down in the bill, under which the author of the plan, Mr. Plumb, states that the railroads of the country, while carrying a book investment of about $19,000,000,000, will be acquired at an expenditure of about $12,000,000,000. It is provided in the bill—

That all values not included in the grants made in the charters of the corporate owners or the laws under which they operate or in the grants made to individual owners shall be regarded as values retained by the public in the public highways of the United States and not subject to compensation.

Mr. KING. Mr. President, will the Senator yield?

Mr. LENROOT. Certainly.

Mr. KING. I do not want to interrupt the thread of the observations which the Senator is making, but I understood the Senator a moment ago to say that an analysis of the Plumb plan had not been called to the attention of the Senate.

Mr. LENROOT. If I am mistaken in that, I wish the Senator would correct me.

Mr. KING. The Senator from Ohio [Mr. POMERENE] wrote a very full and complete analysis of the Plumb plan and transmitted it as a letter to some of his correspondents in the State of Ohio. I deemed it so important a contribution to the subject that I asked that it be inserted in the RECORD, and it was placed in the RECORD sometime ago.

Mr. LENROOT. I am very sorry that it escaped my attention, and I am very glad that it has been done by the very able Senator from Ohio. The author of the Plumb plan seems to be of the opinion that elements of value can be fixed by legislative declaration.

Of course, Congress can not fix the basis of value nor determine the elements of value. That is not a legislative question. That is a judicial question solely. The committee in the pending bill has recognized that by not attempting in any way to determine or fix elements of value. There can be only one object to be secured in any legislative declaration of value, and I think that something can be accomplished by such legislative declaration sometimes, and that is in the way of negotiation in securing an agreement between the owners of the railroads and the Government if the Government is to purchase, or as to what elements are to be considered in those negotiations.

But, of course, if the railroads are not satisfied with those elements as the basis of valuation, the courts are, and must be, open to them, and a legislative declaration has no bearing upon the subject. So that when Mr. Plumb says that under their plan the railroads of the country can be secured for the sum of $12,000,000,000 it is not true under his plan more than under any other plan. The amount to be paid for the railroads would be the same under the present pending Senate bill as it would be under the Plumb plan, because eventually that question must be determined by the courts and not by Congress.

Mr. POMERENE. May I offer the suggestion that Mr. Plumb has also suggested that the roads could be bought and paid for by Government bonds at 4 per cent?

Mr. LENROOT. I am just coming to that. That is my next point.

It is next provided that to pay for the roads—

That any capital sum payable under an agreement or award made by said appraisement board to said owner, or under any final judicial review of such award, or for new extensions and capital improvements directed to be made by such appraisement board, shall be discharged in whole or in part by cash payments, or, if the Secretary of the Treasury so direct and said owners shall so agree, by the issuance to such owners of bonds as hereinafter provided of a par value not exceeding in amount the total amount of such agreement awarded by the appraisement board or by judicial determination.

That for the purposes of paying such amount of compensation so determined, the Secretary of the Treasury, with the approval of the President of the United States, is hereby authorized, from time to time as required, to issue bonds in such form and subject to such terms of issue, conversion, redemption, maturities, payments, and rate and time of payment of interest as the Secretary of the Treasury may prescribe.

As the Senator from Ohio [Mr. POMERENE] has suggested, it is contended by the advocates of the plan that the bonds can be issued at a 4 per cent rate. When one remembers that the last issue of Liberty bonds, appealing to the patriotism of the people of the country, were required to be issued at the rate of 4¼ per cent, and when one contemplates an issue of bonds here of anywhere from $12,000,000,000 to $16,000,000,000 or $18,000,000,000, of course it is idle to say that any such rate could be secured. No one can say, of course, how high a rate would be necessary in order to float such an issue of bonds, but I wish to call attention to the fact that the bill places in the Secretary of the Treasury unlimited power to fix the rate of interest. If my recollection serves me correctly, even during the stress of war Congress always prescribed the maximum rate upon bonds which might be issued by the Secretary of the Treasury, but in the pending bill there is delegated to the Secretary of the Treasury the right to issue bonds with an unlimited rate of interest, and he might issue them at 6 or 8 or even 10 per cent, if he sees fit, something that Congress has never heretofore authorized, and something which I hope Congress never will authorize, to place any such authority or power in the hands of the Secretary of the Treasury.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LENROOT. I yield.

Mr. KELLOGG. I should like to call the Senator's attention to the fact, in connection with his reference to the question of the rate of interest, that Government bonds which make a return to the investor of 4.70 or 4.75 per cent are exempt from all taxation except surtaxes; and it is, therefore, very doubtful if the Government could sell even a 5 per cent Government bond at par subject to State and Federal taxation, as railroad securities are now.

Mr. LENROOT. Of course, under present conditions it is very clear that the rate of interest would have to be at least 5 per cent in order to sell the bonds.

The next provision of the bill is the one relating to the creation of a sinking fund to pay off bonds:

There is hereby appropriated out of the operating revenues of the national railways operation corporation, to be paid to the Treasurer of the United States, the sums provided for in paragraph (c), section 2, article 3, of this act, or out of any money in the Treasury not otherwise appropriated, an amount equal to 1 per cent per annum upon the aggregate amount of bonds outstanding on July 1 of each year.

Mr. President, my attention has just been called to the fact that some Senators think I am discussing the pending bill. I am very sure that there are not many Senators who will so understand, for there is nothing of the kind that I am now discussing in the pending bill. I am discussing, let me again say, the so-called Plumb plan of railway control as embodied in a bill not introduced in the Senate but in the House of Representatives.

The appropriation is here made directly out of the Treasury—an annual appropriation—of 1 per cent of the amount that may be issued; and even under the lowest possible minimum amount it is herein provided that there may be an annual appropriation of $120,000,000 out of the Treasury for a sinking fund.

An appraisement board is created by the bill, consisting of the members of the Interstate Commerce Commission and three members of the directors of the railway operating corporation.

I next wish to call attention to the fact that this appraisement board is made superior to the Congress of the United States, and under the bill the United States Government is controlled and bound by the action and the decision of the appraisement board as to appropriations that Congress must make. Section 10 of the proposed act provides—

That the appraisement board may approve and the Federal Government shall build new extensions and capital improvements, including the construction of railroads along such route or routes as the national railways operating corporation shall designate and locate, with the necessary branch lines, feeders, sidings, switchings, and spurs.

Mr. President, to restate this proposition, we have the board of directors of a corporation having no responsibility, having no capital except that which Congress itself appropriates, given the right to determine when and where railroads shall be built, and whenever the appraisement board approves such determination, Congress, without inquiring into the merits of the proposition, is obligated to furnish the millions and, perhaps, billions of dollars that may be necessary to construct the roads.

The next provision we find is this:

And the appraisement board shall provide for the construction and extension of light railways, or less than standard-gauge railways, bridges, ferries, harbors, docks or piers, canals, or inland navigation facilities, which it deems necessary, and shall classify railroads in such manner as the board of directors shall deem fit.

In other words, there is delegated to the appraisement board the right to order the Congress of the United States to appropriate money for the improvement of harbors wherever this board may designate and to such an amount as the board may designate, and to construct bridges, terminal facilities, and purchase canals; in fact, there is reposed in the board all of the power which Congress now has over these subjects, Congress being left only the obligation to appropriate the money which the board may ask for. This subordinate body, its officials ap-

pointed in part by other parties, is made superior to the Congress of the United States and to the Government itself.

Another authority which is given to the appraisement board is that, with the approval of the President of the United States, it may "withdraw, locate, and dispose of, under such rules and regulations as it may prescribe, such area or areas of the public domain along the line or lines of proposed new railways for town-site purposes as it may from time to time designate."

Then the very next section is one that I am very sure will be of interest to every Western State, for it is provided that as to all public lands hereafter entered there shall be reserved to the United States a right of way over such lands for the construction of railroads, telegraph, and telephone lines. In other words, a homesteader to-morrow, if this bill should become a law to-day, might acquire a homestead, and years hence his farm be practically destroyed by a railroad going through it from one corner to the other, yet not a dollar could he receive in damages.

I am now coming to the really vital part of the bill. Ordinarily the matters of which I have spoken would be considered vital, but they are of very minor importance compared with the provisions of the bill to which I shall now address myself. After the railroads have been purchased with the money of the people, or the obligations of all of the people, it is provided that a corporation shall be created. It is then provided that the railroads of the country shall be turned over to this corporation controlled by the employees of the roads for operation, without any responsibility to the Government, without any obligation to the Government. This is provided through the means of a corporation to be known as the national railways operating corporation, which is to be managed by a directorate consisting of 15 members. Five of the members are to be appointed by the President, representing the public, and 10 of the members are to be selected by the employees of the roads divided into two classes, designated in the bill as official employees and classified employees, but nevertheless all of them employees of the roads. Where the line would be drawn as to who constitute "official employees" and who constitute "classified employees" I do not know, nor do I believe that there is any standard created at this time by which such a line could be drawn. I have understood, however, that it is contemplated that there would be about 20,000 so-called "official employees" who would come within one class and the remainder of the railway employees would come within the other class. So that we have here the railroads of the country bought by the people, paid for by the people, but their management turned over to a corporation in which the public, the owners of the properties, shall only have a representation of one-third, while the employees of the corporation shall have a representation of two-thirds. I believe that employees should have a voice in management, but they should not have a controlling majority.

Mr. President, in this country the endeavor to secure a transportation system not primarily in the interest of the owners of the roads but primarily in the interest of the public has involved a long struggle. It has been a long struggle, lasting nearly half a century now, to secure legislation denying the right to the owners of the roads, the stockholders, to exact any rate they thought fit to charge and with no limit upon the dividends they might receive. That struggle resulted in the final enactment of the interstate commerce act as we find it to-day, the purpose of which was to secure reasonable rates and prevent excessive returns to the owners of the railroads. It was a special privilege that was fought during that extended battle, and here, after that battle has been won, we find exactly the same kind of a special privilege insisted upon, not by the stockholders but by the employees of the railroads of this country.

Mr. POMERENE. Mr. President, if it will not interrupt the Senator, I should like to make a suggestion.

Mr. LENROOT. I yield.

Mr. POMERENE. I should like also to observe that the provisions of this scheme are not limited to the railroads themselves, but the bill as presented authorizes the purchase of trucks and drays and all manner of vehicles that may be necessary to convey commodities from the manufacturer or producer to the railroad and from the railroad to the consignee.

Mr. LENROOT. That is true; it proposes to extend the system of transportation so that the product to be transported shall be called for at the factory or the home of the shipper and delivered to the ultimate consignee, which, of course, again would involve many millions of dollars, indeed running into the billions, aside from the value of the railroad property itself. But while two-thirds of the directorate is composed of employees of the roads, when it comes to actual operation the author of the bill has been careful to see to it that even the one-third of the directorate representing the public shall be squeezed out, for it is provided—

> That the board of directors shall, for the purpose of operating and carrying on the business of said corporation, divide into operating districts the territory of the United States and its possessions and shall in each such district constitute a district railway council of ——— members, which shall be elected in the following manner: One-third of the members of the council shall be elected by the classified employees within their district below the grade of official employee, one-third of the council shall be elected by the official employees within said district, and one-third, of whom one shall be designated as chairman, shall be appointed by the board of directors.

Now, then, let us see where the public comes in. Two-thirds of the management, it is provided here, shall be appointed directly by the employees, and then it is provided that the other third shall be appointed by the directorate; but the employees having a two-thirds majority of the directorate, of course one can easily see that the entire management of the operating regional systems will be in the hands of the employees, because the two-thirds majority in the directorate will have the power, and undoubtedly would exercise it, to see to it that the one-third appointed by the board of directors shall represent the employees and not the public.

As to the powers of this corporation, under section 4 it is provided—

> That the corporation is hereby empowered, authorized, and directed, for the period of its existence as herein set forth, to lease, operate, and maintain as a single system all of the railway lines and transportation properties of the United States and its possessions, and to do and perform every act, thing, or function which the Government of the United States could do or perform were it exercising the function of operating said railways, subject, however, to the limitations imposed by this act.

In other words, all of the powers of the Government are attempted to be delegated to this corporation, controlled by the employees of the roads, with no other restrictions than are found in the bill itself.

As to this board of directors, while it is provided that there shall be created wage boards, as in the pending Senate bill, one-half of whom shall be selected by the employees and one-half of whom shall be selected by the directors of the corporation, it would naturally follow that those wage boards would be constituted wholly of representatives of employees. The public would have nothing to say about the constitution of the wage boards, because when the employees constitute two-thirds of the directors of the corporation and they are empowered to appoint one half of the membership of the board and the employees directly the other half, it follows just as surely as night follows day that all of the members of these wage boards would be men representing the employees upon the roads, and there is no limitation upon the wages that can be fixed by these boards. The board of directors has the final determination of the matter of wages, and, of course, the employees having a two-thirds majority upon the board, the very natural and inevitable result would be that the wages would be fixed at the very highest point possible; and it would become the duty of the Interstate Commerce Commission, as it is its duty to-day wherever wages are fixed by a tribunal created by law with authority to fix wages, to permit such rates to be charged to the public as will pay all operating expenses, including whatever the wages may be.

But it is said that this is guarded against by the provision for a division of net earnings; that inasmuch as the official employees receive twice the rate of dividend which it is provided in the bill that the classified employees shall receive, therefore the directors representing the official employees would never permit an unreasonable wage, because it would reduce the net earnings of the corporation if they did that, and their desire to secure large dividends would compel them to act, not upon the side of the classified employees, but upon the side of the public.

Let us see, Mr. President, how that would work out.

In the first place, I feel sure that there would be no dividends; there would be no net earnings to divide; and why? What incentive would there be, under this plan, for the official employees to keep wages down to a reasonable level in order that they might secure dividends?

Let us assume that there were some year net earnings to the extent of $500,000,000. Under the terms of the bill that $500,000,000 would be divided equally between the Government of the United States and the employees of the roads, so that there would be $250,000,000 to divide, and then it is provided that the official employees shall receive twice the rate of dividend that the classified employees will receive. Mark you, Mr. President, it is not an equal division of that $250,000,000 between the official employees and the classified employees. If it were that, there might be some argument that the official employees would be interested in securing as large net earnings as possible; but the provision is only that the official employees, according to

the pay roll, shall receive twice the rate of dividends that the classified employees receive.

Now, let us assume that there will be 20,000 official employees, and that all the balance of them are classified employees. Assuming that there are 2,000,000 classified employees and 20,000 official employees, let us see whether the official employees would be more interested in increasing wages than they would in securing net earnings for the payment of dividends.

Assume that the average wage of the official employee is $4,000 per year and that the average wage of the classified employees is $2,000 per year. If there was this $250,000,000 to divide, the classified employee would receive at the end of the year $122.50, while the official employee would receive as his dividend $245. But at the end of the year the directors representing the classified employees would naturally say to their associates representing the official employees upon the directorate, "Why should we give this $250,000,000 to the Government? Let us absorb all of this in wages, and if you will vote with us to increase the wages of the classified employees by twice the amount of the dividend they receive this year we will agree that we will vote with you to increase your salaries by four times the amount of the dividend." Human nature, Mr. President, is the same with railway employees that it is with anyone else; and does anyone think that temptation would not be so strong that it would not be accepted? And what would be the result?

The next year the salaries of the official employees could be increased $980 a year, four times the amount of the dividend they received, the salaries of the classified employees could be increased $250 a year, twice the amount of the dividend they received the year before, and absorb the $500,000,000, and there would not be a penny for the Government to receive.

Would they do it? Will a duck swim? Of course it would be done, and it is no reflection upon the railway men when I say that they would do it.

So it is fair to say that there would be no net earnings under this plan. But it is provided in the bill that this interest upon the twelve or fifteen billion dollars, or whatever the amount may be, that is paid for the railroads, is not an obligation of this railway corporation unless they have net earnings after paying such wages as they see fit to fix for themselves and such operating expenses as may naturally occur. If there is any money left, then it is paid to the Treasury to pay the interest upon the bonds; but if there is no such money, the people of the United States, in addition to paying for the railroads or issuing bonds for the railways, must themselves pay the interest on the bonds out of the Treasury of the United States.

Mr. POMERENE. Mr. President——

Mr. LENROOT. I yield.

Mr. POMERENE. Can the Senator from Wisconsin give an estimate as to the amount of money which probably would go into the United States Treasury?

Mr. LENROOT. No; nor can the Senator from Ohio.

Mr. POMERENE. Mr. President, I would not even undertake to do so.

Mr. LENROOT. This, Mr. President, is a very rough outline of what is known as the Plumb plan of railway control. To my mind there is only one difference between this plan and the Bolshevist soviet plan in Russia with reference to taking over railroads and other industries. The difference can be stated in a word. Over in Russia they boldly take the property and manage it themselves without paying anything for it. Under this plan they take the property and manage it themselves, but have the people pay for it. Otherwise, I can see no distinction between the two systems.

Mr. KING. Mr. President, will the Senator yield?

Mr. LENROOT. I yield.

Mr. KING. The Senator might add that in Russia they have one advantage which they claim under the present system—namely, they send the commissaire around from time to time, and he can compel the men to do their duty.

Mr. WATSON. Mr. President, I should like to ask the Senator which of the two plans, as described, he prefers?

Mr. LENROOT. Well, I will say that this plan does present a constitutional method of acquiring railway property, and does present a constitutional plan for the operation of railway property. If the representatives of the people in the Congress of the United States shall utterly forget and disregard the interests of the people of this great country, shall forget and disregard the interests of the farmer and every other class, and remember only the desires of one class, and extend this special privilege to them, of course they can do it; but when it is done, the beginning of the end of our institutions in this country is in sight.

Mr. WATSON. In other words, which while nominally constitutional, if pursued would overthrow the Constitution.

Mr. LENROOT. It would. And it is stated by the advocates of this plan, Mr. President, that they expect when once applied to the railroads it will be generally applied to every phase of activity in the country.

Let me just take a moment to apply it to the most important industry that we have in this country. Let us apply it to the farms of the United States. Under this plan ownership of all the farms of the United States would be vested in the Government, and then it would be provided that bonds should be issued, the obligations of all of the people of the country, to pay for these farms; and the Government of the United States having secured title to all the farms of the country would then do what? Turn them over to the farmers, the original owners, to operate? No. Turn them over to anybody with any obligation or responsibility to operate? No. Under the Plumb plan the farms of the United States would be turned over to the hired men upon the farms to operate, with the right expressly given to them, if they chose to do it, to take the entire product of the farm as compensation for their own services, and the people of the United States could pay the interest out of the Public Treasury upon the bonds that were issued to pay for them.

Mr. CUMMINS. Mr. President, if the Senator intends to mention the point I am about to suggest, I hope he will not allow me to refer to it; but if he does not, I ask what provision is made in the Plumb plan for the additions and betterments and extensions which will necessarily occur in developing our railroad system? I think everybody agrees that we must spend for many years to come from five hundred million to a thousand million dollars each year in order to keep our railroads in a position to render adequate transportation service. I would be glad if the Senator from Wisconsin would mention that point if he has it not already in mind to refer to it later.

Mr. LENROOT. I will be very glad to state what the plan contemplates. It contemplates that this irresponsible railway corporation, without capital except such as Congress appropriates, shall have, in the first instance, the right to determine when and where extensions shall be made and improvements and betterments constructed, and that whenever the board of appraisement approves it, it becomes the duty of the Congress of the United States to appropriate whatever sum is found by these bodies to be necessary out of the Public Treasury.

Mr. POMERENE. Mr. President, may I make another suggestion.

Mr. LENROOT. Certainly.

Mr. POMERENE. At the present time, with probably about eighteen billions of United States bonds outstanding, most of which are nontaxable, all of which are nontaxable except under the supertax, these bonds are now selling at a discount, down perhaps as low as 94 cents on the dollar.

Mr. SMOOT. Lower than that.

Mr. POMERENE. Lower than that, I am advised. I have not seen the last quotations.

Mr. SMOOT and Mr. GRONNA. Ninety-two and a fraction.

Mr. POMERENE. I am advised by the Senator from Utah and the Senator from North Dakota that they are selling down as low as ninety-two and a fraction. If on top of that you were to sell twelve or fifteen billion dollars worth of railroad bonds, even though they are guaranteed by the United States, what would be the effect upon the market value of the other bonds?

Mr. LENROOT. I will say that under the Plumb plan they are not guaranteed by the United States; they are direct obligations of the United States.

Mr. POMERENE. The Senator is right.

Mr. POINDEXTER rose.

Mr. LENROOT. Mr. President, I feel very certain that when this plan is once understood by the people of the country it will not receive any support, even from organized labor, outside of the railway employees themselves, because a proper title of this plan would be "a plan to further increase the high cost of living," for that would be the inevitable result of the operation of the plan. I have such confidence in the judgment and the patriotism of the railway employees of this country that I am satisfied that when they thoroughly understand the viciousness of this plan they will not ask any such unjust special privilege for themselves. I yield to the Senator from Washington.

Mr. POINDEXTER. Mr. President, I was just going to suggest when I rose that when the removal of all the ordinary safeguards for the proper conduct of business is considered, and the effect of the establishment of a railway system such as provided in the so-called Plumb plan, the removal of those safeguards and the removal of the incentive to the proper conduct of business, would inevitably lead to the paralysis of the business itself and consequently the destruction of the employment

of these men; and when it is thoroughly considered, the railway employees themselves would not be in favor of it.

Mr. LENROOT. I think that is true. So much for the Plumb plan. Now a word, Mr. President, with reference to the general plan that is now pending before the Senate. I wish to discuss it in detail a little later, and I shall touch upon some of the legal questions involved, which are very serious. But for the present I merely wish to speak of the general outline of this plan, and why, in my judgment, it does not offer a solution of the railway problem.

Under this plan it is contemplated that the transportation business of this country shall be conducted by between 20 and 35 independent systems, controlled, so far as the directorate is concerned, by the stockholders themselves; and it is urged, as against unification and complete consolidation, which I am in favor of, and which I believe offers the only correct solution, that this is necessary in order to preserve competition among the railroads and secure efficiency of service.

Mr. President, I have always recognized that through competition we do secure greater efficiency in service. Of course, so far as rates are concerned, there is no competition to-day, and has not been for many years, and there is the best of reasons why there should not be. But if the competitive system is to continue—and it is contemplated in this bill that it shall continue—the only possible purpose of the continuation of the competitive system is efficiency in service. And unless there be an incentive to secure that efficiency, competition will be nothing but a name, and very much more injurious to the public than any possible dangers connected with complete unification. This bill, as we all well know, practically removes all of the incentive to efficiency.

Assuming that when the plan is completed we will have 25 different systems of railroads in this country, when it is remembered that two-thirds of all of the earnings of a railroad in excess of 6 per cent is taken from the railroad by the Government, what becomes of the incentive to efficiency? What becomes of the incentive to compete, and, in order to secure the business, render the best possible service?

Let me give an illustration: Take the Pennsylvania road in competition with the Baltimore & Ohio, both in the same group. When the Pennsylvania Road has earned its 6 per cent, possibly on the 1st of July, around the middle of the year, will you tell me what great incentive there is to efficiency, when they know that two-thirds of all that they will thereafter earn, with the greatest economy, with the greatest efficiency, will be taken from them by the Government? Is there any incentive to efficiency with that kind of a situation? No. We have lost by that proposition the benefits of competition and gained nothing.

We have lost more than that as against a unified system of railroads throughout the country, in that we can not hope to secure the conduct of the railway business of the country as a business proposition in the interest of the investors, the public, and the employees, until we remove the temptation to regard railroad properties as chips in a poker game. So long as we have with us the opportunity for gambling and speculation, the wrecking of railroads, and then building them up so that a few men may gain vast fortunes for themselves, just so long will the railroad question never be solved in the United States.

Mr. President, so far as the outline of that plan is concerned, this is my objection to it. By the very terms of the bill the efficiency that is sought to be secured through competition is done away with by the taking away of excess earnings.

Now, a word before I get to the details of the bill. I have introduced a bill in the Senate. I shall not offer it as a substitute for this bill, because the bill I have introduced is not intended to take care of what I believe must be a temporary situation, but it is offered as what I believe to be a permanent solution of the railway question, and I shall take just a moment in giving its outlines.

One Federal corporation is provided for, as against 20 to 35 in the pending bill. This corporation is authorized to acquire all of the railroad properties in the country. The capital stock is limited only by the value of the railway property as found by the Interstate Commerce Commission, but no stock can be issued without its approval. The stock is to be sold to the public or exchanged for railway properties, the Government guaranteeing a minimum return of 4 per cent and allowing a maximum return of 6 per cent, or a less amount if the stock can be sold at par with a lower maximum. Stockholders will, however, in addition, share in excess earnings, as I shall in a moment point out.

The corporation under this bill may purchase the physical properties of the railroads, or a controlling interest in their capital stock, upon valuations fixed by the Interstate Commerce Commission. It may also exercise the right of eminent domain.

The management is vested in a board of 11 directors appointed by the President and confirmed by the Senate, selected as follows: One shall be a member of the Interstate Commerce Commission, who shall remain ex officio, as it may be termed, a member of the board of directors. In other words, he is a member of the board if appointed by the President only so long as he remains a member of the Interstate Commerce Commission.

One shall be a member of a State railway commission, to be selected by the President out of five recommended to him by the National Association of Railway and Utility Commissioners. Two shall be appointed from six persons proposed by employees of the railroads controlled by it. Two shall be appointed from six persons recommended by the United States Chamber of Commerce. Two shall be selected from six persons proposed by the agricultural and farm interests of the country. Three shall be selected from nine proposed by the stockholders of the corporation.

In the plan, I wish to emphasize, there is no element of Government ownership or Government operation, but every group interest will have representation upon the board. The dominant motive of at least a majority of the board will be efficient operation at a reasonable cost.

It has been objected that the owners will not control their property; that there will be private ownership of the roads under this plan as under existing plans, but they will have only a minority of the directorate. But every honest investor, who does not go into railroad investments merely as a gambling speculation would infinitely rather have the Government guarantee to him 4 per cent than to have a majority control upon the board of directors. When the Government does give the guaranty of 4 per cent it is eminently proper that the public, not the Government but the public, shall have the controlling voice in the management of the property.

Political appointees would be impossible under the plan, for under the bill the President is restricted in his appointments to nominations made by nonpolitical organizations. There is only one member that might in any sense be said to be political, and that is the member of the Interstate Commerce Commission. We all know that up to this time, or at least until a very few years ago, the appointees of the Interstate Commerce Commission were absolutely without regard to politics.

The board of directors shall choose a general manager, charged with the duty of operating the road under the supervision of the directorate. The country is to be divided into regional operating systems. The Interstate Commerce Commission is directed to permit rates that will pay the maximum return. Earnings in excess of the maximum allowed on the stock will be divided as follows: Forty per cent to employees, 30 per cent to the stockholders, and 30 per cent to the Government. Here, Mr. President, is the inducement to efficiency that the old competitive system was expected to furnish, but which under the committee bill is practically obliterated. If we would have efficiency in railroad operation, there is one of two things which must occur. Either the railroad must have the opportunity to earn and keep all that it can make under the most efficient management with reasonable rates, or else there must be a reward to those who are directly responsible for efficiency to become efficient. That is what is lacking under the pending bill.

Under the pending bill now before the Senate where the Government takes two-thirds of the earnings, the employees upon the road, however efficient they may be, do not receive a penny of it. There is no incentive to the employees upon the road to become efficient, and two-thirds of the incentive upon the part of the directors representing the stockholders to become efficient is taken away. Under the plan I propose there is the incentive to the stockholders equal with the present bill for there will be a 30 per cent return to them for efficiency. In addition to that, there is a 40 per cent return to the employees upon the road to induce efficiency. In addition to that there is the economy of complete unification, which all admit is a very great economy in the operation of a transportation system.

Wage boards are provided for in the bill very similar to those in the bill now pending in the Senate, with this distinction: While under the bill wage boards are provided for, one-half to be selected by the employees and one-half to be selected by the directors, the directors of the road are given the ultimate authority to fix the wages. Under the pending bill the transportation board is given that ultimate authority, but there is this distinction: Under the plan that I propose the directorate will represent primarily the public interest, while I am very much afraid—and I shall discuss it at more length when I come to it—that the transportation board will inevitably be consti-

tuted of men who have given their lives not to consideration of the rights and equities of the employees, but their experience, their entire experience, has been upon the side antagonistic to the employee, and therefore the transportation board will not constitute such an impartial tribunal as the employees have the right to demand to finally fix the wages that they shall receive.

Mr. KING. Mr. President, will the Senator permit an inquiry?

The PRESIDING OFFICER (Mr. HALE in the chair). Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LENROOT. Certainly.

Mr. KING. Does not the Senator think public opinion together with the power of confirmation of the Senate—and I understand they have that power—will largely control the personnel constituting the board to which the Senator is referring, and that it is only a question of a little time when that public opinion and the pressure of the Senate and the attitude of the Senate will demand that the board shall not be a political board or representative of interests hostile to labor, but that it shall be a fairly representative board of all the interests that may be involved in the question.

Mr. LENROOT. I assure the Senator from Utah that when I come to discuss the details of the bill I shall go into that a little more fully. I will only say now that considering the very important duties devolving upon the transportation board I think that public opinion would demand that those men constituting the majority at least of the transportation board should be men who had had long experience in the operation and management of the roads. That being true, of course they would naturally be antagonistic to the demands of the classified employees.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LENROOT. Certainly.

Mr. CUMMINS. I should hope, of course, that the men would be competent for the performance of the duties which the law would require of them, but I do not look at their duties in just that way. For instance, one of the most useful, and I think one of the most influential, men upon the Interstate Commerce Commission was taken directly from a high office; in fact, from the presidency of the Order of Railway Conductors.

If we have a President at that time who understands the duties which are to be performed by the board, I can not see any fair apprehension with regard to the constitution or the creation of a board that can and will do as nearly justice as can be done by human beings. I understand perfectly well that all of us are frail and there can not be expected from us that absolute perfection which we would be glad to have, but I think the Senator from Wisconsin will give due regard to the complete liberty and discretion of the President in selecting the men who will, all things considered, be best adapted to perform the several duties.

Mr. LENROOT. Of course, I do not question that the Senator from Iowa is expressing his very best judgment upon the question, but when I come to the details of the bill I shall examine with some care the duties devolving upon the transportation board, and considering the nature of the duties, I am impelled to believe that in the very nature of things the majority of that board will be selected from men who are not impartial in the consideration of wage disputes between employees and the roads.

Further, with reference to the bill that I have introduced, it is made a criminal offense for any Federal officer, legislative or executive, to influence the appointment of any of the employees or officers of the corporation.

Next is the basis of valuation of the property of the railroads, and when I speak of valuation I speak of it only in the sense we speak of valuation in connection with negotiations. The bill, of course, does not attempt to lay down a final rule of valuation. It only lays down a rule upon which negotiation for purchase is permitted. But, as I heretofore said, the determination of value is not a legislative but is solely a judicial question.

The plan that is authorized for negotiation is a combination of three factors—first, the original cost of the property less depreciation on March 1, 1913; second, reproduction value on the same date less depreciation, plus in each case the cost of additions and betterments made since that time. From those two factors added the average is taken of the two, and we secure thus one of the final factors to produce the result.

Next and third, it is provided that the earnings of the railroads for a 10-year period prior to their being taken over by the new corporation shall be capitalized at 5 per cent, and that produces another factor. The average of the cost obtained through the cost and reproduction value with the capitalization of earnings furnishes the final amount found by the Interstate Commerce Commission and that the board of directors are permitted through negotiation to pay for the property.

I will say that the capitalization of the earnings on the computations I have made for the 10-year period immediately past would amount to the sum of $16,500,000,000 for the railroads of the country. I think we will all agree that when the courts shall finally fix the matter of valuation that the sum will be found to be somewhere between $15,000,000,000 and $18,000,000,000.

This is a general outline of a plan that I have introduced in the form of a bill. It offers complete unification and consolidation of the railroads of the country under private ownership, and with no element whatever of Government operation. I believe that some such plan as this—I do not say in its details; of course, it is subject to modification—will sooner or later be adopted as a solution of this problem.

We are not going to have a solution of the problem, in my judgment, under the Senate bill, not only for the reasons I have stated but for another reason. I do not believe that if the pending bill should become a law to-morrow it would be possible for the railroads of this country to secure the credit or money necessary for betterments, additions, and extensions. It would be an impossibility. We hear it said upon the part of railway executives that the reason for the loss of railway credit was because of the action of the Interstate Commerce Commission prior to their being taken over in refusing to increase railroad rates as the railroads demanded. Mr. President, the Interstate Commerce Commission, in my judgment, deserves no such criticism. As the figures will show, in every case where the Interstate Commerce Commission refused to increase the rates as demanded by the railroads the net earnings of the railroads, subsequent to that refusal, were the largest in the history of the railroads.

Then, why was the credit of the railroads lost? Why had they failed to function at the time the Federal Government took them over? I think the cause is very apparent. There are two primary reasons: One, the reckless, not to say criminal, mismanagement of some of the railroads. When the New Haven road, whose stock was supposed to be the safest investment in the United States next to a Government bond, was wrecked, as it was wrecked, is it any wonder, Mr. President, that the confidence of the investors of this country was lost in all railroad investments? And the New Haven road was not the only one as to which that occurred. Every Senator can recall to his mind road after road which had exactly the same kind of history as that disclosed in the New Haven road. So it is not to be wondered at that men who were not merely speculators but investors were not willing to invest their money in railway stocks or in railway securities.

In addition to that, even when the roads were making the largest returns in their history, we found advertisements and found placards in every passenger station in the United States telling the public that the railroads were facing bankruptcy unless their rates were increased. Mr. President, if a department store in Washington should to-morrow morning announce in an advertisement that it was facing bankruptcy and the next morning should insert another advertisement offering its stock for sale, how much of an investment do you think there would be in its stock? That was exactly the situation with reference to the railroads. The railroads were crying that they were facing bankruptcy; and is it to be wondered at that investors refused any longer to invest in their stocks and securities? In my judgment, so long as we have this competitive system, so long as we have even from 20 to 35 railroad systems that can become the subject of financial manipulation for the purpose of enhancing or depressing the market price of stocks, just so long, in view of past experience, will it be impossible for the railroads to finance themselves further without such rates as will bring exorbitant returns, such as will induce the investor to invest in a hazardous enterprise with the prospect of such large returns that he can afford the hazard. Unless we do that, under this bill or under any bill that does not provide for complete unification and control in the interest of the public, the public will refuse to furnish to the railroads the money that is necessary for their improvement and for extensions, additions, and betterments.

Mr. KING. Mr. President, has the Senator from Wisconsin concluded his argument in favor of the unification plan?

Mr. LENROOT. I have, unless there are some questions which are desired to be asked.

Mr. KING. Unfortunately, I was called out of the Chamber during a portion of the Senator's remarks. I was wondering

if the Senator had discussed—if he has, I shall not ask him to repeat and apologize for interrupting him—the problems that would be involved by one immense national system; the difficulties of managing the roads of this country from Washington; the lack of initiative that would result from having a sort of overlordship functioning here in Washington?

It seems to me, if the Senator will pardon me, that one objection to a unification plan, putting all of the railroads of the country under one management, would be that it would break down because of its bigness. The Senator will remember the statement made years ago by Mr. Justice Brandeis, in which he clearly elucidated the thought that enterprises, corporations, businesses, might become so big, so gigantic, as that they would cease to be efficient, would cease to be operated efficiently, intelligently, and economically.

I have somewhat studied the plan embodied in the unification theory or proposal, and it occurred to me that it would not work because of its bigness; that it would break down because the machinery would be so tremendous.

Mr. LENROOT. I will say in reply that, of course, I very well remember the statement of Mr. Justice Brandeis which is referred to by the Senator from Utah; but the Senator will remember that Justice Brandeis based that wholly upon the proposition that because of bigness there would not be the efficient management that would result in the case of smaller corporations where there was competition. If it were possible to have the full play of competition and at the same time a control in the public interest, I would at once agree that we ought to preserve competition; but under this bill competition is practically wiped out. There is no incentive to efficient management under this bill after a road has reached an earning point of 6 per cent. There exists exactly the same objection to the establishment of the corporations provided for by this bill, whether they be 20 or 35, which the Senator now states in relation to one unified corporation.

Mr. CUMMINS. Mr. President, the Senator has stated several times that there was no incentive to competition under this bill. I want him to reexamine that subject a little. I assume the Senator will agree that with respect to every railroad that does not earn 6 per cent there is abundant incentive. The road that earns more than 6 per cent retains one-half of the excess between 6 and 7 per cent.

Mr. LENROOT. Up to a certain point.

Mr. CUMMINS. Up to the point of an accumulation of a company reserve fund equal to 5 per cent upon the value of its property. Now, assume that the excess between 6 and 7 per cent would amount to $50,000,000, does the Senator think that there is no incentive in the possibility of earning $25,000,000? Does not that furnish substantially the same incentive, the same stimulus, as though all the excess earnings could be kept? How can they divide their energy? In my judgment, a railway company will be just as anxious to earn that portion of the return above 6 per cent as though it were permitted to keep it all, and unless it is competent and efficient it will not get anything above 6 per cent.

Mr. LENROOT. I can not agree to that. There are some roads which I have in mind—and the Senator no doubt has them in mind as well—that can earn 6 per cent with practically the lowest point of efficiency possible. For such roads it does not require an effort along the line of efficiency to earn 6 per cent. The Senator speaks of $25,000,000 in connection with the accumulation of a fund equal to 5 per cent of the value of the property; but that would only apply in the case of a prosperous road for a period of a few years, because it would not take very long to build up that 5 per cent, and from that time on only one-third is retained by the road.

Mr. CUMMINS. Has the Senator looked into that to find out how long it will require any given road, specifying it, to put aside a fund equal to 5 per cent of the value of its property out of an earning of one-half of 1 per cent?

Mr. LENROOT. Out of one-half of 1 per cent?

Mr. CUMMINS. Yes.

Mr. LENROOT. It would be more than one-half of 1 per cent——

Mr. CUMMINS. It is one-half of 1 per cent——

Mr. LENROOT. Between 6 and 7 per cent.

Mr. CUMMINS. That is of the excess between 6 and 7 per cent.

Mr. LENROOT. Yes.

Mr. CUMMINS. That is one-half of 1 per cent upon the value of its property. Therefore, it would require any company, if it earned no more than 7 per cent, 10 years at the very least to accumulate 5 per cent on the value of its property.

Mr. LENROOT. Suppose it earned 10 per cent.

Mr. CUMMINS. If it earned 10 per cent then it would take one-half of 1 per cent, between 6 and 7½ only of the excess above 7 per cent; but there are not many roads which earn any such sum of money.

Mr. LENROOT. How about the Burlington?

Mr. CUMMINS. The Burlington does not earn that much. I have the exact figures here, and can give them.

Mr. LENROOT. How much did it earn during the period of the standard return?

Mr. CUMMINS. About 7 per cent.

Mr. LENROOT. More than that, I think.

Mr. CUMMINS. No. The Senator from Wisconsin probably does not discriminate between the earnings upon the capital stock of the Chicago, Burlington & Quincy and the earnings upon the value of its property.

Mr. LENROOT. But that is not known.

Mr. CUMMINS. The Interstate Commerce Commission has said—and I have no doubt it is true—that the railway property of the Chicago, Burlington & Quincy is worth possibly more than its capitalization, because it has pursued a policy to bring about that condition. According to investment account, concerning which very much has been said here, the Chicago, Burlington & Quincy is worth something like $200,000,000 more than its capitalization. On the contrary, take a road that may lie side by side with it; take the Chicago Great Western, for instance, and until very recently, at least, it was capitalized for twice as much as it was worth; but this bill deals always on the basis of the value of the property and never on the basis of capitalization.

Mr. LENROOT. I understand that.

Mr. CUMMINS. According to the statements presented to the committee, my recollection is that the earnings of the Chicago, Burlington & Quincy upon investment account—and I do not assert that investment account is the correct measure of the value of the property—are about 7 per cent.

Mr. LENROOT. Upon the investment account.

Mr. CUMMINS. Upon the investment account.

Mr. KING. Mr. President, will the Senator yield? As I understand, after a fund has been accumulated by the road out of these excess profits, it may not use that fund unless there shall come a lean year, when it ceases to yield the revenue permitted, and it may then draw upon that fund for the purpose of paying its dividends.

Mr. CUMMINS. It never loses it. It belongs to the railway company. It is kept in its possession. It is drawn upon when the earnings of the company for any given year are less than 6 per cent upon the value of its property, and when drawn upon it must be immediately reaccumulated.

Mr. KING. Oh, yes; I understand that. It may be drawn upon; but if it is a prosperous road and its earnings do not get below the standard permitted, it never would have an opportunity of using it, so that it would be there as a nest egg without creating or procreating or yielding any benefit to anybody.

Mr. CUMMINS. Oh, I can not think that, because it can be invested and make a return to the company which owns it, and that return would not be included within the income from operation, just like any other outside investment; but after the fund is accumulated up to the point indicated, then, as the Senator from Wisconsin says, the road retains for its own purposes, for distribution or any other legitimate purpose, one-third of the earnings above 6 per cent. I differ with the Senator from Wisconsin about the incentive which that would furnish. I think that would furnish all the incentive of which railroad management is capable.

Mr. KING. If the Senator will pardon me, the Senator may be right as to its being able to enjoy the profit derived from the investment of the fund. I am inclined to think, however, that a very critical and strict interpretation of the act would require any profit resulting from the fund that might be invested to be included in the return of the road, and it would have to be divided again with the larger fund which is created.

Mr. CUMMINS. No; if the Senator will recur to the provision of the bill in that respect he will find that it says, "if the income from operation in any year exceeds 6 per cent upon the value of the property." It is definitely limited to the income from the operation of the railroad as an instrumentality of commerce.

Mr. KING. It seems to me, Mr. President, that to make it an incentive and an inducement for efficiency and economies to the highest degree of perfection of railroading the fund might with propriety be distributed from year to year to the railroad.

Mr. CUMMINS. The whole purpose of that fund, as the Senator from Utah will agree with me, is to furnish stability to the

credit of the railroad company, so that it can secure the funds that are necessary for its enlargement and betterment.

Mr. LENROOT. Now, Mr. President, I wish to take up in a very brief way one or two of the legal questions involved in the bill; and if I may have the attention of the chairman I should like to call his attention to page 11, line 15. This is the provision for the limited guaranty of not exceeding four months. It is provided—

That if, during the period the guaranty is in force, the railway operating income of any carrier exceeds the amount of the guaranty, it shall forthwith pay such excess into the Treasury of the United States.

I should like to ask the chairman of the committee under what theory he contends that after the roads have been turned back to their owners, and with no contractual relation between the owners of the road and the Government, if they make more than a certain amount of money we can simply take the excess and put it into the Treasury?

Mr. CUMMINS. Mr. President, to answer that from the standpoint of the committee, the Government is under no obligation to guarantee to the roads about to be returned any income whatever.

Mr. LENROOT. Certainly not.

Mr. CUMMINS. And I assume that it can attach to its guarantee any condition which it may desire to attach.

Mr. LENROOT. Certainly, as a contractual relation.

Mr. CUMMINS. As a contractual relation; and it is believed by the committee—at least, I have always looked upon it from that standpoint—that we are about to return these properties to their owners; we are proposing that during that transition, when everything is somewhat disturbed, they shall have the standard return, just as they have had it for the last two years; but if they make more than that, if they accept the standard return during these four months, they must pay any excess in their hands into the Treasury.

Mr. LENROOT. Yes; but suppose they do nothing?

Mr. CUMMINS. They will not get the guarantee.

Mr. LENROOT. Let us see whether they will not. Why not?

Mr. CUMMINS. They ought not to have the guarantee unless they are willing to comply with this condition.

Mr. LENROOT. Exactly; but where do you find in the bill any acceptance required by the carrier?

Mr. CUMMINS. There is no acceptance required, but, in my opinion the acceptance of the guarantee itself creates the contractual relation.

Mr. LENROOT. How do they accept the guarantee under the bill?

Mr. CUMMINS. If we are called upon to pay anything to them——

Mr. LENROOT. Suppose we are not?

Mr. CUMMINS. Then I assume that the obligation probably would not be enforceable.

Mr. LENROOT. But the language is that the obligation is there. Of course, if they make more than the amount of the standard return there is nothing to call upon the Government for, and yet we require them to pay into the Treasury of the United States the excess.

Mr. CUMMINS. I should be very glad, then, if the Senator from Wisconsin would offer an amendment requiring an acceptance of that kind, so that there would be no question about it. I can see the point made by the Senator from Wisconsin, and I should be very glad to make it beyond question.

Mr. LENROOT. The purpose of my inquiry was to know whether there was any reason for omitting that acceptance.

Mr. CUMMINS. There is no reason at all. If the point is well taken, it is a mere oversight on the part of the committee——

Mr. LENROOT. Oh, I was not criticizing it.

Mr. CUMMINS. Because we intended that the guaranty should be conditioned upon an agreement of that sort on the part of the carrier.

Mr. LENROOT. Before discussing group rates, if the Senator will turn to page 28, section 11, I call his attention to this language:

If it finds that a carrier can not, by reason of the congestion of its lines, properly handle its traffic it shall have power to require the distribution of such obstructed traffic over other lines of roads upon such terms as between the several carriers it may find under the circumstances to be just and reasonable.

Now:

If, under the power in this paragraph contained, any traffic shall be diverted from a carrier which it is ready and able to handle properly, then such carrier shall be entitled to recover from the carrier or carriers to which such traffic shall be thus diverted the revenue accruing on such diverted traffic in excess of the actual out-of-pocket cost of transporting the same.

On what theory does the Senator contend that a carrier can be compelled to transport property without compensation?

Mr. CUMMINS. Mr. President, I desire always to be absolutely frank in the discussion of any question of this sort, and personally I have very grave doubt about some of the provisions of the section to which the Senator is now calling my attention. Without attempting to bring anyone else into this discussion, I may say that I think these ideas largely emanate from the Interstate Commerce Commission. They are no part of the general plan which the chairman of the committee had in mind; but I think the Senator from Wisconsin, after all, has misunderstood that particular section.

The board has the power to divert traffic if it finds that a congested line can not handle it properly and promptly, and it sends it upon some other line; but if the board makes a mistake in that respect and diverts traffic from a line that is ready and able to handle it properly the profit which would have come to the carrier from which the traffic was taken may be recovered from the carrier which actually transports the business.

I have very grave doubts whether the carrier which is thus compelled to carry the traffic can be required to carry it without proper compensation. I do not believe that any carrier can be compelled—that is, if the carrier does it rightfully—to carry anything for simply cost; and there is another provision in this bill which recognizes that principle. Where a shipper routes traffic, and the routing is disregarded, and some carrier takes that traffic wrongfully and carries it to its destination, then I think that in such a case the entire revenue derived by the carrier can be recovered by the carrier from which it was diverted.

Mr. LENROOT. I certainly would agree with the Senator about that proposition.

Mr. CUMMINS. But I am quite ready to say that I have serious doubts about the right of the board, or the commission, or anyone else, to divert traffic and then have the innocent carrier which does the business called upon to respond on account of a mistake of the board or of the commission, as the case may be. I do not think it can be done.

Mr. KING. Mr. President, if the Senator will permit me, I should like to ask the Senator from Iowa, in the event that a mistake is made by the board and traffic is diverted that ought not to be diverted from a road that is ready to care for it, in what way would both of them receive compensation?

Mr. CUMMINS. They could not both receive compensation. The carrier which actually does the business must have its reasonable rate, and the carrier from which the traffic is wrongfully diverted can have no other recourse except upon the United States.

Mr. KING. It seems to me, Mr. President, that there ought to be some provision that would more effectually protect both of the carriers in cases of that kind against the mistakes of the board. It seems to me that the delay of requiring either of the carriers to present claims to the Government of the United States and have them adjusted, passed upon, or appropriations made, would be practically a denial of justice, and serious and perhaps irreparable harm would come to one or both carriers. It seems to me that some amendment should be made that would more effectually protect the carriers in contingencies of that kind.

Mr. CUMMINS. I will say very frankly that so far as the chairman of the committee is concerned, he will not resist an amendment upon that point.

Mr. LENROOT. I will say that it is my intention to move to strike out all of that portion of the paragraph following the word "reasonable," in line 23. It seems to me that when you give the authority to divert traffic upon such terms as may be just and reasonable, you have afforded a full remedy and an opportunity to secure justice between the two carriers. The balance of it, to my mind, is not only clearly unconstitutional but it would be incapable of being carried out, because it would be a human impossibility for one carrier to determine the out-of-pocket cost of transporting any particular article or commodity.

Coming, then, to this matter of group rates, Mr. President, which is really one of the foundation stones of this bill, I have read very carefully the speech of the chairman upon the subject, and the briefs that have been presented upon both sides of the question, and while I, of course, would readily admit that this is a doubtful question, the best that can be said for it is, being a doubtful question, it is very clear that it must go to the Supreme Court of the United States before the constitutionality of this bill can be settled; and until that is done, it not only will be open to grave doubt but it will very greatly interfere with the application of this plan.

Mr. CUMMINS. Mr. President, I wish the Senator from Wisconsin would suggest the specific question which he regards as doubtful.

Mr. LENROOT. I am about to do so.

Mr. CUMMINS. There is in that section a provision upon which I said, when I opened the discussion, lawyers may differ, and honestly differ. I do not personally reckon that difference as creating a doubt in my mind, although I think there is a difference between declaring that a certain question is a doubtful one and declaring that it is one upon which men may reasonably and honestly differ. I put one of the questions in this section in the latter category. If it is to that the Senator refers I readily grant his premise.

Mr. LENROOT. I will say to the Senator very frankly that I am referring to two questions, the power of Congress to compel transportation at an adequate rate upon the one hand, and the power of Congress, after fixing a rate, to take an excess of return over that rate.

Mr. CUMMINS. The latter is the question I had in my mind when I made my last observation.

Mr. LENROOT. I supposed so.

Mr. CUMMINS. So far as the former is concerned I do not quite catch the Senator's point of view, because I do not look upon that as having any doubt in it at all; accompanying that with the statement that any regulation which the Interstate Commerce Commission might put upon the railroads is subject, of course, to certain provisions in the Constitution of the United States, and the railway companies must all necessarily have the right to appeal against any regulation of commerce, either by Congress or under the authority of Congress by the commission, which takes its property without due process of law; or, in other words, which confiscates its property or, I am willing to go further, which requires service without just and reasonable compensation. The carrier will always have that remedy, whenever it chooses to seek it, and the Interstate Commerce Commission can make no rate or be responsible for no rate that is not open to that inquiry. That, in my judgment, is the only inquiry which the carriers can make. I am not now speaking about the point as to excess earnings. I have already dealt with that, and I will be glad to speak upon it a little further; but I am speaking about the group rate.

Mr. LENROOT. I would agree with the Senator if it were not for the fact that, as I construe the language of this section, the Interstate Commerce Commission is not only authorized to fix such group rates as will result in a 5½ per cent upon the aggregate value of the property within the group, but they are prohibited from prescribing any rate that would of itself create a higher return except the additional one-half per cent that is provided for in the bill. It might, of course, produce a higher return, I understand, but not with the intention of producing any higher return.

Mr. CUMMINS. I think the Senator is in error with respect to that. As I remarked a moment ago, the carrier has a right to complain if the Interstate Commerce Commission establishes any rate which is contrary to the constitutional rights of the carrier. Let us assume that in these districts rates are established, and that with respect to a particular commodity, or several commodities, the rates established are claimed by the carrier to be confiscatory, contrary to the Constitution, if that plan is sustained in the courts, those rates or that rate must be advanced. The Senator, as I understand him, thinks that there is nothing in the bill which gives the commission the latitude or discretion to meet that contingency.

Mr. LENROOT. I would agree that they might raise those rates, but if they raise those rates they would have to lower the others.

Mr. CUMMINS. In a broad way that is true, although there is a discretion here within reasonable limits.

Mr. LENROOT. Oh, I understand. They would have to lower them so far as, in their judgment, permitting them to remain would allow the returns to be more than 6 per cent.

Mr. CUMMINS. If a decision of that kind involved a general raising of the basis of rates above 6 per cent upon the value of all the property I think the conclusion suggested by the Senator would probably follow. The Senator is familiar, of course, with the decisions on that point, which indicate very clearly that any declaration by a legislative body, or any policy established by a regulatory body, if it yields 6 per cent upon the value of the property rendering the service, is not confiscation and is constitutional. So the contingency mentioned by the Senator from Wisconsin never could arise.

Mr. LENROOT. The Senator does not get my point. Here is a direction, as I take it, to the Interstate Commerce Commission, to allow rates that will yield 5½ per cent, plus, in its discretion, an additional one-half per cent, or a total of 6 per cent. We will assume that in a group they fix such rates as will yield to all the railroads of that group 6 per cent. But here is a weak road, weak not because there is not a need for the road, not because it is not efficiently operated and managed, but solely because of conditions of traffic along its line, where, under this group rate system, it will not receive an adequate return upon its property. Of course the Senator concedes that the 5½ per cent is not 5½ per cent upon all the property of each individual road. It may be 10 per cent upon one road and it may be 2 per cent upon another road. That is true, is it not?

Mr. CUMMINS. Mr. President, that is true.

Mr. LENROOT. The road, then, that receives under this rate-making power only 2 per cent goes into court, and the court says it is entitled to 5 per cent. That rate is then increased by 3 per cent, so far as that road is concerned. What becomes of the provision in the bill that the rates as a whole in the group shall only afford a return, in so far, of course, as it is intentional upon the part of the commission, of an aggregate of 6 per cent, without lowering the rates upon the other roads?

Mr. CUMMINS. Mr. President, that presents the insoluble problem of railway regulation under the system now in force, which I attempted to discuss the other day, and which nothing but Government ownership and operation, or complete consolidation into one system, can wholly remove. But the Senator from Wisconsin will remember that in the 5 per cent advance rate case and in the 15 per cent advance rate case the Interstate Commerce Commission discussed this whole subject. It was then considering rates for the so-called eastern district in the United States, and it was recognized as impossible, being in a competitive area, to raise the rates so that the weaker roads, even though they be efficiently and honestly managed, could receive what everybody would accept or agree was a fair, adequate return upon either the capitalization or the investment account, or any other basis for the value of property, except the sheer basis of capitalized earnings.

If the point raised by the Senator from Wisconsin should be sustained, then every railroad is worth just what its earnings, capitalized, will secure for it, and the only way of overcoming the difficulty is to reduce the value of the railroad according to the rules of capitalization, for it is simply unthinkable that we shall raise the rates in a competitive area to a point at which the weakest road can earn an adequate return upon the value of its property, if the value be ascertained by the cost of reproduction, either with or without depreciation, or the original investment, if you please, without any depreciation.

My answer to the suggestion of the Senator from Wisconsin is that the Supreme Court, or any court, must take these circumstances into consideration and hold that the road which can not earn a fair return upon the value of its property, ascertained according to the plan which I have just suggested, can not insist upon rates being established at a point which will enable it to do it, if those rates enable its competitor to earn an inordinate or excessive income.

Mr. KING. Will the Senator permit an interruption?

The PRESIDING OFFICER. Senators will please observe the rules of the Senate and address the Chair.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LENROOT. I yield.

Mr. KING. I do not understand the position of the Senator from Wisconsin to be supported by the bill, certainly not by the position as announced by the chairman of the committee. Under the group system, taking the aggregate value of the property and fixing as a basis for rate making 5½ or 6 per cent, I do not understand that the bill provides that the poor roads which may only get 2 per cent may go into court or by invoking any provision of the bill secure a raise in the rate above the 2 per cent. I do not understand that because one road may earn 6 per cent a poor road within the district, being poor because of physical environment, because it goes into a district where there is a sparse population and but a small amount of exports, can get a rate of interest in excess of the 2 per cent, if that be the amount which it would earn under the competitive system established by the group system.

Mr. LENROOT. I think the Senator from Iowa in that respect was speaking only of the constitutional right of the carrier, that it might be entitled to a higher rate than 2 per cent.

Mr. KIRBY. Mr. President——

Mr. LENROOT. I yield to the Senator from Arkansas.

Mr. KIRBY. I should like to ask the Senator a question right at that point. Suppose a case of this kind: A road was built through difficult country which was not thickly settled at the time and which has not since developed. It cost $60,000

a mile to build the road. It would cost $80,000 a mile to reproduce it at this time. The rates which other railroads are charging in the State will not pay a dividend of 2 per cent on the traffic carried on the basis of $60,000 a mile, and the rates allowed under the bill would pay only a dividend of 2 or 3 per cent on the $60,000 per mile basis.

What is to become of a road of that kind? It can not operate. Certainly it ought not to be allowed to increase the rates of all the roads in the region in order that it shall have 5½ per cent when some of them are making 10 or 15 or 20 per cent under rates already fixed under the level-rate proposition.

That is only a suggestion as to the actual condition that must be met.

Mr. LENROOT. For myself, in a word, the distinction seems very clear concerning the proposition that the railroad may be transporting traffic at such rates as will pay only a return of 2 per cent, as was the fact in many cases before the railroads were taken over, as is the case to-day so far as returns are concerned. That is a very different proposition than the Government compelling them to so transport property.

There has been no compulsion in the past under the present interstate-commerce act to compel any railroad that is properly managed and that fills a public need to transport property at anything less than a fair return upon the value of its property. The result is that through competition if a rate is fixed, for instance, upon the Pennsylvania Railroad, even though the Baltimore & Ohio Railroad would, as a matter of law, be entitled to a higher rate, the very circumstances prevent them from charging it. There, I think, is a distinction that should be made between compelling a return that will confessedly be an adequate return, and the railroad itself, for its own reasons because of business conditions, receiving an inadequate return.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LENROOT. I yield.

Mr. KELLOGG. In the case tried by the Interstate Commerce Commission involving the 5 per cent increase of rates in the district east of Chicago and north of the Ohio River, the commission made an order refusing to permit the railroads to increase the rates more than 5 per cent. That order was binding on all the railroads, the Pennsylvania as well as the Baltimore & Ohio and the Erie. I ask the Senator whether, if that yielded the Pennsylvania Railroad, say, 6 per cent, it was constitutional as to the Pennsylvania Railroad?

Mr. LENROOT. Certainly; I concede that.

Mr. KELLOGG. Very well. Then that rate as a whole was made by authority of Congress vested in the Interstate Commerce Commission, and the commission by virtue of the authority prevented the rate from being raised on the Baltimore & Ohio and the Erie more than the 5 per cent.

Mr. LENROOT. I would not agree with the Senator that Congress could constitutionally say to the Baltimore & Ohio, throwing aside the question of possibly it not being well managed, and those other things, and assuming all those things, that it can be compelled to transport traffic at less than a fair return.

Mr. KELLOGG. I am not speaking of the constitutionality as to the Baltimore & Ohio or the Erie. As a matter of fact, the order did prevent them from charging any more unless they went into court to test it, which they did not do. So long as any railroad rate is that way, either under the law as it now exists or under this bill, the result would simply be that the rates would be made upon the more favored roads and the others would be obliged to accept them. That has always been the provision. The order of the Interstate Commerce Commission in the 5 per cent case was not attacked; it could not be attacked, because otherwise the rates would have been made on the favored roads.

Mr. LENROOT. I would agree to that, but the Senator will readily understand that the constitutionality of this provision is going to be attacked, and even though that provision with relation to excess rates might be sustained, even though, as a matter of fact, it would not do the railroads the slightest good, nevertheless if a compulsory, inadequate rate is found in this section, as it seems to me it fairly is, because the chairman has admitted it, then the whole section or the whole scheme falls. That is the point I am making and that is why I am discussing the inadequate rate. As a practical question, of course, it would not be thought of for the Baltimore & Ohio to be permitted to charge rates that would yield 6 per cent and the Pennsylvania charge the same amount, because the rates upon the Baltimore & Ohio would be very much higher than those upon the Pennsylvania, and they would not get the business and they would not make the money.

Mr. KELLOGG. I wish to invite the Senator's attention to this proposition: There is in the bill a direction that the commission shall take into consideration all of the circumstances in fixing a fair rate. The bill then goes further and names a percentage which it thinks is a fair return on all of the railroad property. If the courts should hold that was constitutional as to the Baltimore & Ohio, they would be exactly under the other provisions of the bill which give them power to fix a fair return, and if the commission should fix 5½ or 6 per cent the roads would be in no better position than they are to-day.

Mr. LENROOT. My point is that if the courts should hold that it is not within our power to impose an inadequate rate in a given case, the whole scheme of group rates falls to the ground.

So much for that side of the question, the inadequate rate. Now, let us come to the question—and I am not going to discuss it at great length, because it has been discussed by lawyers much abler than myself—of the power of the Government to take from a carrier or a shipper the excess earnings of the carrier over and above a given rate.

A railroad is entitled to have such rates imposed as will pay a fair return upon the value of the property devoted to the public use. On the other hand, the shipper is entitled to have his property transported at no higher rate than will afford such return. If we attempt to compel a railroad to transport property at a rate that will not afford it a fair return we are confiscating the property of the carrier. If we attempt to compel a shipper to pay a rate higher than is necessary to afford the carrier a fair return, we are confiscating the property of the shipper.

It seems to me that is exactly what this bill does. It fixes 6 per cent as a fair return to the carrier. The excess over that 6 per cent either belongs to the carrier or else it belongs to the shipper. I can not see how it can be said to belong to the public.

I am not going to quote authorities at length. I just want to call attention to the very familiar and leading case of Smyth against Ames, wherein the court said:

> What the company is entitled to ask is a fair return upon the value of that which it employs for the public convenience.

That is one side of it. The court continues:

> On the other hand, what the public is entitled to demand is that no more be exacted from it for the use of a public highway than the services rendered by it are reasonably worth.

When you fix in the bill the standard that 6 per cent is a fair return on any rate that designedly produces a greater return, it is exacting property of the shipper without compensation, it seems to me. If it does not do that, if this is not to be considered as a return secured through an excessive rate, then it is property of the carrier, it seems to me, that we are not entitled to take under the Constitution. One of the two things must be true.

Let us see how this would work out in operation. Under the group-rate system we may have in a group a line of road the value of which is one-third of the value of all of the roads within the group. It is a weak road and it may not be competitive at all with another road within the group. Taking the aggregate value as the basis for rates, the shipper upon the prosperous road is compelled to pay a very much higher rate than he would be if that road were considered by itself alone. If there be no competition between the two roads, under what theory of constitutional authority can the money of the shipper be taken in excess of what would be a fair return upon the only road upon which he does business and the public take it from him? It seems to me, Mr. President, that this is a proposal, to say the least, of such doubtful constitutionality that we ought not to experiment with it at this time.

To my mind there are only two ways by which we can lawfully take the excess returns of a carrier. One is through the exercise of the power of taxation. I have no doubt that we can, through the power of taxation, take all of the revenues of the railroads in excess of 6 per cent. Another, of course, is to provide for Federal corporations. Then any road that becomes a Federal corporation is bound, under contractual obligations, by any provision that may be found in the charter which it accepts; and it may well be that we could lawfully provide in the charter of a Federal corporation that the Government will take all of the earnings in excess of a given rate upon the value of its property.

With reference to who owns the excessive return, I have in my hand the case of the Southern Pacific Co. *v.* Darnell-Taenzer Co. (245 U. S., 534), where the court says:

> The carrier ought not to be allowed to retain his illegal profit, and the only one who can take it from him is the one that alone was in relation with him, and from whom the carrier took the sum.

What right has the public to step in and take from the carrier something received by the carrier in excess of a fair return? If the rate is fair, the carrier ought to be entitled to make all that it is able to make through efficient management and economy. If the rate is not fair, if the rate is excessive, the money can not belong to the public; it must belong, as the court here says, to the shipper. For these reasons, Mr. President, I can not bring myself to the support of this plan which is so doubtful as to its constitutionality and, to my mind, so unworkable in its practicable application.

Mr. KING. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER (Mr. NEWBERRY in the chair). Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LENROOT. Yes.

Mr. KING. Going back to the question which the Senator from Wisconsin was discussing a moment ago, in connection with group rates under which certain roads might only make 2 per cent and others might make 6 per cent, I did not quite understand the position of the Senator. I understood him to say, however, that there would be no power upon the part of Congress to compel one of the roads with a small earning capacity under the group system to transport the freight that was tendered to it where it did not receive a sufficiently compensatory rate.

Mr. LENROOT. The statement was that it would be entitled to such rates, if it could secure the business, as would give it fair compensation. Whether the road can secure the business or not is not for the Government to determine; that is a chance that the railroad must take.

Mr. KING. Then, do I understand the Senator's position to be that any grouping which would put roads so different from each other under one rate-making scheme would be improper?

Mr. LENROOT. Yes; that is my position.

Mr. KING. Will the Senator permit me to call his attention, briefly, to one or two roads, in order to show some of the difficulties and problems which are incident to working out the scheme that is provided in this bill?

Mr. LENROOT. I yield to the Senator for that purpose.

Mr. KING. I have here some tables compiled by the Interstate Commerce Commission which show certain facts. For instance, the Pennsylvania Railroad Co.'s ratio of operating expenses to operating revenue was 78.63; the average receipts per ton mile were $0.637; number of revenue tons carried 1 mile per mile of road, 6,115,450; operating revenues per mile of road, $56,173; total railway capital per mile of line, $279,629. Yet I find some roads the average receipts of which per ton per mile are $2.157; operating expenses, 81.85 per cent; and the ratio of operating expenses to operating revenues of one road was 128.70. That is, there was a minus quantity. Its average receipts per ton per mile were only $0.65; the number of revenue tons carried 1 mile per mile of road, 3,441,423; operating revenues per mile of road, $22,617; and the total railway capital per mile was $93,025.

I find that the total railway capital per mile of various roads reaches great inequalities. For instance, one road shows $625,000 plus; and others the following amounts: $964,000 plus; $399,000 plus; $136,593, $64,000, $38,000, and so forth. Those disparities exist as to all of the roads, differing only in degree or amount.

It seems to me very difficult, in view of these great discrepancies and disparities, to establish a group system under which any sort of justice can be done.

Mr. LENROOT. I think that is true.

Coming now, Mr. President, to the discussion of the provisions of the bill concerning the prohibition of the right to strike, I am opposed to that proposition, not because I do not think that there should be some remedy afforded for the existing situation, but because I believe that the provisions of the pending bill are not fair and will not afford justice to the railroad employees. In that connection, we have heard a great deal upon the proposition that this section is only intended to reach conspiracies to interfere with interstate commerce and that it is not designed to affect in any way the right to quit either singly or collectively. I wish to read from the majority report of the committee what seems to me very clearly to be the construction of the committee in this regard:

> A proposal to prohibit an agreement among workers to quit their employment at a given time without substituting some other instrumentality for securing justice would not receive at the hands of Congress a moment's consideration. In making the strike unlawful, it is obvious that there must be something given to the workers in exchange for it. The thing substituted for the strike should be more certain in attaining justice and should do what the strike can not do, namely, protect the great masses of the people who are not directly involved in the controversy. The committee has substituted for the strike the justice which will be administered by the tribunals created in the bill for adjudging disputes which may hereafter arise.

It is as to that last expression that I particularly take issue with the committee, for I insist that they have not provided in the bill for a just and impartial tribunal to adjust disputes between wage employees and their employers.

I fully agree that some other method should be substituted for the present condition. I noticed in a newspaper yesterday a synopsis of a speech delivered by the junior Senator from Iowa [Mr. KENYON] concerning this subject, and I fully agree with his statement that we ought to provide for impartial tribunals to settle these cases and make final decisions in disputes between railway employees and their employers. I believe that should be done; and, if we would create an impartial tribunal and make the decision of that tribunal final for a given length of time, it would not be necessary to provide any sort of a prohibition of strikes in the law. Remove the incentive to strike, Mr. President, and you remove the strike itself wherever it is instituted for any wrongful purpose.

But a distinction should always be made between the right to strike for the purpose of coercion into a given line of action and the right to quit work, singly or collectively, because employees no longer are satisfied with the conditions of employment. Under the report of the committee where they specifically treat the strike provision of the bill as the prohibition of an agreement to quit work I say it is denying a right to the employees that we have no constitutional right to deny to them and which we ought not to deny to them. For instance, suppose after the railroads are returned to their owners they attempt to reduce the wages of railway employees 25 per cent, would you, sirs, deny them the right to agree that they will not accept that reduction and to quit work, not for the purpose of coercing the railroads to pay them a higher wage or restore the old wage scale, but because they do not propose to remain in the employment of the railroads with that reduction of wages?

So we should always distinguish between the right to quit work, either singly or collectively, and quitting work for the sole purpose of coercing the employer, through the restraint of interstate commerce and interference with it, to grant the demands that the employees may make.

If we had provided or could provide in this bill for a fair and impartial tribunal with the right finally to pass upon wage disputes between employers and employees, and provide in the bill that the decision of that tribunal should be final for a period of three months or six months, as the case may be, there would be no strike upon the part of railway employees for the purpose of securing increases in wages, because in that event there would be no power in the tribunal thus created to grant their demands within the time fixed by the law itself. Now, is such an impartial tribunal created by the terms of this bill?

Mr. KING. Mr. President, will the Senator yield?

Mr. LENROOT. Yes.

Mr. KING. The Senator says with a good deal of emphasis, as I interpreted his remarks, that if the character of tribunal to which he has referred were created, without any penalizing clause or provision, there would be no strike, because the decision of this board or tribunal would be final for three months or six months.

Mr. LENROOT. Yes.

Mr. KING. Why does the Senator say there would be no strike because the tribunal could not grant relief? The strike might go ahead, and the distress of the public might be of such a character as would compel the owners of the roads—whether the Government was operating or whether private individuals were operating—to go around the award and the decision and grant the demands of the striking employees anyway.

Mr. LENROOT. They could not increase the wages thus fixed without violating the law.

Mr. KING. Well, suppose the strike was had because the employees said that the decision of the arbitrators or the tribunal was unfair, and they did not propose to work for wages which they considered inadequate, and they struck, and the people, as was the situation a short time ago, were without coal, or, this being a railroad strike, the people in the cities were devoid of food—does the Senator say that it would be beyond the power of the railroads to grant higher wages to save the people from starvation?

Mr. LENROOT. I say it would be, to those employees. There would be nothing in the plan that I suggest to prevent the railroads or the Government from granting higher wages to others, because it is deciding only the dispute between those employees and the road; but there would not be a strike that in any sense of the word could be termed wrongful if that were the case. The only kind of a strike that anyone can

object to is the coercive strike; and if they can not obtain their ends through coercion, because it is beyond the power of the authorities to grant it, there never will be that kind of a strike.

But there should be an impartial tribunal in such a case, and, in my judgment, an impartial tribunal can not be secured by selecting a portion of them from the employees and a portion of them from the employers. An impartial tribunal should be created, and the persons who are appointed to it should be men who have no relations either with the railroads or with the employees, and they should consider the matter solely upon the question of what is just and right as between the contending parties under the circumstances.

Mr. President, under this bill the transportation board is given this authority. Under this bill the chairman of the committee thinks that such a tribunal as I have suggested will be created—a tribunal that will be just and impartial to the employees and the railroads. Let us examine the character of the duties devolving upon this tribunal.

In the first place, under section 10, they are to prepare plans for the consolidation of all of the railroads of this country. Will anyone say that for that very important duty men who are familiar with the financial operations of railroads will not be selected by the President? Are not men of that character, who have a wide knowledge of transportation problems, who have had long experience in transportation problems, the kind of men that would be selected for this transportation board?

It is also provided that they shall inquire into the transportation needs of the country and into the state of credit of the railways, and that they shall also inquire into what new credit is required for the efficient operation of the railroads, and the findings of this board are prima facie evidence. Up to this point these very important duties, the most important referred to in the bill, necessarily require men who have had long experience in railway management, and have been closely in touch with the financial operations of railways.

The next section gives them authority over the diversion of traffic.

Section 13 gives them the power to incorporate Federal railways, and gives them the power to exercise the right of eminent domain.

Under another section they are given the power to guarantee an operating income to the railroads pending reorganization.

These are the most important duties devolving upon this transportation board; and while there are transferred to this board certain other duties with reference to safety appliances, inspection, and so forth, they are very minor compared to the important duties that I have now suggested, and which I have taken from the bill; and it is very clear that in the minds of the committee in the drafting of this bill it was these financial and practical operations of railroads that were regarded as the most important by the committee, because the bill provides that when these consolidations have been complete the board shall then be reduced from five members to three members.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LENROOT. I do.

Mr. KELLOGG. Do I understand the Senator to object to the Board of Wages and Working Conditions as a preliminary board?

Mr. LENROOT. Not at all. They are mere representatives for negotiation. That is all they are. They are not tribunals in any sense of the word.

Mr. KELLOGG. I should like to ask the Senator one other question—if he thinks the Interstate Commerce Commission would be such an impartial board?

Mr. LENROOT. Very much better than the transportation board.

Mr. KELLOGG. Personally, so far as I am concerned, that would be entirely satisfactory to me. I can not speak for the chairman.

Mr. LENROOT. I say "very much better," because I think it is clear that in the creation of this transportation board the committee had in mind that this board must be composed of expert railroad men, having long experience in finance and in operation; and I insist that that kind of a board is not that impartial tribunal that should be given the final decision in wage disputes between railroads and their employees.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LENROOT. I do.

Mr. KING. The other day, when this matter was under consideration, I suggested that in my opinion the Interstate Commerce Commission would be a better agency for the determination of the wage question than the transportation board, and for a number of reasons, but one of the reasons being that an increase in the wage would of course necessitate an increase in the rates, and the body that had to do with the fixing of wages ought to have before it the broad principle of the fixing of rates; and therefore it seems to me that the Interstate Commerce Commission, notwithstanding the tremendous burdens placed upon it, would be in a far better position to pass upon the question of wages as the ultimate tribunal than the board of transportation.

Mr. LENROOT. I agree with the Senator.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LENROOT. I yield.

Mr. CUMMINS. Again I desire to say that so far as that question is concerned, there was very great difference of opinion in the Committee on Interstate Commerce in regard to it. It is merely a matter of good, sane judgment, and I recognize that there are a great many reasons which make toward the selection of the Interstate Commerce Commission rather than the transportation board; and so far as I am concerned I would not regard it as any invasion of the principle of this bill to substitute for the transportation board in that respect the Interstate Commerce Commission.

Mr. LENROOT. I think it would be a very great improvement over the bill if that were done.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LENROOT. I do.

Mr. POMERENE. I am not sure that I fully understood the objection which the Senator from Wisconsin makes. Do I understand that it is to the transportation board as an appellate board in labor disputes?

Mr. LENROOT. Having the power of final decision; yes.

Mr. POMERENE. And the Senator's suggestion was that there should be substituted for it the Interstate Commerce Commission?

Mr. LENROOT. I suggested an impartial tribunal, and I do not believe this would be such a tribunal. The Senator from Utah [Mr. KING] suggested the substitution of the Interstate Commerce Commission, and I replied that I believed that would be preferable to the transportation board.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. LENROOT. I yield.

Mr. McKELLAR. In addition to what has been said, is not this true also: It will be put into the hands of both boards to operate in the matter. It will be easier for the transportation board to grant increases of wages, because it has no responsibility for taking care of the wages after the wages are increased. It just transfers that responsibility to the Interstate Commerce Commission, and thereby its line of least resistance would be simply to grant whatever increase in wages might be asked and benignly pass them on to the Interstate Commerce Commission to fix the rates to take care of the wages. That seems to me to be an objection also.

Mr. LENROOT. Well, my own fear is quite the opposite, not because of any lack of intention on the part of the transportation board to be fair, but because their whole experience and environment have been such that they have occupied a position of antagonism to the employees of the railroads.

Mr. McKELLAR. Mr. President, if the Senator will permit me again, I agree with the Senator about that. The point that I was endeavoring to make was that whichever horn of the dilemma the transportation board took the public would be hurt by it.

Mr. LENROOT. That may be true.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LENROOT. I do.

Mr. CUMMINS. I can not allow that remark to go unchallenged. The public can not be hurt by faithful performance of duty on the part of any public official. The suggestion of the Senator from Tennessee is that the transportation board would be without any sense of responsibility. I deny that. If they are honest men and agree to an advance in wages, they know that

they are responsible for a corresponding increase in rates, or the rates that are necessary to pay these wages. I see some reason in the objection of the Senator from Wisconsin, namely, that the Interstate Commerce Commission would be further removed from the actual management of the railway property, and therefore might be thought to be more impartial and possibly more sympathetic. But the notion that we are creating in this bill a board that is without a sense of public duty and which would unnecessarily fasten burdens upon the public I can not allow to go without challenge.

Mr. LENROOT. I have not suggested that.

Mr. CUMMINS. I know the Senator from Wisconsin has not suggested it.

Mr. MCKELLAR. Nor have I. I was just pointing out what might occur when these two organizations were created.

The PRESIDING OFFICER. Senators will please address the Chair.

Mr. LENROOT. Now, Mr. President, returning to the details of the bill for a moment, if I may direct the attention of the chairman to the provision on page 10 regarding the four months' guarantee, as I read the provisions of this section, the guarantee covers not only all of the railroads now in possession of the Government and under Federal control, but also covers railroads that were originally taken over, and it provides that whatever the deficit may be in those railroads over which the Government has no control, whatever the deficit may be for that period of four months, it will pay the deficit. Am I correct?

Mr. CUMMINS. Substantially correct.

Mr. LENROOT. Does the Senator think that in the interest of the Government, and with fullest sympathy with these short-line roads and the fullest desire to be of some help to them, it is safe for the Government to say to them, "You can operate as many trains as you like, as extravagantly as you wish, and the Government will pay all of the bills"?

Mr. CUMMINS. No, Mr. President; that would not be wise; and I think the Senator understands how complicated a subject this is.

Mr. LENROOT. I do.

Mr. CUMMINS. And how difficult it is to properly safeguard every point in it. A review of the bill has convinced me that there ought to be, on the part of the Interstate Commerce Commission, complete power to revise the cost of maintenance and operation of every road which falls within the guarantee, and correct it if it be found excessive or exaggerated. The clause to which the Senator refers has this protecting provision:

Provided further, That in computing the actual railway operating income for the purposes of this section, the commission shall not allow as operating expenses, for maintenance of way and structures, or for maintenance of equipment, respectively, for any month of the period covered by such guaranty, more than the monthly proportion of the amount fixed by the commission as the amount applicable for such maintenance of way and structures or such maintenance of equipment under the proviso in section 5 of paragraph (a) of the standard contract, but the cost of fire insurance may be included in such expenses. The commission may, in its discretion, make further allowance as operating expenses, in accordance with paragraph (e) of section 5 of the standard contract, to the extent that, in its judgment, will be necessary, so that the amount of the guaranty shall be the substantial equivalent, proportionately for the time being, of the standard return.

I am quite ready to grant that the proviso I have just read may not be broad enough and comprehensive enough to enable the Interstate Commerce Commission to revise the operation of the road and exclude expenses that ought not to have been incurred. But, so far as the principle of the matter is concerned, I believe in this provision profoundly. I think it ought to go further than it does, and I understand that the Senator from Kansas [Mr. CURTIS] has an amendment which he will offer at the proper time.

I will give the Senator from Wisconsin just one instance which actually occurred in Kansas. The Kansas City & Northwestern road was taken into Federal control. The Government did not enter into any contract with it, refused to enter into any contract with it; they were never able to agree upon terms; but the Government actually directed the expenses of the road, the purchase of its materials and its equipment, if any were purchased for the road, and practically governed the management of the property. That road at the beginning, when the Government took it over, had no debt at all, had no bonds or any other sort of debt, but under the manipulations of the Government in connection with it, it is now in debt $400,000, mainly to the people along its line who have furnished it supplies.

Mr. CURTIS. Mr. President, may I state right there that it had netted $17,000 the last year before the Government took it over.

Mr. CUMMINS. It was a paying road before the Government took it over. The Government diverted traffic from it and refused to deliver to it the freight which ought to have been delivered to it, with the result that about a month or more ago—I do not know just how long ago—it passed into the hands of a receiver. The road has actually been abandoned and is not now in operation, and has not been for more than a month, and the people whom it formerly served are left without the transportation facilities to which they are entitled. I think the Government ought to pay the deficit for a road of that kind.

Mr. LENROOT. The Senator understands that the only point of my inquiry was a proper protection to the Government against paying excessive deficits, deficits that would not have been created except for the guaranty.

Mr. CUMMINS. I agree entirely with the Senator from Wisconsin upon that point, and I renew my statement that upon going over this proviso again I think it might well be broadened so as to cover, on the part of the Interstate Commerce Commission, the power to do the very thing which the Senator from Wisconsin suggests.

Mr. LENROOT. Mr. President, I think I have only one other criticism or suggestion in connection with the details of the bill, and that is the provision found upon page 35, if I may have the attention of the chairman to this language, speaking of the transportation board, relating to the reorganization and consolidation of railroads under the plan provided in the bill:

It shall have the power, subject to the approval of the commission, to make contracts with such existing railway corporations as will cooperate with the board in effecting the aforementioned plan of reorganization and as may agree with the board upon the valuation of the railway properties upon the aforesaid basis—

Now I come to the point.

Providing for a guaranteed operating income pending the reorganization, whether the reorganization and consolidation shall be carried out under an original incorporation under this act or a reincorporation of an existing company, and until, with reference to any particular system, the reorganization and consolidation are complete.

If I correctly construe the language of this section, it delegates to the transportation board the power to obligate the Government to the payment of an operating income limited only by the limits that now exist under the Federal control. It seems to me that under this language, after the board has once made its plan of reorganization, and some weak, struggling road comes in and says that it desires to adopt that plan, pending that reorganization, which might cover several years, the transportation board is authorized to obligate the United States to pay a guaranteed income to that railroad. If I am correct in that, surely the Senator from Iowa will agree that no such authority should be reposed in the transportation board.

Mr. CUMMINS. I can only suggest what I think the committee had in mind. The committee had in mind the period of voluntary consolidation, seven years from the passage of the bill, because the basis of the sentence read by the Senator from Wisconsin is that an incentive or motive shall be presented for consolidation. The thought in the minds of the committee was that here is a plan for ultimate consolidation. As a part of that plan A road and B road are to come together. That would be in furtherance of the plan; it would be a partial consolidation. In that event the two roads would, during the process of their voluntary consolidation or reorganization—and, of course, a temporary disorganization as well, or probably internal disturbance—have the security or the guaranty for each of those roads during that period. It was not intended by the committee that that period should pass over into the period of compulsory consolidation, nor do I think it does. At least, that was not in my mind. I had in my mind just the thought I have attempted to express, that if two railway companies desired to come together in accordance with or in furtherance of the plan proposed by the transportation board, and approved by the commission, this guaranty would protect them during that period of reorganization, when their affairs were likely to be somewhat disturbed. It commended itself to me, because I am a friend of consolidation. I want to see the railroads of the country so consolidated that we can apply reasonable regulation to them and be just both to the capital invested in them and to the public as well.

That is the thought in my mind, and I believe that is the thought in the mind of the committee.

Mr. LENROOT. I, like the Senator from Iowa, am a friend of consolidation, complete consolidation and unification, but I say that I think under this provision the price the Government may be called upon to pay out of the Treasury of the United States under this provision will be altogether too high for such advantages as may be gained under the consolidation that is contemplated in the bill.

Mr. CUMMINS. It is not likely, I hope, that very many roads will be found earning less than the standard return.

Mark you, the standard return is not applied to the district or the country as a whole.

Mr. LENROOT. I understand.

Mr. CUMMINS. The standard return is applied and is ascertained by reference to the affairs of the particular road. If there are very many roads which do not earn in the years to come the average return of 1914, 1915, 1916, the transportation of the country will be in a bad way.

Mr. LENROOT. That is exactly the point. So long as the railroads are prosperous and are making at least the standard return I do not look for any voluntary consolidation, but if there is industrial depression throughout the United States, as is quite possible, then is the time that the railroads will take advantage of the provision, then is the time they will ask for the reorganization, then is the time that they will want the guaranty of the Government. In an industrial depression like that through no fault of the Government, with the railroads under private control, why should not the owners of the railroads take their share of the depression instead of having a provision of law whereby they may go to the Government and get the same returns that they did during prosperous times?

Mr. CUMMINS. If I may interrupt the Senator from Wisconsin further, I have given the reason which I think actuated the committee. I believe it is a good reason, but I want all Senators to observe that the provision is not vital to the bill in any way. It does not concern the technical life of the bill.

Mr. LENROOT. Oh, no; I understand that.

Mr. CUMMINS. Whether it is to be eliminated or not, any motion made to that effect would be a question simply of sound judgment on the part of Senators. I want them to know that I do not regard it as vital in principle. I am fighting here for the principle of the bill, but I do not intend to be dogmatic with regard to particular provisions which may be presented to the Senate and reasons furnished possibly which were not laid before the committee.

Mr. LENROOT. Mr. President, I have now occupied very much more time than I had expected to in the discussion of the bill. With reference to what the Senator from Iowa has just said, I shall offer an amendment striking out that portion of the bill.

With reference to some other suggestions or criticisms which I have made concerning the details of the bill, I am frank to say that I have not attempted to frame such amendments to many of the provisions as I would have been inclined to do had it not been for the fact that it is apparent to all of us that such railway legislation as will be enacted by Congress in all probability will not be this bill or the House bill that is pending in the Senate, but will be a bill written in conference. I have, therefore, said the things that I have and made the suggestions that I have not so much with the idea of taking the time of the Senate now and fighting them out, but rather to get before the committee the views that I hold with respect to certain features of the bill, knowing that they will give them consideration.

Mr. KING. Will the Senator permit an inquiry?

Mr. LENROOT. Certainly.

Mr. KING. I apologize to the Senator for recurring to a matter which he passed some time ago, and as to which I did not quite get his views.

The Senator called attention to the fact that within a rate group there might be a road that was not competitive, and yet which, under the system of rate making provided by the bill, would be brought down to a return of 2 or 3 per cent upon any basis established to ascertain the value of the roads. What plan does the Senator suggest, consistent with the general framework of the bill, by which that road might get a higher rate than that provided by the bill—one which would be fair, measured by any standard to be ascertained of the value of the roads?

Mr. LENROOT. Naturally, as I am not in favor of this plan at all, I would not be perhaps competent to make any suggestion; but it seems to me that, while we might in a general way take the value of a property within the group in arriving at some general conclusion with respect to rates, after all, justice can not be done unless there is a valuation of the different units within the group and rates approximated that will be just, in so far as justice can be done, to those different units within the group.

Mr. KING. May I propound one other question relating to another subject discussed by the Senator? Does the Senator distinguish between the duty of Congress in dealing with public utilities—common carriers such as railroads that are so indispensable to the life of the Republic and the people and private corporations in their dealings with their employees? That is to say, a public corporation such as a railroad chartered by a State or by the Federal Government is in a sense a public instrumentality. The owners of the road may not do with that road as they please; they may not suspend operations if they desire to do so. The public is interested in the operation of the road.

Does the Senator think that in dealing with the relations between common carriers and their employees there should be adopted by the Government the same policy and course of procedure as that employed in dealing with disputes between employers and employees of private corporations or private individuals? In other words, are the employees of transportation companies so related to the public that the public ought to exercise any control over controversies or disputes between such companies and their employees, and for that purpose over the employees themselves?

Mr. LENROOT. Of course, there is a distinction between railroads and other public utilities and private corporations. That is largely academic, perhaps, so far as any different treatment by Congress is concerned because it is only under existing war powers that we have the right to deal with the subject of private corporations at all, and once peace is restored Congress, I take it, has no power whatever over the subject in so far as private industry is concerned.

As I have said heretofore I believe the remedy is by the creation of impartial tribunals to finally determine disputes between railway employees and their employers, and with that power of final determination, with an impartial body, I believe that the strike question will settle itself without any possible suggestion concerning compulsory service or interference with the constitutional right of the employee to quit work, aside from any contractual relations, at any time that he sees fit.

In conclusion, Mr. President, I have only this to say: As I said in the beginning, I do not believe that the pending bill offers a solution of the railway problem. For that reason I can not support it. I believe that it will only further complicate a very badly complicated problem. I do not believe that it is possible to operate the railroads in the future and secure the capital that is necessary for successful operation without a guarantee from the Government. I do not believe that Congress will and I feel very certain that Congress should not give such a guarantee while the railroads are managed under the old system. I do not believe that Congress will ever be warranted in affording a guarantee unless the majority control is not in the hands of the Government, not in the hands of political appointees, but in the hands of a body that will have as its first consideration, not the interests of the stockholder, not the interests of the employees, but the interests of the public. I believe that solution which I have suggested will bring it about. I do not expect any such legislation will be reached now, but I would very much prefer that the Senate should take the House bill and build upon that rather than to launch now into such an experiment as is embodied in the pending bill, of doubtful constitutionality, and, to my mind, absolutely impractical in its operations.

Mr. SMITH of Georgia. Mr President, I wish to ask the Senator a question.

Mr. LENROOT. Certainly.

Mr. SMITH of Georgia. Does the Senator believe it is possible for us to reach a satisfactory conclusion in this matter before the Christmas holidays? Is it not probably true that if we let the matter go over until January we can come here and reach a conclusion that will be satisfactory to all Senators? I have heard quite a number of them say that they are not satisfied with the measure and not ready to vote on it, and I believe they will vote against the bill at the present time. As the Senator has evidently given a great deal of study to the matter, may I inquire what are his views on that question?

Mr. LENROOT. I will say, as I said the other day, that my views are that the railroads ought not to be returned to their owners the 1st of January. I do not believe that it is in the interest of the railroads, the public, or anybody else that they should be returned at the period of their highest expense and lowest revenue. I think the railroads should not be returned until next April or May. If that were done, we would have more opportunity to consider this very important question as it ought to be considered. But we have been told by eminent Senators upon the other side of the aisle that they believe the President intends to return the railroads upon the 1st of next January, about two weeks hence. It does not seem possible that the President would take any such responsibility as that of driving the major portion of the railroads of the country into bankruptcy, but I do not know what the President may do.

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Mr. SMITH of Georgia. I can not think it is possible that he is going to return them on the 1st of January.

Mr. CUMMINS. May I make a short reply to the inquiry of the Senator from Georgia? The Senate committee has been studying this question for at least two years. At the beginning of this session a subcommittee began the formulation of a bill. A little later it reported a bill which was referred to the Interstate Commerce Committee for action. On the 23d of October that bill was reported, is now on the calendar, and is the bill at present being considered.

The Senate of the United States will never be in better position to consider the railroad question than now. The Members of the Senate do not usually, I think, give close, undivided study to a subject until it is imminent. It can not do so in view of the many engagements of its Members. We have been two weeks upon this bill, and I am sure that Senators all have opinions with regard to it and to the general subject. It is of the highest concern that the bill be disposed of very soon—I hope this week—for if it is not disposed of this week, nothing will excuse Senators, I think, from staying here and considering it during the holidays. I can not imagine a Senator being willing to abandon the railroad question now and leave the transportation of this country open to the vicissitudes which confront it. I know the Senator from Georgia [Mr. SMITH] well enough to be sure that he will have an opinion, and a very intelligent one, upon this subject, and that he will express it in his vote. I think that every other Senator will be able to do likewise. I can not with complacency think of having the disposition of this bill or any other bill upon the subject go over until after the 1st of January.

Mr. SMITH of Georgia. Mr. President, if the Senator will allow me, I desire to say that it is true that Senators only begin to study most questions when they become imminent. We have so much to do that is almost a necessary consequence of the situation which confronts us.

I am satisfied there are a great many Senators who have only begun to study this bill during the past two weeks. They have gathered a great deal of information about it but have not reached conclusions. I have heard a number of Senators in the last two days express the desire to have more time to study the bill. Of course, if the railroads are to be turned back to their owners on the 1st of January without any legislation the situation would be very bad, but I can not think that possible. I do not think the railroads ought to be turned back to their owners before the middle of the spring.

Mr. CUMMINS. What would happen now if the bill were laid aside? Senators would lay aside the subject and would not take it up again until the bill came before the Senate.

Mr. SMITH of Georgia. I think Senators have their minds on it now and are studying it. I know I am giving what time I can—and considerable time—to trying to inform myself somewhat about it, and I have not yet reached a conclusion.

Mr. WATSON. Mr. President——

Mr. SMITH of Georgia. I yield to the Senator.

Mr. WATSON. Mr. President, some months ago the President of the United States stated in unequivocal terms that he expected to return the railroads to their owners on the 1st day of January, 1920. Since then there has emanated from the White House no statement to show that the President has altered his purpose or changed his intention. In view of that situation, does not the Senator from Georgia think that it is incumbent upon the Senate to stay here and transact its business and enact such legislation as will save the railroads from conditions that will inevitably result if they are turned back to their owners on the 1st day of January without legislation on the subject being enacted?

Mr. SMITH of Georgia. I do not think the Senate is responsible for the situation which the railroads are in. I do not think—I can not believe—that the President will turn the railroads back on the 1st day of January if legislation has not then been completed. It seems to me that those upon the committee might well communicate with the President and let him understand the labor of this work which is put upon Congress without any help from those who put it upon Congress.

Mr. WATSON. If the Senator will permit me, I desire to say I know that the chairman of the committee has consulted Director General Hines about this matter and he can state the result of his interview; but I further know that, in company with the Senator from Minnesota [Mr. KELLOGG], I visited the Director General a week ago and more and asked him to let us know what the President intended to do about the railroads; whether they would be returned on the 1st day of January with or without legislation. He responded that he had placed the matter before the President, that he had made a report as the President had requested, and that he had offered a suggestion, although he did not volunteer to state what the suggestion was, and we did not inquire as to what it was. But he stated that as soon as the President signified what his intention was, he would let us know. We returned four or five days later and sought to ascertain whether or not he had received an answer from the President, in order that Congress might know and the railroads might know precisely what the intention of the President is at this time with regard to the disposition of the railroads; but up to this day we have had no response. Therefore we do not know the intention of the President; and inasmuch as there has been nothing to negative the assertion that the President made some time ago that he intended to return the roads on the 1st of January, I think we are warranted in believing that they will be returned, whether we pass legislation or whether we do not.

Mr. SMITH of Georgia. Mr. President, the President has given no formal announcement by proclamation of the time the roads will be returned. The message, so far as I recall it, to Congress stated that legislation would no doubt be necessary, but that the President had no suggestion to make about what kind of legislation would be required.

Mr. CUMMINS. Mr. President, if I may, I desire to suggest that not long ago I put in the RECORD a letter written by the Director General jointly to Mr. ESCH, chairman of the Committee on Interstate and Foreign Commerce of the House, and to myself, as chairman of the like committee in the Senate, in which he said—I am not quoting him exactly—that it was utterly impossible for the Government to continue in the operation of the railroads unless Congress were willing to fix a definite time in which it would be sure that Government operation would continue and to make the necessary appropriations. The Director General can not make contracts, or hesitates to make contracts, that must be made for supplies for the coming year. There must be millions of ties bought and they ought to be bought now, because they should be taken out of the woods in the winter.

Mr. SMITH of Georgia. Does the Senator know whether the railroads are making such contracts?

Mr. CUMMINS. Certainly not; the railroads can not make such contracts. They neither have the money with which to pay for supplies nor do they know that the railroads are going to be returned to their owners. The railroads are utterly powerless to do anything. There ought to be 20,000 refrigerator cars ordered now in order to get them next summer when they will be absolutely needed. The Director General does not feel that he ought to put that burden upon the carriers if the property goes back immediately, and the carriers are utterly incapable of doing it for themselves. There has been no contract made for rail replacements. Everyone knows that it is necessary to have a large volume of steel rails for use during the coming year. They can not be had unless they are ordered months in advance, and there is nobody to order them. The situation is really most distressing, and I can not understand how Senators are willing to postpone the passage of some kind of legislation for a single day.

Mr. SMITH of Georgia. Is it not true——

Mr. WATSON. Will the Senator yield to me?

Mr. SMITH of Georgia. I will yield in a moment. Is it not true that a definite time should be fixed and the railroads notified, not by a statement through the press but by something more formal to the railroads? And is it not also true that they are not ready to take their property back on the 1st of Jan-

uary, and that paralysis of transportation would follow if an effort were made to turn them over to their owners on the 1st of January?

Mr. CUMMINS. Paralysis would follow——

Mr. SMITH of Georgia. Is it not absolutely impossible to turn them back to their owners on the 1st of January and go on with transportation?

Mr. CUMMINS. No; if a railroad bill has passed at that time, or if it is reasonably certain that within a month after the 1st of January a railroad bill will become a law, the roads can be turned back with perfect safety and there will not be a jar. If, however, they are turned back without any prospective legislation, and with the known habit of Congress to delay everything until the necessity becomes obvious to even the most indifferent mind, then there will be paralysis; then there will be chaos.

Mr. SMITH of Georgia. Could the railroad corporations organize their distinctive forces between now and the 1st of January? Have they their organizations ready to go on?

Mr. WATSON. They have not, nor can they secure them by reason of the suspended condition in which they now find themselves.

Mr. SMITH of Georgia. Therefore I am urging that there should be fixed formally a definite time, some little while in the future, and adequate notice should be given of the time so fixed.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. SMITH of Georgia. Yes.

Mr. McKELLAR. As I recall, notice was published broadcast throughout the land about six months ago informing the railroads that they were going to be turned back on the 1st of January, 1920; and if they have not done anything themselves up to date it is their fault; it is not the fault of the administration.

Mr. SMITH of Georgia. It was not a formal order from the President. There was no order from the President announcing the time of return.

Mr. WATSON. Will the Senator yield?

Mr. SMITH of Georgia. So far as I know, there has been no final order emanating from the White House fixing the time for the railroads to be turned back to their owners. If there has been, I should be glad to be corrected.

Mr. WATSON. I am trying to inform the Senator on that point.

Mr. SMITH of Georgia. I thank the Senator.

Mr. WATSON. In his message to Congress on the 20th of May of this year, the President said, unequivocally:

> The railroads will be handed over to their owners at the end of the calendar year; if I were in immediate contact with the administrative questions which must govern the retransfer of the telegraph and telephone lines, I could name the exact date for their return also.

There is a straight, square, unconditional, assertion that the railroads will be handed back to their owners at the end of the calendar year; the President has never stated anything to the contrary; and yet, notwithstanding that fact, the railroads have not been in any position to prepare themselves for receiving their property, because they have not known whether the roads would be turned back, inasmuch as there were certain statements emanating from the Railroad Administration which led the railroad men to believe that the roads would not be turned back on the 1st of January. At all events, their own matters have not been placed in their own hands at any time to the degree that they could take charge, to the degree that they could make contracts for needed supplies and equipment of which the Senator from Iowa well speaks. They will not know, until some definite statement has been made as to the intention of the President, whether the railroads will be turned back to their owners or whether the Government will continue to hold them after the 1st of January.

But I want to call the Senator's attention to the fact that here is a straight, square declaration that they will be turned back; and, under those conditions, does not the Senator think that it is positively imperative that we should remain here and legislate in the interest of these great properties?

Mr. SMITH of Georgia. I think first a formal order ought to be issued by the President fixing the time, and directing that the properties be turned back to the railroads, and that formal order ought to be a sufficient length of time ahead of the actual return of the roads to give the amplest notice. I do not think even a declaration in a message that at the end of the year they would be turned back turns them back. I feel that no formal order having been issued, it is not at all settled that the railroads will be turned back on the 1st of January, and that only following an order for their return do we know the time of the return.

Mr. CUMMINS. Mr. President, we are not at all responsible for the Railroad Administration nor for the President. I assume that each of those functions will perform its duty according to the way it sees its duty. What we have to do is to perform the duties of Congress so far as the Senate takes a part in legislation. Now, we have a duty. I supposed it was the desire of a very large majority of the Senate and of the Congress, too, and I know of the people of the United States, to relieve the Railroad Administration of the operation of the railroads. If there is any one thing upon which the people of this country are united, it is that the railroads ought to be returned to private management and operation. If there is any dissent from that opinion, except among certain employees of the Government, I have not heard it.

Now, our duty is to put the railroads back in private management, if we believe that they ought to be in private management, and that is what this bill does. This bill does not wait upon the President or the Director General to determine when Government operation shall cease. This bill declares that it shall cease at the end of the month in which the bill becomes a law; and if I understand the temper of the people of this country, that is what they want. They want the roads returned and the management of the railway corporations regulated by the laws; but we can not return them and answer that sentiment of the people of the country until we pass some such bill as this to protect not only the interests of the carriers but the interests of the public as well; for if the roads should be returned without effective legislation they could exist about a month, and then they would fall into hopeless confusion, and two-thirds of them would be in the hands of receivers.

Mr. CURTIS. Mr. President, I offer the amendment which I send to the desk.

Mr. KIRBY. Mr. President——

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Arkansas?

Mr. CURTIS. I should like to dispose of this amendment. If the Senator wants to ask me a question, I yield.

Mr. KIRBY. No; I wanted to suggest the absence of a quorum. I think we ought to have enough Senators here to consider this bill, if we are going on with it. However, I will not make the suggestion.

Mr. CURTIS. Let the amendment be disposed of.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In line 11, beginning on page 10, after the word "carriers," it is proposed to strike out the words "of which 'Federal control' was relinquished prior to July 1, 1918, as provided in the act of March 21, 1918, this act shall constitute a guaranty for the said period," and insert the following:

> Referred to in the following provision in section 1 of the act of March 21, 1918: "That every railroad not owned, controlled, or operated by another carrier company, and which has heretofore competed for traffic with a railroad or railroads of which the President has taken the possession, use, and control, or which connects with such railroads and is engaged as a common carrier in general transportation, shall be held and considered as within 'Federal control,' as herein defined, and necessary for the prosecution of the war, and shall be entitled to the benefit of all the provisions of this act" and subsequently relinquished regardless of the wishes of the owners: This act shall constitute a guaranty—
>
> (a) to the extent of any actual operating deficit, including taxes, that may have been incurred during the period January 1, 1918, to the date when this act takes effect; and
>
> (b) to constitute a guaranty until expiration of the four months' period heretofore provided in this section—

Mr. CURTIS. Mr. President, the reason for offering this amendment was very well stated a few minutes ago by the chairman of the committee. I had in mind the road referred to by him, the Kansas City & Northern, and also one other road in the State of Kansas. The Kansas City & Northern had made a net profit of $17,000 the year before it was taken over by the Railroad Administration. The administration took over the road, handled it for a time, refused to make a contract, has taken possession of and retained its terminals, directed the movement of its cars, taken its coal, and diverted its freight, and now that road finds itself in debt from three to four hundred thousand dollars. I am told that when the Railroad Administration put its hands on it the road did not owe a dollar in the world. That is one railroad. There was another road without any indebtedness that has been able to live, but the Railroad Administration has diverted its freight, and so manipulated its affairs that the road will have to stop on the 1st of January if something is not done. This other road, the Kansas City & Northern, has stopped operation, the men have been discharged, and the people along the line who have spent a good many thousands of dollars in building that road are now getting no accommodations whatever.

Mr. KIRBY. Mr. President, is it the purpose of this amendment to relieve roads that were first taken over, or sought to be taken over, by Government control and afterwards released?

Mr. CURTIS. The so-called short lines.

Mr. KIRBY. Is it the Senator's idea, then, that they ought to be guaranteed some return hereafter, notwithstanding they have not been under Government control at all?

Mr. CURTIS. If the Government has been diverting the freight and managing them and preventing the operation of the road in the usual way, as was the case with the Kansas City & Northern, and has taken possession of and holds its terminals in Kansas City.

Mr. KELLOGG and Mr. KING addressed the Chair.

The VICE PRESIDENT. Does the Senator from Kansas yield; and if so, to whom?

Mr. CURTIS. I yield to the Senator from Minnesota.

Mr. KELLOGG. Do I understand the Senator to say that as to these two roads the Government has had possession all the time?

Mr. CURTIS. It has had possession of one of them, and in the case of the other it has controlled and diverted the freight and agreed to make contracts. The parties have been on here four or five times, but the contracts have never been signed. The Government says it has not had possession. That is a disputed question.

Mr. KELLOGG. Mr. President, if the road has been in the hands of the Government, under the Federal control act, it has its claim for compensation during the entire period.

Mr. CURTIS. But, Mr. President——

Mr. KELLOGG. Just a moment, if the Senator will excuse me, until I get through with my statement. If it is not in the hands of the Government, if it has not been taken over and operated, then it has not a claim for indemnity. We ought not to decide that question in this bill, because there are a great many short lines that were taken over and turned back, and we are not proposing to pay them for the last two years a guaranteed return, and there is no reason why we should pay the Kansas City & Northern for two years if we do not pay them all; and if we are going to open the door now we will open that door to every railroad company in this country which was taken over and then turned back again.

Mr. CURTIS. Mr. President, I think the circumstances connected with the Kansas City & Northern justify this amendment. I do not know that it is drawn so that it will exclude others, but that matter can be very easily handled in conference. It will take but a very short time, and I have no objection to its being changed to meet the situation. The object desired is to have the roads which were taken by the Railroad Administration—or where the greater part of its property was taken and held and where its freight was diverted and it was controlled by the Railroad Administration, and the other roads in like condition—fairly treated.

Mr. KIRBY. Mr. President——

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Arkansas?

Mr. CURTIS. I yield to the Senator from Arkansas.

Mr. KIRBY. Does the Senator expect to have a question of fact determined here by this bill?

Mr. CURTIS. No; I do not want a question of fact settled—not at all. If the amendment is not worded now so that it requires a showing to be made to the proper authorities, I would be perfectly willing to have the conferees make such a change of the language so as to leave the question of fact to the Interstate Commerce Commission or to some other organization.

Mr. KING. Mr. President, will the Senator yield?

Mr. CURTIS. Certainly.

Mr. KING. Is not the bill sufficiently broad to include all roads over which the Government has exercised jurisdiction or of which it took possession during the period of the war?

Mr. CURTIS. I think not.

Mr. KING. That is a question of fact that is easily susceptible of demonstration. If the Government took this road over and did not return it, then, under the bill, the Government would have to meet the guaranty; but if it did take it over and returned it—and that is a fact easily demonstrated—then it is clear that we ought not to make a guaranty for this road unless, as the Senator from Minnesota says, we guarantee all of them.

Mr. CURTIS. But here is the trouble: The Government took the road over and did not make a contract, but it has been directing its management ever since—has full and absolute control of its property, has full control of its terminals in Kansas City, and has diverted freight according to its own desires and ordered that a certain number of cars of freight should be delivered to the line just the same as if it had the legal control. The chairman of the committee made a very fair statement in regard to the treatment of this railroad a few moments ago.

Mr. CUMMINS. Mr. President, I think the amendment is entirely within the spirit of this bill. We have already made provision in the bill for all these roads that were taken over—and they were all taken over. That does not settle the question of fact. I know they were taken over, because I have seen the notices which were sent out by the Director General about the 1st of January, 1918, in which the Government did undertake to control all of them; but this bill covers those that were dismissed from Government control prior to July 1, 1918. Unfortunately, however, the road of which the Senator from Kansas [Mr. CURTIS] speaks was not dismissed prior to July 1, 1918. Therefore, it could not come within the terms of this bill, and it has just as good a right to be within the terms of the bill as any of the other roads. So, while I am not sure that the amendment is drawn just as it ought to be—I have not had an opportunity to review it—I know that the spirit of it is right. I think it ought to be subject to some kind of revision by the conference committee or in some other way.

Mr. CURTIS. I am perfectly willing that that shall be done.

Mr. KING. Mr. President, as I understood the Senator, he stated that he knows that this road was taken over by the Railroad Administration.

Mr. CUMMINS. No; I said that I know the facts with regard to the taking over of railroads, because the facts were developed before the Committee on Interstate Commerce. When the President took possession of the roads on the 27th day of December, 1917, he caused to be sent out—not he, of course, personally, but his Director General caused to be sent out—notices addressed to every railroad in the United States containing a copy of the proclamation which the President had issued, setting forth the war necessity and other things of that kind, and directing the railroads to which the notices were sent to hold themselves for the Government of the United States. I know that subsequently certain persons connected with the Railroad Administration claimed that these railroads had not been taken over, and the injustice of it was so apparent that I introduced a bill, just before the 1st of July, 1918, declaring that these roads were in the possession of the United States and must be dealt with accordingly. The Senate passed the bill and the House passed the bill, and the President vetoed it. Such is my recollection. We are trying in this bill for counsel. These sections are for counsel largely. We are trying to do some tardy justice to these roads, many of which have in fact been ruined by the injustice practiced by the Railroad Administration upon them.

Mr. KING. Mr. President, did not the Railroad Administration simply divert the traffic over roads which it controlled, over which it exercised jurisdiction, and whose employees they took under its protection and direction, and other roads over which it did not assume jurisdiction, and to which it gave no traffic to, and leave them to obtain just such traffic as they could obtain from the country in which they were operating?

Mr. CURTIS. Mr. President, I have stated that in this case I know that they did direct certain traffic to go over this road. I know that they did take possession of the terminals, because the Railroad Administration advised me that they did so. I know that they filled the tracks of the terminals full of the cars of other roads. I know that they did advance money to this railroad.

Mr. CUMMINS. There is no doubt about the Government having taken over the railroad to which the Senator from Kansas refers. Nobody questions that.

Mr. KING. Mr. President, it is quite likely, under the statements made by the Senator from Kansas and the Senator from Iowa, that this road ought to come within the provisions of this bill and obtain whatever guaranties other roads obtain. But it does seem to me that we ought to be very cautious about enacting legislation that would give any pretext whatever to roads that the Government did not take possession of to come in and demand that the Government should guarantee them their earnings during the period of the war.

Mr. CURTIS. If the amendment is broad enough for that, it can be modified in conference; and I have already told the chairman of the committee that I should be perfectly satisfied if the conferees made such a change as they thought necessary. There are certain short lines that are entitled to relief.

Mr. KING. Let me ask the Senator from Iowa whether the language of the amendment offered by the Senator from Kansas could in any way be tortured into bearing the interpretation that the Government must pay this guaranteed return to any of the roads throughout the United States which confessedly the Government did not take over?

Mr. CUMMINS. The question of fact is still open. It is not adjudicated by the bill.

Mr. KING. Let me make myself clear. I know a number of small roads which insisted that the Railroad Administration had taken them over under the proclamation made by the President. They were promptly notified that they were not taken over, to continue their operations as they had been operating in the past, and that the Government did not intend to disturb them in the management and control of their own roads; but they have persisted from that time until the present in insisting that the Government had taken them over, although it did not; and, of course, if you permit language that will bear any sort of an interpretation that would include them within the terms of the bill, they will insist that the Government shall pay them this guaranty, the same as it will pay these other roads which unquestionably it did take over and to which it is obligated.

Mr. CUMMINS. I have not read the amendment of the Senator from Kansas carefully enough to answer that. I only know the spirit of it, and with the spirit of it I am in harmony.

Mr. KING. As I understand, the amendment has not been printed?

Mr. CURTIS. No; it has not been printed.

Mr. KING. It has just been read from the desk, and I would like to ask the Senator if he would object to having it printed and give us an opportunity to examine it?

Mr. CURTIS. I have no objection to having it printed and go over until to-morrow.

Mr. KELLOGG. On that subject I will state to the Senator from Utah [Mr. KING] that when the President published his order, under the law of 1916, authorizing the Government to take over the railroads, it included all the railroads in the United States in a general description. Afterwards the question arose as to what roads had been taken over and what not, and before the 1st of July, 1918, the President released a large number of railroads in the United States, many of them known as short lines. Those companies have been operating their own railroads from that day to this. They claim, and undoubtedly it is true, that they have suffered by reason of the general rise in wages and operating expenses, and that they could not raise their rates because none of the roads had raised their rates, beyond the one increase of 25 per cent upward. They came to the committee and insisted upon a certain indemnification, and the committee provided that pending the six months after the bill passes they shall be given the same guaranty as the other roads. But it is manifest that if one or two of them are given the guaranty to run clear back to 1918, it will not be possible to leave any of them out, and Congress will have to take care of the entire number of railroads that have been in private operation.

Mr. KING. Mr. President, will the Senator permit a question?

Mr. KELLOGG. Certainly.

Mr. KING. Does the Senator think the Government ought to be burdened with that responsibility?

Mr. KELLOGG. It was not the opinion of the committee that the Government ought to assume that, and the committee restricted the relief to the time of resumption after the roads go back.

Mr. KING. Does the Senator think the Government ought to pay anything to those roads for the period from the taking over until the time that the proclamation was issued restoring them, when there was no demand made to regulate or control them or operate them?

Mr. KELLOGG. It was impossible for the committee to examine into one or two thousand railroads scattered over the country, to know to what extent they had suffered or what obligation the Government was under to them.

Mr. KING. Does the bill contain any provision for the method of determining what shall be paid to them?

Mr. KELLOGG. Yes; it makes provision for determining what shall be paid to them.

Mr. WALSH of Montana. Mr. President, I offer the following amendment.

The VICE PRESIDENT. The Secretary will read it.

The SECRETARY. After line 17, page 16, insert:

Provided, however, That any railroad corporation proposing to undertake any work of new construction may apply to the transportation board for permission to retain for a period not to exceed 10 years all or any part of its earnings from such new construction in excess of the amount heretofore in this section provided, for such disposition as it may care to make of the same; and the said board may, in its discretion, grant such permission, conditioned, however, upon the completion of the work of construction within a period to be designated by the board in its order granting such permission.

Mr. WALSH of Montana. Mr. President, this amendment is offered in the conviction that the bill as reported does not offer sufficient inducement to hold out the hope that there will be any further new railroad construction.

During the year 1910 there were lines projected in the State of Montana, surveys had been made, rights of way acquired, and terminal facilities assured, aggregating something like 1,200 miles, divided almost equally between the Soo Line, the Northern Pacific, and the Great Northern. The Soo construction would introduce another transcontinental line into the State of Montana. For reasons upon which it will not be necessary to dwell the construction has never been undertaken. All these lines penetrate a rich agricultural section, into which, even then, settlers had gone, and the country has been quite generally settled since that time, in the confident expectation that the roads will be constructed at no distant day. Many of the settlers are now at a distance of from 50 to 75 miles from railroad facilities.

I can not believe, Mr. President, that there is anyone who will be quite willing to put money into new railroad construction being assured beforehand that the only return which can be secured upon the money is the equivalent of 6 per cent, with an additional one-half per cent on earnings between 6 and 7 and one-third on earnings over 7 per cent.

Liberty bonds drawing 4½ per cent interest are being sold upon the market to-day, Mr. President, at about 92. I think it a very reasonable expectation that those bonds will be at par in three years. If that is the case, it would pay a man very much better to buy Liberty bonds with his money now than to put it into railroad construction; that is, into new construction.

The amendment offered by me proposes that any railroad contemplating new construction may apply to the Interstate Commerce Commission for permission, upon the construction of the road, to retain all or any part of its earnings, notwithstanding the limitation of the bill, for a limited period, not to exceed 10 years. The Interstate Commerce Commission would then take into consideration the necessities of the region through which the road is to go, the difficulties of construction, and the length of time that will be necessary to put it upon the basis of already established roads.

I think, Mr. President, everyone will concede that some inducement should be made to the roads that are undertaking new construction over and above those that are held out to roads already in existence.

Mr. LENROOT. Will the Senator yield?

Mr. WALSH of Montana. I yield.

Mr. LENROOT. I should like to ask the Senator whether he has considered the difficulties of making computations, allocating earnings to new construction?

Mr. WALSH of Montana. I appreciate the difficulty suggested by the Senator; but the difficulties are no greater than they are in connection with what is ordinarily known as a branch road, and you are bound to do it there. You have to divide the earnings in some way in a case of that character. Although the problem is not simple, it seems to me it ought to be worked out without any particular difficulty by the Interstate Commerce Commission and by a proper system of bookkeeping, so as to make the showing required by the amendment suggested.

Mr. KIRBY. Mr. President, I desire to ask the Senator a question. Is it not a fact that under the old system railroads were entitled to earn, according to decisions of the courts, reasonable returns upon capital invested, including branch lines along with the main system, whether they were making money or losing money? That is my understanding.

Mr. WALSH of Montana. The amendment is intended to reach the case not of the branch line at all, which becomes a part of the whole system, but it applies entirely to new construction.

Mr. CUMMINS. I, of course, have no authority to accept the amendment, but I see no objection to the amendment proposed by the Senator from Montana.

The amendment was agreed to.

Mr. STANLEY. Mr. President, I send to the desk the following amendment.

The VICE PRESIDENT. The Secretary will read it.

The SECRETARY. At the end of line 17, after the word "court," on page 57, strike out sections 25 to 31, inclusive, down to the words "Sec. 32," line 22, page 66.

Mr. STANLEY addressed the Senate. After having spoken for nearly two hours,

Mr. HARRISON. Mr. President, the Senator from Kentucky has been speaking for several hours, and I am sure he is tired.

Mr. STANLEY. I am not at all tired, but I am sure the Senate is tired.

Mr. HARRISON. The Senate is not tired; but I was going to suggest that there is an important conference report on the Edge bill, and I would like to know if we could not take that up and dispose of it, and the Senator might proceed to-morrow,

Mr. STANLEY. That would be very agreeable, if it suits the convenience of the Senate and the chairman of the Interstate Commerce Committee, to desist at this time and conclude my remarks in the morning at 11 o'clock, when we convene. I will need to take only a short time to-morrow.

Mr. CUMMINS. Mr. President, I desire to say a few words with regard to the suggestion made by the Senator from Kentucky [Mr. STANLEY]. I realize that he has been on his feet for some time, and naturally is fatigued, and I would like very much to accommodate the Senator; but I think we might as well look forward and see what we ought to do. I assume that the Senate would not take a holiday recess with this bill pending. I assume that it is the intention of the Senate to dispose of this bill in some way before we take a recess, if we take any.

Personally it makes no difference to me. If the bill passes, I shall be here at work with the conference committee. I think it is now for the Senate to determine whether it shall hold evening sessions, or one or two evening sessions, at any rate, or forego the holiday recess. We all know that the House has it in mind and very much desires to take a recess of that kind for a week or ten days or two weeks.

So far as I can control the situation I would be very, very unwilling to see any recess taken by the Senate until the pending bill is disposed of. I want to do the thing that will most completely convenience the Senate. What I would like to see done, if possible, would be this: The Senator from Kentucky [Mr. STANLEY] is weary, as I know——

Mr. STANLEY. I am perfectly willing to go on, but the Senate has been in session much longer than usual to-day. We have been adjourning about half past 5.

Mr. CUMMINS. I gave notice on Saturday, as all Senators will remember, that we would continue this afternoon into an evening session. All Senators had notice of that purpose on my part. But I do not control the action of the Senate, of course, and I want to do the thing that the Senate desires to do. I only know that if we do not make progress upon the bill we shall have no Christmas recess. It is for Senators to determine. It will make no difference with me as a matter of convenience, because I shall not be away anyhow.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. STANLEY. Certainly.

Mr. McLEAN. We might relieve the Senator from Kentucky by temporarily postponing the railroad bill and considering the conference report on Senate bill 2472. I do not think it would take very much time to dispose of it.

Mr. CUMMINS. I am very anxious to have some plan that will be satisfactory to all sides. If I felt sure that the conference report to which the Senator refers could be disposed of this evening, I would have no serious objection to that course.

Mr. SMOOT. We had better go on with the railroad bill.

Mr. CUMMINS. I am assailed on all sides. One Senator wants me to go on with the railroad bill and another Senator wants to go on with the conference report. My own inclination is to go on with the railroad bill just as far as we can go with it this evening.

Mr. HARRISON and Mr. KELLOGG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and if so, to whom?

Mr. STANLEY. I yield to the Senator from Minnesota.

Mr. KELLOGG. I do not think the conference report suggested by the Senator from Connecticut could be disposed of in half an hour. I think I heard the Senator from North Dakota [Mr. GRONNA] say that it would take much longer than that. He wants to speak on the conference report. I suggest to the Senator from Iowa, if the Senate is willing, that we enter into a unanimous-consent agreement to vote on the railroad bill on Friday, if that may be done.

Mr. CUMMINS. I should be very willing to do that, but I have observed that requests for unanimous-consent agreements of that character are not often favorably considered until the debate is practically at an end.

Mr. McLEAN. The conference report on the finance bill has now been pending for more than two weeks, and if it is postponed much longer the Senate of the United States will have to take the responsibility of doing it.

I do not think it will take over an hour to dispose of it, and it seems to me that the conference report ought to be accommodated to that extent. It is an important measure and it has been postponed and postponed. I think it would not interfere with the progress of the railroad bill to try at least to select an hour or an hour and a half some time to accommodate the conference report on this important measure.

Mr. CUMMINS. I am quite desirous of meeting the views of the Senator from Connecticut. It was in my mind that when the Senate has considered the railroad bill as long to-day and to-night as it cares to stay in session we might take an adjournment until to-morrow at 11 o'clock, giving the Senator from Connecticut two hours, or something like that, to dispose of the conference report.

Mr. McLEAN. With that understanding, I am perfectly willing that the conference report shall go over until to-morrow.

Mr. STANLEY. If we can not take up the conference report at this time, it is suggested to me by the Senator from Mississippi [Mr. HARRISON] that the hour is getting late and that I resume my argument in the morning.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Indiana?

Mr. STANLEY. Certainly.

Mr. WATSON. I think that ought to be accompanied by a statement by the chairman that he will insist upon a night session to-morrow night and each succeeding night until the railroad bill shall have been disposed of.

Mr. CUMMINS. I said that on Saturday. I would only be repeating what I said then.

Mr. STANLEY. I will say to the Senator from Indiana that I am more than pleased to yield the floor right now and let the Senate take up the conference report, or any other business that may be brought up, and then resume my argument in the morning.

Mr. CUMMINS. The Senator from North Dakota [Mr. GRONNA] is not here.

Mr. McLEAN. He is on his way, I am informed.

Mr. CUMMINS. The conference report can not be taken up in any event until the Senator from North Dakota is here.

Mr. McLEAN. I would like to ask——

The PRESIDING OFFICER. Senators desiring to interrupt the Senator from Kentucky will please address the Chair. Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. STANLEY. Certainly.

Mr. McLEAN. I ask unanimous consent that the conference report be taken up to-morrow at 11 o'clock.

Mr. STANLEY. I suggest that the Senator amend that request to take it up at the conclusion of my argument to-morrow. I will not take more than half an hour in the morning, I believe.

Mr. CUMMINS. I could not agree to that arrangement. I am perfectly willing to take an adjournment this evening some time, whenever we do close this session, but I am not willing that the conference report shall be made the unfinished business. I am unwilling to give it precedence of the railroad bill.

Mr. McKELLAR and Mr. McLEAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. STANLEY. I yield to the Senator from Connecticut.

Mr. McLEAN. The Senator from North Dakota [Mr. GRONNA] has just entered the Chamber, and I suggest that we proceed with the conference report for a short time, if the Senator from Iowa [Mr. CUMMINS] is willing that the railroad bill shall be temporarily laid aside.

Mr. STANLEY. I did not understand the suggestion of the Senator from Connecticut.

Mr. McLEAN. I say we might proceed with the conference report for an hour this evening.

Mr. STANLEY. I shall be delighted to yield for that purpose.

Mr. CUMMINS. I should like to ask the Senator from North Dakota [Mr. GRONNA] whether an arrangement of that sort is agreeable to him?

Mr. GRONNA. Mr. President, I appreciate the courtesy which the Senate extended to me while I was absent in not taking up the conference report. Of course, I believe the conference report is of sufficient importance to take some time to consider it. I have no more responsibility in passing that legislation than any other Senator on the floor. I feel, however, that the party in power, the majority, will be held responsible for the legislation. For that reason I believe that the Senate can well afford to take at least sufficient time to carefully consider it. It is fully of as much importance as the railroad bill, I will say to the Senator from Iowa, if not more so.

I have just one vote. So far as I am concerned I shall not ask the Senate for any special privilege, but I do believe that we are entitled to have sufficient time to consider the conference report. I take it that there will be other Senators who wish to speak on the conference report. If not, I presume that it will not take a great deal of time. Still, I am not going to pledge myself to take only a few minutes; it may be that a few minutes will be sufficient, but I think that if we go into the

merits of the conference report it will take a great deal more than an hour, I will say to the Senator from Iowa.

Mr. EDGE. Mr. President, will the Senator from North Dakota yield to me?

Mr. GRONNA. I do not have the floor. The Senator from Iowa has the floor.

Mr. CUMMINS. The Senator from Kentucky has the floor.

Mr. STANLEY. I yield to the Senator from New Jersey.

Mr. EDGE. I desire merely to make a brief, short observation. The measure referred to by the Senator from Connecticut, it will be recalled, has passed the Senate and passed the House, and we are now confronted alone, as I understand the rules, by the question of concurring in the report of the conference committee. The report of the conference committee was made unanimously. It was reported to the House, and has there been concurred in. It is now before the Senate. While I suppose consideration of the conference report could reopen any phase of the bill that any Senator desires to discuss, still the question finally, as I understand the rule of the Senate, is whether the Senate will or will not agree to the conference report.

Mr. McKELLAR. I ask unanimous consent to have inserted in the RECORD a letter, and the accompanying argument, from the National Hardwood Lumber Association, of Chicago, Ill., on the railroad question.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

THE NATIONAL HARDWOOD LUMBER ASSOCIATION,
Chicago, Ill., December 13, 1919.

Hon. KENNETH McKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: This association desires to commend you for your firm stand in opposition to the adoption of the so-called Cummins bill (Senate file 3288), proposing certain legislation for the regulation and control of railroads.

We desire particularly to call your attention to two sections of the bill, and hereto attached is a memorandum setting forth some of the reasons why we think these two sections are particularly objectionable.

We employ the railroads in the distributing end of our business, and the freight rate is as much a part of our total cost of operation as the cost of raw material, labor, or any other item of expense. We are perfectly willing to pay a reasonable charge to the railroads, but we believe, in all fairness, that we are entitled to have some nonpolitical, unprejudiced governmental agency to determine what that reasonable charge ought to be.

We are very strongly of the opinion that the same agency should exercise all the powers of regulation and control over common carriers which Congress delegates to any body; and, further, that this power should be centralized in one body and not in two or more.

The matter of car supply, distribution, and movement when loaded is so intimately connected with the determination of a reasonable rate that it seems to us, at least, perfectly absurd to delegate power to one body over the question of car supply, adequacy of transportation facilities, and the efficiency of service, and to another body the determination of what we shall pay for those services, each body being independent of the other, and the rate-making body being required to accept the findings and conclusions of the other body as prima facie true, as a matter of evidence.

To our minds this is an experiment that will prove a failure in operation should this bill become a law and the jurisdiction of the Interstate Commerce Commission be divided with the so-called transportation board.

Jealousies between these two coordinate powers are sure to arise and the efficiency of the law will be practically destroyed. We can not find any sound argument by which the man who pays the freight should be required to go to one body to have fixed and determined a rule of reasonable service and another body to determine what rate should be paid for such reasonable service, since those two matters are so intimately interrelated that the determination of the reasonable rate must necessarily be based upon the reasonable service, which the rate-making body, as a matter of common sense, should be empowered to determine.

The whole bill, it seems to us, is not drawn in the interests of the public, but rather in the interests of owners of railway securities. It is impractical, visionary, and unworkable, and we trust that you will persist in your position and insist that the Esch bill, so called (H. R. No. 10453), now before the Senate Committee on Interstate Commerce, be reported out, so that the Members of the Senate may have an opportunity to study the provisions of that bill. On the whole, we think that bill is the best that has been offered in the interests of both the public and the railroads.

Very truly, yours,

NATIONAL HARDWOOD LUMBER ASSOCIATION.
FRANK F. FISH, *Secretary-Treasurer.*

—

"The National Hardwood Lumber Association is opposed to certain features of the so-called Cummins bill, Senate bill 3285, for reasons set forth below.

THE SO-CALLED RULE OF RATE MAKING.

"Section 4 of the rule provides:

"(a) For dividing the country railroads into rate-making groups.

"(b) The reasonable rates shall be such as will give to the railroads within the group 5½ per cent net operating income on the aggregate value of the railroads within such group. (Sec. 6.)

"(c) The Interstate Commerce Commission shall value the railroads in each group as a basis to fix rates that will yield a net return of 5½ per cent on such valuation. (Sec. 6.)

"(d) The rates shall yield so far as practicable a net operating income that shall bear the same relation to the value of each railroad in the group. (Sec. 6.)

"(e) If any railroad within the group shall earn more than 6 per cent a certain part of such excess shall be taken away from it and expended by a board or loaned to some other railroad.

"(f) The shipper paying this excess can not recover it.

"Let us consider this rule of rate making.

"(a) How can the railroads be divided into districts without overlapping of the same system onto two or more groups, so the same railroad might be a debit line in one group and a credit line in another group and would lose in both groups, because its surplus would be taken away in one case and no credit allowed in the other case?

"(b) If the reasonable rates shall be such as to yield 5½ per cent on the value of all the railroads in each group, then any amount in excess of that return is unreasonable and unlawful for the group of railroads as a whole.

"(c) How is the commission going to fix the valuations so as to determine the rates that shall yield this return of 5½ per cent net? They have been working on this valuation matter for some five years now and the value of no single railroad of any consequence has yet been announced.

"If the provision means that the stocks and bonds shall be taken as the value of the railroads in any or all groups, this can mean only a very great advance in rates, and we protest against it.

"(d) How is it possible to fix rates so the yield shall bear the same or anywhere near the same relation to the value of each property? Two railroads in the same group might have the same physical value, but the earning value of each vastly different. The commission is given an impossible task to thus equalize these varying conditions.

"(e) If any line in a given group earns more than 6 per cent net, a certain part of such excess is taken away; if it earns 7 per cent, still more is taken away from it; so the rule of rate making seems to mean that a railroad in a particular group might earn and retain a net return of one-fourth of any amount in excess of 7 per cent. Thus if any line earned 13 per cent net it might retain 7 per cent plus one-fourth of the excess 6 per cent, or a total of 8½ per cent.

"(f) If under this rule of rate making the railroads by groups or individually have received a net return in excess of such reasonable rates, then such excess belongs not to the Government but to the parties who paid such excess; the shipper can not recover it, and the Government simply proposes to appropriate this money to be expended as directed. Under what guise of law may this be done?

"Certainly the shipper should not be required to pay an excessive rate so that a fund can be accumulated to loan to some railroads who may be in need of money.

"We might better provide for Government loans to railroads upon approved securities, as is provided in sections 208–209 of the House bill now before the Interstate Commerce Committee of the Senate.

"So far as I can see section 7 is unworkable at all until the valuation of railroads has been completed, and even then it would seem to penalize the more efficient roads without benefiting the weaker ones.

"It does not seem to provide anything in the interest of the public in the way of adequate transportation facilities, efficient service, and reasonable rates.

"Section 7 proposes to create a transportation board of five members and section 10 defines its duties, among which are to prepare a plan under which the railroads of the country can voluntarily consolidate into 20 or 25 systems, which is made compulsory after seven years. (Sec. 13.)

"(b) How and where extensions of lines may be made.

"(c) Look out for the credit and revenues of the carriers and what new capital may be required, and its findings shall be accepted by the commission as prima facie evidence concerning these matters.

"(d) And make report to Congress of the adequacy of transportation facilities.

"(e) And perform practically every other function now performed by the Interstate Commerce Commission, leaving to that body only the power to fix and determine a reasonable rate.

"We are opposed to the creation of a transportation board or any other body having jurisdiction and control over the railroads except the Interstate Commerce Commission, because we believe the law of regulation and control will be operated with greater efficiency through one body with complete power and control than is possible with any number of bodies with divided jurisdiction and power.

"We have had our experience with these different authorities under Federal administration. We have the inferior and superior rate committees and finally the administration at Washington, and by the time we have finished our round we find ourselves at the point of the circle where we started.

"The shippers never have had an opportunity to voice their objections to this bill, as the committee never had any hearings for the shippers, at least.

"Various measures were before the House committee that proposed a divided jurisdiction with the Interstate Commerce Commission and were unanimously opposed by the shippers and shippers' organizations.

"The commerce of the country should not be hampered by being required to go to one body for cars and facilities and the determination of reasonable and efficient services and then to another body to secure reasonable charges for services that the rate-making body knows nothing about.

"Under private operation of railroads the shipper does not go to one department for empty cars and to another to expedite the movement of cars when loaded and to still another for a rate. He does all his business with the railroad, with the traffic department.

"So the Interstate Commerce Commission should be given exclusive jurisdiction of regulation and control as exercised by Congress over all the activities of the railroads.

"Thus the shipper will then have one body to whom it may look for the proper enforcement of the law. It can not be doubted but that the commission will organize itself as to fulfill all of the duties imposed on it."

Mr. CUMMINS. Mr. President, in view of the conflicting desires, I move that the Senate take a recess until 11 o'clock tomorrow morning.

Mr. HARRISON. I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Harris	Moses	Stanley
Brandegee	Harrison	New	Sutherland
Calder	Henderson	Nugent	Thomas
Cummins	Jones, N. Mex.	Overman	Trammell
Curtis	Jones, Wash.	Phipps	Walsh, Mass.
Dial	Kellogg	Poindexter	Warren
Edge	Keyes	Pomerene	Watson
Gay	Kirby	Sheppard	Wolcott
Gronna	Lenroot	Smith, S. C.	
Hale	McKellar	Smoot	
Harding	McLean	Spencer	

The PRESIDING OFFICER. Forty-one Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absent Senators.

Mr. HARRISON. I move that the Senate adjourn.

Mr. POINDEXTER. Will the Senator withhold that motion for a moment?

The PRESIDING OFFICER. There being no quorum present, there is only one motion which is in order, and that is the motion to adjourn. The question is on that motion.

Mr. CUMMINS. Mr. President, on that I ask for the yeas and nays.

The yeas and nays were ordered and taken.

Mr. THOMAS (after having voted in the negative). I voted forgetting for the moment that I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON] and allow my vote to stand.

Mr. SMITH of Georgia (after having voted in the negative). I voted inadvertently. I have a pair with the senior Senator from Massachusetts [Mr. LODGE] and therefore withdraw my vote.

Mr. HENDERSON. Has the junior Senator from Illinois [Mr. MCCORMICK] voted?

The PRESIDING OFFICER. He has not voted.

Mr. HENDERSON. I have a general pair with that Senator. When I voted I thought he was present. I withdraw my vote.

Mr. KELLOGG (after having voted in the negative). I have a general pair with the Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the senior Senator from Minnesota [Mr. NELSON] and let my vote stand.

Mr. SUTHERLAND (after having voted in the negative). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to the senior Senator from Illinois [Mr. SHERMAN] and let my vote stand.

Mr. JONES of Washington (after having voted in the negative). I voted inadvertently. I am paired with the Senator from Virginia [Mr. SWANSON], who is necessarily absent on account of illness in his family. I promised to pair with him during his absence, and, therefore, withdraw my vote; but I ask to be recorded as present.

Mr. FRELINGHUYSEN. I have a general pair with the Senator from Montana [Mr. WALSH]. I transfer that pair to the junior Senator from California [Mr. JOHNSON] and vote "nay."

Mr. HARDING (after having voted in the negative). I note the absence of the junior Senator from Alabama [Mr. UNDERWOOD], with whom I have a general pair. I transfer that pair to the Senator from New York [Mr. WADSWORTH] and allow my vote to stand.

Mr. JONES of Washington. I find I can transfer my pair with the Senator from Virginia [Mr. SWANSON] to the Senator from Kansas [Mr. CAPPER]. I therefore make that transfer and allow my vote to stand.

Mr. KENDRICK (after having voted in the affirmative). Has the senior Senator from New Mexico [Mr. FALL] voted?

The PRESIDING OFFICER. He has not.

Mr. KENDRICK. I have a pair with the Senator from New Mexico, which I transfer to the Senator from California [Mr. PHELAN] and let my vote stand.

Mr. MCKELLAR. The Senator from Oregon [Mr. CHAMBERLAIN], the junior Senator from North Carolina [Mr. OVERMAN], the Senator from Kentucky [Mr. BECKHAM], and the senior Senator from North Carolina [Mr. SIMMONS] are detained on public business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN];

The Senator from Michigan [Mr. NEWBERRY] with the Senator from Missouri [Mr. REED];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from Alabama [Mr. BANKHEAD] with the Senator from Vermont [Mr. PAGE].

Mr. WARREN (after having voted in the negative). My regular pair, the Senator from North Carolina [Mr. OVERMAN] I now notice is absent. I transfer my pair so that the Senator from North Carolina will stand paired with the Senator from Michigan [Mr. TOWNSEND] and allow my vote to stand.

The result was announced—yeas 10, nays 39, as follows:

YEAS—10.

Gay	King	Sheppard	Walsh, Mass.
Harrison	Kirby	Smith, S. C.	
Kendrick	McKellar	Stanley	

NAYS—39.

Ball	Frelinghuysen	Lenroot	Smoot
Brandegee	Gronna	McLean	Spencer
Calder	Hale	McNary	Sterling
Colt	Harding	Moses	Sutherland
Cummins	Harris	New	Thomas
Curtis	Jones, N. Mex.	Nugent	Trammell
Dial	Jones, Wash.	Phipps	Warren
Edge	Kellogg	Poindexter	Watson
Fletcher	Kenyon	Pomerene	Wolcott
France	Keyes	Ransdell	

NOT VOTING—46.

Ashurst	Capper	Elkins	Gore
Bankhead	Chamberlain	Fall	Hitchcock
Beckham	Culberson	Fernald	Johnson, Calif.
Borah	Dillingham	Gerry	Johnson, S. Dak.

Knox	Norris	Robinson	Thomas
La Follette	Overman	Sherman	Townsend
Lodge	Owen	Shields	Underwood
McCormick	Page	Simmons	Wadsworth
McCumber	Penrose	Smith, Ariz.	Walsh, Mont.
Myers	Phelan	Smith, Ga.	Williams
Nelson	Pittman	Smith, Md.	
Newberry	Reed	Swanson	

So the motion to adjourn was rejected.

Mr. CUMMINS. I withdraw my motion for a recess.

Mr. McLEAN. I ask unanimous consent that the pending measure be temporarily laid aside for the consideration of the report of the committee of conference on Senate bill 2472, to amend the Federal reserve act.

Mr. CUMMINS. I object.

The PRESIDING OFFICER. Objection is made. The question is on the amendment offered by the Senator from Kentucky [Mr. STANLEY].

Mr. STANLEY. I withdraw the amendment, Mr. President.

The PRESIDING OFFICER. The bill is before the Senate, as in Committee of the Whole, and open to amendment.

Mr. JONES of Washington. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The SECRETARY. On page 96, after line 5, it is proposed to insert a new section, to be known as section 48½, as follows:

SEC. 48½. That this act shall not be construed to affect, diminish, or interfere with the power or jurisdiction of the United States Shipping Board over water transportation or otherwise.

The amendment was agreed to.

Mr. WATSON. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 22, lines 10 and 11, strike out the words "That street railways and interurban railways whose chief business is the transportation of passengers," and insert in lieu thereof the following: "That street, suburban, and interurban electric railways which are not operated as a part or parts of a general steam railroad system of transportation."

Mr. CUMMINS. Mr. President, I desire to say that there has been a good deal of controversy with regard to the proper way in which to express the idea the committee had, and so far as I am concerned I am quite as well satisfied with the form used in the amendment as with the form used in the bill itself. I have no objection to the amendment.

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). The question is on the adoption of the amendment offered by the Senator from Indiana.

The amendment was agreed to.

Mr. WATSON. Mr. President, there are two other amendments which I desire to offer to make the other sections of the bill conform to the section which was just amended. I send the first of them to the desk and ask to have it stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 76, line 3, strike out the words "street car and electric interurban lines," and insert after the word "State," on line 4, a comma and the following: "or street, suburban, and interurban electric railways which are not operated as a part or parts of a general steam railroad system of transportation."

Mr. CUMMINS. The same observation applies to that amendment. It makes the bill uniform in that respect.

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Indiana.

The amendment was agreed to.

Mr. WATSON. I also offer the further amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 96, strike out lines 3, 4, and 5 and insert the following: "which are not operated as a part or parts of a general steam railroad system of transportation."

Mr. CUMMINS. The two former amendments having been adopted, this one ought to be, in order to keep the bill in harmony.

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Indiana.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to amend section 10, as follows: On page 27, in line 11, before the word "waterways," insert the word "inland."

Mr. KING. Mr. President, will the Secretary state how the paragraph would read as amended?

The SECRETARY. So that, if amended, it will read, "different classes of inland waterways."

Mr. CUMMINS. Mr. President, I should like to have the Senator from Washington explain that amendment, if he will. So far as I am concerned, I think the bill ought to remain as it is, although there are reasons which can be suggested by the Senator from Washington for the adoption of the amendment. I want the Senate to take a fair view of the matter and decide it.

Mr. JONES of Washington. Mr. President, the only purpose I have is this: I do not want the bill to trench upon the jurisdiction of the United States Shipping Board. I think the amendment we adopted a few moments ago really protects that phase of the situation, but I do not want Congress to enact any legislation that would give the Interstate Commerce Commission control over the rates on any of the waterways of the country at the present time. I do not want to give the Interstate Commerce Commission power to regulate the rates of water carriers on the inland waterways. They ought to be perfectly free.

Mr. CUMMINS. Mr. President, if the Senator will yield to me a moment, the bill does not give the Interstate Commerce Commission any further authority than it now has over the rates for any kind of water transportation. The part of the bill to which his amendment applies gives the transportation board authority to investigate only. There is no authority to direct or control any transportation on waterways or any other commerce.

Mr. JONES of Washington. Yes; but I have quite a number of amendments along the same line, and I was making a general statement with reference to the matter. This particular amendment, of course, relates only to the provision that the board shall investigate the appropriate types of boats for different classes of waterways. I take it that it is not the intention of this provision to give the board authority to investigate the types of boats for any waterways, at any rate, that are subject to the United States Shipping Board.

Mr. CUMMINS. Mr. President, that is one of the amendments which I suggested to the Senator from Washington a few days ago should receive the attention of the distinguished Senator from Louisiana [Mr. RANSDELL]. The provision was inserted at his suggestion. If he does not care to oppose the amendment, I do not.

Mr. RANSDELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Louisiana?

Mr. JONES of Washington. I do; yes.

Mr. RANSDELL. I stated in response to the suggestion of the Senator from Iowa that I had gone into that matter very carefully with the Senator from Washington; and I see no objection to the term "inland waterways." It is about all that this transportation board could examine into very well, anyhow, without trenching on the authority of the Shipping Board, which, as I understand, has the right to look into all waterways that are not inland. It seems to me that inland transportation by water, which is the kind in which I am especially interested, will be entirely covered and provided for if the term "inland" be used, and the use of the term "inland" will prevent any possible conflict with the Shipping Board, and I assume that that is what the Senator from Washington had in view. May I ask if it was not?

Mr. JONES of Washington. That is the sole purpose.

Mr. RANSDELL. And I will state that I have no objection. I have looked into it carefully.

Mr. KING. Mr. President, will the Senator yield?

Mr. JONES of Washington. Certainly.

Mr. KING. In view of the statement just submitted by the Senator from Louisiana that the Shipping Board takes cognizance of this subject, why devolve upon the Interstate Commerce Commission a duty which is now performed by the Shipping Board?

Mr. JONES of Washington. No; the Shipping Board has not, under the law, jurisdiction over the inland waterways. All that it has jurisdiction over is the Great Lakes and port-to-port transportation.

Mr. KING. I understand; but what I had in mind more particularly was the style of boats that were to be employed.

Mr. JONES of Washington. Of course, the Shipping Board has not anything to do with the style of boats, even upon inland waterways. Its sole jurisdiction is defined by the Shipping Board act; and all that I want, as the Senator from Louisiana has said, is to make it clear that the board and the agencies

created under this act shall not trench upon the jurisdiction of the Shipping Board.

Mr. KING. Mr. President, will the Senator yield again?

Mr. JONES of Washington. Certainly.

Mr. KING. Would the Senator accept this amendment, inviting attention to line 9, "shall investigate," and then drop down to line 11, "the subject of water terminals," striking out the words "the appropriate types of boats suitable for different classes of waterways"?

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield, and to whom?

Mr. JONES of Washington. I just want to suggest to the Senator that I have another amendment here in line 12—

also the subject of water terminals both "for inland waterways traffic and for through traffic by inland water and rail."

I have other amendments so as to make it clear what that relates to, also. I do not want this board to investigate the matter of terminals for waterways that are subject to the jurisdiction of the Shipping Board.

I yield now to the Senator from Minnesota.

Mr. KELLOGG. Mr. President, I think the Senator from Washington is entirely right. There ought to be some investigation of the style of boats and coordination of railroads and inland transportation. No one pays any attention to the inland waterways now, except an informal convention that looks after them. We have no Government official looking after that subject; and this board ought to study that subject, and also that is provided for in the first part of the section, the subject of coordination of waterways generally with railroads, because now a shipper who lives in the interior of the country and wants to ship outside of this country can not find out anything about whether he can ship to Brazil or anywhere else.

Mr. JONES of Washington. I think that is correct.

Mr. KING. Mr. President, I move, as an amendment to the amendment offered by the Senator from Washington, the following: Strike out, beginning with line 10, the words "the appropriate types of boats suitable for different classes," and also the words in line 11 "of waterways, also," so that it will read:

Shall investigate the subject of water terminals both for water traffic and for through traffic by water and rail.

If this amendment prevails I shall move to strike out some of the succeeding words to which I have just referred.

Mr. FLETCHER. Mr. President, I hope the amendment of the Senator from Utah will not be adopted. I think this is a very excellent provision of the bill, providing this power is limited to inland waterways. I agree with the Senator from Washington and the Senator from Louisiana. The jurisdiction over inland waterways was expressly excluded from the Shipping Board in the act of 1916; but there ought to be this coordination between the inland waterways and the railway lines in order to give the public the best service and afford the best facilities for transportation, and I think it is an important function to investigate and study the different types of boats that might be used to advantage on these inland waterways. That is one trouble we have had in the past. Something of that sort has been done by the Chief of Engineers of the War Department, particularly with reference to barges on the Mississippi River; but that power ought to be continued here, and that work ought to go on, so that we may have expert opinions and conclusions as to the best types of boats suitable for the different classes of inland waterways.

I hope that the amendment offered by the Senator from Utah will be defeated, and that the amendment offered by the Senator from Washington will be agreed to.

Mr. KING. Mr. President, will the Senator yield?

Mr. FLETCHER. Certainly.

Mr. KING. Who is to construct the boats in regard to which this commission is to advise?

Mr. FLETCHER. They merely recommend, as I understand.

Mr. KING. Recommend to whom?

Mr. FLETCHER. They recommend to all persons who are interested in the subject of transportation on the inland waterways.

Mr. KING. By that the Senator means that the commission is to make recommendations to private individuals who know a great deal more about the subject of boats, boat building, or types of boats than the Interstate Commerce Commission knows or can know?

Mr. FLETCHER. I do not quite agree with the Senator there, because the commission will know what type of boats will best facilitate the movement of traffic on the waterways, and can be best made to coordinate with the railway lines and the terminals.

Mr. RANSDELL. Mr. President, just a word in regard to the amendment offered by the Senator from Utah. Perhaps he may know more about how to build boats than the people from all over the world, but I do not think the ordinary private individual can ascertain the best types of boats and the best things that have been done by every people on earth. Such a commission as this can examine the whole subject, can learn everything the world knows on the subject of these boats, and can get together that information and give to the people who desire to build boats the benefit of the accumulated wisdom of all the world.

If I were going to build boats I would like to have the knowledge which all the people of all the world have, and I as an individual could not get it. This governmental board could get it and give me the benefit of it. That is the sole purpose of it.

I, living in Louisiana, as I do, would not even know what they were doing on the western coast or what they were doing in Maine or in Florida. I, as an individual, would have no means of ascertaining all these things in this great country of ours. But the Government can get together all that information.

The provision is a most wise one. I am entirely in accord with the amendment suggested by the Senator from Washington [Mr. JONES], as I previously stated, and I sincerely hope the substitute of the Senator from Utah [Mr. KING] will be voted down.

Mr. KING. Mr. President, the Senator from Louisiana, of course, is so wise that he is familiar with this subject, and his rebuke to those of us who do not know anything about it is doubtless merited. We all know the assiduity with which the Senator from Louisiana for years, in this Chamber and out of the Chamber, has sought for appropriations for waterways, and for the improvement of brooks and streams that exist throughout the length and breadth of the land, particularly in some of the Southern States. So I can appreciate, of course, the great zeal that he exhibits in respect to the appropriation which will be involved in this measure.

Mr. President, it is absurd, and I say it with all due respect to the Senator from Louisiana, to require the Government of the United States to go out upon a fishing excursion to obtain information for every businessman in the United States. The men who are engaged in the construction of boats and in the manufacturing plants throughout the country, the shipping plants and the steel plants and the various factories, know infinitely more about those concerns than the officials whom the Government may employ. This is simply an attempt to create another division or bureau or agency in the Interstate Commerce Commission which will call for the appropriation not of thousands but perhaps of millions of dollars. The men who want to build boats will build boats, and they will not ask the Government of the United States to get the information or the data to enable them to build boats. That data is available. Anybody who desires may obtain information as to every type of boat there is in the world, and obtain the information within a few hours, if he goes to the appropriate libraries. If the libraries here do not furnish him the information he can very easily obtain it by communicating with the shipping interests in other parts of the world.

This is simply a plan to get more money out of the Treasury of the United States to provide for additional employees, to create more bureaus and more instrumentalities, more and more to extend the paternalistic hand of the Government of the United States to private agencies and private activities.

Mr. McKELLAR. Mr. President, this is an important matter, and I think we ought to have a quorum. I therefore make the point of order that there is no quorum present.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gronna	McKellar	Spencer
Brandegee	Hale	McLean	Stanley
Calder	Harding	Moses	Sterling
Colt	Harris	New	Sutherland
Cummins	Henderson	Nugent	Thomas
Curtis	Jones, N. Mex.	Overman	Trammell
Dial	Jones, Wash.	Phipps	Walsh, Mass.
Edge	Kellogg	Poindexter	Warren
Fernald	Kendrick	Pomerene	Watson
Fletcher	Kenyon	Ransdell	Wolcott
France	Keyes	Sheppard	
Frelinghuysen	King	Smith, S. C.	
Gay	Lenroot	Smoot	

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. There is a quorum present.

Mr. RANSDELL. Mr. President, I have just a word to add to what I said before. The remarks about brooks and little streams have been made in the Senate so often that I do not

care to discuss the matter. I think the Senate understands generally my position in regard to river and harbor improvements. There is no new board proposed to be created by this amendment. It is the transportation board that, along with its other duties, is asked to make some intelligent investigation in regard to waterways to see whether the waterways of the country may not be coordinated with the railroads and induced to cooperate their business, so as to give as much advantage to the transportation interests of the country as possible.

I can not see how there could be any additional bureaus or any great expense. It may involve a few thousand dollars to conduct this investigation along with the other ordinary and proper duties of the transportation board. So there is absolutely nothing in that argument. I care not to say anything more on the subject. I ask for a vote.

The PRESIDING OFFICER. The question is on the substitute of the Senator from Utah [Mr. KING] for the amendment offered by the Senator from Washington [Mr. JONES].

SEVERAL SENATORS. Let it be read.

The PRESIDING OFFICER. The Secretary will report the substitute.

The SECRETARY. On page 27, in lines 10 and 11, strike out the words "the appropriate types of boats suitable for different classes of waterways, also."

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is now on the amendment of the Senator from Washington [Mr. JONES].

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Washington [Mr. JONES] moves the same amendment on page 27, in line 11, before the word "waterways," to insert the word "inland."

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Washington moves, in line 24, before the word "waterways," to insert the word "inland."

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Washington moves, on page 28, in line 4, before the word "water," to insert the word "inland."

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Washington moves, in line 5, to strike out the words "joint and" and insert the words "from railroads."

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Washington moves in line 8, before the word "water," to insert the word "inland."

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Washington moves in line 12 to strike out the word "water" and insert the words "inland waterways"; and in line 15 to strike out the word "water" and insert the words "such inland waterways."

The amendment was agreed to.

Mr. SPENCER. I offer the following amendment, which I ask the Secretary to read.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. On page 89, line 2, after the word "established," insert the following:

Provided, however, That this restriction shall not operate to hinder or prevent the commission establishing or maintaining a through route where one of the carriers is a water line: *And provided further—*

Mr. SPENCER. Mr. President, the amendment is the result of the consensus of opinion of the waterways convention which recently met here. The situation is that at the present time every station in Minnesota, Wisconsin, Illinois, Iowa, and Missouri, on the Missouri River and north of it, has a joint rate that is actually in operation upon all the traffic originating in those States and destined for New Orleans. The joint rate is composed of the railroad short haul and the river haul from East St. Louis, Ill., down to New Orleans. There is a saving on that joint rate of 22½ cents a hundred on all first-class freight, according to the southern classification. There is a saving of 3 cents a hundred on flour and grain and grain products which equals from $18 to $20 a car. That is the situation as we have it to-day.

The bill provides that after this act goes into effect no railroad shall be required to make any joint rate, unless the whole line of the railroad is used, except in cases when the use of said whole line would be so circuitous as to be unreasonable.

Mr. CUMMINS. Mr. President, the Senator from Missouri is mistaken in that. The bill makes no change in the law in that respect, as I recall it. I am entirely in sympathy with the proposition of the Senator from Missouri, but the bill does not change the present law with regard to the authority of the commission in making other routings.

Mr. SPENCER. May I ask of the Senator from Iowa for information if the bill does not provide, on page 89, that without the consent of a railroad there can not be a joint traffic unless the entire length of the railroad is used, except in case where the route would be so circuitous as to be unreasonable?

Mr. CUMMINS. That is quite true, but that is in the present law. It is an exact reproduction of the terms of the present law, as I remember it.

Mr. SPENCER. The Senator is right, that under the present law—under Government operation—the railroads are required to short haul from Iowa to East St. Louis and then to have the river take the rest of the haul to New Orleans. When the roads go back to private ownership will not that arrangement cease at once and the joint rate be canceled and the advantage be destroyed?

Mr. CUMMINS. It is quite probable that it will, but the Senator from Missouri, as I understood him, was of the opinion that the bill imposes that limitation upon the establishment of through routes and joint rates. It is not the bill that does it; it is so provided in the present act to regulate commerce.

Mr. SPENCER. I think the Senator from Iowa is quite right, and if I said anything to the contrary I was mistaken.

Mr. CUMMINS. I do not care to have the bill bear any more burdens than are being put upon it from the one side and the other.

Mr. SPENCER. If the Senator is satisfied as to the fairness of the amendment, perhaps I am taking up time unnecessarily. Unless there is some question about it, I do not want to consume any further time.

Mr. CUMMINS. So far as I am concerned, the amendment offered by the Senator from Missouri is a proposed change in the act to regulate commerce.

Mr. SPENCER. That is true.

Mr. CUMMINS. The provisions which he seeks to modify have been in force since 1910. I opposed the limitation in the Senate when the act to regulate commerce was amended in that year, and I am opposed to the limitation now, but I want the Senate to understand that this is not an amendment to the pending bill, except as that section is reproduced in the bill. It is an amendment to the interstate commerce act.

I see no reason why the limitation should not be eliminated. There is an amendment printed, proposed by the Senator from California [Mr. JOHNSON], and, as I understand it, proposed also by the Senator from Nevada [Mr. HENDERSON], which if agreed to directly eliminates that limitation from the interstate commerce act.

Mr. SPENCER. Will the Senator yield?

Mr. CUMMINS. Certainly.

Mr. SPENCER. Am I correct in my understanding that so far as the present amendment goes it is an amendment which the Senator thinks is desirable in the interest of the public service?

Mr. CUMMINS. I have always believed that commerce should seek the most economical route. I have always believed that we ought to avoid all waste in transportation and that a shipper has a right to route his freight, assuming the route chosen is an economical one, and that the requirement that the road which receives the freight in the first instance ought to be permitted to carry it over its entire length could not very well be sustained upon the ground of economy. But in the committee we did not attempt to change the interstate-commerce act in that respect.

I am expressing merely my individual opinion with regard to the merits of the controversy.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. CUMMINS. I yield to the Senator.

Mr. KELLOGG. I do not think in the unqualified statement which the Senator makes that he entirely realizes what he says. If a road is a short line and a complete line between two points, is there any reason why it should be compelled at the end of 10 or 20 or 100 miles to give up the traffic to another line simply because the Interstate Commerce Commission says so, when it is no shorter and no more economical?

Mr. CUMMINS. Certainly not, and I did not intend to say anything of that kind. I said the Interstate Commerce Commission has the right or ought to have the authority to establish a through route and a joint rate where it is more economical and would save waste.

Mr. KELLOGG. I quite agree with that. What is sought, not by the amendment of the Senator from Missouri [Mr. SPENCER] but by some of the amendments offered, is to enable

the Interstate Commerce Commission to force traffic off from a good economical through route to some side line that is not worth anything in order to support it. That is the object of some of the amendments. That is not the object of the amendment of the Senator from Missouri.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. FERNALD in the chair). Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. Certainly.

Mr. KING. I should like to ask the Senator from Minnesota, who is familiar with the subject—and I confess that I am not—whether the amendment offered by the Senator from Missouri would not indirectly affect short lines or the routing of freight over short lines?

Mr. KELLOGG. I think the amendment of the Senator from Missouri simply provides connections with water lines.

Mr. SPENCER. That is all.

Mr. KELLOGG. It does not cover the entire subject, and as I see it, I do not know that I have any objection to it. The committee had many requests to allow the Interstate Commerce Commission to make joint routes or new routes solely for the purpose of taking care of lines of road that could not earn a living in any other way, although the line from which the traffic was diverted was the short line and an economical line. As I now understand the remarks of the chairman, I do not dissent from his position.

Mr. KING. I should like to ask the Senator another question. As I understood the Senator from Iowa, the question involved in the amendment offered by the Senator from Missouri received consideration years ago, when the present law was written, and upon due consideration the project which the Senator from Iowa then suggested, which was the same as that now offered by the Senator from Missouri, was defeated and the law written as we now find it.

Mr. KELLOGG. I do not know whether an amendment like the one now offered by the Senator from Missouri received any consideration at that time or not. I think the main principle involved in the old interstate-commerce act creating through routes was principally as between railways, and of course the Interstate Commerce Commission ought to have the power to create through routes and fix through tariffs. There is no doubt about that. The limitation should be maintained so that the through route shall, when it is practical, as I recollect it, embrace substantially the greater part of the main line; but I do not think the amendment offered by the Senator from Missouri does away with it. It is really intended, of course, to cover water routes.

Mr. KING. I should be very glad to have the Senator from Missouri specifically point out and declare the fact, if it be the fact, that his amendment will not have the effect remotely, directly or indirectly, to permit the routing of freight in aid of some broken-down or inefficient or poverty-stricken railway at the expense of some well-managed and efficient railroad?

Mr. SPENCER. I can make that statement with all the emphasis that the Senator from Utah desires.

May I say one thing more? The proposed amendment is permissive in its character to the Interstate Commerce Commission and does nothing more than allow them to continue precisely what is now done and has been done during Government operation, but what it is feared may, in the interest of railroads and against the interest of the shipper, be denied when the railroads go back to private ownership. I can not see that there is any objection to it. If the Senator desires, I shall be glad to give a concrete illustration of the way it works that is, to my mind, absolutely convincing.

Mr. McKELLAR. May I interrupt the Senator just a moment? I desire to say that I hope the Senator from Utah [Mr. KING] will not insist upon taking out of the amendment of the Senator from Missouri any purpose to help the broken-down railroads at the expense of the good ones. If he insists upon any such principle as that, he will insist upon defeating the whole bill, because the whole bill is intended for that purpose.

Mr. JONES of Washington. Mr. President, I did not hear the reading of the amendment of the Senator from Missouri, and I want to ask whether it gives the Interstate Commerce Commission the right to establish a joint through rate over railroads and waterways?

Mr. SPENCER. Under certain conditions it does, precisely as is now in operation. I can give the Senator an illustration——

Mr. JONES of Washington. I could give several instances where that power has been used to the detriment of the waterways. So far as I am concerned I want to give to the Interstate Commerce Commission control over the inland waterways just as little as possible, because the Interstate Commerce Commission very naturally looks after the interests of the railroads, and if it is going to sacrifice anybody it is going to sacrifice the waterways, and I do not want to have them sacrificed.

Mr. SPENCER. Then the Senator from Washington will be in favor of the amendment which I have offered, because the amendment was the result of the careful deliberations of the waterway delegates who recently met in the city of Washington.

Mr. JONES of Washington. Do they know?

Mr. SPENCER. I presume they know.

Mr. JONES of Washington. Where you give the Interstate Commerce Commission control over joint rates it can then regulate the tariff rates of the waterways, and it will regulate them in the interest of the railroads.

Mr. SPENCER. That is one of the things they discussed, and as a result the amendment was proposed. The amendment did not originate with me, however. I cordially indorse it, and I believe it is absolutely essential, as will be seen by any man who is interested in the waterways.

Mr. JONES of Washington. They may have misunderstood what the effect would be. That is what I am afraid of.

Mr. SPENCER. I do not think they did, and I am sure if the Senator understood the amendment——

Mr. JONES of Washington. I am just asking the Senator whether it gives the Interstate Commerce Commission control and authority to fix a joint rate over railroads and waterways?

Mr. SPENCER. Under certain conditions.

Mr. JONES of Washington. If it does that, it will be used to the injury of the waterways.

Mr. SPENCER. It can not be.

Mr. CUMMINS. The Interstate Commerce Commission has that authority now.

Mr. JONES of Washington. Yes; and it uses it to the detriment of the waterways.

Mr. CUMMINS. It has had it for a long time, however.

Mr. JONES of Washington. I should like to get it away from them.

Mr. CUMMINS. The amendment does not increase the authority of the Interstate Commerce Commission in that respect.

Mr. SPENCER. It does not give to the Interstate Commerce Commission any more power, but does prevent the absolute disregard of a joint waterway and railroad route for merchandise. May I say——

Mr. JONES of Washington. I take the Senator's word for it. I want to accomplish what he apparently wants to accomplish, and all I was afraid of was that it gives them the right to do just exactly what he does not want to have them do.

Mr. SPENCER. I do not want to take up any further time if the Senator is satisfied.

Mr. JONES of Washington. I was not sure.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Missouri [Mr. SPENCER].

The amendment was agreed to.

The PRESIDING OFFICER. The further amendment will be stated.

The SECRETARY. On page 89, line 2, strike out the word "*Provided*" and insert the words "*And provided further.*"

The amendment was agreed to.

Mr. HENDERSON. Mr. President, I ask that the following amendment, proposed by the Senator from California [Mr. JOHNSON], who is now absent, be laid before the Senate.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Nevada in behalf of the Senator from California.

The SECRETARY. On page 77, line 7, after the word "charges" and before the word "between," insert the words "or in the division of rates, fares, and charges."

Mr. CUMMINS. Mr. President, the amendment proposes a change in the act to regulate commerce as it has been in existence for a great many years. In my opinion it does not change the law at all. It is intended simply to clarify the statute. Recently the Interstate Commerce Commission decided that the law as it is means precisely what the proposed amendment would make it mean. But there was a division among the members of the Interstate Commerce Commission upon that question, and I assume that the amendment has been brought forward in order to make perfectly certain what to some of the members of the Interstate Commerce Commission seemed uncertain.

Mr. HENDERSON. That is correct. The amendment is in the interest of clarity. As the Senator from Iowa says, the purpose is to clarify the situation, in view of the difference of opinion that seemed to exist among the members of the Interstate Commerce Commission. The Senator from California [Mr. JOHNSON] introduced the amendment, and in his absence I promised to bring it up.

The amendment was agreed to.

Mr. GAY. I offer the amendment which I send to the desk and ask to have it read.

The PRESIDING OFFICER. The amendment proposed by the Senator from Louisiana will be stated.

The SECRETARY. On page 66, after line 21, it is proposed to insert the following as a new section:

SEC. 31½. The provisions of this act relating to the grouping or consolidation of carriers by rail, the adjustment of rates, fares, and charges in rate districts to yield the returns prescribed herein, and the disposition of the excess earnings of carriers by rail shall not be construed to apply to or affect any carrier by rail, including belt-line railroads and terminal facilities, owned exclusively and operated and controlled by any State or political subdivision thereof. In prescribing or reviewing rates, fares, or charges exacted or to be exacted by any such carrier by rail the commission shall take into consideration, in addition to other proper charges and expenses, all legitimate development costs and the par value of bonds which have been or may be issued by any such State or political subdivision thereof for the purpose of financing the construction of any bridges, tunnels, or other improvements or betterments used or necessary in connection with such carrier by rail, and owned exclusively by such State or political subdivision thereof.

Mr. CUMMINS. Mr. President, I should like to hear an explanation of this amendment. If it applies merely to belt-line roads, which are really local services, or at least have no connection with general transportation, I have no objection to it; but if it is to apply to the general transportation of the country, then I would be very much opposed to it.

Mr. GAY. The Senator from Iowa has stated the object of the amendment in the first part of his sentence. I called the Senator's attention to this matter to-day. The amendment can not be construed to apply generally to the transportation of the country; it is intended to apply to belt railroads or terminal facilities which are municipally owned and which can not be construed as being a part of the railway system of this country. I understand from a number of members of the committee that the amendment conforms to the policy of the committee, and I think it clearly states its intention.

Mr. CUMMINS. That is, the Senator feels that a railway which is operated by a State or which is owned by a State should not become a part of the national system of transportation?

Mr. GAY. That is correct.

Mr. CUMMINS. I have no objection to the belt line part of the amendment which is proposed by the Senator from Louisiana, as I told him to-day. I did not, however, observe at that moment that he was endeavoring to except all Government or State owned roads. I thought he had in mind simply those municipal conveniences which the State or the city may own. If he goes further than that—and I fear his amendment does go further—I could not agree to it.

For instance, the Georgia Central Railroad is owned by the State of Georgia. I am not willing to exclude that railroad from the benefits or advantages which I hope may accrue to railways and to people through legislation of this character. The road would be of little value to the State and of no value to the stockholders if it were excluded from its connection with the general system.

Mr. OVERMAN. Will the Senator from Iowa permit me to ask him a question?

Mr. CUMMINS. Yes.

Mr. OVERMAN. I desire to say that the State of North Carolina also owns a railroad, which is leased to the Southern Railroad for 99 years at 7 per cent. Would this bill in any way affect that lease?

Mr. CUMMINS. No; this bill does not propose to invalidate contracts; on the contrary, the bill recognizes contracts.

Mr. OVERMAN. It will not affect the lease to which I refer at all?

Mr. CUMMINS. Not in the least; not in any way.

Mr. KING and Mr. DIAL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. CUMMINS. I yield to the Senator from Utah.

Mr. KING. Mr. President, I think the bill would affect such a lease in this way: If there were no voluntary grouping or consolidation of corporations which would include the road, if the State of Georgia refused voluntarily to permit it to be assimilated by some other road, at the end of seven years under this proposed law, the State could be forced to part with its title.

Mr. CUMMINS. I think the State could be forced to part with its title; that is quite right. The system of consolidation provided for here would apply to such a railroad as well as to any other; but the State would receive the full value of its property if any such consolidation should take place; and, so long as the title remains as it is, of course, the contract between the two railroad companies would not only be respected but it would have to be respected.

Mr. OVERMAN. Would the consolidation plan which is here proposed for railroads nullify the lease to which I have referred, covering, we will say, 180 miles of the main line of the Southern Railroad between here and Atlanta? The Southern Railway has taken that lease for 99 years. Under this bill could the road which is owned by the State be forced into a consolidation with the other road and thereby bring about a cancellation of the lease?

Mr. KING. Yes; certainly.

Mr. CUMMINS. No. I think the owners of the property would have a right to their rental for the time for which it was rented. It would seem to me that any purchaser of the property must take it burdened with the lease. I can not imagine any other sort of procedure. If there should be a condemnation of the property, then, of course, the purchaser would acquire it subject to the lease, unless there was a condemnation of the leasehold interest. In other words, there can not be any disturbance of contractual rights and no diminution of the value of the property.

Mr. OVERMAN. I should hope not; I do not think we could do that; but I merely desired to know whether the measure would affect the road at all.

Mr. CUMMINS. No, it is not intended to do so, and, in my judgment, it is not going to do so in any way.

Mr. DIAL. Mr. President, I am glad we have reached this stage. This is the point which I have been desirous of reaching for some time. As I understand, it is desired in this bill to consolidate the railroads. For the first seven years it is voluntary, and after that time it is compulsory on the part of the railroads to consolidate. I wish to ask the chairman of the committee where he finds any law under the Constitution to authorize that feature of the bill? According to what process would he proceed? Upon what authority may we provide that the roads have to consolidate? I know of no constitutional law at all which will allow the taking of private property for private use, and I know of no law which will allow the taking of private property for public use except under the theory of eminent domain. How, therefore, can it be said in this instance that one railroad shall absorb another railroad? It does seem to me that that is fundamentally unconstitutional. The only way I know whereby that could be brought about would be for the road to go into the hands of a receiver and have the property sold and then bought up.

I know, Mr. President, at least that we have great trouble in getting the different security holders even in one corporation to exchange their securities, much less to secure the consent of the security holders in two different corporations to such a transaction. The thing seems to me to be absolutely impossible. I do not understand which corporation would absorb the other, and I certainly do not know of any part of the Constitution authorizing it. If this matter has been discussed during the debate, I will be glad to have some Senator refer me to the debate, for I want enlightenment on that point.

Mr. CUMMINS. Mr. President, I am very glad to give the Senator what little light I have upon that point. It may be that we differ fundamentally, as he says, with regard to the Constitution; but I think the Government of the United States can acquire every railroad in the United States which carries commerce between the States.

Mr. DIAL. Very probably it can.

Mr. CUMMINS. The Government can do that under the power of the Constitution, which gives Congress the authority to regulate commerce among the States and with foreign nations.

Mr. DIAL. It might be necessary to amend the Constitution.

Mr. CUMMINS. If Congress believes that the acquisition of all the railway property in the United States is necessary in order properly to regulate commerce among the States, I have no question at all that these properties can be acquired. They can be acquired under the power to establish post offices and post roads, and that power is supplemented, of course, by the war power. Germany acquired her railroads because she believed it to be necessary to protect her in time of war; and, while I am not founding this bill upon any authority of that kind, it deserves consideration.

I return to the constitutional provision for the regulation of commerce among the States and with foreign nations. It has been held that Congress under that power could incorporate a railroad company for the purpose not only of carrying commerce among the States but carrying local commerce as well.

Mr. DIAL. If the chairman of the committee will allow me, the point is not with reference to what the Government can do toward acquiring roads but how can the Government let one road acquire another?

Mr. CUMMINS. I am about to come to that; one has to develop his subject from the beginning. If Congress can acquire all of the railway properties in the United States and

operate them because it believes it can better regulate commerce in that way, if Congress can create a corporation which shall acquire railways and operate them because it believes that the commerce among the States can be best regulated in that manner, Congress can give to a company which it creates the power to condemn the power of eminent domain over any property, it matters not what that property may be or what that property may be used for at the given time. If we believe that the proper regulation of commerce requires the consolidation of all of the railways of the country into one corporation, I have no doubt that we can give that company the right to acquire these properties, because that is our opinion and our judgment in regard to the best way to regulate commerce. That, I think, answers the question of the Senator from South Carolina. He and I differ, undoubtedly, with regard to the constitutionality of the authority in that respect.

Mr. DIAL. How would the holdings of the stockholders and bondholders of the companies to be acquired be secured? Would they be paid for in cash?

Mr. CUMMINS. In my judgment, the Government can deal either with the physical property or it can deal with the stocks and bonds. If it elects to pursue the method of taking the physical property, it can do so. It must pay for it. It pays for it to the corporation that owns it. It is the duty of that corporation then to distribute the value of that property, as determined in the proceedings subjecting it to the public use, in accordance with the rights of the bondholders and stockholders. On the other hand, if the Government desires to acquire the property through stock ownership, it has the right to condemn the capital stock, the shares of stock, in so far as they are evidences of property. Whatever may be said of the wisdom of doing so, there is no limit to the power of Congress in that respect, except that whatever it does must be a regulation of commerce, it must be done for the purpose of regulating commerce among the States, and it must not take property without due process of law. Those are the only limitations upon the power of Congress in regulating commerce.

Mr. DIAL. I desire to thank the Senator very much for his explanation, but I do not agree with him yet. We remember that in the case of the Tennessee Coal & Iron Co., a good many years ago, the owners of the outstanding preferred stock, when they were allowed to consolidate with some of the other large companies, would not go in and surrender the stock, and there was no way to make them, so far as I know. I am merely anxious that we shall pass a bill that will be a constitutional bill, and it certainly seems to me to be divesting vested rights to adopt a procedure whereby the courts would require one road to acquire another road.

I thank the Senator very much.

Mr. CUMMINS. Returning to the amendment of the Senator from Louisiana [Mr. GAY], from which we have departed rather widely, I again say that so far as I am concerned I would have no objection at all to withdrawing from the operation of any part of the bill the belt line or municipal line which the Senator from Louisiana has pointed out, a line passing around the docks in the city of New Orleans; but I am not willing to make any other exception.

Mr. GAY. Mr. President, in view of what the Senator from Iowa has just said, I suggest that this amendment be amended in line 8 by striking out the words, "State or political subdivision thereof," and substituting "political subdivision of a State," which I think would cover the objection that the Senator has, and that the same thing be done on the second page, line 7, by striking out the words "State or," which would then read, "and owned exclusively by such political subdivision thereof."

I think that would meet the objections which the Senator has indicated.

Mr. HARRIS. Mr. President, I should like to ask the author of the amendment how it would affect the State road which runs from Chattanooga to Savannah, the road owned by the State of Georgia? It is leased by the Nashville, Chattanooga & St. Louis, which in turn is controlled by the Louisville & Nashville Railroad. The Nashville, Chattanooga & St. Louis is building an independent line from Tennessee to Atlanta; and I should like to know how this amendment would affect the State road while it is under lease, and also if it should be operated by the State at the end of the lease?

Mr. GAY. I do not think it would affect it at all.

Mr. HARRIS. I did not hear the amendment read.

Mr. LENROOT. Mr. President, it seems to me that the suggested amendment of the Senator from Louisiana [Mr. GAY] does not at all meet the objection made by the Senator from Iowa. The only difference that it would make in the law with his amendment is as to ownership; but in the case of a railroad generally engaged in interstate commerce, the same as any other railroad corporation, it still would be included in the bill with the suggested amendment, and if we have here a railroad doing the same business as an ordinary railroad corporation is performing I can not see why it should not be subject to the provisions of this bill, whatever the provisions may be.

Mr. GAY. I will say, if the Senator will pardon me, that this railroad is merely a switching terminal—part of the dock facilities of the city.

Mr. LENROOT. That may be what the Senator from Louisiana has in mind; but the language of the amendment would cover any railroad owned by any political subdivision, and it might be a thousand miles in length. In fact, we have, or did have, the Cincinnati, Dayton & Ohio road, that was owned by the city of Cincinnati; I do not know but that it is still owned by the city of Cincinnati. It would take that road out of the operation of this law.

Mr. GAY. This applies to a belt railroad.

Mr. LENROOT. No; it is only "including belt-line railroads." It reads "any carrier by rail, including belt-line railroads."

Mr. KING. Mr. President, will the Senator permit me to interrupt him?

Mr. LENROOT. I yield.

Mr. KING. Does the Senator believe, with the information which he possesses, in view of the statement made by the Senator, that that particular road ought to come within the operation of the bill?

Mr. LENROOT. If it were limited to belt-line railroads, for instance, I would have no objection to that portion of the amendment.

Mr. KING. Of course, I am entirely in sympathy with the Senator from Louisiana, and if I had my way I would go a great deal further. I think this bill goes too far in destroying municipal roads, and roads that are purely intrastate, and can possibly have no relation to interstate roads.

Mr. LENROOT. That might be; but this amendment would cover any road, of any length, doing exactly the same character of business that a railroad is doing that is covered by the bill; and the mere fact of ownership ought not to deprive the public—which is the purpose of this legislation—of the regulation in the public interest of that kind of a railroad, as well as any other.

Mr. CUMMINS. Mr. President, may I interrupt the Senator from Wisconsin?

Mr. LENROOT. Yes.

Mr. CUMMINS. He has very well expressed my view. It is the character of the service which the railroad renders which must except it from the operation of the law, rather than the ownership. Now, I think the belt line is already excepted, certainly from the consolidation plan, and I have no objection to that; but I am not willing to go into the question of ownership at all.

Mr. LENROOT. Now, Mr. President, as to the second portion of the amendment, certainly it does not seem to me that the Senate should adopt that. It reads:

> In prescribing or reviewing rates, fares, or charges exacted or to be exacted by any such carrier by rail the commission shall take into consideration, in addition to other proper charges and expenses, all legitimate development costs and the par value of bonds which have been or may be issued by any such State or political subdivision—

And so forth. It lays down an absolutely unique rule of valuation, and one that has been consistently discarded by the courts. No court has ever even suggested that in making a valuation for the purpose of fixing rates the par value of securities shall be taken into consideration. The farthest the courts have ever gone is the suggestion that the market value of securities might be one of the elements to be considered; and certainly the Senate and the Congress ought not to fix one rule of valuation for State or municipally owned properties and a different rule of valuation for privately owned properties.

It is the public, I say again, that is interested in having reasonable rates, and if a municipal corporation or any subdivision of a State has issued securities for double the valuation of the property, the mere fact that it is done by a State or subdivision thereof should not cause the public to be charged with exorbitant rates. That is exactly the proposition of watered stock in railroads, nothing different; and this amendment in its effect would legalize any water there may have been in the issue of bonds. Of course, I can not conceive that the chairman of the committee or the Senate would accept such a discrimination in favor of publicly owned utilities.

Mr. GAY. Mr. President, the Senator from Wisconsin has called attention to a feature of this amendment which certainly

was not the intention of the Senator from Louisiana in presenting it to the Senate. He feels deeply interested in seeing the municipal belt railroads—for instance, one such as exists now in the city of New Orleans—exempted from the provisions of this bill. I do not believe the bill was ever intended to take in a railroad of this description, but it might be so construed. I would suggest, if the Senator from Wisconsin agrees, that this matter could be afterwards amended, perhaps, in conference.

Mr. LENROOT. Mr. President, if the Senator will yield, I would suggest that he withdraw his amendment, and he can perfect it to-morrow so as to cover the identical thing he has in mind.

Mr. GAY. Does that meet with the approval of the chairman of the committee?

Mr. CUMMINS. That is quite satisfactory.

Mr. HARRIS. Mr. President——

Mr. GAY. Then I ask permission to withdraw the amendment, with the idea of further perfecting it later.

The PRESIDING OFFICER. The amendment is withdrawn. The Senator from Georgia is recognized.

Mr. HARRIS. I merely wanted to ask that the amendment be withdrawn until to-morrow, on account of its importance to my State.

Mr. CUMMINS. I move that when the Senate adjourns, it adjourn until 11 o'clock to-morrow.

The motion was agreed to.

Mr. CALDER. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of page 95 it is proposed to add the following new section:

SEC. 47½. That the third proviso of the eleventh paragraph of section 20 of the act to regulate commerce, as amended, is hereby amended to read as follows:

"*Provided further*, That it shall be unlawful for any such common carrier to provide by rule, contract, regulation, or otherwise a shorter period for giving notice of claims than 90 days, for the filing of claims than 4 months, and for the institution of suits than 2 years, such period for institution of suits to be computed from the day when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof specified in the notice."

Mr. CUMMINS. That is a provision which was found in the House bill. I think it is a very just and wise one. While I have no authority to accept it I shall be very glad indeed to have the Senate make it a part of this bill.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I am going to offer an amendment simply to clear up any doubt there may be with reference to the language on page 28, in line 18. I do not think myself that there is any doubt about what the word "carrier" refers to in that line, but it has been suggested to me by some that they do have some doubt about it. So I offer the following amendment. After the word "carrier," on page 28, line 18, I move to insert the words "by railroad."

Mr. CUMMINS. I have no objection to that, because I understand the section to be limited to that sort of a carrier now.

The amendment was agreed to.

Mr. JONES of New Mexico. I offer amendments to the pending bill, which I do not suppose can be disposed of to-night, and I ask that they be printed in the RECORD and lie on the table.

The PRESIDING OFFICER. It is so ordered.

The amendments are as follows:

On page 14, after the word "secured," insert the following words: "also the requirements for additional capital in order to encourage the construction of railroads in parts of the United States lacking adequate transportation facilities, and the conditions under which the same can be secured."

On page 18, after line 8, insert the following new section:

"SEC. 6a. The commission may, in its discretion, exempt any corporation organized after the passage of this act, which shall construct, maintain, and operate any new line of railroad in any part of the United States lacking adequate transportation facilities, from any or all of the provisions of this act relating to the adjustment of rates, fares, and charges to yield the designated return in the various rate districts, the disposition of excess railway operating income, or the consolidation or Federal incorporation of carriers, but only with respect to such new line or lines of railroad, in so far as such corporation shall request such exemption, and in so far as the commission shall, after hearing and under such procedure as it may prescribe, determine that such exemption is consistent with the public welfare, but not for a period exceeding 10 years after the building of the railroad. The property, rates, and railway operating income of any such carrier, in so far as it is so exempted, shall not be taken into consideration during the continuation of such exemption, in determining the aggregate value of the railroad property in any rate district, the rates, fares, and charges to be exacted by the other carriers therein to yield the designated return, or the disposition of the excess railway operation income of such other carriers, under the provisions of this act.

"The commission may, in its discretion, so adjust the rates, fares, and charges of such an exempted carrier, and may, by order promulgated in advance, after notice and hearing and under such procedure as it may prescribe, adjust the rates, fares, and charges of such carrier with respect to any line of railroad under construction or to be constructed by it that such rates, fares, and charges will yield a net railway operating income for such carrier, with respect to such new line or lines of railroad, not exceeding 10 per cent of the actual value of its property used for transportation purposes, if and in so far as the commission shall determine that such rates, fares, and charges are necessary in order to encourage the construction of any new line of railroad in any part of the United States lacking adequate transportation facilities: *Provided*, That every rate, fare, or charge of any such exempted carrier shall at all times be fair and reasonable as compared with those charged for similar services under like conditions by other railroads in the same rate district; and that such carrier, its directors, officers, agents, and employees shall, except as herein otherwise provided, be subject in all respects to the provisions of the act to regulate commerce and of this act. The commission may at any time alter or amend any order, regulation, rate, fare, or charge prescribed or permitted under the provisions of this section, and may exempt any such carrier or continue such exemption under such conditions as it may by order prescribe."

On page 74, after line 4, insert the following new paragraph:

"It shall be the duty of the board, in exercising this authority, to encourage the construction, by corporations organized after the passage of this act, of new lines of railroad in parts of the United States lacking adequate transportation facilities."

On page 17, after the word "carriers," in line 9, insert the following words: "including loans to corporations organized for the purpose of constructing, maintaining, and operating railroads in parts of the United States lacking adequate transportation facilities."

Mr. SHEPPARD. Mr. President, I offer the following amendment relating to the liability of common carriers, about which I have spoken to the chairman of the committee.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. Amend by adding, after the word "State," on page 76, line 4, the following proviso:

Provided, That nothing contained in this section or in this act is intended to change, alter, modify, or limit present liability of common carriers, and their liability shall be and remain as it now exists under the common law and by statute.

Mr. CUMMINS. Mr. President, there is nothing in the section to which the amendment refers that by any possible construction or interpretation could be held to modify or change the liability of common carriers. But I am very desirous that everybody will understand that that is so, and inasmuch as I know that this amendment has been suggested by a distinguished lawyer and a highly respected citizen, I do not oppose the amendment, and hope it will be adopted.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, on page 52, line 4, I offer the following amendment.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. On page 52, line 4, after the word "railway," strike out the words "or water."

Mr. CUMMINS. Mr. President, that, of course, raises the old question. It is the section which relates to the supervision by the Interstate Commerce Commission over the issuance of securities. There are only a certain class of carriers subject to this act, as the Senator from Washington knows, and I can not see why the commission should not have authority over the issuance of securities by the carriers which are subject to the act or within the act. The Senator from Washington does not desire, I am sure, to take away from the Interstate Commerce Commission the jurisdiction which it now has; at least, he has not proposed to do that. Why, therefore, should not the commission have the authority to regulate the issuance of securities with respect to the very carriers whose rates it must regulate or supervise?

Mr. JONES of Washington. Mr. President, it has been suggested to me that the character of the business, and the manner of doing it, of the water carrier is very much different from that of the rail carrier, and it was suggested that if this provision were adopted, for instance, if a vessel were wrecked and it were necessary to salvage it, no indebtedness could be incurred, no notes issued, or anything of that sort, without first getting the consent of the commission, if it exceeded 5 per cent; that that takes time; that the condition is entirely different from what it would be in connection with a railroad, and that therefore this provision ought not to apply. The company may be small; it may be a small boat that is wrecked; and yet it would have to wait on the board before it could issue a note or other evidence of indebtedness.

Mr. CUMMINS. I do not so construe the section.

Mr. JONES of Washington. That is the way it has been construed by those who have looked into it pretty carefully. I have not had time to examine it as carefully as I would like.

Mr. CUMMINS. The section, section 24, begins:

From and after 90 days after approval hereof it shall be unlawful for any railway or water common carrier subject to this act to issue any share of capital stock or any bond or other evidence of interest in or indebtedness of the carrier, herein collectively termed "securities," or to assume any obligation or liability as lessor. * * *

Unless it be for some lawful object within its corporate purposes.

Mr. JONES of Washington. And on page 55 it provides that—

The foregoing provisions of this section shall not apply to notes to be issued by any said carrier maturing not more than two years after the date thereof and aggregating not more than 5 per cent at any time of the par value of the securities of said carrier then outstanding.

A great many of these water carriers are comparatively small institutions, and it was feared that the provision might work quite a hardship on them.

Mr. CUMMINS. Mr. President, that presents a question upon which there are differences of opinion. It is in the House bill, and I am quite willing, if the Senator from Washington desires it, to take it into conference.

Mr. JONES of Washington. I would like to have that done so that it may be considered in conference.

The amendment was agreed to.

Mr. LENROOT. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. On page 35, line 10, after the word "writing," insert the words "the properties or securities so acquired," and in line 12 strike out the words "so acquired."

Mr. KING. Let the language be read as proposed to be amended.

The SECRETARY. So that it will read:

The board shall have the power, and it shall be its duty, to transfer, by proper instruments in writing, the properties or securities so acquired to the corporation—

And so forth.

And in line 12 strike out the words "so acquired."

Mr. CUMMINS. Mr. President, not only am I willing to accept this amendment, but I am very greatly obliged to the Senator from Wisconsin for calling it to my attention, and for offering it. There is a plain omission in the text of the bill, brought about by failure of either a clerk or the Printing Office to make the text complete.

The amendment was agreed to.

Mr. POINDEXTER. Mr. President, I offer an amendment on page 77, line 22. I move to strike out, beginning with the words "*Provided, however,*" all of that paragraph, extending to line 17 on the following page. That is the long-and-short-haul provision.

Mr. SMOOT. Let it go over until to-morrow.

Mr. CUMMINS. The Senator from Washington knows very well that his views and mine concur with respect to this amendment, but I feel that it is a subject of such great importance that it ought to be discussed and determined when there are more Senators here. I ask the Senator from Washington whether he wants to have the matter disposed of at this time. I feel quite certain that it would lead to some discussion.

Mr. KING and Mr. POINDEXTER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. POINDEXTER. The Senator from Iowa directed a question to me, if the Senator from Utah will allow me to answer it.

Mr. KING. If the Senator would just permit me, I would like to state that I have made a promise to certain Senators that if this and other very important amendments should be called up to-night, I would ask for a quorum, or beg the chairman of the committee to allow them to go over until to-morrow; and I make the request now, with respect to this matter, that it be permitted to go over until to-morrow.

Mr. CUMMINS. I am very much in favor of a rigid long-and-short-haul clause, as the Senator from Washington knows; but I do not think it would be quite fair to dispose of it at this time.

Mr. POINDEXTER. I think the Senator from Iowa is entirely right about that, and my purpose in moving it this evening was to give notice and get the matter before the Senate. I have no objection to passing over the amendment for the time being.

Mr. KING. Mr. President, will the Senator permit an inquiry? Some of the Senators who are very much interested in this question are not here, and I am sure if the Senator would make a brief statement as to the effect of it, so that it would appear in the RECORD and they could read it before coming to the Senate in the morning, it would enable some of us to vote a little more intelligently.

Mr. POINDEXTER. Mr. President, it would be impossible to state this case in the offhand way that the Senator from Utah suggests and do justice to it at all. I will state the parliamentary effect of the amendment. It is to strike out the proviso of the long-and-short-haul rule in the fourth section of the interstate-commerce act. The result of striking out the proviso would be to leave the long-and-short-haul section of the bill unqualified. It would be to leave the rule without exception, that no greater charge could be made for the transportation of passengers or property for a short haul over the same line and in the same direction than is made for a long haul. I think that is a sufficient statement of the object and effect of the amendment.

I may say just one word in addition. Under the present system a practice has grown up by which the terminals of the railroads are favored at the expense of the entire interior country, one of the worst sufferers being the State of Utah, so well represented by the distinguished Senator. Goods are hauled over the Union Pacific and the Central Pacific, from Chicago and from New York, through the State of Utah, to the city of San Francisco, across great mountain ranges, at great expense, difficult transportation, at a lower rate than if those same goods were deposited in transit at an intermediate point in the State of Utah. The purpose, of course, is to throttle and retard the development of the State of Utah. It is with the object of removing such discrimination that I offer this amendment. The question is quite familiar to many Senators, and to-morrow when the matter comes up, if necessary, I will make some further statement in regard to it.

The PRESIDING OFFICER. Without objection the amendment will go over.

Mr. CUMMINS. Mr. President, on behalf of my colleague [Mr. KENYON] I present the following amendment.

The PRESIDING OFFICER. The Secretary will read it.

The SECRETARY. On page 3, line 14, after the word "repeal," insert the following paragraph:

All complaints heretofore or hereafter filed with the Interstate Commerce Commission, arising out of the maintenance or enforcement of unjust, unreasonable, unjustly discriminatory, or unduly prejudicial rates, fares, rules, regulations, or practices during the period of Federal control, shall proceed to a conclusion. If reparation shall be awarded by the commission in any such case by reason of the collection or enforcement of rates, fares, rules, regulations, or practices during the period of Federal control, including rates, fares, rules, regulations, or practices applicable to interstate, foreign, and intrastate traffic initiated by the President, which the commission shall find to have been unjust, unreasonable, unjustly discriminatory, unduly prejudicial, or otherwise, in violation of law, the amount of reparation so awarded shall be paid forthwith out of unexpended balances in the revolving fund created by the Federal control act, out of moneys appropriated by the act entitled "An act to supply a deficiency in the appropriation for carrying out the act entitled 'An act to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes,' approved March 21, 1918," approved June 30, 1919, out of moneys derived from the operation of the carriers, or otherwise, arising out of Federal control, out of moneys that have been or may be received in payment of the indebtedness of any carrier to the United States arising out of Federal control, or out of other moneys appropriated by this or other acts for such purpose. All complaints praying for reparation by reason of the collection or enforcement of unjust, unreasonable, unjustly discriminatory, or unduly prejudicial rates, fares, rules, regulations, or practices, during the period of Federal control, shall be filed with the Interstate Commerce Commission within one year after the termination of Federal control, as herein provided, and not otherwise. All complaints hereafter filed praying for reparation by reason of collection or enforcement of unjust, unreasonable, unjustly discriminatory, or unduly prejudicial rates, fares, rules, regulations, or practices, during the period of Federal control, shall be brought against the United States of America, and service shall be made upon the Attorney General of the United States, and in all such proceedings heretofore filed and pending and undetermined at the time of the expiration of the period of Federal control, as in this act provided, the United States of America shall be substituted for the Director General of Railroads as defendant, and all notices and orders in such proceedings shall thereafter be served upon the United States Attorney General.

Mr. CUMMINS. Mr. President, the amendment just read does not, in my opinion, enlarge the scope of the bill except in one respect, namely, a limitation upon filing claims for reparation. The whole purpose of the amendment is to make it clear that the claims for reparation and for unjust and unreasonable charges during Federal control shall be filed with the Interstate Commerce Commission, and that the commission shall continue to have the same jurisdiction which it has had heretofore in that respect. I offer no objection to the amendment.

The amendment was agreed to.

Mr. POMERENE. Mr. President, I wish to call the chairman's attention to a change on page 64 which I think should be made. In line 20 I move to strike out the words "said commission" and insert in lieu thereof the words "the committee of wages and working conditions, the regional board of adjustment, or the board, as the case may be." The words I seek to insert appear in lines 8, 9, and 10, which will enable the Secretary to follow it.

Mr. CUMMINS. There is no objection to the amendment. It is a clerical correction.

The amendment was agreed to.

Mr. POMERENE. Also, on page 65, in line 5, after the word "committee." I move to insert the words "a regional board of adjustment."

Mr. CUMMINS. There can be no objection to that amendment.

The amendment was agreed to.

Mr. POMERENE. On the same page, 65, in line 12, after the words "by the board," I move to amend by inserting the words "or by said regional board of adjustment." I submit the amendment just as stated. There is a little difference between the chairman of the committee and myself as to just where it should go in, but it can be called up to-morrow if desired.

Mr. CUMMINS. There is no objection to the amendment, but a hasty survey of it seems to me to make it appropriate at another place. However, that can be adjusted hereafter.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, some difficulty has arisen over section 20 of the interstate commerce act with reference to the liability of water carriers for loss, damage, or injury to property while in its custody. To make that clear, I desire to offer the following amendment.

The PRESIDING OFFICER. The Secretary will state the proposed amendment.

The SECRETARY. After the words "United States," in line 25, page 95, insert a new section, to be known as section 47½, to read as follows:

SEC. 47½. The eleventh paragraph of section 20 of the interstate commerce act is hereby amended by inserting immediately before the first proviso thereof the following: "*Provided*, That if the loss, damage, or injury occurs while the property is in the custody of a carrier by water, the liability of such carrier shall be determined by and under the laws and regulations applicable to transportation by water, and the liability of the initial carrier shall be the same as that of such carrier by water."

Mr. JONES of Washington. The amendment which I propose I understand—I have not had time to look it up—was recommended by Commissioner Clark, of the Interstate Commerce Commission. At any rate, it was made a part of the House bill in section 435.

Mr. CUMMINS. I have not seen the proposed amendment. I ask the Senator from Washington whether he has examined it and thinks it is right.

Mr. JONES of Washington. I have done so as fully as I have had the time, and I am convinced that it is a proper amendment. The rules of liability by water carriers growing out of the nature of the way they do business are a little different from those of rail carriers.

Mr. CUMMINS. I quite agree with that.

Mr. JONES of Washington. This is to make the liability for damage done while in the custody of the water carriers to be governed by the rules governing the liability of water carriers.

Mr. CUMMINS. What led me to make the inquiry is the language—

Provided, That if the loss, damage, or injury occurs while the property is in the custody of a carrier by water—

The section to which this relates concerns carriage by land as well as by water—

while the property is in the custody of a carrier by water, the liability of such carrier shall be determined by and under the laws and regulations applicable to transportation by water—

That is all right—

and the liability of the initial carrier—

That may be the railroad—

shall be the same as that of such carrier by water.

I am sure the Senator from Washington does not want to destroy or modify the liability of carriers by land and reduce that liability to the standard that we all recognize as proper for carriers by water.

Mr. JONES of Washington. It seems to me that if the damage occurs while the property is being carried by water, if it is a damage for which the railroad is liable, its liability ought not to be greater than the liability of the water carrier.

Mr. CUMMINS. How can that be true when it says if the injury occurs while the property is in the custody of the carrier by water?

Mr. JONES of Washington. The Senator is more familiar with the various phases of the liability of the different carriers, railroad and water, than I am.

Mr. CUMMINS. I am rather familiar with them.

Mr. JONES of Washington. If he thinks that last clause is not necessary or should not be there, I am willing to strike it out, because I can not speak definitely, as I do not know anything about the details of the matter.

Mr. CUMMINS. Assume, now, the instance of a shipment partly by land and partly by water. The land carrier brings it up to the ocean side and then the water carrier takes it. If the injury occurs while it is on the water, then I agree with the proposed amendment entirely.

Mr. JONES of Washington. That is the sole provision—if the damage occurs while the property is in the custody of the water carrier.

Mr. CUMMINS. I think I perceive now the full meaning of the amendment, and I do not think there is any objection to it. I submit that to the Senator from Ohio.

Mr. POMERENE. I have been looking at another matter and have not followed it.

Mr. CUMMINS. I was in error with regard to my reading of the amendment. I have no objection to it.

The amendment was agreed to.

Mr. POMERENE. Mr. President, I wish to direct the chairman's attention to page 3, line 9. The matter was called to my attention by the Senator from Texas [Mr. SHEPPARD]. Should not the word "county" be "court"?

Mr. CUMMINS. That is plainly a misprint. I think it should be corrected.

Mr. POMERENE. I move to amend by striking out the word "county," in line 9, page 7, and inserting in lieu thereof the word "court."

The amendment was agreed to.

Mr. POMERENE. On page 55, line 12, I move to strike out the word "than," before "outstanding," and insert in lieu thereof the word "then." It is evidently just a misspelling.

Mr. CUMMINS. It is a typographical error that ought to be corrected.

The amendment was agreed to.

Mr. POMERENE. I also wish to direct the chairman's attention to page 94, line 20. This is evidently an amendment of section 16 of the act to regulate commerce. Line 20 reads as follows:

Made under the provisions of sections 3, 13, or 15 of this act.

It would seem to indicate sections 3, 13, or 15 of the pending bill. I think it means sections 3, 13, or 15 of the act to regulate commerce.

Mr. CUMMINS. Obviously it does.

Mr. POMERENE. I move, therefore, to strike out the word "this" and insert in lieu thereof the words "the act to regulate commerce as amended," so that it will read "sections 3, 13, or 15 of the act to regulate commerce as amended."

Mr. CUMMINS. There is no objection to that amendment.

The amendment was agreed to.

Mr. LENROOT. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin will be stated.

The SECRETARY. On page 10, line 3, after the word "carrier," it is proposed to insert the following:

Accepting in writing the provisions of this section and.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

Mr. CUMMINS. Mr. President, I am glad to accept the amendment. It makes certain what I believe to be the real intent of the committee.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, on page 82, after line 13, I offer a new section to be known probably as section 41½. I do not think the Senator from Iowa will have any objection to the amendment. It is a provision that is found in section 412 of the House bill.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The SECRETARY. On page 82, after line 13, it is proposed to insert a new section, to be known as section 41½, as follows:

SEC. 41½. Section 6 of the act to regulate commerce is hereby further amended to read as follows: "(e) The absorption out of its port to port water rates or out of its proportional through rates by water carrier of the switching, terminal, lighterage, car rental, trackage, handling, or other charges by a rail carrier for services within the switching, drayage, lighterage, or corporate limits of a port terminal or district, shall not be held to constitute an arrangement for a continuous carriage or shipment within the meaning of the act to regulate commerce and shall not subject such water carrier to the provisions of such act."

Mr. CUMMINS. As I understand, that is a provision which is recommended by the Interstate Commerce Commission?

Mr. JONES of Washington. Yes; I so understand.

Mr. CUMMINS. I shall make no objection to it.

The amendment was agreed to.

Mr. FRANCE. I desire to offer the amendment which I send to the desk, adding certain new sections to the bill.

The PRESIDING OFFICER. The amendment proposed by the Senator from Maryland will be stated.

The SECRETARY. At the proper place in the bill it is proposed to insert the following:

SEC. —. That hereafter it shall be unlawful for any owner, operator, manager, trustee, receiver, or lessee of any transportation system or systems, by land or water routes within the territorial boundaries of the United States of America and engaged in or soliciting interstate commerce under a common control, management, or arrangement, or any servant, employee, or agent of such owner, manager, trustee, receiver, operator, or lessee, or any other person having connection therewith, to deny or to refuse to furnish, by any device or method whatsoever, equal and identical rights, accommodations, and privileges to any person who shall pay, or offer to pay, the uniform charge made for such equal and identical rights, accommodations, and privileges in interstate transportation, when such refusal is on account of the race, color, or previous condition of servitude of the person so applying.

And it shall hereafter be further unlawful for any owner, operator, manager, lessee, trustee, or receiver of any system or systems of transportation within the territorial boundaries of the United States of America and engaged in or soliciting interstate commerce, or any servant, employee, or agent of such owner, operator, manager, trustee, receiver, or lessee, or any other person connected therewith, to operate upon any part of their transportation system or systems any car, vessel, train of cars, or other conveyance in and upon which any person being transported to a final destination beyond the boundaries of any State or Territory of the United States of America, or beyond the boundaries of the District of Columbia, and paying, or offering to pay, the uniform charge made for transportation in interstate transportation, shall, on account of race, color, or previous condition of servitude, be separated from any other passenger, or be denied equal and identical rights, accommodations, and privileges accorded any other passenger paying or offering to pay such uniform charge for interstate transportation, or be permitted to be assaulted, molested, or in any other way injured or oppressed by reason of the exercise of any right herein granted or protected.

SEC. —. That any owner, manager, lessee, operator, trustee, or receiver of any system of transportation as set forth in section 1 of this act who shall violate or connive at the violation of any of the provisions of section 1 shall for each such violation or connivance forfeit not less than the full sum of $5,000, to be recovered in a proper United States court, in an action on the case, to the use of each person aggrieved by such violation, together with costs and reasonable counsel fees, to be fixed by the trial justice; and all other persons guilty of such violation or participation therein shall, upon conviction in a proper United States court, be fined $1,000 or imprisoned in a Federal prison for one year, or both.

SEC. —. That the provisions of this act shall apply to the interstate operation of transportation systems under Federal control, with like penalties and punishments for its violation.

SEC. —. That all acts, parts of acts, statutes, regulations, and orders not in conformity herewith are hereby amended, altered, or repealed.

Mr. FRANCE. Mr. President, I shall not discuss this amendment at this time, but on some future occasion I shall discuss the various important questions involved in the amendment. I, however, have offered the amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Maryland.

The amendment was rejected.

The PRESIDING OFFICER. The bill is still before the Senate, as in Committee of the Whole, and open to amendment.

Mr. CUMMINS. Mr. President, my purpose this evening was, so far as possible, to dispose of all amendments concerning which there was no serious dispute. I recognize that there are certain amendments, among them the one offered by the Senator from Kentucky [Mr. STANLEY], which he withdrew a few hours ago, and many others that will excite considerable debate. I do not want to enter upon the consideration of those amendments this evening; but if the Senator from Washington [Mr. JONES] has other amendments——

Mr. JONES of Washington. I was going to say that I desire to offer an amendment. After it is read the Senator from Iowa, I think, is probably sufficiently acquainted with the situation to decide whether or not it is proper. I have a little memorandum in regard to it.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington will be stated.

The SECRETARY. On page 92, after the word "case," in line 2, it is proposed to strike out the quotation marks, the period, and insert a comma and the following:

Provided, however, That the carrier to which property may have been so diverted shall not be liable hereunder unless it had actual notice by bill of lading, way bill, or otherwise of such routing instructions, in which event the revenue received or receivable for such freight shall be recoverable only from the carrier which diverted the property contrary to routing instructions in the bill of lading.

Mr. CUMMINS. Mr. President, there is no objection to that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. CUMMINS. I ask that the bill be reprinted showing in italics the amendments adopted up to this time, so that all Members of the Senate may be apprised of what has been done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HENDERSON. Mr. President, will the Senator yield for a moment?

Mr. CUMMINS. I yield.

Mr. HENDERSON. I should like to call the attention of the Senator from Iowa to an amendment proposed by the Senator from California [Mr. JOHNSON], which proposes to strike out, on page 88, line 17, beginning with the sentence "And in establishing such through route" and ending on page 89, in line 6, with the words "desirable in the public interest." Does the Senator from Iowa think that that proposed amendment if offered at this time would provoke debate?

Mr. CUMMINS. Mr. President, the amendment raises the question presented by the Senator from Minnesota [Mr. KELLOGG] a little while ago, and which was incidentally brought before us by the amendment offered by the junior Senator from Missouri [Mr. SPENCER].

The amendment just referred to by the Senator from Nevada would strike out the limitation in the present law with regard to the establishment of through routes and would leave the Interstate Commmerce Commission at liberty to establish a through route under such circumstances as might deprive the initial carrier of a haul over its line in the same direction. I am not prepared to accept the amendment, although if it were properly guarded the authority of the commission could very well be enlarged in that respect; but I am sure the Senator from Minnesota opposes the amendment as it is, and I would not care to take it up to-night, because it might provoke debate and could not be disposed of without a roll call. If the Senator from Nevada is willing to have the amendment disposed of without a roll call I am perfectly willing to have it submitted.

Mr. HENDERSON. I merely desired to call the proposed amendment to the attention of the Senator from Iowa. If it is going to lead to debate I shall not present it at this time, as I understood the Senator from Iowa to say that only amendments that would not lead to debate would be brought up this evening.

Mr. WALSH of Massachusetts. I submit amendments to the pending bill, which I ask may be printed in the RECORD and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 1, line 7, after the word "repealed," insert the following: "So far as it affects railway corporations, common carriers, or systems of transportation, accepting the terms and provisions of this act, but otherwise shall continue in full force and effect until the end of the calendar year 1924: *Provided, however,* That the regulation of intrastate rates shall after the repeal, both with respect to carriers electing to remain under the provisions of the Federal control act and with respect to all other carriers, be revested in the several States and the agencies established by law therein."

Also, on page 2, line 1, after the word "any," insert "such," and in line 10 strike out "all" and insert "such."

Also, on page 60, strike out the entire section 26 and insert in lieu thereof the following:

"SEC. 26. The wages and salaries paid to classified employees, including sleeping-car employees, by common carriers accepting the terms and conditions of this act, and the wages and salaries paid to such classified employees of transportation systems remaining under Federal control, together with the hours of labor and all other conditions of employment of such classified employees, shall be at least as favorable to such employees as those paid and accorded for similar services rendered under similar conditions in other industries, taking into account the hardships, hazards, and responsibilities of the employment, the training and skill required, the steadiness and tenure of service, and any provisions for participation in pensions or other benefits. The purchasing power of such wages and salaries shall be stabilized as follows: The scales of such wages and salaries in force on July 1, 1915, shall be considered the basic scales of such salaries and wages. The Bureau of Labor Statistics shall compile and publish on the 1st days of February, May, August, and November of each year tables showing the current average cost at retail, in the principal industrial and commercial centers, of such supplies of food, clothing, housing facilities, fuel and lights, furniture, and other necessaries in the proportionate amounts reasonably sufficient for the support of a family of two adults and three minor children therein, together with the cost of the same group of necessaries in December, 1914; and the wage or salary paid at each pay day to each such classified employee whose basic rate is less than $3,000 a year shall be at such basic rate for the corresponding service performed in July, 1915, plus the percentage by which the cost of the group of necessaries before mentioned at the industrial or commercial center nearest his place of residence, as shown by the tables of the bureau last published, exceeds the cost of the same group of necessaries in December, 1914: *Provided, however,* That nothing in this section shall operate to reduce the amount of wages or salary of any employees below the amount to which such employee was entitled in December, 1919: *And provided further,* That the board shall have power, upon the petition of the representatives of any group of such employees, to readjust the basic scale of wages and salaries whenever it shall determine, after such notice and hearing as it shall prescribe, that the actual compensation received by any such employee or employees is less than that paid in other industries for similar services rendered under similar conditions, or is inadequate for any other reason."

ADJOURNMENT.

Mr. CUMMINS. I move that the Senate adjourn.

Mr. EDGE. If the Senator will allow me, is the motion of the Senator to adjourn to 11 o'clock to-morrow morning?

Mr. CUMMINS. The Senate has already adopted an order that when it adjourns to-day it shall adjourn to meet at 11 o'clock to-morrow morning.

The PRESIDING OFFICER. The question is on the motion of the Senator from Iowa that the Senate adjourn.

The motion was agreed to; and (at 8 o'clock and 30 minutes p. m.) the Senate adjourned, the adjournment being under the order previously entered until to-morrow, Tuesday, December 16, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

MONDAY, *December 15, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou great Father Soul, ever working in and through Thy children, we realize that:

Art is long, and Time is fleeting,
And our hearts, though stout and brave,
Still, like muffled drums, are beating
Funeral marches to the grave.

Inspire us with clear perceptions, high ideals, worthy endeavors, with always a noble purpose in view, that we may work out our own salvation with fear and trembling: For it is God which worketh in us both to will and to do of his good pleasure.

Let us, then, be up and doing,
With a heart for any fate;
Still achieving, still pursuing,
Learn to labor and to wait.

After the similitude of the Master. Amen.

THE JOURNAL.

The Journal of the proceedings of Saturday, December 13, 1919, was read.

Mr. BLANTON. Mr. Speaker, I think we ought to have a quorum present, and I make the point of order that there is no quorum present.

Mr. MONDELL. Will the gentleman withhold that for a moment? I should like to submit a request for unanimous consent.

Mr. BLANTON. I think the gentleman would rather make it with a quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. MONDELL. I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 41, noes 11.

Accordingly a call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Anderson	Ellsworth	LaGuardia	Rowan
Andrews, Md.	Fairfield	Lehlbach	Rowe
Anthony	Ferris	Lesher	Sabath
Aswell	Fess	McCulloch	Sanders, Ind.
Bacharach	Gallivan	McKeown	Sanders, La.
Baer	Garland	McLane	Sanders, N. Y.
Bee	Goodall	Madden	Sanford
Bell	Graham, Pa.	Mann, Ill.	Schall
Blackmon	Hadley	Miller	Scully
Bland, Mo.	Hamill	Moon	Sears
Booher	Hamilton	Moore, Ohio	Smith, Ill.
Bowers	Hardy, Colo.	Moore, Pa.	Smith, N. Y.
Brand	Harreld	Moore, Va.	Steele
Britten	Heflin	Mott	Steenerson
Brooks, Pa.	Hoch	Mudd	Sullivan
Burdick	Hudspeth	Neely	Sumners, Tex.
Burke	Hulings	Nicholls, S. C.	Tague
Clark, Fla.	Humphreys	Nichols, Mich.	Taylor, Ark.
Cleary	Husted	Nolan	Thompson
Connally	Hutchinson	O'Connor	Tillman
Cooper	Igoe	Osborne	Vaile
Copley	Johnson, Ky.	Paige	Venable
Costello	Johnson, S. Dak.	Pell	Watson, Va.
Davey	Johnston, N. Y.	Pou	Webster
Denison	Jones, Tex.	Ramseyer	Wheeler
Dewalt	Kahn	Randall, Calif.	Williams
Donovan	Kearns	Reavis	Wilson, Ill.
Dooling	Kelley, Mich.	Riddick	Wilson, La.
Dunbar	Kendall	Riordan	Wise
Dunn	Kennedy, R. I.	Robinson, N. C.	Young, Tex.
Eagan	Kettner	Robsion, Ky.	
Eagle	King	Rodenberg	
Edmonds	Kreider	Romjue	

The SPEAKER. On this roll call 303 Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wyoming moves to dispense with further proceedings under the call. Without objection, it will be so ordered.

Mr. BLANTON. I object, Mr. Speaker.

The SPEAKER. The gentleman from Wyoming moves to dispense with further proceedings under the call.

The question being taken,

Mr. BLANTON. Division, Mr. Speaker.

The House proceeded to divide.

Pending the division,

Mr. BLANTON. Mr. Speaker, on this question I ask for the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays. All those in favor of ordering the yeas and nays will rise and stand until they are counted. [After counting.] Forty-five Members rising, not a sufficient number.

Mr. BLANTON. I ask for the other side.

The SPEAKER. There is no other side.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry. The Constitution provides that the yeas and nays may be ordered by one-fifth of those present.

The SPEAKER. But there is no other side. The question is whether the demand is seconded by one-fifth of the Members present.

Mr. BLANTON. Then I ask the Chair to count.

Mr. SAUNDERS of Virginia. I submit, Mr. Speaker, that the way to determine whether one-fifth of those present second the demand is to take the vote of the other side.

The SPEAKER. No; the Chair can arrive at it by counting the Members.

Mr. SAUNDERS of Virginia. Yes; and the way to determine that is to count the other side.

The SPEAKER. No; the Chair suggests that it does not follow that all Members present would vote. It very frequently happens that Members do not rise.

Mr. DYER. We have just had a roll call, Mr. Speaker, on the point of no quorum, which showed how many Members were present.

The SPEAKER. The Chair will count.

Mr. CANNON. Mr. Speaker, a parliamentary inquiry. What is the question before the House?

The SPEAKER. The question is whether one-fifth of the Members present rose to second the demand for the yeas and nays.

Mr. LONGWORTH. Mr. Speaker, but the Chair had previously counted within two or three minutes.

The SPEAKER. The Chair had not completed the count. There was a roll call.

Mr. LONGWORTH. The roll call disclosed how many were present.

Mr. CANNON. I make the point of order that the point raised by the gentleman from Texas is dilatory. Nobody has any doubt about it. It is patent to the Chair; and it being dilatory, it seems to me that the Chair ought to proceed with the public business.

Mr. DYER. And further, Mr. Speaker, a call was just had on the point of no quorum, and the number who answered to their names on that roll call are known to the Chair.

The SPEAKER. The Chair thinks he ought to count; it will take but a moment. [After counting.] Two hundred and thirty-one Members present. Not a sufficient number rising in support of the demand for the yeas and nays, the yeas and nays are refused. The doors will be opened. Is there objection to the approval of the Journal? [After a pause.] The Chair hears none.

RESIGNATION OF REPRESENTATIVE ALEXANDER.

The SPEAKER laid before the House the following communication:

HOUSE OF REPRESENTATIVES,
Washington, D. C., December 13, 1919.

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: This is to inform you that I have tendered to the governor of Missouri my resignation as Representative in this Congress from the third Missouri district, to be effective on Monday, the 15th day of December, 1919.

I am, with great respect,
Cordially, yours,
JOSHUA W. ALEXANDER.

ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 1199. An act to prohibit the purchase, sale, or possession for the purpose of sale of certain wild birds in the District of Columbia.

RATIFICATION OF CONSTITUTIONAL AMENDMENT.

The SPEAKER laid before the House a communication from the governor of North Dakota, announcing the ratification by the legislature of that State of the proposed amendment to the Constitution of the United States extending the right of suffrage to women.

LEAVE OF ABSENCE.

The following leave of absence was granted:

To Mr. ROMJUE, for four days, on account of sickness.

To Mr. GALLIVAN, for five days, on account of important business.

To Mr. JONES of Texas, for one week, on account of illness in his family.

To Mr. SUMNERS of Texas, for the balance of the week, on account of sickness in his family.

Mr. MONDELL. Mr. Speaker, I desire to express the sincere regret which I am sure is felt by all Members of the House on both sides at the resignation and departure from our midst of Judge ALEXANDER, of Missouri. [Applause.] I am sure we all realize that he will discharge the duties of the high office to which he has been called in a way that will reflect credit on himself and serve the best interests of his country. We wish him well in his new duties. [Applause.]

AMENDMENT TO THE ARMY APPROPRIATION BILL.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that at the conclusion of the debate under the rule now before the House, the business which, except for that rule, would be in order to-day, shall be in order either to-day or to-morrow.

The SPEAKER. The gentleman from Wyoming asks unanimous consent——

Mr. CLARK of Missouri. Mr. Speaker, is the gentleman asking to transfer Monday to Tuesday?

Mr. MONDELL. I am asking that at the conclusion of the debate under the rule——

Mr. CLARK of Missouri. You have not got through with that debate yet.

Mr. MONDELL. I realize that we have not, but I ask that at the conclusion of the debate, whether that be to-day or to-morrow, the business that would otherwise be in order shall be in order either to-day or to-morrow.

Mr. CLARK of Missouri. I want to find out just what the gentleman asks. If we get through the debate to-day is the fragment of to-day that is left what he refers to, or is it to-morrow?

Mr. MONDELL. I imagine that the business before the House will under the rule take the greater part of the day. I hope it will be disposed of to-day, in which event I should expect that suspension of the rules and unanimous-consent matters might be taken up to-morrow.

Mr. CLARK of Missouri. That is what the gentleman is asking.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that at the conclusion of the debate, under the rule now pending before the House, on either to-day or to-morrow the business in order to-day shall be in order. Is there objection?

Mr. GARRETT. Reserving the right to object——

Mr. SAUNDERS of Virginia. Reserving the right to object——

Mr. MONDELL. And if we conclude debate to-day early enough to take up unanimous-consent matters for a short time, and if the time is so short that we can not get very far, that we shall have to-morrow also.

Mr. GARD. Reserving the right to object, does not the gentleman think that he had better make his request for that calendar to be considered to-morrow? It is manifest that there will be no time to-day.

Mr. MONDELL. My request is that at the conclusion of the business under the rule, the Unanimous Consent Calendar and suspension matters shall be in order to-day and include to-morrow.

Mr. GARD. The gentleman makes it apply to a part of to-day.

Mr. MONDELL. If there shall be any time to-day.

Mr. GARD. It is manifest that there will be no time to-day, or, at least, a very small amount of time. Why does not the gentleman make the request for to-morrow?

Mr. MONDELL. Because if we dispose of the matters before the House I know of no reason why for the remainder of the day we should not go on to the Unanimous Consent Calendar.

Mr. BARKLEY. That does not require unanimous consent. That would follow anyway to-day.

Mr. MONDELL. Perhaps it would to-day, but my purpose is to ask unanimous consent that suspension matters may follow the debate under this rule and that it shall extend over to-morrow.

Mr. BLANTON. Reserving the right to object, the gentleman from Wyoming is assuming the fact that the rule brought in on Saturday has the right of way to-day?

Mr. MONDELL. I am.

Mr. BLANTON. I call the gentleman's attention to the fact——

Mr. MONDELL. That is not a matter that the gentleman should discuss with me, because it is not for me to decide.

Mr. BLANTON. If that should be decided by the Chair, the gentleman from Wyoming considers the resolution which at the end of four hours' debate calls for no vote and calls for no approval by the House and means nothing to the country to be of more importance than the proposed legislation now awaiting action on the calendar under the rules of the House. [Cries of "Regular order!"] Mr. Speaker, I object.

Mr. CAMPBELL of Kansas rose.

Mr. BLANTON. Mr. Speaker, a point of order.

Mr. CAMPBELL of Kansas. I do not yield, Mr. Speaker; I was recognized before the point of order.

The SPEAKER. Any Member of the House has a right to make a point of order.

Mr. BLANTON. Mr. Speaker, under the rules of the House to-day is designated as one of the legislative days for suspension of the rules and for the Unanimous Consent Calendar.

The SPEAKER. The gentleman will make his point of order.

Mr. BLANTON. The point of order I make is this: The resolution brought before the House on Saturday last by the Committee on Rules did not make it a continuing order, and while it is something which the Chair could recognize anyone to call up, yet the rules of the House make to-day a special legislative day, and I submit to the Chair that it is a matter which the Chair should consider as of more importance than the resolution which was brought in by the Committee on Rules.

The SPEAKER. The gentleman has not yet stated any point of order.

Mr. BLANTON. I submit to the Chair that the resolution is out of order, and that to-day should be devoted to the Calendar for Unanimous Consent under the rules of the House.

The SPEAKER. The Chair overrules the point of order.

Mr. CAMPBELL of Kansas. Mr. Speaker, I call up the privileged resolution from the Committee on Rules, which was pending at the time the House adjourned on Saturday.

Mr. BLANTON. Mr. Speaker, on that I raise the question of consideration.

Mr. WALSH. Mr. Speaker, I make the point of order that the question of consideration can not be raised on a report from the Committee on Rules.

Mr. BLANTON. It is a matter which the House can control.

The SPEAKER. The Chair thinks the question of consideration can not be raised upon a report from the Committee on Rules.

Mr. BLANTON. The rule merely makes it in order to be called up.

Mr. WALSH. Mr. Speaker, I submit the gentleman from Texas is out of order.

The SPEAKER. The Chair sustains the point of order.

Mr. BLANTON. Mr. Speaker, I appeal from the decision of the Chair.

Mr. WALSH. Mr. Speaker, I move to lay that appeal on the table.

Mr. CANNON. Mr. Speaker, I make the point of order that the gentleman's appeal from the decision of the Chair is dilatory.

The SPEAKER. The Chair does not wish to say that an appeal from the decision of the Chair is dilatory.

Mr. WALSH. Mr. Speaker, I move to lay the appeal on the table.

The SPEAKER. The gentleman from Texas appeals from the decision of the Chair that the question of consideration can not be raised upon a report from the Committee on Rules. The gentleman from Massachusetts moves to lay that appeal on the table. The question is on the motion of the gentleman from Massachusetts to lay the appeal on the table.

The question was taken, and Mr. BLANTON demanded a division.

The House proceeded to divide.

Mr. BLANTON. Mr. Speaker, on this I demand the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Thirty-four Members have risen, not a sufficient number, and the yeas and nays are refused. The ayes have it, and the motion is agreed to.

So the motion to lay on the table the appeal from the decision of the Chair was agreed to.

Mr. CAMPBELL of Kansas. Mr. Speaker, I now call up the rule that was pending on Saturday at the time the House adjourned.

The SPEAKER. The question before the House is the resolution from the Committee on Rules. The gentleman from Kansas has yet 13 minutes remaining and the gentleman from Kentucky [Mr. CANTRILL] has 13 minutes remaining.

Mr. CAMPBELL of Kansas. Mr. Speaker, I will ask the gentleman from Kentucky to use the remainder of his time now.

Mr. CANTRILL. Mr. Speaker, I yield eight minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Speaker, this is the first time in the history of the House that the Committee on Rules has brought in for the consideration of this body a rule that provides for four hours political debate and for the consideration of a report which recommends no affirmative action by this body. The minority of this House has cooperated, and will cooperate, with the Committee on Rules for the consideration of every legislative measure that is brought in by that committee, but this rule provides for a filibuster against the legitimate business of this House. Last spring the Republican Party clamored for an extra session of Congress in order that you might consider reconstruction legislation. What reconstruction legislation has been considered? I call attention to the calendar which came into your office this morning. Looking at page 29 you will see a list of the House bills which have become laws, a list of the legislative achievements of the Republican Party in this House. Take from that list the appropriation bills, which were framed by a Democratic House and which were filibustered to death by the Republicans at the other end of the Capitol, and you have left nothing but bills providing for the payment of private claims and bills authorizing the construction of bridges across the streams of this country. Read it. In this history of your reconstruction measures we find H. R. 240, a bill to build a bridge across the Susquehanna River; H. R. 241, a Susquehanna River bridge; H. R. 242, a Susquehanna River bridge; H. R. 530, a St. Johns River bridge; H. R. 4630, a Sulphur River bridge; H. R. 5528, a Mississippi River bridge; H. R. 5648, a Rainy River bridge. Reconstruction measures! Then we have a Snake River bridge, a White River bridge, and a Red River bridge. Gentlemen of the House, it is quite evident that the Republicans, instead of having a program of reconstruction, have a program of bridge construction.

Mr. BARKLEY. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of South Carolina. I can not at this time. Is it that they have nothing to do? No! Look at the calendar. Over 10,000 bills have been introduced, and among them are bills promoting the safety and prosperity of the people of America, bills on the immigration question and on the activities of the reds in this country. While boys of the American Legion are being shot down by reds in the streets of America and the Attorney General asks for legislation, you come here and ask for four hours of political debate in order that you may criticize the Army that fought for the safety of America! [Applause on the Democratic side.] On the calendar you have legislation providing relief for soldiers, asked for by the American Legion, and instead of the Committee on Rules bringing in a rule which would enable this Congress to consider that kind of legislation, you bring in this rule, which seeks to criticize them. The gentleman from Kansas [Mr. CAMPBELL] says it is not so. He says this rule makes in order criticism of those who conducted the business of the Army and not the officers and soldiers in the field. Who conducted the business of the Army? No one but the officers of the Army—officers selected in a more democratic manner than the officers of any army in the history of the world.

They came from Republican homes; they came from Democratic homes. But they came in every instance from American homes, and reflected credit upon this country. The gentleman from Kansas says they do not criticize the men in the field. They do criticize the men in the field. You sent one of your subcommittees abroad—I think you sent nearly all of them abroad—and I am glad to see the members of this select committee, as a result of their trips, in better health to-day than I have ever seen them before during my service here. I like them. I am glad they had these trips. But when the gentleman from Kansas says you are not criticizing the men and officers in the field, I call attention to a statement issued by one member of the subcommittee which made an attempt to hold up Gen. Pershing as he was leaving France. They insisted that it was essential to this investigation that he be brought before them immediately. America will never forget the attempt you made to embarrass the commander of the American forces as he was about to leave France. He told you he would not appear. Then you said he treated you with contempt, and yet you have never had the nerve to come into this House and complain that Pershing had treated your committee with contempt. Possibly he ignored your committee because he knew he was sent for in bad faith, and the best proof of the bad faith lies in the fact that he has been in this country since September and to this hour you have never seen fit to call him before your committee. [Applause on the Democratic side.] Oh, I like the members of this committee. But, my friends, they do come high. I saw a statement the other day from the War Department that it cost the War Department more than $100,000 to gather the information asked for by this committee. In addition to this, the records of the Accounts Committee will show that up to this date they have paid bills of $61,000 from the contingent fund of the House, and the bills have not begun to come in. You plead for economy, and yet you fritter away the money of the taxpayers of this country in order to conduct these so-called investigations. And what is the result of your investigations? Look at this report. Have you read it? Nine thousand five hundred and fifty-three cases investigated by this committee.

It is a mere matter of judgment whether or not the officers who represent the War Department have wisely settled those cases. But of 9,553 cases only 8 are brought in question in this report—8 out of 9,553. What is said of these 8? Listen to it: "In all these cases, except the last two named, the salvage values were fixed by Government agents, which, in the opinion of the committee, were insufficient and unjust to the Government." That is, in the opinion of this committee—of this select committee. Then they go on to say, "In some of the cases cited they seemed to have been obviously tainted with fraud." The committee only says, "They seem to have been obviously tainted with fraud." Seem to who? To the members of this committee who were engaged in an effort to aid the Republican Party by criticizing the American Army. If they were obviously tainted with fraud, why not say so? Why say that they seem to have been? Reading this report, I say that the judgment of this committee "seems to have been obviously tainted" with politics and political prejudice. [Applause on the Democratic side.]

Mr. SNYDER. Will the gentleman yield?

Mr. BYRNES of South Carolina. No; I can not. But, my friends, this committee says that it seems to have been obviously tainted with fraud. Who was guilty of fraud? The contractors or the officers? If officers were, why not name them instead of making this unfair blanket charge against all of them. They go on and say "constructive fraud." They report to us that constructive fraud has occurred in contracts with the United States Government. There may have been actual fraud. Some company may have been, it is conceivable, guilty of fraud. An officer may have been guilty of fraud, but how in the name of high heaven there could be constructive fraud is more than I or any other man can ever understand. "Constructive fraud"——

The SPEAKER. The time of the gentleman has expired.

Mr. BYRNES of South Carolina. Mr. Speaker, your party in this House has left undone those things which it ought to have done and has done those things which it ought not to have done, and there is no health in it. [Applause on the Democratic side.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield three minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, I congratulate the other side on the leadership they have been following for the past several days. I know how some of them feel about it, but they are following that leadership notwithstanding their views of that leadership. They are put in this position, Mr. Speaker, that while they are claiming there is nothing to investigate relative to war expenditures, nothing to report, nothing subject to criticism in the conduct of the war by their administration, they engage in a perfectly disgraceful filibuster to prevent a debate upon and discussion of the matters that have been investigated. [Applause on the Republican side.]

Mr. BARKLEY. Will the gentleman yield?

Mr. MONDELL. If there is nothing you gentlemen are afraid of, why do not you let the House of Representatives do business and proceed to a discussion of these matters? If you think there is no statement that can be made that will reflect discredit upon your administration, why do not you allow statements to be made and not permit roll call after roll call in order to prevent a presentation of the facts to the country? [Applause on the Republican side.] The country will get the facts, the roll calls notwithstanding; and I suggest to the gentlemen on the other side of the House who do not believe in and have no patience with this filibuster against the presenta-

tion of facts that they so announce and assert themselves against the filibustering methods which their side are pursuing.

Mr. BARKLEY. Will the gentleman yield?

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. Does the gentleman from Kentucky desire to use the balance of his time?

Mr. CANTRILL. Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, that there has been extravagance in expenditures during the war no sane man will deny. [Applause on the Republican side.] That there have been dishonest scoundrels in this country who have taken advantage of their Government during the war time and have filched money out of the Treasury no sane man will deny. And if your committee would come in here with some kind of proposed measure to put those infamous devils in the penitentiary you would find every Democrat on this side of the isle aiding and assisting you [cries of "Oh!" on the Republican side], but when, under the report of the committee, which means nothing but a waste of time, you seek to take up four hours of the time of this House in useless debate, and when at the end no affirmative action is asked for on behalf of the House, I say to the country it looks ridiculous.

You do not ask for any action on the part of the House. We have leadership here under the distinguished gentleman from North Carolina [Mr. KITCHIN] and the distinguished gentleman from Missouri [Mr. CLARK]. You have had some slight leadership here during the last few days, but since the distinguished gentleman from Illinois [Mr. MANN] is not here, God knows where your leadership is now. [Applause on the Democratic side.]

I do not blame you gentlemen who have written out your speeches in your offices and on last Saturday gave them to the press to have them published broadcast. I do not blame you for wanting to give a basis for the publication of those infamous documents. But you can not have them published until you speak them here on the floor and they get into the RECORD. And what I have been trying to do is to keep you from getting them where you can frank them out for political purposes from one side of this land to the other. Are you asking us to give you a chance to vote on something? No. After you have your four hours of debate, what becomes of the resolution? What becomes of the report? Will there be a vote? No. There is no question here for determination before this House. Why do you not bring into this House for consideration by this Congress some matter of reconstruction—legislation which the people of this country are now clamoring for and which you promised time and time again you would bring on the floor of the House?

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection?

Mr. SNELL. Mr. Speaker, I object.

The SPEAKER. The gentleman from Kentucky [Mr. CANTRILL] has two minutes remaining and the gentleman from Kansas [Mr. CAMPBELL] ten.

Mr. CAMPBELL of Kansas. Does the gentleman from Kentucky desire to use the remainder of his time?

Mr. CANTRILL. I have but two minutes remaining.

Mr. CAMPBELL of Kansas. I do not insist on it, but there will be only one more speech on this side, and I desire to close. If the gentleman wants to use it at all, he must use it now.

Mr. CANTRILL. Mr. Speaker, just in conclusion in the minute I have left, in answer to the gentleman from Wyoming [Mr. MONDELL], I desire to say that it has been the attitude all the time of this side of the House that we are ready and willing as members of the Committee on Rules and as the membership on this side to cooperate with the majority in passing any constructive legislation for the welfare of the country. The membership in the minority on the Rules Committee voted against this rule, and I think justly voted against it. We have conducted no filibuster as the gentleman charges. The responsibility to maintain a quorum and transact the business of the country is on the majority side, and in the six or seven months that they have had control of this body they have shown to the country their absolute inability to fulfill their ante-election promises and to conduct the business of this House.

Mr. SNYDER. Will the gentleman yield?

Mr. CANTRILL. I have not the time.

We opposed the rule, and I hope that not only this side but that the patriotic Members and the business Members of the other side will vote against it. It fritters away a whole legislative day in idle discussion and idle talk. We are ready to vote with you for any affirmative action to help the business of the country, but I hope that the membership of this House will vote against this rule and put an end to the practice of the Rules Committee bringing in such foolish rules for consideration by this House. [Applause on the Democratic side.]

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] is recognized. [Applause on the Republican side.]

Mr. CAMPBELL of Kansas. Mr. Speaker, "the galled jade doth wince"——

Mr. BLANTON. Mr. Speaker, before the gentleman speaks, I think we should have a quorum, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman makes the point of order that there is no quorum present.

Mr. CAMPBELL of Kansas. Again I repeat, "the galled jade doth wince."

The SPEAKER. The Chair will count. [After counting.] Two hundred and one gentlemen are present; not a quorum.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

Mr. BLANTON. Division, Mr. Speaker.

The SPEAKER. The gentleman from Texas calls for a division.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for tellers on that.

Tellers were ordered, and Mr. CAMPBELL of Kansas and Mr. BLANTON took their places as tellers.

The House divided; and the tellers reported—ayes 102, noes 32.

So a call of the House was ordered.

The roll was called, and the following Members failed to answer to their names:

Alexander	Ferris	Lesher	Sabath
Andrews, Md.	Fess	McCulloch	Sanders, Ind.
Aswell	Gallivan	McKeown	Sanders, La.
Bacharach	Goodall	McLane	Sanders, N. Y.
Booher	Graham, Pa.	McLaughlin, Mich.	Schall
Bowers	Griffin	McLaughlin, Nebr.	Scully
Brand	Hamill	Madden	Sears
Britten	Hamilton	Mann, Ill.	Sims
Brooks, Pa.	Hardy, Colo.	Miller	Smith, Ill.
Brumbaugh	Harrison	Moore, Ohio	Smith, N. Y.
Burke	Heflin	Moore, Pa.	Steele
Cleary	Huddleston	Moore, Va.	Steenerson
Connally	Hudspeth	Mudd	Sullivan
Cooper	Hulings	Neely	Sumners, Tex.
Copley	Humphreys	Nicholls, S. C.	Tague
Costello	Husted	Nichols, Mich.	Taylor, Ark.
Davey	Hutchinson	Nolan	Thompson
Davis, Minn.	Igoe	O'Connor	Vare
Denison	Johnson, Ky.	Osborne	Venable
Dewalt	Johnston, N. Y.	Parker	Ward
Donovan	Jones, Tex.	Pell	Watson, Va.
Dooling	Kahn	Pou	Webster
Doremus	Kearns	Rainey, H. T.	Wheeler
Dunn	Kelley, Mich.	Riordan	Williams
Eagan	Kendall	Robinson, N. C.	Wilson, Ill.
Eagle	Kennedy, R. I.	Rodenberg	Wilson, La.
Edmonds	King	Romjue	Wise
Ellsworth	Kreider	Rowan	Wood, Ind.
Fairfield	Lehlbach	Rowe	Young, Tex.

The SPEAKER pro tempore (Mr. LANGLEY). On this call 319 Members have answered to their names. A quorum is present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER pro tempore. The gentleman from Kansas moves that further proceedings under the call be dispensed with. The question is on agreeing to that motion.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BLANTON. A division, Mr. Speaker.

The SPEAKER. The gentleman from Texas demands a division.

The House proceeded to divide.

Mr. BLANTON. Mr. Speaker, on this I ask for the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays.

Mr. KNUTSON. Mr. Speaker, I make the point that that is dilatory.

The SPEAKER. The Chair overrules the point of order. As many as favor taking this vote by the yeas and nays will rise and stand until they are counted. [After counting.] Eleven gentleman have risen—not a sufficient number. The yeas and nays are refused. The ayes have it. The Doorkeeper will open the doors.

Mr. CAMPBELL of Kansas. Mr. Speaker, this disgraceful filibuster is conducted by the Democratic minority of this House for the purpose of concealing from the country the incompetency and the fraud and the graft of the War Department during the conduct of the war. [Applause on the Republican side.]

Billions of dollars were taken from the people of this country by taxation and loans, from washerwomen and from the poor, that were turned over to such men as R. H. Long, of Massachusetts, a Democratic politician and a favorite with the War Department, who got more than a million dollars in clear graft, and the gentleman from Texas [Mr. BLANTON] and those who are aiding him in this filibuster are attempting to conceal from the people of this country the facts out of which that graft grew.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I will not.

Mr. BLANTON. I did not think he would.

Mr. WELTY. Mr. Speaker, will the gentleman yield to me?

The SPEAKER. Does the gentleman from Kansas yield to the gentleman from Ohio?

Mr. CAMPBELL of Kansas. I do not yield. I do not yield to anybody. [Laughter.]

Mr. WELTY. I beg the gentleman's pardon.

Mr. CAMPBELL of Kansas. This fraud has been perpetrated upon the American people during the war. They were not permitted to discuss it on this floor, in the press, from the platform, or anywhere. The lips of every man in this country were sealed. The Democratic Party controlled every avenue of publicity. Nothing was permitted to go to the country.

Now it has been disclosed. Volumes of testimony have been taken, and the country has the right to know what has been done. I submit a sample—a further sample—of the manner in which a Democratic politician, a favorite with the War Department, got some of the money that the washerwomen, the poor people of this country, gave to the Government to buy necessary material to supply the armies in the field. Instead of going to the armies in the field it went into the pocket or the bank account of R. H. Long, a Democratic politician of Massachusetts.

Mr. WELTY. Mr. Speaker——

Mr. CAMPBELL of Kansas. I do not yield.

Mr. WELTY. I make the point of order that there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I make the point of order that that is dilatory.

The SPEAKER. The Chair does not think the point is dilatory. The Chair thinks that the point of no quorum can not be held as dilatory.

Mr. LONGWORTH. No public business has elapsed since a quorum was disclosed, except part of a speech, but it is not to be regarded as public business under the rules of the House.

Mr. BLANTON. I make the point of order that where it is clear that there is no quorum present it can not be dilatory.

The SPEAKER. The Chair thinks the gentleman has the right to make the point of no quorum. The Chair will count. [After counting.] One hundred and seventy-nine Members are present—not a quorum.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Kansas moves a call of the House. The question is on agreeing to that motion.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Speaker, a division.

The SPEAKER. The gentleman from Texas demands a division.

The House divided; and there were—ayes 109, noes 6.

So a call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Fairfield	Johnston, N. Y.	Mudd
Aswell	Ferris	Jones, Tex.	Neely
Bacharach	Fess	Kahn	Nicholls, S. C.
Booher	Flood	Kearns	Nichols, Mich.
Bowers	Gallivan	Kelley, Mich.	Nolan
Brand	Glynn	Kendall	O'Connor
Britten	Good	Kennedy, Iowa	Osborne
Brooks, Pa.	Goodall	Kennedy, R. I.	Pell
Burke	Graham, Pa.	King	Pou
Connally	Griffin	Kreider	Rainey, H. T.
Cooper	Hamill	Lehlbach	Randall, Calif.
Costello	Hamilton	Lesher	Riordan
Davey	Hardy, Colo.	McCulloch	Robinson, N. C.
Davis, Minn.	Hayden	McKenzie	Romjue
Dempsey	Heflin	McKeown	Rowan
Denison	Hoch	McLane	Rowe
Dewalt	Hudspeth	McLaughlin, Mich.	Sabath
Donovan	Hulings	Madden	Sanders, Ind.
Dooling	Humphreys	Mason	Sanders, La.
Dunn	Husted	Miller	Schall
Eagan	Hutchinson	Moore, Ohio	Scully
Eagle	Igoe	Moore, Pa.	Small
Edmonds	James	Moore, Va.	Smith, N. Y.
Ellsworth	Johnson, Ky.	Mott	Steele
Steenerson	Taylor, Ark.	Venable	Wilson, La.
Sullivan	Taylor, Colo.	Watson, Va.	Wise
Sumners, Tex.	Thompson	Weaver	Young, Tex.
Tague	Vare	Wheeler	

The SPEAKER. On this call 321 members have answered to their names. A quorum is present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Kansas moves to dispense with further proceedings under the call. Without objection it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Kansas has six minutes remaining.

Mr. CAMPBELL of Kansas. Mr. Speaker, during the six minutes remaining I want to call attention to where some of the money went that the coal miners, the blacksmiths, the farmers, the washerwomen and others paid into the Treasury of the United States for the conduct of the war.

Here is where some of it went. Mr. R. H. Long, of Massachusetts, had a contract for 10,000 pack saddles. This contract was made on May 11, 1918. Nothing was done. The amount of the contract was $455,000; amount canceled for the same.

Long received for canceling the contract $167,281.56.

Mr. BLANTON. Mr. Speaker, a point of order.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for a vote on the resolution.

Mr. BLANTON. A point of order, Mr. Speaker. I submit that the gentleman from Kansas is merely repeating the remarks he made last Saturday.

The SPEAKER. The Chair overrules the point of order. The question is on agreeing to the resolution.

Mr. BLANTON. Mr. Speaker, a division.

The SPEAKER. The gentleman from Texas demands a division.

Mr. CANTRILL. On the adoption of the resolution I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 177, nays 125, answered "present" 2, not voting 129, as follows:

YEAS—177.

Ackerman	Freeman	Luhring	Shreve
Anderson	French	McArthur	Siegel
Andrews, Md.	Fuller, Ill.	McFadden	Sinclair
Andrews, Nebr.	Garland	McKinley	Sinnott
Anthony	Gould	McLaughlin, Mich.	Slemp
Baer	Graham, Ill.	McPherson	Smith, Ill.
Barbour	Green, Iowa	MacCrate	Smith, Mich.
Begg	Greene, Mass.	MacGregor	Snell
Benham	Greene, Vt.	Magee	Stephens, Ohio
Bland, Ind.	Griest	Mann, Ill.	Stiness
Boies	Hadley	Mapes	Strong, Kans.
Brooks, Ill.	Harreld	Mason	Strong, Pa.
Browne	Haskell	Merritt	Summers, Wash.
Browning	Haugen	Michener	Sweet
Burdick	Hawley	Monahan, Wis.	Swope
Burroughs	Hays	Mondell	Taylor, Tenn.
Campbell, Kans.	Hernandez	Moores, Ind.	Temple
Cannon	Hersey	Morgan	Tilson
Chindblom	Hickey	Murphy	Timberlake
Christopherson	Hicks	Nelson, Wis.	Tincher
Classon	Hill	Newton, Minn.	Tinkham
Cole	Houghton	Newton, Mo.	Towner
Copley	Hull, Iowa	Ogden	Treadway
Crago	Ireland	Paige	Vaile
Cramton	James	Parker	Vestal
Crowther	Jefferis	Peters	Voigt
Currie, Mich.	Johnson, S. Dak.	Platt	Volstead
Curry, Calif.	Johnson, Wash.	Porter	Walsh
Dale	Jones, Pa.	Purnell	Walters
Dallinger	Juul	Radcliffe	Ward
Darrow	Keller	Ramsey	Wason
Davis, Minn.	Kelly, Pa.	Randall, Wis.	Watson, Pa.
Dickinson, Iowa	Kiess	Reavis	Webster
Dowell	Kinkaid	Reber	White, Kans.
Dyer	Kleczka	Reed, N. Y.	White, Me.
Echols	Knutson	Reed, W. Va.	Williams
Elliott	Kraus	Ricketts	Wilson, Ill.
Elston	LaGuardia	Riddick	Winslow
Emerson	Lampert	Robsion, Ky.	Wood, Ind.
Esch	Langley	Rodenberg	Yates
Evans, Nebr.	Layton	Rogers	Young, N. Dak.
Focht	Little	Rose	Zihlman
Fordney	Longworth	Sanford	
Foster	Luce	Scott	
Frear	Lufkin	Sells	

NAYS—125.

Almon	Box	Carss	Dickinson, Mo.
Ashbrook	Briggs	Carter	Dominick
Babka	Brinson	Casey	Doremus
Bankhead	Buchanan	Clark, Fla.	Doughton
Barkley	Byrnes, S. C.	Clark, Mo.	Drane
Bee	Byrns, Tenn.	Cleary	Dupré
Bell	Campbell, Pa.	Coady	Evans, Mont.
Benson	Candler	Collier	Evans, Nev.
Bland, Mo.	Cantrill	Crisp	Fields
Bland, Va.	Caraway	Cullen	Flood
Blanton	Carew	Davis, Tenn.	Gallagher

Gandy	Lea, Calif.	Oldfield	Stedman
Ganly	Lee, Ga.	Oliver	Stephens, Miss.
Gard	Linthicum	Olney	Stevenson
Garner	Lonergan	Overstreet	Stoll
Garrett	McAndrews	Padgett	Thomas
Godwin, N. C.	McClintic	Park	Tillman
Goodwin, Ark.	McDuffie	Parrish	Upshaw
Hardy, Tex.	McGlennon	Phelan	Vinson
Harrison	McKinley	Quin	Watkins
Hersman	Maher	Rainey, Ala.	Weaver
Holland	Major	Rainey, J. W.	Welling
Howard	Mann, S. C.	Raker	Welty
Huddleston	Mansfield	Rayburn	Whaley
Hull, Tenn.	Mays	Rouse	Wilson, La.
Jacoway	Mead	Rubey	Wilson, Pa.
Johnson, Miss.	Minahan, N. J.	Rucker	Wingo
Kincheloe	Montague	Saunders, Va.	Woods, Va.
Lanham	Moon	Sherwood	Wright
Lankford	Mooney	Sims	
Larsen	Nelson, Mo.	Smithwick	
Lazaro	O'Connell	Steagall	

ANSWERED "PRESENT"—2.

Butler	Caldwell

NOT VOTING—129.

Alexander	Fisher	Kettner	Riordan
Aswell	Fuller, Mass.	King	Robinson, N. C.
Ayres	Gallivan	Kitchin	Romjue
Bacharach	Glynn	Kreider	Rowan
Black	Goldfogle	Lehlbach	Rowe
Blackmon	Good	Lesher	Sabath
Booher	Goodall	McCulloch	Sanders, Ind.
Bowers	Goodykoontz	McKenzie	Sanders, La.
Brand	Graham, Pa.	McKeown	Sanders, N. Y.
Britten	Griffin	McLane	Schall
Brooks, Pa.	Hamill	McLaughlin, Nebr.	Scully
Brumbaugh	Hamilton	Madden	Sears
Burke	Hardy, Colo.	Martin	Sisson
Connally	Hastings	Miller	Small
Cooper	Hayden	Moore, Ohio	Smith, Idaho
Costello	Heflin	Moore, Pa.	Smith, N. Y.
Davey	Hoch	Moore, Va.	Snyder
Dempsey	Hudspeth	Morin	Steele
Denison	Hulings	Mott	Steenerson
Dent	Humphreys	Mudd	Sullivan
Dewalt	Husted	Neely	Sumners, Tex.
Donovan	Hutchinson	Nicholls, S. C.	Tague
Dooling	Igoe	Nichols, Mich.	Taylor, Ark.
Dunbar	Johnson, Ky.	Nolan	Taylor, Colo.
Dunn	Johnston, N. Y.	O'Connor	Thompson
Eagan	Jones, Tex.	Osborne	Vare
Eagle	Kahn	Pell	Venable
Edmonds	Kearns	Pou	Watson, Va.
Ellsworth	Kelley, Mich.	Rainey, H. T.	Wheeler
Fairfield	Kendall	Ramseyer	Wise
Ferris	Kennedy, Iowa	Randall, Calif.	Woodyard
Fess	Kennedy, R. I.	Rhodes	Young, Tex.

So the resolution was adopted.

The following pairs were announced:

Until further notice:

Mr. FESS with Mr. PELL.

Mr. SANDERS of Indiana with Mr. IGOE.

Mr. BOWERS with Mr. NEELY.

Mr. DENISON with Mr. BRINSON.

Mr. NOLAN with Mr. MCKEOWN.

Mr. BUTLER with Mr. STEELE.

Mr. OSBORNE with Mr. GALLIVAN.

Mr. MILLER with Mr. ROMJUE.

Mr. KAHN with Mr. DENT.

Mr. HULINGS with Mr. NICHOLLS of South Carolina.

Mr. GOOD with Mr. SEARS.

Mr. MADDEN with Mr. HEFLIN.

Mr. ROWE with Mr. KETTNER.

Mr. KREIDER with Mr. JOHNSTON of New York.

Mr. COSTELLO with Mr. TAYLOR of Arkansas.

Mr. RAMSEYER with Mr. MCLANE.

Mr. LEHLBACH with Mr. JOHNSON of Kentucky.

Mr. DEMPSEY with Mr. TAGUE.

Mr. FAIRFIELD with Mr. BOOHER.

Mr. NICHOLS of Michigan with Mr. GRIFFIN.

Mr. GOODALL with Mr. SCULLY.

Mr. GOODYKOONTZ with Mr. SANDERS of Louisiana.

Mr. WHEELER with Mr. BRUMBAUGH.

Mr. MCCULLOCH with Mr. JACOWAY.

Mr. MOTT with Mr. GOLDFOGLE.

Mr. MUDD with Mr. FERRIS.

Mr. THOMPSON with Mr. AYRES.

Mr. RAMSEY with Mr. EAGLE.

Mr. BACHARACH with Mr. YOUNG of Texas.

Mr. RHODES with Mr. EAGAN.

Mr. BRITTEN with Mr. WISE.

Mr. KELLEY of Michigan with Mr. MOORE of Virginia.

Mr. KENDALL with Mr. MARTIN.

Mr. KENNEDY of Rhode Island with Mr. LESHER.

Mr. SANDERS of New York with Mr. DOOLING.

Mr. WOODYARD with Mr. BRAND.

Mr. BROOKS of Pennsylvania with Mr. WATSON of Virginia.

Mr. SCHALL with Mr. DONOVAN.

Mr. BURKE with Mr. VENABLE.

Mr. COOPER with Mr. TAYLOR of Colorado.

Mr. KENNEDY of Iowa with Mr. KITCHIN.

Mr. KING with Mr. JONES of Texas.

Mr. KEARNS with Mr. DAVEY.

Mr. HUSTED with Mr. POU.

Mr. SMITH of Idaho with Mr. DEWALT.

Mr. SNYDER with Mr. CONNALLY.

Mr. HUTCHINSON with Mr. O'CONNOR.

Mr. ELLSWORTH with Mr. SMALL.

Mr. GRAHAM of Pennsylvania with Mr. SABATH.

Mr. MCKENZIE with Mr. HUMPHREYS.

Mr. DUNBAR with Mr. SUMNERS of Texas.

Mr. HARDY of Colorado with Mr. ROBINSON of North Carolina.

Mr. DUNN with Mr. SULLIVAN.

Mr. GLYNN with Mr. SISSON.

Mr. EDMONDS with Mr. SMITH of New York.

Mr. HAMILTON with Mr. ROWAN.

Mr. STEENERSON with Mr. BLACKMON.

Mr. MCLAUGHLIN of Nebraska with Mr. HUDSPETH.

Mr. HILL with Mr. RIORDAN.

Mr. HOCH with Mr. HENRY T. RAINEY.

Mr. MOORE of Ohio with Mr. HASTINGS.

Mr. MOORE of Pennsylvania with Mr. HAMILL.

Mr. VARE with Mr. ASWELL.

On this vote:

Mr. FULLER of Massachusetts (for) with Mr. CALDWELL (against).

Mr. MORIN (for) with Mr. FISHER (against).

Mr. BUTLER. Mr. Speaker, I have a general pair with the gentleman from Pennsylvania, Mr. STEELE. I feel that I ought to withdraw my vote of "aye" and answer "present."

The result of the vote was announced as above recorded.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from Kansas asks unanimous consent to revise and extend his remarks. Is there objection?

Mr. BLANTON. Mr. Speaker, I regret, but I must object.

The SPEAKER. Under the rule the House takes up the House Report 487, which the Clerk will report, together with the views of the minority.

The Clerk read as follows:

Report No. 487, on the act of March 2, 1919, commonly known as the Dent Act.

The act of March 2, 1919, commonly known as the Dent Act, provided, in part, as follows:

"*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized to adjust, pay, or discharge any agreement, express or implied, upon a fair and equitable basis that has been entered into, in good faith, during the present emergency and prior to November 12, 1918, by any officer or agent acting under his authority, direction, or instruction, or that of the President, with any person, firm, or corporation for the acquisition of lands, or the use thereof, or for damages resulting from notice by the Government of its intention to acquire or use said lands, or for the production, manufacture, sale, acquisition, or control of equipment, materials or supplies, or for services, or for facilities, or other purposes connected with the prosecution of the war, when such agreement has been performed in whole or in part, or expenditures have been made or obligations incurred upon the faith of the same by any such person, firm, or corporation prior to November 12, 1918, and such agreement has not been executed in the manner prescribed by law: *Provided*, That in no case shall any award, either by the Secretary of War or the Court of Claims, include prospective or possible profits on any part of the contract beyond the goods and supplies delivered to and accepted by the United States and a reasonable remuneration for expenditures and obligations or liabilities necessarily incurred in performing or preparing to perform said contract or order: *Provided further*, That this act shall not authorize payment to be made of any claim presented before June 30, 1919: *And provided further*, That the Secretary of War shall report to Congress at the beginning of its next session following June 30, 1919, a detailed statement showing the nature, terms, and conditions of every such agreement and the payment or adjustment thereof: *And provided further*, That no settlement of any claim arising under any such agreement shall bar the United States Government, through any of its duly authorized agencies or any committee of Congress hereafter duly appointed, from the right of review of such settlement, nor the right of recovery of any money paid by the Government to any party under any settlement entered into or payment made under the provisions of this act if the Government has been defrauded, and the right of recovery in all such cases shall exist against the executors, administrators, heirs, successors, and assigns, of any party or parties: *And provided further*, That nothing in this act shall be construed to relieve any officer or any agent of the United States from criminal prosecution under the provisions of any statute of the United States for any fraud or criminal conduct."

By virtue of the provisions of this act, on December 1, at the convening of Congress, the Secretary of War filed his report in the House of Representatives, which report was thereupon referred to the Select Committee on Expenditures in the War Department. The report is very voluminous, consisting of the report proper and 3 large volumes and 11 file cases of exhibits.

From time to time Subcommittee No. 5 on Ordnance has had under consideration certain settlements made by the various claims boards with claimants under the above-cited act.

This investigation, as shown by the hearings of said subcommittee, has taken a wide range and has been incidental to its general investigation of war-ordnance expenditures. It has included an investigation of the rules that have been formulated by the War Department for the settlement of such claims and the machinery that has been devised. Be-

cause of the great expense, time, and labor incident to a complete examination of all of said claims, the subcommittee has been able to go into only a few of the great mass of claims that have been adjusted; all this is incorporated in about 500 printed pages of the committee hearings and is too voluminous to be even briefed in this report. According to the report of the Secretary of War, 4,668 claims have already been adjusted, 2,185 claims are pending, and 2,700 other claims are under consideration as to their legal standing.

The subcommittee, among other matters, has made a somewhat extensive investigation of the following settlements of war claims and contracts, to wit: American Can Co., contract for hard-bread cans; Stein-Burn Camp & Field Equipment Co., contract for fireless cookers, cooks' chests, and bread boxes; Henry Moss & Co., contract for branding irons; Briar Hill Steel Co., contract for corrugated-steel roofing; National Enameling & Stamping Co., contracts for boilers and kettles; Standard Steel Car Co., contract for nine hundred and sixty-four 240-millimeter howitzer carriages; Jones & Laughlin Co., contract for by-product coke ovens. In addition to this, the subcommittee has investigated the settlement with the United Metals Selling Co. on copper, which was a settlement not made under the act of March 2, 1919.

In all these cases except the last two named salvage values were fixed by Government agents and Army officers on special facilities furnished by the Government, sometimes buildings and sometimes machinery and equipment, which were, in the opinion of the committee, insufficient and unjust to the Government. In some of the cases cited they seem to have been obviously tainted with fraud. Part of the blame for this condition is due to the rules adopted for the settlement of such claims and partly due to the laxness and inefficiency of the Government representatives. In the last case cited, that of the United Metals Selling Co., immense profits were made by the producers of copper by virtue of a combination of the low-priced copper producers, which combination was aided and encouraged by the Government, although in violation of the law of the land.

In some of the cases cited the committee is of the opinion that constructive if not actual fraud occurred, vitiating the settlements. The committee is of the opinion that millions of dollars are involved in these settlements which the Government might have a right to recover if a proper review of such settlements were made.

The act of March 2, heretofore cited, has never been tested in the courts. It is manifest, however, that Congress had in consideration when the act was passed the probability, or at least possibility, that some board or body might desire to review them. The Select Committee on Expenditures has been created since the passage of that act, but there remains some doubt whether it is such a reviewing "committee of Congress" as is intended by the language of such act. If it is, it has no right to bring action to recover the moneys now owing the Government on said settlements, if any. That duty must necessarily devolve upon the War Department, which, in conjunction with the Department of Justice, can institute the proper proceedings.

In view of the filing of the aforesaid report by the Secretary of War and the evident intent of Congress to reserve to itself the right to review such settlements, this committee is of the opinion that the Congress should have promptly such facts as have been developed by this committee, together with its observations thereon, so that such action may be thereafter taken by Congress or by the proper department of the Government as may seem proper.

—

MINORITY VIEWS.

On November 11, 1919, House resolution 381 was reported by the majority of the Select Committee on Expenditures in the War Department, being accompanied by Report No. 463. The minority are informed that this resolution has been abandoned and that no effort is to be made to secure its consideration by the House, but, instead, the majority have determined simply to make a report and no action upon same by the House is to be requested.

This report is in the main a restatement of the majority views expressed in Report No. 463, and the minority views as expressed in part 2 of that report constitute the minority views upon this. The imputations of fraud against responsible and respectable business men and faithful officials of the War Department are not justified by the evidence taken before the committee, and it is gravely to be regretted that the majority have again determined to cast such sinister and unjust reflections in an official report.

As was pointed out in the minority views on House resolution 381, the matter of salvage values presents a question upon which the judgment of men will necessarily differ, and it must be remembered that in accordance with the policy announced to Congress while the Dent Act was being considered, and which policy was eminently sound and proper, settlements were expedited as rapidly as possible consistent with the proper protection of the Government's interests. The business world, those who had large sums of capital invested for the purpose of filling contracts made while the war was in progress, sought, and had a right to seek, prompt adjustments.

In hundreds of cases the character of the institutions and factories at which these contracts had been filled had been almost completely changed by reason of their war contracts. Commercial production had been abandoned and every energy and facility had been bent to supplying the war needs of the Republic. The livelihood of unnumbered thousands of laboring men was involved. It was of supremest importance to the public weal that these institutions might return to a peace basis and again enter commercial production, giving employment to labor and supplying the peace needs of the country at the earliest possible moment. All these elements must be taken into consideration in connection with these settlements, and it should be remembered that many of them were made in the winter and spring and that conditions have since changed. In fairness, these settlements must be judged as of the time they were made and not in the light of subsequent developments which it was not possible to forecast with accuracy; nor may it be reasonably expected that uniformity and exactitude has been attained in a task involving an almost infinite variety of commodities and calling for a wide range of knowledge and skill in estimating the values involved.

FINIS J. GARRETT.

Mr. GRAHAM of Illinois. Mr. Speaker, under the rule I desire to yield to my colleague from Nebraska [Mr. JEFFERIS] one hour.

Mr. MONDELL. Will the gentleman from Illinois yield to me for a moment to make a request for unanimous consent?

Mr. GRAHAM of Illinois. Yes; I will yield for that purpose.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that at the conclusion of the debate provided for by the rule, on to-morrow the business that would have been in order to-day, except for the business under the rule, shall be in order.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that at the conclusion of the debate under this rule the business which would have been in order to-day on the Unanimous Consent Calendar shall be in order to-morrow. Is there objection?

There was no objection.

Mr. JEFFERIS. Mr. Speaker and gentlemen of the House, out in the central portion of the United States, where I have lived for some 25 years, no Republican, Democrat, or other citizen, no matter what his party might be, has up to this time ever opposed hearing a discussion of the truth concerning public officials in public life. [Applause.] I am sorry, indeed, that after I had become a Member of Congress I should have the experience of observing the minority party struggle against, fighting for a day and a half, to keep the majority party from discussing somewhat the truth as they have learned it from the investigation of one of the departments of the Government. If this Government is to continue, if the people are to be interested in the affairs of their Government, then necessarily the truth regarding the administration of the Government should be available to the people in order that they can take proper action for constructive statesmanship in the years to come. [Applause on the Republican side.]

The truth should hurt no honest man, it should hurt no political party, and I had thought when I came here and was honored by a position on this committee and heard the assertions from Members on the Democratic side, that there was a unanimous thought in this House that all matters pertaining to the conduct of the war should be investigated fairly, firmly, and with impartiality. With that idea in mind, although a Republican, I went upon this committee at the Speaker's appointment with the desire and purpose to so conduct myself as a part of the committee that no finger of suspicion could be directed against me or the charge truthfully made that I was conducting an investigation from a political standpoint. My whole object so far has been to do what was in my power, impartially and from a nonpartisan standpoint, to ascertain the truth regarding some of the expenditures that have been made of the people's money.

In doing that I had not thought that any party or any Member of this Congress could think that this committee was engaged in an investigation that would throw any aspersion or cast any suspicion of disloyalty or failure to perform duty upon the part of the men who wore the uniform of the United States and fought this country's battles so successfully for the rights of the world and the rights of this Nation. The people know what the men who put on the uniform did. We need no investigation to ascertain the part that they played in this war. They gave an account of their stewardship on the battle fields of France—at the Argonne Forest, at Chateau-Thierry, and at St. Mihiel. No one wants to investigate or to cast any suspicion on any of their acts, no one can fail to know the truth as to what they did. Theirs were the open acts of patriotic Americans, well performed. Likewise, no one doubts what the great body of Congress did during the war. This great patriotic body, made up of representatives of both political parties, under the Constitution of the United States, performed their part well and nobly. They appropriated vast sums of money in accordance with the powers granted them in the Constitution, and called upon the American people to produce that money in the form of taxes and loans. The people of the country stood behind the Congress in furnishing those vast sums of money for the purpose of carrying on the war. The people were behind the Congress and the people saw what Congress was doing and responded to it, and the people did their part. They raised those vast sums of money and turned them into the Treasury of the United States, into the administrative department, if you please, of our Government, with the expectation that the funds thus raised would be expended in a wise and conservative manner, that that money would be so expended that no one would ever question the right of the American people to know how and in what manner it was expended.

I am sorry that the Democratic Party in Congress, which for two days has made an unsuccessful effort under the leadership of the gentleman from the great State of Texas, should attempt to keep the truth from being known in this House and to keep it from being known throughout the country. If that is to be the policy of the old Democratic Party, then it must have reached the place when it fears to have the searchlight of truth spread upon the acts of the administrative departments of the Govern-

ment, and, indeed, something must be there of which Democratic Members are afraid. [Applause on the Republican side.]

The American people now know that they are confronted with high taxes and high prices. That is the condition that confronts them. It is not a theory. Whence did it come in this great land of plenty? Can you say that Congress is to blame, or do you say that the conduct of the War Department and of the administrative departments during that war are the ones to whom we can point the finger and raise the question of incompetency? Let us see what was done. As an introduction to these war expenditures we find that in August, 1916, Congress enacted a law which provided for a Council of National Defense and a commission of seven members. From August, 1916, on to December of that year we hear nothing of them, and the country was unprepared. In December, 1916, we hear of the first meeting of this Council of National Defense, six Cabinet members, and the seven commissioners. What followed? We see then as they go on to February 13, 1917, with a council of 13 men meeting, and what did they do? What was the great act that they performed at that time? Do the American people know?

Did their act at that time have anything to do with or has it had anything to do with the present conditions that confront the American people. It is an honest question, and it is a question open for discussion. They enacted a resolution unanimously that the Secretary of War should call a meeting of all of the men of the different lines of industry of the United States, and that they should be asked to organize themselves so that they could deal with the Government through a committee of one or not to exceed three men. What did that indicate? What was that to the American people? It meant that the Sherman antitrust law and every other act that the Congress in its wisdom in years passed had enacted to preserve competition among the people was to be abrogated and trampled under foot by the Council of National Defense and the advisory commission, the members of the Cabinet of the present administration. Those meetings were held. Those meetings gave opportunity for all of the great lines of industry and of labor—because they were there on this commission—to start in a propaganda or an effort for the lines of business to raise prices and for labor to raise wages, in order that they might advance to some extent their own personal fortunes. What next followed? On the 12th of April, 1917, or six days after war was declared, the Secretary of War looked over the statute books of the United States and saw section 3907 of the statutes, which had been enacted by the Congress for the purpose of having competitive bidding, after advertising, for the supplies necessary to the support of and to be utilized by the War Department, and what did he do with that statute? He declared that an emergency existed, and that hereafter no advertising was necessary. By that time, by the 12th of April, 1917, the result was this: All of the lines of industry had been asked to organize that they might be really in a combination, and labor was observing the same proposition.

Mr. MOONEY. Mr. Speaker, will the gentleman yield?

Mr. JEFFERIS. No; I can not, because it might be another filibuster.

Mr. MOONEY. I wanted to ask the gentleman whether he agreed with the Secretary of War that an emergency did exist?

Mr. JEFFERIS. If it did, it was the creation of the administration in doing nothing from August, 1916, even after Congress had enacted a law that enabled the administration to take some steps to preserve and get this country into a position to defend itself, and to make its power and influence felt throughout the world. A condition then had come about whereby the business interests and labor were working together through the commission and the Council of National Defense, and were ready to climb, first one and then another, up the pole of high prices for every commodity that was necessary for the use of the Government. The War Department then began to buy goods. It bought this, that, and the other all over the country. The prices necessarily went up, and every individual, other than the United States, was of necessity compelled to pay the same high prices. Now, if the department had only bought that which was necessary, if it had only bought those things which were reasonably necessary for the support of the Army and to carry on the war, if it had purchased with some judgment on that line, why, no one could criticize them for having gone into the market to purchase what was necessary. But how did the War Department act? What does the evidence show? The Secretary of War was the head. The President was above him; Congress had appropriated money, it was in the Treasury, and it was a trust which devolved upon the Secretary of War to expend it. It was his duty and responsibility to see that he had an organization that would expend the people's funds with care and with fidelity in the public interest. What does Gen. Burr say as to the manner and method of conducting business down in the War Department? Take his testimony, found on page 1224 of the hearings. He said, in answer to a question by myself:

And yet, as I understand you, General, really all of the different departments of the War Department were issuing these orders for supplies, etc.

Gen. BURR. I think that is generally known. I think it is a matter of common knowledge that there were many people in Washington in the various bureaus who were purchasing commodities for the Government and who were issuing orders in the name of the Government. Just how much authorization they had I do not know, but I must assume, however, they were down there in Government offices, and the citizen who wanted to do business with the Government came in there and some one sent him to this military man of this division, who was installed in a Government office and who was sitting there with the knowledge of everybody and who was presumed to do business, and I must assume that that citizen thought that man was authorized to do business with him. You would naturally suppose so. That is the way the most of the work was done. And the legal question comes up, was that particular captain or lieutenant authorized by the President or the Secretary of War to obligate the Government for that particular thing? The question never would, perhaps, come up if the war had not ended practically or actually on November 11. If the war had gone on for three or four months none of these questions would have come up; they would have all been settled.

Yes; all of that sort of business settled without the knowledge of Congress, without the knowledge of the public as to how and in what manner it had been conducted. But the situation got so strong afterwards, when the Comptroller of the Currency held that the war orders were illegal and great sums of money had been expended in that way, that it was necessary to secure through Congress the passage of a law known as the Dent Act, of March 2, 1919, in the hopes of settling up the whole mess, which was nothing more than a mess of confusion. But go on and read some more of the general's description:

Gen. BURR. Yes; I will give you a case that now came up. As I said a while ago, I was fortunately out of the country, but it came to my knowledge along about the 1st of January. Some one was sent to me, and his story was something like this: That he was called in along in the early part of 1918 and told that the Government needed certain munitions, and that he had a factory, and they wanted him to enlarge that factory and get busy, and I think arrangements were made by which he was to get a credit of half a million dollars, or something like that, to help him finance this thing. He went down to one of these offices, went in there, and he saw some one—it may have been a man wearing soldier straps, it may have been a civilian—as I say, who was sitting behind a roll-top desk and who had all the air of authority, and they made these negotiations, and he said, "Now, this is urgent. The success of the war depends upon your getting this plant in operation. Get busy." The poor man went down to Tennessee and put capital into this plant and also got his war credit. Along about August or September they decided they wanted changes made in the plant, and these changes necessitated a change in the contract, and so he was called to Washington. He had not been to Washington in the meantime. The agents of the Government had been down there looking after the business, and he was called to Washington to negotiate for these additional facilities, and he went in and saw the same man; he arranged for the additional facilities and the basis on which they were to be provided; and the fellow said he was told to get back and "get busy right away"; and he got on the first train and went back and started in again. The man in Washington turned around and started to look up these supplemental agreements, and he got along to a certain point, and he wanted to refer to the original agreement, and there was not a shadow of writing under the original agreements. They had forgotten to write out the contract, and of course they had to get the original agreement drawn up before they could make up the supplemental agreement. In the meantime the armistice came along and the comptroller's decision that all of these things were no good, and the occasion of the gentleman's visit to me was that he was threatened with bankruptcy. His bankers would not carry him any more. There is no question in my mind that that gentleman had a legitimate claim against the Government, and the only thing which bothered us was what were the nature of the terms and conditions of that agreement and how are you going to get at it.

Thus it was with the business of the country with these uncertain conditions. With those conditions of contracts unknown because of some one failing to exercise that supervision over his office, who would designate the men who would make purchases within some limitation and with some known precision. Gen. Burr goes on and says:

I think that the positions which the men occupied in general indicated whether or not they were authorized to enter into agreements or whether law and custom would give certain officers of the Government the authority to enter into the agreement for the necessary purposes for that department, bureau, or office. As the work increased these people appointed contracting officers to enter into the agreements for them. The contracting officers very probably attempted to delegate the authority to others. I do not know what the written evidence of such appointments and such authority may be, but there are unquestionably many of them in existence.

Then, again, take such an agency as the War Industries Board. I doubt very much if there is any direct authorization in the terms for some of those people to make contracts on behalf of the Government, and, as a matter of fact, they did not make contracts. They made only these implied agreements, which the comptroller says are not contracts. But I know the opinion that the good faith on the part of the Government will require our living up to a great many of them.

We see that confusion reigned there to begin with. How did it function as to quantity? Let us take, for instance, the subject of leather, and let us see what occurred and how the War Department, under the wise management of Mr. Baker, handled

the leather situation of this country. Let us take the testimony as given by Col. Goetz:

Mr. GRAHAM. Well, did you have the passing upon them, so that you could say whether requisitions should be filed or the order issued?

You know, they had a requirements division and then they had a procurements division, and Col. Goetz was on the procurements division. He said:

Well, we had no such authority, but sometimes we exercised it.
Mr. GRAHAM. Well, what about requisitions for leather goods that came in there? Did you issue purchase orders for all of them?
Col. GOETZ. No, sir.
Mr. GRAHAM. Were they excessive, in your judgment?
Col. GOETZ. Very excessive. We had requisitions for leather goods that would have required in their manufacture 300,000 more hides than the entire take-off in the United States for one year.

It goes on:

Mr. GRAHAM. What did you do with those requisitions when they came in there?
Col. GOETZ. Well, after a great deal of trouble we held them up. For instance, we had a requisition for $21,000,000 worth of ambulance-harness parts and we purchased about 10 per cent or 15 per cent of that.

Think of it. Think of a department of the Government—the War Department—in time of war, with 110,000,000 people in this country wearing leather shoes, going so far beyond the needs of the Army. Is it possible that any man of vision controlling the affairs of Government, as was the Secretary of War, would permit all the leather of this country to be purchased for the purposes of the Army to the exclusion of the people of the Nation?

What further follows? We asked him:

Mr. GRAHAM. In other words, what per cent of the hides of the country was the Army using for its contracts?
Col. GOETZ. Well, I should judge 75 per cent.

Again he was asked:

Mr. JEFFERIS. If you had gotten real active, as the procuring part of the Government in this respect, it would have taken all the hides in the United States and 300,000 more to fill these orders received from the requirements branch, would it?
Col. GOETZ. Yes.
* * * * * * *
Mr. JEFFERIS. What is an aperajo?
Col. GOETZ. That is a harness that is used on a mule that carries a pack.
Mr. JEFFERIS. Am I right, Colonel, that these orders for the procurement of these lines of harness that you have mentioned here and similar things would take 75 per cent of the hides of the United States?
Col. GOETZ. Taken in connection with shoes for the requirements of the Army.
Mr. JEFFERIS. Do you know how many saddles, in a general way, were ordered?
Col. GOETZ. About 900,000 McClellan saddles.
Mr. JEFFERIS. Any other kind?
Col. GOETZ. Well, there were some stock saddles, I think about 45,000 all told—or Wild West saddles—you had better use that term.
Mr. JEFFERIS. Any Artillery saddles?
Col. GOETZ. Well, the McClellan saddle is used by the Artillery.
Mr. JEFFERIS. You would think about 945,000 saddles, altogether?
Col. GOETZ. About that amount.
Mr. JEFFERIS. Do you know about what amount of harness was actually ordered or contracted for, all told?
Col. GOETZ. All told, I estimate about 1,000,000 sets.
Mr. JEFFERIS. All kinds of harness?
Col. GOETZ. Yes, sir.
Mr. JEFFERIS. That would be sets of harness as distinguished from what bridles, together with these saddles, or anything of that kind?
Col. GOETZ. Single sets. There were 500,000 sets of H. T. G. harness authorized.

Now, a million sets of harness, 945,000 saddles. How many horses were there in the United States Army to use 945,000 saddles and a million sets of harness? Why require $21,000,000 worth of ambulance harness? They must have expected the whole of the American forces to be wiped out, and they would have to haul them all to the hospitals. Well, we will see——

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. JEFFERIS. I have not the time.

Mr. KNUTSON. How many horses were there?

Mr. JEFFERIS. Let us see what Col. Goetz says:

Col. GOETZ. I have a statement here somewhere. In the United States and France they had 104,000 Cavalry horses, 146,000 Artillery horses, 123,000 draft mules, 18,000 pack mules. That is the total number of animals in the United States and France.

And yet, ordering 945,000 saddles, ordering a million sets of harness for the equipment of the Army, and the American people all over this country were being importuned by all patriotic Americans to put their money up for bonds and put their money up for taxes, that it might be turned over to the War Department for the expenditure. What for? For the support of the Army and the support of our soldier boys.

Mr. BABKA. Will the gentleman yield?

Mr. JEFFERIS. I decline.

Mr. BABKA. You have an hour.

Mr. JEFFERIS. I was not in this House during the war. It happens that I was one of those out among the people, and it happened that as the calls came for money and the calls came for men we put forth every effort to see that all of the quotas and the demands of the Government, as made from time to time, were met by the patriotic people. I remember one day, down at one of the storage houses of the city, of one of the express companies, arguing to a crowd of men during the noon hour, when they had about 15 minutes, in the hope that we could get them to subscribe for bonds for the support of the war, and after we had talked to them and we had gone out among them and asked them to subscribe and to take at least one bond, we came up against an old colored man that was sitting there eating his dinner, with a little bit of coffee and some rye bread, and we asked him if he would not take at least a $50 bond. His answer was, "I know better how to spend my money than I believe they do down at Washington." He says, "What do they care about my $50 down there? They will just spend it and will not get anything for it, anyhow." After we had talked with him for a long time the old man finally said that he would take a $50 bond, and he did, and he contributed out of his wages for weeks to pay for it.

And yet with such expenditures as these, made by the War Department for saddles and harness, how could anyone go back to that city and really look that colored man in the face and say to him that he did not really tell the truth when we undertook to sell him the bonds? [Applause.]

Saddles! What was the result of this? Why are shoes high? Why is everything high in this country? Because the Government bought; it fixed these prices. The War Industries Board went and fixed the prices. How did they do that? Did they take the average cost of the different articles? Not at all. They undertook to stimulate production, so they say, and they investigated to find out the cost of production in the different lines of industry, but they would say, "Here is a man whose cost of production is high; here is a man or an institution where the cost of production is low." How did they deal with them? They dealt with them simply as one organization, so to speak, just in accordance with the program enunciated on February 13, 1917, and the result was that the Government never was in a position to avail itself of the opportunity of purchasing commodities from those institutions that produced them at a low cost, but everything was purchased on the theory of stimulating production, so that the firms or the institutions that produced commodities at a high cost were the ones that determined the price at which the products were sold to the Government. And when they were sold to the Government are you surprised that the result was that the people sitting around in their homes, sitting beside their own firesides at night, found that they were paying for everything that they bought for the support of their families, for their clothing and everything that was necessary, at rates that were fixed at the highest cost of production in the various lines, through governmental action, rather than having the benefit of any low cost from any low producer?

The result is that leather footwear—the cost of leather and shoes and everything made of leather—is high. Why would it not be high under these conditions? The Government had 1,800,000 pounds of black harness leather on hand when the war was over. Black harness leather can not be utilized for the making of shoes. The Government had all these saddles and all this harness on hand and 1,800,000 pounds of black harness leather stored away. When asked whether or not it would be possible to take that harness leather and use it for the making of shoes, so that the American people might have some benefit of it, even at this time, we are told by Col. Goetz, who is a leather manufacturer from West Virginia and has given his entire life to that business, that it is altogether impossible to take harness leather that has been prepared for the making of harness and so transform it that it may be utilized for the making of shoes. So the American people, it seems to me, in so far as shoes are concerned, have the right to know something of the truth regarding the leather conditions of this country, to the end that they can look the future fairly in the face and know when they pay the high prices for shoes, to some extent at least, who is responsible, what department of the Government is responsible for the condition that confronts them. It is for that reason, it seems to me, that this discussion, even though it may not call for anything in the way of affirmative action, should be had, in order that the people may know something of these things, and in order that this Congress should know it, so that the matter might thereby be understood.

Let us take up something else. When it came before Congress that a lot of these agreements had been entered into by the War Department, Congress wanted to do the just and fair thing, I take it, and Congress enacted the Dent law. I am not here to complain about that, because I believe that a man who honestly and in good faith went up and made an arrangement

in good faith with somebody who would rather incur the dangers of getting behind a roller-top desk than going to France—an individual who got a contract from some one up there and utilized his plant and energy in good faith for that purpose would certainly be treated fairly by the Government. But I do believe that when Congress enacted the Dent Act, in March, 1919, it was the purpose of this body and it was the belief of this body that all of those contracts would be brought to a speedy termination and that they would be settled, and that they would not permit contractors to go on for months and months filling orders and producing a lot of material that this country does not need and will never need.

Let us take, for instance, as an illustration, one of these orders or contracts entered into with the Standard Steel Car Co. for 964 howitzer carriages. That order was given in November, 1917. That order called for the delivery of those howitzer carriages commencing the 1st of May. It had a penalty in it if they could not produce them and deliver them from time to time as the order required. It also provided that they were to have 10 per cent on the cost. The cost of these carriages, after a great deal of correspondence, and so forth, was fixed at $40,000, fixed by Col. Hughes, who afterwards turns out to be the man that has very much to do with the settlement of this contract.

These carriages were made at Hammond, Ind., in the place of business of the Standard Steel Car Co. The result was that they went on working on that order up to the time of the armistice, and by that time how many of these carriages at $40,000 apiece had been produced or manufactured? The war was over then and gun carriages were no longer needed. Up to that time they had succeeded in producing one. Instead of stopping that proposition along during that time, or even when the Dent Act was passed, they continued that contract in operation, with certain modifications, until the latter part of June of this year. By that time the company had made 200 of the gun carriages, and then the time for settlement came, and what do you think the Government had done for that company during that time? It had built them great buildings. One great building stands out there, made of brick and steel, 600 feet long, 280 feet wide. That company also was making, on another part of its premises, a great number of cars for the Railroad Administration. The War Department bought the equipment and machinery for it. The Government bought there, for that institution, materials, steel. If you walked through that building after the Government had taken for the arsenals over the country some machinery and parts, that which remained, according to the best information of the Government accountants whose testimony was taken, there was on hand material that had cost the Government $5,058,000, a pretty good sum of money raised from the people. In the settlement of that arrangement, whatever you call it, the company was permitted to retain that material that cost over $5,000,000 at the sum of $300,000.

The contention might be made, as it was made by that company in order to try to sustain its position, that this material could not be utilized for some other purpose. But for my part, as I looked over that great factory, that great building, and saw that material in its many and manifold forms, some of it in its original state, to say that that material, which cost the Government of the United States $5,000,000, should be given to the Standard Steel Car Co. at a salvage value of $300,000 was beyond my comprehension and beyond any idea of what I could consider as an honest deal with the Government of the United States.

And what further? That was done in face of the fact that a concern in Chicago had by letter, on the day this settlement was made, made a bid for that material which would have brought to the Government at least $750,000, plus the expense of transferring it away from that scene and the payment of the rental value to the Standard Steel Co. of from $20,000 to $25,000 for the time that it would be necessary to occupy their plant. Yet Col. Hughes for some reason wanted to turn all of this material over to the Standard Steel Co. at this value, and it was done. Yet in some ways I can not blame or censure Col. Hughes. It might not be fair to censure him for all of this. Why? Because the rules provided for the settlement of these contracts or these agreements by the War Department provided that all these materials and increased facilities and buildings and so forth should be retained if possible by the contractors in whose possession and on whose land they were. The result was that the negotiating officer under the Dent Act who went out there had one of only two alternatives open to him—either to make some kind of an arrangement with the contractor and get some little return for the materials and the increased facilities or else take and remove them and turn them over to a salvage department that perhaps never would sell them. God only knows. I do not.

But, anyhow, the negotiating officer had no chance to go out into the market in the different cities where these things are located and find a buyer there who could make a bid that would be accepted and have a delivery made, because of the rules and regulations adopted by the War Department for disposing of these materials and this equipment under the Dent Act.

And then we come to the settlement, after they had run this contract over until the last part of June and delivered only 200 of these war carriages.

What next have we? They filed first a claim against the United States for $6,000,000, including their profits. They were only entitled to a profit of $800,000, or $4,000 on each carriage. Yet they filed a claim for $6,000,000.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. JEFFERIS. I can not yield now. They filed first a claim for $6,000,000. The next claim that they filed was for $3,000,000, and the accountants out there of the Government who had been working on the job during the entire time of the execution of that contract, who had the figures of the cost of everything, and who had been maintained there by the Government at great expense, were kicked aside when the settlement came to be made, and the knowledge that they had was apparently removed from all consideration and not considered in any way, shape, or form.

Finally that claim of over $3,000,000 was presented. They were entitled to $800,000 as their profit. That left $2,200,000. How did they undertake to make up that amount? On what basis did they claim or could they justly claim that the Government owed it to them? The Government accountants were there. Mr. Blakey related this thing some time ago to the Chicago Tribune. Afterwards the young man, born and raised over here in Maryland, came down to the office of this committee and told the committee something with reference to that claim and that settlement, and he testified before this committee regarding the different items that were utilized or set up in that claim and which were allowed by the Claims Board not only in Washington but in the Ordnance Department and in the city of Chicago. Those items were first $99,000, about which I will read.

Mr. BLAKEY. Instead of being for $3,000,000, it is for $2,200,000, as I explained; $800,000 has already been paid as profit. I have crossed the items here that should not apply in the claim.

The first one is under (a) 6, carrying charge during the period of nonproduction.

Mr. GRAHAM. Explain that.

Mr. BLAKEY. At $99,000.

Mr. GRAHAM. Explain that and tell what you think about it.

Mr. BLAKEY. The first time they set it up here—

That is the company—

they tried to call it interest on their investment, and in my letter dated September 15 I explained to them that depreciation had been paid and that interest on the investment is not a proper charge to the War Department contracts.

Then he goes on and explains that that was an unjust item, an improper item that was allowed in the settlement making up this total of $2,200,000.

Then he goes on to an item of $261,251.45 that was allowed by this Claims Board and permitted to be paid. He says:

I went to Butler, Pa., and audited their administrative expense, which covers their Butler office and their Pittsburgh office, and I have set up here their entire administrative expense from November, 1917, to June, 1919, inclusive, and the amount that was applicable to all Government contracts, whether it was the Hammond plant or whether it was their other plant, was $670,869.16. After arriving at that amount, which was agreed to by their treasurer, Mr. Gillispi, we began prorating to their four plants. They have two plants at Hammond, one at Butler, and one at New Castle, Pa., and we prorated that $670,000 to those four plants on an equitable basis.

Mr. GRAHAM. According to the business done?

Mr. BLAKEY. No, sir; according to productive labor; that is the method that is used by all accountants and agreed to by them. And in doing that the Government absorbed the figure that is mentioned here, $109,000 of the $670,000; and the treasurer of the company complimented me and said I had been very liberal, that that was a very liberal settlement, and they could not have asked for any more. And as a result of that conference we were invoiced; that is, the Government was rendered bills and we vouchered and paid to them $109,000, which was all that they claimed.

And yet, notwithstanding they had been paid $109,000 for all their administrative charges that could be justly charged against this contract on the part of the Government in the settlement made at Chicago, they were given a further sum of $261,251.45.

The next item was a 10 per cent profit on worked direct materials, labor, and overhead, $656,394.05. What have you to say about that? It is backed up by any number of Government accountants, who after they had rendered their accounts to the Government were pushed aside and a settlement made that would permit of the payment to them of $2,200,000 plus the $800,000 profits to which they were justly entitled.

Now, what about the item of $656,394.05:

Mr. GRAHAM. What have you to say about that?

Mr. BLAKEY. That is an item that would require approximately 90 days to audit, and in order to audit that correctly the contractor would have to be forced to furnish records which at the present time they are holding back; they will not give the Government accountants those

records, and they are doing it in order to get that amount, while we have from our own records that we have built up since I have been there—my contention is that figure should not be over $250,000, and that is very conservative.

Mr. GRAHAM. In other words, you think there is about $400,000?

Mr. BLAKEY. About $406,394.05 that is allowed more than should be paid. In other words, if you take this $656,000 and add it to the $800,000 they had been paid it gives them $1,456,000. Now, based on the total cost for the work in process and the carriages completed, they should have $1,050,000. While I can verify it in that way by taking the total cost, when you go down to verify it in detail, then it would take a little longer.

And yet the figures of these accountants, Mr. May, Mr. Blakey, and Mr. Miller, all show these vast sums of money allowed in the settlement of that transaction. The Government's accountants were ignored, refused a hearing in fact, because nothing was asked of them in any way, shape, or form, although Mr. Blakey had written a letter exposing this condition.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. JEFFERIS. No; I can not yield; I want to get these facts before the House. Now, this item for additional work, an item used to make up this sum of $2,200,000 out of the people's money that was paid to the companies. Here is what the evidence says about that:

Mr. BLAKEY (a). Additional cost of passenger-car work done in freight shop, $467,184.51. As a Government accountant I do not see how that applies to the war contract in any sense whatever. It was work that they did in their own plant on the other side of the fence and was not Government work and had no bearing and no relation to the Government contract.

Mr. GRAHAM. Did the Government take over their freight-car establishment?

Mr. BLAKEY. We took over their passenger-car work.

Mr. GRAHAM. And did you take their building that they used for making them?

Mr. BLAKEY. Yes, sir.

Mr. GRAHAM. And they are charging now for this sum for the inconvenience, or whatever it was, of doing this work in the freight building?

Mr. BLAKEY. Which they claim additional cost; in other words, they claim it costs more by having to move over in the other department and produce cars over there instead of producing them where they were originally.

Then the evidence goes on with the different items that make up $2,200,000 that they agreed to. In settlement the manufacturer turns over all this material and these increased facilities, that cost the Government about $8,000,000, to the company at a salvage of $900,000.

The testimony discloses that it was wholly improper and unjustified from any standpoint whatever. And yet that settlement was made on that basis by the Claims Board in Chicago, and then the representative of the company goes with Col. Hughes, the negotiating officer, to Washington, and having taken it up with the ordnance board, the ordnance board sends one representative to go out and look the field over. The War Claims Board sends one representative, and Col. Hughes goes on the railroad train with the representative of the company and they occupy a stateroom together. They ride out to Chicago that night, enjoy each other's company as they play cards, and so forth, on the railroad train, get out there the next morning, and these men walk through the plant and have a meeting in the afternoon. They talk the matter over informally and agree on a settlement of $3,000,000, notwithstanding the accountants undertook in the way that they considered proper to get their knowledge and information before the board. They apparently got no hearing, but the settlement went through. The check is issued and a representative of the company hops on the train and rushes to Washington to get the money.

Col. Hughes is the same Col. Hughes who early in July, 1919, under the name of Mr. Russell, who was then the head of the Claims Board, wrote a letter down here to Washington, Intelligence Division, telling them to call off the investigators of the War Department as to what was taking place; that if there was any more evidence of fraud out there than what had been discovered that the Claims Board that had been in charge for a long period of time was capable of finding it out. The president of the Standard Steel Car Co. was here during the war in the War Industries Board, under the direction of the War Department.

Whether the president of the company had influence or not, the fact remains that the company was able to put things over and get money, and get a plenty of it, and the result was that Col. Hughes, when he wrote the letter that he did not want any more war-intelligence officers out there, must have had a reason for it. It had been discovered that in a certain electrical contract for the construction of increased facilities by the Standard Electric Co.—I forget the exact name—an employee of that company had received a present of a chest of silver, and that an automobile was involved in another transaction.

Mr. WELTY. Will the gentleman yield?

Mr. JEFFERIS. I can not.

Mr. WELTY. I only want to ask the gentleman if he will kindly give us the names.

Mr. JEFFERIS. Oh, it is all in the evidence. The evidence was taken under the direction of this Congress. Every Member has it available if he will look it through and feels that he has interest enough to read it and find the names and dates and everything else. I am not here to undertake to remember all the names or every iota of evidence when it is open to those who want the truth, and if they will seek for it they will find it. [Applause.] After this was done, it seems that the War Intelligence Board was hot on the trail of some of them and it was called off.

Mr. KNUTSON. Mr. Speaker, I ask that order may be maintained on the other side of the aisle.

Mr. JEFFERIS. I know the truth hurts sometimes, and whenever the pig under the gate is found squealing it is because he has got wedged in fast and is being hurt. That is true with individuals, and likewise some of them do not want to have the truth told.

Take, for instance, the American Can Co., an institution of 55 factories throughout the United States, making tin cans. As a matter of fact, at that time the Government had a bill pending here in the United States courts to have that institution dissolved as a trust, but when a war came on it seemed that that was the one company to make tin cans. Contracts were given to that company, and in the latter part of the war, along from June to November, the War Department gave it seven contracts for some 89,000,000 cans at a price from 5½ to 6½ cents apiece. Was that a just contract? It was the greatest can-making factory of the country. According to independent can makers of this country, and we called a number of them before the committee, they would have been glad to have had those contracts for those cans, and would have made them at a price of 4 to 5½ cents apiece, and in doing so, according to their testimony, they would have made from 25 to 30 per cent profit. This American Can Co., however, after they had obtained these contracts, although the contract did not say to the effect that the company was entitled to any increased facilities or that any of the increased facilities that they might purchase were to be amortized in the contracts, went on in the performance of that contract and had furnished some 40,000,000 of these cans at the time of the armistice. A settlement was necessary. The American Can Co. was not in want. It was the largest manufacturing concern of its kind in the country, covering 55 cities, and one of those institutions that all Democrats out in our State seemed to denounce, because I have been living in a State where that peerless leader of Democracy, William J. Bryan, hails from, and where he has denounced time and time again everything that looks like a trust or combination as being contrary to the best interests of the American people. When it came to making a claim, this company rendered an account charging that they had purchased $867,733 worth of material to go into the making of these cans. Had that material fallen in price? According to the secretary of that company, and according to the evidence of other witnesses, this tin plate had not reduced in price except from $7.75 to $7 per hundredweight, a decrease of only 9 per cent, from the time the armistice was signed until the time of the settlement. Yet on what basis did we permit them to keep all of that tin? The Government made a settlement with them and permitted them to keep that tin at a salvage value of 68 per cent of its cost, or $591,061.15, or a loss to the Treasury of the United States of $276,588.94.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. JEFFERIS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. BLANTON. Mr. Speaker, I regret, but I must object.

The SPEAKER. Objection is heard.

Mr. GARRETT. Mr. Speaker, is it the desire of the gentleman from Illinois [Mr. GRAHAM] that I should proceed now?

Mr. GRAHAM of Illinois. We will have but one more talk on our side, and I suggest that the gentleman use his time now.

Mr. GARRETT. I suggest this to the gentleman. Of course I have no knowledge of what ground he intends to cover in his remarks. I feel that I ought to reserve some time to follow the gentleman.

Mr. GRAHAM of Illinois. Under the rules of the House, as I understand it, I am entitled to close.

Mr. GARRETT. Certainly.

Mr. GRAHAM of Illinois. And I expect to follow the report as it is filed.

The SPEAKER. The gentleman from Tennessee is recognized for two hours.

Mr. GARRETT. Mr. Speaker, it is among the traditions of the House of Representatives that one of the most distinguished Speakers who ever occupied the chair said upon one occasion, in speaking of a Member of the House, that he never raised his voice in speech that he did not subtract from the sum total of human wisdom. I do not mean to make any application of that——

Mr. CARAWAY. It is not necessary.

Mr. GARRETT. To the remarks of my frind of whom I am very fond, who has just preceded me, or to anticipate in any way that it would be applicable to the remarks of the gentleman who is to follow me; but I do undertake to say that by the presentation of such matters as are presented here to the House, the majority of this Committee on Expenditures illustrates in an even greater degree than I have seen it illustrated heretofore its inefficiency to deal with the things committed to its charge. [Applause on the Democratic side.]

Complaint has been made that the minority opposed and sought to prevent this debate by voting against the rule which made it in order. I shall submit to the quiet, intelligent thought of those members who are accustomed to deal with serious matters in a serious way, whether or not the minority was justified. These matters involved in this report are technical in character. They are executive and judicial, not legislative, and this is a legislative body. The testimony which has been taken before this subcommittee covers two large volumes. That part dealing with the settlement of claims alone, to which this report only alludes, would cover probably more than 1,000 pages. Every case presents a purely legal question in itself. No man can pass just judgment upon any one of those cases without hearing or reading all of the testimony that has been taken. Do we object to the facts coming out? No! Do we object to a discussion? No! What we do object to is the opportunity of inferences to be cast out to the country, predicated alone upon only a part of the testimony that has been taken. [Applause on Democratic side.]

Eight business firms of this country are mentioned by name in the report filed by the majority of the committee, and it is followed with the statement that the settlement of these claims in some of these cases, without specifying—

Seem to have been obviously tainted with fraud.

Seem to be obviously tainted with fraud! In what respect are they tainted with fraud and with whose fraud? Fraud upon the part of the negotiators for the Government or fraud upon the part of the firms whose names are mentioned? I submit that it is an injustice of the gravest character for a great committee of this House to bring before this body in an official report allegations attacking the integrity of business firms, without specifying the firm that they would attack or the employees or representatives of the Government whom they charge, if they would dare charge, have been guilty of fraud.

I propose to follow as closely as I can the line of argument or the order of argument made by the gentleman from Nebraska [Mr. JEFFERIS], but before doing so I think it is only fair that some reference should be made to the remarks made by the gentleman from Kansas [Mr. CAMPBELL] during discussion on the rule, wherein he referred to a list of contracts not mentioned in the report and assailed the integrity of a contractor. R. H. Long & Co. had contracts with the Government of the United States aggregating from $30,000,000 to $35,000,000. When the armistice was signed there were outstanding contracts aggregating more than $10,000,000, practically all of which were canceled.

Some of them were formal contracts, some of them were Dent Act cases. The matter of the settlement of those contracts arose. A representative of the War Department negotiated these settlements, and I shall tell you who he was presently. These contracts, terminated and canceled, aggregating more than $10,000,000, were settled at a little over 9 per cent of the amount of the liability which was outstanding, a most favorable settlement; probably, so far as the little evidence which has been taken upon this shows, the most favorable to the Government of any that have been made. The gentleman from Kansas [Mr. CAMPBELL]—and here is the vice of this procedure—the gentleman from Kansas read one or two pages of testimony of a single witness, and upon that predicated this sweeping charge of fraud and graft against R. H. Long, and in the conclusion of one of his speeches said or rather asked the question—I think it was of the gentleman from Ohio [Mr. WELTY]—"Do you not think that Long should be prosecuted and that the official who negotiated the settlement with him should be prosecuted?" and then "would not stay for an answer."

I will answer the gentleman. Upon this record, no. The gentleman read to the House certain testimony of one Mr. Bennett. I do not know whether the gentleman from Kansas has ever met with Mr. Bennett or not. I want to say this. I have met in my life a good many witnesses in the court room and before committees of the Congress, and according to my present recollection—and I have searched my memory with great care to try to be accurate—Mr. Bennett adds more to my ignorance of a proposition concerning which he attempts to testify than any witness I have ever seen in a court of justice or at a parliamentary inquisition. In saying that I do not mean to impugn in any way the integrity of Mr. Bennett. I do not cast imputations upon the integrity of men without justification; but he is quoted here, and I think the House should know his opportunity for learning the facts and his relation to the committee. When he first appeared before the committee and made an assault with apparent intent to try to give information, I became curious to know how we had accumulated him. I knew, of course, that various of these subcommittees had their attorney and their investigators and their expert accountants, and so I began to inquire in the hearing as to how Mr. Bennett came to us. It developed that he was employed down in the War Department, a civil-service employee; some unpleasantness arose down there and he sought another job; he came up and held converse with our honored chairman and told him certain things, and thereupon our chairman employed him and he became the official smeller for Subcommittee No. 5. [Laughter and applause on the Democratic side.] I do not think Mr. Bennett is to be very severely criticized, because he has had to work with very great haste. The demand was urgent that something should be found, and so he went forth to hunt for the decayed stuff in Denmark with all the zeal and spirit of that knight of old who went forth in quest of the Holy Grail. The demand was very imperative upon the majority party: "You must find something; you must find carrion, or we will have to eat crow." [Applause on the Democratic side.]

And so a hasty search was made of these settlements, and Mr. Bennett came before the committee and testified. He furnished the chairman with information upon which he gave out an interview that caused two libel suits against newspapers in the State of Massachusetts. [Laughter on the Democratic side.] He shoots such facts as he assumes to lay before the committee through and through with inferences so that it is practically impossible to follow him. When Mr. Long came upon the stand and took the specific contracts and dealt with them item by item and explained these settlements, that testimony of Mr. Bennett was absolutely emasculated, and the majority did not include the Long settlements in their report.

Now, Mr. Speaker, the Congress of the United States very promptly, after the signing of the armistice, realized the importance of conditions in this country being restored to normal as quickly as was humanly possible. More than 30,000 contracts, formal and informal, had been entered into during the period of the war. These contracts were for probably every form of raw and finished material of which the human mind can conceive. Every industry of the country had been bent to war purposes. Scarcely one which you can name, engaged in the manufacture of anything whatsoever, but whose forces had been called upon to respond to the military needs of the Republic. Many of those contracts were informal, or what has been designated as "illegal" contracts—namely, in the sense they were either proxy-signed contracts and, because of the decision of the comptroller, became informal or "illegal" contracts—or others that were based upon purchase orders issued from the department or by some officer of the department requisitioning vast war materials, and the Congress of the United States, in order to meet that condition, in order to relieve the strain, in order to render business as certain as it was possible to render it, proceeded as one of its first works when we met here in December, 1918, to formulate the legislation commonly known as the Dent Act, under which the claims growing out of those contracts might be settled. The rules of settlement are criticized in this report and have been referred to by the gentleman from Nebraska.

Every essential element that is contained in any rule that has been adopted for the settlement of those claims was laid before the Committees on Military Affairs of the House of Representatives and the Senate, and before the House and the Senate, at the time we were considering the Dent Act, and, with the full knowledge of what those rules were to be and what processes had been developed, this House of Representatives, by a vote of 270 to 30, and the Senate by a practically unanimous vote, passed the legislation which put that machinery into operation. And the rules and regulations which were to be followed as then laid before this Congress have been scrupulously followed by the department in

every adjustment and every settlement made, so far as it has been possible for this committee to determine. [Applause on the Democratic side.] Now, the gentleman from Nebraska [Mr. JEFFERIS] referred in the outset of his remarks in a critical way to the order the Secretary of War issued on the 17th of April, declaring that an emergency existed and stating that there might be a suspension (as he was authorized by law to do) in the matter of advertising for bids for war supplies. Would the gentleman from Nebraska have had it otherwise? We were entering an indescribable war, because there is nothing with which we can compare it. Speed was of the essence of our enterprise and endeavor. We were beginning or were shortly to begin to send the American youths across to foreign lands to do battle in a strange country. Would the gentleman from Nebraska have waited to advertise for bread or for clothes or for guns with which to equip them? So far as my recollection extends, at no time when this Nation has been at war has there been a failure to suspend the regulation providing for competitive bidding by advertising before entering into contracts for war necessities, and if unfortunately we should ever be engaged in war again it will be so again. The gentleman has referred to the requisition made for a certain class of leather goods. Oh, the gentleman's speech was ingenious and adroit. It is an appeal not to the intelligence of the country but to the psychology of the country, and it is not the purpose to discuss these matters upon the cold facts and all the facts developed in this record. It is the purpose to appeal to the dissatisfaction, to the spirit of suspicion and discontent.

What these gentlemen want is to find a thief. Why, their daily cry is, "Let us search the department for a thief. A thief, a thief, my kingdom for a thief!" [Applause on the Democratic side.] For what? To discredit the administration. "Should not the negotiator of the settlement with Mr. Long be prosecuted?" said the gentleman from Kansas [Mr. CAMPBELL]. Does the gentleman from Kansas know who negotiated the settlement with Mr. Long? Maj. Byron negotiated every settlement of every contract of Mr. Long, save a few that were in the Chemical Warfare Service, upon which partial settlements were made, and some of which are still pending. If the gentleman from Kansas has not met Maj. Byron—and this committee has not taken his testimony, and he is one man outside of Long himself who knows all about it—if he has not met him, I suggest to him that he do so. He is an elegant gentleman, and the gentleman will find him a congenial political companion. [Applause on the Democratic side.] Col. Goetz, the gentleman who aided in the settlement of these claims, tells me that he is a good West Virginia Republican and, strange to say, he seems to be proud of it. [Laughter.]

Some gentleman said during the course of the debate on the rule, that you would prosecute under the next administration. Let me warn you that if there were any chance of conviction you would best wait until the next administration, because you would miss lots of these fellows in next November's election if you did not. [Laughter.] Gentlemen, there has not been politics in the selection of these men who have represented the Government in these negotiations and settlements. More than 30,000 men have had to do with the settlements of the contracts. Do you understand the system? Boards are created in the zones, ordnance boards, the quartermaster or purchase, storage and supply boards, and so forth.

Where a claim is made it is first dealt with by that zone board. I am not trying to use all the technical names, but to give you a rapid description of the system. After that board has made its award it comes to a bureau board here in Washington. The bureau board, with the aid of its technical advisors—and the local boards also have their technical advisors—pass upon the claim, and it then goes to the General War Claims Board for final adjustment. If they are unable to agree then the contractor can go into the Court of Claims; and that is his last resort. I am speaking now of the Dent Act cases. Not all of these cases mentioned in the report are Dent Act cases. Every settlement of the American Can Co., to which the gentleman from Nebraska [Mr. JEFFERIS] made reference, and the settlement with Henry W. Moss & Co., to which the report makes reference, was the settlement of a formal contract, which the Government could only terminate by the sufferance of the contractor. The contractor had the right to proceed with the manufacture of those things that had been ordered from him, to lay down the supplies, and say, "Give me my money." Those contracts were terminated by agreement between the Government and the contractor, and any settlement made with the contractor for less than the amount of his contract was so much saved to the Government.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. CAMPBELL of Kansas. I ask for information, because I had understood that the formal contracts contained a stipulation.

Mr. GARRETT. You mean for termination?

Mr. CAMPBELL of Kansas. For termination.

Mr. GARRETT. Not in all cases. And if terminated, they had to be terminated upon terms satisfactory to the contractor.

Mr. GARNER. Does the gentleman mean to say that there were 30,000 people who represented the Government in the settlement of various contracts?

Mr. GARRETT. I mean to say it has been testified to before the committee that, first and last, in these claims boards, with their technical advisers and their investigators, there have been more than 30,000 different individuals engaged in the work and representing the Government. Why, this is a task!

This committee a few weeks ago reported House resolution 381, requesting the Secretary of War to at once review the settlement of every case that had been made under the Dent Act. It was understood the committee was to go to the Committee on Rules and ask for a special rule to consider and pass that resolution. But some wise men on the Republican side, evidently not willing to commit themselves to such a superb folly, persuaded the committee from making any such request, and it was abandoned; and so they compromised on just talk, talk, talk.

Mr. RAKER. Will the gentleman yield right there?

Mr. GARRETT. Yes, sir.

Mr. RAKER. About what proportion of these 30,000 men, if the gentleman knows from his inquiry, were officers in the service?

Mr. GARRETT. I can not tell.

Mr. RAKER. I mean men who were in the service as officers in the Army?

Mr. GARRETT. I will say this, that there is scarcely a claims board—local, bureau, or general—upon which there is not one or more commissioned officers of the War Department; but the number, of course, I do not know, and I have no way of ascertaining.

Mr. STEVENSON. Will the gentleman state about how many claims there have been passed upon?

Mr. GARRETT. Under the Dent Act?

Mr. STEVENSON. Yes, sir.

Mr. GARRETT. Under the Dent Act, according to the report submitted by the Secretary of War, under the terms of the Dent Act there have been adjusted 4,668 claims, 2,185 claims are pending, and 2,700 others are under consideration, to determine whether they fall within the classification of formal or informal contracts.

Mr. RAKER. Will the gentleman yield for a question?

Mr. GARRETT. I will.

Mr. RAKER. Could the gentleman tell us what was the method used in selecting the personnel of these various boards and commissions? How was that done? Does the record show?

Mr. GARRETT. Yes. In a general way, they were assigned, where it was Army officers who were assigned, in this way: Say an officer who was in a district subject to orders of the officer of that district, the general officer, the officer for that board would be assigned by such general officer. They were assigned, it may be said generally, under the authority of the General Staff.

Mr. RAKER. I want to inquire as to the civil members, those that were not in the military service. Were they under civil service or were they appointed outside?

Mr. GARRETT. I do not know. Some of them may have been under civil service, and some of them may have been selected otherwise. I do not know about that. I think that very few, if any, were under civil service. They were business men, in so far as the Government could obtain business men; men with the largest experience the Government could find who were willing to take the job.

Now, the gentleman from California and all gentlemen will bear in mind that the personnel of these boards has been and is constantly changing. Men do not care to remain in this service at a sacrifice to themselves, and hundreds—aye, thousands—of these men who were selected were, while they were serving, working at an actual sacrifice to themselves, because they could get out elsewhere and do better in private business.

Now, Mr. Speaker, the question of salvage values is raised here. The majority report says:

> In all these cases except the last two named salvage values were fixed by Government agents and Army officers on special facilities furnished by the Government, sometimes buildings and sometimes machinery and equipment, which were, in the opinion of the committee, insufficient and unjust to the Government.

Now, let us be reasonable about this matter and view it as a common-sense proposition; that is, if the House is in a frame of mind that renders it possible to do so. When these contracts were terminated many of the contractors had on hand large stocks of material in their factories—material bought especially for the contracts. In many instances the material had been especially cut. For instance, in the case of these hard-bread cans, that tin had been cut to a certain size, because it was required to prevent waste and it was necessary to make the can in accordance with the particular specifications required by the Government. In the case of tin the Government received in salvaging it $5.50 per base box. It was testified by some gentleman before the committee that according to the magazines the market price of this tin at that time was $7.35. And yet Col. Goetz told the committee—he was the salvage officer, it so happened, on certain of these contracts—that he sent out a representative who wrote or went to the various concerns which it was thought could use that character of material, and that he was unable to get any bid at all; and so, finally, they salvaged it at $5.50.

Now, it is a question of judgment. There was no fraud. The judgments of men upon business transactions differ. I sold some property recently and bought some, and I have been wondering ever since whether in one or the other, or both, of the transactions I did not get skinned. From what would they impute fraud?

Because they may differ as to whether the Government should take over what it had then and leave it there in the factories or move it to some storage place, paying in either event a tremendous rental for storage, and holding it as a speculation to see if there would be a better market or whether the price would rise.

Oh, we have had some resolutions from another subcommittee of this full committee before now, urging the Government to press in and sell the foodstuffs and break the market; to sell the automobiles at whatever it could get for them. The generous soul of the gentleman from Nebraska [Mr. REAVIS] would throw that stuff on the market at nothing, but the frugal soul of the gentleman from Illinois [Mr. GRAHAM] would have the Government hold vast warehouses of stuff in order to see if there might come a rising market. [Applause on the Democratic side.]

Specific reference has been made by the gentleman from Nebraska [Mr. JEFFERIS] to the case of the Standard Steel Car Co. I do not wish to enter into a discussion of that case, and I am going to tell you why very frankly; and I am not going to enter into a discussion any more than I can avoid it and still do what seems to me a duty with respect to that feature of the report mentioned by the gentleman from Nebraska. It is a matter that, if anything can be done concerning it, must go to the courts, and it is neither fair nor proper that the rights of the Government or the rights of the contractor should in any way be prejudiced by anything that is said on the floor of this House, because it is a matter with which we have nothing to do. [Applause on the Democratic side.]

I have some impressions in regard to that case; but, gentlemen, not a single member of the Standard Steel Car Co. has been heard before the committee. I do not think it was the duty of the committee to call them, and I am making no criticism of the committee for not doing so.

But their side of this proposition has never been presented, save only as it was presented through the Government officers that negotiated the settlement; and here is the further reason why I do not deem it proper to discuss it: It is known to this committee that this particular case is one in which the Secretary of War, immediately upon its coming to his attention and before this committee had taken a line of testimony upon it, directed that there should be a review of it, and there is just this that ought to be said: No inference may legitimately be drawn adverse to the head of the administration of the War Department concerning this claim because every word of testimony that this committee has had reflecting upon the claim is from officers of the War Department itself.

I leave the case there for the decision of the department and of the courts, if the department shall see proper, as it has the authority to do, to bring suit under the terms of the Dent Act.

Now, I trust that no gentleman will have the faintest suspicion that any political reason influences me in not discussing that case, because, so far as I have been able to learn, everybody connected with it in any direct way is a member of a different party from that to which I belong. [Applause on the Democratic side.]

The report makes this statement:

> In the last case cited, that of the United Metals Selling Co., immense profits were made by the producers of copper by virtue of a combination of the low-priced copper producers, which combination was aided and encouraged by the Government, although in violation of the law of the land.

Here, gentlemen, are the facts: The United Metals Selling Co. is a corporation, formerly, I believe, chartered by the State of New York, but now under the laws of Delaware. Its business is the sale of metals. It acts as agent for the producers of zinc and copper and steel and pig iron, if I remember correctly, and the various classes of metals, and sells to the consumer for the producer. It has been in existence—it or one of its predecessors has been in existence—for a quarter of a century or more. There are about 20 such companies in the United States, this being, I believe, the largest. Before we entered the war the demand for copper on the part of the nations of Europe was immense.

They were taking practically all of our supply, save such as we retained for domestic and peace time manufacture here. And, by the way, we were practically the sole source of supply for the nations with whom we subsequently became associated in the conflict.

When we entered into the war there was, of course, an immediate realization that the demand for copper for war purposes was to be tremendously increased, and there had to be certainty. There had to be uniformity. The Government of the United States, therefore, went to the people who knew something about copper and entered into negotiations with them to see what could be supplied. The gentleman from Nebraska [Mr. JEFFERIS] made reference to the Government entering into a contract with the American Can Co. for cans. Of course they did. The Government needed cans wherever they could get them. Would the gentleman from Nebraska go to a shoemaker's shop for a shave? Would the gentleman from Illinois go to a millinery store for a massage? The Government went where it had to go, to the men who knew how to obtain these things. And what happened? At the time we entered the war copper was selling at from 26 to 33 cents on the markets of the world. The first move that was made by this Government to obtain copper was made by Mr. Bernard M. Baruch. Even before we entered the war the Congress had appropriated for the purchase of a vast amount of copper. The Navy Department and the Army together needed 45,000,000 pounds of copper. Mr. Baruch went out to the copper men and brought about among them an agreement whereby different ones furnished to the Government of the United States 45,000,000 pounds of copper at 16¾ cents a pound, being the average price extending over the previous 10 years of production, although the world price at that time was from 26 to 33 cents a pound. [Applause.]

After that, with the price of copper still continuing to rise, it was realized that something must be done to stabilize prices and—what was even more important—to insure production. Those gentlemen on the Military Affairs Committee, who knew of the need, will acquiesce in that as a matter of course.

And what occurred? In September, 1917, after negotiations on the part of representatives of the Government with various copper producers and the agencies that were selling copper, such as the Standard Co. and the United Metals Selling Co. in particular, a uniform price was agreed upon at which the Government was to obtain its copper; to wit, 23½ cents per pound. And in addition to that the laborers in the copper mines—who where they are unionized, have a contract, and have had for long years that they shall receive payment on the basis of the price at which the producer sells the copper, what is called a sliding scale—were protected, so that although the producer received only 23½ cents a pound they received the wages based on the price at which copper was then selling upon the market, to wit, from 26 cents up.

That was in September, 1917. In July, 1918, the price was raised to 26 cents a pound f. o. b. New York, which is the basis of all these prices. That, of course, was to meet the rising scale of prices due to the inflation which always comes with bond issues, and also to meet the increase in freight rates that went into effect on the first day of that month.

That, gentlemen, in brief, is the story of copper; and I undertake to say to you now that if it had not been for this arrangement and those agreements the price of copper would have been to us—with the demand all the time growing, and with us in competition with those countries with which we had become associated in the war—a sum which no man would now dare hazard a guess about, certainly not less than 35 or 40 cents a pound. And there was, in my opinion, no combination involved in that arrangement which in any way was in violation of the law of the land, but upon the contrary the Public Treasury was protected, and every legitimate interest of the Government was carefully guarded. [Applause.]

Mr. GRAHAM of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

The SPEAKER. The gentleman from Tennessee has consumed one hour.

Mr. GRAHAM of Illinois. I had it in mind to make a motion to adjourn, and inasmuch as the gentleman has consumed half his time and an hour remains on our side, if that is satisfactory to the gentleman, I will make the motion; but if the gentleman wants to conclude, I will withhold the motion.

Mr. GARRETT. I yield to the gentleman.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. MOORE of Ohio (at the request of Mr. RICKETTS), for 10 days, on account of serious illness in this family.

ADJOURNMENT.

Mr. GRAHAM of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 54 minutes p. m.) the House adjourned until Tuesday, December 16, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting revision of certain items in the estimates for the office of the Comptroller of the Currency for the fiscal year 1921 (H. Doc. No. 511); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Bureau of the Census for compilation and publication of influenza statistics, fiscal year 1920 (H. Doc. No. 512); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriation required by the Division of Printing and Stationery (H. Doc. No. 513); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Agriculture for "General expenses, Forest Service," fiscal year 1921 (H. Doc. No. 514); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required for additional clerical force for the office of the Coast Guard during the last six months of the current fiscal year (H. Doc. No. 515); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of the Interior, transmitting a statement showing the documents received and distributed during the fiscal year 1919 (H. Doc. No. 516); to the Committee on Expenditures in the Interior Department and ordered to be printed.

7. A letter from the Secretary of the Treasury, transmitting condition of the appropriation "Pay of personnel and maintenance of hospitals, Public Health Service, 1920" (H. Doc. No. 517); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Secretary of the Treasury, transmitting report and estimates in connection with the acquisition of the Broadview Hospital, in Chicago, Ill. (H. Doc. No. 518); to the Committee on Public Buildings and Grounds and ordered to be printed.

9. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Public Health Service (H. Doc. No. 519); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WALSH, from the Committee on the Judiciary, to which was referred the bill (S. 2476) to amend an act establishing the eastern district of Kentucky, reported the same with an amendment, accompanied by a report (No. 501), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 11170) for the relief of Elizabeth R. Nicholls and Joanna L. Nicholls, heirs of Joshua Nicholls, and the same was referred to the Committee on War Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PORTER: A bill (H. R. 11195) providing for an appropriation for the purpose of making examinations, investigations, and surveys and preparing plans and estimates of cost for regulating the stream flow and controlling the flood waters of the Allegheny and Monongahela Rivers and their tributaries; to the Committee on Flood Control.

By Mr. PETERS: A bill (H. R. 11196) to dispose of a certain strip of public land in Waterville, Me.; to the Committee on Public Buildings and Grounds.

By Mr. DICKINSON of Missouri: A bill (H. R. 11197) for the reduction of postage on first-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. HARRISON: A bill (H. R. 11198) to provide for the erection of a post-office building at Luray, Va.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11199) to provide for the erection of a post-office building at Woodstock, Va.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11200) to make additions and extensions to post-office and courthouse building at Harrisonburg, Va.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11201) to make an additional appropriation for the construction of a post-office building at Front Royal, Va.; to the Committee on Public Buildings and Grounds.

By Mr. WOODS of Virginia: A bill (H. R. 11202) increasing the limit of cost for a post-office building and site at Salem, Va.; to the Committee on Public Buildings and Grounds.

By Mr. ROUSE: A bill (H. R. 11203) for the reduction of postage on first-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. DYER: A bill (H. R. 11204) authorizing the purchase of a site and the erection thereon of a hospital at St. Louis, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. RAKER: A bill (H. R. 11205) providing for the exclusion, deportation, and expulsion from the United States of certain aliens, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. MORIN: A bill (H. R. 11206) to create a department of aeronautics, defining the powers and duties of the director thereof, providing for the development, production, operation, and maintenance of aircraft, and providing for the development of civil and commercial aviation; to the Committee on Military Affairs.

By Mr. RAMSEY: Resolution (H. Res. 420) providing for an additional clerk to the Committee on Enrolled Bills; to the Committee on Accounts.

By Mr. WRIGHT: Joint resolution (H. J. Res. 262) authorizing the Secretary of War to furnish material, forces, and help for the construction of a pontoon bridge for temporary use across the Chattahoochee River at West Point, Ga.; to the Committee on Military Affairs.

By Mr. GOOD: Joint resolution (H. J. Res. 263) extending the time for filing final report of the Joint Commission on Reclassification of Salaries, created by section 9, public, No. 314, Sixty-fifth Congress, approved March 1, 1919, to a date not later than March 12, 1920; to the Committee on Reform in the Civil Service.

By Mr. GREENE of Massachusetts: Memorial from the Legislature of the State of Massachusetts, regarding the continuation of certain work at the Boston Navy Yard; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11207) granting a pension to Harry M. Sutter; to the Committee on Pensions.

By Mr. BOOHER: A bill (H. R. 11208) granting an increase of pension to Albert Waller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11209) granting a pension to Mary F. Cook; to the Committee on Pensions.

By Mr. FERRIS: A bill (H. R. 11210) granting an increase of pension to Michael Balenti; to the Committee on Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 11211) granting an increase of pension to John Bounds; to the Committee on Invalid Pensions.

By Mr. HARRISON: A bill (H. R. 11212) for the relief of William J. Wagner; to the Committee on Claims.

By Mr. KING: A bill (H. R. 11213) granting an increase of pension to Kate McLaughlin; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 11214) for the relief of A. C. Goddard; to the Committee on Claims.

By Mr. LEHLBACH: A bill (H. R. 11215) granting an increase of pension to William S. Stout; to the Committee on Invalid Pensions.

By Mr. MacGREGOR: A bill (H. R. 11216) for the relief of Cosmo Palermo; to the Committee on Claims.

By Mr. McDUFFIE: A bill (H. R. 11217) granting a pension to Sadie L. Runyan; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 11218) granting a pension to Martha A. Wade; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 11219) granting an increase of pension to Christina Wylie; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 11220) granting an increase of pension to Cynthia Martin; to the Committee on Pensions.

Also, a bill (H. R. 11221) granting an increase of pension to Daniel K. Rowe; to the Committee on Invalid Pensions.

By Mr. WILSON of Illinois: A bill (H. R. 11222) for the relief of William A. O'Connor; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

379. By the SPEAKER (by request): Petition of Presbytery of Washington City, indorsing a three months' truce of strikes; to the Committee on the Judiciary.

380. Also (by request), petition of sundry citizens of Springfield, Mass., opposing Esch and Cummins bills; to the Committee on Interstate and Foreign Commerce.

381. Also (by request), petition of United Brotherhood of Maintenance of Way and Railway Shop Labor, of Harrisburg, Pa., presenting resolutions concerning recent miners' strike and for strikes called in the future; to the Committee on the Judiciary.

382. Also (by request), petition of sundry citizens of various States concerning the methods adopted by the Government in the recent strike crisis; to the Committee on the Judiciary.

383. By Mr. BABKA: Petition of Warren Lodge, No. 295, Benevolent and Protective Order of Elks, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

384. Also, petition of Grand Hodge Post, No. 17, American Legion, pledging support to the Government in suppressing radical elements; to the Committee on the Judiciary.

385. By Mr. BEGG: Petition of Liberty Post, No. 46, American Legion, Bellevue, Ohio, urging that steps be taken to curb the activities of un-American individuals and organizations; to the Committee on Immigration and Naturalization.

386. By Mr. BURROUGHS: Petition of the Earl B. Clark Post, No. 42, of the New Hampshire Branch of the American Legion, indorsing and recommending for passage House bill 5545 to provide homes for soldiers, seamen, marines, and for other purposes; to the Committee on Military Affairs.

387. Also, petition of Phil Sheridan Branch of the Friends of Irish Freedom, Somersworth, N. H., by Mrs. Hannah R. Wallace, secretary, advocating the enactment of House bill 3404; to the Committee on Foreign Affairs.

388. Also, petition of Padraic H. Pearse Branch, Friends of Irish Freedom, by Messrs. Patrick J. Connors, John Leary, and Thomas Loughlin, committee on resolutions, Portsmouth, N. H., urging that the Congress by resolution ask the President of the United States to recognize the republic of Ireland as a member of the nations of the world; to the Committee on Foreign Affairs.

389. By Mr. ELSTON: Petition of Oakland Lodge, No. 171, Benevolent and Protective Order of Elks, condemning promulgation of anarchist propaganda in the United States; to the Committee on the Judiciary.

390. By Mr. EMERSON: Petition of East Cleveland Post, No. 163, American Legion, favoring the deportation of undesirable radicals; to the Committee on Foreign Affairs.

391. By Mr. ESCH: Petition of Cleary Post, No. 115, American Legion, Elroy, Wis., favoring deportation of all undesirable aliens; to the Committee on Immigration and Naturalization.

392. Also, petition of Merrill Lodge, No. 696, Benevolent and Protective Order of Elks, favoring legislation to rid country of radical elements; to the Committee on Immigration and Naturalization.

393. Also, petition of mass meeting assembled at La Crosse, Wis., opposing Cummins bill and favoring Plumb plan; to the Committee on Interstate and Foreign Commerce.

394. By Mr. FULLER of Illinois: Petition of William Ennenbach, C. B. & Q. car inspector, of Mendota, Ill., opposing Cummins bill and favoring Sims bill regarding the railroads; to the Committee on Interstate and Foreign Commerce.

395. Also, petition of the Illinois Agricultural Association, concerning the Federal land bank system and joint-stock land banks; to the Committee on Banking and Currency.

396. Also, petition of Rev. B. N. Cleaver, of Streator, Ill., for repeal of the tax on Chautauqua tickets of admission; to the Committee on Ways and Means.

397. Also, petition of the Pioneer Creamery Co. and the National Sewing Machine Co., of Belvidere, Ill., favoring Madden bill for 1-cent postage; to the Committee on the Post Office and Post Roads.

398. Also, petition of Chicago Sand & Gravel Producers' Association, concerning the return of the railroads to their owners; to the Committee on Interstate and Foreign Commerce.

399. Also, petition of sundry citizens of Cedar Point, Ill., regarding constitutional rights; to the Committee on Labor.

400. By Mr. JOHNSTON of New York: Petition of St. Lawrence O'Toole Branch Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

401. Also, petition of Joseph Conroy and others, of New York City, favoring six months' pay for soldiers and sailors; to the Committee on Ways and Means.

402. Also, petition of Benevolent and Protective Order of Elks, Lodge No. 275, urging stringent legislation against Bolshevism and I. W. W.s in this country; to the Committee on Immigration and Naturalization.

403. Also, petition of Department of Labor, State Industrial Commission, New York State, protesting against House Document No. 284; to the Committee on Mines and Mining.

404. By Mr. LINTHICUM: Petition of William Warfield Cockey, of Baltimore, Md., regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

405. Also, petition of Lewis J. Barnsburgh, of Baltimore, Md., concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

406. Also, petition of Walter Wells, of Baltimore, Md., opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

407. Also, petition of Herbert C. Jory, of Baltimore, Md., presenting recommendation for construction division to be included in reorganization of the Army; to the Committee on Military Affairs.

408. By Mr. LONERGAN: Petition of Hartford Lodge, Benevolent and Protective Order of Elks, condemning activities of I. W. W., Bolshevists, and syndicalists; to the Committee on Immigration and Naturalization.

409. Also, petition of Yankee Division Veterans, for just bonus to soldiers discharged from the service, based on length of service and compensation based on actual injuries; to the Committee on Military Affairs.

410. By Mr. McGLENNON: Petition of Kearny Lodge, No. 1050, Benevolent and Protective Order of Elks, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

411. By Mr. MacGREGOR: Petition of department of labor, State of New York, opposing legislation which would place the Bureau of Mines in the control of the explosives industry; to the Committee on Mines and Mining.

412. Also, petition of Military Order of the Loyal Legion, favoring recognition of volunteer officers of the War of 1861–1865; to the Committee on Military Affairs.

413. Also, petition of Buffalo Trucking Association, favoring House bill 540 and Senate bill 7; to the Committee on Interstate and Foreign Commerce.

414. By Mr. MOONEY: Petition of East Cleveland Post of the American Legion, pledging support to the Government in suppressing radical elements; to the Committee on the Judiciary.

415. Also, petition of Warren Lodge, No. 295, Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolshevists; to the Committee on Immigration and Naturalization.

416. Also, petition of Local No. 1365, United Brotherhood of Carpenters and Joiners of America, opposing antistrike provisions of Cummins bill; to the Committee on Interstate and Foreign Commerce.

417. By Mr. O'CONNELL: Petition of the American Mining Congress, presenting resolutions adopted at its twenty-second annual convention; to the Committee on Mines and Mining.

418. By Mr. RAKER: Petition of Nevada County Development Association, of California, regarding the Japanese question and the need for prohibition for further immigration from that country; to the Committee on Immigration and Naturalization.

419. Also, petition of Lodge No. 289, Boiler Makers' of Dunsmuir, Calif., supporting House bill 10367; to the Committee on Interstate and Foreign Commerce.

420. Also, petition of Red Bluff Chamber of Commerce, favoring plan for a system of national highways and appointment of a highway commission; to the Committee on Roads.

421. Also, petition of Grand Lodge No. 171, Benevolent and Protective Order of Elks, urging deportation of all undesirable aliens; to the Committee on Immigration and Naturalization.

422. Also, petition of Allied Council of the American Shoe and Leather Industries, opposing discrimination by Indian Government to tanners of the British Empire; to the Committee on Ways and Means.

423. By Mr. THOMPSON: Petition of Boiler Makers, Local No. 409, Van Wert, Ohio, opposing Cummins bill and supporting Sims bill; to the Committee on Interstate and Foreign Commerce.

424. By Mr. YATES: Petition of Roger Casement Branch of Friends of Irish Freedom, by Thomas Bolger, secretary, McHenry, Ill., urging the support of the claims of the Irish republic to recognition by our Government; to the Committee on Foreign Affairs.

425. Also, petition of George N. Carlson, Waukegan, Ill., urging the early passage of House bill 4987, known as the Mason bill; to the Committee on Military Affairs.

426. Also petition of Landis Lodge, No. 342, Brotherhood of Railway Clerks, Chicago, Ill., protesting against the Cummins bill; to the Committee on Interstate and Foreign Commerce.

427. Also, petition of D. W. Williams, Chicago, Ill., urging the early passage of House bill 4987, the Mason bill; to the Committee on Military Affairs.

SENATE.

TUESDAY, *December 16, 1919.*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we invoke Thy divine blessing upon us to-day as we come facing the responsibilities which press upon us, duties that are so far-reaching in their implications. We seek God's guidance and blessing that we may be qualified not only after the manner of men but men inspired by the spirit of God for these solemn responsibilities of life. Hear us and equip us for our duties to-day. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Friday, December 12, 1919, when, on request of Mr. JONES of Washington and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. GAY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	McLean	Smith, Ga.
Bankhead	Harding	McNary	Smith, S. C.
Calder	Harris	Moses	Smoot
Capper	Harrison	Nelson	Spencer
Culberson	Henderson	New	Stanley
Cummins	Johnson, S. Dak.	Newberry	Sterling
Curtis	Jones, N. Mex.	Norris	Sutherland
Dial	Jones, Wash.	Nugent	Thomas
Dillingham	Kendrick	Overman	Townsend
Edge	Kenyon	Page	Trammell
Elkins	Keyes	Phipps	Walsh, Mont.
Fernald	King	Poindexter	Warren
Fletcher	Knox	Pomerene	Watson
France	La Follette	Ransdell	Wolcott
Frelinghuysen	Lenroot	Sheppard	
Gay	McCormick	Sherman	
Gronna	McKellar	Simmons	

Mr. WALSH of Montana. I desire to announce that the Senator from Nebraska [Mr. HITCHCOCK] and the Senator from Oregon [Mr. CHAMBERLAIN] are absent on public business.

Mr. SHEPPARD. I have been requested to announce that the Senator from Virginia [Mr. SWANSON] is detained by illness in his family.

Mr. McKELLAR. The Senator from Arizona [Mr. ASHURST], the Senator from Kentucky [Mr. BECKHAM], the Senator from Arkansas [Mr. KIRBY], the Senator from Maryland [Mr. SMITH], and the Senator from Massachusetts [Mr. WALSH] are absent on official business.

Mr. BANKHEAD. I wish to announce that my colleague [Mr. UNDERWOOD] is detained from the Senate on public business.

The VICE PRESIDENT. Sixty-five Senators have answered to the roll call. There is a quorum present.

PERSONAL EXPLANATION—TREATY OF PEACE.

Mr. WALSH of Montana. Mr. President, the Washington Post of this morning contains an article in which reference is made to an alleged interview with myself on yesterday. The part to which I refer reads as follows:

> Senator WALSH of Montana, who was the chief reliance of the administration Senators throughout the heated debates on the treaty, said yesterday:
> "The Democratic Senators are inwardly seething over the position taken by the President. They are all wondering whether the statement was really written by the President or by some cheap politician assuming to speak the President's mind."

Referring to what purported to be a statement emanating from the White House a few days ago. Prominence is given to that part of the article by a reference to it in the large headlines of the article.

I acknowledge the high compliment paid me in the article by referring to me as "the chief reliance of the administration Senators" in connection with the treaty; but I desire to say that there is no foundation whatever for the assertion that I so expressed myself. I made no such statement to anybody, at any time, or at any place. Indeed, I did not even comment to anybody on the statement referred to, coming from the White House; and I will add that I know of no such sentiment or state of mind among my colleagues on this side of the Chamber.

I make this statement not so much in exoneration of myself as to apprise the public as to how reliable some of the reports in the press are.

DISTRIBUTION OF DOCUMENTS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmiting, pursuant to law, a statement showing the documents received and distributed by the Department of the Interior during the fiscal year 1919, which was ordered to lie on the table and be printed.

WOMAN SUFFRAGE.

The VICE PRESIDENT. The Chair lays before the Senate a certified copy of a joint resolution adopted by the Legislative Assembly of the State of North Dakota ratifying the proposed amendment to the Constitution of the United States extending the right of suffrage to women. The joint resolution will be printed in the RECORD and placed on the files of the Senate.

The joint resolution is as follows:

> Special session of the Sixteenth Legislative Assembly, State of North Dakota, begun and held at the capitol in the city of Bismarck, on Tuesday, the 25th day of November, 1919.
>
> S. B. No. 1. A joint resolution ratifying a proposed amendment to the Constitution of the United States.
>
> *Be it enacted by the Legislative Assembly of the State of North Dakota*—
>
> Whereas the Sixty-sixth Congress of the United States of America, at the first session begun and held at the city of Washington on Monday, the 19th day of May, 1919, by a constitutional majority of two-thirds thereof, made and passed the following proposal to amend the Constitution of the United States of America in the following words, to wit: "Joint resolution proposing an amendment to the Constitution extending the right of suffrage to women."
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States.
>
> "Article —.
>
> "The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.
>
> "Congress shall have power to enforce this article by appropriate legislation": Therefore be it
>
> *Resolved by the Legislative Assembly of the State of North Dakota, duly convened*, That the said foregoing proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislative Assembly of the State of North Dakota: And be it further
>
> *Resolved*, That certified copies of this joint resolution be forwarded by the governor of this State to the Secretary of State for the United States of America, at Washington, D. C., and to the President of the Senate and the Speaker of the House of Representatives of the National Congress.
>
> Approved December 5, 5.45 p. m., 1919.
>
> LYNN J. FRAZIER,
> *Governor.*
> H. R. WOOD,
> *President of the Senate.*
> W. J. PRATER,
> *Secretary of the Senate.*
> L. L. STAN,
> *Speaker of the House.*
> GEO. A. TOTTEN, JR.,
> *Chief Clerk of the House.*

This certifies that the within bill originated in the Senate of the Sixteenth Legislative Assembly of the State of North Dakota, and is known on the records of that body as Senate bill No. 1.

W. J. PRATER, *Secretary of the Senate.*

Filed in this office at 2 o'clock p. m., this 8th day of December, 1919.

THOMAS HALL,
Secretary of State.
By MAURICE W. DUFFY,
Deputy.

Approved December 5, 5.45 p. m., 1919.

LYNN J. FRAZIER, *Governor.*

PETITIONS AND MEMORIALS.

Mr. SIMMONS presented a petition of Local Lodge No. 1155, Benevolent and Protective Order of Elks, of High Point, N. C., praying for the enactment of legislation providing for the suppression of Bolshevism and the deportation of undesirable aliens; which was referred to the Committee on Immigration.

He also presented resolutions adopted by the faculty of Mount Holyoke College, South Hadley, Mass., and of the Philomusian Club of Philadelphia, Pa., favoring the early ratification of the peace treaty, which were ordered to lie on the table.

Mr. TOWNSEND presented a petition of the Mitts Branch of Women's Christian Temperance Union, of Port Huron, Mich., and a petition of the faculty of Adrian College, Adrian, Mich., praying for the immediate ratification of the peace treaty with certain reservations; which were ordered to lie on the table.

He also presented a petition of William C. Stark Post No. 97, American Legion, of Adrian, Mich., praying for the enactment of legislation providing for the protection of the country from undesirable aliens; which was referred to the Committee on Immigration.

He also presented a petition of the Credit Men's Association of Grand Rapids, Mich., praying for the enactment of legislation providing for a budget system, which was referred to the special committee to devise a plan for a national budget system.

Mr. HARRISON presented a petition of Local Lodge No. 606, Benevolent and Protective Order of Elks, of Biloxi, Miss., and a petition of Local Lodge No. 1120, Benevolent and Protective Order of Elks, of Pascagoula, Miss., praying for the enactment of legislation providing for the deportation of undesirable aliens; which were referred to the Committee on Immigration.

Mr. JOHNSON of South Dakota presented petitions of sundry citizens of Spencer, Lake Preston, Lane, Cavour, Sisseton, and Wessington, and of the Young Men's Booster Association of Sioux Falls, all in the State of South Dakota, praying for the exemption of lyceum courses from the provisions of the so-called "luxury tax," which were referred to the Committee on Finance.

He also presented a petition of the faculty of the Dakota Wesleyan University, Mitchell, S. Dak., praying for the early ratification of the treaty of peace with Germany, which was ordered to lie on the table.

Mr. CAPPER presented petitions of sundry citizens of Enterprise, Peru, and Hill City, all in the State of Kansas, praying for the repeal of the so-called "luxury tax" on Chautauqua tickets, which were referred to the Committee on Finance.

He also presented a memorial of Local Union No. 356, Amalgamated Sheet Metal Workers International Alliance, of Parsons, Kans., remonstrating against the passage of the so-called Esch railroad bill and favoring a two years' extension of Government operation of railroads, which was referred to the Committee on Interstate Commerce.

He also presented a petition of Local Lodge No. 1127, Benevolent and Protective Order of Elks, of Great Bend, Kans., praying for the enactment of legislation providing for the deportation of undesirable aliens, which was referred to the Committee on Immigration.

Mr. SUTHERLAND presented a petition of Local Lodge No. 282, Benevolent and Protective Order of Elks, of Moundsville, W. Va., praying for the enactment of legislation providing for the deportation of undesirable aliens, which was referred to the Committee on Immigration.

Mr. FLETCHER. I ask to have printed in the RECORD certain extracts, telegrams, resolutions, and letters which I have received relative to the ratification of the treaty of peace with Germany.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

METHODISTS ASK SENATE TO PASS PEACE TREATY.

LAKELAND, *December 11.*

Pursuant to previous announcements, the seventy-sixth session of the Florida annual conference of the Methodist Episcopal Church South met in the Methodist Church here yesterday morning at 9 o'clock, Bishop Warren A. Candler, of Atlanta, Ga., presiding.

The following resolutions, offered by Edward F. Ley, D. B. Sweat, W. A. Myers, and C. Fred Blackburn, after many amendments were defeated and five speeches were made, were adopted:

"Whereas the Senate of the United States has given much time to the consideration of a treaty of peace prepared by the Hon. Woodrow Wilson, President of the United States, to the Senate for adoption; and

"Whereas the unsettled conditions of our own Nation, as well as the nations of the world in general, are in a measure due to the lack of the adoption of a treaty of peace by our Government; and

"Whereas the text of the treaty submitted by Mr. Wilson is as nearly complete and satisfactory as any that we believe is possible at this time: Therefore be it

"*Resolved*, That this conference, representing a constituency of 40,000 citizens of our Commonwealth, respectfully but urgently request the Senate of the United States to adopt, as early as possible, the peace treaty submitted by Mr. Wilson, without material amendments or reservations.

"*Resolved*, That the secretary of this conference wire immediately a copy of these resolutions to President Woodrow Wilson and Vice President, the Hon. THOMAS R. MARSHALL, President of the Senate, and to the two Senators from Florida, the Hon. DUNCAN U. FLETCHER and Hon. PARK M. TRAMMELL."

[From the Tampa Morning Tribune.]

THE APPEAL FOR THE TREATY.

The case with regard to the treaty and the league of nations covenant is well put in a letter written by a Newport (R. I.) man in the form of an address to the United States Senate. He presents to the Senators certain facts which they appear to have overlooked in their desire to serve prejudice.

Here is what he has to say to them:

"There are 8,000,000 dead men watching you every moment and listening to your every word. Picture these men as ranged around you while you talk. Imagine the Senate Chamber to be surrounded by ascending tiers of seats in circles that ever rise until 8,000,000 dead young men are seated and watching you with their sightless eyes.

"There they are, gentlemen. You can not escape from them. There they are, all dead and all young. Eight million beautiful young men, the pick of the human race, and every one of them a corpse. Yet every one of these beings, with sunken eyes, is gazing at you, calling to you, raising his bony hands in appeal."

The idea of the new fellowship of peoples as contained in the league of nations is too fine a thing to be cast lightly aside. The votes on the league at the last session showed that two-thirds of the Senate, with a clear sentiment of the country behind them, are eager that the United States should accept the treaty and covenant. They realize that the peace of the world can not be preserved except by the mutual trust, cooperation, and good faith of America and Europe. They look upon the league as an effort to do what all sane peoples should desire and do desire. They should give it a fair and earnest trial.

NEW YORK, N. Y., *December 15, 1919.*

Senator DUNCAN U. FLETCHER,
Washington, D. C.:

To the PRESIDENT OF THE UNITED STATES AND TO THE MEMBERS OF THE SENATE OF THE UNITED STATES.

GENTLEMEN: The board of directors of the Merchants' Association of New York, believing that there is a moral and an economic obligation resting upon the United States of America promptly to act upon the treaty of peace, which has been under consideration for many months, presents this petition. With the utmost earnestness we respectfully appeal to you to make such mutual concessions as will permit an immediate ratification of the peace treaty, with such reservations as will, either now or later, permit our participation in a league of nations without impairing the safety or the sovereign powers of the United States. We therefore call on you, Mr. President, to resubmit the draft of the proposed treaty to the Senate, in order that its immediate further consideration may be imposed upon that body. We call upon you, gentlemen of the Senate, promptly to act on the peace treaty, with such reservations as will now or later permit our participation in a league of nations without surrender of the sovereign powers of the United States. No pride of opinion, no desire for partisan benefit, should prevent or further delay them until concessions, which apparently alone will bring formal ratification of peace, and thus permit the concentration of Congress and our people upon definite measures necessary to aid our own and European recovery from war conditions.

Respectfully submitted.

THE BOARD OF DIRECTORS OF THE
MERCHANTS' ASSOCIATION OF NEW YORK,
By WILLIAM FELLOWS MORGAN, *President.*

AMERICAN SUPPLY & MACHINERY MANUFACTURERS' ASSOCIATION,
OFFICE OF SECRETARY TREASURER, 4106 WOOLWORTH BUILDING,
New York, December 12, 1919.

To the Hon. DUNCAN U. FLETCHER.

Resolution unanimously passed by our officers, executive committee, and advisory board in special session at the Waldorf-Astoria Hotel, New York, December 9.

DEAR SIR: As the American Supply & Machinery Manufacturers' Association is purely a business association and avoids even the appearance of partisanship in politics, it is thought that an expression of judgment that includes the desires of both our Republican and Democratic members as to your current action upon the treaty with Germany and the league of nations will have your respectful and serious consideration.

Our industry, as you doubtless realize, is one of the key industries in the restoration of industrial life throughout the world. Its prosperity is not only essential to a quick return of industry to normal conditions, but in view of the loss of man power by warfare, machinery must multiply the efficiency of labor if mankind is to be properly fed, clothed, and sheltered.

We note with alarm the serious decrease in production and the tendency of the peoples of the world to live for and unto themselves. We note the arrogance of the rulers of Germany and, on the other hand, the pleadings of our recent allies and the weak nations for help and protection against policies that make for war.

It is the judgment of our people, and, we believe, all true Americans, that a treaty be signed without delay. We ask that among our statesmen in the Senate a spirit of concession prevail. We say to you in all seriousness that disaster will follow a further delay caused either by obstinacy of opinion or partisanship.

As the effects of signing are not unalterable, and as immediate action is necessary to save the industry of the country, we, the Republicans and Democrats in this great industry, hereby respectfully voice our demand for a signed treaty.

GEO. T. BAILEY, *President.*

Mr. FLETCHER. I also present resolutions adopted by St. Johns Post No. 37, American Legion, of St. Augustine, Fla., which I ask to have printed in the RECORD and referred to the Committee on the Judiciary.

There being no objection, the resolutions were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

CITY OF ST. AUGUSTINE,
St. Augustine, Fla., December 11, 1919.

Senator D. U. FLETCHER,
Washington, D. C.

MY DEAR SENATOR: Inclosed find copy of resolution No. 135 which is self-explanatory. The city administration of the city of St. Augustine, Fla., appreciates your supporting any legislation that will assist in upholding law and order of our land and suppress any unlawful act or acts that may be committed by those inclined to be un-American.

Very truly, yours,

EUGENE MASTERS,
City Manager.

Resolution 135. Introduced by Commissioner Lopez.

Whereas St. Johns Post, No. 37, the American Legion, has requested that the city of St. Augustine, Fla., express itself to our United States Senators and Representatives in the Congress of the United States relative to rigid legislation in reference to the un-American acts of the Industrial Workers of the World who have been disseminating propaganda of the most anarchistic type and who have counseled acts of violence and disregard for the law; and

Whereas the city commission of the city of St. Augustine, Fla., mindful of the history of our country and of the trials through which our Government has gone, and knowing full well that these United States can only exist upon principles founded upon the firm basis of loyalty, justice, and patriotism: Therefore be it

Resolved, That our honorable United States Senators and our honorable Representatives in the lower House of the Congress be, and they are hereby, urged and requested to vote for, support, and uphold their fellow statesmen in the battle for Americanism which is being now waged, and to make every effort to secure the passage of rigid laws for the suppression of crime, especially those grades of crime which are aimed at the very heart of free government, free institutions, and the enjoyment of liberty; and be it further

Resolved, That a copy of these resolutions be mailed to each of our Representatives in the Congress, a copy to the local post of the American Legion, and a copy be handed the press of our city.

Passed in open session of the commission this 2d day of December, A. D. 1919.

H. W. DAVIS, *Acting Mayor.*

Attest:
C. G. OLDFATHER,
City Auditor and Clerk.

[Seal of the city of St. Augustine.]

FRANCIS S. PEABODY.

Mr. SHERMAN. Mr. President, I ask unanimous consent to present a telegram from 400 coal dealers in Chicago protesting against the appointment of Francis S. Peabody on the commission to settle the wage scale of soft-coal miners. I ask that it be printed in the RECORD but not read. It is very short.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *December 12, 1919.*

Senator L. Y. SHERMAN,
The Northumberland, Washington, D. C.:

Four hundred independent coal dealers of Chicago protest against the appointment of Francis S. Peabody as a representative on the commission to be appointed by the President to settle the wage scale of the United Mine Workers, for the reason that we do not believe the public will get a fair deal, as George W. Reed, local fuel administrator appointed by Dr. Garfield as his representative, has discriminated against the independent coal companies in Chicago, he being vice president of the Peabody Coal Co. at Chicago and using his office to further the interests of coal companies dominated by the Peabody Coal Co.

WM. O'ROURKE,
Secretary Independent Coal Dealers' Organization Committee of Chicago.

REGULATION OF STREET TRAFFIC IN WASHINGTON CITY.

Mr. SHERMAN. I also ask unanimous consent to present for the 12th of December, the 24 hours ending at that time, the usual list of personal injuries to persons run over by automobiles in the city of Washington. I ask that it be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

WOMAN IS FELLED BY AUTO AND KILLED—MARY JACKSON, COLORED, DIES AT HOSPITAL—BABY BARELY ESCAPES DEATH.

[From the Evening Star, Dec. 12.]

"A fatal traffic accident occurred at Twenty-fourth and L Streets last night about 7.45 o'clock, a colored woman about 55 years old, giving her name as Mary Jackson, being knocked down by an automobile and so badly injured that she died at Emergency Hospital at 3.15 o'clock this morning.

"Andrew J. Parker, 426 Eleventh Street NE., and Mrs. Maud Parker, his wife, were occupants of the automobile. It is stated that the automobile was going east on L Street, and that the colored woman, walking north on Twenty-fourth Street, stepped directly in front of the moving car, the driver being unable to bring the vehicle to a stop in time to prevent the accident.

MOTORIST GIVES FIRST AID.

"Quickly stopping his automobile, Mr. Parker rendered first aid and took the sufferer to Columbia Hospital. Later she was transferred to Emergency Hospital, where she died. She managed to tell hospital attendants that her name was Mary Jackson, but was unable to give her address before lapsing into unconsciousness.

"Death resulted from an injury to her head, police reported. Mr. Parker explained to the police the circumstances under which the accident occurred and will appear at an inquest at the morgue this afternoon.

BABY BARELY ESCAPES DEATH.

"Scores of pedestrians at Fourteenth and G Streets about 4.30 o'clock yesterday afternoon witnessed a traffic accident in which Francis R. Bell, jr., 2 years old, 1819 G Street, narrowly escaped death. The little fellow, accompanied by his parents, was being pushed in a perambulator, when an Army motor truck suddenly appeared and struck the outfit.

"The child, it was feared, had been crushed by the heavy vehicle, but parents and spectators quickly learned that he had only received slight bruises and was shocked. He was taken to Emergency Hospital. J. L. Morton, 811 Florida Avenue, was driver of the truck.

OTHER COLLISIONS.

"A collision between the automobiles of Donald Frenzel, Fairfax, Va., and Carl Bell, 1248 Twenty-seventh Street, occurred at Thirty-first and M Streets shortly after 2 o'clock this morning. The Virginian's car was badly damaged, but its occupant escaped injury.

"Harry Fowler, 14 years old, 314 Tenth Street SE., rode his bicycle against an automobile at Pennsylvania Avenue and Eighth Street SE. yesterday afternoon. His wheel was damaged, but he was not hurt.

"Automobiles of H. L. Rust, 912 Fifteenth Street, and L. E. Hutchinson, 1814 Fourteenth Street, collided at Fifteenth and T Streets yesterday afternoon and were badly damaged."

REPORTS OF COMMITTEE ON CLAIMS.

Mr. SPENCER, from the Committee on Claims, to which was referred the bill (S. 3422) authorizing the Commissioner of Internal Revenue to refund any amount imposed as a penalty for failure to pay income tax within a specified time, asked to be discharged from its further consideration and that it be referred to the Committee on Finance; which was agreed to.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 683. An act for the relief of William E. Johnson (Rept. No. 330);

H. R. 1812. An act making an appropriation to compensate James M. Moore for damages sustained while in the service of the Government of the United States (Rept. No. 331);

H. R. 5348. An act for the relief of Mrs. Thomas McGovern (Rept. No. 332); and

H. R. 5665. An act for the relief of Carlow Avellina (Rept. No. 333).

GEORGE B. GATES.

Mr. SPENCER, from the Committee on Claims, reported the following resolution (S. Res. 262):

Resolved, That the bill (S. 2675) entitled "A bill to compensate George B. Gates for the infringement of his letters patent by the United States," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

SALARIES OF FIREMEN IN THE DISTRICT OF COLUMBIA.

Mr. CALDER. At the special session of Congress a bill was passed readjusting the pay of policemen in the city of Washington. There is a bill which goes with that, another measure readjusting the pay of the firemen of the city of Washington. I have been directed by the Committee on the District of Columbia to report back favorably with an amendment the bill (H. R. 10137) to amend an act entitled "An act to classify the officers and members of the fire department of the District of Columbia, and for other purposes," approved June 20, 1906; and for other purposes, and I submit a report (No. 329) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. McLEAN. Mr. President——

Mr. CALDER. I think it will not take more than two or three minutes. I will withdraw the consideration of the bill if it takes more than five minutes.

Mr. THOMAS. It was tacitly understood that the adjournment was had for the purpose of giving the Senator from Connecticut [Mr. McLEAN] an opportunity to call up the confer-

ence report on the banking bill, and I think we should observe that understanding. I therefore object to the consideration of this bill this morning.

The VICE PRESIDENT. The bill will be placed on the calendar.

WHITE RIVER BRIDGE, ARKANSAS.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably, without amendment, the bill (S. 3371) authorizing Gordon N. Peay, jr., his heirs and assigns, to construct, maintain, and operate a toll bridge and approaches thereto across the White River, and I submit a report (No. 334) thereon. I direct the attention of the Senator from Arkansas [Mr. KIRBY] to the measure.

Mr. KIRBY. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That Gordon N. Peay, jr., his heirs and assigns, be, and they are hereby, authorized to construct, maintain, and operate a toll bridge and approaches thereto across the White River at a point suitable to the interests of navigation, within or near the limits of the town of Des Arc, in the county of Prairie, in the State of Arkansas, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. KNOX:

A bill (S. 3556) for the relief of Frank Schoble, jr.; to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 3557) granting a pension to Charles B. Crawford; to the Committee on Pensions.

By Mr. OVERMAN:

A bill (S. 3558) authorizing the establishment of a forest experiment station at Asheville, N. C.; to the Committee on Agriculture and Forestry; and

A bill (S. 3559) for erecting a suitable memorial to Sir Walter Raleigh; to the Committee on the Library.

By Mr. FERNALD:

A bill (S. 3560) granting a pension to Russell S. Beckwith (with accompanying papers); to the Committee on Pensions.

By Mr. HARDING:

A bill (S. 3561) granting an increase of pension to John D. Halbert; and

A bill (S. 3562) granting an increase of pension to Harry Coyan; to the Committee on Pensions.

By Mr. POINDEXTER:

A bill (S. 3563) extending the period of limitations for the commencement of actions for the punishment of violators of the draft act approved May 18, 1917, and amendments thereto; to the Committee on the Judiciary.

AMENDMENT TO RAILROAD CONTROL BILL.

Mr. FRELINGHUYSEN submitted an amendment intended to be proposed by him to the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, which was ordered to lie on the table and to be printed.

LUDWIG C. A. K. MARTENS.

Mr. KENYON submitted the following resolution (S. Res. 263), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Whereas one Ludwig C. A. K. Martens claims to be an ambassador to the United States from the Russian Soviet Government; and

Whereas according to newspaper reports he refuses to answer certain questions before the Lusk Investigating Committee in the city of New York, a committee appointed to investigate propaganda against this Government, on the ground that he is such ambassador and entitled to diplomatic privileges; and

Whereas said Martens has headquarters in the city of New York and is alleged to be directing propaganda against this Government; and

Whereas according to this testimony before said Lusk committee he came to this country as a German citizen and is a member of the Communist Party, pledged to overthrow capitalistic systems of government the world over; and

Whereas said Martens, according to his said testimony, regards this Government as a capitalistic government: Now, therefore, be it

Resolved, That the Committee on Foreign Relations is hereby authorized and directed, through the full committee or through any subcommittee thereof, to investigate as speedily as possible the status of said Martens, what alleged government or power in Europe he represents; what, if any, recognition of any kind has been accorded him by this Government; whether or not he is an alien enemy; what propaganda, if any, he is carrying on for the overthrow of governments, and all facts and circumstances relating to his activities in this country and his alleged diplomatic representation, and make report to the Senate of such findings.

The said committee is hereby empowered to sit and act at such time and place as it may deem necessary; to require, by subpœna or otherwise, the attendance of witnesses, the production of books, papers, and documents; to employ stenographers, at a cost not exceeding $1 per printed page. The chairman of the committee, or any member thereof, may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The expense thereof shall be paid from the contingent fund of the Senate on vouchers ordered by said committee, signed by the chairman thereof and approved by the Committee on Contingent Expenses.

HISTORY OF THE WASHINGTON NAVY YARD.

Mr. STANLEY submitted the following resolution (S. Res. 264), which was referred to the Committee on Printing:

Resolved, That there be reprinted and extended to date Senate Document No. 22, 1889, "A History of the Navy Yard, Washington, D. C."

HAMILTON V. KENTUCKY DISTILLERIES & WAREHOUSE CO.

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD and to have printed as a public document the opinion of the Supreme Court of the United States in the so-called war-time prohibition case, being the case of Hamilton against Kentucky Distilleries & Warehouse Co.

The VICE PRESIDENT. Without objection, it is so ordered.

The opinion is as follows:

SUPREME COURT OF THE UNITED STATES.

(Nos. 589 and 602.—October term, 1919.)

589. Elwood Hamilton, Collector of Internal Revenue, appellant, *v.* Kentucky Distilleries & Warehouse Co. Appeal from the District Court of the United States for the Western District of Kentucky.

602. Alphons Dryfoos, Eugene Blum, and Eugene Bascho, appellants, *v.* William H. Edwards, Collector of Internal Revenue. Appeal from the District Court of the United States for the Southern District of New York.

[Dec. 15, 1919.]

Mr Justice Brandeis delivered the opinion of the court.

The armistice with Germany was signed November 11, 1918. Thereafter Congress passed and, on November 21, 1918, the President approved the war-time prohibition act (ch. 212, 40 Stat. 1045, 1046), which provides as follows:

"That after June 30, 1919, until the conclusion of the present war and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States, for the purpose of conserving the man power of the Nation, and to increase efficiency in the production of arms, munitions, ships, food, and clothing for the Army and Navy, it shall be unlawful to sell for beverage purposes any distilled spirits, and during said time no distilled spirits held in bond shall be removed therefrom for beverage purposes except for export. * * *"

On October 10, 1919, the Kentucky Distilleries & Warehouse Co., owner of distillery warehouses and of whisky therein, brought in the District Court of the United States for the Western District of Kentucky a suit against Hamilton, collector of internal revenue for that district, alleging that the above act was void or had become inoperative and praying that he be enjoined from interfering, by reason of that act, with the usual process of withdrawal, distribution, and sale of the whisky in bond. The case was heard before the district judge on plaintiff's motion for a preliminary injunction and defendant's motion to dismiss. A decision without opinion was rendered for the plaintiff; and, the defendant declining to plead further, a final decree was entered granting a permanent injunction in accordance with the prayer of the bill. A similar suit seeking like relief was brought on October 29, 1918, by Dryfoos, Blum & Co. in the District Court of the United States for the Southern District of New York against Edwards, collector for that district. That case was heard on November 5 before the district judge on like motions for a preliminary injunction and to dismiss. An opinion was filed November 14, 1919, holding the act in force, and on the following day a final decree was entered dismissing the bill.

The essential facts in the two cases differ in this: In the Kentucky case the whisky was stored in a distillery warehouse; the plaintiff was the maker of the whisky; had owned it prior to the passage of the act; and had, since June 30, 1919, paid the revenue tax on part of it. In the New York case the liquors were in general and special bonded warehouses; the plaintiffs were jobbers, and it does not appear when they became the owners of the liquors. Both cases come here by direct appeal under section

238 of the Judicial Code, were argued on the same day, and may be disposed of together. Four contentions are made in support of the relief prayed for: (1) That the act was void when enacted because it violated the fifth amendment; (2) that it became void before these suits were brought by reason of the passing of the war emergency; (3) that it was abrogated or repealed by the eighteenth amendment; (4) that by its own terms it expired before the commencement of these suits. These contentions will be considered in their order.

First. Is the act void because it takes private property for public purposes without compensation in violation of the fifth amendment? The contention is this: The Constitution did not confer police power upon Congress. Its power to regulate the liquor traffic must therefore be sought for in the implied war powers; that is, the power "to make all laws necessary and proper for carrying into execution" the war powers expressly granted. (Art. I, sec. 8, clause 18.) Congress might under this implied power temporarily regulate the sale of liquor and, if reasonably necessary, forbid its sale in order to guard and promote the efficiency of the men composing the Army and the Navy and of the workers engaged in supplying them with arms, munitions, transportation, and supplies. (McKinley *v.* United States, 249 U. S., 397, 399.) But the exercise of the war powers is, except in respect to property destroyed by military operations (United States *v.* Pacific Railroad, 120 U. S., 227, 239), subject to the fifth amendment (United States *v.* Russell, 13 Wall., 623, 627). The severe restriction imposed by the act upon the disposition of liquors amounts to a taking of property; and being uncompensated would, at least as applied to liquors acquired before the passage of the act, exceed even the restriction held to be admissible under the broad police powers possessed by the States. Therefore, since it fails to make provision for compensation, which in every other instance Congress made when authorizing the taking or use of property for war purposes,[1] it is void. Such is the argument of the plaintiffs below.

That the United States lacks the police power, and that this was reserved to the States by the tenth amendment, is true. But it is none the less true that when the United States exerts any of the powers conferred upon it by the Constitution, no valid objection can be based upon the fact that such exercise may be attended by the same incidents which attend the exercise by a State of its police power, or that it may tend to accomplish a similar purpose. Lottery Case (188 U. S., 321, 357); McCray *v.* United States (195 U. S., 27); Hipolite Egg Co. *v.* United States (220 U. S., 45, 58); Hoke *v.* United States (227 U. S., 308, 323); Seven Cases *v.* United States (239 U. S., 510, 515); United States *v.* Doremus (249 U. S., 86, 93-94). The war power of the United States, like its other powers and like the police power of the States, is subject to applicable constitutional limitations (Ex parte Milligan, 4 Wall., 2, 121-127; Monongahela Navigation Co. *v.* United States, 148 U. S., 312, 336; United States *v.* Joint Traffic Association, 171 U. S., 505, 571; McCray *v.* United States, 195 U. S., 27, 61; United States *v.* Cress, 243 U. S., 316, 326); but the fifth amendment imposes in this respect no greater limitation upon the national power than does the fourteenth amendment upon State power. (In re Kemmler, 136 U. S., 436, 448; Carroll *v.* Greenwich Insurance Co., 199 U. S., 401, 410.) If the nature and conditions of a restriction upon the use or disposition of property is such that a State could, under the police power, impose it consistently with the fourteenth amendment without making compensation, then the United States may for a permitted purpose impose a like restriction consistently with the fifth amendment without making compensation; for prohibition of the liquor traffic is conceded to be an appropriate means of increasing our war efficiency.

There was no appropriation of the liquor for public purposes. The war-time prohibition act fixed a period of seven months and nine days from its passage during which liquors could be disposed of free from any restriction imposed by the Federal Government. Thereafter, until the end of the war and the termination of mobilization, it permits an unrestricted sale for export and, within the United States, sales for other than beverage purposes. The uncompensated restriction upon the disposition of liquors imposed by this act is of a nature far less severe than the restrictions upon the use of property acquired before the enactment of the prohibitory law which were held to be permissible in cases arising under the fourteenth amendment. (Mugler *v.* Kansas, 123 U. S., 623, 668; Kidd *v.* Pearson, 128 U. S., 1, 23.) The question whether an absolute prohibition of sale could be applied by a State to liquor acquired before the enactment of the prohibitory law has been raised by this court but not answered, because unnecessary to a decision. (Bartemeyer *v.* Iowa, 18 Wall., 129, 133; Beer Co. *v.* Massachusetts, 97 U. S., 25, 32-33; Eberle *v.* Michigan, 232 U. S., 700, 706; Barbour *v.* Georgia, 249 U. S., 454, 459.) See, however, Mugler *v.* Kansas, supra, pages 623, 625, 657. But no reason appears why a State statute, which postpones its effective date long enough to enable those engaged in the business to dispose of stocks on hand at the date of its enactment, should be obnoxious to the fourteenth amendment; or why such a Federal law should be obnoxious to the fifth amendment. We can not say that seven months and nine days was not a reasonable time within which to dispose of all liquors in bonded warehouses on November 21, 1918. The amount then in storage was materially less than was usually carried;[2] because no such liquor could be lawfully made in America under the Lever food and fuel control act (August 10, 1917, c. 53, sec. 15, 40 Stat., 276, 282) after September 9, 1917. And if, as is suggested, the liquors remaining in bond November 21, 1918, were not yet sufficiently ripened or aged to permit them to be advantageously disposed of within the limited period of seven months and nine days thereafter, the resulting inconvenience to the owner, attributable to the inherent qualities of the property itself, can not be regarded as a taking of property in the constitutional sense. (Clark Distilling Co. *v.* Western Maryland Ry. Co., 242 U. S., 311, 332.)

Second. Did the act become void by the passing of the war emergency before the commencement of these suits? It is conceded that the mere cessation of hostilities under the armistice did not abridge or suspend the power of Congress to resort to prohibition of the liquor traffic as a means of increasing our war efficiency; that the support and care of the Army and Navy during demobilization was within the war emergency; and that, hence, the act was valid when passed. The contention is that between the date of its enactment and the commencement of these suits it had become evident that hostilities would not be resumed; that demobilization had been effected; that thereby the war emergency was removed; and that when the emergency ceased the statute became void.

To establish that the emergency has passed, statements and acts of the President and of other executive officers are adduced; some of them antedating the enactment of the statute here in question. There are statements of the President to the effect that the war has ended[3] and peace has come;[4] that certain war agencies and activities should be discontinued;[5] that our enemies are impotent to renew hostilities[6] and that the objects of the act here in question have been satisfied in the demobilization of the Army and Navy.[7] It is shown that many war-time activities have been suspended; that vast quantities of war materials have been disposed of; that trade with Germany has been resumed; and that the censorship of postal, telegraphic, and wire communications has been removed.[8] But we have also the fact that since these statements were made and these acts were done, Congress, on October 28, 1919, passed over the President's veto the national prohibition act which, in making further provision for the administration of the war-time prohibition act, treats the war as continuing and demobilization

[1] War acts authorizing the seizure or requisition of property:
Mar. 4, 1917, ch. 180, 39 Stat. 1168, 1193, July 1, 1918, ch. 113, 40 Stat. 634, 651, factories, ships, and war materials; June 15, 1917, ch. 29, 40 Stat. 182, 183; Apr. 22, 1918, ch. 62, 40 Stat. 535; Nov. 4, 1918, ch. 201, 40 Stat. 1020, street railroads, equipment, etc., and the acquisition to title to lands, plants, etc.; Aug. 10, 1917, ch. 53, 40 Stat. 276, 279 (food-control act), foods, fuels, factories, packing houses, coal mines, coal supplies, etc.; Mar. 21, 1918, ch. 25, 40 Stat. 451, railroads; May 16, 1918, ch. 74, 40 Stat. 550, 551, June 4, 1918, ch. 90, 40 Stat. 593, houses, buildings, properties, etc., in District of Columbia; July 18, 1918, ch. 157, 40 Stat. 913, 915, ships; July 16, 1918, ch. 154, 40 Stat. 904, telephone and telegraph systems; Oct. 5, 1918, ch. 181, 40 Stat. 1009, 1010, mines, mineral lands, etc.
See also act of June 3, 1916, ch. 134 (39 Stat. 166, 213) for the mobilization of industries, which authorizes the seizure of munition plants and provides that the compensation therefor shall be "fair and just," and the act of Mar. 4, 1917, ch. 180 (39 Stat. 1168, 1169), authorizing the acquisition of aeroplane patents by condemnation, for which $1,000,000 was appropriated.

[2] The amount of distilled spirits of all kinds in bonded warehouses June 30, 1919, was 72,358,151.1 gallons as compared with 282,036,460.2, June 30, 1914; 253,668,341.3 gallons, June 30, 1915; 232,402,878.3 gallons, June 30, 1916; 194,832,682.6 gallons, June 30, 1917; 158,959,264.5 gallons, June 30, 1918. Report of the Commissioner of Internal Revenue for 1919, page 173. The following explanation is given by the commissioner, page 51, why more was not withdrawn: "The high rates of tax on spirits, fermented liquors and wines which were provided in the bill subsequently enacted into law as the revenue act of 1918, prompted many dealers to make heavy purchases of these commodities prior to the passage of the act and, as a consequence of this action on the part of the dealers as well as of the expansion of prohibition territory throughout the United States, the withdrawals from bonded warehouses materially declined after the passage of the act."

[3] Address to Congress, Official U. S. Bulletin, Nov. 11, 1918, p. 5.

[4] Thanksgiving proclamation, Official U. S. Bulletin, Nov. 18, 1918, p. 1.

[5] Address to Congress, Dec. 2, 1918, Official U. S. Bulletin, Dec. 2, 1918, p. 6.

[6] Armistice commemoration proclamation, Nov. 11, 1919.

[7] Veto message, Oct. 27, 1919, CONGRESSIONAL RECORD, Oct. 27, 1919, p. 8063.

[8] U. S. Official Bulletin, Nov. 12, 1918, p. 3; Nov. 22, 1918, p. 1; Nov. 27, 1918, p. 7; Dec. 12, 1918, p. 4; Dec. 20, 1918, p. 4; Dec. 30, 1918, p. 7; U. S. Bulletin, Feb. 27, 1919, p. 6; May 8, 1919; May 12, 1919, p. 14; Oct. 20, 1919, p. 17.

as incomplete; that the Senate, on November 19, 1919, refused to ratify the treaty of peace with Germany;[1] that under the provisions of the Lever Act the President resumed, on October 30, 1919, the control of the fuel supply which he had relinquished partly on January 31, 1919, and partly on February 20, 1919;[2] that he is still operating the railroads, of which control had been taken as a war measure; and that on November 18, 1919, he vetoed Senate bill 641, because it diminished that control,[3] that pursuant to the act of March 4, 1919 (c. 125, 40 Stat., 1348), he continues to control, by means of the Food Administration Grain Corporation, the supply of grain and wheat flour; that through the United States Sugar Equalization Board (Inc.), he still regulates the price of sugar; that in his message to Congress on December 2, 1919, he urgently recommended the further extension for six months of the powers of the Food Administration; that as Commander in Chief he still keeps a part of the Army in enemy occupied territory and another part in Siberia; and that he has refrained from issuing the proclamation declaring the termination of demobilization for which this act provides.

The present contention may be stated thus: That notwithstanding the act was a proper exercise of the war power of Congress at the date of its approval and contains its own period of limitation—"until the conclusion of the present war and thereafter until the termination of demobilization"—the progress of events since that time had produced so great a change of conditions and there now is so clearly a want of necessity for conserving the man power of the Nation, for increased efficiency in the production of arms, munitions, and supplies, that the prohibition of the sale of distilled spirits for beverage purposes can no longer be enforced, because it would be beyond the constitutional authority of Congress in the exercise of the war power to impose such a prohibition under present circumstances. Assuming that the implied power to enact such a prohibition must depend not upon the existence of a technical state of war, terminable only with the ratification of a treaty of peace or a proclamation of peace (U. S. *v.* Anderson, 9 Wall. 56, 70; The Protector, 12 Wall. 700, 702; Hijo *v.* U. S., 194 U. S. 315, 323), but upon some actual emergency or necessity arising out of the war or incident to it, still, as was said in Stewart *v.* Kahn, 11 Wall. 493, 507, "The power is not limited to victories in the field and the dispersion of the [insurgent] forces. It carries with it inherently the power to guard against the immediate renewal of the conflict and to remedy the evils which have arisen from its rise and progress."

No principle of our constitutional law is more firmly established than that this court may not, in passing upon the validity of a statute, inquire into the motives of Congress (U. S. *v.* Des Moines Navigation Co., 142 U. S. 510, 544; McCray *v.* U. S., 195 U. S. 27, 53–59; Weber *v.* Freed, 239 U. S. 325, 330; Dakota Central Telephone Co. *v.* South Dakota, 250 U. S. 163, 184). Nor may the court inquire into the wisdom of the legislation. (McCulloch *v.* Maryland, 4 Wheaton 316, 421; Gibbons *v.* Ogden, 9 Wheaton 1, 197; Brushaber *v.* Union Pacific Railroad Co., 240 U. S. 1, 25; Rast *v.* Van Deman & Lewis, 240 U. S. 342, 357.) Nor may it pass upon the necessity for the exercise of a power possessed, since the possible abuse of a power is not an argument against its existence. (Lottery Case, 188 U. S. 321, 363.)

That a statute valid when enacted may cease to have validity owing to a change of circumstances has been recognized, with respect to State laws, in several rate cases. (Minnesota Rate Cases, 230 U. S. 352, 473; Missouri Rate Cases, 230 U. S. 474, 508; Lincoln Gas Co. *v.* Lincoln, 250 U. S. 256, 268.) That the doctrine is applicable to acts of Congress was conceded arguendo in Perrin *v.* U. S., 232 U. S. 478, 486; and Johnson *v.* Gearlds, 234 U. S. 422, 446. In each of these cases Congress had prohibited the introduction of liquor into lands inhabited by Indians, without specified limit of time; in one case the prohibition was in terms perpetual; in the other it was to continue "until otherwise provided by Congress." In both cases it was contended that the constitutional power of Congress over the subject matter necessarily was limited to what was reasonably essential to the protection of the Indians. In the Perrin case it was contended (p. 482) that the power was transcended because the prohibition embraced territory greatly in excess of what the situation reasonably required, and because its operation was not confined to a designated period reasonable in duration but apparently was intended to be perpetual. In Johnson *v.* Gearlds the contention was (p. 442) that a prohibition originally valid had become obsolete by reason of changes in the character of the territory included in it and the status of the Indians therein. In both cases the court, while assuming that since the power to impose a prohibition of this character was incident to the presence of the Indians and their status as wards of the Government and did not extend beyond what was reasonably essential to their protection, it followed that a prohibition valid in the beginning would become inoperative when in regular course the Indians affected were completely emancipated from Federal guardianship and control, nevertheless held that the courts would not be justified in declaring that the restriction either was originally invalid or had become obsolete if any considerable number of Indians remained wards of the Government within the prohibited territory. In each case the decision rested upon the ground that the question what was reasonably essential to the protection of the Indians was one primarily for the consideration of the lawmaking body; that Congress was invested with a wide discretion; and that its action, unless purely arbitrary, must be accepted and given full effect by the courts.

Conceding, then, for the purposes of the present case, that the question of the continued validity of the war prohibition act under the changed circumstances depends upon whether it appears that there is no longer any necessity for the prohibition of the sale of distilled spirits for beverage purposes, it remains to be said that on obvious grounds every reasonable intendment must be made in favor of its continuing validity, the prescribed period of limitation not having arrived; that to Congress in the exercise of its powers, not least the war power, upon which the very life of the Nation depends, a wide latitude of discretion must be accorded; and that it would require a clear case to justify a court in declaring that such an act, passed for such a purpose, had ceased to have force because the power of Congress no longer continued. In view of facts of public knowledge, some of which have been referred to, that the treaty of peace had not yet been concluded, that the railways are still under national control by virtue of the war powers, that other war activities have not been brought to a close, and that it can not even be said that the man power of the Nation has been restored to a peace footing, we are unable to conclude that the act has ceased to be valid.

Third. Was the act repealed by the adoption of the eighteenth amendment? By the express terms of the amendment the prohibition thereby imposed becomes effective after one year from its ratification. Ratification was proclaimed on January 29, 1919 (40 Stat., pt. 2, appendix). The contention is that as the amendment became on its adoption an integral part of the Constitution its implications are as binding as its language; that in postponing the effective date of the prohibition the amendment impliedly guaranteed to manufacturers and dealers in intoxicating liquors a year of grace; and that not only was Congress prohibited thereby from enacting meanwhile new prohibitory legislation, but also that the then existing restriction imposed by the war-time prohibition act was removed. (See Narragansett Brewing Co. *v.* Baker and O'Shaunessy, U. S. D. Ct. R. I., Nov. 12, 1919.)

The eighteenth amendment, with its implications, if any, is binding not only in times of peace but in war. If there be found by implication a denial to Congress of the right to forbid before its effective date any prohibition of the liquor traffic, that denial must have been operative immediately upon the adoption of the amendment, although at that time demobilization of the Army and the Navy was far from complete. If the amendment effected such a denial of power, then it would have done so equally had hostilities continued flagrant or been renewed. Furthermore, the amendment is binding alike upon the United States and the individual States. If it guarantees a year of immunity from interference by the Federal Government with the liquor traffic, even to the extent of abrogating restrictions existing at the time of its adoption, it is difficult to see why the guaranty does not extend also to immunity from interference by the individual States, with like results also as to then existing State legislation. The contention is clearly unsound.

Fourth. Did the prohibition imposed by the act expire by limitation before the commencement of these suits? The period therein prescribed is "until the conclusion of the present war and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States." It is contended both that the war has been concluded and that the demobilization has terminated.

In the absence of specific provisions to the contrary, the period of war has been held to extend to the ratification of the treaty of peace or the proclamation of peace. (Hijo *v.* United States, 194 U. S., 315, 323; The Protector, 12 Wall.,

[1] CONGRESSIONAL RECORD, Nov. 19, 1919, p. 9321.
[2] U. S. Bulletin, Nov. 10, 1919, p. 9; U. S. Official Bulletin, Jan. 18, 1919, p. 1.
[3] CONGRESSIONAL RECORD, Nov. 19, 1919, p. 9323.

700, 702; United States *v.* Anderson, 9 Wall., 56, 70.) From the fact that other statutes concerning war activities contain each a specific provision for determining when it shall cease to be operative,[1] and from the alleged absence of such a provision here, it is argued that the term "conclusion of the war" should not be given its ordinary legal meaning; that instead it should be construed as the time when actual hostilities ceased; or when the treaty of peace was signed at Versailles on June 28, 1919, by the American and German representatives, or, more generally, when the actual war emergencies ceased by reason of our complete victory and the disarmament of the enemy coupled with the demobilization of our Army and the closing of war activities; or when the declared purpose of the act of "conserving the man power of the Nation, and to increase efficiency in the production of arms, munitions, ships, food, and clothing for the Army and Navy" shall have been fully satisfied. But there is nothing in the words used to justify such a construction. "Conclusion of the war" clearly did not mean cessation of hostilities, because the act was approved 10 days after hostilities had ceased upon the signing of the armistice. Nor may we assume that Congress intended by the phrase to designate the date when the treaty of peace should be signed at Versailles or elsewhere by German and American representatives, since by the Constitution a treaty is only a proposal until approved by the Senate. Furthermore, to construe "conclusion of the war" as meaning the actual termination of war activities would leave wholly uncertain the date when the act would cease to be operative, whereas Congress evinced here, as in other war statutes, a clear purpose that the date of expiration should be definitely fixed. The reason why this was not directed to be done by a proclamation of peace is made clear by the use of the word "thereafter." It was expected that the "conclusion of the war" would precede the termination of demobilization. Congress therefore provided that the time when the act ceased to be operative should be fixed by the President's ascertaining and proclaiming the date when demobilization had terminated.

It is insisted that he has done so. The contention does violence to both the language and the evident purpose of the provision. The "date of which shall be determined and proclaimed by the President" is a phrase so definite as to leave no room for construction. This requirement can not be satisfied by passing references in messages to Congress nor by newspaper interviews with high officers of the Army or with officials of the War Department. When the President mentioned in his veto message the "demobilization of the Army and Navy" the words were doubtless used in a popular sense, just as he had declared to Congress on the occasion of the signing of the armistice: "The war thus comes to an end." If he had believed on October 28, 1919, that demobilization had, in an exact sense, terminated, he would doubtless have issued then a proclamation to that effect; for he had manifested a strong conviction that restriction upon the sale of liquor should end. Only by such proclamation could the purpose of Congress be attained; and the serious consequences attending uncertainty be obviated. But in fact demobilization had not terminated at the time of the veto of the act of October 28, 1919; or at the time these suits were begun; and, for aught that appears, it has not yet terminated. The report of the Secretary of War made to the President under date of November 11, 1919 (and transmitted to Congress on December 1), in describing the progress of demobilization, shows (p. 17) that during the preceding 10 days (Nov. 1–10) 2,018 officers and 10,266 enlisted men had been discharged, the rate of discharge being substantially the same as during the month of October, in which 8,690 officers and 33,000 enlisted men were discharged.

The war-time prohibition act being thus valid and still in force, the decree in No. 589 is reversed, and the case is remanded to the district court with directions to dismiss the bill, and the decree in No. 602 is affirmed.

No. 589. Reversed.

No. 602. Affirmed.

A true copy.

Test:

_____,

Clerk Supreme Court United States.

(Emergency shipping fund act of June 15, 1917, ch. 29, 40 Stat., 182, as amended by the act of Apr. 22, 1918, ch. 62, 40 Stat., 535, and by the act of Nov. 4, 1918, ch. 201, 40 Stat., 1020.) "All authority * * * shall cease six months after a final treaty of peace is proclaimed between this Government and the German Empire."

(Charter rate and requisition act of July 18, 1918, ch. 157, 40 Stat., 913.) "All power and authority * * * shall cease upon the proclamation of the final treaty of peace between the United States and the Imperial German Government."

(Railroad control act of Mar. 21, 1918, ch. 25, 40 Stat., 451, 458.) "* * * Federal control * * * shall continue for and during the period of the war and for a reasonable time thereafter, which shall not exceed one year and nine months next following the date of the proclamation of the exchange of ratifications of the treaty of peace."

(Food control act of Aug. 10, 1917, ch. 53, 40 Stat., 276, 283.) "Sec. 24. That the provisions of this act shall cease to be in effect when the existing state of war between the United States and Germany shall have terminated, and the fact and date of such termination shall be ascertained and proclaimed by the President."

(Trading with the enemy act of Oct. 6, 1917, ch. 106, 40 Stat., 411, 412.) "The words 'end of the war' as used herein shall be deemed to mean the date of proclamation of exchange of ratifications of the treaty of peace, unless the President shall by proclamation declare a prior date, in which case the date so proclaimed shall be deemed to be 'the end of the war' within the meaning of this act."

(Soldiers' and sailors' civil relief act of Mar. 8, 1918, ch. 20, 40 Stat., 440, at 441 and 449.) "(5) The term 'termination of the war' as used in this act shall mean the termination of the present war by the treaty of peace as proclaimed by the President. * * * Sec. 603. That this act shall remain in force until the termination of the war and for six months thereafter."

(Saulsbury resolution of May 31, 1918, ch. 90, 40 Stat., 593.) "That until a treaty of peace shall have been definitely concluded between the United States and the Imperial German Government, unless in the meantime otherwise provided by Congress * * *."

(Wheat price guarantee act of Mar. 4, 1919, ch. 125, sec. 11, 40 Stat., 1348, 1353.) "That the provisions of this act shall cease to be in effect whenever the President shall find that the emergency growing out of the war with Germany has passed, and that the further execution of the provisions of this act is no longer necessary for its purposes, the date of which termination shall be ascertained and proclaimed by the President, but the date when this act shall cease to be in effect shall not be later than the 1st day of June, 1920.

[1] The provisions fixing the date of expiration of the several war acts are as follows:

(Aircraft act, being ch. 16 of the Army appropriation act of July 9, 1918, ch. 143, 40 Stat., 889.) "Within one year from the signing of a treaty of peace with the Imperial German Government."

(Departmental reorganization act of May 20, 1918, ch. 78, 40 Stat., 556.) "That this act shall remain in force during the continuance of the present war and for six months after the termination of the war by the proclamation of the treaty of peace.")

NATIONAL BUDGET SYSTEM.

Mr. FERNALD. Mr. President, I have just read a very interesting article in a magazine by the Senator from Illinois [Mr. McCORMICK]. I ask unanimous consent that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

CALLS FOR DRASTIC MEASURES TO REMEDY BUDGET EVILS—SENATOR MCCORMICK WOULD MAKE EACH BRANCH OF THE GOVERNMENT INESCAPABLY RESPONSIBLE FOR ESTIMATES OF EXPENDITURES AND APPROPRIATIONS GRANTED—DECLARES EFFORTS TO CURE THE DISORDERS OF OUR METHODS SINCE 1870 HAVE BEEN "TIMID AND HOMEOPATHIC."

[By MEDILL MCCORMICK, United States Senator from Illinois.]

"The business men of the country are crying out for a national budget. The American taxpayer for the first time in our history is acutely conscious of the cost of the Federal administration. His purse tells him there is a Government situate on the Potomac. He has reason to believe that not only has his Government become costly but that it is inefficient and wasteful. He is uncertain as to the exact increase in the cost of his Federal enterprise, and he is not precise about the details of the reform to which he is entitled and which has made 'budget' and 'administrative efficiency' current in the political vernacular. But he is very certain that there has got to be a grand house cleaning.

"The third and last session of the last Congress appropriated for one year about $7,000,000,000, or ten times the aggregate appropriations of both sessions of the Fifty-sixth Congress, 20 years ago. For the next several years Government will cost about ten times as much annually as it did five years ago. There has been a tremendous acceleration in the rate of increase in taxation and public expenditure. Roughly speaking, Government cost 30 per cent more at the end of the 10 years 1901-1911 than it did at the beginning of that decade. Then a convention at Baltimore denounced Republican waste and extravagance, nominated Woodrow Wilson, and rode into office. The increase for the five years 1913-1917 was 60 per cent, or twice what it was during the 10 years which preceded the assembling of the denunciatory convention at Baltimore.

"I have written so much by way of preface because men do not often realize how sudden and how vast was the growth of governmental expenditure even during the years which immediately preceded the war. More than that, let me recall that the annual cost of the municipal administration of New York to-day is approximately equal to the annual cost of the Government of the United States during the last years of the nineteenth century. When we began the agitation for budget reform in Illinois, I startled taxpayers by pointing out that the cost of the State government was increasing at the rate of 200 per cent every 10 years.

DIVIDED RESPONSIBILITY.

"During my last term in the legislature I had written and persuaded a colleague to introduce a budget bill, lest if I

fathered it some people might regard it as a measure of impolitic reform. I was not able long to conceal the actual paternity of the bill and so enjoyed for the balance of the legislative session the affectionate derision of some of my colleagues. Nevertheless, like Horace's farmer, who planted trees he would not live to see bear fruit, I had sponsored a bill the principle of which was to become law in Illinois the year I came to Washington. The circumstances which environed the enactment of budget legislation in Illinois exist to-day in Washington.

* * * * * * *

"The bill written by Prof. Willoughby, and which bears the name of Congressman GOOD, is not a budget bill. It does not create a budget system. It postpones the day when a true budget system may be established. It has the virtue that it does promise the future establishment of a budget, yet even then not by law but by Executive ukase.

"The Good bill seeks to establish a divided responsibility in public finance, the vice of which far outweighs any virtue that the bill contains. It would create a budget bureau, so called, in the office of the President. It substitutes this budget bureau for the Department of the Treasury as the place where the financial estimates of the several other departments shall be assembled. The Good bill thus confers no powers or duties on the budget bureau which are not already devolved by law upon the Treasury. It would make of the President a finance minister, if by his authority and his attention to the labors of the budget bureau he should vitalize its activity. It would add this unbearable burden to the most overburdened political Executive in the world.

TOO MANY COMMITTEES.

"As far back as Col. Roosevelt's time, under the most energetic and vigorous Executive of our day, the annual cost of government amounted to one-tenth of what it will be during the next several years. Since that time not only has the cost of government tremendously multiplied but so also have the many responsibilities of the President. During Mr. Taft's administration it was indisputable that the business of the Executive Office was often in arrears, while during the present administration the business has been done because the President denied himself the privilege of seeing many persons who sought him upon the public business or political errands.

"The taxpayer now suffers because there are too many appropriating committees in the Senate and the House of Representatives. It is painful to think that we may follow our accursed political practice of dividing responsibility and further mulct the taxpayer because academic budget writers shrink from vesting in the American Treasury powers comparable with those of a foreign minister of finance. If we adopt the principle embodied in the Good bill we shall not dignify—we shall belittle—the Secretaryship of the Treasury; we shall make it more difficult instead of more easy to get big men to fill the place.

"Even if the first director of the budget were to be a man of parts, we know from our experience with Government commissions and special bureaus that his successor would be a political hack or a professional theorist. But, worse than that, since the President would have no time to discharge the duties of a finance minister, the detailed administration of the budget bureau inevitably would fall into obscurity. Its chief would not be a conspicuous member of the administration, and so responsible for its financial policy before Congress and the bar of public opinion. Like every other officer in the history of the Government whose power to spend money exceeds his legal, moral, and political authority, the director of the budget would become the prey of every searcher for pork.

SUBJECTION TO THE PRESIDENT.

"It is objected by certain academic reformers that to vest in the Treasury true budget-making powers, to coordinate, to revise, and to reduce estimates, would exalt the Secretary of the Treasury at the expense of his Cabinet colleagues. That would depend upon the caliber of the Secretary of the Treasury and upon the caliber of his colleagues. I recognize that it is difficult to adapt foreign budget systems to the American Constitution and the American practice. The foreign democracies which have developed modern systems of public finance are subject to administration by a cabinet composed of members of the legislature and responsible to it. In a sense the finance minister is at one and the same time secretary of the treasury and chairman of the ways and means committee.

"Since the finance minister is a member of Parliament that system in a very real way is more immediately democratic than ours, but, on the other hand, I can not hold with Henry L. Stimson or Elihu Root that we should vest one independent Executive with the power to make and to submit to the legislature estimates which the legislature can not decrease or increase in its own discretion. That would result in the complete subjection of the legislature to the President. He could dole out or withhold appropriations for camps and cantonments, harbor improvements, quarantine guards, agricultural experiment stations, etc., in exact accordance to the subservience or independence of a Senator or Congressman.

"Mr. Taft punished certain Senators and Representatives for insurgency by withdrawing their 'patronage' from them. It is now reported that this punishment has been visited upon a certain Democratic Senator. We do not want to make the budget a means of further emasculating Congress. We want to energize and make more efficient both branches of our Government. Two years ago in Washington a venerable member of the British Parliament, who shall be nameless, said of our National Legislature that 'it was no parliament, or even a congress such as the framers of the Constitution contemplated, but a mere Prussian Diet, in which were registered the projects of law drafted by mediocre ministers responsible to an elected autocrat.' That was pretty terrible from a friendly critic whose parliamentary experience has been contemporaneous with two generations of men.

"We dare not adopt the budget scheme put forward by certain university professors and which the New York voters overwhelmingly rejected.

SUMMARY OF PROPOSED LAW.

"The Senate bill which I shall introduce, although it bears my name, is certainly not the handiwork of any one man. Two skilled draftsmen are chiefly responsible for its actual text. The views of the strongest congressional authority, ex-Congressman Fitzgerald, and of Secretary Glass are largely embodied in its terms. In part it is the fruit of our experience in Illinois; and, finally, in so far as our American Constitution permits, it follows the budget patterns of other countries. Without taxing the reader with the details of the bill, I venture to summarize its most important elements.

"First, it requires of the Secretary of the Treasury that he shall submit to the President for recommendation to Congress a coordinated and revised budget of estimates of public expenditure, together with any appropriate recommendations for the increase or the diminution of the public revenues, so that they may conform to the estimates of expenditure. The bill provides a budget bureau under a director responsible to the Secretary of the Treasury. It provides that this bureau, through the subordinates of the director, shall keep in touch with the budget or estimating officer in each of the departments. Here we shall check at once the current practice under which department subordinates seek appropriations for Government services which actually duplicate and compete with one another. If the department budget officer and the director of the budget can not agree, the Secretary or other chief of department may join the issue directly with the Secretary of the Treasury, and finally can exercise the right of appeal to the President himself.

"This machinery is not created by the bill in fulfillment of any academic theory. Unlike some peoples less practical in self-government, we Americans prefer to embody in our public administration the results of experience rather than experimental theory. Where we have been guided either by theory or by experience too little tried we have suffered. That has been true in every branch of our Government, and more particularly in the municipal and State governments, which have manifested far greater abuses of corruption and waste than the Federal Government at Washington. The bill contemplates that the members of the Cabinet under the President shall have a collective political and financial policy. It is sheer nonsense to imagine that a budget can be a nonpartisan or nonpolitical instrument. There are no nonpartisan Presidents; there have been none in our time nor are there likely to be any. There is no reader of these lines who has not lived long enough to remember the appalling degeneration of important administrative tribunals, because, under political influence, first-rate men have given way to cranks or political lame ducks.

PROVISION FOR REVISION.

"The estimates submitted to Congress must include not only sums for the routine administration of government but for the development of certain policies to which the President has been committed by his party platform. Under the Senate bill to be introduced the President and his advisers must determine how much or how little they will expend in the aggregate, and how much they will allot to each of the branches of the administration. That having been done, after preliminary conference and discussion in the Cabinet, it remains to carry out this financial and political program. It must not be presumed that it will not require revision. The first estimates upon which the President and his Cabinet have agreed will require amendment before they are sent to Congress. The

Secretary of Agriculture, let us say, will be pressed by his subordinates in certain bureaus for larger sums than he originally purposed to give them. If his department, let us say, is carrying out a great agricultural policy to increase farm production or to hold the youngsters on the farm through improvement in rural living the elaboration of the program may demand much more than he originally estimated.

"The director of the budget and the Secretary of Agriculture may not agree; the Secretary of Agriculture may not be able to agree with the Secretary of the Treasury. Then an appeal must be taken to the President, who, in conference with his Cabinet, will determine whether the administration wishes (a) to increase the sum intended to be asked of Congress, (b) to curtail the great agricultural program, or (c) to curtail expenditure by other departments in order to make possible the development of agriculture and rural life contemplated by the political convention and the administration. Thus the administration collectively and the President personally will be responsible to the country for the aggregate sum to be asked of Congress, and so for the total sum of taxation to be imposed upon the people.

"It will be for the Members of Congress, individually and collectively, whether as partisans of the administration or as Members of the House of Representatives or the Senate, to decide (a) if they wish to appropriate more than the administration wants, and so add to the burden of the taxpayer; (b) if they care to appropriate less than the administration asks and diminish the public services in the interest of economy; or (c) accept in substance, if not in detail, the estimates recommended by the President.

PLACING RESPONSIBILITY.

"What have we done? We have made each branch of the Government publicly, definitely, and inescapably responsible, the one for the estimates of expenditure and taxation recommended and the other for the appropriations granted and taxes levied. Of course, I would not stop there. I would reduce the appropriating committees from 14 in the House and 14 in the Senate to 1 in each Chamber, and I would amend the rules to defer consideration of private appropriation bills. We ought to reform not only the method of assembling and revising the estimates at the western end of Pennsylvania Avenue but at the eastern end, on Capitol Hill, we ought to reform the disintegrate committee system under which appropriation bills are now considered without relation to one another.

"The reader who has studied the budget problem doubtless will complain that I have not developed a plan for an independent audit of expenditure. There are perhaps twoscore statutes bearing upon Government accounting and auditing, and, although I lean very strongly to the view that we ought to create the office of an independent and powerful Auditor and Controller General, who shall have intimate relations to a no less important joint committee on audit and expenditure (in place of the atrophied little committees on expenditure which now exist in both houses), I no less strongly incline to the opinion that Congress should undertake or should authorize the codification of the existing statutes before it creates the office of Auditor General.

"Looking back over 35 years, and looking back again to the period when, under Hamilton, we had a true budget system and Hamilton himself was a great minister of finance, the student of governmental expenditure in America will conclude that the Senate committee for the consideration of a budget ought to do not a hurried and incomplete job but a thorough one. We owe our present distressing condition partly to the repeal of that first statute under which Hamilton directed the financial policy of this Government and partly to the vicious and vindictive action of the Democratic majority in visiting its resentment on Mr. Randall in 1885.

"I have not yet learned why the first budget law was repealed, but I do know that since 1870 Congress has been trying to cure the disorder in our methods of preparing estimates. The remedies have been timid, homeopathic, and prescribed without adequate diagnosis. The condition of the taxpayer and of the Treasury in a very real sense is graver than it has been since the Civil War. We have the information, the experience, and the occasion for applying drastic remedies as did Hamilton. Let us do nothing less."

AMENDMENT OF FEDERAL RESERVE ACT—CONFERENCE REPORT.

The VICE PRESIDENT. The morning business is closed.

Mr. McLEAN. I move that the Senate proceed to the consideration of the conference report on the disagreeing votes of the two Houses on the amendments of the House to Senate bill 2472.

The motion was agreed to; and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the bill (S. 2472) to amend the act approved December 23, 1913, known as the Federal reserve act.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. JOHNSON of South Dakota. Mr. President, on the 2d of December I offered a resolution asking for information with regard to the profits of the coal operators. On the 11th of December I offered an additional resolution touching the same matter. On December 6 the Senator from Georgia [Mr. HARRIS] submitted a resolution covering the same subject. It will be satisfactory to me to have the resolution of the Senator from Georgia substituted for both the resolutions which I have offered; and, if that may be done, I ask the Senator from Georgia if it would be satisfactory to him to have his resolution now considered?

Mr. HARRIS. I desire to state that I should like to have the resolution now considered, and I offer the resolution submitted by me as a substitute for the resolutions of the Senator from South Dakota.

The VICE PRESIDENT. The conference report is before the Senate on a vote of the Senate to proceed with its consideration. The question is on agreeing to the conference report.

Mr. GRONNA. Mr. President, may I ask if the conference report has been read?

The VICE PRESIDENT. It has been read and has been printed in the RECORD.

Mr. GRONNA. Mr. President, I happened to be absent at the convening of this session of Congress. I am very sorry that I should have been the cause of any delay in the passage of the bill embodied in the conference report. I appreciate very greatly the courtesy which has been extended to me by my fellow Senators in the postponement of its consideration until my return.

I think, however, that there has been considerable misapprehension as to my attitude with reference to the entire bill. I think it must be conceded by everyone that when this bill was introduced in the Senate and referred to the Committee on Banking and Currency it was not given sufficient consideration. I have before me the hearings on Senate bill No. 2472, which hearings consist of 28 pages, a large portion of which is taken up by the printing of a letter from the chairman of the Federal Reserve Board.

The only members of the Committee on Banking and Currency who participated in the discussion, so far as is disclosed by the printed hearings, were the Senator from New Jersey [Mr. EDGE] and the Senator from Oklahoma [Mr. OWEN], the Senator from Oklahoma being the principal participant.

The bill as introduced and as reported from the Committee on Banking and Currency was not only a crude bill of proposed legislation but it was an exceedingly dangerous one, as I think even the friends of the bill will now admit. It may be, Mr. President, that since the recent World War human nature has been changed; it may be that those who in times past and just before the war devoted all of their energies and all of their time to the making of millions of dollars have now changed, and that their only effort and desire in the future will be to look after the welfare of the people of the devastated countries of Europe and of the people of America. If that is the case, then it was safe to pass the Edge bill as it was reported from the Committee on Banking and Currency; but if that is not true, it was nothing but a "blue-sky" proposition; it was a proposal giving men who are engaged in high finance an opportunity to fasten their hands upon the throats of the people of Europe and America and to control them for all time; to give them control of not only the finance of the country but also of the politics of this country and of all the world.

Mr. President, I trust that no Senator will for a moment contend that this is an exchange bill. That question is merely incidental. I trust that not even a backwoods financier will have the audacity to say that the bill is a bill to regulate foreign exchange.

Mr. McCORMICK. Mr. President, what is the object of the bill? I apprehend the Senator from North Dakota may throw a little light on the subject, and I should like to hear him.

Mr. GRONNA. It is customary when a question of that sort is asked to say "I will come to that a little later on." I will say, however, to the Senator from Illinois, in all earnestness, that, as I understand the bill, it is to permit the organization of corporations with a capital of not less than $2,000,000 to deal in securities; to issue debentures, based, of course, upon the securities purchased; to issue bonds and notes with or without the indorsement or guarauty of those who are running the proposed institutions.

Of course it is the intention to sell these debentures and bonds to the public at, I presume, a small rate of interest; but with the German mark at a value of less than 2 cents

and the pound sterling at $3.72¾, we can easily see the picture upon the screen and the possibilities for individuals interested in the corporations authorized by the bill to make their millions at the expense of the public.

In no way will the public share in the huge profits which these people will reap from the transactions in which the corporations will engage. All the public possibly can get will be a reimbursement for the amount paid for the stocks or the bonds which they acquire plus a small rate of interest; and I am afraid they will not get that, because these patriots refuse to subscribe to a provision imposing a double liability. The Congress of the United States has never passed a law authorizing the creation of banking institutions of this character which did not provide for a double liability.

Of course, Senators will say that we are told by the Federal Reserve Board that such a requirement can not be primarily essential, because banking institutions will own stock in these corporations. That will be the answer of the friends of the measure. It is unnecessary because something that is dead, something that has no life, is holding the stock of these corporations.

Mr. President, why should we not provide for a double liability in view of the fact that the corporations to be created under this bill are to be permitted to receive deposits? While it is true that they can only receive deposits of an international character and such deposits as are incident to the international transactions in which the institutions engage, we must admit that such deposits will be in the largest of volume, for millions upon millions of dollars will be received by these institutions as deposits. Not only that, but they are to be permitted, as I have said, to issue debentures and to sell them to the public without their indorsement or guaranty.

Mr. McCORMICK. Mr. President——

Mr. GRONNA. I yield to the Senator.

Mr. McCORMICK. I should like to ask the Senator a question to ascertain if my memory is at fault. As I recall, the Senate by an amendment adopted on the floor provided for a double liability in the case of the institutions proposed to be created by the bill.

Mr. GRONNA. That is true; there was such a provision adopted.

Mr. McCORMICK. Was that struck out in conference?

Mr. GRONNA. That was struck out in conference.

Mr. McCORMICK. What explanation have the conferees to offer to justify that action?

Mr. GRONNA. The chairman of the committee is present and can explain that matter to the Senator, I have no doubt.

Mr. McLEAN. Mr. President, I have already explained to the Senate a number of times the reasons for the action of the conferees. As, however, the Senator from Illinois was probably not present, I shall be glad very briefly to state those reasons once more.

The primary reason which ordinarily justifies the imposition of a double liability does not apply to the institutions proposed to be created by this bill, for they are not banks of deposit in the ordinary sense of the word, in that they receive no cash demand deposits. They will deal in either long or short time paper.

Another reason is the fact that many similar institutions organized under State laws are now in full operation, but to none of them does the double liability apply.

For instance, the State of New York by statute requires double liability of the commercial banks receiving demand deposits, but does not require it of these finance institutions. Now, unless these corporations are permitted to compete on an equality with the other institutions that are already organized, of course this law will become inoperative; and if it were possible that I could have my way I would not only charter these corporations without the double liability but I would compel all existing institutions doing a similar business to come under Federal supervision, where they would be under the control and regulation of the Federal board and subjected to examination.

There are other reasons why the double liability should not apply, but it seems to me that I have stated substantially those which impelled your committee to reach the decision which it did reach. The matter was very carefully considered. I will say to the Senate that the double liability was not urged in the House, and in the committee of conference I, representing the majority of the Senate, did the best I could to convince the committee that double liability might be feasible and in accordance with the wishes of the Senate. My vote was the only one in its favor. The Senator from Oklahoma [Mr. OWEN], who, as Senators know, was chairman of the committee for a long time, and who consented to and, I think, voted for the double liability in the Senate, changed his mind as a member of the committee of conference, and felt that under the circumstances there was no reason for imposing this burden.

Another reason comes to me which was suggested. As you know, the national banks are permitted to invest a certain percentage of their stock, 10 per cent of their capital and surplus, in these institutions. That at once creates a contingent liability on the part of these national banks.

It is impossible to estimate it in their returns unless it is put in at its full amount, and this might unfairly impair their capital; and my information is that if it is insisted upon the national banks will be advised by their counsel not to invest in these corporations.

It seems to me it is very important that something should be done. I do not agree with the Senator from North Dakota that the bill has been greatly improved by the amendments. They are very restrictive. They limit to an unreasonable extent, it seems to me, the operation of these corporations. I would in some respects have preferred the bill as it was originally reported by the committee, leaving regulation more fully to the Federal Reserve Board. I think this would have been as effective and the banks would have accomplished more; but I stood alone in that regard. It is the policy of foreign nations to leave the management and control of their banking institutions very largely to an administrative body, because it is difficult for the legislative body to go into details, and if they attempt it their restrictions are apt to be unwise and harmful; but I stood alone in this regard, and the House amendment has largely eliminated, I think, all the objections that were raised.

The Senator says it will not benefit the exchange. I disagree with him entirely. Of course any long-time investment or credit that is extended to European countries and producers must benefit the exchange, for their liquid assets are exhausted, and unless they can get one or two or three years' credit they can not continue to purchase goods of us any longer. They can not afford to pay the premium on gold and buy our products, and it will result in chaos unless something is done to assist the return of the exchanges to a normal level. This bill to a certain extent, in my opinion, will do that.

I have about finished. I do not care to make any reply to the Senator's argument. Time is very important, and with the Senator's permission I will say what I have to say now.

It is vital that something should be done and at once. We are told that the remedy lies in production; that production alone will ultimately enable European countries to redeem their paper money. That is true; but men and women will not produce unless their confidence in their institutions is maintained in some way. Confidence has coined more money for the world than all her mints; and unless something is done to help our associates in the late war maintain their confidence in their political and industrial future, the worst that can be anticipated will happen; and if we were to put ourselves in their position and be compelled to bear the burdens which they must bear I can see that we would feel that this was the least that ought to be done to assist in the premises.

There is another thing, Mr. President, that I will mention while I am on my feet.

We all know that for years London has been the clearing house for the foreign exchanges of the world. They have taken toll going and coming upon all our exports and imports, and it has amounted to hundreds of millions of dollars. It does seem to me that now that we have the money we ought to have the courage to permit our capitalists to finance our exporters and importers; and for this reason I think we ought to enact some wise, safe legislation whereby our banks or our capitalists can handle these foreign exchanges.

Mr. GRONNA. Mr. President, may I ask the Senator if the State institutions to which he referred receive deposits? I mean those that have already been set up, the international institutions to which the Senator referred. Do they receive deposits?

Mr. McLEAN. I suppose they receive long or short time deposits. They are not permitted to receive cash deposits, demand deposits, as I understand.

Mr. GRONNA. May I ask the Senator if these same institutions are authorized to issue debentures or bonds?

Mr. McLEAN. Their powers are infinitely broader than the powers granted under this charter. They can easily get State charters which permit them to do anything under the sun, and that is why I said that if it were possible, and I could have my way, I would compel the 9 or 10 institutions already organized to come in under this Federal law, where they would be supervised and examined.

Mr. GRONNA. Of course that would be a State charter, would it not?

Mr. McLEAN. It would be a State charter.

Mr. GRONNA. I want to thank the chairman for his explanation of the bill. It seems to me, though, that the Senator is somewhat mistaken in making the statement that we ought

to have these institutions in order to establish confidence. It seems to me that it would establish more confidence if we would compel these institutions to organize in such a way that they would be absolutely safe, and a double liability could not detract anything from the soundness of an institution of this kind. It certainly could not injure the institution to be compelled to subscribe to a double liability.

Mr. President, I do not intend to delay unduly the proceedings of the Senate in discussing this bill. I want to say that I had something to do with the amendments which were inserted in this bill not only in the Senate but I was consulted on the other side; and while the Senator from Connecticut disagrees with me as to whether the bill has been improved, I believe I can safely say that unless these amendments had been made, some dozen or fifteen of them in the Senate, and a great many more in the House, this bill could not have passed; it would not have become a law.

I repeat what I said, that this bill can not possibly regulate the exchange, and I am going to read from higher authorities than myself on that subject.

I want to read from yesterday morning's Washington Post, from a man whom I consider, and whom I presume the Senator will consider, an authority. It is under the heading:

BRITISH BLAME EXCHANGE RATES ON STATE LOANS.

LONDON, *December 13.*

The report of the committee on postwar currency and foreign exchange has issued a white paper recommending certain measures for the economic restoration of the nation.

"Increased production, cessation of Government borrowing, and decreased expenditure both by the Government and individual members of the nation are the first essentials of recovery," the report says.

The restoration of prewar methods of currency and control of the credit system are urged in order to reestablish a free gold market at London soon. The weakness in exchanges is regarded as due not only to trade conditions, but to the expanded state of credit. Preference should be given to export business with those countries able to tender payment in the ordinary course of trade, according to the committee.

I want to show, a little later on, that Great Britain has established her trade with some of the neutrals; that she has vastly increased her exports to these countries; and that the discount is very small in some of the countries. I remember distinctly that in one of the countries—Norway—the pound sterling is at par.

I also want to read an Associated Press article printed in this same paper, the Washington Post, of December 14, under the heading:

ALLIES OFF GOLD BASIS—DEPRECIATED CURRENCY FACTOR IN EUROPEAN EXCHANGE RATES—TRADE BALANCE DISTURBED—NO RETURN TO PARITY LIKELY, SAYS JAMES S. ALEXANDER, UNTIL GOLD STANDARD IS RESTORED AND EXPORTS BECOME EQUAL TO IMPORTS—BANKER ANALYZES PRESENT CONDITIONS.

[By the Associated Press.]

NEW YORK, *December 13.*

Restoration of an approximate equilibrium of imports and exports between the United States and Europe and a return of European currencies to a gold basis are needed before foreign exchanges will return to a normal basis, according to James S. Alexander, president of the National Bank of Commerce and an authority on foreign trade.

Mr. Alexander, officer and director of many important banking institutions, who served as chairman of the committee on credit and finance at the international trade conference at Atlantic City and is chairman of the executive committee of the national committee on European finance, was asked to-day by the Associated Press to reduce to plain terms the highly complicated international business problem presented by the present condition of foreign exchange.

REFLECTS TRADE CONDITIONS.

He prepared a statement in which he explained that foreign exchange is a commodity, and the present demoralized depreciation in rates for sterling and other European exchanges is a normal expression of the law of supply and demand. The statement follows:

Mr. EDGE. Will the Senator suffer a question?

Mr. GRONNA. Not at the present time; before I get through with this article.

Mr. EDGE. I did not intend to divert the Senator from the article.

Mr. GRONNA. I will be glad to yield when I have finished the article:

Depreciation of the foreign exchanges is primarily only a reflection of deeper problems in relation of exports and imports between America and Europe. The problem may be simply stated as follows:

When exporters sell to foreign buyers they draw checks, drafts, etc., on those foreign consignees or their banks for the amounts due. These bills are drawn in foreign money, preponderantly pounds sterling—that is, on houses in London, long the world's international clearing house. Americans drawing these bills sell them in the foreign exchange market for what they will bring, which under normal conditions fluctuates within narrow limits of face value. The total volume of such checks and drafts coming into the foreign exchange market constitutes the supply of foreign exchange in existence at that time. The foreign exchange market consists of foreign exchange houses whose function is to buy exchange, say, in New York, on London, and send it there for collection or the establishment of balances.

BUYING SHOULD OFFSET SELLING.

Ordinarily, at the same time, Americans are selling goods to foreigners, foreigners are sellings goods to Americans who therefore have remittances to make abroad. They therefore buy from the foreign exchange dealers drafts or checks against the balances those dealers have established abroad through the purchase of foreign exchange. Thus while American exporters sell foreign exchange, American importers buy foreign exchange. The one creates the supply; the other creates the demand.

Normally this supply and demand were about equal, because the total volume of goods and services sold to Europe about equaled the total volume of goods and services bought from Europe. In prewar times the difference in the two volumes fluctuated between narrow limits and the excess one way or the other was settled by shipments of gold.

The foregoing states in general terms what normally took place in the foreign exchange market, ignoring many technical details, which, however, do not alter the main thought.

SITUATION CHANGED BY WAR.

The war, however, has materially changed the situation. In the first place, while there have been huge increases in our exports to Europe, there have been great decreases in our imports from Europe. There has therefore come into the foreign exchange market a greater volume of checks and drafts on Europe than European drafts on America, resulting in a far greater supply of foreign exchange in this market than there is a demand for on the part of Americans having remittances to make abroad. As always happens in the case of any commodity when supply exceeds demand, prices of the foreign exchange fell. The depreciation of foreign exchange in this market, therefore, is merely a normal expression of the law of supply and demand.

The question as to what will correct the situation can be answered on general principles without any attempt to prophesy. Foreign exchange can not come back to parity until the restoration of the gold standard in Europe corrects the depreciation of European currencies and until the restoration of approximate equilibrium between our exports and our imports in respect to Europe again makes the demand for foreign exchange approximate the supply.

Mr. President, this comes from one of the leading financiers of the country, and I am sure, at least I have reason to believe, that my distinguished friend from New Jersey [Mr. EDGE] will agree with the statement of Mr. Alexander. I now yield to the Senator, if he wants to interrupt me.

Mr. EDGE. I do not want to delay the Senator at all. I simply wanted to ask the Senator if he knew that at the convention to which he refers, where Mr. Alexander delivered that address, and was chairman of the committee, as stated in the article, the convention unanimously indorsed this bill, and sent such a memorandum to the Members of Congress?

Mr. GRONNA. I do not doubt that, Mr. President. I believe what the Senator has stated is true. We all know how easy it is to pass resolutions at such meetings. I have attended farmers' meetings at times, and all we have to do is to put at the head of the resolution "*Resolved*, That something should be done to benefit the farmer." We all know how easy it is to get a resolution of that sort passed. I presume the same is true with bankers' conventions.

Mr. FLETCHER. Mr. President, may I suggest to the Senator that while agreeing mainly with the article which he has read, and I do; I think it is very sound, and I am glad the Senator read it into the RECORD; does not the Senator believe that this measure will afford temporary relief? I am not satisfied that it is going to be a permanent cure and remedy for the situation, but for the present, temporarily, is it not a good thing to help tide us over to the time when our exports and imports will be practically at an equilibrium? We must have trade, undoubtedly. We can not have trade unless we cure this trouble about the cost of exchange. We can not sell our goods, we can not export, because we can not have buyers. Is it not a good idea to bring about the equilibrium between exports and imports by affording a facility whereby we can start our exports moving? And is it not an excellent plan, as a temporary measure, for that purpose, bringing about the very condition which the Senator admits must be brought about in order that we may have a permanent and proper arrangement?

Mr. GRONNA. I do not disagree with the Senator from Florida. I am simply trying, in as brief a time as possible, to call attention to what exchange is, and I believe that it is impossible to legislate so as to affect that problem. I believe it is absolutely impossible for this Government to say what the rate of exchange shall be; and there has been a great misconception as to what Congress can do or can not do. I do not believe that any Senator will seriously contend that we can say, by law, what the rate of exchange shall be. There are conditions, as the Senator from Utah [Mr. SMOOT] knows, which enter into that problem.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. GRONNA. Certainly.

Mr. SMOOT. About the only way, Mr. President, that exchange will be brought to par in any country in the world is to have their exportations at least equal to their importations. If the exportations exceed the importations, of course the currency of the country will immediately go to par; but if their exportations are less than their importations there is only one way to make up the difference, and that is to get a loan from some other country, or be in a position to borrow the gold that will make up the difference in some other way. Unless it is made up, and that is equalized, of course whatever moneys of

the country may be circulated will fall below par; and that is the condition we find Europe in to-day. Why is the mark, a 24-cent mark in Germany, down to 1½ cents to-day? Because all the countries of the world recognize that Germany can not redeem that paper money. It is an absolute impossibility for them to do it, and I have not any doubt, Mr. President, that the German people themselves believe that the time will soon arrive when there will be another issue of money entirely different from that which is being issued to-day and has been issued in the past, and the paper in circulation in Germany will be worth simply what the paper is worth and nothing more. The Americans who have been speculating in the purchasing of German marks, I feel sure right now will not only not make anything upon their purchases but they will lose all they have put into the speculation.

Mr. GRONNA. I agree with what the Senator from Utah has said, and with reference to his last statement regarding the value of marks and the impossibility of making any profit, I will say to the Senate that my reasons for insisting on a double liability are to protect the innocent bondholders, the men of this country who will be holding these securities.

I have no more responsibility with reference to this legislation than has any other Senator. But instead of discussing this as a purely exchange bill, we ought to know what it is. I have no objection to legislation helpful to the people of Europe, but this is a bill to set up organizations for the purpose of buying securities which may practically be worthless in the European countries and to stimulate their business. But while you are stimulating the production of Europe you can not at the same time, with the same money, stimulate the production of the products of your own country. I am only finding fault with some of the statements that have been made by those who seem to claim to be the friends of this measure as to what this bill will do. You are complaining because of the high cost of living. You are proposing by this measure to raise money to loan to England, to France, to Belgium—and I have no objection to that—and to Germany and to Austria for the purpose of buying American products. The result will be that prices will go still higher to the consumer.

You must stimulate the industries of this country and produce more, you must increase production of the natural products of this country if you are going to benefit the consumers, which has been claimed as the result of this legislation by the friends of the measure. We all know that Europe had a balance of trade against her for 10 months of more than $3,000,000,000. I have before me here the report of the Department of Commerce, which I ask to have inserted in the RECORD, because I do not wish to take the time of the Senate to go into detail, which will show absolutely that Europe has a balance of trade against her from America of more than $3,000,000,000. Every dollar of that has gone to Great Britain. What happens? Here are two men in New York, A and B. A is an importer and B is an exporter. The exporter, Mr. B, has hundreds of millions due him from London. It is impossible for A to get any exchange from London, because the imports into London are so much greater than her exports that she has no paper on New York.

People wonder why the pound sterling has gone down from $4.866. It seems to me that any man ought to understand it. With hundreds of millions of this paper outstanding against the banking institutions of London and no gold for export and no gold to sell, and yet you wonder why it has been reduced almost 20 per cent—19.4 is about the discount. There is nothing technical about it. It is a proposition so simple that every man ought to understand it. The only trouble is that some of the patriots up in Wall Street always are trying to becloud the issue when anything of importance is going on, but Americans are willing to discuss these matters in a frank manner.

Mr. President, I am going to ask to have inserted in the RECORD an article written by Samuel S. Dale, a citizen of Boston, a very distinguished citizen, editor of Textiles, I believe. While I am not going to take the time of the Senate to read the entire article, I do wish to read the last paragraph. The article is entitled "Protection or free trade." I can just see before me now the mild protectionist from New England and how he will come to Congress in the near future and ask for protection. It is possible that the men who are so determined to have their own way in financial affairs will find mild protectionists. If the cost of living can in no other way be reduced to the people of the United States it is possible, sir, that we will have to resort to that method. It is a peculiar thing. Everything in the world seems to move in numbers of three. There is a trinity about nearly everything. We had the treaty and the league of nations, we have this bill, and we have the tariff question, and they are all involved in the same issue.

Although I do not have the privilege of knowing Mr. Dale personally, I understand he is an authority on the tariff; that his knowledge has been sought by congressional committees; that he has on many occasions appeared here to give information to committees when tariff bills have been framed. I want to read just the last paragraph from Mr. Dale's article, which he sent to me and said I might use in any way that I saw fit. He says:

There is to be no regulation of exports.

That, Mr. President, is a very important matter. The farmer of the West was satisfied when an embargo was placed upon his products. The farmers all throughout the country did not come here in large delegations asking that that embargo be lifted. They knew as well as we knew who had looked into the matter that they were losing on an average of a dollar a bushel on their grain. They knew it, but they were willing to sacrifice in the interest of the consuming public, and up until the 15th day of this month, or yesterday, the embargo has been retained on their principal crops, to their detriment and to their loss, but in the interest of the public. If the manufacturer and the dealers had been as patriotic as were the producers in disposing of their product the situation would be different to-day.

From the standpoint of the producer if the bill would do what the Senator from New Jersey [Mr. EDGE] and the Senator from Connecticut [Mr. MCLEAN] say it will do, I would be for it. If I were as selfish as some of the Wall Street journals say I am—possibly they are telling the truth, but I consider it a certificate of honor that they are devoting columns to me, and the only argument that they have for the Edge bill is that I am selfish.

I do not wish to take the time to read any of those articles as I do not care, and the public cares very little for what the Wall Street journals say or do with reference to legislation, financial or any other legislation. The men who carried the treaty in their pockets for months are the very same men who are trying to tell us what bills we shall pass, financial bills and other bills.

Mr. Dale said:

There is to be no regulation of exports. The American products taken from American consumers will be used not only to supply the real necessities of suffering peoples in distant countries but to gratify the vanity and feed the extravagance of foreigners who are not suffering, while foreign governments, relieved of the burden of providing for the needs of their nationals, will be able to turn their resources to the support of armies and navies for world conquest and dominion, directed perchance against the United States itself. This plan is not only in the minds of schemers, it is so far advanced that the Edge bill authorizing United States charters to banking corporations for financing it, has already been passed by both House and Senate and may be a law before these words are printed.

This banking scheme to lend American money to foreigners should be cast with free trade and the league of nations into the everlasting discard.

Mr. President, I do not say that I am for free trade. I never was in favor of free trade. I do not say that I am against a league of nations, but I do say that I am against any league and against any entanglement which will prevent the American people doing business in their own way and from continuing their traditional policy as laid down by the fathers. I am opposed to any such scheme as that.

I find in a little booklet under the title, "Business Conditions," issued by the American Eagle Fire Insurance Co., a statement from a Mr. Paul M. Warburg, which I am going to ask to have printed in full.

The VICE PRESIDENT. Without objection, permission is granted.

Mr. GRONNA. I am going to quote just one paragraph from Mr. Warburg. I am not reading literature from radicals or from socialists or from people of that sort. I am reading from the time's soundest financiers and any man who will read the articles which I shall insert in the RECORD will agree that I am sound in the policy which I have advocated with reference to the bill. I have been instrumental in improving it, and I am aware that it is not possible to defeat the bill, but I am going to have the RECORD show my position.

Says Mr. Warburg:

Everybody knows that in order to prevent a further rising of prices it is necessary that production be increased and consumption be decreased. The necessity of such a course has been forcefully urged by many; it is conceded by all and practiced by nobody. In Europe and in the United States there never was a greater recklessness in spending money than there has been prevailing since the conclusion of the armistice. The ease with which a large amount of depreciated money can be earned has diminished the respect for money and the eagerness to save. A willingness to subordinate or sacrifice one's wishes and pleasures to the greater advantage of the country, splendidly manifested during the years of war, has ended in the present reaction of an orgy of brazen self-indulgence at the very moment when the war bill is presented for payment.

This is quite a lengthy article, and I ask that I may be permitted to have it printed in the RECORD at the conclusion of my remarks, together with certain other articles to which I shall refer.

The VICE PRESIDENT. If there is no objection, permission is granted.

Mr. MCLEAN. I will say to the Senator that my recollection is that I have a letter from Mr. Warburg strongly advocating the bill.

Mr. GRONNA. That may be true. I do not deny that. Why, Mr. President, I take it that every patriotic citizen is willing, so far as he can, to lend aid to the peoples of Europe. I take it that no one is going to object to legislation which is in the interest of the American people and in the interest of people of Europe or any other country. But if the transformation has not been made that I outlined a moment ago, if men are still selfish, then, sir, we ought to be careful in passing legislation which gives to these men of wealth the great opportunity to control not only the finances of the country but to dictate the prices of products, and to control the policy not only of this country but of foreign countries as well.

Mr. President, I hold in my hand a statement issued by the Department of Commerce on "imports and exports of domestic and foreign exchange by countries." I find that the United Kingdom during the month of October, 1918, exported to the United States $10,710,165, and in 1919, $41,718,294; but imported from the United States during the same month in 1918, $148,680,049, and during the same month in 1919, $164,965,249. During 10 months ending October, 1918, Great Britain exported to the United States $130,059,299, and during the same 10 months in 1919 she exported to the United States $219,298,354; whereas in 1918, for the same 10 months, she imported from the United States $1,711,507,737, and in 1919 for 10 months she imported approximately $1,867,688,755.

Mr. President, is not that a good reason why there is a difference in exchange? Having exported but $219,298,354 of goods, having to buy $1,867,688,755 of goods, and not having the gold with which to settle the balance, why should not her pound sterling be depreciated?

We are going to set these corporations up in business and give them the benefit of being quasi governmental agencies in order that they may sell their bonds and their debentures absolutely in their own interest. Why, then, should we not require of them that whatever bonds they issue they shall be liable for at least double the amount of their capitalization? That is not considered a hardship upon other classes of bankers; and, while such bankers receive deposits, they do not have the right to issue debentures or to issue bonds. A national bank issues currency, for which it must purchase Government bonds, and, regardless of whether the bank fails or not, that currency is good, because it is guaranteed by Government bonds. It is not so as to the companies authorized by this bill. I am only calling attention to that. I believe it is unfair to the public.

I have before me a booklet which has been sent to me by Lewis L. Clarke, president of the American Exchange National Bank of New York, the booklet being entitled "Foreign Exchange." I shall only read a short paragraph from this booklet, as follows:

> Out of all this war-time confusion in foreign exchange markets and international commerce should come radical improvement in monetary standards to simplify the transaction of international commerce and the settlement of accounts. The Far East has made greater progress in this respect than have Europe and the Americas. Some specialists in foreign exchange may find the existing complicated systems to their advantage, but it would greatly help international trade if small merchants could ascertain prices and costs in other countries without the aid of an interpreter.

Now, this is especially what I desire to call attention to:

> The league of nations, if it comes into being, might very profitably deal with the unification of monetary standards throughout the world.

I do not say that this good citizen is in favor of that great document for this specific reason only, but it is the only one he mentions in his booklet, and it was evidently running through his mind that the great benefit which would come if the league of nations were adopted would be that to which he has called attention and which I have just read.

I desire now to read a short extract from a printed speech of the distinguished Senator from Oklahoma [Mr. OWEN]. In his speech he had printed this statement from Justice Brandeis, in Other People's Money:

> The great monopoly in this country is the money monopoly. So long as that exists our old variety and freedom and individual energy of development are out of the question. A great industrial nation is controlled by its system of credit. Our system of credit is concentrated. The growth of the Nation, therefore, and all our activities are in the hands of a few men who, even if their actions be honest and intended for the public interest, are necessarily concentrated upon the great undertakings in which their own money is involved and who necessarily, by every reason of their own limitations, chill and check and destroy genuine economic freedom. This is the greatest question of all; and to this statesmen must address themselves with an earnest determination to serve the long future and the true liberties of men.

Mr. President, that is the statement of Justice Brandeis, and it speaks for itself.

From the Chief Executive of our land, from citizens in every walk of life, in business vocation and profession, we are told that the World War is over; we are told that demobilization has been completed; but we are also told by the highest tribunal of this Nation that until peace has been declared by our Chief Executive we are technically, if not actually, still at war. It is true that hostilities have long since ceased. Why, then, hesitate declaring peace with all men and nations? If we honestly and sincerely favor peace, let peace be declared. If there are peoples or nationalities which we can not trust, let us frankly say so. So far as I know, the people of the United States are not looking for indemnities, for additional territory, or for profits. The rank and file made stupendous sacrifices from a patriotic standpoint. They made them, as they believed, in the interest of humanity, and their chief concern today is for an honorable, just, and lasting peace.

We are a Christian Nation, composed of more than a hundred million people. Uppermost in the minds of 99 per cent of our people is the question of peace with all men and nations. Self-interest is in the minds of only a few.

Is it asking too much for the American people to be allowed to transact their business in their own constitutional way, in accordance with their traditional policy laid down by the fathers of this Republic?

Thousands of our brave young men made the supreme sacrifice; a greater number faced the danger and stood ready to make it. Shall those of us who personally did not participate in this terrible struggle confess that already we have forgotten what these brave men did for us? Have we so soon forgotten their sufferings and sacrifices?

The World War is over, but the responsibilities which we owe to those who remain have not been discharged, nor have the obligations that we owe to our fellow men been fulfilled. The reconstruction period has just begun and will for months and years engage our best attention. Every effort honestly and efficiently to reconstruct our own country for the benefit of our own people must be made, and at the same time we must make every effort and sacrifice possible to help the people of the devastated countries of Europe to reconstruct and rebuild their countries to prewar and normal conditions. This can not be done if our only aim shall be to profit from the labors of other men. This can not and will not be done if by legislation we grant special privileges to those who are now in possession of wealth, for the purpose of accumulating more profits at the expense of the oppressed. If we are sincere and intend to make our promises good in the interest of reconstruction, capital and labor, the rich and the poor, must become more efficient; we must work more ourselves, if necessary, and produce more, even if the cost be greater and the profit less. Capital and labor must be satisfied with smaller, not greater, returns, and labor must become more, not less, efficient. I know of no other way to save our own people from chaos and financial ruin; I know of no better way to save others from the same fate. This is not the time for the powerful and strong to saddle the burdens upon the bended backs of those who are not so strong. This is the time for mutual cooperation; this is the time for every citizen of our land to join in solid phalanx, with but one thought and one purpose in mind, and that thought and purpose must be reconstruction, in order that we may get back to normal conditions.

This can be done if we make up our minds to do it, if we join with our neighbors and do our full share of what is necessary to be done. But there is one thing we must be willing to do at the outset, and that is to resolve in our own consciences not to expect a larger profit from the labor of the other fellow, but to be satisfied with the earnings from our own efforts and efficiency.

I have no doubt some of you will denominate this doctrine as socialistic, but call it what you please, I believe it to be an idealistic doctrine, a patriotic doctrine, and if we could only for a short period of time, say, a year or two, eliminate our madness for money and profit we would happily express ourselves over the satisfactory accomplishment and wonderful results. But will we do it? No. Business will proceed in its usual way. The millionaire will in the future, as in the past, be looking for special privileges, for legislation, making it possible for him to make more millions, for concessions by those in power to accumulate more wealth, not for the country, not for the public, but for himself.

If we want to avoid trouble and disaster the high and the low, the rich and the poor, must be willing to make sacrifices. Of course I know that the man of wealth complains about the high taxes and the heavy expenses, but let us not forget the toiling millions who are barely eking out an existence, who have barely enough to live from day to day. Their problems are more difficult, especially when overtaken by sickness and disaster, than are the problems of the men who enjoy luxurious wealth. The men of large means are not in want for food, raiment, or shelter. If they have sustained financial losses, they have the property

or the money to lose. Not so, Mr. President, with the majority of the people of our country. They are simply laboring to maintain an existence and are living from day to day. We have no right, I say, in these days of distress and oppression to grant special privileges to those who are in control of wealth and to saddle the burdens upon the bended backs of the people of our country or of foreign countries.

Mr. President, I want to say that so far as this bill is concerned I hope it will work out in the way that its friends believe it will work out. My only object in endeavoring to change this measure has been to make it possible to help the people of Europe, as well as the people of America, rather than these men who we know have always taken advantage of the public in times of distress, and who, we have reason to believe, will continue to take that advantage if they are not limited and if they are not controlled by proper legislation. As one Member of this body, I believed it my duty to call attention, and I have called attention, and we have succeeded in changing some of the most dangerous provisions of this bill, because it gave too much power to these corporations. While it may be true, as the Senator from Connecticut has stated, and he knows that I have great respect for his judgment, that it might facilitate their operations, at the same time is it safe for us in dealing with the people who have these vast fortunes, who are absolutely in control of the destinies of men and of nations, not to safeguard by legislation the interests of the men who have less to control?

Mr. President, there are many things to which I intended to call attention. I shall not trespass further upon the patience of the Senate, but I ask permission to have certain documents printed at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, that order will be made.

The matter referred to is as follows:

FOREIGN EXCHANGE.

During the century between the Napoleonic wars and the outbreak of the Great War, foreign exchange became so thoroughly stabilized that few, if any, dreamed of the possibility of disorganization such as did occur and is still manifest as a result of the conflict. In the closing days of July, 1914, and for several weeks thereafter, sterling exchange commanded enormous premiums in New York, because international banking houses and other issuers of bills of exchange were short of exchange to cover large amounts of bills accepted by London bankers against letters of credit issued for account of American merchants and also because of forward sales of time bills against prospective exports of grain, cotton, and other seasonal commodities that move freely to market after harvest. This perfectly legitimate and usually conservative anticipation of exports went wrong when England suddenly demanded settlements in gold and movements of vessels were interrupted by fear of German raiders on the high seas. The city of New York alone had to raise about $90,000,000 in gold or equivalent exchange to pay its Treasury bills falling due in London and Paris during the fall of 1914. Many other then neutral countries could not meet England's demands for payments in gold and declared moratoriums to save local debtors from bankruptcy. America liquidated all her current liabilities, and then the tide changed again almost as suddenly as it had at the beginning of hostilities in Europe.

Inability to ship merchandise to England and France fast enough to take care of maturing bills of exchange and other obligations caused the initial rise in rates for sterling exchange in the New York market and in almost all other neutral countries. In normal times London would have accepted and renewed bills of exchange without demur, and both American and London banks and dealers in exchange would have made a small profit by discounting movements of cotton, grain, and other seasonal commodities, as they had been doing regularly for many years. It was the sudden disturbance of international trade by a war that involved all the great powers of the Old World which threw foreign exchange out of balance.

When the pendulum swung back, it went over too far, and while the credit situation was changed the balance was not fully restored. England, France, Italy, and other European belligerents imported all the supplies that ships could be found to carry, and paid high prices for everything. They were so engaged in war work that they could produce and spare little for export in exchange for these imports. America was the chief source of supplies and passed from the condition of an international debtor to that of a creditor nation in a few months. England shipped gold to New York by way of Canada to stabilize exchange which was running heavily against her, and was measurably successful in so doing with the help of loans floated in New York after it became apparent that the United States was floundering in a sea of idle gold. French and other belligerents' exchange remained at a heavy discount in New York and has not yet fully recovered.

War is waste. The foreign exchange market is the most responsive and most delicately balanced barometer of conditions in existence. European belligerents not only imported enormous quantities of supplies and war materials at high prices, but burned them up in waging war. They did not use these imports to create new wealth, as they would have done under peace conditions. They poured real wealth into a fiery furnace which gave back nothing of material value. As far as commerce was concerned, this real wealth, imported for war purposes, might as well have been dumped into the sea, and that literally happened to no inconsiderable part of it as a result of the German submarine campaign.

Under peace conditions imports are used in the manufacture of other merchandise or are consumed for the sustenance of the people whose labor creates real wealth. The wheat flour and meat that a workman eats has the same direct productive value as the coal burned under the boilers of the factory in which he works. Something of greater value comes out in exchange for the food and fuel consumed in producing man and horse power.

Under war conditions the products of industry have been burned up. This waste is the measure of the war taxes and national debts of the belligerent nations, including the United States. America has been exporting twice as much as she imported and has received evidences of debt instead of real wealth to balance the account. She has given and must continue to give credit for a long time to come and she must either take merchandise in exchange for the evidences of debt she holds or regard and treat the debts others owe her as practically permanent investments, just as England has done for two centuries.

Being a creditor Nation, America will for many years be able to sell bills of exchange based on these foreign debts and thus protect her gold reserves to such extent as may be deemed advisable.

It is obvious that this must not be overdone, because such a financial policy would restrict the ability of others to buy goods made in America and would limit our exports of merchandise. We can so use our financial strength as to destroy our export trade, and therefore we must not press our debtors too sharply.

In the years within living memory, before this war destroyed the balance that existed in international trade and finance, the manner in which the purchases and sales, or imports and exports, of the nations offset one another excited the wonder even of experts. America imported more from Asia than she exported, and exported more to Europe than she imported, while Europe stood as a creditor of Asia. The accounts of the triangle came so near to a perfect balance that only a minute percentage of the total transactions remained to be settled in gold or silver. London was the clearing house in which Japan's bills against the United States were met by America's bills against England, and our debt to Japan was set off against what she owed England. The ramifications of this settlement of world-wide debits and credits in London were infinite, but balances were struck and settlements made without difficulty by the use of bills of exchange and with little use of gold. The war destroyed this normal balance in international trade. Some nations now owe enormous debts, while others hold corresponding credits. These differences can not be settled by shipments of gold, because enough of it does not exist. The estimated world's stock of gold available for currency purposes is about $9,300,000,000, which would not settle the balance in favor of America. We must either treat the balance in our favor as a long-time loan or accept merchandise in payment. If we take merchandise for this purpose, our imports will vastly exceed our exports for several years to come and the so-called balance of trade will be heavily against us, which would be a novel and perhaps an unpleasant experience.

As between ourselves and the countries in our debt, the rates of exchange can be held in our favor until we have collected all floating debts due to us. If we permit our debtors to fund these debts and turn over the securities to us, the bills of exchange representing payments of interest or dividends will keep exchange in our favor, and will offset any ordinary excess of imports over exports as far as the foreign exchange markets are concerned. England was in this financial position most of the time for nearly 200 years before the Great War. This transition from the position of a debtor to a creditor Nation will affect our foreign exchange position for many years to come and will furnish new problems for bankers and dealers in bills of exchange.

Hereafter an "invisible balance of trade" will run in our favor, as it has done in England's case for generations. How great it will be and how long it will continue depends on the manner in which we push our foreign trade and handle our international finances. American bankers, merchants, and importers must not forget that if the rate of exchange remains heavily in our favor it will be proportionately heavy against our best customers and will tend to check their purchases from us while stimulating them to sell merchandise to us to the possible detriment of our industries.

Spain profited enormously by the war. For a time she tried to collect payment in gold, and the rate of exchange in her favor rose to ridiculous heights. This tended to check her exports, and an arrangement was made that ameliorated these conditions. Spain learned that money is not food, though it will buy food. During the war Holland and the Scandinavian countries tried in a legitimate way to force the Entente Allies to let them import foodstuffs and raw materials for manufacture, and notified foreign debtors that they did not want gold. Foreign exchange figured prominently in international politics for several months. The world has learned much about economics and political economy in the last five years.

France is improving her exchange position by good banking methods in the face of terrible losses. Millions of British, Italian, Portuguese, and American soldiers have been spending their pay in France, and their Governments have bought supplies and military equipment from French manufacturers to the limit of their capacity. Since the first armistice was signed the money spent by and for foreign soldiers in France has done much to ease the rate of exchange on Paris.

In Latin America merchants have been clamoring for merchandise. They did not want gold. Goods on their shelves meant trade and profit, but gold was of little use when it could not be exchanged for merchandise. Gold is worth only what it will buy and is as valueless in a monetary sense as counterfeit bills when the possessor can not exchange it for real wealth in the form of articles of commerce.

Out of all this war-time confusion in foreign exchange markets and international commerce should come some radical improvement in monetary standards to simplify the transaction of international commerce and the settlement of accounts. The Far East has made greater progress in this respect than have Europe and the Americas. Some specialists in foreign exchange may find the existing complicated system to their advantage, but it would greatly help international trade if small merchants could ascertain prices and costs in other countries without the aid of an interpreter. The league of nations, if it comes into being, might very profitably deal with the unification of monetary standards throughout the world.

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[From the Washington Post, Tuesday, Dec. 16, 1919.]

LONDON FINANCIAL MARKETS.

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LONDON, *December 15.*

The stock markets showed a further almost general improvement and in one or two directions the rise in prices assumed substantial proportions. Gilt-edged securities were again good on the market and recovery in home railway stocks made further progress. Mexican Eagle oil shares rose £1, and the tendency of the South African market was good with a notable advance in Modderfontein. In view of the approaching holidays, there were signs of a falling off in the volume of business.

While floating supplies of credit were again ample, there did not appear to be quite such a superabundance of very cheap money on offer at the close. Borrowers, however, were able to satisfy all their requirements at the previous rates, 2 per cent being accepted for afternoon money. A fair volume of business was done in jobbing in discount, although the banks were not asking for any but short dated bills, maturing within a year, of which there were practically no sellers.

There was a distinct improvement in New York exchange, which closed at $3.72⅜. The franc also improved, business being done at 39 francs 30 centimes. The rate closed at 40 francs 30 centimes.

Total imports and exports.

MERCHANDISE, BY MONTHS.

Months.	Imports.				Exports.			Monthly excess of—	
	Free of duty.	Dutiable.	Total.	Per cent of free.	Domestic.	Foreign.	Total.	Imports.	Exports.
1918.									
January	$176,330,562	$57,611,519	$233,942,081	75.4	$496,354,488	$8,442,818	$504,797,306		$270,855,225
February	141,931,340	65,784,200	207,715,540	68.3	406,492,092	4,869,878	411,361,970		203,646,430
March	169,296,543	72,865,474	242,162,017	69.9	514,770,188	8,130,050	522,900,238		280,738,221
April	190,633,749	88,347,578	278,981,327	68.3	489,834,516	10,608,390	500,442,906		221,461,579
May	226,619,941	96,232,957	322,852,898	70.2	542,241,494	8,683,297	550,924,791		228,071,893
June	178,998,042	81,352,029	260,350,071	68.8	475,647,993	8,151,405	483,799,399		223,449,328
July	175,643,781	66,233,977	241,877,758	72.6	500,758,371	6,709,398	507,467,769		265,590,011
August	203,794,049	69,208,865	273,002,914	74.5	519,357,034	7,656,882	527,013,916		254,011,002
September	205,293,121	56,375,523	261,668,644	78.4	541,821,877	8,574,117	550,395,994		288,727,350
October	194,080,763	52,684,143	246,764,906	78.6	492,037,083	9,823,467	501,860,550		255,095,644
November	204,274,453	46,733,584	251,008,037	81.4	513,180,250	9,056,344	522,236,594		271,228,557
December	163,456,557	47,429,960	210,886,517	77.5	555,379,051	10,507,061	565,886,112		354,999,595
Total, 12 months	2,230,352,901	800,859,809	3,031,212,710	73.6	6,047,874,437	101,213,108	6,149,087,545		3,117,874,835
1919.									
January	157,519,481	55,473,163	212,992,644	74.0	611,802,497	10,750,286	622,552,783		409,560,139
February	153,676,326	81,447,948	235,124,274	65.4	574,096,706	11,000,306	585,097,012		349,972,738
March	182,981,370	84,614,919	267,596,289	68.4	592,381,542	10,760,106	603,141,648		335,545,359
April	178,829,089	94,127,860	272,956,949	65.5	680,074,049	34,725,088	714,800,137		441,843,188
May	215,124,350	113,801,233	328,925,593	65.6	592,605,392	11,361,633	603,967,025		275,041,432
June	195,549,458	97,366,085	292,915,543	66.7	907,968,086	20,411,117	928,379,203		635,463,660
July	235,734,602	108,011,468	343,746,070	68.5	557,975,783	10,711,732	568,687,515		224,941,445
August	213,492,812	93,796,274	307,289,086	69.5	634,470,487	11,583,938	646,054,425		338,765,339
September	308,861,303	126,523,364	435,384,667	70.9	582,093,722	14,441,119	596,534,841		161,150,174
October	284,824,373	117,049,288	401,873,661	70.9	620,729,119	11,180,927	631,910,046		230,036,385
Total, 10 months	2,126,593,174	972,211,602	3,098,804,776	68.6	6,354,197,383	146,927,252	6,501,124,635		3,402,319,859
Fiscal year:									
1916	1,492,647,350	705,236,160	2,197,883,510	67.9	4,272,177,579	61,305,306	4,333,482,885		2,135,599,375
1917	1,848,840,520	810,514,665	2,659,355,185	69.5	6,227,164,050	62,884,344	6,290,048,394		3,630,693,209
1918	2,118,599,372	827,056,031	2,945,655,403	71.9	5,838,652,057	81,059,314	5,919,711,371		2,974,055,968
1919	2,230,222,808	865,497,260	3,095,720,068	72.0	7,081,461,938	151,336,805	7,232,798,743		4,137,078,675
Calendar year:									
1915	1,167,428,816	611,167,879	1,778,596,695	65.6	3,493,230,532	61,440,315	3,554,670,847		1,776,074,152
1916	1,611,887,638	779,747,697	2,391,635,335	67.4	5,422,642,505	59,998,596	5,482,641,101		3,091,005,766
1917	2,135,552,430	816,915,525	2,952,467,955	72.3	6,169,617,225	63,895,372	6,233,512,597		3,281,044,642
1918	2,230,352,901	800,859,809	3,031,212,710	73.6	6,047,874,437	101,213,108	6,149,087,545		3,117,874,835

GOLD, BY MONTHS.

1919.									
January	$2,113,217		$2,113,217		$3,377,038	$19,060	$3,396,098		$1,282,881
February	3,944,839		3,944,839		3,109,609	544	3,110,153	$834,686	
March	10,481,197		10,481,197		3,788,174	15,055	3,803,229	6,677,968	
April	6,691,795		6,691,795		1,763,727	6,330	1,770,057	4,921,738	
May	1,079,525		1,079,525		1,954,415	1,720	1,956,135		876,610
June	26,134,460		26,134,460		82,883,390	89,450	82,972,840		56,838,380
July	1,846,495		1,846,495		54,668,687	4,540	54,673,227		52,826,732
August	2,490,489		2,490,489		45,107,094	82,224	45,189,318		42,698,829
September	1,471,628		1,471,628		29,031,050	19,416	29,050,466		27,578,838
October	4,969,595		4,969,595		43,968,066	180,924	44,148,990		39,179,395
Total, 10 months	61,223,240		61,223,240		269,651,250	419,263	270,070,513		208,847,273
Fiscal year:									
1916	494,009,301		494,009,301		61,254,731	28,994,817	90,249,548	403,759,753	
1917	977,176,026		977,176,026		284,948,025	6,973,200	291,921,225	685,254,801	
1918	124,413,483		124,413,483		188,441,940	2,410,284	190,852,224		66,438,741
1919	62,363,733		62,363,733		116,340,663	234,872	116,575,535		54,211,802
Calendar year:									
1915	451,954,590		451,954,590		19,321,567	12,104,351	31,425,918	420,528,672	
1916	685,990,234		685,990,234		134,882,762	20,910,165	155,792,927	530,197,307	
1917	552,454,374		552,454,374		364,500,814	7,383,070	371,883,884	180,570,490	
1918	62,042,748		62,042,748		40,691,141	378,677	41,069,818	20,972,960	

SILVER, BY MONTHS.

1919.									
January	$5,576,281		$5,576,281		$18,891,544	$723,692	$19,615,236		$14,038,955
February	6,756,665		6,756,665		32,352,756	747,418	33,100,174		26,343,509
March	8,197,748		8,197,748		21,491,081	1,615,411	23,106,492		14,908,744
April	7,066,781		7,066,781		23,038,136	2,038,438	25,076,574		18,009,793
May	7,913,379		7,913,379		26,206,970	2,391,634	28,598,604		20,685,225
June	7,078,684		7,078,684		11,694,454	913,905	12,608,359		5,529,675
July	5,528,037		5,528,037		7,427,759	834,388	8,262,147		2,734,110
August	8,327,128		8,327,128		8,625,623	5,183,254	13,808,877		5,481,749
September	7,539,452		7,539,452		8,866,525	4,061,416	12,927,941		5,388,489
October	8,722,430		8,722,430		8,744,112	3,525,567	12,269,679		3,547,249
Total, 10 months	72,706,585		72,706,585		167,338,960	22,035,123	189,374,083		116,667,498
Fiscal year:									
1916	34,154,375		34,154,375		53,171,760	6,619,763	59,791,523		25,637,148
1917	35,003,563		35,003,563		74,011,157	4,268,774	78,279,931		43,276,368
1918	70,328,153		70,328,153		127,705,661	11,475,738	139,181,399		68,853,246
1919	78,825,266		78,825,266		286,779,434	14,395,116	301,174,550		222,349,284
Calendar year:									
1915	34,483,954		34,483,954		47,467,235	6,131,649	53,598,884		19,114,930
1916	32,263,289		32,263,289		64,985,637	5,609,400	70,595,037		38,331,748
1917	53,340,477		53,340,477		77,726,074	6,404,802	84,130,876		30,790,399
1918	71,375,699		71,375,699		239,972,503	12,873,961	252,846,464		181,470,705

Imports and exports of domestic and foreign merchandise.
BY COUNTRIES.

Countries.	October.				10 months ending October.					
	Imports.		Exports.		Imports.			Exports.		
	1918	1919	1918	1919	1917	1918	1919	1917	1918	1919
EUROPE.										
Austria-Hungary		$257,557		$8,333,268	$64,937	$50,878	$1,330,305			$34,398,576
Azores and Madeira Islands	$101,083	96,910	$78,905	85,039	1,263,611	1,339,659	1,288,519	$306,749	$114,597	428,245
Belgium	1,032	1,259,396	25,602,530	31,342,621	158,022	13,956	4,161,040	33,294,341	122,032,276	314,379,470
Bulgaria		92,012		1,049	8,569		670,218			1,753,903
Denmark	9,815	526,936	1,317,254	11,175,065	884,632	482,249	4,960,590	32,264,876	2,190,516	140,051,560
Finland		1,381		4,247,560	2,896		583,931	459,387	100	18,069,138
France	4,276,430	14,046,214	81,847,622	67,497,672	82,549,338	52,360,924	87,329,770	804,690,160	809,600,024	757,429,051
Germany	147,225	2,157,608		20,663,521	158,901	162,888	4,914,787	3,275		52,420,095
Gibraltar	408	1,992	769,745	85,098	61,837	2,061	29,376	5,866,291	5,872,126	41,629,793
Greece	195,928	2,003,394	67,002	2,683,312	5,606,232	14,981,095	24,665,578	7,605,212	3,829,218	31,712,425
Iceland, and Faroe Islands	63,232	39	510,725	633,327	436,155	881,305	434,589	1,742,025	2,150,511	3,132,273
Italy	1,080,491	7,224,329	42,980,729	31,871,737	31,104,745	22,204,934	40,893,785	324,319,671	400,094,752	366,173,049
Malta, Gozo, etc	685	4,010	114,739	34,120	52,017	4,181	18,857	76,149	355,914	360,773
Netherlands	1,401,483	9,180,220	1,029,908	20,357,776	20,482,188	7,798,134	61,271,308	57,504,268	5,618,089	197,337,870
Norway	89,371	439,222	4,357,104	18,485,843	5,673,617	1,121,809	4,891,172	58,903,676	28,332,890	117,813,768
Portugal	56,554	277,250	1,380,366	1,492,029	7,324,018	3,565,928	5,281,380	15,589,030	20,273,486	16,261,966
Roumania				189,911	1,285			253,222		4,808,110
Russia in Europe		23,121	190,890	830,601	8,470,208	5,319,830	2,866,266	296,390,981	8,525,300	13,379,865
Serbia, Montenegro, and Albania				26,299				3,540	17,497	2,846,512
Spain	2,450,616	3,376,864	1,719,266	8,344,695	30,841,961	13,634,642	38,040,061	72,006,418	46,351,180	82,464,439
Sweden	99,396	2,690,423	2,604,084	8,033,599	17,487,951	4,687,023	9,665,565	19,964,552	9,293,915	116,353,036
Switzerland	1,503,927	2,516,688	2,179,894	4,068,831	16,173,364	13,370,130	19,243,754	16,744,535	23,007,329	69,331,731
Turkey in Europe		2,516,474		1,944,131			10,889,737			15,599,810
United Kingdom:										
England	8,109,462	36,848,680	139,229,149	151,154,884	204,158,817	103,603,643	188,053,769	1,500,276,863	1,617,152,897	1,735,247,344
Scotland	1,157,000	2,979,520	8,726,666	11,042,290	25,321,307	11,294,660	20,475,223	153,661,240	88,763,157	102,314,729
Ireland	1,443,613	1,890,094	724,234	2,768,075	18,204,396	15,160,996	10,769,362	19,978,859	5,591,683	30,126,682
Total United Kingdom	10,710,165	41,718,294	148,680,049	164,965,249	247,684,520	130,059,299	219,298,354	1,673,916,962	1,711,507,737	1,867,688,755
Total Europe	22,187,841	90,410,334	315,439,812	407,398,353	476,401,004	272,035,925	542,838,952	3,421,905,320	3,199,167,457	4,265,826,913
NORTH AMERICA.										
Bermuda	219,008	9,659	186,563	149,686	894,719	1,033,269	1,020,180	1,934,202	1,767,456	1,686,203
British Honduras	274,768	230,376	121,726	73,199	1,394,807	2,058,622	2,300,132	1,650,883	1,878,894	2,176,225
Canada	46,782,695	54,877,193	82,504,502	67,976,685	328,319,977	371,429,268	393,436,449	691,164,704	727,117,082	587,653,629
Central American States:										
Costa Rica	488,697	593,890	177,224	436,533	5,714,318	8,318,371	6,032,367	2,734,538	1,323,655	3,408,002
Gautemala	194,558	575,283	265,589	744,106	9,851,857	7,718,990	11,535,703	5,957,869	3,650,500	6,771,772
Honduras	369,733	658,590	351,756	548,666	4,175,317	4,659,944	6,444,284	4,241,373	4,080,643	5,953,294
Nicaragua	212,136	293,997	407,437	570,224	3,335,162	4,278,084	5,131,916	3,825,245	3,699,603	5,151,428
Panama	594,026	681,629	1,301,060	1,817,639	6,043,169	7,669,161	6,416,037	22,594,126	17,632,662	18,370,340
Salvador	361,115	379,620	428,056	497,129	5,019,535	7,000,562	4,014,283	3,568,986	2,903,002	4,861,602
Total Central American States	2,220,265	3,093,009	2,929,122	4,614,297	34,139,358	39,645,112	39,574,590	42,922,137	33,290,065	44,516,438
Greenland	97,500	106,500			218,500	97,500	106,500	13,186	5,593	19,036
Mexico	16,122,910	12,271,375	8,285,560	9,942,552	109,385,772	129,549,076	118,143,918	83,177,032	80,407,384	103,374,533
Miquelon, Langley, etc			23,440	64,546		3,191	571	458,260	213,420	437,937
Newfoundland and Labrador	928,408	1,059,372	1,435,932	1,446,095	2,937,596	4,529,305	4,632,008	8,088,466	10,262,887	12,294,442
West Indies:										
British—										
Barbados	4,571	75,819	228,113	310,700	290,060	932,960	488,944	2,081,497	2,597,683	3,151,390
Jamaica	245,474	485,347	344,497	1,027,213	2,847,774	2,549,406	4,347,984	6,464,603	5,838,861	8,623,290
Trinidad and Tobago	228,152	404,592	683,506	838,678	6,937,279	6,854,348	7,430,512	5,704,168	5,485,565	6,025,015
Other British	128,325	172,084	395,816	471,042	2,953,931	2,515,248	2,539,148	4,828,818	3,352,467	3,817,896
Total British West Indies	606,522	1,137,842	1,651,932	2,647,633	13,009,044	12,851,962	14,806,588	19,079,086	17,274,576	21,617,591
Cuba	16,720,023	34,850,570	16,389,231	27,357,811	237,728,028	254,332,972	375,286,383	146,259,908	187,214,341	214,568,093
Danish West Indies (Virgin Islands of United States)	26,472	166,115	150,938	170,775	903,943	1,120,295	1,550,108	1,451,404	1,274,314	1,456,281
Dominican Republic	899,934	210,602	772,040	1,735,840	11,571,247	6,661,645	10,854,773	12,635,804	13,179,447	14,799,148
Dutch West Indies	121,717	143,778	125,495	218,301	787,358	1,032,214	2,446,106	1,484,275	1,145,587	1,572,321
French West Indies	27,307	12,398	225,331	611,347	116,110	129,666	54,682	6,078,186	4,004,072	7,539,029
Haiti	477,676	1,009,392	705,863	868,775	3,175,102	5,213,370	8,541,168	5,643,739	7,355,414	12,372,270
Total West Indies	18,879,651	37,530,697	20,020,881	33,610,482	267,293,832	281,342,124	413,539,808	192,632,402	231,447,751	273,924,733
Total North America	85,516,205	109,169,181	115,508,726	117,877,542	744,584,561	830,587,468	972,754,156	1,022,041,272	1,086,390,515	1,029,083,236
SOUTH AMERICA.										
Argentina	32,958,910	23,773,398	5,448,761	13,874,154	152,179,545	198,179,790	155,955,865	84,369,150	81,510,182	131,625,518
Bolivia		378,585	304,910	166,465	10,153	159,282	1,332,475	2,896,837	3,834,833	4,139,693
Brazil	4,881,759	24,171,680	2,549,799	12,279,001	128,159,036	83,480,567	184,953,444	50,499,887	48,481,637	101,577,678
Chili	13,074,601	5,818,281	4,519,788	3,449,293	118,876,743	137,306,238	64,715,843	44,846,616	52,601,262	46,950,214
Colombia	1,751,211	4,017,408	657,578	2,730,539	23,839,302	20,139,857	35,017,166	10,828,218	8,804,023	17,026,615
Ecuador	196,530	850,751	202,352	770,698	8,861,483	8,817,115	8,297,355	4,378,627	3,681,820	6,276,434
Falkland Islands				5,788	400,000			36,887	295,660	170,123
Guiana:										
British	22,022	57,140	598,033	308,540	179,291	326,560	323,812	4,088,993	4,372,535	4,225,329
Dutch	21,011	63,981	187,414	1,129	1,311,047	526,518	774,907	1,189,432	1,217,187	1,282,285
French			13,600	1,954		5,091		698,514	629,040	953,076
Paraguay	45,869	65,151	8,745	66,588	69,978	83,592	596,016	344,036	604,176	766,565
Peru	3,014,073	3,981,197	1,527,785	2,141,263	34,906,637	30,977,326	28,074,345	17,345,968	17,482,438	22,491,021
Uruguay	1,034,714	3,783,598	942,769	1,914,116	30,206,017	17,607,629	41,823,531	15,141,547	14,432,778	28,432,940
Venezuela	662,660	1,325,851	470,087	1,586,517	13,569,208	10,478,109	27,814,656	9,095,202	5,763,502	11,115,039
Total South America	57,663,360	68,287,021	17,431,621	39,296,045	512,567,840	508,087,674	549,699,475	245,759,914	243,711,073	377,032,530

Imports and exports of domestic and foreign merchandise—Continued.
BY COUNTRIES—continued.

Countries.	October.				10 months ending October.					
	Imports.		Exports.		Imports.			Exports.		
	1918	1919	1918	1919	1917	1918	1919	1917	1918	1919
ASIA.										
Aden		$1,395,185	$598	$170,443	$1,686,710	$627,888	$4,491,258	$967,643	$115,544	$1,021,847
China	$7,117,806	19,193,750	6,294,016	7,090,736	110,404,767	97,865,133	124,760,242	30,724,445	44,253,430	90,281,416
China, leased territory:										
British					5,922			7,434	878	
French						13,410		204,598	287,421	
German	36	174,661	5		47,104	31,350	488,944	243,658	5,836	5,834
Japanese	3,528,666	879,293	205,329	876,901	9,826,616	24,915,707	13,558,272	3,624,457	5,779,303	11,979,561
Total China	10,646,508	20,247,704	6,499,350	7,967,637	120,284,409	122,825,600	138,807,458	34,804,592	50,323,868	102,266,811
Chosen	517	2,613	67,437	480,008	101,821	139,083	309,723	1,539,113	993,953	3,088,623
East Indies:										
British—										
British India	7,274,537	19,818,070	2,851,145	5,738,791	84,238,908	109,942,169	110,839,494	25,801,202	30,243,287	58,638,431
Straits Settlements	9,163,094	13,768,120	695,119	1,086,557	103,121,833	134,075,111	117,456,269	6,554,851	8,690,188	10,238,282
Other British	586,884	5,147,473	178,138	167,576	23,719,639	18,318,408	30,013,975	860,976	937,030	1,676,578
Total British East Indies	17,024,515	38,733,663	3,724,402	6,992,924	211,080,350	262,335,688	258,309,738	33,217,029	39,870,505	70,553,291
Dutch East Indies	3,852,256	7,826,399	3,780,561	3,577,471	80,050,732	70,828,874	57,015,802	17,004,817	16,214,814	41,475,197
French East Indies			42,596	56,606		332	1,589,530	134,670	469,239	1,352,974
Portuguese East Indies				215		404	17		4,912	6,316
Hongkong	1,895,133	2,657,705	1,766,097	1,276,239	8,881,673	26,676,116	18,530,278	13,257,763	20,425,099	17,886,790
Japan	27,167,129	43,257,223	14,292,224	19,658,946	208,967,140	254,273,513	315,607,321	125,149,942	223,114,129	289,219,833
Persia	8,723	171,879		25,466	856,713	600,752	1,002,089	174,746	126,137	889,724
Russia in Asia	77,199	1,144,457	85,191	9,220,793	2,127,395	3,950,131	5,369,603	102,922,173	4,598,818	48,878,171
Siam	26,310	56,907	99,970	142,135	113,003	100,294	152,809	821,747	1,335,523	1,795,053
Turkey in Asia	1,458	3,345,476	52,368	332,187	192,180	486,125	15,009,599		385,214	2,987,874
Other Asia					21,165		9,780		274	360
Total Asia	70,699,748	118,839,211	30,410,794	49,901,070	634,363,291	742,844,800	816,205,005	330,994,235	357,943,029	581,413,864
OCEANIA.										
British Oceania:										
Australia	3,110,835	4,205,656	4,632,129	4,800,019	15,074,699	54,390,327	49,377,793	42,447,809	62,375,172	83,503,599
New Zealand	1,934,409	1,904,681	1,519,333	2,137,082	6,051,413	16,421,526	18,877,149	12,392,165	17,207,327	23,390,668
Other British	147,523	1,036,580	220,411	28,651	1,753,074	3,268,265	4,262,143	433,547	684,028	479,620
Total British Oceania	5,192,857	7,146,917	6,410,873	6,965,752	22,879,086	74,080,118	72,517,085	55,273,521	80,266,527	107,373,896
French Oceania	89,824	324,093	115,574	77,131	1,455,510	2,492,024	1,615,844	853,874	1,271,798	1,052,773
German Oceania	162,144	163	62,043	34,272	405,199	717,032	1,557,939	337,492	358,747	225,241
Philippine Islands	9,983,747	6,076,600	5,976,299	4,133,420	47,668,056	67,970,475	51,627,615	27,960,512	45,542,653	61,041,210
Total Oceania	15,428,572	13,547,782	12,584,789	11,210,575	72,407,851	145,259,679	130,318,483	84,428,399	127,439,725	169,693,210
AFRICA.										
Abyssinia							5		2,009	
Belgian Congo	40		108,642	13,328		24,345	473,254	102,927	605,727	2,633,491
British Africa:										
West	1,376,169	293,232	120,358	651,650	11,303,268	12,766,292	18,908,430	5,671,535	5,876,226	10,407,735
South	3,645,152	268,354	7,558,978	2,746,277	20,021,455	29,499,081	33,442,974	23,497,243	27,602,780	37,909,635
East	11,468	3,548	187,473	84,709	192,449	348,747	667,251	1,570,380	865,680	1,368,782
Total British Africa	5,032,789	565,134	7,866,809	3,482,636	31,717,172	42,614,120	53,018,655	30,739,158	34,344,686	49,686,153
Canary Islands	25,551	37,204	1,293	144,575	227,296	135,286	143,700	574,041	105,279	1,268,845
Egypt	2,287	607,385	1,344,188	1,506,028	27,340,603	24,771,373	29,136,517	2,687,451	5,098,254	8,488,789
French Africa	63,807	70,394	41,643	521,558	927,309	674,725	1,527,328	2,489,694	2,407,784	8,985,804
German Africa				5,750	466,987	8,209	89,274	2,120		287,122
Italian Africa				39,542	315,513		437,272	3,876		209,876
Liberia	28,093	8	47,482	37,678		64,003	172,765	164,723	99,944	212,883
Madagascar			2,763	6,004	132,738	21,776	39,053	140,107	64,704	520,832
Morocco	18,965	112,391	96	199,105	162,160	227,561	555,264	352,342	883,693	1,298,750
Portuguese Africa	97,648	227,616	1,101,892	270,018	2,317,197	1,961,212	1,395,618	3,587,600	2,711,382	4,426,531
Spanish Africa				238	386			76,718	9,587	54,893
Total Africa	5,269,180	1,620,132	10,504,808	6,226,461	63,607,361	70,502,610	86,988,705	40,920,757	46,313,040	78,074,972
Grand total	246,764,906	401,873,661	501,860,550	631,910,046	2,504,021,908	2,569,318,156	3,098,804,776	5,146,049,897	5,060,964,839	6,501,124,635

CALENDAR YEARS.	Imports.						Exports.					
	Europe.	North America.	South America.	Asia and Oceania.	Africa.	Total.	Europe.	North America.	South America.	Asia and Oceania.	Africa.	Total.
1911	$770,293,236	$296,361,256	$187,514,969	$254,434,917	$23,754,782	$1,532,359,160	$1,293,072,862	$482,438,006	$121,736,604	$171,490,317	$23,788,957	$2,092,526,746
1912	900,003,944	373,809,916	233,731,935	284,887,243	25,640,017	1,818,073,055	1,467,451,834	573,298,563	138,944,930	191,832,602	27,690,054	2,399,217,993
1913	864,666,103	389,814,744	198,259,005	316,126,868	23,729,760	1,792,596,480	1,499,573,363	601,176,159	146,514,635	207,825,327	28,928,808	2,484,018,292
1914	783,517,509	441,400,758	229,520,375	315,176,388	19,660,971	1,789,276,001	1,339,295,916	481,588,221	91,013,339	176,402,751	25,323,823	2,113,624,050
1915	546,352,567	509,458,281	322,282,189	365,865,167	34,638,491	1,778,596,695	2,573,408,120	558,803,012	144,128,681	241,185,800	37,145,234	3,554,670,847
1916	633,316,886	658,438,120	427,609,562	610,377,429	61,893,338	2,391,635,335	3,813,278,324	924,553,649	220,266,818	470,531,804	54,010,506	5,482,641,101
1917	551,144,599	871,892,524	598,818,532	857,458,361	73,063,939	2,952,467,955	4,061,728,923	1,261,703,532	311,893,023	546,803,463	51,383,656	6,233,512,597
1918	318,121,271	974,615,243	610,931,072	1,042,038,662	85,506,462	3,031,212,710	3,858,697,768	1,325,486,350	302,709,610	602,996,198	59,197,619	6,149,087,545

Total values of imports and exports of the United States—October, 1919.
(Preliminary figures for 1919, corrected to Nov. 20, 1919.)

MERCHANDISE.

	October—		Ten months ending October—		
	1919	1918	1919	1918	Increase.
IMPORTS.					
Free of duty	$288,429,844	$194,080,763	$2,130,198,645	$1,862,621,891	$267,576,754
Dutiable	127,235,832	52,684,143	982,398,146	706,696,265	275,701,881
Total	415,665,676	246,764,906	3,112,596,791	2,569,318,156	543,278,635
EXPORTS.					
Domestic	620,729,119	492,037,083	6,354,205,135	4,979,315,136	1,374,889,999
Foreign	11,181,853	9,823,467	146,928,178	81,649,703	65,278,475
Total	631,910,972	501,860,550	6,501,133,313	5,060,964,839	1,440,168,474
Excess of exports	216,245,296	255,095,644	3,388,536,522	2,491,646,683	

IMPORTS AND EXPORTS OF MERCHANDISE, BY MONTHS.

	1919	1918	1917	1916	1915
IMPORTS.					
January	$212,992,644	$233,942,081	$241,793,282	$184,350,942	$122,148,317
February	235,124,274	207,715,540	199,479,996	193,935,117	125,123,391
March	267,596,289	242,162,017	270,257,139	213,589,785	157,982,016
April	272,956,949	278,981,327	253,935,966	218,236,397	160,576,106
May	328,925,593	322,852,898	280,727,164	229,188,957	142,284,851
June	292,915,543	260,350,071	306,622,939	245,795,438	157,695,140
July	343,746,070	241,877,758	225,926,352	182,722,938	143,244,737
August	307,289,086	273,002,914	267,854,767	199,316,480	141,804,202
September	435,384,667	261,668,644	236,196,898	164,038,614	151,236,026
October	415,665,676	246,764,906	221,227,405	178,658,730	149,172,729
November		251,008,037	220,534,550	176,967,749	155,496,675
December		210,886,517	227,911,497	204,834,188	171,832,505
	[1] 3,112,596,791	2,569,318,156	2,504,021,908	2,009,833,398	1,451,267,515
EXPORTS.					
January	622,552,783	504,797,306	613,324,582	330,036,410	267,879,313
February	585,097,012	411,361,970	467,648,406	401,783,974	299,805,869
March	603,141,648	522,900,238	553,985,699	410,742,034	296,611,852
April	714,800,137	500,442,906	529,927,815	398,568,532	294,745,913
May	603,967,025	550,924,791	549,673,545	474,803,637	274,218,142
June	928,379,203	483,799,399	573,467,789	464,685,956	268,547,416
July	563,687,515	507,467,769	372,758,414	444,713,964	268,463,702
August	646,062,177	527,013,916	488,655,597	510,167,438	260,609,995
September	596,531,841	550,395,994	454,506,904	514,924,134	300,654,921
October	631,910,972	501,860,550	542,101,146	492,813,918	336,152,009
November		522,236,594	487,327,694	516,167,324	327,670,353
December		565,886,112	600,135,006	523,233,780	359,306,362
	[1] 6,501,133,313	5,060,964,839	5,146,049,897	4,443,239,997	2,867,694,132
Excess of exports	3,388,536,522	2,491,646,683	2,642,027,989	2,433,406,599	1,416,426,617

[1] Ten months ending October.

GOLD AND SILVER.

	October—		Ten months ending October—		
	1919	1918	1919	1918	Increase (+), decrease (−).
GOLD.					
Imports	$4,969,595	$1,470,239	$61,223,240	$57,973,303	+ $3,249,937
Exports	44,148,990	2,178,149	270,070,513	36,441,228	+233,629,285
Excess of imports				21,532,075	
Excess of exports	39,179,395	707,910	208,847,273		
SILVER.					
Imports	8,722,430	6,766,239	72,706,585	61,549,381	+ 11,157,204
Exports	12,269,679	32,037,469	189,374,083	197,369,122	− 7,995,039
Excess of exports	3,547,249	25,271,230	116,667,498	135,819,741	

IMPORTS AND EXPORTS OF GOLD AND SILVER, BY MONTHS.

	Gold.			Silver.		
	1919	1918	1917	1919	1918	1917
IMPORTS.						
January	$2,113,217	$4,404,254	$58,926,258	$5,576,281	$5,997,455	$3,345,951
February	3,944,839	2,549,168	103,766,495	6,756,665	4,449,159	2,477,692
March	10,481,197	1,912,362	139,498,590	8,197,748	6,963,330	2,977,068
April	6,691,795	2,745,727	32,372,455	7,066,781	5,080,745	2,375,462
May	1,079,525	6,620,516	52,262,090	7,913,379	7,298,096	4,740,686
June	26,134,460	31,892,021	91,339,051	7,078,684	5,351,186	2,235,436
July	1,846,495	2,596,886	27,303,798	5,528,037	5,220,017	3,420,199
August	2,490,489	1,554,838	18,692,170	8,327,128	7,256,942	5,681,288
September	1,471,628	2,610,836	4,171,535	7,539,452	7,172,039	5,796,320

Total values of imports and exports of the United States—October, 1919—Continued.

IMPORTS AND EXPORTS OF GOLD AND SILVER, BY MONTHS—continued.

	Gold.			Silver.		
	1919	1918	1917	1919	1918	1917
IMPORTS—continued.						
October	$4,969,595	$1,479,239	$4,149,582	$8,722,480	$9,766,229	$5,049,484
November		1,920,209	2,906,476		5,499,246	9,096,298
December		1,785,692	17,085,574		4,380,246	6,154,503
	[1]61,223,240	57,973,303	532,482,024	[1]72,708,585	61,549,381	38,099,586
EXPORTS.						
January	3,396,098	3,746,244	20,719,898	19,615,236	6,627,704	5,887,418
February	3,110,153	5,084,060	22,068,059	33,100,174	6,519,297	7,693,508
March	2,803,229	2,809,359	17,919,601	23,106,492	13,431,917	5,555,713
April	1,770,957	3,360,084	16,965,219	25,076,574	12,251,033	4,353,073
May	1,956,135	3,598,949	57,697,419	28,598,604	46,381,126	6,272,294
June	82,972,840	2,704,102	67,164,268	12,608,359	8,566,271	8,964,764
July	54,673,227	7,199,908	69,052,357	8,262,147	40,685,701	5,538,042
August	45,189,318	3,277,134	48,049,306	13,808,827	20,549,127	7,503,711
September	20,050,466	2,283,929	31,332,396	12,927,941	10,340,187	10,465,079
October	44,148,990	2,178,140	11,154,074	12,269,679	32,037,469	6,983,068
November		3,047,997	7,223,190		7,159,451	4,788,674
December		1,579,996	4,538,136		48,306,176	10,125,472
	[1]270,670,513	38,441,228	360,122,588	[1]189,374,083	197,369,122	69,216,730
Excess of imports		21,532,075	172,359,436			
Excess of exports	208,847,273			116,667,498	135,819,741	31,117,144

[1] 10 months ending October.

[Advance proof from Textiles, Boston, Mass., December, 1919.]

PROTECTION OR FREE TRADE.

Now that the sovereignty and independence of the United States have been protected by the rejection of the German treaty with the league of nations, it is fortunate that the President in his message to Congress has drawn the lines sharply on the other great issue of free trade or protection to American industry. After stating the well-known facts as to the huge debts that Europe owes to the United States, the great excess of our exports over imports, the inability of Europe to ship gold in payment, and the danger of increasing the present stock of gold in this country, the President advocates free trade in these words:

"The time has nearly passed for international governmental loans and it will take time to develop in this country a market for foreign securities.

"The productivity of the country greatly stimulated by the war must find an outlet by exports to foreign countries and any measures taken to prevent imports will inevitably curtail exports, force curtailment of production, load the banking machinery of the country with credits to carry unsold products, and produce industrial stagnation and unemployment. If we want to sell, we must be prepared to buy. Anything, therefore, which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore of preventing the exports from being made."

This proposal to change the settled policy of the United States from protection to free trade, like that of abandoning the policy of Washington for a league of nations, must be judged, not by the temporary and extraordinary conditions created by the World War, but by the conditions that will exist when the world is restored to a normal basis.

Under the present abnormal conditions, not only is Europe unable to pay her debts with gold but the greater part of Europe has been deprived temporarily of the ability to produce goods with which to pay these debts. In some sections this loss of productive power is due to devastation; in other sections, to the lack of raw material. But in all sections of the Continent the disability is temporary and the return to normal production but a question of a few years under the skillful management for which Europeans are so well fitted.

When the present prostration has passed and European mills and workshops are again in operation, any attempt to pay the huge debts to America with manufactured goods would disorganize American industries and cause widespread unemployment.

It was the fear of demoralized industry that led the peace council at Paris to reject the idea of allowing Germany to pay her indemnity with manufactured goods. As one of the entente representatives put it, "The very Government that proposes this plan would be the first to revolt against it if put into effect." And yet with that fact so clearly demonstrated at Paris, the President now proposes that Europe's gigantic debt to America shall be paid with European goods.

The remedy for the present extraordinary situation in international trade is not to be found by opening the gates for a devastating flood of manufactured goods into the United States. It is to be found in the regulation of both exports and imports on the principle that the citizens, not only of the United States but of every country on earth, have the first right to the consumption of what they produce and to the production of what they consume.

Instead of admitting foreign goods free of duties, the mad struggle for export trade should be abandoned. The true American policy is to provide for the needs of the American people with American goods so far as nature makes that possible, letting foreign countries adopt the same policy of industrial independence for themselves. That principle, not the league of nations, is the secure foundation for world peace. Under the extraordinary conditions now existing the United States by the power of mere example can do much to secure its general adoption by the nations of the earth.

The President not only advocates free trade for the United States but in the extract from his message quoted above views with approval the policy of granting ultimately great loans to Europe for financing our export trade. By indorsing it the President has fallen a victim to the money madness that has taken possession of so many influential men and who are obsessed with the idea that the welfare of the American people depends on shipping as great a quantity of goods as possible to foreign countries. Among the exponents of this policy we find former Secretary Redfield seriously proposing that the American people lend $8,000,000,000 to foreigners that the foreigners may use the money to buy American goods. In this way we are to pay ourselves for the goods we sell. The same scheme is advocated by E. A. Filene, of Boston, who urges a great popular loan of $4,000,000,000 as a starter, "with securities issued in denominations as low as $5, so they will be within the reach of everybody."

Anyone with ordinary horse sense knows that the Redfield-Filene scheme would mean no payment at all, but merely a transfer of the credit from the American exporter, middleman, and banker to the American public; and, furthermore, that such loans mean a huge interest charge, which at 6 per cent on Mr. Redfield's loan would amount to $480,000,000 a year, or $4,800,000,000 every 10 years, against countries that can not now pay what they owe.

But the most serious result of this scheme would be its effect on the cost of living. The only real remedy for the social unrest and the labor troubles in the United States is a reduction of the cost of living. The Redfield-Filene scheme would bring with it an immediate increase by aggravating the scarcity of all the necessities of life. This would be brought about at a time when as a result of the war conditions and the demands of labor for shorter hours, with reduced output, production not only has been overtaken by consumption but is now far short of the necessities of American consumers. Under this scheme anyone with $5 in his pocket can increase the cost of living by lending his money to foreign creditors in countries that are bankrupt or on the verge.

The foreign borrower will use American money to buy the necessaries of life in the United States, taking them away from the American consumer.

The foreigners will have the goods. The exporter, middleman, and banker will have the money and the profits. The American investor will have a finely engraved piece of paper on which some one somewhere promises to pay something sometime. The American producer and consumer will have the privilege of paying higher prices for the necessities of life and the materials that make up the cost of production. With the rising prices will continue the hopeless and demoralizing struggle to raise wages to the level of the cost of living, with the certain result of increasing social unrest and the strain on the social order.

There is to be no regulation of exports. The American products taken from American consumers will be used not only to supply the real necessities of suffering peoples in distant countries but to gratify the vanity and feed the extravagance of foreigners who are not suffering, while foreign Governments, relieved of the burden of providing for the needs of their nationals, will be able to turn their resources to the support of armies and navies for world conquest and dominion, directed, perchance, against the United States itself. This plan is not only in the minds of schemers, it is so far advanced that the Edge bill, authorizing United States charters to banking corporations for financing it, has already been passed by both House and Senate and may be a law before these words are printed.

This banking scheme to lend American money to foreigners should be cast with free trade and the league of nations into the everlasting discard.

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(Telephoned from the Secretary's office of the Treasury at 4.20.)

Rates of exchange as of noon, December 11, 1919, as established by the Federal Reserve Bank of New York:

(1) England: $3.72½ to the pound.
(2) France: 11.75 francs to the dollar.
(3) Belgium: 11.30 francs to the dollar.
(4) Italy: 13.45 lire to the dollar.

If any further information is wanted, or the Senator desires to ask any questions relating to the matter, call Mr. Kelley, of the Secretary's office in the Treasury.

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The solvency of the Allies—Great Britain, France, Belgium, Italy.

* * * * * * *

GREAT BRITAIN.

As one of the principal belligerents, engaged in the war from the beginning of hostilities, Great Britain has made expenditures growing directly and indirectly out of the war which are far greater than those of any other allied nation.

For convenience, in considering the financial status of Great Britain, monetary values will be rendered in American dollars at the par of exchange, $4.866 to the pound sterling.

Briefly stated, the major facts respecting the finances of the United Kingdom as of March 31, 1919, the end of the last fiscal year, are as follows:

The gross debt was $36,746,650,056, of which sum only $6,569,100,000 represented external obligations, repayable in foreign currency, while advances to allies and dominions amounted to $8,580,000,000.

The estimated debt service of the United Kingdom for the fiscal year 1919–20, as presented in the Chancellor of the Exchequer's budget proposals, will be $1,751,760,000, or 30 per cent of revenue receipts. And the normal peace budget of the British Government, as estimated by the chancellor, will be $3,727,356,000, of which the debt service, including amortizations of one-half per cent, will constitute about 52 per cent. The post-war budget, as foreseen by the chancellor, will be approximately four times that of the fiscal year 1913–14.

PAYING THE BILL.

The war, through increase of debt, pensions, and relief payments, and increase of normal civil expenditures, has placed a very large tax burden upon the British people. It appears that in a normal post-war year their taxes will have to yield about $3,400,000,000, or 19.4 per cent of their national annual income, which is conservatively estimated to be $17,517,600,000.

But already the policy of the Government in the administration of war finances has quite properly included heavy taxation. Of the total money raised for the Government's own expenses during the last five years, 36 per cent was supplied by means other than loans. And the fact that the taxing machinery has been organized for raising such enormous sums will be very advantageous in planning the after-war administration of Government finances.

ULTIMATE OFFSETS TO DEBT.

Furthermore, it will be noted, no allowance has been made here for the indemnities which eventually will be collected from the central powers nor for the debts owed to the British Government by the dominions and the allies. While they should be considered as ultimate offsets to the British debt, in what degree receipts from these sources may be available in the near future is a matter of speculation. Eventually, however, they will reduce the burdens of English taxpayers, so that the ratio between taxation and income will gradually be reduced.

As regards the internal debt, which is 82 per cent of the total, there is involved no transfer of wealth to other countries. The payment of interest and principal, it is true, involves a transfer of wealth from taxpayer to debt holder which may seriously burden the individual taxpayer. How well such a load may be adjusted to the ability to bear it will depend upon the equitableness of the taxing system. And certainly there can be few holders of Government bonds who will not be called upon to pay in some part, at least, the taxes which they will in turn receive as interest or principal of the obligations.

The interest and amortization of the other 18 per cent of the debt, which is owed abroad, will amount to approximately $360,000,000. As an offset, the interest due Great Britain on advances made to allies and dominions amounts approximately to one and three-tenths times the total interest on the external debt. Payments, in the main, will have to be made in the form of commodities or services, which, in international trade accounts, contribute to the credit or export side of the ledger. To what extent England's export trade will be stimulated by this situation is problematic. For many years the United Kingdom has imported more goods than it has exported, but this so-called unfavorable balance of trade has been offset by international payments which do not enter into the reports of foreign trade.

FOREIGN INVESTMENTS.

Chief among these counterbalancing items in the case of Britain have been the returns from investments abroad and the receipts of British-owned ocean carriers.

It is estimated that British foreign investments before the war amounted to $19,464,000,000 and that they now approximate $14,500,000,000. Broadly speaking, then, the returns from foreign investments that may be relied upon in balancing the international account have been reduced by about one-fourth during the war. Nevertheless, the remaining foreign investments exceed the external debt by about $8,000,000,000, and the yield from these investments at normal rates would not only pay the interest on that debt but also leave a large margin to England's credit.

PRODUCTIVE CAPACITY.

Nevertheless, the prosperity of the nation will be measured largely by its ability to produce marketable commodities for sale abroad.

The experience of Great Britain in the war is a most illuminating example of the way in which war induces a rapid expansion of the capacity to produce consumable goods. Edgar Crammond estimates that the nation's power of production has been increased by about 50 per cent since 1914.

Great Britain's industrial position has rested heretofore upon the ability to gather in raw materials from abroad and resell them as manufactures. In 1913, 69.5 per cent of the merchandise exports were classed as manufactures, while of the imports only 25.2 per cent were so classed. The expanded physical equipment has enhanced the nation's power to serve as a world's workshop.

LABOR FORCE.

The number of men killed and those who died of disease in the armed forces of the United Kingdom during the war was approximately 900,000. The population numbered 45,516,259 in 1911. The increase in subsequent years, estimated on a basis of the excess of births over deaths in the civilian population, added 2,057,121. Deducting 900,000 from the total thus obtained leaves an estimated population at the end of 1918 of 46,673,380.

But even if the population is larger than at the beginning of the war, it does not necessarily follow that the actual productive labor force has been augmented. There has been a substitution of hitherto unemployed women, for men withdrawn from civilian tasks, however, and it is reasonable to expect that such substitution will be operative in some measure in the future.

INDUSTRIAL ORGANIZATION.

The manifold improvements in England's industrial organization during the war have constituted the most durable offset to the loss of man power.

It is estimated that whereas in 1872 Great Britain produced 57 per cent of the total food consumed in the country, in 1913 only 42 per cent was of domestic production. During the war agricultural production was greatly increased, some 4,000,000 acres being added to the area under cultivation, and this will make the country less dependent upon foreign sources of food supplies than before the war.

STANDARDIZATION.

It was in manufactures that the most significant increases in output were effected. How this expansion was accomplished is explained in part by Prof. A. W. Kirkaldy as follows: "At Lord Kitchener's instance, the whole world was searched for the best machinery; new factories were built, old factories were stripped and reequipped; and the new machinery was automatic, semiautomatic, foolproof, such as unskilled workers could very quickly be taught to handle. * * * We had scrapped all our old-fashioned ideas, our old machines that could do very beautiful work with a skilled man behind, and we replaced them with foolproof tools, whose steel brain did the work, with an unskilled worker to pull the lever."

OTHER INDUSTRIAL GAINS.

In other respects the gains to the industrial organization of the country have been important. Workers have been taught as never before to work with gauge and micrometer. The resulting gains in accuracy of workmanship will be lasting.

Again, manufacturers have learned much about the advantages of standardization of processes and operations in their plants. This was brought about in part by the Government in its efforts to bring to the maximum the output of all the plants working for the Government. Under governmental guidance there was a pooling of experience that has been of great educational value to those directing the production of goods.

There has been a tendency toward combination in industry, for export trade, and for production. A notable example is the recent dyestuffs combination. Employers, too, have learned to work together more readily than hitherto. Cooperation in unusual degree for a common cause of such magnitude as winning the war is bound to have its lasting effects.

PREPARATION OF BANKS.

One evidence of the foresight of financial leaders in England is found in the amalgamations of large commercial banks, which have brought together huge aggregations of banking resources.

Whereas in 1902 there were 115 banks in the United Kingdom publishing accounts, and in 1914, 70, in 1918 amalgamations had reduced the number to 57, with assets of approximately $12,700,000,000, or an average of about $223,000,000 per bank. No such concentration of banking resources has been effected in the United States. Here, in June, 1918, the State, private, and national banking institutions numbered 28,880, with aggregate resources of $40,726,400,000, or an average per bank of $1,410,000.

The recent amalgamation movement owes its chief impetus to the contemplated after-war demands that increased business would make upon the banks. With the principal banking resources already combined into larger units, English bankers are better prepared than ever to assist in the development of English industry and commerce.

The war occasioned a large increase in paper money, chiefly through currency notes issued directly by the British Government. On July 29, 1914, the Bank of England had issued $267,000,000 of notes secured by a gold reserve of 69 per cent. This had increased by June 18, 1919, to $505,000,000, with an 84 per cent gold reserve. On June 18, 1919, the amount of currency notes in circulation totaled $1,677,000,000, with a gold reserve of 8.5 per cent. These were emergency notes, and the whole amount was, therefore, a net addition to the paper circulation.

The national wealth, valued at $82,500,000,000 in 1914, is now estimated by Crammond at $116,000,000,000, representing a war-time increase of 39 per cent.

AFTER THE NAPOLEONIC WARS.

England's recovery and industrial expansion following the Napoleonic wars furnish an object lesson that may well be recalled in connection with the present situation. It is very difficult, of course, to institute a comparison between conditions obtaining a century ago and those of to-day. The applications of steam and electricity in industry and other transformations and developments in the equipment for supplying goods and services make ours an industrial age markedly different from that of 1815. Nevertheless, without pressing the analogy unduly, it is possible to find interesting and suggestive similarities between conditions and problems in Great Britain in the two periods.

England took part in a series of wars that continued, with brief interruptions, from 1793 to 1815. The population of Great Britain in 1816 was about 20,000,000. The wealth of the United Kingdom at that time was not more than $12,500,000,000, and the national income was not more than $1,500,000,000. Nevertheless, the country had incurred an aggregate debt of $4,475,000,000, the annual interest charge on which was $165,000,000. Thus, approximately 11 per cent of the national income was paid in support of the debt. At the same time the total annual expenditure of the Government was more than 25 per cent of the national income.

It is interesting to note that the estimate of the ratio between debt service and national income for the present after-war period is almost identical with that just cited. The ratio between the total expenditures in the coming budget and the national income is 21 per cent, or somewhat less than the estimated ratio in 1816.

Moreover, heavy taxation during the Napoleonic wars had borne much the greater part of the British Government expenditures. Taxes yielded $9,732,000,000 and loans $2,189,700,000.

In spite of the heavy expenditures, the wealth of Great Britain increased year by year during the wars. The steam engine was brought into general use, and spinning mills in the cotton and woolen trades underwent great development. The output of coal and iron rose rapidly. Both internal and foreign trade multiplied. Exports, which in 1811 were valued at $155,712,000, were valued at $248,166,000 in 1815.

During the Napoleonic wars there had been issued a great volume of paper currency, and prices rose to great heights. After 1797, when the Bank of England suspended cash payments, the country's circulating media consisted entirely of paper money.

Shortly after the signing of the peace treaty there was a great slump in prices, and the years 1816 and 1817 were marked by a considerable business depression. Poor crops in England contributed much to this result, and another cause seems to have been a misjudgment of the after-war continental demand for English manufactures, and a consequent speculation in commodities at prices which proved disastrous to English traders. Whether the Continent's inability to

offer goods in exchange outweighed the influence of English tariff restrictions aimed at the Continent, it is impossible to say. In either event the result was the same. The Continent had need of English goods, but was not prepared under the handicaps existing to pay for them.

But in 1818, despite the temporary setback, British industry and commerce made noticeable gains. By 1820 a period of rapid industrial growth had begun. What had seemed an unbearable burden of debt in 1815 was borne with comparative ease.

THE OUTLOOK.

All in all, the outlook for industrial progress in England is favorable. The manufacturing capacity of the country has been greatly increased during the war. Even more notable have been the improvements in ports and warehouse facilities. Ships are being turned out rapidly, and the British merchant marine still exceeds in tonnage that of any other nation. A system of preferences which unites the various parts of the empire commercially more closely than ever before will give the vast colonial resources a new significance for the development of British industry and trade. The position of London as a world financial center still is an exceptionally important asset for the period of rehabilitation.

The recent removal of restrictions on the exportation of capital for investment will naturally result in an expansion of the export trade and a stimulation of domestic production.

Much depends upon the spirit and temper of a people. Their record of achievements in industry and finance has amply demonstrated the capacity of the English for doing big things in a big way, and for meeting emergencies with the requisite energy and ability.

In view of the advantages accruing from a century of progress in the realms of industry and finance, it may be expected that Great Britain will again recover from the effects of war no less quickly than it did a century ago.

FRANCE.

The surprising military achievements of France in the World War attested not only the fortitude and morale of a great people but the strength and adaptability of the country's industrial and financial organization before the war. Because of the sacrifices in men and wealth which France made in support of the common cause of the Allies, all the world is interested in the reconstruction and readjustment of French industry and finance.

AREA, POPULATION, AND DEBT.

In area continental France is more than four times as large as New York State. The population in 1911 was 39,601,509. But in thinking of France as an economic unit its vast colonial empire must be included. In addition, France now regains the lost Provinces of Alsace-Lorraine, with an area of 5,605 square miles and a population numbering 1,874,000 in 1910.

The war losses of France in killed are estimated at approximately 1,385,000 men. In the 77 uninvaded departments there was, from 1914 to 1918, inclusive, a loss in population of about 1,070,000, calculated on the basis of reported births and deaths.

The national wealth of France before the war was estimated at $67,000,000,000. But in computing the value of national wealth at present the changed level of prices should be taken into account, and inasmuch as prices rose from July, 1914, to March, 1919, approximately 289 per cent, it may be assumed that a revaluation of France's national wealth in terms of money values to-day would give a figure well beyond $100,000,000,000.

The total debt of France on July 31, 1914, was 34,186,147,969 francs, or, at par of exchange, $6,593,278,296. The debt in March, 1919, was approximately $34,908,000,000. Some $1,388,600,000, however, had been advanced to the Allies. Taking no account of other offsets, the net debt, computed by deducting from the gross total the advances to allies, amounts to approximately 173,000,000,000 francs, or $33,389,000,000.

The paper money in circulation, notes of the Bank of France, on June 5, 1919, amounted to $6,628,905,000, backed by a gold reserve equaling 14.7 per cent of the face value of the notes. On July 30, 1914, the note circulation was $1,290,000,000, and the gold reserve was 61.9 per cent.

Of the total debt, about $5,785,000,000 is external. As offsets to the external debt, there are French investments abroad estimated at $8,100,000,000.

ABILITY TO CARRY THE DEBT.

As estimated by Ribot, the peace budget of France will require approximately 16,000,000,000 or 17,000,000,000 francs, which is three times the budget of 1914. The service of the debt, which he estimates will be 200,000,000,000 francs in 1920, is placed at 10,000,000,000 francs.

In view of the foreign investments and the expected payments of indemnities by Germany, it appears that no great difficulty will be experienced by France in caring for the external obligations after the resumption of normal peace activities.

The internal debt is so large that only by means of heavy taxation can the necessary revenues for its service be obtained. In view of the sudden invasion and the overruning of a large portion of French territory, it was deemed expedient to rely during the war mainly upon borrowing. Until the taxing machinery can be reorganized, it is probable that considerable further borrowing on the part of France will be necessary. Ultimately, taxation sufficient to meet the expenses will have to be levied. The exceedingly wide distribution of the holdings of the Government debt by the French people should facilitate the raising of sufficient revenue from taxation.

The key to the solution of the fiscal problems confronting the French Government is industrial. It is important, therefore, to note the degree of preparation already made for the present industrial tasks and the development and utilization of latent resources.

RECONSTRUCTION DURING THE WAR.

The really wonderful efficiency of the French nation as a fighting organization was in itself a guaranty that the national equipment for production was highly developed. Nor was this magnificent equipment for the production of the materials required in war used up in a single supreme effort. France was not exhausted at the close of the war, as was abundantly shown by its power of offense to the very end. It was not necessary to adopt, and France did not adopt, the slogan "business as usual" in order to preserve intact the capacity for peace-time production. Efficiency in a long war necessarily requires a high degree of provision for industrial production in peace.

The Departments of Nord and Pas de Calais, which were overrun in the early weeks of the war, were among the most highly developed industrial sections of France. The districts occupied by the enemy represented more than 50 per cent of the nation's coal production, 80 per cent of the total iron-ore production, 66 per cent of the steel output, and 68 per cent of the pig-iron output. The textile, beet sugar, and other important industries also suffered greatly.

However, production was not paralyzed. So resolutely was the provision of food undertaken that by the spring of 1916 the agricultural situation was almost as satisfactory as it had been two years before. It is significant that between June, 1915, and June, 1917, the number of cattle in France increased appreciably.

INDUSTRIAL EXPANSION.

In various lines of industry there was expansion of the capital equipment as the war progressed. New plants were constructed and old ones were enlarged. In addition to the construction by the French, many new works and improvements were made by the British and the Americans, chiefly transport facilities.

The rapidity with which the French put new plants into operation is indicated by the results of an investigation made by the Department of Labor in July, 1917. Mines, quarries, railways, tramways, and establishments which were under the supervision of the ministries of war and marine were not included in the investigation. In the 52,278 plants investigated, which were engaged in what may be called civilian production, it was found that the number of employees at work in July, 1917, was larger than before the war; the figures being respectively 1,559,393 and 1,524,959.

The construction of new plants and enlargement of old ones was widely distributed among the several branches of industry. The chemical industries necessarily were greatly stimulated. Before the signing of the armistice the production of sulphuric acid had almost doubled the prewar volume, and the output of nitric acid had been increased to thirty or forty times the former production.

In the field of mechanical construction the war occasioned the renewal in large part of the tool equipment of the French factories. Much of this equipment was obsolete and its replacement with more modern machine tools marked a permanent gain. The scarcity of workers in many cases was largely offset by the introduction of labor-saving machines. In fact, the utilization of machinery did not merely replace former workers, it carried production to levels never before attained.

COAL AND WATER POWER.

New coal fields helped to replace the output of the mines that had been seized. The iron deposits of Normandy gave rise to an important smelting industry in that region.

One of the most significant of all the industrial developments during the war was the expansion of hydroelectric installations. Of the estimated 6,000,000 horsepower available in the country, only about 650,000 horsepower had been brought into use in 1913. At the end of 1917 there had been added some 374,000 horsepower, or more than half as much as all the developed water power in 1913. These new power installations have profoundly influenced the metallurgical industries. Before the armistice about 50 electric furnaces were producing steel, with an estimated capacity of 800,000 tons annually. A beginning has been made in the electrification of railways, and it is expected that the work of further electrification will be pushed vigorously. A full utilization of water-power resources would result in a saving of approximately 30,000,000 tons of coal annually.

The principal sources of hydroelectric energy are in the sections of France least exposed to invasion. This fact and the development of transportation in central, southern, and western France during the war, including an enormous expansion of port and terminal works, combine to make relatively permanent the new center of French industry. And this means that in many cases the destroyed factories in northeastern France will not be rebuilt on the old sites.

RECOVERY OF ALSACE-LORRAINE.

In addition to this reconstruction behind the lines in France, the productive equipment of the country has been greatly enlarged as a result of the restoration of Alsace-Lorraine and the control of the coal mines in the Saar Basin.

Throughout the period of German control agriculture and manufacturing in Alsace-Lorraine, already important, continued to develop.

The recovery of the Provinces is especially important for France, however, because of their mineral resources. The iron deposits in Lorraine, it is estimated, amount to 1,800,000,000 tons. They occupy an area of approximately 1,660 square miles. The output in 1913 was 21,000,000 tons. While the coal resources of Alsace-Lorraine do not correspond in volume to the iron, the control of the Saar Valley mines will offset the relative shortage of coal in the recovered Provinces.

COAL RESOURCES.

The coal production in the Saar Basin before the war amounted to about 16,500,000 tons annually. According to the terms of the treaty of peace Germany undertakes to deliver to France 7,000,000 tons of coal a year for 10 years, and, in addition, an amount of coal equal to the difference between the annual production before the war of the mines of the Nord and Pas de Calais, which were destroyed as a result of the war, and the production of the mines of the same area for a period not exceeding 10 years. Apparently, then, the coal resources at the disposal of France in the reconstruction period are to be in excess of the coal produced before the war and the iron resources will be greatly superior to those of the prewar period.

POTASH DEPOSITS.

The potash deposits of Alsace also are important. The output in 1913 was 350,000 tons, although the Germans had never found it necessary to work these deposits intensively under a policy of artificially restricted production. In the coming years unusual emphasis will be placed upon the enlargement of agricultural production in France; and every domestic source of fertilizer will facilitate the expansion of agriculture.

Alsace-Lorraine was the chief seat of the German cotton manufacturing industry and was also an important center of the woolen industry. The number of cotton spindles in the returned Provinces before the war was one-fourth the number in France. Other important manufacturing industries in Alsace-Lorraine include glass, chemicals, and paper.

WILL DEVELOP MANUFACTURES.

The indications are that France will not revert to the prewar industrial position, characterized so largely by small-scale production of fine-quality manufactures. Doubtless there will be sufficient hand production and concentration upon luxury articles, but the main development promises to be the building up of a great manufacturing center in line with prewar developments in England and Germany. Fundamental bases for such a development are found in the coal and iron which

will be available in the reconstruction period, the large resources in water power, and the improved port facilities. With a vast colonial empire supplying raw materials and absorbing manufactures and with other markets open to French trade throughout the world it is reasonable to expect that France will eventually become a much more powerful manufacturing nation than it was before the war.

FRENCH COLONIES.

The importance of the French colonial possessions for the future of French industry should not be overlooked.

The total area of the French colonial possessions is more than twenty-two times that of continental France. The population of these colonies is greater by 18 per cent than the population of continental France. The extent of the industrial development of these outlying regions is best reflected in the statistics of trade. In 1913 the total foreign trade of the colonies was valued at $608,800,000. The trade, therefore, was approximately one-fourth that of France proper. It is important to note that France supplied 55 per cent of the imports of the colonies and of the exports from the colonies 48 per cent was sent to France.

This vast colonial empire of France contains valuable resources—agricultural, forest, and mineral. Time will be required for the further development of these outlying regions, but the indications are that their development in the near future will progress much more rapidly than in the years immediately before the war. France has need of the raw materials which the colonies can supply, and the manufacturing capacity of France will need new outlets. The logical line of development, therefore, embodies a concentration upon the exploitation of what is already in control of France. The recent extension of credit by French bankers to a Brazilian railway enterprise is suggestive of the temper and outlook of French industrial interests at the present time. It is to be expected that French capital will be invested more heavily than ever before, not only in French colonies but also in other undeveloped lands.

PROSPECTIVE AGRICULTURAL DEVELOPMENT.

As a necessary part of the industrial development of France in the reconstruction period, much emphasis is to be placed upon agriculture. There was a noticeable extension of the use of agricultural machinery before the war, particularly in northern France. The stimulus to the use of machinery which has been occasioned by the war will not be dissipated at once. The enormous capacity of the French metallurgical industries will find one of its natural outlets in the production of farm machinery.

In view of the importance that the development of the export trade of France will assume in the reconstruction period, it is significant to note that the losses suffered by the French merchant marine during the war have been offset by new construction and purchases. Other construction is under way, and a portion of the indemnity exacted of Germany will be paid to France in the form of merchant ships. Lloyd's Register of Shipping, June, 1919, shows that the tonnage of France's merchant fleet exceeds the prewar figure.

SPEEDY RECUPERATION.

The French people have made surprising progress since the armistice in readjusting industry to a peace basis. As early as February, 1919, the minister of industrial reconstruction reported that out of a total of 1,700,000 employees occupied on November 11, 1918, in a group of Government and private plants, 1,300,000 were then engaged in peaceful pursuits. An investigation by the Department of Labor in April revealed the fact that the reemployment of the war workers in peace activities had progressed remarkably well.

One of the most striking developments of the reconstruction period is found in the rapidity with which the means of communication, destroyed or impaired during the war, have been restored. It is reported that 90 per cent of the destroyed railways have been reconstructed and that approximately one-third of the highways damaged during the war have been repaired. The minister of liberated regions reported in June that 70,000 houses had already been repaired, that 10,000 new houses had been completed, and that between 55,000 and 70,000 houses were under construction.

ABLE TO SUPPLY MUCH EQUIPMENT.

While a great volume of raw materials from abroad will be required in the work of rehabilitation, for the most part French industries are themselves able to supply the necessary equipment. The great need is not foreign machines and tools, but materials with which to operate idle equipment. The country is handicapped somewhat at the present time in its purchase of materials abroad by the unfavorable exchange rates. As an offset, however, the depreciation of the franc in foreign markets tends to restrict the importation of goods which are not essential in the necessary work of reconstruction.

Moreover, it does not follow that French industry can not proceed successfully on a large scale until the franc is restored to par in international exchange. It is possible that a measure of stability can be obtained which will enable the French people to conduct their trade advantageously with outsiders, although the franc may remain for a long time at a discount in other markets; and especially in the trade with other nations whose exchanges are not at par the difficulties will not be insuperable.

THE RECOVERY OF FRANCE AFTER 1870.

After the decisive defeat at the hands of the Germans, France agreed in the treaty of 1871 to surrender Alsace-Lorraine and to pay in addition an indemnity of 5,000,000,000 francs within a period of approximately three years. It is well known that France displayed remarkable recuperative powers in the face of such tremendous obstacles. The indemnity was paid in a shorter time than had been allotted. For some years after 1871 the industry and trade of France gave evidence of unusual prosperity. It is noteworthy that approximately four-fifths of all indemnity payments were in bills of exchange and not in money.

There are, of course, marked differences between the problems which confronted France in 1871 and those of to-day. But, if after an overwhelming defeat and the loss of an important portion of French territory the nation was able to recover so rapidly in the seventies, now heartened by victory and with productive equipment enlarged, it may be expected that recovery in the present period of reconstruction will be no less phenomenal than in the earlier period. France is in a favorable situation with reference to the expansion of the nation's trade with the Near East and the French colonies in particular. The fundamental economic situation appears to be on a sound basis. With some outside assistance in the form of capital and labor, there may be built up a great industrial nation—the new France, sharing in the expanding world trade on a scale commensurate with the country's resources and advantageous location.

BELGIUM.

The case of Belgium is in some respects unique. The country was all but completely overrun by the enemy, and because it was a manufacturing center the bulk of its wealth was of a sort readily destroyed or impaired.

DEBT.

The peace treaty provides that Germany shall reimburse Belgium in the form of gold bonds for advances made by the Allies before the armistice. Heads of delegations at the peace conference are said to have agreed to recommend to their respective parliamentary bodies that German reparation bonds be substituted for advances made by the Allies to Belgium, thus canceling this debt.

The debt of Belgium, exclusive of war loans from the United States and Allies prior to the signing of the armistice, is equivalent at par of exchange to approximately $2,000,000,000. This is a little more than twice the debt in July, 1914. Of the $294,000,000 external debt $227,000,000 represents advances by allies since the armistice, which is to be repaid from first German reparation payments.

The best approach, perhaps, to an estimate of Belgium's ability to cope with the debt is a consideration of the prewar industrial situation and how the nation's capacity for the production of wealth has been modified by the war.

On the eve of the war Belgium was one of the busiest countries of the world. Although in area only a little larger than Vermont, it nevertheless supported a population of more than 7,500,000.

AGRICULTURAL RESOURCES.

Belgium's prosperity and high position among the industrial nations before the war had an especially sound basis in the country's highly developed agriculture. About three-fifths of the total area was under cultivation. The average value of the produce per acre was approximately $100, a yield equaled by no other country. Land owning in small units by workers has been encouraged. The intensive cultivation of small farms, a certain traditional aptitude for agriculture, an excellent system of agricultural education, low railroad rates, good roads, and a spirit of mutual helpfulness, as shown by the more than 1,360 cooperative societies, have all contributed to the prosperity of the farming element.

Important as has been the unparalleled development of Belgium's agriculture, it is the manufacturing and related industries, diversified and intensively developed, that have given the country so prominent a place among the commercial nations.

COAL AND IRON DEPOSITS.

An important key to a nation's industrial progress and possibilities is its coal supply. For some years before the war the output averaged about 23,000,000 tons, and until 1907 Belgium exported more coal than it imported. Since 1907, however, increased domestic consumption, due primarily to the very rapid growth of industries, has brought about a reversal of this condition. Two years before the war Belgium was consuming 12 per cent more coal than the domestic production, the imported coal coming principally from Germany.

Along with the coal resources in the southern Provinces are rich deposits of iron ore, but owing in part to legal restrictions governing the extraction of these deposits the production of ore has been small for a long time. However, Belgium's 50 blast furnaces produced in 1912, chiefly from Luxemburg ores, 2,300,000 tons of pig iron. This output of iron was reflected in the country's prosperous steel industry. Although the steel business is an old and well-established one it has recently experienced a remarkable expansion. In the decade before the war Belgium increased its production 160 per cent, the total production being, in round numbers, 2,500,000 tons. The output of finished iron and steel was greatly in excess of the domestic needs, and there was a growing market for the high-grade Belgian steels, famous the world over.

In keeping with the development of the iron and steel industry there has been a significant expansion of various related lines of manufacturing, especially machine and engine works, and the construction of railway equipment and automobiles. The zinc, lead, chemical, glass, and textile industries are among the other more important enterprises.

There are more miles of railway in Belgium in proportion to area than in any other country. Practically all the standard-gauge roads are owned by the State.

The operation of the State railways since 1835 has been financially successful. The capital invested in the roads in 1912, $520,000,000, was equal to two-thirds of the State debt.

The Belgians have for a long time held a prominent position in international finance, the estimated volume of foreign investments in 1911 being $549,000,000, almost twice the present external debt. Belgian capital is found in a great variety of enterprises almost all over the world. There are Belgian banks, mines, railways, etc., in South America, China, Spain, and Italy, and more than 100 tramway and electric-power enterprises in various parts of Europe have been financed with Belgian capital. The greater part of Russia's pig-iron output before the war was produced by Belgium companies recently established, or by firms in which Belgian capital was invested. Belgian companies supplied equipment for numerous tramways in our western cities, and many American utility securities are still owned by Belgians.

DESTRUCTION OF PROPERTY DURING THE WAR.

The national wealth of Belgium was estimated in 1912 at 20,803,000,000 francs, or approximately $6,000,000,000. In considering the ratio of the debt to the value of the wealth at the present time it must be recognized that both are expressed in terms of a money whose value is greatly below that of prewar times.

It is well known that the Germans destroyed and carried away great quantities of wealth. How much of this was in the form of relatively fixed capital equipment as compared with consumption goods it is impossible to say.

By the terms of the peace treaty Belgium is to be compensated for all the destruction or appropriation of property incidental to the war. But the indemnities can not be immediately available in full; nor, if they were immediately collectible, could they be transformed at once into buildings, machinery, etc. In any event, the country is confronted with a situation characterized chiefly by a shortage both of consumable goods and the means of producing them.

RECONSTRUCTION ACTIVITIES.

A report made early in 1919, after investigation by the central industrial committee of Belgium, showed that the condition of Belgian industries was not so unfavorable as had generally been supposed. It was found that most of the industries could resume operation in part, at least, immediately. Belts and other accessories of the industrial plants had in many cases been removed, but the deliberate wrecking of

plants was shown to have been narrowly confined. The Germans had need of the output of various industries during the occupation and these had been carefully preserved. The greatest handicap was found in the inability to resume adequate operations promptly in the basic metallurgical industries.

TRANSPORTATION.

The main Belgian railways were completely Germanized during the war. The rolling stock which fell into enemy hands was in general worked almost to the point of destruction. Rapid progress has been made in restoring the roads to a workable condition. Considerable replacement of equipment from German stocks has been effected, and practically all the stationary equipment has been so far restored as to provide slow transportation of freight about as in normal times.

An interesting project in connection with the reconstruction of Belgian railways is the proposed electrification of the whole system, the power to be supplied by generating stations in the coal-producing areas. The project has recently received official sanction and work is expected to proceed promptly.

LIGHT RAILWAYS.

For its size, Belgium had a larger and more efficient system of narrow-gauge local railways than any other European country before the war. In many sections rails were taken from the lines and relaid by the Germans. Rolling stock was also commandeered.

However, the business of the light railways, as measured by the receipts of the company operating practically all the lines, continued to grow throughout the war period. The receipts were $4,543,000 in 1914 and $8,198,000 in 1918. Dividends grew year by year from $1,172,600 in 1914 to $1,691,750 in 1918, while appropriations to reserve increased proportionately even more in this period than did dividends.

PORTS.

The port facilities of Belgium were damaged in varying degree by the Germans. Their repair was no less urgent than that of the railways. The work of clearing obstructions was undertaken immediately upon the signing of the armistice. Within a few weeks navigation between the sea and Antwerp was completely reestablished, with all buoys and lights relaid. The cargo-handling facilities of this port are in good condition. Work at the port of Ostend has been pushed vigorously, and by April the harbor could accommodate vessels of 14 feet draft.

These examples are indicative of the rapidity with which the transport system of Belgium is being restored. It is characteristic of Belgian enterprise that, in addition to repairs to ports and waterways, certain improvements planned before the war are being made at the same time.

RESUMPTION OF INDUSTRIAL ACTIVITY.

Inasmuch as Belgian steel and iron manufacturers and other allied iron and steel products comprised over 12 per cent of the total prewar export trade of Belgium, it is necessary for these industries to resume operations as soon as possible. Furthermore, as textile and other manufacturing plants have been stripped of machinery, it will be necessary for new machines to be installed, and it is desirable that the Belgian steel works should assist as much as possible in refitting these plants.

Although the Belgian steel companies were in a very bad way, due to the destruction of most of their property, several mills could operate at the time of tne armistice, and others have since been put in order.

Some 10 or 12 of the largest steel companies in Belgium have undertaken the formation of a large steel corporation similar in plan to the United States Steel Corporation. Each of the plants, it is understood, will specialize in some particular branch of the steel industry.

There are multiplying evidences that Belgian industrial life in general is steadily and surely resuming a more normal appearance. German prisoners have been used to advantage in clearing away the débris of ruined buildings and in other work. Many carloads of machinery and fixtures taken away by the Germans have been returned and set in operation. And reemployment of the workers at high wages has resulted in the withdrawal of public aid from nearly all of the 800,000 persons who were being assisted in November, 1918.

And official reports indicate that the yield of this year's crops will not be much below that of normal prewar years.

CONGO.

In the Belgian Congo there is an asset which will prove of increasing importance in the future development of Belgium's industries. In area the colony is eighty times as large as Belgium itself. Although situated in equatorial Africa, its climate is, on the whole, much more salubrious than that of most tropical countries, because the greater part of the country is a comparatively high plateau.

Since the annexation of the Congo by the Kingdom of Belgium in 1908, industrial enterprise there has been concerned chiefly with preparation for a comprehensive and well rounded development of the colony through the exploitation of its enormous resources—agricultural, forest, and mineral.

Among the surest evidences of a wise preparation for the future development of the Congo is the official recognition of the fact that the foundation of a stable economic life and of enduring general prosperity there must be found in agriculture. In 1910 the Government began a comprehensive program of agricultural education and experimentation.

Quite naturally the development of the transportation system of the colony began with the utilization of the Congo River and its tributaries, the world's second largest river system, with about 10,000 miles of navigable water. In January, 1916, there were 1,165 miles of Congo railways in operation. Important additions to this mileage have since been made. From the navigable Upper Congo River it is now possible to go by train to Cape Town in the south, and to Beira on the coast of Portuguese East Africa, and by train and steamboat across German East Africa to the Indian Ocean.

The vast mineral wealth of the Congo includes copper, tin, gold, diamonds, iron, and coal. The chief mining interests are the copper properties in Katanga, the southeastern section of the colony. Only a small proportion of the total deposits are being worked, but the estimated output in 1918 was 40,000 tons.

The colony's exports and imports in 1913 had a value of approximately $25,000,000, and in 1916 the foreign trade exceeded $38,000,000.

BELGIUM'S CHIEF ASSETS.

The depletion of manpower in Belgium during the war was not as great proportionately as was experienced by most of the belligerent nations, for the sudden rush of the invasion made it impossible to mobilize a large number of the men of military age.

The proved industrial capacity and dependable character of the masses of the Belgian workers are the nation's best assets in the present emergency. The record of the nation's achievements in the past and its quiet and confident grappling with present difficulties are the surest guaranties that the Belgians can and will conquer in peace as they conquered in war.

ITALY.

The definite completion of Italian unity as a result of the recent war affords Italy the first opportunity to use the country's economic resources freely in the creation of a modern industrial system. This achievement has been made at great cost to the Italian people, of course. While the national debt has been greatly increased, at the same time the country's economic power has been enhanced.

The estimated value of the national wealth before the war was $16,200,000,000; according to the estimate of the finance commission for reconstruction in Italy, the wealth at present has a value of 110,000,000,000 lire, equivalent, at the par of exchange, to $21,230,000,000.

The debt of Italy on March 31, 1919, including paper money, was 67,667,454,963 lire, or $13,079,918,807, of which about three-fourths was internal. The external debt, amounting to $3,330,141,784, consisted entirely of credits extended during the war by the United States Government and Allies. The prewar debt was approximately $2,631,748,000. The annual interest on the entire debt as of March 31, 1919, is approximately $577,234,230.

CURRENCY AND FINANCIAL POLICY.

In July, 1914, State notes outstanding totaled $96,307,000, and bank notes $421,319,000. On November 30, 1918, the State notes outstanding amounted to $403,177,000, and bank notes to $2,238,221,000. At the earlier date the ratio of metallic reserve to State notes was 26.5 per cent. The corresponding figure for bank notes was 68.1 per cent. At the latter date these ratios were, respectively, 13 and 10.9 per cent.

The adverse effects of this inflation have been greatly tempered by the adoption of a sound taxation policy on the part of the Italian Government. Additional war taxes were imposed to meet added expenditures. The success of this taxation policy is indicated by the fact that the ratio of debt service to revenue receipts, which in the fiscal year 1912–13 was 23.6 per cent, fell below this figure only once during the war; in 1917–18 the ratio was 25.5 per cent.

Signor Nitti has estimated the peace budget of Italy at approximately 6,000,000,000 lire, or $1,158,000,000, which is considerably less than the total revenue receipts for the fiscal year 1917–18, and is about two and one-half times the prewar revenue receipts. In this estimated peace budget the debt service will consume about 50 per cent of the revenues.

LOCATION, AREA, AND POPULATION.

Italy is situated within easy access of the Atlantic and Indian Oceans and has, therefore, special advantages for commerce. Moreover, the Italian Peninsula forms part of the shortest route from European industrial centers to the Suez Canal, and transportation across the Alps is facilitated by four or five lines of railway and by well-constructed roads.

The total area of Italy, without the new accessions of territory, is approximately 110,632 square miles; the estimated population in 1915 was 36,120,000 people. The war losses totaled 462,00 men.

Italy has been handicapped by its lack of coal and iron. While there is considerable agricultural wealth, Italy's greatest asset has been its population. The growth of population was such as to give rise to heavy annual migration, and one of the country's principal means of increasing the national wealth has been the receipt of money from Italians living in other lands.

INDUSTRIAL EXPANSION.

Italy has had a long, hard struggle to recover lost ground in her industrial activity in comparison with the countries of northern Europe. Up to 1860 the best of her energy and the lives of her sons were sacrificed to obtain national unity. Since 1860, however, Italy has striven to regain the lost ground, and up to the outbreak of the war she had succeeded in no small measure.

Although Italy is primarily an agricultural country, considerable progress has been made in manufacturing.

The continuous economic development of Italy is illustrated by the following figures reflecting the first half century of Italian unity, from 1860 to 1910. During this period the value of agricultural production increased from $340,000,000 to $1,740,000,000. Thirty years ago the industries of Italy were but little developed, whereas there are now approximately 150,000 establishments and factories whose production amounts to several billions of lire.

Between 1880 and 1913 the value of Italian manufactures rose from $120,000,000 to $600,000,000. According to the census of 1911, there were 3,000,000 Italians employed in manufacturing industries and 11,000,000 in agriculture.

IRON INDUSTRY.

The Italian iron industry is new. The output of pig iron from the Elba mines was 112,000 tons in 1909. In 1913 the output was 426,000 tons. Before the war approximately 200,000 tons of pig iron were imported every year, principally from the United Kingdom. The output of steel increased from 350,000 tons in 1909 to 1,000,000 tons in 1913.

The Italian engineering industry has made considerable progress in recent years, particularly in the decade before the war. In 1913 Italy was producing all rolling stock needed for the railways and had begun to supply French railways with equipment. Italian works had a capacity for turning out 1,500 engines and 12,000 freight and passenger cars a year. Despite the energetic competition of Germans, the Italians had made great progress before the war in the production of electrical machinery.

SILK AND CHEMICAL INDUSTRIES.

Silk manufacture has been one of the most important Italian industries. Before the war 175,000 people were engaged in this industry. Exports of silk accounted for one-quarter of the average value of Italian exports. In the years preceding the war the Italian woolen industry had reached a considerable development, gradually emancipating itself from foreign control and seeking new outlets for exportation. About four-fifths of the raw material was imported from South America and Australia. Although the prices for raw material increased about threefold after the outbreak of the war and coloring materials for dyeing became constantly more scarce, the remarkable progress achieved from 1880 to 1913 has been admirably maintained during the war period.

AGRICULTURAL PRODUCTION.

Wheat is easily the most important agricultural product of Italy, both as regards area sown and the amount of crop produced. It is estimated that about 34,000,000 acres are devoted to agriculture, and of this amount 11,700,000 are sown with wheat. The total value of the crops and products of Italian agriculture as a whole is placed at $1,360,000,000, while the value of wheat at a normal price is estimated to be $235,000,000. As regards other cereals, about 4,000,000 acres are planted with maize and 2,000,000 with rye, barley, rice, and oats. Sugar beets, hemp, flax, and tobacco take up about one-sixth of the total agricultural area.

Another important branch of Italian agriculture is the production of grapes and wine. The statistics for the last five years before the war, when Italian agriculture was flourishing under normal conditions, show that there were 11,000,000 acres of vineyards, producing 979,000,000 gallons of wine. There are also more than 3,000,000 acres planted with olives, from which are obtained nearly 50,000,000 gallons of oil.

Italy also raises an appreciable crop of oranges and lemons, which are grown extensively in southern Italy and Sicily, and amount to about 780,000 tons a year. Nearly 100,000 tons of oranges and about 300,000 tons of lemons are exported. Approximately 250,000 tons are manufactured into citric acid and similar products, for which Austria-Hungary has been Italy's most important customer, and Great Britain the second best. For some years before the war there existed in Italy a fruit-growing organization founded by the Government, which has been an important factor in the promotion of this industry.

Undoubtedly silk-growing holds a place next to that of wheat-growing in Italian agriculture. The amount of raw silk produced in Italy during the years just prior to the war was between 10,000,000 and 12,000,000 pounds, the greater part of which was exported.

ECONOMIC CHANGES.

During the war period industrial growth in many directions has been manifest.

In June, 1914, the total normal capital of all the limited companies registered in Italy was approximately $1,254,500,000. This capital had risen before the end of 1918 to $3,088,000,000, or by about 146 per cent. During the last year alone 540 new companies were registered, having a capital of about $164,000,000, the greater part of which has been invested in the iron, steel, and engineering industries. Besides, the capitalization of old companies has also grown. Iron and steel companies, for instance, have acquired not less than $193,000,000 of additional capital.

Technical improvements have been various. In 1913 the electric furnace was virtually unknown in the production of Italian pig iron. To-day electric furnaces are used extensively and have a capacity of 200,000 tons.

Prior to 1914 Italy imported most of the machinery used in the textile, beet sugar, and paper industries, as well as agricultural machinery. Italian concerns are now able to supply a large part of this equipment.

In common with other countries, Italy experienced a marked growth in the chemical industry during the last five years, and the development of electrical power will afford opportunity for a still further expansion in these lines.

ENGINEERING SKILL DEVELOPED.

Italy has derived another gain from her supreme economic effort put forth during the war—a gain which is less tangible than those set forth in the foregoing paragraphs, but one no less valuable in the future industrial expansion of the country. This is an enhanced valuation in the eyes of the remainder of the world of the talent and skill which has been demonstrated by the engineering ability displayed by the Italians in dealing with all sorts of complex and difficult problems presented to them in their vast war program. The production of munitions of war, the manufacture of aeroplanes, and the development of shipbuilding, all in the face of great difficulties, have proved that the skill and ability of the Italians is not a thing of tradition, but a dynamic power that can be turned to account in any crisis. In view of the very palpable gains in the industries of the country, together with the newly awakened consciousness of power on the part of the Italians, and the recognition of this power by other countries, it seems safe to assume that in the future Italy will prove to be a forceful factor in the world's industrial and commercial life.

Since the signing of the armistice Italians have been especially aggressive in restoring trade, particularly with the Balkans and the Near East.

WATER POWER.

The hydroelectric power already in use and still to be developed will be the most important factor in the industrial future of Italy. During the year 1917 Italian authorities granted 54 requests for concessions for the use of water power. These concessions included 17 sources in Piedmont, with a capacity of 62,000 horsepower; 8 in Umbria, with 34,500 horsepower; 6 in Lombardy, with 37,000 horsepower; and several in Calabria, with a capacity of 26,880 horsepower.

It has been estimated that Italian water power is capable of supplying a total of over 6,000,000 horsepower; there is in use at present more than 1,200,000 horsepower. Works under construction and those definitely planned for the immediate future will have a capacity of 800,000 horsepower. It is expected, therefore, that in a short time 2,000,000 horsepower of electrical energy will be employed. More than 200 miles of railway have already been electrified.

The agricultural resources of Italy are of far greater importance than its mineral wealth. In any future adjustment Italy will not need assistance in developing her agriculture, but will require good openings and profitable markets having quick and easy communication with the centers of production.

TRADE EXPANSION.

While an expansion of agricultural production will be sought, principally through improvements in methods rather than by extension of the area under cultivation, the greatest development is to be expected in manufacturing. The abundant and relatively cheap and efficient labor supply, coupled with remarkable engineering skill, will facilitate the intensive utilization of the nation's resources for manufacturing.

During the six years from 1908 to 1913, inclusive, the visible trade balance of Italy showed an excess of imports averaging about $230,000,000. This so-called adverse visible balance was offset by invisible items. The principal invisible items, with estimated average amounts, were the following: Return on Italian investments abroad, $15,500,000; net remittances of emigrants and expenditures of travelers in Italy, $170,000,000; and receipts of the Italian merchant marine, $20,000,000.

During the war the adverse visible balance has increased and the offsetting invisible balance has decreased. This fact, together with currency inflation, has been reflected in the depreciation of the lira in outside markets. With the restoration of normal conditions in industry and commerce, however, the balancing of the nation's trade account will be effected. Tourists' expenditures and remittances of emigrants, no doubt, will both surpass previous records.

The continued emigration of laborers and settlers to other countries will help to create markets for Italian products. Southern France and South American countries especially will be inviting fields for Italian emigrants. The overseas possessions have an area of about four times that of Italy proper, including the accessions of territory gained in consequence of the recent war. These offer important industrial and trade possibilities making for the development of a great industrial nation.

Italy is well situated to serve as the principal entre-pôt between the Far East and central and southern Europe. Italians, with their historic legacy of maritime supremacy and their proved initiative, will not fail to avail themselves of the opportunity to develop Italian industry and commerce.

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PRICES YESTERDAY, TO-DAY, AND TO-MORROW.

[An address before the Editorial Conference of the New York Business Publishers' Association, New York, April, 1919, by Oscar P. Austin, statistician of the National City Bank of New York.]

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INCREASE IN OTHER GOVERNMENTAL OBLIGATIONS.

In addition to the vast sums of legal tender currency turned out by 15 responsible Governments of the world, these Governments have at the same time made an even more spectacular advance in their issue of another series of promises to pay, which, while not legal tender in the ordinary sense of the term, do form a more slowly moving mass of currency. By this I mean the $180,000,000,000 worth of bonds or other forms of national obligations issued by the Governments of the world in the past four years, for the national debts of the world have advanced from $40,000,000,000 at the beginning of the war to $220,000,000,000 at its close. And while these bonds or other governmental promises to pay money at some future date are not legal tender currency in the ordinary sense of the term, they do pass current in the financial world and prove a basis upon which money may be readily obtained by their holders, and to this extent are an addition to the world's circulating medium.

BANK DEPOSITS GREATLY INCREASED.

Still another increase in circulating media is found in the enormous growth in bank deposits, which of itself increases circulation through the increased use of checks, especially in countries such as the United States, where the check forms so large a share of the daily business transactions of the country. Bank deposits in 15 principal countries of the world have grown from about $25,000,000,000 in 1913 to approximately $75,000,000,000 at the present time.

These increases in circulation, indebtedness, and bank deposits, while occurring primarily in the countries participating in the war, have also extended to many other countries, especially in Europe, where the six principal neutrals have during the war period increased their national debts $1,000,000,000, their note circulation over a billion dollars, and their bank deposits nearly $1,000,000,000.

Thus in a short 4½-year period world paper money has increased $36,000,000,000, world evidences of national indebtedness $180,000,000,000, and world bank deposits $50,000,000,000. Most of this enormous increase in currency has occurred in "uncovered" paper. The gold mines of the world have turned out less than $2,000,000,000 worth of the precious metal during the war period, and most of the world's gold, which formed 55 per cent of world circulation at the beginning of the war, has passed into the vaults of the Governments or of their great banks as a basis for their paper currency, and now bears a relation of but about 20 per cent to the flood of paper money in circulation, and this proportion of gold to paper varies widely when the respective countries are compared.

INFLATION AND HIGH PRICES.

If the world's historians and financiers and economists and statisticians are right in their general belief that an advance in prices usually accompanies or closely follows inflation in currency, and especially in paper currency, can we be surprised at the world-wide advance in prices which we have witnessed during the past four years in which world currency and bank deposits trebled and national debts quintupled?

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[From the Mid-November, 1919, number of Business Condition, p. 15.]

RECONSTRUCTION.

Paul M. Warburg, former governor of the Federal Reserve Board, after a two months' tour of England, Holland, France, Switzerland, and Germany, declares:

"The United States must assist the other nations of the world in restoring themselves or the whole world will fall into bankruptcy or communism. One can not spend two months in Europe without being deeply impressed with the fact that war has opened wide the dikes once protecting our old form of society and that the unloosened currents, still uncontrolled, are ranging over areas far beyond the boundaries of the countries directly involved in the war. It will be the will of men that will determine the final outcome. The lesson that one brings home from Europe is, therefore, that we must not stand idly with folded hands while the world is drowning, but that it is our duty, and within our power, to arrest a movement which, if unchecked and permitted to run into extremes, will engulf us all.

"There are many who, disgusted and disheartened, believe that we in the United States of America should wash our hands of Europe and leave it to her to straighten out her own affairs. It is too late for that. By the decisive part we played in deciding the war and the peace we have assumed a moral responsibility which we now can not shirk. For the future course of the world will be influenced very materially by economic forces, and these forces we largely control, as, inversely, to a certain extent they control us. In order to survive, Europe needs our products and requires them largely on credit, and it is our moral duty to furnish these goods. While our self-interest is involved in this, Europe's dilemma is so much more acute than ours that it places in our hands the key to the situation, but at the same time the responsibility of using it wisely. There are two fundamental evils common to all which must be eradicated if world bankruptcy or communism are to be avoided. These are the continuous 'increase of prices' and 'decrease of production.'

"Prices must continue to rise as long as the leading countries spend every year millions more than they collect from taxation and other regular revenues covering the resulting deficiencies by issuing additional currency, Treasury bills and other Government obligations. As long as this 'watering process' is indulged in the value of capital must further decline, and if persisted in long enough it must end in something like the Russian or Austro-Hungarian conditions, where the savings of the past invested in money and securities have been practically wiped out. While to some extent the present labor unrest is psychological and in certain aspects as far as it disregards the public interest, may be considered destructive and immoral, there can not be any doubt but that as long as the rise in prices continues, labor will have to fight for and be entitled to increased wages.

"On the other hand, it is obvious that a higher scale of wages is in itself a factor making for a further increase in prices. This unfortunate reaction can not be avoided until the prime driving force has been eliminated; which is the persistent depreciation of capital by the continuous issue of Government securities and currency for the purpose of covering deficiencies caused by excessive current expenditures.

"Prolonged disregard of sound economic principles will wreck business enterprises as well as Governments. To issue Government obligations or currency for the purpose of paying idling men or for providing below cost such things as transportation of food or for covering extravagant military or other expenditures is an insane business practice that sooner or later must lead to ruin or bankruptcy in every country indulging in such methods. As far as expenditures can not be reduced receipts from taxation must be increased, and—with the rapid and wide distribution of wealth resulting from the war indirect will have to play as important a part as direct taxation. (Capital levies can not be safely made in order to pay for recurrent expenditures; they may at best be applied, and even then only exceptionally, for the purpose of reducing the capital debt of a country.)

"It is easier for the United States to place its budget on a sound basis than for any other of the leading powers involved in the war. Our responsibility in this respect is a heavy one and demands not only that we establish model conditions for ourselves but that we insist that sound principles be adopted by countries requiring our financial support. Unless we work toward this end the increase of prices can not be arrested and moreover we would be acquiring the obligations of debtors headed for insolvency. Of all the leading countries we are the only one that, for the time being, has an open sold market where the relation between gold on the one hand and goods and service on the other can establish itself on a fairly natural basis. No other country, therefore, will play as decisive a rôle in determining the future level of prices as we. A great deal is being said about the necessity of stabilizing foreign exchanges.

"To my mind it is futile to attempt to tinker with this problem of stabilizing the level of these various foreign reservoirs and to establish their definite relations to one another and to the dollar, which will be the pivot of all, until the leaks have been stopped; and that is not possible as long as the Government printing presses work overtime manufacturing new money and Government obligations. When once this baneful process is arrested, discount rates may again become powerful influences in bringing about deflation.

"Until budgets are properly balanced discount rates, however, are powerless in this respect. The prewar level prices have gone for good and ever. Somehow we had to pay for the waste and expenses of the war, and the future price level should establish itself at 100 per cent higher than that prevailing before the war. Whether the destruction of capital has gone that far or how much further it will proceed will depend upon the steps that we shall now take to arrest it. The longer we wait the greater will be the loss. While the proper balancing of the budgets must therefore be the first step, without which the world can not rid itself of its present predicament, this measure in order to bring relief must be accompanied by others.

"Everybody knows that in order to prevent a further rising of prices it is necessary that production be increased and consumption be decreased. The necessity of such a course has been forcefully urged by many; it is conceded by all—and practiced by nobody. In Europe and in the United States there never was a greater recklessness in spending money than there has been prevailing since the conclusion of the armistice. The ease with which a larger amount of depreciated money can be earned has diminished the respect for money and the eagerness to save. A willingness to subordinate or sacrifice one's wishes and pleasures to the greater advantage of the country splendidly manifested during the years of war, has ended in the present reaction of an orgy of brazen self-indulgence at the very moment when the war bill is presented for payment.

"In these circumstances may we hope to be able to persuade the workingman that—while his striving for adequate adjustments of wages is generally recognized as legitimate, and while honest efforts are made in almost all countries of the world to comply with his just demand for a reasonable representation and cooperation in the management of his employer's affairs—any tendency on his part to reduce production is nothing short of a crime against the very society of which he is a part? May we hope to convince the reckless consumer that his guilt is as heavy as that of the slacking producers? Only when the world ceases covering deficits by printing new money and obligations, only when a greater scarcity of money can assert its influence will excessive consumption be brought under control, and will there be called into play a consequent greater supply of labor and a greater willingness to work. This presupposes, however, that terrorism will not be permitted to threaten those willing to work.

"It is interesting to watch the various ways in which the labor problems are being studied and approached in Europe. Over there they look to the United States to take the lead in solving the question. Prewar labor conditions with us having been far better than abroad, and our men having enjoyed full political liberty and a free road to the top of the ladder in practically every enterprise, it is believed that we should find less difficulty in this respect than any other country. Meanwhile we are getting so near the brink that every further delay increases the danger that it may become too late to avoid our sliding into it.

"In Europe it is believed that our Senate does not fully realize the gravity of the situation. Friends and enemies condemn many features of the peace treaty. But all agree—even the Germans who more than any other nation deplore some of its terms—that nothing could be more fatal than to prolong the present uncertainty; that the treaty must now go into effect, and that when once a foundation, even though a defective one has been laid, we can begin successfully to combat the baneful forces that now threaten the whole world. In this work the United States can not be missed."

[From Encyclopedia Britannica, Vol. X.]

Exchange, in general, the action of mutual giving and receiving objects, interests, benefits, rights, &c. The word comes through the French from the Late Lat. *excambium* (see EXCAMBION). The present article deals with the theory and practice of exchange in monetary transactions, but this may conveniently be prefaced by a brief statement as to the law relating to the exchange of property and other matters. In English law exchange is defined as the mutual grant of equal interests, the one in consideration of the other. The ancient common law conveyance had certain restrictions, e. g., identity in quantity of interest, fee-simple for fee-simple, etc., entry to perfect the conveyance, and an implied warranty of title and right of entry by either party in case of eviction. Such exchanges are now effected by mutual conveyances with the usual covenants for title. Exchanges are also frequently made by order of the Board of Agriculture under the Inclosure Acts, and there are also statutes enabling ecclesiastical corporations to exchange benefices with the approval of the ecclesiastical commissioners. The international exchange of territories is effected by treaties. The exchange of prisoners of war is regulated by documents called "cartels" (Med. Lat. *cartellus*, diminutive of *carta*, paper bill), which specify a certain agreed-on value for each rank of prisoners. The practice superseded the older one of ransom at the end of a war. By the regimental exchanges act, 1875, the sovereign may by regulation authorize exchanges by officers from one regiment to another. (For "labor exchanges" see Unemployment.)

Exchange in relation to money affairs denotes a species of barter not of goods but of the value of goods, a payment in one place being exchanged for a payment in another place. The popular statement of the theory of exchange represents four principals involved in two transactions. A and B are two persons residing in one place different from the domicile of C and D; A sells goods to C; B buys goods from D; A sells his claim on C to B, who remits it to D in satisfaction of his debt, and D receives the cash from C, so that, assuming the two transactions to be of equal value, one piece of paper satisfies the four parties to these two transactions, and the trouble, expense, and risk of sending money from both places are avoided. The piece of paper which performs the service may be a telegraphic order, check, or bill of exchange. In this elementary proposition there would be no difficulty of exchange, as the full value of A's claim on C would be paid by B, who is under the necessity of sending in exactly similar amount of money to D; but it can be seen that in actual practice the claims of one place on another place would not be exactly balanced by the necessities of the one place to meet obligations in the other place; thus arises the complication of exchange, which may best be described as the price of monetary claims on distant debtors.

Supposing, for example, that A in London had a claim on C in Edinburgh amounting to £100, and that B in London did not require to remit more than £90 to D in Edinburgh, it is evident that B in London must be offered some inducement to take over the whole of A's claim. B might give A £99:19:0, and could then, after satisfying his debt to D, have £10 to his credit in Edinburgh, which he could retain there at interest until he had incurred further liability to D, or he could have the balance of £10 returned him in coin at an expense, say, of sixpence; this would leave B with a profit of sixpense on the transaction, and, assuming that these figures are reasonable, exchange on Edinburgh in London would be one shilling discount per £100. Supposing the necessities of B induced him to offer A only £99:14:0 for his £100 claim, A would then prefer that C remitted him £100 in coin, which, on the above scale of expenses would cost 5s. and A would receive £99:15:0 net. On these premises, exchange on Edinburgh in London can not fall below one-fourth of 1 per cent discount, and the same circumstances prevent it from rising above one-fourth of 1 per cent premium, for B in no case, would pay more for A's claim than £100 plus the cost of sending coin to Scotland. If this basis is appreciated, all exchange problems between different countries can be mastered, and the quotations in the daily papers of cable payments, sight drafts (checks) and long bills are then understood and supply an interesting indication of the state of international financial relations. As shown above, the balance of indebtedness must eventually be remitted by coin, and consequently when exchange in any city is quoted at one or other of the limit points given in our example as one-fourth of 1 per cent discount or one-fourth of 1 per cent premium, this exchange immediately acquires a very serious importance, because with the development of modern monetary systems under which enormous trade is carried on with a most moderate foundation of actual coin the weakening or strengthening of that foundation is a very vital matter.

While the understanding of the theory is essential for any facile interpretation of an exchange, there are of course innumerable details of practice which require to be known to identify the limit points of exchange in any particular city. The limit points can only be taken advantage of by banking experts, and, although we assume a trader remitting his indebtedness in coin when he is asked to pay too high a price for his bill of exchange, in actual affairs the banker will supply the check or bill and himself will do the professional business of sending away bullion. Similarly, we have represented one trader drawing on another trader and selling his draft to a third trader who remits the draft to a fourth. In actual practice, however, No. 1 draws on No. 2 and disposes of his draft to a banker; No. 4 draws on No. 3 and sells his draft to a banker; because, speaking generally, whenever goods are shipped, the shipper immediately requires his money he draws a bill against the goods, and it is the function of a banker to help, as a sort of debt-collecting agency, by buying these drafts; and the bank, being a mart for all forms of remittance, gets an immense variety of demand for cable payments, checks, and bills on all centers. This does not affect the theory, for it must be remembered that the banker is a necessary link between the buyer and seller of exchange, because the seller can only sell what he has and the buyer must have exactly what he wants.

To return to the question of limit points: If a universal currency system existed, with the same monetary standard that is used in England, and the coinage kept in a proper condition of weight and fineness, and the coin readily supplied to meet every reasonable claim—if, in fact, the pound sterling were the prevalent coin and the English banking system obtained everywhere, then we should find all exchange quotations as simple as our case of London and Edinburgh, that is to say, all exchanges would be quoted at par or a premium or a discount. The limit points in any place of the exchange on London would represent simply and obviously the cost of the transmission of the coin. These limit points would vary at each place according to the distance from London, the cost of freight, the risk involved in the transmission and the local rate of interest. On the continent of Europe some advance

has been made in the direction of a universal coinage. Countries subscribing to the Latin Union have agreed on the franc as a common unit, and Belgium, Switzerland, France, and Italy quote exchange between themselves at a premium or discount. Greece, Spain, and other countries are also parties to the arrangement, but their currencies are in a bad state, and the exchange quotations involve a considerable element of speculation. We have, however, to deal with another factor in international finance, namely, the enormous variety of currency systems; and we have then to discover, in each case, the exchange which represents par and corresponds to our £100 for £100 in the London-Edinburgh example. The United States furnishes perhaps the easiest problem, and we must find out how many dollars in gold contain exactly the same amount of the precious metal as is contained in 100 sovereigns. The answer is 486⅝, and the arithmetic is a question of the mint laws of the two countries. Gold coin in the United States contains one-tenth alloy and in England one-twelfth alloy. Ten dollars contain 258 grains of gold, nine-tenths fine. One pound contains 123.274 grains of gold, eleven-twelfths fine, consequently £100 is worth $486⅝, or, to be exact, $486⅝, and when cable payments between London and New York are quoted at 4.86⅜ for the £1 sterling, exchange is about par. As a cable payment is an immediate transfer from one city to another, no question of interest or other charge is involved. Owing to the cost of sending gold as detailed above, the New York cable exchange varies from about 4.84 to 4.89½; at the former point gold leaves London for New York, and at the latter point gold comes to England. Besides insurance, freight, packing, commission, and interest, there must also be considered the circumstance that coin taken in bulk is always a little worn and under full weight, and in the process of turning sovereigns into dollars, the result would not bear out the calculation based on the mint regulations; consequently, when taking gold from London, the demand would first fall on the raw metal as received from South Africa or Australia to be minted in the United States, then on any stock of American coin the Bank of England might have and be willing to sell by weight (which would be accounted by tale in New York), and lastly the demand would be satisfied by sovereigns taken by tale from the Bank of England and converted by weight in America.

The instance of the American quotation may be further taken to explain some of the numerous points which the study of the exchange involves. In the first place, it will be noted that we have quoted the price in dollars. In London, business in bills, etc., on New York is quoted either in pence or in dollars, that is to say, payments are negotiated for so many dollars either at 49 7/8 pence per dollar, or at the equivalent rate $4.88 for the pound. In practice it is much more convenient to quote in London in the money of the foreign country, as it makes comparison with the foreign rate on London very simple. Some foreign countries quote exchange on London in pence, and then, of course, in relation to those countries the same practice will obtain in England, but the majority of the exchange quotations on London are in francs, marks, gulden, lire, kronen, or other foreign money. Another point which must be explained is the reason why exchange varies between what we have called the limit points; why there is sometimes so much demand for bills on London and why at other times so many bills are being offered. Similar causes operate on other exchanges, and if we develop the New York case we shall provide explanations for exchange movements in other countries.

At one time the financial relations between England and America were as follows: England was the principal creditor of the United States, and the latter country had to remit continually very large amounts in payment of interest on English money and profits on English investments, in payment for shipping freights, for banking commissions, insurance premiums, and an immense variety of services, besides paying for the large imports which crossed the Atlantic from English ports. In the fall of the year these payments would be more than offset by the enormous exports of foodstuffs, cotton, tobacco, etc., so that during the first half of the year exchange would be at or about the limit of 4.89½ and gold would have to be sent from New York to supplement the deficient quantity of bills. In the autumn the produce bills would flood the exchange market and gold would be sent from London as exchange got to the other limit point of 4.84. These conditions are still very potent, but latterly another element has entered into the position, and the new development is so powerful as to reverse sometimes what we may call the natural and legitimate movement in the exchange. This new element is the more intimate banking and financial relationship which has been established between the two countries. As American conditions have become more stable, with better security for capital and an assured feeling about the currency of the United States, bankers in London have gladly allowed their banking friends in New York and other large cities to draw bills on London whenever there was a good demand for sterling remittances. We have, therefore, to consider a fresh type of bill of which the drawer has no claim on the drawee, but, on the other hand, incurs a debt to the drawee. To take a very usual method, a banker in Wall Street, New York, will advance money to stockbrokers, investors, and speculators against bonds and shares with a 20% margin. He deposits this security with a trust company in New York, which acts both for the American and English banker. The Wall Street banker then draws a bill at 60 days' sight or 90 days' sight on the banker in Lombard Street and sells this draft to supply the money he lends the stockbroker. Two or three months hence the New York banker must send money to London with which to meet the bill, so that, whereas, in the case of a commercial bill, the produce is dispatched and in due course the consignee must find the money for the bill, in the case of a finance bill, as it is called, the bill is drawn and in due course the drawer must send the value with which it is to be honored. In any event, the acceptor, the London banker, has to pay the bill, so that it will be easily understood that relations of the greatest confidence are necessary between the drawer and drawee before finance bills of this class can be created.

The profit arising from the transaction we have sketched is realized by the separate parties in this way. The New York banker lends money for three months, say, at 5 per cent per annum, he pays a commission of one-thirty-second per cent to the trust company which has custody of the security, a charge equivalent to one-eighth per cent interest per annum. He draws on London at 90 days' sight and sells the bill at 4.83⅝, the cable rate being 4.87⅜, the buyer of a three months' bill making the allowance for the English bill stamp of one-half per mille and the London discount rate of 3 per cent. The drawer of the bill must also pay a commission of three-sixteenths per cent to the London banker who accepts the draft; this is equivalent to another three-quarters per cent per annum in the rate of discount, so that money raised in this way costs one-eighth per cent for the trust company, 3 per cent the London discount rate, about one-quarter per cent for bill stamps, and three-quarters per cent for London commission—altogether, 4¼ per cent; and, as the money is loaned at 5 per cent, there appears to be seven-eighths per cent profit to the drawer of the bill. This, however, is on the assumption that the cable rate is still 4.87⅜ when the bill falls due for payment, and that the drawer would have to pay that price to telegraph the money to meet the draft. But exchange on London can go up or down between 4.84 and 4.89½, and if at the end of the three months the cable rate is 4.84 the New York banker will be able to cover his bill at almost the same rate at which he sold it and will only be out of pocket to the extent of the commissions and stamps, so that the accommodation will only cost him 1¼ per cent and his profit will be 3¼ per cent. If he has to pay more than 4.87⅜ for his cable at the maturity of the bill his profit will be less than seven-eighths per cent, and he may even be a loser on the transaction.

It is obvious, then, that a high rate of interest in New York, with a high rate of exchange on London and a low rate of discount in England, would induce the creation of these finance bills. The supply of these bills would prevent New York exchange reaching the limit point at which gold leaves the United States, and the maturity of these bills in the autumn would ensure a demand for the produce bills and possibly prevent exchange from falling to the other limit point at which London has to send gold to New York.

We have pointed out the essential difference between these finance bills and what we have called produce bills, but there is another very striking difference, that of the question of supply. These finance bills are obviously very difficult to limit in their amounts; produce bills are, of course, limited by the extent of the surplus crops of the United States and by the demand for the produce in Europe, but so long as it is mutually satisfactory to the big finance houses in both countries to draw on credit granted in London, so long may these accommodation bills be created, and the pressure of the bills in New York may depress exchange so much that gold leaves London at a time when it is required in other directions. In such a case the embarrassment caused by this artificial drain of the gold reserve would much more than offset the amount of the commission earned by the accepting houses. The Bank of England may have to raise its rate of discount at the expense of the entire home trade; probably, also, with the rise in the value of money, consequent on the diminished resources, all investment securities fall in value and more onerous terms must be submitted to by the Government, corporations, and Colonies, in the issue of any loans they may require. It will, therefore, be appreciated that, although these finance bills may be perfectly safe, their excessive creation is viewed with great disfavor, and considerable apprehension is felt when the adventures of speculators in New York make great demands for loans against stocks and shares, and, through the instrumentality of these finance bills, shift the burden on to the shoulders of the London discount market. The effect of this is to level money rates as between New York and London, and in the process the pressure falls on London and the relief goes to America. Eventually, of course, the bills must be met and funds sent for that purpose from across the Atlantic, but in the meanwhile the disturbance of the gold supply is an inconvenience.

We have explained the process of employing credits granted in London to finance Wall Street; there are, also, many other types of bill to which the acceptor lends his name on the assurance that he will in due course be supplied with the funds required to meet the acceptance. In the case of the produce bills, a London banker will accept the bills in order that they may be more easily marketable than if they were drawn direct on the actual consignee of the cotton, tobacco, or wheat. The consignees in Liverpool, etc., pay a commission for this assistance and reimburse the London bank as the produce is gradually disposed of. The transaction appears slightly more complicated when English bankers accept bills for produce shipped from the United States to merchants living in Hamburg, Genoa, Singapore, and all other great ports, but the principle is the same, and the influence of such business on the exchange affects, in the first instance, the quotation between America and London, but afterwards, when money must be sent to London with which to honor the bills, the exchanges with Germany, Italy, or the Straits Settlements bear their share in the eventual adjustment, the spinners, tobacco manufacturers, and corn factors requiring drafts on London where so much of the trade of the world is financed.

We shall have to consider later the reasons which ensure to London this peculiar and predominant position. We have so far used the American exchange as an example to explain causes which produce fluctuations in all the principal exchanges on London and to show the points between which fluctuations are limited. The fact that America is still developing at a much greater rate than the Old World makes an important distinction between the financial position in New York and the financial position of the big capitals in Europe. There is not in America the huge accumulation of savings and investment money which the Old World has collected, so that whereas Europe helps to finance the United States, the latter country has so many home enterprises that she can spare none of her funds to assist Europe. It would not be possible for London to draw on New York such bills as we have described as finance bills, for they could never be discounted there except on the most onerous terms, and there is nothing in America which corresponds to the London money market.

We have to deal with dollars and cents in America, with francs in France, with marks in Germany, and different money units in nearly every country; but, given the mint regulations, the theoretical par of exchange and the theoretical limit points are arrived at by simple arithmetic. An exhaustive statement with reference to every country would involve an amount of tedious repetition, so that for the purposes of this article it is more instructive to consider the essential differences between the important exchanges than to go into the details of coinage, which would appeal rather to the numismatist than to the exchange expert.

The United States, offering as it does a vast field for profitable investment, must annually remit huge amounts for interest on bonds and shares held by Europeans; coupons and dividend warrants payable in America are offered for sale daily in London, and at the end of the quarters the amount of these claims, coupons, and drawn bonds is very large, and a considerable set off to the indebtedness of Europe for American produce. It is often asserted that the United States is rapidly getting sufficient wealthy to repurchase all these bonds and shares; but whenever trade conditions are exceptionally good in the States, fresh evidence is forthcoming that assistance from London and Europe is essential to finance the commercial development of the United States. This illustrates a feature common to all new countries, and the effect is that they make annual payments to the older countries and especially to England.

A Government loan or other large borrowing arranged abroad will immediately move the exchange in favor of the borrowing country. A tendency adverse to the United States results from the drafts and letters of credit of the large number of holiday makers who cross the Atlantic and spend so much money in Europe. When remittance is made of the

incomes of Americans who have taken up their residence in the Old World the exchange is affected in a similar manner.

In one respect the United States stands far superior to most of the older countries. There are no restrictions on the free export of gold when exchange reaches the limit point showing that the demand for bills on London exceeds the supply. New York (with London and India) is a free gold market, and this is undoubtedly one of the reasons why money is so readily advanced to the United States, and the finance bills, to which we referred above, would not be allowed to the same extent were it not for the fact that New York will remit gold when other forms of remittance are insufficient to satisfy foreign creditors. When exchange between Paris and London reaches the theoretical limit point of 25.32 (25 francs 32 centimes for the £1 sterling), gold does not leave Paris for London unless the Bank of France is willing to allow it. By law, silver is also legal tender in France, and if the State Bank is pressed for gold a premium will be charged for it if it is supplied. Gold may be collected on the cheaper terms in small amounts from the great trading corporations or from the offices of the railways, but a large shipment can only be made by special arrangement with the Bank of France. Similarly, in Germany, where a gold standard is supposed to obtain, if a banker requires a large amount of gold from the Reichsbank he is warned that he had better not take it, and if he persists he incurs the displeasure of the Government institution to the prejudice of his business, so that the theoretical limit point of 20 marks 52 pfennigs to the pound sterling has no practical significance, and gold can not be secured from Berlin when exchange is against that city, and Germany has, when put to the test, an inconvertible and sometimes a debased currency. There is no State bank in the United States, and no Government interference with the natural course of paying debts. On the other hand, when monetary conditions in New York indicate a great shortage of funds, and rates of interest are uncomfortably high, the United States Treasury has sometimes parted with some of its revenue accummulations to the principal New York bankers on condition that they at once engage a similar amount of gold for import from abroad, which shall be turned over to the Treasury on arrival. As these advances are made free of interest the effect is to adjust the limit point of 484 to about 485, and the United States Treasury seems to have taken a leaf out of the book of the German Reichsbank, which frequently offers similar facilities to gold importers and creates an artificial limit point in the Berlin Exchange. The Reichsbank gives credit in Berlin for gold that has only got as far as Hamburg, and sometimes gives so many days' credit that the agent in London of German banking houses can afford an extravagant price for bar gold and even risk the loss in weight on a withdrawal of sovereigns, although the exchange may not have fallen to the other limit point of 20.32. In England the only effort that is made to attract gold is some action by the Bank of England in the direction of raising discount rates; occasionally, also, the bank outbids other purchasers for the arrivals of raw gold from South Africa, Australia, and other mining countries. Quite exceptionally, for instance during the Boer War, the Bank of England allowed advances free of interest against gold shipped to London.

Many of the principal banking houses in all the important capitals receive continually throughout the day telegraphic information of the tendency and movement of all the exchanges, and on the smallest margin of profit a large business is done in what is called arbitrage (q. v.) For instance, checks or bills on London will be bought by X in Paris and remitted to Y in London. X will recoup himself by selling a cable payment on Z in New York. Z will put himself in funds to meet the cable payment by selling 60 days' sight drafts on Y, who pays the 60 days' drafts at maturity out of the proceeds of the cheques or bills received from Paris, and this complicated transaction, involving no outlay of capital, must show some minute profit after all expense of bill stamps, discount, cables, and commissions has been allowed for. Such business is very difficult and very technical. The arbitrageur must be in first-class credit, must make the most exact calculation, and be prompt to take advantage of the small differences in exchange, differences which can be only temporary, as these operations soon bring about an adjustment.

The European exchanges with which London is chiefly concerned are Paris and Berlin, through which centers most of the financial business of the rest of Europe is conducted; for example, Scandinavia, Russia, and Austria bank more largely with Berlin than elsewhere. Italy, Switzerland, Belgium, and Spain bank chiefly in Paris. European claims on London or debts to London are settled mostly through Germany or France, and consequently the German and French rates of exchange are affected by the relation of England with the rest of the Continent. The exchanges on Paris or Berlin are therefore most carefully watched by all those big interests which are concerned with the rate of discount and the value of money in London.

If the Paris cheque falls to 25.12, gold arrivals in the London bullion market will be taken by French bankers unless the profit shown by the exchange on some other country enables other buyers to pay more for the gold than Paris can afford. If the Paris cheque falls still further, it would pay to take sovereigns from the Bank of England for export, and so much would be taken as would satisfy the demand to send money to France, or until the consequent scarcity of money in London made rates of interest so high in England that French bankers would prefer to leave money and perhaps increase their balances. As between London and Paris and Berlin the greatest factor operating the exchanges is the relative value of money in the three centers. There is no great excess of trade balance at any season in favor of Germany or France and against England. On the other hand, the banking relations between those countries are very intimate, and if funds can be very profitably employed in one of these places there will be a good demand for remittance, and exchange will move in favor of that place; that is to say, exchange will go toward that limit point at which gold will be sent. The great pastoral and agricultural countries like South America, Egypt, and India are in a position to draw very largely on London when their crops or other products are ready for shipment. In the early months of the year gold goes freely to South America to pay for the cereals, hides, and meat, and in the autumn Egypt and India send such quantities of cotton and wheat that exchange moves heavily in favor of those countries, and gold must go to adjust the trade balance. During the rest of the year the gold tends to return as these countries always require bills on London or some form of payment to meet interest and dividends on European money invested in their Government debts, railways, and trading enterprises, and to pay for the European manufactures which they import. Exchange then moves in favor of England, and the Bank of England can replenish its reserve. Over the greater part of the world the rate of exchange on London is an indication simply of the trade balance. The greater part of the world receives payment for foodstuffs, and has to pay for European manufactures, shipping freights, banking services, and professional commissions.

The greatest complication in exchange questions arises when we have to deal with a country employing a silver standard, and, fortunately for the development of trade, the problem has disappeared of late years in the case of India, Ceylon, Japan, Mexico, and the Straits Settlements, and now the only important country using silver as a standard is China. When the monetary standard in one country is only a commodity in another country we are as far removed from the ideal of an international currency as can be imagined. We can fix no limit points to the exchange and we can not settle any theoretical par of exchange. The price of silver in the gold-using country may vary as much as the price of copper or tin, and in the silver-using country gold is dealt in just as any other metal. In both cases the only metal of constant price is the metal which is used as the money standard. The easiest method of explaining the position is to consider that anyone in a gold-using country having a claim in currency on a silver-using country has to offer for sale so many ounces of silver, and vice versa the exporter in a silver-using country sending produce to London has to offer a draft representing so many ounces of gold. This introduces a very unsatisfactory element. To take a practical example: A tea grower in China has raised his crop in spite of the usual experience of weather and labor difficulties and the endless risks that a planter must face; the tea is then sent to London to take its chance of good or bad prices, and at the same time the planter has a draft to sell representing locally a certain weight of gold; now, in addition to all the risks of weather and trading conditions, and the chances of the fluctuations in the tea market, he is compelled to gamble in the metal market on the price of gold. Some years ago when a large number of important countries employed a silver standard it was seriously suggested that a fixed ratio should be agreed internationally at which gold and silver should be exchanged. This advocacy of bimetallism (q. v.) was especially persistent at a time when silver had suffered a very great fall in price and the prominent exponents could generally be identified either as extremely practical men who were interested in the price of silver or as very inexperienced theorists. The difficulty of the two standards was successfully solved by discarding the use of silver, and the chief silver-using countries adopted a gold standard which has given greater security for the investment of foreign capital, has simplified business, and brought about a large increase of trade.

In the case of a country of which the government has been subject to great financial difficulties, gold has been shipped to satisfy foreign creditors so long as the supply held out, and the exchange with such a country will continue to move adversely with every fresh political embarrassment and any other economic cause reflecting on the national credit. With the collapse of the monarchy in Brazil the value of the milreis fell from 27 pence to 5 pence, and all the Spanish-American countries have from time to time afforded most distressing examples of the demoralizing effects on the currency of unstable and reckless administration. In Europe similar results have been shown by the mistrust inspired by the Governments of Spain, Greece, Italy, and some other States. The raising of revenue by the use of the printing press creates an inconvertible and depreciating paper currency which frightens foreign capital and severely taxes the unfortunate country which must make payment abroad for the service of debt and other obligations. With the tardy appreciation of the old proverb that "honesty is the best policy" nearly every country of importance has made strenuous efforts to improve the integrity of its money.

Exchange quotations are not published from many of the British Colonies, as their financial business is in the hands of a comparatively few excellently managed banks, which establish, by agreement, conventional exchanges fixed for a considerable period, notably in the case of Australia, New Zealand, and South Africa. The Scottish and Irish banks supply similar examples of a monopoly in exchange.

The following table taken from the money article of a London daily paper indicates the exchanges which are of most interest to England:

Foreign exchanges.

	June 14.	June 15.	June 13.
Paris, cheques	25 f. 18 c.	25 f. 18 c.	25 f. 18 c.
Paris Mkt. discount	2½–¾ p.c.	2½–¾ p.c.	2½–¾ p.c.
Brussels, cheques	25 f. 23 c.	25 f. 23½ c.	
Berlin, sight	20 m. 48¾ pf.	20 m. 48¾ pf.	20 m. 48 pf.
Berlin, 8 days	20 m. 46½ pf.	20 m. 46½ pf.	20 m. 45½ pf.
Berlin Mkt. discount	3¾ p.c.	3¾ p.c.	3¾ p.c.
Vienna, sight	Holiday	24 kr. 02½ h.	24 kr. 02½ h.
Amsterdam, sight	12 fl. 13⅛c.	12 fl. 13½ c.	
Italy, sight	Holiday	25 lire 15 c.	
Madrid, sight	do.	27 ps. 68.	
Lisbon, sight	do.		
St. Petersburg, 3ms	94 r. 10	94 r. 10	
Bombay, T.T	1s. 4d.	1s. 4d.	1s. 4d.
Calcutta, T.T	do.	do.	Do.
Hongkong, T.T	2s. 1 1/16d.	2s. 1 1/16d.	2s. 1 1/16d.
Shanghai, T.T	2s. 10⅛d.	2s. 10⅛d.	2s. 10⅛d.
Singapore, T.T	2s. 4 1/16d.	2s. 4 1/16d.	2s. 4 1/16d.
Yokohama, T.T	2s. 0⅝d.	2s. 0⅝d.	2s. 0⅝d.
Rio de Janeiro, 90 days [1]	16 5/16d.	16 5/16d.	16⅛d.
Valparaiso, 60 days Comi [1]	14⅛d.	14⅛d.	14⅛d.
Buenos Ayres, 90 days [1]	48⅛d.	48d.	48⅛

[1] These rates are telegraphed on the day preceding their receipt.

In the case of Paris and Berlin, it will be noticed that the local rate of discount is also given, as the value of money in these centers, in relation to the value of money in London, is the most important factor in a movement of the exchange. Vienna has become important owing to the improvement in the financial position of Austria, and still greater improvement is shown in the case of Italy, whose currency stands in the above list better even than that of France. Spain, which should stand at about the same rate, still has a depreciated paper currency. Lisbon stands also at a discount, as the milreis should be worth 53½ pence.

In Russia the exchange showing 94.10 roubles to £10 is carefully and cleverly controlled in spite of the bad internal position. The India exchanges move slightly, as the currency is firmly established at the rate of 15 rupees to the £1. Hongkong quotes for the old Mexican dollar and a British trade dollar, Shanghai for the tael containing on an average 517½ grains of fine silver. The Straits Settlements have fixed their money on a gold basis at 2 shillings 4 pence per dollar, on the lines of the arrangement made in India. In Japan there is a gold standard, and par of exchange is 2 shillings 0½ pence for the yen. Brazil, Chile, and Argentina have a depreciated paper currency, and the last quotation of 48 pence is for the gold dollar equal to 5 francs, but there is a premium

on gold in the River Plate of 127.27½ per cent and for the present a gold standard is reestablished on this basis. The latters "T. T." with the eastern exchanges signify telegraphic transfer or the rate for payments made by cable. The very important New York rates are always given in another part of the daily paper with other details of American commercial interest.

These rates are all quotations for payments in England, and all over the world the exchange on London is the exchange of the greatest importance. This unique position was gained originally, probably, through the geographical position of the United Kingdom, and has been maintained owing to several reasons which secure to London a peculiar position by comparison with any other capital. Britain's colossal trade ensures a supply of and a demand for English remittances. Even when goods or produce are dealt in between foreign countries a credit is opened in London, so that the shipper of the produce can offer in the local market a bill of exchange which is readily salable. With the highly developed banking system a large amount of deposits is collected in London, and the result is that bills of any usance up to six months can be immediately discounted, and the proceeds, if required, can be handed over in gold. There are in London a great number of wealthy banks and banking houses whose reputation and solidity allow any one of them to accept bills for amounts varying from £1,000,000 to £10,000,000 sterling whereby large commissions are earned.

These four advantages, namely, a free gold market, a huge trade, an enormous accumulation of wealth, and a discount market such as exists nowhere else, have made London an unrivaled financial center, and consequently bills on London are an international money and the best medium of exchange.

Authorities: A B C of the Foreign Exchanges, by George Clare; Foreign Exchanges, by Goschen; Arbitrage, by Deutsch; Arbitrages et Parités, by Ottomar Haupt; Swoboda, Arbitrage (twelfth edition), by Max Fuerst.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

CALLING OF THE ROLL.

Mr. JONES of Washington. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gronna	Lenroot	Simmons
Ball	Harding	McCormick	Smith, Ga.
Bankhead	Harris	McKellar	Smith, Md.
Beckham	Harrison	McLean	Smith, S. C.
Calder	Henderson	McNary	Spencer
Capper	Hitchcock	Moses	Stanley
Colt	Johnson, S. Dak.	New	Sterling
Culberson	Jones, N. Mex.	Newberry	Sutherland
Cummins	Jones, Wash.	Norris	Thomas
Curtis	Kendrick	Overman	Townsend
Dial	Kenyon	Page	Trammell
Dillingham	Keyes	Phipps	Walsh, Mass.
Edge	King	Poindexter	Walsh, Mont.
France	Kirby	Pomerene	Warren
Gay	Knox	Ransdell	Watson
Gerry	La Follette	Sheppard	Wolcott

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

LADING AND UNLADING OF VESSELS AT NIGHT.

Mr. CALDER. I ask unanimous consent for the present consideration of Senate bill 3418. This is a bill reported a few days ago by the Committee on Commerce. It provides for the lading and unlading of vessels at night. The bill was prepared by the Treasury Department, and its passage is desired by the Shipping Board and by shippers generally throughout the country.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3418) to amend an act entitled "An act to provide for the lading or unlading of vessels at night, the preliminary entry of vessels, and for other purposes," approved February 13, 1911.

Mr. OVERMAN. Let the bill be read, Mr. President.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That section 5 of an act entitled "An act to provide for the lading or unlading of vessels at night, the preliminary entry of vessels, and for other purposes," approved February 13, 1911, be, and is hereby, amended to read as follows:

"SEC. 5. That the Secretary of the Treasury shall fix a reasonable rate of extra compensation for overtime services of inspectors, storekeepers, weighers, and other customs officers and employees who may be required to remain on duty between the hours of 5 o'clock p. m. and 8 o'clock a. m., or on Sundays or holidays, to perform services in connection with the lading or unlading of cargo, or the lading of cargo or merchandise for transportation in bond or for exportation in bond or for exportation with benefit of drawback, or in connection with the receiving or delivery of cargo on or from the wharf, or in connection with the unlading, receiving, or examination of passengers' baggage, such rates to be fixed on the basis of one-half day's additional pay for each two hours or fraction thereof that the overtime extends beyond 5 o'clock p. m. (but not to exceed two and one-half days' pay for the full period from 5 o'clock p. m. to 8 o'clock a. m.), and two additional days' pay for Sunday or holiday duty. The said extra compensation shall be paid by the master, owner, agent, or consignee of such vessel or other conveyance whenever such special license or permit for immediate lading or unlading or for lading or unlading at night or on Sundays or holidays shall be granted to the collector of customs, who shall pay the same to the several customs officers and employees entitled thereto according to the rates fixed therefor by the Secretary of the Treasury: *Provided*, That such extra compensation shall be paid if such officers or employees have been ordered to report for duty and have so reported, whether the actual lading, unlading, receiving, delivery, or examination takes place or not. Customs officers acting as boarding officers and any customs officer who may be designated for that purpose by the collector of customs are hereby authorized to administer the oath or affirmation herein provided for, and such boarding officers shall be allowed extra compensation for services in boarding vessels at night or on Sundays or holidays at the rates prescribed by the Secretary of the Treasury, as herein provided, the said extra compensation to be paid by the master, owner, agent, or consignee of such vessel."

Mr. KING. Mr. President, is this the bill to which the Senator alluded a few days ago, and stated, either upon the floor of the Senate or to a number of Senators who approached him in connection with it, that it involved no expense whatever upon the part of the Government?

Mr. CALDER. No expense whatever.

Mr. KING. It merely permits the owners of vessels and the consignees and employees upon the vessels, or the longshoremen, to make such contracts as they please respecting the unloading of the vessels at night?

Mr. CALDER. Yes; and it permits customs officers to work at night and to be paid by the shipowner, with the consent of the collectors of customs in the respective districts. No expense whatever is incurred upon the Government.

Mr. KING. Mr. President, I would like to ask the Senator two questions: First, what reason is there for the Government to fix the terms of special contracts that shall be entered into between the owners of vessels and the employees of the Government for the purpose of securing the unloading of vessels on Sundays or holidays? In other words, why should the Government intervene and prescribe the contractual relations that shall exist between the parties? That is one question.

Secondly, if this bill should pass and there should be any considerable amount of overtime work done under the bill, would it not interfere with the efficiency of the employees of the Government in the performance of their duties to the Government? I can readily conceive that if there is very much Sunday work or night work the employees working for the Government and being called upon to perform this additional service would not be in condition to render efficient service to the Government. It might very materially impair their serviceability to the Government and interfere with the proper performance of their duties to the Government.

Mr. CALDER. Mr. President, this bill was prepared by the Treasury Department. We have had a law on the statute books for a number of years permitting the lading and unlading of vessels at night, for which the Government employees were paid in some such manner as is prescribed in this measure. But a year or two ago the Attorney General held that men could not be paid for passing upon the baggage taken off ships at night, but could be paid for supervising the discharging of the cargoes. That caused some difficulty, because we found a customs official examining baggage at night and being unpaid for it, and right alongside of him a customs official examining cargo and being paid for that.

These men do not work very much at night. I venture the statement that they do not average more than a day a week at the most, perhaps four or five days a month. If the Government did not have some control over it, and the shipowner were compelled to bargain with the customs inspectors and other Government employees all sorts of compensation might be demanded. This bill permits the Government to collect from the shipowners not in excess of double pay for overtime. The collector of customs fixes the pay for overtime, but can not allow more than double time for nights and Sundays. If I own a vessel and wish to have it discharged at night, it would be necessary for me to obtain a permit from the collector of customs to supervise the job. He would assign regular customs employees and keep track of their time, and the shipowner would pay the collector for it, and then, in turn, the men would be paid by the Government. The scheme is one that has been carefully considered, I will say to the Senator from Utah [Mr. KING], and meets with the approval of the Treasury Department and the Shipping Board as well; it is also satisfactory to the men who work in the Customs Service.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC HEALTH SERVICE.

Mr. CALDER. I ask unanimous consent for the consideration of Calendar No. 233, Senate concurrent resolution 14, creating a joint committee to make a survey of and to report on the activities of governmental departments, bureaus, and agencies which relate to public health.

Mr. JONES of Washington. I wish to suggest to the Senator from New York that it appeared before the Committee on Appropriations a year or two ago that there were 47 different departments of health activities connected with the Government activities, if not more, in the city of Washington.

Mr. CALDER. This simply provides for an inquiry into these several departments, and a report to Congress.

Mr. KING. Reserving the right to object, I would like to hear the resolution read.

The Secretary read the concurrent resolution, as follows:

Senate concurrent resolution 14.

Resolved by the Senate (the House of Representatives concurring), That a joint committee be, and is hereby, created, consisting of three Members of the United States Senate and three Members of the House of Representatives, to be appointed by the President of the Senate and the Speaker of the House, respectively, to make a survey of and report on those activities of the several departments, divisions, bureaus, offices, and agencies of the Government of the United States which relates to the protection and promotion of the public health, sanitation, care of the sick and injured, and the collection and dissemination of information relating thereto.

SEC. 2. That such committee is directed and empowered to report to the Congress not later than March 1, 1920—

(a) The statutory powers and duties conferred by the Congress on any department, division, bureau, office, or agency of the United States Government to carry on any work pertaining to the conservation and improvement of the public health, together with any rules and regulations authorized or promulgated thereunder;

(b) The organizations now existing in the Federal Government for the purpose of carrying out these powers and duties, together with the personnel of, appropriations for, and expenditures by each department, division, bureau, office, and agency during the fiscal year ending June 30, 1919;

(c) The coordination now existing between said departments, divisions, bureaus, offices, and agencies, together with any conflicts, overlapping or duplication of powers, duties, functions, organizations, and activities;

(d) The cooperation and coordination now existing between the Government of the United States and the government of the several States or extragovernmental agencies for the conservation or improvement of the public health;

(e) Such further information as such committee may deem proper;

(f) Such recommendations as such committee may deem advisable to offer for the improveent of the public health work of the United States Government.

SEC. 3. That such committee be, and hereby is, authorized during the Sixty-sixth Congress to send for persons, books, and papers, to administer oaths, and to employ experts, deemed necessary by such committee, a clerk and a stenographer to report such hearings as may be had in connection with any subject which may be before such committee, such stenographer's service to be rendered at a cost not exceeding $1 per printed page; the expenses involved in carrying out the provisions of this resolution, one half to be paid out of the contingent fund of the Senate, and the other half out of the contingent fund of the House; and that such committee may sit during the sessions or recesses of the Congress.

Mr. OVERMAN. Mr. President, I do not think we ought to pass this resolution. The matter ought to be taken up by the Committee on Appropriations. In fact, the Appropriations Committee of the Senate have this question before them in the matter of appropriations for the Child Labor Bureau, the Census Bureau, and others that are doing this kind of work. We appointed a man who is doing work in the Treasury Department, Mr. Brown, who is known as an efficiency man, to look into this question and to report to the Appropriations Committee the amount of duplication of work that is being done, and the character of it, by the Public Health Service. I think this matter could be just as well treated, if not better treated, by the Committee on Appropriations, rather than by a special committee. I shall object to its consideration.

Mr. FRANCE. Mr. President, I wish the Senator would not object, because I feel that the Committee on Appropriations can scarcely find time to look into the question. I think that such a committee as is provided for by the concurrent resolution is necessary. It really is nothing more than a resolution authorizing the holding of hearings and the payment of stenographers, except that instead of being the Public Health Committee I thought it was better, in order to have both branches of Congress represented, to have a joint committee appointed. I might have asked the chairman of the Public Health Committee for a resolution authorizing the Public Health Committee to hold hearings, but I thought, in order that the matter might come up in a fairer way and receive the direct consideration of both branches of Congress, it would be better to have a special committee.

Mr. OVERMAN. Mr. President, I will not object to its consideration. I will not vote for it. I will withdraw my objection to its consideration.

The Senate, by unanimous consent, proceeded to consider the concurrent resolution.

Mr. CALDER. I move to amend the resolution, in line 14, page 1, by striking out the words "March 1" and in lieu thereof inserting "June 1."

The amendment was agreed to.

The concurrent resolution as amended was agreed to.

RAILROAD CONTROL.

Mr. CUMMINS. Mr. President, I move that the Senate proceed to the consideration of the unfinished business, being Senate bill 3288.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. STANLEY. I send to the Secretary's desk the following amendment.

The VICE PRESIDENT. There is an amendment pending now. The pending amendment is the amendment of the Senator from Washington [Mr. POINDEXTER] to strike out on page 77, line 22, the paragraph extending to line 17 on the following page.

Mr. POINDEXTER. Regarding that amendment I would like to make a brief explanation.

The VICE PRESIDENT. The Chair has recognized the Senator from Kentucky [Mr. STANLEY].

Mr. STANLEY. I will yield the floor to the Senator from Washington.

Mr. POINDEXTER. I am very much obliged to the Senator from Kentucky.

Mr. President, this amendment is to strike out, on page 77, beginning with line 22, the proviso, including the balance of the paragraph, after the word "*Provided*" in that line, down to and including line 17, on page 78. It relates to the long-and-short-haul provision of the bill.

The effect of the amendment would be to leave the so-called long-and-short-haul rule, as it is contained in the act to regulate commerce, unqualified. I feel reassured in offering the amendment and in urging its adoption from the support which it has from the chairman of the committee, whom I regard as perhaps the best informed and most widely experienced authority upon railroad questions in the country.

The Committee on Interstate Commerce of the Senate in the last Congress considered a bill which had the same effect as this proposed amendment and reported that bill favorably, in quite an elaborate report, contained in Report 576 of the Sixty-fifth Congress, third session. I ask to have the report printed as a part of my remarks at the conclusion of what I shall have to say.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Without objection, permission is granted.

Mr. POINDEXTER. Before the Committee on Interstate Commerce it was testified by a reliable witness that by reason of the discrimination in railroad rates by which a lower rate was given for the long haul than for the short over the same line in the same direction for the same quality and class of goods or for passengers that a great interior section of the country, called the intermountain section, composed of States sometimes called the Rocky Mountain States—the States of Montana, Utah, Idaho, Wyoming, Arizona, Nevada, and the eastern portions of California, Oregon and Washington, east of the Cascade Range of Mountains—paid in excess freight, that is in rates that were in excess of the rates that were charged to the Pacific coast terminal points which were at a greater distance from the point of shipment, an annual amount of approximately $11,997,248 in addition to the freight rates that they would have had to pay for the shipment of the same amount and character of goods if they had enjoyed the same freight rates with which their competitors at the more distant points were favored.

As Mr. Campbell said in his testimony—

That is $998,104 a month, or $33,270 a day. The average excess war tax that will have to be paid by the intermountain country upon a similar amount of traffic would amount per year, if it ran a year, to $359,000 or $29,000 a month or $999 a day in excess war tax.

By that he means that in war tax upon freight bills, in addition to having to pay the excess discriminatory increased rate, that the country which was suffering from the discrimination was compelled to pay excess war tax upon the freight in excess of what the more distant communities were required to pay to the amount of $359,000 a year.

I think perhaps the situation that is intended to be remedied by the amendment can best be explained by stating the actual transaction of the shipment of freight and naming some of the sections which are affected by the discriminations referred to.

In the shipment of freight from Chicago, New York, Pittsburgh, or the other great centers of the East—and I am only stating these by way of illustration because the same principle applies to the South and it applies also in the West to shipments that are eastbound as well as those that are westbound—upon shipments from those great supply centers, we will say to San

Francisco, a certain rate of freight is paid. The shipments pass through the city of Salt Lake. They go on 800 miles farther to the city of San Francisco. The same shipments over the same line, if delivered 800 miles short of the San Francisco destination, at Salt Lake City, or contiguous points in the State of Utah, pay a much higher rate of freight than if carried on to the terminus of the line.

It seems to me that a mere statement of the situation contains all the argument that is necessary to convince anyone who is familiar with the general principle of uniformity of taxes and uniformity of rates for public service in this country—which is a cardinal point upon which our institutions are based—of the absolute necessity of removing the discrimination if that principle is to be maintained.

Mr. STERLING. I should like to have the Senator state, if he will, what reason is urged for the discrimination between the longer and the shorter haul.

Mr. POINDEXTER. The principal reason that is urged or has been urged in the past is the necessity of the railroads to meet water competition at the Pacific coast. The actual influence, I think, which has been most powerful in maintaining the discrimination, has been the powerful influence of the larger cities at the terminal points on the seaboard in holding on to the advantage or supposed advantage which they have over their competitors. It is a perfectly natural action when we understand the inevitable, universal selfishness of human nature, that when they have an advantage which transfers to them the business of the interior they will exert every means and influence that they can command to prevent a change in the situation. And yet in clinging to this advantage they have lost the greater one of manufacturing and maritime growth.

The fact of the case is, however, that instead of there being actual water competition, which is put forward as the reason on the part of the railroads for making discriminatory rates to the terminal points, during the greater part of the existence of the discrimination, which has persisted through a number of years, since long before the completion of the Panama Canal, there has been no actual water competition at all.

The great fleets that we should have in the service of the Nation in transporting goods between the coasts of the Atlantic and the Pacific have not been developed because the railroads were allowed, under an interpretation of the proviso which is now proposed to be stricken out, to make rates to meet what was called potential water competition.

In other words, it was said that if the rates were not made at the terminal points water competition would be developed and that when developed it would take business away from the railroads. To speak frankly, the proviso has been interpreted by the Interstate Commerce Commission as though it were a tribunal established for the purpose of protecting the railroads. It is a commission whose function is to regulate and supervise the railroads, and from that fact there seems to have been deduced a principle of action by which in times past, at least, it assumed the trust of securing for the railroads all of the traffic that existed between the two coasts and preventing any of it from being diverted to water lines.

Mr. MOSES. Mr. President, may I ask the Senator from Washington if the point just now argued is not cared for in section 37 of the bill before us, where it provides that "no such authorization shall be granted on account of merely potential water competition not actually in existence"?

Mr. POINDEXTER. I think so far as that point is concerned it is cared for in the provision that is contained in the bill and it was because of the practice just mentioned that the amendment was placed in the bill. But there are various other claims that have been made by the railroads and by the terminal cities, such as market competition and abuses of discriminations which arise under actual water competition which we are seeking to avoid and to abolish by striking out the proviso altogether.

Mr. KING. If the Senator will pardon me, in reply to the question propounded by the Senator from New Hampshire [Mr. MOSES], I wish to supplement the statement made by the Senator from Washington by an observation. Many of the large brokers and wholesale dealers and jobbers concentrate in the coast cities such as San Francisco. They desire to build up their business there and for that reason they have induced the railroads or have been in collaboration with the railroads in securing those points as the objectives of the freight, so that the people in the inland districts have been compelled to see their freight pass by their own doors and go on to the coast and then be transshipped back to Denver and Salt Lake City and Reno and intermediate points. It has been a conspiracy between some of the cities upon the coast and in favored districts and the jobbers and wholesalers and business men there, under which they have discriminated against many of the inland and interior points and thus built up large commercial centers where nature did not design them in many cases.

Mr. STERLING. The inference might be that the Interstate Commerce Commission in favoring the discrimination made of itself a trustee rather of the railroads with special regard for railroad interests rather than the public welfare.

Mr. POINDEXTER. I think that is a very clear inference, and my impression is that privately it is, or until recently has been claimed, by members of the Interstate Commerce Commission, that it is their function, of course within what they construe to be proper principles and legitimate limits, to protect the railroads against water competition.

The argument of the coast cities that they are entitled to discriminatory railroad rates because of their natural advantage of being located upon the ocean is entirely an illogical and inconsistent position. Nobody can take away from the coast cities their natural location and whatever advantage may be derived from it. The advantage of the terminal points on the Pacific coast is the advantage of being located upon the Pacific Ocean, and you can not take that advantage away from them, because you can not remove the Pacific Ocean. They are going to continue to be upon the ocean and it always seemed to me to be the height of inconsistency and poor logic to claim that because they had a great natural advantage, that the Government acting through its railroad commission should give them the artificial advantage of discriminatory railroad rates.

They say that they should have low rates because if they are not made freight will be shipped by water. I am at a loss to understand how it can be a disadvantage to a seaport to receive its goods by water instead of by railroads, if it receives them at a lower rate than the railroad can give them. If it is said on their behalf that the railroad service is more expeditious and they seek to gain that more expeditious service by making a special rate that is not subject to the general rule governing rates to other points, then they are seeking not a natural advantage but an artificial advantage, and they should be relegated to the competition of water lines, and the country should have the benefit which will come from the development of marine transportation, of which they are deprived if the railroads can make prohibitory rates with which the ship lines can not compete.

We have a great many terminal cities in my own State which are enjoying these descriminatory rates, but such discrimination is so abhorrent to the sense of fairness, which is characteristic of the American people, and to that right, as I regard it, to uniformity of treatment from the Government and from those agencies of Government performing public service functions, such as the railroads, that I have not the slightest doubt that the people themselves of these cities, aside from the particular interests which may be engaged in shipping over the railroads, will support this amendment and the abolishment of this discrimination.

Mr. SMITH of Georgia. The Senator's amendment goes to the extent of removing all discretion from the Interstate Commerce Commission with reference to the long and short hauls, does it not?

Mr. POINDEXTER. It does.

Mr. SMITH of Georgia. And he proposes to leave no discretion anywhere on that subject?

Mr. POINDEXTER. I propose to leave no discretion anywhere to allow the Interstate Commerce Commission to make a rate for a long haul that is less than the rate which they make for a short haul over the same line in the same direction for the same class of goods. The amendment proposes to remove any discretion under those conditions and circumstances.

I may say that that was the purpose of the original interstate-commerce act. It was expected that that would be the general principle. Although certain discretion was vested in the Interstate Commerce Commission, it was expected that it would only be exercised in special cases; but, instead of that expectation being realized, the exception has become the rule, and throughout the South and the West this discrimination exists. In what is called the official classification territory, the territory lying north of the Potomac River and east of the Mississippi River, these abuses do not exist except in a very small degree; but in the South and in the West this discrimination is universal. In other words, every terminal, every point upon a southern river or upon the Pacific Ocean enjoys a lower rate for the long haul, the more expensive haul, involving greater service on the part of the transportation company, than does the intermediate point for a short haul and for a less expensive service. It is so abhorrent in itself to the fundamental principles of uniformity and justice that I believe the discretion to grant exceptions to those principles ought to be removed.

Mr. SMITH of Georgia. My question is this: If the Senator's amendment prevails, no discretion is left anywhere with anybody to modify charges where circumstances seem to require it?

Mr. POINDEXTER. No discretion is left anywhere to modify charges under the conditions that I have just stated.

Mr. SMITH of Georgia. As between the long and short haul principle?

Mr. POINDEXTER. As between the long and short haul. While they still may charge as much for the short haul as for the long haul, they would not be allowed to charge more for the short haul than for the long haul. That is correct.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Hampshire?

Mr. POINDEXTER. I yield to the Senator from New Hampshire.

Mr. MOSES. I desire to ask the Senator if the adoption of his amendment would produce a rigid application of a flat mileage rate?

Mr. POINDEXTER. It would not; and I am not in favor of a flat mileage rate, because a flat mileage rate would simply substitute one set of discriminations for another. What I am aiming at is to remove discriminations; to put communities upon an equal footing. Although in the development of the principle of railroad regulation in the future we may possibly come to a rate in accordance with the service, I am not now discussing that; I am not in favor of it at the present time. While it has been urged by some in opposition to this amendment, or to the bill, which is equivalent to it, that it would have the effect of establishing a mileage rate, that is based upon an absolute misapprehension of the amendment. It will do nothing of the kind. On the contrary, as I said a moment ago—using the West as an illustration, because I happen to have in mind the great trunk lines of railroad passing through that section and am familiar with the relative location of the particular communities—the shipment of freight passing through Boise, Idaho, and going 500 miles farther on to Portland, Oreg., if it were based upon a mileage basis would be very greatly less to Boise than it would be to Portland, but we do not propose anything of that kind. We have an amendment here which would still allow Portland to receive goods for the long haul—an excess of 500 miles over the haul to Boise, and a very expensive piece of transportation, because it goes through a mountain country, involving difficult and expensive railroad construction and expensive transportation because of the great power that is involved in taking trains over a mountain grade—for the same rate that Boise receives.

I hope that the idea that the amendment involves a mileage rate or anything tending toward a mileage rate will not be entertained in the consideration of the amendment.

Mr. MOSES. Did the Senator state that such a provision is in the bill now?

Mr. POINDEXTER. What provision?

Mr. MOSES. A provision which under the citation which the Senator has just made in the case of Portland and Boise, Portland would be allowed, if the bill should become a law, to receive a lower rate for the long haul?

Mr. POINDEXTER. Yes; that is in the bill. There is nothing in the bill which affects that in any way at all. The railroads now grant a lower rate for the haul to Portland, and might be allowed to continue to do so if the bill should be enacted without the amendment which I propose. To illustrate, I shall tell of an incident, an actual case, which has no importance in itself because there are thousands of such cases, but it makes clear the situation. A dealer in Spokane, Wash., ordered a carload of coffee from New Orleans. The importers in New Orleans wired the Spokane house that they could not ship a carload of coffee at that time, but that there was a carload en route, on the rails, on the way from New Orleans consigned to Portland, Oreg., 350 miles farther on, and that they could arrange with a Portland house to let the Spokane house have that carload. As a matter of fact, it was switched off the main line at Spokane. If it had not been switched off it would have gone through the city of Spokane to Portland, 350 miles farther on; and yet because it was stopped 350 miles short and delivered at Spokane, the Spokane dealer, and consequently the Spokane consumers of coffee, were required to pay a much higher rate than if it had gone the longer distance.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Oregon?

Mr. POINDEXTER. I yield to the Senator from Oregon.

Mr. McNARY. I wish to ask the Senator whether difference in the matter of rates is not based upon the economic situation which arises when water routes come into competition with rail routes? In order, I may say, for the shipment of coffee referred to, to reach Portland, where it would come into competition with water transportation, it was necessary for it to bear a smaller freight charge than if shipped to Spokane.

Mr. POINDEXTER. That is the theory I have just been discussing; that is the argument which is made; but my answer to that is, if the coffee could be shipped to Portland by water under fairly comparable conditions as to service which would obtain in a shipment by rail, then there is no reason why it should not go by water. Portland would be no worse off. The railroads would claim that they might lose the business, but the transportation business of the country consequent upon the increase of population and the volume of business and in view of the still more rapid increase which we will have in the near future, is and will be so great that the railroads can not attend to it; they have been congested; there will be more business than the railroads can handle; and it is in the interest of the country to allow the water lines to procure a portion of the business and for the benefit of Portland, the metropolis of the great State which the distinguished Senator represents here so well, to receive the advantages which would accrue to her from being in reality as well as in name a maritime city, of having ship lines and all the incidental business that comes from the building, operation, and supplying of ships.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to his colleague?

Mr. POINDEXTER. I yield to my colleague.

Mr. JONES of Washington. I was just going to suggest that the policy which is now in force has the effect really of preventing the development of the American merchant marine.

Mr. POINDEXTER. My opinion is that my colleague is absolutely correct in his statement——

Mr. SMITH of Georgia. Why so?

Mr. POINDEXTER. Just a moment—and that this discrimination by which the railroads have been allowed to put their rates down under the pretext of meeting water competition, to put them down to such a point as would prevent the development of water competition, has been the most potent factor—more potent than all other circumstances put together—in preventing the development of maritime commerce upon our rivers and upon our coast lines.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Montana?

Mr. POINDEXTER. I yield to the Senator from Montana.

Mr. WALSH of Montana. Referring to the inquiry a few moments ago addressed by the Senator from Georgia [Mr. SMITH] to the Senator from Washington, I am curious to know what particular conditions the Senator from Georgia had in mind which would justify a higher rate for the short haul than for the long haul. Of course, two conditions have been suggested in connection with this discussion; that is to say, competition to a point which has water communication and competition to a point which has railroad communication. Those two ideas have been advanced. Can the Senator from Georgia suggest any other conditions which would seem to justify the imposition of a greater charge for the short haul than for the long haul?

Mr. SMITH of Georgia. Those are the two main justifications that I had in view. Two railroads run between two points; one road is substantially longer than the other; the shorter line with the shorter mileage has a rate fixed for it. The very much longer line of railroad between the two points will not be able to carry any of the business unless its charge between the two terminals is the same rate which the short line charges. It might be impossible for all the business of the longer railroad to be conducted on that low mileage rate which would be essential to give it part of the business between the two places, and yet, as a part of its entire business in connection with its other business, it might be desirable for that railroad to haul the traffic which it would haul between the two points.

Mr. WALSH of Montana. Of course, that is based upon the argument of a rate to a common competitive railroad point?

Mr. SMITH of Georgia. Yes.

Mr. WALSH of Montana. That is one argument; the other is hauling to a point where there is water communication; so that we meet the same old argument; that is all.

Mr. POINDEXTER. The result of the case stated by the Senator from Georgia—and he verifies the apparent assumption of the Senator from Montana that there are no other cases except these two, rail competition and water competition—would be that he would allow this long line that he speaks of, assum-

ing the other conditions to be correct as he has stated them, in order to get a portion of this business at the junction point, to make a rate at what is called out-of-pocket cost—that is, to make a little more than the actual cost of the transaction itself wihout earning anything on the investment—in order to enable the railroad to get that he would tax the people along that line intermediate between the two points by compelling them to pay a higher railroad rate than they otherwise would have to pay.

Mr. SMITH of Georgia. Not at all.

Mr. POINDEXTER. That would be the effect of it.

Mr. SMITH of Georgia. Not at all.

Mr. POINDEXTER. Well, I insist that it would. The Senator may have a different opinion, and I am glad to hear it.

Mr. SMITH of Georgia. I only wish to stop the Senator long enough to say that I would not do it upon the theory that I overtaxed the intermediate points. The very power to carry this freight through as a part of the railroad's entire business might result in its being done more economically, whereas without that business it might be necessary to tax even higher the intermediate points.

It is an exceedingly complicated problem that really it is difficult for one who has not made a specialty of the study of freight rates and freight combinations to present, and I do not claim to have made a special study of it. I have gathered what information I have from certain hearings and investigations with which I have been connected, and I do not think the theory is that you increase the burden on the intermediate points, but that the whole volume of business carried by the transportation company makes it possible, even at the intermediate points, to carry freight for less than they would otherwise be able to carry it.

Mr. POINDEXTER. That is the old, old argument.

Mr. SMITH of Georgia. Yes; but not necessarily unsound because old. A great many things that are old are sound, and I have listened with pleasure in the past few months to many very eloquent speeches by the Senator from Washington insisting that the old was better than some of the new that has been suggested, especially in international affairs.

Mr. POINDEXTER. That is true. That does not mean that everything that is old, particularly old arguments, is good, however. What I was talking about were old institutions, and the old Constitution of the United States. There are lots of old threadbare arguments that have been discarded and exploded that are not necessarily good because they are old.

Mr. SMITH of Georgia. I was only desiring to contest the proposition that a thing is necessarily bad because it is old.

Mr. POINDEXTER. I did not say that it was.

Mr. SMITH of Georgia. I am beginning to reach a period in life where I object to such a suggestion.

Mr. POINDEXTER. The Senator seems to admit that it is old; and he assumes that the intermediate points on all these rail lines, in objecting to this argument, which they have had thrust at them for 25 or 30 years, are mistaken about their own interests. The Senator argues that all of this great interior country of the South, which, unlike his city of Atlanta, is suffering from these discriminatory rates while Atlanta gets the benefit of lower rates, is fighting against its own interests; that the people of that section do not know what is good for them. He is arguing that in objecting to paying this $11,000,000 a year of excess freight rates, the intermountain country is simply preparing the way to have to pay a still greater burden of freight rates if the discrimination is removed.

There are a great many answers to that argument which we have had to meet for a generation or more. One of them is, and I think it is perfectly evident, that high rates are much less objectionable in themselves than discriminatory rates. It is not the high freight rates that people object to particularly in our country. We pay perhaps the highest freight rates that are paid in any section of the United States, and we are not seeking, directly at least, to have them reduced.

We do not know that a reduction of rates will necessarily be the result of this. What we are seeking is to remove the discrimination. What the interior towns in Georgia and in Tennessee and in other sections of the South are seeking is to remove the discrimination which they are suffering from, as against Atlanta and other points which are enjoying these lower rates which are made by the Interstate Commerce Commission at some terminal points, for the longer haul, whether on account of railroad competition or water competition. But actual experience shows that no such raising of rates would result. As a matter of fact, as shown by actual conditions on the Pacific coast, it is often the long line which gets the business in competition with the short line.

Mr. HENDERSON. Does the Senator know whether or not the railroads under Government control have discontinued these discriminatory rates?

Mr. POINDEXTER. They have to a large extent. I do not think they have done so altogether, but they have to a very large extent.

Mr. HENDERSON. I have heard that they have discontinued them to a very large extent. Now, if that is the case, is it not right and proper that under this legislation we should protect the country against a return to those practices and principles that have been going on in the past?

Mr. POINDEXTER. Undoubtedly that is the case, and that is the purpose of this amendment; and I am very glad indeed that the Senator from Nevada has pointed that out. I want to say also, in connection with that, that this apprehended injury that would be received by the terminal points, or those which are benefited by this discrimination, has not materialized at all. They have not been injured by removing the discrimination and putting them upon an equal basis with competing communities.

A large city like Atlanta is not going to be hurt because of the prosperity of the smaller towns surrounding it. Their prosperity will add to the prosperity of Atlanta, because they are tributary to it and will continue to be tributary to it; and the same thing is true of the great terminal points upon the Pacific and also upon the Atlantic.

Mr. SMITH of Georgia. Mr. President——

Mr. POINDEXTER. Just one minute. I want to complete the point to which I was calling attention. It has been no injury to New York City to establish a system of rates by which manufacturing communities have been built up along all the lines of railroad in the great North and East. In Illinois, Ohio, and Indiana, clear to the Mississippi River, great manufacturing towns have been built up. It has not been an injury to Chicago. Those farther east have not been an injury to New York. Their prosperity has contributed to the prosperity of the metropolis, and the same thing will be true in other sections of the country.

Mr. SMITH of Georgia. I wish to assure the Senator that I had no particular place in view; and I agree with him fully that the development of all places around a large city within reach of the business of that city contributes greatly to the growth of the larger city itself. My suggestions with reference to this subject were due to the fact that it seems to me absolutely essential that there must, in some instances, be a disregard of the flat long-and-short-haul rule. If the Interstate Commerce Commission have gone too far in discriminations, they should cease it; but I was afraid that to strike out entirely the privilege of any consideration of peculiar circumstances which require an abandonment, at least to an extent, of the long-and-short-haul principle would produce embarrassment to commerce and add to the confusion that already exists in connection with transportation problems; and I hesitate to approve the suggestion that to no tribunal and nowhere shall any discretion be left upon that subject. I am afraid of its consequences, and the fear of trouble from it has come to me from many sections of the Southeast, and I have heard from nowhere any special protest against existing conditions.

Mr. POINDEXTER. It is natural that "fear of trouble" would come to the Senator from every city that is favored by lower rates than those charged its competitors. That is perfectly natural. I have had the same experience. Everybody has had the same experience. Every city that enjoys discriminatory rates is going to try to hold onto them. But the Senator is too experienced a statesman, too well versed in the fundamental principles of government, to favor the use of the powers of government or of public service to favor one community as against another on account of a protest of that kind, coming from purely selfish motives, which are of the most elementary and obvious kind.

Mr. WALSH of Montana. Mr. President, will the Senator permit a further interruption?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Montana?

Mr. POINDEXTER. I yield.

Mr. WALSH of Montana. Another idea in connection with the matter has suggested itself to me, in view of the recent statement of the Senator from Georgia. A great many people feel that these more or less doubtful questions should be intrusted to the discretion of the Interstate Commerce Commission, that it will act wisely in the premises, and so forth; but I submit to the consideration of the Senator from Georgia particularly whether we ought to repose any such power in the Interstate Commerce Commission or in any other board which gives it the opportunity to build up a terminal city, with the result of loss and destruction to the intervening points.

For instance, the rate from the eastern section of the country and the Middle West to Seattle, as pointed out, is considerably

less than the rate to Helena or to Spokane. An industry, for instance, a packing house, is to be established at one of these places. Of course it will go to the place that has the lower rate. All of those products are carried to Seattle, for instance, as against Helena or Great Falls or Spokane, so you place it in the power of the Interstate Commerce Commission to destroy a business, and a very profitable business, for instance, in one of these interior towns by compelling it to pay a higher rate than a competitor in the same line of business is obliged to pay at the terminal point. In other words, you place in the hands of the Interstate Commerce Commission the power to say whether the interior towns shall be permitted to grow or whether the terminal points shall absorb all of the business of that section, and I do not believe we ought to place any such power as that in the hands of the Interstate Commerce Commission or any other body.

Mr. HENDERSON. Mr. President——

Mr. POINDEXTER. In just one second.

Mr. President, I do not believe such power should be placed in the hands of a Government tribunal any more than there should be placed in its hands the power to make one rate of taxes for one individual as against another rate for another individual. Railroad rates are for service of a public nature. Taxes are for service of a public nature, and the most elementary principle of taxation is that taxes should be uniform. I want to call your attention to a decision of the Supreme Court of the United States, in which they gave expression to the idea, which is obvious without such expression, that the chief purpose of all of the intricate laws for the regulation of interstate commerce is to secure this very thing—uniformity. It could not be abused to any greater extent than it has been abused under this long-and-short-haul provision.

In the case of Texas & Pacific Railway Co. *v.* The Abilene Cotton Mill Co. (204 U. S., 426) the Supreme Court says:

> That the act to regulate commerce was intended to afford an effective means for redressing the wrongs resulting from unjust discrimination and undue preference is undoubted. Indeed, it is not open to controversy that to provide for these subjects was among the principal purposes of the act. (Interstate Commerce Commission *v.* Cincinnati, New Orleans & Texas Pacific Ry. Co., 167 U. S., 479, 494.) And it is apparent that the means by which these great purposes were to be accomplished was the placing upon all carriers the positive duty to establish schedules of reasonable rates which should have a uniform application to all.

It is quite surprising, Mr. President, that among the conspicuous abuses that have grown up under the proviso and under the exception vesting this discretion under the fourth section in the Interstate Commerce Commission is that this principle of uniformity which was the chief object of the section, as well as of the second and the third sections and of the act itself, has been absolutely destroyed in the making of comparative rates between communities, and discriminations have been established which have the same identical effect as discrimination between individuals, except that their blighting effect falls upon whole cities, States, and sections of the country. I yield to the Senator from Nevada.

Mr. HENDERSON. During all the years that these provisos and special section clauses have been in the act have they operated to the benefit of the interior States in any particular cases?

Mr. POINDEXTER. Mr. President, they have retarded the growth of the interior communities. I do not think that there is any more deadly blight that can fall upon a community than to have to pay a higher freight rate than some rival community. It is obvious, from an examination of disputes before the Interstate Commerce Commission and in the courts, that even a very slight discrimination in a rate in favor of one individual as against another will have the effect of not only benefiting the one individual and injuring the other but will have the effect of making one prosperous and destroying the business of the other. It is a question of life or death. The only circumstances which have enabled these communities that have suffered from these discriminatory rates to survive and to progress at all have been the enormous natural resources of the country. They have lived practically upon themselves. They have paid a tribute to rival communities which sapped their strength and drew away their resources by reason of an artificial system of rates which favored other sections at their expense.

Mr. HENDERSON. Has not this principle done more to retard the development and prosperity of the interior States than any other one thing?

Mr. POINDEXTER. I think more than all others together; and while it has been retarding the development of the intermediate country, it has been a national injury by the congestion of business at certain terminal points. Low freight rates in one community as compared with those in another community are a powerful magnet to draw business to that point, and as business accumulates at that particular point it becomes more expensive, ground becomes more valuable, and consequently the cost of production is increased. The living expenses of employees are higher and the public has to bear the consequences in the higher cost of living.

In a great emergency, such as the war suddenly brought upon us, when the capacity of the transportation systems of the country was taxed, we found that on account of this congestion at certain terminal ports, like New York City, which happened to be on that side of the continent from which shipments to the scene of war were being made, the congestion was so great as to paralyze transportation for weeks at a time and jeopardize the success of the Nation in a great crisis.

The policy of the country should be to encourage the distribution of manufacturing and business throughout the country at available points, in accordance with the natural opportunities and resources of those points, instead of drawing it all, as with some powerful artificial electric machine, into the vortex and maelstrom of an overcrowded and congested metropolis at the end of a railroad line.

I may say, Mr. President, that I can readily see lying back of the arguments that have been made in behalf of this abuse the benefit that the railroads have derived from it, and I am not saying this in disparagement of the railroad management. I expect people in business to look out for their interests. We do not expect men engaged in private business to subordinate the interests of that business to the public welfare. We expect that public welfare to be looked out for by the Government and by public tribunals.

Railroad companies are in the business of selling transportation, and if, in supplying a great area of country, they can establish a system by which the greatest possible amount of transportation, instead of the least necessary amount, will be sold it is manifestly to their advantage. So they have built up a system by which, beginning with the policy or theory of carrying commodities to the end of the line and then back to the intermediate points be gradually modified through the efforts and struggles of the communities which suffered from it, the railroads enjoyed the longest haul instead of the shortest.

I submit to the Senator from Georgia [Mr. SMITH] and to the Senate that a good public policy would be the reverse of that; that we should economize in transportation, that the least amount of transportation that would accomplish the object to be achieved, the delivery of the goods to the consignee, should be sought in any system of freight rates or in any regulation of railroads.

Mr. SMITH of Georgia. Will the Senator yield for a question?

The PRESIDING OFFICER (Mr. EDGE in the chair). Does the Senator from Washington yield to the Senator from Georgia?

Mr. POINDEXTER. I yield to the Senator.

Mr. SMITH of Georgia. The Interstate Commerce Commission is made up of experts who have given a thorough study to this question and a thorough study to the character of rates that are essential to furnish to the railroads themselves the most economic system of transportation. Does not the Senator think it probable that when they fix these rates they take the questions into consideration which the Senator has mentioned, and really have in view giving a system of rates that will facilitate the most economic transportation?

Mr. POINDEXTER. Not only I do not——

Mr. SMITH of Georgia. Just one word further——

Mr. POINDEXTER. I wish the Senator would not ask too many questions at one time.

Mr. SMITH of Georgia. Very well; I will stop for the present.

Mr. POINDEXTER. I not only do not think they have done what the Senator seems to think they have done, but I know they have done just the opposite. They have not only not established a system of rates which tended toward the production of an economic system of transportation, but, on the contrary, they have made rates almost universally, wherever there was ever any excuse of railroad competition or water competition, lower at the longer point than they have made at the shorter point, and that is all that is necessary to be said to controvert the assumption of the Senator from Georgia. That is not an economic system of transportation. That is the most expensive system of transportation, because it encourages, by the lower rate, the hauling of goods the longer distance. The economic system of transportation is the hauling of them the shorter distance.

Mr. SMITH of Georgia. Mr. President, is it not true that a long haul sometimes can be made cheaper than a short haul, and, entering into the whole of the business of the road, facilitates generally cheaper charges?

Mr. POINDEXTER. A long haul over the same line and in the same direction can not be made more cheaply than a short haul.

Mr. SMITH of Georgia. Suppose the business to the one point were sufficient both ways to fill a car and to another point the car would be hauled empty if a rate was not given that enabled the handling of the business?

Mr. POINDEXTER. That does not change the question in any way at all. Even if it were necessary, after you have unloaded the car of its freight, to carry it on the balance of the journey to where it gets its return cargo, that would be much cheaper than hauling a loaded car to the end of the line and then hauling a load back again for distribution in the interior.

Nobody would propose that, because it is uneconomic, but it is not nearly so uneconomic and contrary to good business principles as it is to haul the entire load to the end of the line 350 or 800 miles of unnecessary transportation.

Mr. HENDERSON. Mr. President, I should like to ask the Senator from Georgia why the shipper should be compelled to pay the freight rate on hauling an empty car any distance after his load has been delivered?

Mr. McLEAN. I should like to ask the Senator if he intends to press for a vote on his amendment this afternoon?

Mr. POINDEXTER. I do not intend to press for a vote on it, but I am not going to occupy any great amount of time.

Mr. McLEAN. I understand the amendment has been offered, but has not yet been printed.

Mr. POINDEXTER. It was offered on yesterday. I do not know whether it was printed or not. It is simply to strike out the proviso beginning on page 77.

Mr. McLEAN. I will say to the Senator that I think there will be considerable objection to the amendment, and I wanted to know whether he was going to ask for a vote on it right away or whether he was simply discussing it, intending to bring it up later.

Mr. POINDEXTER. The amendment is pending now. I am not particularly zealous about pressing it immediately to a vote. Of course I would like to get it disposed of as soon as I can. But I want everyone who is interested in it to have a full opportunity to discuss it.

Mr. McLEAN. The Senator knows that it was very thoroughly discussed in the Committee on Interstate Commerce, and the proviso finally determined upon was in the nature of a compromise, and I know that many of us had hoped that that would dispose of the matter. I shall certainly object to the amendment proposed by the Senator myself, and I think it would lead to some discussion.

Mr. POINDEXTER. I am discussing it now, and I presumed the Senator would discuss it. I do not want to shut off discussion. There is nothing in the intimation of the Senator that it should not have been offered, if that is his intimation, because it was understood, at least by some members of the committee, that I reserved the right to offer it in the Senate.

Mr. McLEAN. I am not questioning the right of the Senator to offer the amendment, but I am stating that it was pretty thoroughly considered by the committee.

Mr. POINDEXTER. What is the Senator's intimation? That it has been considered sufficiently to take a vote on it right now? If that is his intimation, I agree with him, and we will take a vote.

Mr. McLEAN. No; my intimation was contrary to that, so far as the Senate is concerned. I think it is a matter that may not be understood by the Senate, and if action was to be had, I should ask for a quorum, and should hope that those interested in it would present their views to the Senate, especially those in opposition to it.

Mr. KING. If the Senator from Washington will yield, I want to assure the Senator from Connecticut that many of us are very earnest about it, and the bill will not go through, if some of us have our way, unless this provision is stricken out. It is so unjust, it has worked such hardships, such irreparable injury, to large sections of the country, it has been so discriminatory in favor of certain terminal sections, that I would regard the passage of the bill without eliminating the provision as a public calamity.

Mr. CUMMINS rose.

Mr. McLEAN. I am not intimating——

The PRESIDING OFFICER. The Senator from Washington has the floor. Does he yield to the Senator from Connecticut?

Mr. POINDEXTER. I yield to the Senator from Iowa.

Mr. CUMMINS. I do not understand the position of the Senator from Utah. The provision is in the law now.

Mr. KING. I understand that.

Mr. CUMMINS. A failure to get out of the present law an objectionable provision ought not to be considered an objection against the bill.

Mr. KING. If the Senator will pardon me, the bill if passed in its present form would perpetuate an existing evil, and while we are remedying evils and providing a new system for the regulation of railroads we ought to eliminate some of the evils that exist now.

Mr. CUMMINS. The bill does not perpetuate the evil in all its enormity, if I may use that term——

Mr. KING. No; it is an improvement.

Mr. CUMMINS. Because it does modify to a degree, and a very material degree, the present law and removes to an extent some of the objections against the existing law.

Mr. SMITH of Georgia. But you leave the power to the Interstate Commerce Commission subject to certain limitations that were deemed advisable.

Mr. CUMMINS. At the present time the Interstate Commerce Commission has entire, complete discretion to grant authority to a railroad to charge more for a shorter than a longer distance over the same line in the same direction. The bill attaches to that discretion the requirement that the lesser charge for the longer distance must be fairly compensatory. There is some difference between that and the rule adopted by the Interstate Commerce Commission, which is that the lesser rate for the longer distance must be at least sufficient to defray the out-of-pocket costs. The bill says "compensatory." There is some difference, of course, between a rate that pays out-of-pocket cost and a rate that is compensatory.

I do not intend to interfere at the present time, but I did not want the Senator from Utah [Mr. KING] to charge up against the bill evils which have been obvious in the present law.

Mr. POINDEXTER. Mr. President, I did not understand that the Senator from Utah did charge up against the bill these evils, but he is of the opinion that so long as the entire question of railroad regulation is before the Senate, the removal of the abuse ought to be made complete and effective.

I want to call attention, in view of what has been said by the Senator from Georgia [Mr. SMITH], to a remark made by the court in reference to certain discriminations that exist in his section of the country. In the case of Behlmer against Louisville & Nashville Railroad the court said:

> The appellees contend that the smaller charge for the greater distance is in this case of great importance to the city of Charleston, as well as to the section of country adjacent thereto, as by means thereof the merchants of that city are enabled to build up a trade that would otherwise be lost to them.

The city of Atlanta might be substituted for the city of Charleston, and we would have the case existing then in the Senator's own State.

But the court goes on to say:

> That may be true, but is not the same argument applicable to Summerville and other interior cities along the line of the roads operated by the appellees between Charleston and Memphis? In order to build up one locality we should not tear down many others.

That, in a nutshell, is the entire case.

Perhaps a clear understanding of the enormous unjust burden which is placed upon the great interior country can be obtained from specific figures and from a mere statement of general principles, so I wish to call attention to certain specific rates upon a few of the principal commodities.

Mr. WATSON. May I interrupt the Senator?

Mr. POINDEXTER. I yield to the Senator from Indiana.

Mr. WATSON. Does the Senator intend to press the long-and-short-haul provision to a vote to-day?

Mr. POINDEXTER. That depends upon circumstances. I have not considered the question. I assumed that it would take its natural course and come up when the debate is finished.

Mr. WATSON. When the Senator from Minnesota [Mr. KELLOGG] left yesterday he requested me to say——

Mr. POINDEXTER. I have no desire to deprive any Senator of the opportunity of debating the matter, but I prefer to take that question up at the conclusion of my remarks.

Mr. WATSON. Very well.

Mr. SIMMONS. I should be very glad if the Senator would now indicate whether he will ask for a vote upon his amendment to-day. The Senator from Indiana [Mr. WATSON] has just referred to the absence of the Senator from Minnesota [Mr. KELLOGG], who is deeply interested in the amendment. The Senator from Washington must realize that this is one of the most important provisions in the bill. The amendment would make a very radical change in the present law.

A great many Senators on this side of the Chamber, to my knowledge, are very deeply interested in the amendment, both pro and con. Some of those who are deeply interested against the amendment did not expect action upon it to-day and are not present. I wish the Senator from Washington would indicate whether it is his purpose when he finishes his argument to ask for a vote.

Mr. POINDEXTER. I will take that up with the Senator at the conclusion of my remarks. I should like to have the matter discussed and disposed of.

Mr. SIMMONS. To my knowledge there is a desire to discuss it by a number of Senators who are not now here. We would be treating them with some degree of discourtesy if we should attempt to force the amendment to a vote this afternoon.

Mr. POINDEXTER. I have not said anything about forcing it to a vote.

Mr. SIMMONS. I know the Senator has not, but I just want an expression from him that he will not.

Mr. KING. Mr. President, I——

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. POINDEXTER. I should prefer while presenting the matter, which the Senator from North Carolina says is one of the most important parts of the bill—and I agree with him in that respect—not to interfere with the consideration of it by the Senate by an agreement that we are not going to act on it at a particular time.

Mr. SIMMONS. I do not want any agreement not to act on it as soon as we possibly can do so. I only indicated that I would like an expression that we are not to act upon it to-day.

Mr. POINDEXTER. I think we ought to proceed with it in the ordinary course. I do not want to do any injustice to any Senator by unduly pressing it. It is very likely that there will be considerable debate on it by Senators. I am satisfied there will be, and I should be glad to confer with the Senator a little bit later about the matter of an agreement postponing the vote upon it.

Mr. KING. I should like to say to the Senator from North Carolina [Mr. SIMMONS] that yesterday the Senator from Washington [Mr. POINDEXTER] offered the amendment and was prepared to discuss it and ask for a vote then. At my request, as I recall, action was deferred until to-day. The motion to amend made by the Senator is in the RECORD, and the Senator made a brief statement which appears in the RECORD, a brief statement indicating his position and indicating, of course, that he would ask for a vote upon the amendment at an early opportunity.

I merely say that to indicate that there has been no purpose upon the part of the Senator from Washington to take snap judgment upon anybody.

Mr. SIMMONS. I am not intimating in any way that there has been——

Mr. POINDEXTER. Mr. President, I decline to yield any further at this point.

Mr. SIMMONS. Will the Senator let me make one observation in reply to the Senator from Utah?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. POINDEXTER. If the Senator will make it brief——

Mr. SIMMONS. No; I will not make it if the Senator objects.

Mr. POINDEXTER. I prefer to take up the matter at some other time than in the midst of my effort to present my argument on the amendment.

I was proceeding to point out some specific abuses, specific rates, and the communities which suffer from them under the existing law, which would be removed by adoption of the amendment.

Quoting from the report of the Interstate Commerce Committee of the Senate in the last Congress, I read:

> This resulted in some instances in the interior point being charged a rate double that which was charged the terminal point, and in practically all cases, before recent modifications were secured, a very much larger rate than was charged to the terminal point, although the interior point was a much shorter distance from the point of origin and the service rendered by the carrier correspondingly less.

Mr. SMOOT. Mr. President——

Mr. POINDEXTER. Just one moment and I will yield.

> Goods such as structural steel, dry goods, canned goods, wire fencing, nails, iron pipe, and practically all commodities manufactured in the East or Middle West, passing through the railroad yards in Spokane, Boise, Denver, Reno, etc., in carload lots, and carried from 300 to 800 miles farther, over rivers and mountain ranges, to the ocean terminal, were charged a lower freight rate, 50 or 75 or a greater per cent less, than if the same goods, in the same car, were unloaded in the same freight yard at the interior point through which they passed en route to the terminal. A carload of coffee from New Orleans to Portland by way of Spokane, reconsigned en route so as to be delivered in Spokane instead of being hauled 350 miles farther to Portland, bore a higher rate of freight than if carried on and delivered in Portland. Prior to December 31, 1916—

It is to prevent a return to these conditions that the amendment is sought—

> the rate on a carload of structural steel, minimum weight 60,000 pounds, from Pittsburgh, Pa., to Portland, Oreg., or Seattle, Wash., was $390 at 65 cents per hundred. In being transported from Pittsburgh to Portland or Seattle this car passed through Spokane. If the same car were consigned from Pittsburgh to Spokane the rate was $585 at 97½ cents a hundred, although the transportation company was saved the expense of hauling this 60,000-pound car 350 miles farther to the Pacific coast terminal, crossing, in the case of consignment to Seattle or Tacoma, the great Cascade Range of mountains. A carload of canned goods, 36,000 pounds minimum weight, from New York to the Pacific coast terminal bore a rate of $270; for the shorter distance to Spokane it bore a rate of $396. A carload of paint, 40,000 pounds minimum weight, from New York to Seattle or Portland, bore a rate of $300; to Spokane of $440; of twine, 40,000 pounds minimum weight, from New York to the Pacific coast, $300; to Spokane, $440; of wire fencing, 50,000 pounds minimum weight, from Pittsburgh, Pa., to the coast, $375; to Spokane, $500; of butts and hinges from the same point, 50,000 pounds minimum weight, to the coast, $375; to Spokane, $500. A carload of dry goods or cotton cloth from New York, 36,000 pounds minimum weight, at 90 cents a hundred to the Pacific coast terminal, bore a rate of $324; to Spokane a rate of $1.25 a hundred, amounting to $450. A carload of nails, 80,000 pounds minimum weight, from Pittsburgh, Pa., at 65 cents a hundred, had a rate to Portland and Seattle of $520, to Spokane at $1 a hundred, or $800 per car.

I yield now to the Senator from Utah.

Mr. SMOOT. Did I understand the Senator to say that he was reading from a report of the Interstate Commerce Commission?

Mr. POINDEXTER. Of the Interstate Commerce Committee of the Senate, made at the last Congress.

Mr. SMOOT. I notice it stated that the rate was about double in some cases. I want to call the Senator's attention to a case that came under my personal observation. The last time I went to San Francisco to buy wool for the Provo Woolen Mills I purchased four carloads of wool. I went up to the Southern Pacific Railroad and asked, What is the rate on wool to-day? They said, "75 cents a hundred." I said, "I have four carloads that I desire to ship." "Where do you want to ship it, to Boston or Philadelphia?" I said, "No; I want to ship it to Provo, Utah." "Oh, well, then the rate is $2.25 a hundred"; in other words, one-quarter of the distance and three times the amount. That is the condition under which we have been living in the intermountain country for a great many years. There is an overall factory at Salt Lake City, and whenever a carload of denim is shipped from New York to Salt Lake City $400 a car more must be paid than if it were shipped through Salt Lake City to San Francisco. Mr. President, I could stand here all day long and cite similar cases.

I thought we had this matter settled years ago when the Senator from Iowa [Mr. CUMMINS] and some others of us made a fight for this very thing, but when the bill went into conference the whole provision was changed. The language was so rewritten that it amounted to nothing. So I hope, with all my heart, that the Senate of the United States will adopt the amendment which has been offered by the Senator from Washington and that when it goes to conference nothing will eliminate it from the bill.

There is nothing in connection with railroad transportation that is more detrimental to different sections of the country than the practice of such discriminations as have just been pointed out by the Senator from Washington.

Mr. POINDEXTER. Mr. President, I am obliged to the Senator from Utah [Mr. SMOOT] for the clear statement which he has made. It brings out the fact that this is such an obvious injustice that there can not be any combination of circumstances which would justify it. It is contrary to the fundamental principles of Government; and I have thought—I have not undertaken to work out the legal proposition and I do not know that any success could be achieved by so doing—but I have thought that it was contrary to the Constitution of the United States, which guarantees to every citizen equal protection under the law, to charge him or his community more for a less service on the part of a public-service corporation under the regulation of the Government than is charged to his fellow citizens for a greater service; to charge more for hauling goods a short distance than is charged to his competitor for hauling them a long distance.

It is very true, as the Senator from Utah has stated, that it was expected at the time of the amendment of the interstate commerce act in 1910 that this abuse would be abolished, but that by reason of modifications in conference those hopes were disappointed and the old abuse remained. The same thing is true, Mr. President, as to the expectation aroused on the occasion of the passage of the original act of 1887. There are incorporated in the report of the committee, which I have in-

serted as a part of my remarks, extracts from the debates, including the statement of Senator Cullom, of Illinois, at the time of the passage of the interstate commerce act in 1887 chairman of the Committee on Interstate Commerce, who was one of the conservative members and rather inclined to take the railroad viewpoint of those matters, believing it to be for the best interests of the country, that it was intended to remove this discrimination; but he said that there might be some exceptional cases in which, for a particular reason, such a general rule would work injustice. So they put in the exception; but the exception ate up the law. The result was that the abuse became universal, and there is not a point upon a river or upon the seacoast which receives goods by the long haul, at the terminus of the line, that has not set up a claim to a beneficial and a discriminatory rate under this exception which was vested in the discretion of the Interstate Commerce Commission; and there is not an interior point in the great area outside of the official classification territory that has not suffered the consequences of it.

Senators from New England are opposing this amendment, and yet if this rule, from which the South and the West are suffering, were applied in New England it would be impossible to maintain throughout the New England States, upon every watercourse where originally water power was used but now principally steam power, the factories which have made that region the greatest manufacturing center of the Union.

New England is not suffering from this abuse. A Senator from New England asked a moment ago if this would not establish a mileage basis of freight rates, indicating a misconception which has been in many instances propagated throughout the country for the purpose of maintaining the advantages which certain cities are enjoying under the present rule. All of the great manufacturing territory east of the Mississippi and north of the Potomac River has been built up by a removal of these discriminations. It would be impossible for Moline, Ill., or Rockford, Ill., to maintain the great factories, to employ the thousands and tens of thousands of people in those cities and similar cities in that section if the city of Chicago enjoyed a greatly lower rate, or even if it enjoyed a slightly lower rate, upon raw materials than is enjoyed by Rockford, Moline, and other smaller towns where such factories are located. It is only by reason of equitable rates, it is only by reason of establishing the principle of uniformity, that manufacturing has been distributed throughout that section of the country, that employment has been given to all of those communities, and, as a result, the metropolis itself has grown greatly by reason of the development of the surrounding tributary country.

As further illustrating the abuse, I wish to call attention also, in addition to what I have just read, to the fact that the great State of Idaho, which is a wool-producing State, is unable to develop a wool market or a wool-compressing industry, or even to ship its product at a favorable rate to the wool markets of the East because of the discriminatory freight rate, because of freight rates which give Portland, Oreg., 500 miles farther west, a very much lower rate upon wool to the great wool market of Boston. Wool is shipped from the sheep ranges of Idaho to the Pacific coast and there baled and reshipped back through the very territory where it originated to the consuming market in the East. That is a waste of transportation; it is an injustice to the people of the interior sections of the country to take wealth out of those sections, concentrate it in another section of the country by reason of an artificial advantage which they derive from governmental regulation, when it ought to be the purpose of the Government to avoid such abuses and to secure just and equitable treatment.

Mr. SMOOT. I wish to call the attention of the Senator to the fact that if a citizen of Utah desires to purchase the pelts of sheep or the hides of cattle, the only way he can do so successfully is to move to Los Angeles, Calif. A man dealing in hides and pelts living in Los Angeles can come into Utah, buy the hides and pelts, ship them from Utah to Los Angeles, and then reship them from Los Angeles to the East, and make a profit on the transaction. A merchant is not supposed to go into the business of purchasing pelts and hides in the State of Utah or to be on an equal footing with the same kind of a merchant in Los Angeles, Calif. The railroads say otherwise; they want the business to go to Los Angeles and therefore they arrange, through the freight rates imposed, that it shall go there, and they make it profitable for it to go there.

Mr. POINDEXTER. Mr. President, to cite some of these rates, Portland, Oreg., is 500 miles farther from Boston than Boise, Idaho. And yet the rate on baled wool from Portland to Boston, unless it has been recently changed, is $1.25 a hundred pounds, and from Boise to Boston it is $2.14 a hundred pounds. The rate on wool in sacks from Boise to Portland is 96½ cents; so that wool can be shipped from Boise to Portland, 500 miles west, and reshipped from Portland to Boston for $2.21½ for the entire transportation, whereas the direct shipment from Boise to Boston, 1,000 miles less, is $2.14. It is perfectly manifest that no wool-baling industry can be developed at Boise, although it is in the center of the wool-producing section of the country.

That was a case presented at the time the report to which I have referred was made, and I am not sure whether the conditions exist at the present time, because there has been some effort on the part of the Railroad Administration to remedy the most flagrant of these abuses. The entire section of the country which I have in mind has struggled, to my knowledge, for 25 years to throw off this blight of discriminatory railroad rates, and struggled unsuccessfully, until the Railroad Administration in certain sections—not everywhere—taking advantage of the fact that on account of the war, what little transportation had existed through the Panama Canal had been cut off and there could not be raised the excuse of water competition, because there was not a single ship plying between the two coasts through the Panama Canal, removed this abuse. The purpose of the amendment is to establish in the law the principle of uniformity so that communities in this country, including many great States and various great sections, will not have staring them in the face the prospect of a reestablishment of these discriminations.

It is obvious that if a man who is considering the establishment of an industry or the enlargement of a business in which he is engaged does not know that he will continue to receive equitable treatment with regard to freight rates it is impossible for him to secure the capital to carry on his business or to make a success of it, and it is only when uniformity is fixed in the law that his business will be put upon a permanent and successful basis.

Mr. KNOX. I should like to ask, for my information, whether this condition of which the Senator speaks—the much higher rate from, say, Idaho to the East than from the coast to the East—is a condition that has existed only during the Government administration of the railroads or whether it antedated that time?

Mr. POINDEXTER. It antedated that time. It has existed ever since railroads were built into that country, or very shortly after that time.

Mr. KNOX. Do not the Interstate Commerce Commission have the power to regulate that?

Mr. POINDEXTER. Yes.

Mr. KNOX. They have not done it?

Mr. POINDEXTER. They not only have not done it but they have perpetuated the abuse, and have taken positions in the past—from some of which they have gradually receded—which made the injury which resulted from the discrimination far beyond anything that could have been conceived as probable. It has not only injured immediately the communities that suffered from the high freight rates but it has had the effect of preventing the development of coastwise shipping and of river shipping.

We have spent in the neighborhood of a billion dollars in the improvement of waterways in this country, and yet, as a result of this one proposition of permitting railroads to meet water competition or under the principle which was adopted by the Interstate Commerce Commission of meeting imaginary water competition, called potential water competition, no boats are plying upon the waterways which have been constructed at such great expense. It has had the effect of retarding the development of great sections of the country and of congesting business in certain populous centers, with consequent increased expense to the people and increased cost of production. It has had the effect of putting a blight upon waterway transportation, of which, now that business has increased and the volume of transportation is greater than the railroads can care for, the country is very much in need.

I may say in further answer to the Senator from Pennsylvania, repeating to some extent what I had already said, as shown by the debate in the Senate when the interstate-commerce act of 1887 was being discussed, that it was thought at that time that the fourth section of the interstate-commerce act removed this abuse; but that has been an absolute disappointment and illusion, because they put into the fourth section, which laid down the identical rule which I am seeking to have established as the law, an exception allowing the Interstate Commerce Commission in special cases to grant exceptions to the fourth-section rule, with the result that the exceptions have become the rule, and there are no cases in which either water competition or railroad competition exists in which the rule is not entirely nugatory.

Mr. HENDERSON. May I call the Senator's attention to the fact that the same conditions referred to as existing in Idaho also exist in Nevada, Utah, and other Western States? That practice is pretty general and uniform throughout the West.

Mr. POINDEXTER. Yes; and it exists also throughout the South.

Mr. HENDERSON. Throughout the South.

Mr. POINDEXTER. The only section of the country that does not suffer from it—and to that it owes its prosperity, in large part—is the North and the East, what is called official classification territory.

To illustrate the way in which this rule is applied to one section and not to another section, I have just stated the discrimination in rates, eastbound, as between Portland, Oreg., and Boise, Idaho. Now, anyone would think that if that principle is to be applied on the ground of water competition, the same discrimination would exist in those shipments as between Pittsburgh and New York, for instance, or Pittsburgh and Boston. In shipments from the West passing through Pittsburgh, say, on the Pennsylvania Railroad and going to New York, you would think New York would get a low rate and Pittsburgh a high rate, because New York has the benefit of water competition and Pittsburgh has not; but no such rule is applied in the East.

Pittsburgh gets at least as low a rate, and perhaps a lower rate, than New York does; but when you reverse the consideration, as to the great volume of manufactured goods which goes to supply the population of the Mountain States and those of the Pacific coast, you will find that all of the intermediate points pay a much higher rate than the terminal points. If we are going to have that sort of a principle it ought to be applied universally. One section of the country ought not to be relieved of it and other sections of the country suffer from it.

Senators upon the floor here from the South oppose this amendment; and yet I think you will find that in every case where a Senator is opposing it he has a city in his State, perhaps the largest city in the State, that has the good end of this proposition, that is enjoying the low rates and using its influence to prevent the removal of this benefit.

The railroads have succeeded by this system in driving off the boat lines and removing that great competitor. It is perfectly natural that they should desire a system by which they can suppress the rival transportation system. We spent $350,000,000 in digging the Panama Canal. One of the principal purposes of the expenditure of that money was to secure cheap transportation between the Pacific and the Atlantic; and yet, as is pointed out in detail in the report of the Senate Committee on Interstate Commerce in the last Congress upon this same bill, boat transportation through the Panama Canal has not been developed, but has been suppressed and rendered impossible because of the system of meeting water competition by putting railroad rates down to a point where the boat lines could not compete.

When the railroads do this they have to make up the difference somewhere. If the railroads, in order to drive off ship lines, are allowed to put their rates down to a point which they claim, at least, and which the Interstate Commerce Commission recognizes as being so low that it would not pay interest on their bonds or dividends upon their stock, they could not operate the railroads under that system.

They have to get the money from some source, and so they get it by raising the rates at the interior points, and so far as net profits are concerned, if we accept the statement of the railroads that these low rates to the coast are merely sufficient to make a little profit on the out-of-pocket cost—that is, on the cost of the transaction itself—and not to earn interest upon bonds or dividends upon stock, the entire net earnings of the railroads come from the interior of the country, which, as I said a moment ago, could never exist and prosper even to the extent that it has prospered under such a system if it had not been for the enormous variety and extent of its natural resources, the great herds of cattle, the great volume of agricultural products, the enormous values of lumber and of minerals, the indigenous treasures of its soil and climate, from which it has received a share, notwithstanding the undue portion which was extracted from it in discriminatory rates and all the consequent injury that comes from that abuse. Not merely $11,000,000 a year in excess rates which the intermountain States pay measures the extent of the injury which they suffer from this discrimination. In addition to that there is the retardation of their development, the destruction of the prosperity of their business, the impossibility of the establishment of business in competition with a community which has a more favorable rate under the sanction and authority of the Government.

I speak with perfect freedom about this matter because I am not situated as some Senators are whose constituency is entirely in an interior State and is suffering as a whole from this discrimination. I represent in part a State which ought to be a great maritime State. It is a maritime State, but its maritime interests have not been developed as they should have been nor as they will be in the future if shipping had not been and is not to be paralyzed by this system of discriminatory rates which rendered its full development impossible.

I think that approximately two-thirds of the population of the State of Washington are tributary in their business and industrial dependence upon the terminal cities which look out upon the sea from which should come the full complement of their growth. But, aside from the injury to those cities themselves of this system, which deprives them of that resource which should be the chief glory in their development—their maritime interests—and deadens a full hemisphere in the circle of their resources. I object to this inequality because of its inherent injustice, by which under governmental protection, by governmental fiat, there is favoritism shown one community as against another in the operation of a public service to whose support all contribute alike.

One peculiar feature of this matter is suggested by the reflection that the appropriations which we have made from year to year in the river and harbor bill, carrying from $35,000,000 to $40,000,000—and which I have favored as a general principle because I have believed in water transportation in its necessity for the carrying of the heavier forms of freight to supplement the railroads—have been paid in large part by the interior sections. And yet while they have been taxed for the purpose of improving the waterways and developing the harbors the fact that we have those waterways and the fact that we have those harbors is used as a reason for imposing excess freight rates upon them!

In the matter of water competition, Mr. President, which is urged as the principal ground upon which this discrimination is allowed to exist, it is quite an interesting circumstance that in the excess rate which is charged to the intermediate point upon a westbound shipment, the greater part of the transcontinental railroad line over which that shipment goes receives no part of the excess, but the benefit of the excess rate is confined to the lines west of the Mississippi River. To illustrate that, and to show how much of a hollow pretext, so far as actual competition is concerned, this theory of water transportation is, I will quote the statement of a witness before the committee, Percy P. Powell. He says:

> The rate on canned goods from New York to Spokane is $1.10 per hundred, and the minimum is 60,000 pounds. The revenue on a car of canned goods from New York to Spokane on that minimum is $660, whereas the rate to the Pacific coast, which is 85 cents a hundred with the same minimum, produces a revenue of $510, the rate to Spokane earning $150 more than the rate to the Pacific coast. The carriers earn $150 more by dropping that commodity at a point 342 miles closer than the Pacific coast point of destination. This revenue is divided as follows: The lines east of St. Paul on the Pacific coast traffic receive $180.38 and the lines west of St. Paul receive $329.62. On the Spokane traffic the lines east of St. Paul receive $180.38, which is identically the same amount they receive if the car goes through to Seattle or the Pacific coast terminals, and the lines west of St. Paul on that same traffic receive $479.62. Now, whether this car of canned goods is subject to water competition or not, the eastern lines, or the eastern carriers, deliver that car from New York to St. Paul at exactly the same rate. * * * The excess freight we pay on those goods is paid the western line that hauls the car from St. Paul to Spokane, and Commissioner Prouty, and in fact all the orders of the commission, have stated absolutely that water competition does not exist between St. Paul and Spokane.

That raises the question, Mr. President, of whether or not a railroad line, not from New York to Seattle but from St. Paul to Seattle, half of the distance, is not able to compete upon a basis of rates made under the general rule of rate making, that rates shall be fair and reasonable, with a water line shipping goods from New York, formerly around Cape Horn—for this abuse was at its worst excess before the Panama Canal was opened—or, since the canal was opened, shipping them from New York through the Panama Canal to the Pacific coast. The fact of the case is that the railroads can compete with the water lines at a profitable rate. The water lines would have difficulty in getting their share of the business even though the railroads were not subsidized to the extent of the $11,000,000 annual excess freights levied upon the intermountain country.

When you charge the intermediate point an excess rate in order to enable the railroad to meet water competition at a terminal, even supposing that it is necessary in good faith that it should have a low rate that it is thereby enabled to make at the terminal, that amounts to a subsidy to the railroad company to enable it to meet water competition; and it is a subsidy that is not paid by all the people, but collected from those who instead of being penalized, if there is to be a discrimination in rates at all, should have the lower rate, as they have the

shorter haul. But it is for the purpose of putting all upon an equal basis, and not giving any the advantage, that this amendment is proposed.

APPENDIX.

(Calendar No. 684.)

[Senate Report No. 756, Part I, Sixty-fifth Congress, third session.]

LONG AND SHORT HAUL RAILROAD BILL.

"Mr. POINDEXTER, from the Committee on Interstate Commerce, submitted the following report, to accompany S. 313:

"The Committee on Interstate Commerce, to whom was referred the bill (S. 313) to amend section 4 of the act to regulate commerce passed February 4, 1887, and subsequent amendments thereof, have thoroughly considered the same and recommend that the bill do pass without amendment.

"From March 13 to March 21, 1918, the committee held extensive hearings on the bill and representatives of the coast terminal cities, acting through their chambers of commerce and other commercial bodies; of the interior communities, particularly those from the so-called intermountain country; of the ship lines and others directly interested in the development of intercoastal water transportation and of transportation by river and canal, as well as representatives of rail transportation companies, particularly the transcontinental lines reaching the Pacific coast, testified at length. Every phase of the question involved in this bill was thoroughly covered and the hearings were printed in a single volume of 733 pages, which is hereby referred to and made a part of this report.

"The bill as referred to the committee is as follows:

"A bill (S. 313) to amend section 4 of the act to regulate commerce passed February 4, 1887, and subsequent amendments thereof.

"*Be it enacted etc.*, That section 4 of the act of Congress of February 4, 1887, to regulate commerce, and as subsequently amended, be, and the same is hereby, further amended so as to read as follows: 'It shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance.

"'Whenever a carrier by railroad shall, in competition with a water route or routes, reduce the rates on the carriage of any species of freight to or from competitive points, it shall not increase such rates unless after hearing and an order granting permission therefor by the Interstate Commerce Commission.

"'This act shall take effect 60 days after its approval by the President.

"Section 4 of the act to regulate commerce, approved February 4, 1887, was as follows:

"'That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers or of like kind of property, under substantially similar circumstances and conditions, for a shorter than for a longer distance over the same line, in the same direction, the shorter being included within the longer distance; but this shall not be construed as authorizing any common carrier within the terms of this act to charge and receive as great compensation for a shorter as for a longer distance: *Provided, however*, That upon application to the commission appointed under the provisions of this act such common carrier may, in special cases, after investigation by the commission, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section of this act.

"On June 18, 1910, this section was amended so as to read as follows:

"'That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided, however*, That upon application to the Interstate Commerce Commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided further*, That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission, in accordance with the provisions of this section, until a determination of such application by the commission.

"'Whenever a carrier by railroad shall in competition with a water route or routes reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition.

"The substantive part of this section 4 of the act to regulate commerce has come to be designated in the administration of the act and in the discussion of questions arising therefrom as 'the long-and-short-haul clause.'

"It will be noted that the essential change made in section 4, with which the pending bill is concerned, by the amendment of June 18, 1910, was the elimination from the section of the words 'under substantially similar circumstances and conditions.'

"The amendment of 1910, however, retains in the section the proviso:

"That upon application to the Interstate Commerce Commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property.

"The pending bill, S. 313, is intended to further eliminate from section 4 this last-quoted proviso, thereby removing from the Interstate Commerce Commission any power or jurisdiction to grant to the carriers any exemption from the long-and-short-haul provision or to make any exception thereto. If enacted, this bill will make the long-and-short-haul clause absolute, unconditional, and mandatory in all cases.

"As the act was originally passed it came to be construed in the practice of the carriers and also by the rulings of the Interstate Commerce Commission in effect not to be applicable in any case where the 'circumstances and conditions' were not 'substantially similar,' and that the carriers themselves might be the judges in the first instance, subject, of course, to the revision of the Interstate Commerce Commission of whether or not the circumstances and conditions were substantially similar. Also, in practice and under the rulings of the Interstate Commerce Commission, it was held that at any point reached by a railroad where there was also water transportation, either actual or 'potential,' the circumstances and conditions, within the meaning of this language as used in section 4 of the act, were not substantially similar to the circumstances and conditions at any interior point reached by a railroad where there was not water transportation, either actual or potential.

"Under this practice the railroads were free to charge and receive greater compensation for the transportation of passengers and of like kind of property (meaning property transported a greater distance over the same lines, etc., of like kind as that transported the shorter distance) for a shorter than for a longer distance over the same line, in the same direction, the shorter being included within the longer distance in every case where the destination of the shorter haul was in the interior and not upon a navigable canal or river. The same ruling and practice was adopted as to 'rail competitive points'; that is, the carriers were permitted to charge less for the transportation of freight or passengers to a point where there was competition by other railroads than they charged for the transportation of passengers or the same kind of freight to intermediate points on the line. The result of all this was that the fourth section of the act to regulate commerce became substantially and to all intents and purposes in the actual transportation of the country null and void and of no effect whatever, except in the very limited field not affected by rail or water competition in the comparison between the longer and the shorter haul.

"The enactment of section 4 was the result of a recognized and long-standing evil. It was regarded as one of the most important features of the act. It was intended primarily to secure what the Supreme Court of the United States has declared (Texas & Pacific Ry. Co. *v.* Abilene Cotton Oil Co., 204 U. S., 426, 439, and other cases) to be the great end and object of governmental regulation of interstate commerce, viz, uniformity of rates and service. The court said:

"That the act to regulate commerce was intended to afford an effective means for redressing the wrongs resulting from unjust discrimination and undue preference is undoubted. Indeed, it is not open to controversy that to provide for these subjects was among the principal purposes of the act. (Interstate Commerce Commission *v.* Cincinnati, New Orleans & Texas Pacific Ry. Co., 167 U. S., 479, 494.) And it is apparent that the means by which these great purposes were to be accomplished was the placing upon all carriers the positive duty to establish schedules of reasonable rates which should have a uniform application to all.

"The object was to secure to the entire country the benefits of this public service of transportation upon equal terms and conditions and without discrimination between communities. Another object of the enactment of the fourth section was to protect those engaged in the business of transportation upon our rivers and canals and in our intercoastal water-borne commerce from unfair and destructive competition of the railroads, and the consequent rail monopoly of substantially all the transportation of the country.

"Under the construction of the act referred to above and the practice which grew up thereunder both of these objects were completely defeated. Lower rates, both passenger and freight,

were made by the railroads to so-called 'water competitive' and 'rail competitive' points than to intermediate points on the same line. This principle was carried to extravagant lengths.

"Transportation from such interior points as Pittsburgh, Cincinnati, Chicago, and St. Paul to Pacific coast terminals, such as San Francisco, Portland, and Seattle, in which there was no water competition whatever, nor, so far as practical operation was concerned, any even 'potential' water competition, was treated as subject to water competition; and for that reason it was held that transportation from the points named to the Pacific coast terminals was not 'under substantially similar circumstances and conditions' as transportation of the identical kind of freight or passengers from the same points, over the same line, in the same direction, to intermediate points in, for instance, what in the discussion of this question has come to be designated as the 'intermountain country,' such points as Spokane, Salt Lake, Denver, Reno, and hundreds of other communities in these great interior States. The same rule was applied on transportation from New York and all Atlantic coast points. In many instances the comparative rate to the several western points mentioned was based on the theory that the goods were transported to the terminal on the Pacific coast and back again to the interior point, and a rate was made to the interior point equal to the rate from the point of origin in the East to the Pacific coast terminal and the local rate from the terminal back over the same line to the intermediate point.

"This resulted in some instances in the interior point being charged a rate double that which was charged the terminal point, and in practically all cases, before recent modifications were secured, a very much larger rate than was charged to the terminal point, although the interior point was a much shorter distance from the point of origin and the service rendered by the carrier correspondingly less. Goods such as structural steel, dry goods, canned goods, wire fencing, nails, iron pipe, and practically all commodities manufactured in the East or Middle West, passing through the railroad yards in Spokane, Boise, Denver, Reno, etc., in carload lots and carried from 300 to 800 miles farther over rivers and mountain ranges to the ocean terminal, were charged a lower freight rate, 50 or 75 or a greater per cent less, than if the same goods, in the same car, were unloaded in the same freight yard at the interior point through which they passed en route to the terminal. A carload of coffee from New Orleans to Portland by way of Spokane reconsigned en route so as to be delivered in Spokane, instead of being hauled 350 miles farther to Portland, bore a higher rate of freight than if carried on and delivered in Portland. Prior to December 31, 1916, the rate on a carload of structural steel, minimum weight 60,000 pounds, from Pittsburgh, Pa., to Portland, Oreg., or Seattle, Wash., was $390 at 65 cents per hundred. In being transported from Pittsburgh to Portland or Seattle this car passed through Spokane.

"If the same car were consigned from Pittsburgh to Spokane the rate was $585 at 97½ cents a hundred, although the transportation company was saved the expense of hauling this 60,000-pound car 350 miles farther to the Pacific coast terminal, crossing, in the case of consignment to Seattle or Tacoma, the great Cascade Range of mountains. A carload of canned goods, 36,000 pounds minimum weight, from New York to the Pacific coast terminal bore a rate of $270; for the shorter distance to Spokane it bore a rate of $396. A carload of paint, 40,000 pounds minimum weight, from New York to Seattle or Portland bore a rate of $300; to Spokane of $440; of twine, 40,000 pounds minimum weight, from New York to the Pacific coast $300; to Spokane, $440; of wire fencing, 50,000 pounds minimum weight, from Pittsburgh, Pa., to the coast $375; to Spokane, $500; of butts and hinges from the same point, 50,000 pounds minimum weight, to the coast $375; to Spokane, $500. A carload of dry goods or cotton cloth from New York, 36,000 pounds minimum weight, at 90 cents a hundred to the Pacific coast terminal, bore a rate of $324; to Spokane a rate of $1.25 a hundred, amounting to $450. A carload of nails, 80,000 pounds minimum weight, from Pittsburgh, Pa., at 65 cents a hundred, had a rate to Portland and Seattle of $520, to Spokane at $1 a hundred, or $800 per car.

"The same discrimination, varying somewhat in amount and degree, existed on practically every important article of transportation and consumption. These instances are cited merely as illustrating the general situation which existed throughout the great region referred to. It may be well, however, by way of emphasizing the fact and the extent of this inequality of burdens for the service of the great public utility of railroad transportation between different communities, all entitled under the general theory of our Government to equal rights and uniform consideration under the law, to cite the rates on wool from the great wool-producing intermountain country to the principal wool markets, such as Boston. Portland, Oreg., is 500 miles farther from Boston than Boise, Idaho, and yet the rate on baled wool from Portland to Boston is $1.25 per 100 pounds; from Boise to Boston $2.14. The rate on wool in sacks from Boise to Portland is 96½ cents; so that wool can be shipped from Boise to Portland, 500 wiles west, and reshipped from Portland to Boston for $2.21½ for the entire transportation; whereas the direct shipment from Boise to Boston, 1,000 miles less, is $2.14. It is perfectly manifest that no wool-baling industry can be developed at Boise, although in the center of the wool-producing country, under these circumstances. (Hearings, p. 248.) We will not burden this report at this point with further details of rates, but refer to illuminating tables of rates, showing the universal character and extent of the discrimination referred to, printed in the hearings mentioned above.

"It is manifest that the great interior country, suffering from these discriminations, can not be developed to its full capacity under such a system. A very slight discrimination in transportation rates is enough to destroy or suppress a business or an industry. These discriminations and unequal burdens are overwhelming, and if continued will keep the people of the interior in a perpetual state of economic and industrial bondage. It is not a question which concerns jobbers and transportation companies alone, but affects every consumer, which means every individual in the community. The people of the small communities and the interior sections necessarily import the greater part of the necessities, utilities, and comforts of daily life. A very essential part of the cost of living, which affects the conditions in every home, is the cost of transportation. If the people in one community are to live and labor under an extra burden of this cost, which is as much a tax as the revenues paid to the Government, as compared with their fellow citizens in another community for the same service, it is manifest that they will be kept as to their conditions of life in a position of inferiority. They are denied an equal opportunity in life. Furthermore they are deprived of that "equal protection of the laws" which is one of the fundamental principles of our institutions. The cardinal principle of just taxation is that the tax shall be uniform. It is as essential that rates paid for a public utility, such as railroad transportation, operating under a Government franchise, exercising by governmental permit a function of government, and subject to the jurisdiction of the Federal control over interstate commerce, should be uniform as any tax paid directly into the Public Treasury itself. Citizens denied this protection and equality of status under the law can not develop themselves into the full stature of citizenship. The unequal treatment referred to above has been borne with patience by the people against whom the discrimination has been directed, although they have struggled constantly for relief. They have been sustained in the struggle by the constant expectation of an early remedy, either through the enactment of law or the regulation of the Interstate Commerce Commission.

"In this they have been disappointed, notwithstanding the various efforts of Congress to relieve the situation by the enactments referred to above. It can not be expected, however, that these communities, representing in the aggregate by far the greater part of the country, will indefinitely tolerate such discriminations. By their industry and by the natural wealth and resources of the land they possess and which they have reclaimed, notwithstanding the handicaps under which they have labored, they have increased in power and influence and are rapidly arriving at the point where it will not be necessary for them to petition longer, but where they will be able to demand their rights. As stated in the hearings by Hon. A. L. Freehafer, member of the Public Utilities Commission of Idaho:

"The plea that we wish to make to you to-day is that we shall simply be granted justice. As I said before, we are happy. We are fairly prosperous in our interior country; but so was the negro slave under his master in the South; but this country was not, indeed, a country of freedom until that slavery was abolished; and while we, of the interior of the West, are compelled to pay tribute to the Pacific coast, this country is not a land of equal opportunities. We ask, gentlemen, that you enact this bill into law in the light of that sacred principle of American democracy—equal rights to all and special privileges to none."

"As indicating in a practical way the effect of these discriminatory rates, Mr. Freehafer, among many other illustrations, stated this (hearings, p. 239):

"Suppose we were putting in a water system in the city of Boise, now a city of about 25,000 people. We figure that it would cost us nearly $50,000 more for freight on our piping for that water system than it would cost the city of Portland, located 500 miles farther west. That $50,000 must be reflected in our rates that we pay for water, and it is a perpetual tax upon the citizens of that city, and we are handicapped to that extent from developing our country. As mentioned here yesterday, by Mr. Campbell, a little iron bridge over Priest River in northern Idaho cost $1,500 more for the freight than the same bridge would have cost if it had been over on the coast

somewhere; and the farmer's wagon and his wife's range and all of those things are subject to that handicap over the coast, so that we can not develop. We can not build up under those circumstances.

"Not only the so-called intermountain country of the West is laboring under this unjust burden, but the South and the Southwest is likewise in varying degrees, according to locality, thwarted in its aspirations and suppressed from growth and from the enjoyment of its legitimate opportunities by a similar discrimination under the long-and-short-haul system of imposing upon the vast interior country higher rates than those charged at the terminal points. To some extent, but to a much less extent, the same condition exists in the North and Northeast. In the latter section industry is more widely distributed, the country is more generally developed, and it would not tolerate the discrimination from which the South and West suffer. As stated by Mr. Freehafer (hearings, p. 239):

"It has always appeared to us strange why the railroads did not insist upon this policy on eastbound traffic to the intermediate points. Why do they not say to Pittsburgh or Cincinnati or Columbus, Ohio, 'You must pay higher rates than the through rates to New York'? Why don't they say when we are shipping wool, for instance, that 'We will charge you $1.50 to Pittsburgh, but we will carry it through to New York or Boston for $1'? You can imagine what kind of a howl would go out from those eastern intermediate points. They would not stand for it a minute; but because we are young and weak we have been standing it these many years and expect to continue to stand it under the present circumstances and conditions.

"As indicating the vast extent of country suffering from these discriminations, reference is made to a comparative table of rates submitted by the Northern Pacific Railroad Co. and printed on pages 114 to 118 of the testimony. As stated by Mr. J. B. Campbell, a thoroughly well-informed witness, at the hearing:

"You will notice that this gives the rate to the coast, the maximum rate to the intermediate point, the rate to Spokane, Butte, and other interior cities, and also shows how far back east the railroads practice the charging of more than to the coast cities. Take, for instance, the first item of carpeting: The rate to the terminal was $1.25, the Spokane rate from New York was $1.56, and a higher rate was charged to Fridley, Minn., from New York than was charged to the Pacific coast, though the distance to Fridley was twelve hundred and some odd miles shorter than from New York to Portland.

"It is a curious outcome of this rate discrimination against the intermediate points and the great interior country that the very fact that they are required to pay a higher rate for nearly every article of use and consumption inevitably automatically keeps them in such a position that they are compelled to continue to import those commodities, thereby not only being compelled to pay an extra rate for their transportation but losing the employment and consequent accumulation of wealth and improvement of conditions of life which would come from the production or manufacture of these articles in their own communities. In other words, they pay high rates because they do not manufacture the commodities, and they can not manufacture the commodities because they pay high rates on every article necessary for such manufacture. The consequence is industrial stagnation and paralysis of the great interior of the land.

"The corollary of this is the unnatural concentration and congestion of population and industry at the points having the lower rates. Last winter when the country was confronted by a great crisis and the very existence of the Nation depended upon transportation there was a blockade of the main arteries of commerce because there was a congestion of traffic and an accumulation of cars, locomotives, and ships at the great terminal points, which the Railroad Administrator recently likened to a 'log jam' or an 'ice jam' in a river. This ominous and dangerous situation was due to that system of rate making which, by giving lower rates to certain points than are given to others, tended toward the centralization of industry and population. The wholesome citizenship of the Nation is to be found more largely, perhaps, in the villages and country communities, and it is here, in the midst of their farms and small towns, that they should be enabled to develop their civilization and accumulate its comforts. Here in many instances is to be found the raw material which enters into manufacture. Here is greater space of soil and air and more opportunity for diversified movement and occupation than in the crowded quarters of the great cities, and yet, because of discriminatory transportation rates, people seeking employment must add still further to the congestion and social problems of the great cities, because industry has been centered there through this very discrimination. The relief of this situation in the future development of our population is the removal of the discrimination and the giving of equal opportunities, so far as rates are concerned, to the great interior.

SUPPRESSION OF WATER TRANSPORTATION.

"The country has expended approximately a billion dollars in the improvement of rivers and harbors and the construction of canals. This has been raised by taxation of the Federal Government and States, and, to some extent, by voluntary contributions. The greater part of it has been paid by people who do not reside upon the harbors or waterways. And yet, although they have been taxed for these facilities, the waterways, when secured, have been used as the excuse for imposing discriminatory additional railroad rates upon the very people who largely paid for the improvements. In many cases the waterways have served for no other purpose than as such an excuse; that is, there is little or no water transportation upon them. The reason of this is that the railroads by their system of rate making and by arbitrary discrimination against shippers patronizing water routes and by refusal to give joint service, either as to rates or the handling of freight itself, and by refusal to make physical rail connection with the waterways, have prevented or destroyed water transportation on most of these lines. It is proved by the decisions of the Interstate Commerce Commission that the railroads have been permitted to make such rates at 'water competitive' points as would meet not only actual water competition but 'potential' water competition, and the effect of this has been that water transportation has been impossible in most instances, although it is a notorious fact that it is cheaper, as to actual cost, than rail transportation. By this means the people have been largely deprived, so far as river, canal, and coastwise shipping is concerned, of the benefits that should have accrued from their great expenditures for the improvement of these waterways. It is pointed out by witnesses that in the early days of railroad operation, immediately after the construction of the great railroad lines, there was but little freight, and the roads were eager to get all the transportation that existed and to make it as near a monopoly as possible, and, rather than operate at less than their capacity, they found it desirable to make whatever rates might be necessary to get the business. As the country has developed, however, and population has increased, business has far outrun the capacity of the railroads.

"The consequence is shortage of cars and locomotives, inability of shippers to get cars for loading, delay of transportation, blockade of traffic. There are periods even now when it is impossible for those great trunk lines, which heretofore have sought to exclude competition and to absorb all the business there was in sight, to transport the freight which is offered for shipment. The tendency of the situation is still more in that direction. The increase of our population and of our business, including transportation, is going on at a greatly accelerated rate. It will be from year to year immensely greater per annum in absolute quantity, even if the percentage of increase should remain the same in the future as in the past. From this it is easy to be seen that the existing railroads or any additional number which there is reasonable prospect of being constructed, will have great difficulty in handling the business. The obvious remedy for this is to follow the example of older industrial countries such as France and England, which have developed their water transportation facilities, have protected them from unfair methods of competition, and find them absolutely essential in meeting their transportation needs, especially as to bulkier commodities and raw materials. We must do the same, and in order to do it the first step is to abolish a system of railroad freight rates by which the roads are permitted to make a rate to a water competitive point covering only a small margin over what is called the 'out-of-pocket cost' or, in other words, the mere cost of operating the train and handling the freight, without any margin to pay interest upon bonds or stock. They have been permitted to adopt this policy under such a system of calculation that they were able to drive water competition out of business. Auxiliary to this, of course, were other discriminations, such as refusal to furnish joint rates, through service, necessary physical connections, etc. The most important, however, was the system of low railroad rates at the terminals and the privilege of making up the necessary railroad revenue by higher rates in the interior. By this system not only was water competition driven out of business, but the intermediate points and the great interior of the country were compelled to bear the entire burden of providing the revenue to maintain railroad capitalization. This is simply another phase of the injustice and unequal protection of the law referred to above.

"In the case Fourth Section Violation in the Southeast (30 I. C. C., pp. 262–263) the Interstate Commerce Commission says:

"The rates made to Memphis via the steamers to New Orleans, thence by rail, referred to in the preceding paragraph, were advanced in 1898 to 100, 85, 65, 45, 38, 32.

"These rates were continued until December 5, 1910, when they were canceled, so that at present there are no through rates via New Orleans to Memphis. Neither is it true at present that there is any regular water service between New Orleans and Memphis, and there are no through all-water rates open to the shipper, such as were in effect at the

time of the report above mentioned. It can not, therefore, be asserted that there is any actual active water competition existing at present between New York and Memphis. There is a disconnected service between New Orleans and Memphis, regular boats plying between Natchez and Vicksburg and Memphis. The water competition is to be regarded as potential but not actual, and the testimony in this case indicates that any material advance in the rates from New York City to Memphis would without doubt result in reestablishment of active competition on the Mississippi River.

"This is equivalent to saying that an active water transportation can not be established if the railroads are allowed to maintain the discriminatory rates, and, strange to say, this is the reason given for allowing them exemption from the fourth section.

"The refusal to enforce the long-and-short-haul clause here because its enforcement 'would without doubt result' in restoring water transportation to the river is obviously equivalent to permitting the railroads to make such rates as will, in connection with the other practices mentioned above, entirely prevent the development of transportation by water in competition with rail. This has been the actual result throughout the country by which water transportation between the Pacific and the Atlantic coasts, much of that on the South Atlantic coast, and on the rivers and canals of the interior has been largely destroyed.

"It has been testified that some years ago the merchants of San Francisco put several ships into the Atlantic-Pacific trade in order to secure lower rates of transportation. They operated them at a loss of several hundred thousand dollars. The result, however, was that the railroads lowered their rates to San Francisco, and, although the ship line was abandoned, the testimony was to the effect that the loss in its operation was much more than compensated by the lower rates made by the railroads. Of course, whatever inadequacy of return the railroads received on this business was made up by the higher rates to the interior and by the added transportation which they acquired by the system of developing the terminal points as distributing centers, carrying goods from the point of origin to the terminus of the line and then collecting high local distributing rates for carrying the same goods back over the same line to the intermediate points, through which they had originally passed on the way to the terminus, instead of being delivered to the ultimate consumer directly and by the shortest haul.

"The country is interested in the most economical use of its transportation system. One of the most important features of this is the delivery of freight by the shortest and most direct line. The system of rates allowed under the interpretation of the fourth section as it stands at present has the opposite effect, and the result is that the great mass of commodities consumed in the interior is carried the greatest possible, instead of the shortest possible, distance in order to reach the end desired. This decreases the efficiency of our transportation system and renders it inadequate to meet the demands of the country when traffic is at its peak. Such a system can not be continued if the long-and-short-haul clause is made absolute as proposed by this bill. Under the old system, even where the goods were not actually carried to the terminus and back again to the intermediate point for distribution, yet the freight rate to the intermediate point was based upon the theory, fictitious though it was in most cases, that this had actually been done. By this means the railroads receive compensation in enormous amount for services which were never rendered, imposing an annual and unnecessary tax of many millions of dollars upon the great interior country. As pointed out above, under conditions of increased traffic, this was an injury to the efficiency of the road as well as to the interior country. It was also an injury to the terminal cities, because it prevented their maritime development. Our coast cities should all be thriving centers of water-borne coastwise traffic. As a matter of fact, they are ports in name only, so far as any substantial amount of domestic commerce is concerned.

"We are entering upon a new era in international affairs. It is absolutely necessary that we should build up a mercantile marine. We have a statutory monopoly of our coastwise shipping, and this affords the Nation a magnificent opportunity to develop mercantile pursuits, industrial employment of our people in shipyards, and the creation of a nursery for sailors and seamen to man our fleets both in peace and war, in commerce, and in the Navy. The unfair system of competitive railroad rates, which were competitive in name only, because, as clearly demonstrated, they were really prohibitive of water competition, if allowed to continue or to be reestablished, as may be the case if the fourth section of the act is not amended, will make this impossible in the future as it has been in the past. By making the fourth section long-and-short-haul clause absolute and unconditional railroads will be compelled to charge a reasonable rate at terminals and at interior points in order to earn necessary returns upon capital invested, and water lines will have an opportunity to compete. There will be ample business for all and a certain quantity of business, for various reasons, will always go by rail, even though the water rate should be lower.

"We built the Panama Canal both as a military facility and as a means of transportation between the two coasts. If the old system of railroad rates is continued, by which the roads are allowed, as stated in the case cited above, to make rates where there is 'potential' water competition which will prevent actual water competition, the $375,000,000 expended in the construction of the Panama Canal will be almost useless so far as any commercial benefit is concerned, since the railroads will effectually prevent its substantial use for water transportation between our Atlantic and Pacific ports.

"Certain representatives of Pacific coast cities have argued that they are entitled to preferential railroad rates as against the intermediate points with a shorter haul because of the natural advantage and superiority of situation of the coast cities. The advantage, however, which they derive from a railroad rate so low that it pays barely more than the out-of-pocket cost is not a natural advantage. It is purely artificial. It is a Government favor and it is bestowed upon them by governmental permission in violation of the fundamental rules of uniformity of rates, of equality of taxation, and of equal protection of the laws. There is nothing natural about it. It is altogether unnatural. The real natural advantage which the Pacific terminals should enjoy they have been deprived of by this system. That advantage should be water transportation. That, however, has been driven away by this artificial and discriminatory system of rates.

"The real, natural advantage of the Pacific coast cities is the ocean. No one can deprive them, nor will undertake to deprive them, of this advantage. They have not enjoyed it so far as coastwise shipping is concerned because of destructive, discriminatory, unequal, and prohibitive railroad rates. No greater impetus can be given to the industrial and commercial development of Seattle, Portland, San Francisco, St. Louis, Memphis, St. Paul, Cincinnati, and every other city which to a greater or less extent has the natural opportunity of developing a water-borne traffic than to remove the restrictions which have prevented its use. The ports of the Pacific with their great harbors should become thriving centers of maritime activities of all kinds, and will so become when the proper encouragement is given those who are ready and willing to invest in ships for the coastwise trade and to build ships for that purpose, by the guaranty they would have from the enactment of this law that they will not be discriminated against by what amounts to an enormous subsidy to the railroad lines levied upon the consuming public of the interior.

THE AMENDMENT OF 1910.

"The debates in Congress upon the amendment of June 18, 1910, to the fourth section show clearly that the purpose of the amendment was to do away with the injustice and evil effects of the discrimination in rates referred to above, and it was thought that as framed it would have that effect. The phrase 'under substantially similar circumstances and conditions' was omitted from the act. The purpose of the authors of the amendment was to change the ruling and practice by which water competition was considered such a dissimilar 'circumstance and condition' as to, in all cases where it existed, either actually or potentially, authorize a lower rate for the long haul than for the shorter haul to a point where this did not exist. There could have been no other object, since there was no substantial and widespread complaint of any other application of this section. As an extra precaution, however, the proviso was retained, giving the commission authority 'in special cases' to exempt the carrier from the terms of the section, the object being to allow some discretion to remedy some special case which might arise under peculiar and unforeseen conditions. In practice, however, this proviso has eaten up the rest of the law. The proviso has become the controlling and absorbing feature of the long-and-short-haul clause, and there is nothing else left of it, or was not, until the ruling going into effect March 15, 1918, by which, on account of all coastwise water transportation between the Pacific and Atlantic ports being eliminated by the slides in the Panama Canal, followed by the complete absorption of shipping in the war, the long-and-short-haul clause was applied to westbound traffic to the Pacific coast. To all intents and purposes the fourth section of the original act of 1887 was rendered null and void in practice by the controlling effect given to the words 'under substantially similar circumstances and conditions' and to the discretion and use of the same vested in the Interstate

Commerce Commission by the proviso. The only change in actual results accomplished by the amendment of 1910 was that under the original act of 1887 the railroads of their own initiative could assume for themselves the license of charging less for the longer than for the shorter haul, whereas under the amendment they were compelled to rely upon the proviso alone and to appeal, in the first instance, to the discretion thereby vested in the Interstate Commerce Commission.

"This, however, was a mere matter of procedure, and under the general rule and practice adopted by the commission it made no substantial change in the actual results so far as discriminatory rates were concerned until the order mentioned above, going into effect March 15, 1918, under a holding that water transportation, both actual and potential, had ceased to exist at that time and that consequently the circumstances and conditions at the coast were substantially similar in this respect as at the intermediate points. From this it will be seen that up to the time of this relief the evident purpose of both the original section and the amendment of 1910 was defeated.

THE PRESENT SITUATION.

"While, by the recent order just mentioned, temporary relief has been granted to the intermountain country as to west-bound rates, the old condition of gross discrimination still exists in many other sections. And even as to the intermountain country the discrimination on east-bound traffic still remains; and while the relief as to west-bound traffic, even though temporary, is most welcome and beneficial, it can not have its full effect until it is made permanent. On its present basis and under the ruling and practice which has been developed under the existing laws the old discriminations may return at any time, as they have continued to exist in many points of the South and Southwest. With this uncertainty and the experience in the past, the 38-year struggle for relief, the disappointments, the suppression of growth, and the destruction of infant industries which struggled to establish themselves in the interior country, and disasters still fresh in the memory of the people, it can not be expected that capital will be invested in industries at these intermediate points throughout the interior country with the fear of a return of the old discriminations at any time ever present with them.

"Established conditions and reasonable certainty of the future as to equal treatment in the matter of comparative, whatever the absolute rates may be, are necessary to induce people to invest their capital and to devote their time to the establishment of manufactures, of jobbing trade, and of industrial development generally. If this bill, making the long-and-short-haul clause absolute, as enacted, removing the discretion vested in the commission to grant exceptions to it, industry will have a substantial basis on which to develop and a new era of prosperity will begin throughout the vast region where so many futile attempts have been made in the past; so, also, it may be said as to the establishment of ship lines on the coast, when ships are available and the Panama Canal is open for continuous business. Money and effort will not be invested in the establishment of these lines with the knowledge that under the existing law as determined by previous practice the railroads will be permitted to make competitive rates which the boat lines can not meet and prosper. As in the case of industry in the interior, however, if assurance is given by the enactment of an absolute long-and-short-haul clause that this unfair and discriminatory competition of the rail lines will not be permitted in the future the coastwise shipping trade will have an opportunity to live and flourish with consequent benefit to the coast cities and, by reflex action, to the entire adjacent territory.

RAIL COMPETITIVE POINTS.

"If this bill is enacted into law it will apply to rail competitive as well as to water competitive points. Under the law as it stands now the Interstate Commerce Commission, under discretion vested in it in the proviso which was retained in the amendment of 1910, have allowed the railroads to charge less for a long haul to a point where two or more railroad lines competed for business than for a short haul over the same line, in the same direction, to an intermediate point where there was no such rail competition. This followed the construction given to the original act of 1887, to the effect that under these circumstances there were not 'substantially similar circumstances and conditions' at these several points, and, although this latter clause has been eliminated, it was still given as much effect as it had before it was repealed, or at least the conditions which resulted from it continued the same as they were before. It is argued by some that this discrimination in the case of rail competitive points as against intermediate points without rail competition should be allowed to continue, as otherwise a long and expensive line, competing with a short and inexpensive line at a junction point, could not get a share of the business. This does not follow by any means, as rates at the competitive point can be adjusted upon a reasonable basis for all concerned, and it is not fair that those communities at intermediate, noncompetitive points should be mulcted in damages in order to enable the road on which they are situated to carry freight at a lower rate for the longer haul so that it may compete with another railroad at a more distant point. The fundamental principles of uniformity of rates for the service rendered to the different communities and patrons of the road are the same here as elsewhere. These principles are universal, and should be absolute and mandatory in application. Otherwise a circuitous line operating over a difficult and expensive route would be in effect subsidized by the discriminatory high rate which it would be enabled to charge to its patrons at intermediate points, and thereby put upon an equal footing in all respects as to earnings and dividends with a direct line operating over a more advantageous natural route.

GENERAL PRINCIPLES.

"We insert here an excellent statement of the principles involved in this bill by Hon. O. P. Gothlin, formerly chairman of the Public Service Commission of Ohio, and formerly president of the National Association of Railway Commissioners, and at present chief of the tariff bureau of the Public Service Commission of the State of Indiana:

"I desire to express my emphatic indorsement of Senate bill 313 and my sincere hope that it may become law. Permit me to quote from a letter I wrote last fall to the conference committee on national preparedness, New York City:

"'I have read with interest your recent circular, more particularly that part of it relating to the development of water transportation.

"'Kindly allow me to suggest that the first step in the direction of water-carriage development is to persuade the Interstate Commerce Commission to change its attitude toward the enforcement of the fifth section of the act to regulate commerce. The persistent violation of the intent of this section has made river traffic in the United States so unprofitable that it has almost ceased to be a factor in the commercial world. The act to regulate commerce was amended in 1910 to nullify the effect of the decision of the Supreme Court in the Alabama-Midland case (168 U. S., 144), wherein it was held that competition between a steam line and a water line at a destination point created dissimilar conditions and circumstances that justified the rail carrier in charging higher rates to intermediate points than to the destination point. The words, "similar conditions and circumstances" were eliminated from the fourth section by the act of 1910, but the Interstate Commerce Commission was clothed with power to grant authority to rail lines to make lesser rates to destination points than to intermediate points when the situation justified. They have been so lavish in bestowing this authority that the general situation is just about the same as it was prior to 1887. In other words, the legislation intended to accomplish a good purpose has availed little because not enforced.'

"In the above case cited (168 U. S., 144) this language occurs: 'When the rates to Montgomery were higher a few years ago than now, actual water-line competition by the river came in, and the rates were reduced to the level of the lowest practical paying water rates, and the volume of carriage by the river is now comparatively small.'

"A sad commentary. What became of the river transportation? Destroyed by rail competition, and to do it the rail line had to make rates that were noncompensatory, and consequently to apply unduly high rates to unprotected intermediate territory to recoup. A most unjustified economic waste. This is illustrative of the situation over the United States.

"So long as the rail lines may drive water lines out of existence by unfair competition—that is, by unduly low rates to competing points, and are allowed to make up the deficit by unduly high rates to the intermediate points—there can be no development of water transportation facilities. In the whole field of transportation no practice has been of so great an influence for evil as that of discriminating against unprotected local territory that the carriers might enjoy the privilege of destroying water traffic.

"Within the past two years the Interstate Commerce Commission issued an order authorizing the transcontinental lines to establish to Pacific coast ports rates lower than in effect to intermediate points, and as justifying the decision recited in the opinion that the opening of the Panama Canal would reduce the cost of water transportation between the Atlantic and Pacific seaboards. This is the very reason why the transcontinental lines should not be allowed to make lower rates to Pacific coast ports than to intermediate points. The Federal Government expended millions in the construction of the Panama Canal for the very purpose of fostering water traffic between the Atlantic and the Pacific seaboards, and by the action of the Interstate Commerce Commission this expenditure was in vain so far as development of water transportation is concerned. Of course, the canal is a military necessity and the expenditure is justified for that reason alone. Nevertheless the intention was also to foster and develop ocean transportation.

"So long as the transcontinental railroads may establish unduly low rates to the Pacific coast and make up the deficit by correspondingly high rates to intermediate territory, capital dare not invest in ships. Rail rates should be adjusted so as to place all territories served on a relatively equitable basis and return a reasonable margin of profit to the carrier. When a railroad charges more to transport a ton of freight to Salt Lake City from Chicago than it charges for the same ton to San Francisco, 50 per cent farther, either the Frisco rate is unduly low or the Salt Lake City rate is unduly high. A railroad must sell service at prices that will return revenue sufficient to pay operating expenses and a reasonable profit. Of course, if some service be sold at a price that returns a margin of only 5 per cent, or no margin at all, some other service must be sold at a proportionately higher than reasonably profitable price or there is a deficit. Why should rail carriers be allowed to levy an undue tax on intermediate territory to

enable them to transport to water-competing points at unprofitable rates for the purpose of crippling water transportation?

"Many years ago, when the great State of Ohio embraced within its borders but a fraction of its present population, it exhibited a most remarkable spirit of enterprise by constructing a magnificent system of canals. When railroad transportation came into the field, far-seeing statesmen enacted a long-and-short-haul law for the very purpose of protecting the waterways constructed at so great an expense. But the law was never enforced and canal transportation was killed. Had the Ohio long and short haul been properly observed Ohio would now have an effective transportation system independent of and supplemental to the rail service that has not been able to keep up with the demands of commerce. As a result of the failure to enforce the law, the once magnificent system of canals has decayed into a condition of innocuous desuetude.

"There is another point of view from which this question should be considered. The nullification of the fourth section intent by administrative action fosters and encourages circuitous transportation, a deplorable economic waste. No other single influence has operated so extensively to deplete the available car supply. It is undoubtedly true that the transportation of freight over the United States to-day involves at least 40 per cent of unnecessary mileage, which is an economic waste of power and an unnecessary detention of equipment and produces a total operating cost far beyond what it would be were carriers required to use direct routes.

"The public is entitled to the advantages of both boat and rail transportation, and each class is entitled to fair pay for the service rendered. Now, when the rail lines can not adequately meet the transportation demands, we are feeling the effects of the attitude of regulating bodies toward water transportation in the past, and the effects are serious. Instead of having ample water-carriage facilities to supply the deficiencies of rail carriage when they are badly needed, we find a woeful lack of them. The first step toward a rejuvenation of water transportation is to enforce the fourth section of the act to regulate commerce in accordance with the intent of Congress when it was enacted.

"Since the enactment of the act to regulate commerce in 1887, violations of the long-and-short-haul principle have not obtained to any great extent in that part of the United States where the density of traffic is greatest; that is, north of the Ohio and Potomac Rivers from the Mississippi River to the east line of New York. Such a policy on the part of the carriers would not be tolerated. To illustrate: Were rates to and from the very large number of manufacturing centers located within 100 miles of Chicago graded 10, 20, or 25 per cent higher than to and from Chicago, those centers would be depopulated. It would be necessary for the carriers to establish limits circumscribing the favored territory. Any line so established would be extended here and there as the power of the affected interests dictated, until in time it would be abolished entirely; because each extension would afford incontrovertible argument to the industry just beyond, that it must be taken in to eliminate the obvious discriminatory situation.

"No legislature, court, or commission has the right to require one man to pay any part of another man's transportation tax. Rates made to terminal points that yield less than a fair margin make it absolutely necessary to impose at other points rates that pay more than a fair margin or there is a deficit. Railroads must earn from the rate of service revenue sufficient to pay operating expenses and a reasonable profit on investment. If some transportation is sold at prices that do not so yield, the deficit must be made up in some way, and the only way it can be made up is by unduly taxing other patrons.

"The grand aim of regulation is to eliminate discrimination, and the greatest discrimination in the whole field of transportation is the result of the gross violations of the long-and-short-haul principle permitted by regulative bodies misled by the subtle sophistries of those desiring to profit by the loss of others.

"The Federal Government would not undertake to confer a jobbing monopoly upon particular commercial centers and prohibit wholesale dealing at all other places. The public would not stand it; yet the carriers in some localities have arrogated to themselves the right to do that very thing. By their rate structures they have said to certain centers, 'You may have the reshipping monopoly for the territory we have assigned to you,' and have enforced their edicts by so adjusting rates as to make it impossible for other centers to compete. The deplorable fact is that this arbitrary assumption of undue and unjust power has been not only condoned but affirmatively indorsed by the tribunal erected for the purpose of protecting public rights.

"Economists have for years warned us against the evils of aggregating great populations in cities. Were it possible to apply universally throughout the United States the policy of imposing higher rates to the intermediate territory than to favored terminals, commerce and manufacturing would naturally gravitate to those favored centers. It could not be otherwise. With the national freight-rate structure framed on sane principles, the population will naturally distribute itself so as to form a wholesome, healthful, economic organization, nowhere unduly dense, nowhere unduly sparse, supply within reach of demand, transportation conditions simplified, congestion eliminated.

"If Senate bill 313 becomes a law its salutary influence will be felt almost immediately, more especially, of course, in those localities now suffering from the maladministration of carriers and regulative bodies. Territories which have existed in spite of adverse conditions will flourish under natural conditions.

"It is to be deplored that it be necessary to pass this bill; that existing law has not been administered as Congress intended. Legislation has done its share toward sane and just regulation, but the administration of regulative law has failed. The results of such failure are grievously unjust conditions; the divesting of some localities of their natural advantages that artificial advantage might be conferred upon other localities. It therefore becomes necessary to make the long-and-short-haul mandate absolute, that even-handed justice may be obtained everywhere throughout the country.

"Chief Justice White, in the Intermountain Rate cases (234 U. S., 476, 482), said:

"Almost immediately after the adoption of the act to regulate commerce in 1887 the Interstate Commerce Commission, in considering the meaning of the law and the scope of the duties imposed on the commission in enforcing it, reached the conclusion that the words 'under substantially similar circumstances and conditions' of the fourth section dominated the long-and-short-haul clause and empowered carriers to primarily determine the existence of the required dissimilarity of circumstances and conditions, and consequently to exact in the event of such difference a lesser charge for the longer than was exacted for the shorter haul, and that competition which materially affected the rate of carriage to a particular point was a dissimilar circumstance and condition within the meaning of the act. We say 'primarily' because, of course, it was further recognized that the authority existing in carriers to the end just stated was subject to the supervision and control of the Interstate Commerce Commission in the execution of the powers conferred upon it by the statute, and especially in view of the authority stated in the fourth section. In considering the act comprehensively it was pointed out that the generic provisions against preference and discrimination expressed in the second and third sections of the act were all embracing and therefore operative upon the fourth section as well as upon all other provisions of the act. But it was pointed out that where, within the purview of the fourth section, it had lawfully resulted that the lesser rate was charged for a longer than for a shorter haul, such exaction being authorized could not be a preference or discrimination and therefore illegal. In re Louisville & Nashville R. R. Co. (1 I. C. C., 31).

"This indicated clearly how the fourth section not only failed to relieve the situation it was aimed at but also under the construction given it actually weakened the other sections of the act (the second and third sections), which by their prohibition of preference and discrimination would otherwise, perhaps, have been sufficient to prevent the abuses which have grown up under the construction given to the fourth section.

"In the same case, in defining the change made by the amendment of 1910, the Chief Justice said:

"It is certain that the fundamental change which it makes is the omission of the substantially similar circumstances and conditions clause, thereby leaving the long-and-short-haul clause, in a sense, unqualified except in so far as the section gives the right to the carrier to apply to the commission for authority 'to charge less for the longer than for shorter distances for the transportation of persons and property' and gives the commission authority, from time to time, to prescribe the extent to which such designated common carrier may be received from the operation of this section.

"As has been shown above, this change has no substantial results, because the Interstate Commerce Commission, under the discretion vested in them by the proviso, adopted the same principles which had been given effect under the clause 'under substantially similar circumstances and conditions' contained in the original act. So that, although the clause was left out, the effect remained the same as before.

"In Texas & Pacific Railway *v.* I. C. C. (162 U. S., 197, 222) it was said:

"The effort of the commission, by a rigid general order, to deprive the inland consumers of the advantage of through rates, and to thus give an advantage to the traders and manufacturers of the large seaboard cities, seems to create the very mischief which it was one of the objects of the act to remedy.

"In this same case Justice Harlan, in a dissenting opinion, Justice Brown concurring, page 247, said:

"I am unable to find in these sections (secs. 2, 3, and 4 of the interstate commerce act) any authority for the commission or for a carrier, subject to the provisions of the act of Congress, to take into consideration the rates established by ocean lines as affecting the charges that an American carrier may make for the transportation of property over its routes. * * * A discrimination between A and B in respect of charges for a like and contemporaneous service in transporting the same kind of property over the same route is an unjust discrimination, because it necessarily operates to give that one to whom the most liberal rates are given an undue or unreasonable preference or advantage over the other.

"In the same case Chief Justice Fuller, in a dissenting opinion, page 255, said:

"In my judgment the second and third sections of the interstate commerce act are rigid rules of action, binding the commission as well as the railway companies. The similar circumstances and conditions referred to in the act are those under which the traffic of the railways is conducted, and the competitive conditions which may be taken into consideration by the commission are the competitive conditions within the field occupied by the carrier and not competitive conditions arising wholly outside of it.

"In I. C. C. *v.* E. T., V. & G. Railway Co. (85 Fed. Rep., 107, 118) the court said:

"But the long-and-short-haul clause is only one of the specific provisions employed for the general purpose of the act. The third section underlies the fourth and supplies the principle on which it rests, so that if the literal construction referred to be put upon the fourth section the case would still be exposed to the third section, which forbids undue preference to one locality or the subjection of another to any undue disadvantage.

"These citations give a clear idea of the far-reaching effect the little phrase 'under substantially similar circumstances and conditions' and the proviso vesting discretion in the matter in the Interstate Commerce Commission have had in undermining and defeating the most fundamental and prominent purposes in the enactment of the interstate commerce act.

"In the case of Behlmer *v.* Louisville & Nashville Railroad Co. (83 Fed. Rep., 898, 907) it was said:

"The appellees contend that the smaller charge for the greater distance is in this case of great importance to the city of Charleston, as well as to the section of country adjacent thereto, as by means thereof the merchants of that city are enabled to build up a trade that would otherwise be lost to them. That may be true, but is not the same argument applicable to Summerville and other interior cities along the line of the roads operated by the appellees between Charleston and Memphis? In order to build up one locality we should not tear down many others.

"The evil effects of the application which has been given to the fourth section are very well stated in I. C. C. *v.* E. T., V. & G. Railway Co. (85 Fed. Rep., 107, 113), where the court in its opinion said:

"If the fact of such competition is allowed to become a dominating factor in fixing the relative charges of transportation to the different places along the lines, these communities where there is no competition must be blighted by the disadvantage with which they are burdened and the favored places grow prosperous in the sacrifice of others. * * * And public policy would also be advanced by the opposite course not only in the encouragement which would thus be given to the distribution of commerce and population, but also in extending the equality of privilege which it is one of the prime objects of legislation to promote.

"In the report of Mr. Walter Parker, assistant to the secretary of commerce for inland water transportation, for the six months ended December 31, 1917, referring to the effect upon water transportation of the exceptions granted under the fourth section of the commerce act, he says, on page 5:

"The inability of the railroads to finance the purchase of equipment in sufficient volume to make possible adequate expansion, even were the materials available, is obvious to every student of economy. This being true, resort must be had to other than the railroads if the transportation is to be so augmented as to serve without friction, inconvenience, and delay.

"The waterways—natural lines of least resistance—offer the only solution.

"Their immediate use, as an adjunct to the railroads, is handicapped—

* * * * * * *

"(6) By a railroad system which gives the waterside locality lower freight rates than are given inland localities, a system which has only just begun to be changed.

* * * * * * *

"It is my opinion that private enterprise and capital will restore commercial use of the inland navigable waterways only as a result (1) of the assurance of adequate protection of boat traffic from uneconomic railroad-rate competition (p. 10).

* * * * * * *

"The adoption of the five recommendations below will go far, I am convinced, toward producing the desired results:

* * * * * * *

"(3) That the Secretary of Commerce call the attention of the Interstate Commerce Commission to the fact that the Government's policy, growing out of the law relating to the making of railroad rates where boat competition is possible, is not yet specific or clear enough to insure popular confidence in the safety of water transportation companies from railroad-rate changes of an uneconomic character. The law permits railroad-rate reductions to meet new boat competition, but prohibits the raising of such rates should such new boat competition be removed. It is my opinion that the economy of transportation is now such as to very largely remove the old danger to boats of extremely low railroad-rate competition, but prospective investors in boat lines require specific assurance of this before they will regard investments of this character as attractive.

"Under the jurisdiction of the railroad-control act, the Railroad Administrator, representing the President, directed investigations to be made by the Army Engineers, who for years have had charge of the expenditure of appropriations made by Congress for the improvement of rivers and harbors, of the relation of water to railroad transportation, and to make recommendations of measures for the coordinating of same, and the increased use of waterways to meet the war emergencies. After exhaustive studies of the subject under this authority, and having the benefit of years of familiarity with problems involved, Col. Charles Keller (now Maj. Gen. Keller), of the United States Army Engineers, testifying before the Committee on Rivers and Harbors of the House of Representatives, printed under date of January 25, 1918, in the hearings of that committee, said:

"We already knew—we knew before we started—that there was little or no navigation. We also knew that there was comparatively little interest on the part of the various local communities that seemingly ought to be very much interested in river navigation. We found out that the causes for this condition were the familiar causes that had been reported by one commission after another (p. 6).

"And, second, there is the fear of hostility on the part of the railroads. It is possibly a familiar fact to this committee that the railroads do discriminate in their dealings with people who attempt to use our inland channels. * * * That they have the right to discriminate in this fashion no one will maintain, but that they practically do discriminate no one will deny. * * *

"But foremost of all, most fundamental of all, is the detrimental effect of the rail rates to river points. * * * I am convinced that no really successful navigation can be established unless the present structure of rail rates is completely revised, so as to take away from river communities those unjustly favorable rail rates that now exist and to distribute over the community in general, including the river communities, the burden of contributing adequately toward the support of railroads. At present the river communities do not pay their just share, and traffic is handled to river points at unremunerative rates. Of course, the ultimate effect of that condition is to render river transportation unprofitable and practically impossible. That fundamental cause of trouble was exposed many years ago, and has been emphasized again and again. There is no novelty in the conclusions to which I have come, and I will say that when I speak in the first person I speak the views of the committee. We believe that without this primary change in railroad rates comparatively little can be done to establish a really useful and prosperous traffic upon our inland navigation routes (p. 7).

"Now, then, visualized in that way, it becomes very plain that we need something in the way of additional law—I say that with apologies, because we already have a great deal of law—to establish an agency, I do not care whether it is the Interstate Commerce Commission or something else, that shall have its eye upon the general transportation problems of the country, and that shall have for its function the duty of seeing that the transportation system as a whole is the most economical that it can possibly be made to be. If we are right in believing as we do that the rivers have their proper place in an economical system of transportation, it should be the duty of this agency to see that the rivers get the traffic that they can handle more economically than it can be handled in any other way; but unless and until we have such an agency, and just as long as this discriminatory state of railroad rates and practice is permitted to continue, only in exceptional cases will any channel—any inland channel, I mean—that competes mainly with railroads that parallel both banks, let us say, be able to get any commerce at all. The conditions are such that every man who has business is practically afraid to use the river, even though deep down in his soul he may believe that the river is the economical route (p. 9).

"We have also, as I say, looked into the coastwise business and the possibility of putting to advantageous use the New York State Barge Canal, the Hudson River, and the Atlantic intercoastal routes. We find there the condition is much the same as it is in the central valleys. * * * We do know, however, from our investigations that the same underlying handicaps attend the New York State Barge Canal as attend the central rivers, and that the barge canal ordinarily can not do a large and profitable business except in connection with the railroads, under revised rates.

* * * * * * *

"While it is true that, on the present basis of railroad rates, general business can not profitably be done by the canal, on the other hand it is equally true that, with the breakdown of the railroads, business men are confronted with the question whether they should pay a higher rate to the canal and get their freight promptly or pay to the railroads a lower rate for a slow and undependable service. * * * The water routes, if properly used, certainly is the remedy for the breakdown of railroad transportation facilities (p. 12).

"The ACTING CHAIRMAN. Who fixes the rates that the barges receive for carrying this coal?

"Col. KELLER. The railroads virtually do. For example—I speak now in general figures; I did not arm myself with the precise figures, but the figures are approximately correct, close enough to the truth to illustrate the situation. The railroad freight rate on hard coal from the anthracite fields to Norfolk is between $2 and $3 a ton. * * * The railroad freight rate per ton from the anthracite fields to Philadelphia, where that coal might be transshipped to barges and from Philadelphia going to Norfolk by water, is within 50 cents or thereabouts of the rail rate to Norfolk. * * * Now, then, that determines what the barge shall get. The man who is buying coal in Norfolk is willing to allow the barge only the difference between the railroad through rate to Norfolk and the railroad local rate to Philadelphia—that is, 50 cents. The result is that the coal does not move by water. The barges have gone out of this coal business. This is the shortsightedness of the people. They do not fight against railroad rates when in normal times these rates favor the individual at the expense of the community. When things are abnormal, however, these rates may militate against the individual as well and damage his interests. We come back to the point that there is no prospect of large traffic on inland waterways until the rail situation is very radically revised (p. 13).

"Our remedy is to change the law, and that is perhaps more easily said than done. But I think that we all concede that this is the evil that must be cured, that railroads should not be permitted to discriminate in favor of certain communities and against others. That is what it amounts to. When they carry freight below cost to river points in any part of the country they must recoup themselves by getting an extravagant and unjust profit on some of the rest of the business, the business to inland points (p. 14).

"Col. Keller submitted to the committee, as a part of his statement, a memorandum on the 'Status and Needs of Inland Water Transportation in the United States,' which had been submitted by the committee of the Army engineers on waterways to the Council of National Defense. In this memorandum it is stated:

"The railroads to-day complain that their earnings do not form such a percentage on the money invested as to permit the normal amount of betterments and renewals to be made. Higher rates are demanded, and doubtless are needed, but if granted they should be gradually adjusted on the basis of public service rendered, founded on the cost of such service, and not by arbitrary charges (p. 29).

"The actual manifestations of this competition are best seen by examination of the appended table of rates now in force. The table shows, side by side, rates from river points to certain terminal points lying on rivers and to others at practically the same distance but lying inland. It is evident that, where even merely possible water competition exists, the rates are very low, whereas in the contrary case they are much higher. Just so long as the railroads are permitted to carry part of their traffic without the average profit and to reimburse themselves at the expense of the rest of the country just so long will the waterways have difficulty in carrying their just share of the country's traffic. We have been informed that in some cases the railroads intend now to raise abnormally low rates which are based upon merely possible, and not actual, water competition, but the readjustment so far appears slow. To the objection that raising of rail rates to water points will benefit only the railroads, the reply is that if rates to interior points are unduly high they should be reduced, and that, moreover, the water lines may be expected to charge rates at least as low as the present nominally competitive railroad rates, since otherwise the waterway will probably get none of the traffic in the present circumstances of location and organization of our mercantile community (p. 31).

"An example of these water competitive rates was recently brought to our notice by a river boat line, and inquiry showed that the rail rate on lumber from Arkansas City, where water competition may arise, to Cairo, Ill., is about two-thirds the rate from McGehee, Ark., an interior point, although traffic from Arkansas City to Cairo passes through McGehee. Rail rates from the lumber-producing territory in the vicinity of Arkansas City have recently been raised, but those from points having possible water competition still remain relatively low. Illustrations of this kind might be multiplied indefinitely (p. 32).

"At the hearings on this bill the only active opposition to its enactment on the part of the railroads was presented by the Southern Pacific Railway. This system, in so far as competi-

tion in transcontinental rates is concerned, controls the situation. A glance at the map will indicate that its rail lines from navigable water on the Pacific to its eastern port at Galveston, on the Gulf of Mexico, about the longitude of Omaha, is approximately one-half the length of the competitive port-to-port lines or systems operating between Atlantic and Pacific ports. Its connection with New York and other ports is maintained by a fleet of steamers which in 1917 contained an aggregate gross tonnage of 129,700 tons. This line was the gradual and prosperous growth and development of the old Morgan line, established by Mr. Charles Morgan in 1848, which operated small steamers between gulf ports. The Southern Pacific also owned the Pacific Mail Steamship Co. This company was originally organized in 1847 for the purpose of operating a steamship line between Oregon and Panama. It built three small schooners of an aggregate tonnage of 3,300 and attained great prosperity in the gold rush to California in 1850 and subsequent years. It increased its business and tonnage, with varying degrees of prosperity, until 1908, when it operated a gross tonnage of 95,600 tons. On account of the Panama Canal act prohibitions and other alleged reasons its tonnage was reduced in 1914 and subsequent years until 1916. In that year the capital of the Pacific Mail Steamship Co. was increased to $4,000,000, and three steamers of 5,700 tons each were purchased and its trans-Pacific service was resumed, with a total tonnage of 37,800 tons.

"The interest of this company in preventing the establishment of intercoastal ship lines, during the years when the system of discriminatory Pacific terminal rates were established and maintained on the so-called basis of out-of-pocket cost, is manifest; and the possibility of successful operation of American mercantile marine in foreign trade and of competition of boat lines in the coastwise trade with railway lines when the ship lines have the cooperation of connecting railway lines is demonstrated by the history of the Southern Pacific mercantile marine. The ability of this company also to make such Pacific terminal rates and to control the terminal-rate situation is evident by a comparison of its New York to San Francisco combined rail-and-water system, with the all-rail combination of railroad lines connecting these and other important Atlantic and Pacific ports. It is largely due to this company, with the powerful weapon of the permit given it in the operation and construction of the fourth section, the long and short haul clause, to reduce its terminal Pacific rates to such a point practically as it might see fit, or as might be necessary, to destroy or deter any rival water transportation. As pointed out by Mr. Frank Lyon in a brief filed in the so-called Transcontinental case before the Interstate Commerce Commission on behalf of the Luckenbach and other steamship companies, this privilege and power of the railroad company to lower its rates in its discretion because of potential water competition to such a point as would prevent the establishment of actual water competition, was an inexpensive and practically costless substitute which took the place, in the hands of the Southern Pacific Co., of the maintenance of actual competitive steamship lines in the all-water route. He says:

"In order to compete with the boat lines by the ownership of steamships would require the investment of a large sum of money, and to be effective would require the actual movement of freight via the boat line to the destinations proposed to be served. For instance, if the Southern Pacific were operating a boat line from San Francisco to the Atlantic coast to serve the ports of Charleston, Baltimore, Philadelphia, New York, and Boston, in order to be effective it would have to actually transport the freight to those ports in regular service in competition with other boat lines serving the same ports.

"Under the practice of securing relief from the fourth section, the Southern Pacific has been enabled to publish very low rates from San Francisco via rail to Galveston and thence by water to the ports named, and at the same time maintain no service. There has been no pretense of service via that line to Charleston, Baltimore, Philadelphia, and Boston since these rates were published, and the only shipments made have been several small lots into Charleston, Boston, and Philadelphia. The rates to the other ports as well as Charleston have been held as a club over any steamship company that desired to serve those ports. They could not do so with these published rates via the Southern Pacific, which could be made applicable any day that the Southern Pacific feared real competition of any independent water line. The publication of these rates is and always will be a menace to water lines serving these out ports, as they are termed. At one time it was the intention of the American-Hawaiian to develop business to Charleston and Boston, and the Luchenbach to Philadelphia, but the publication of these rates, which are applicable only when it suits the convenience of the Southern Pacific, forestalled and eliminated the efforts of the independent water lines to serve the out ports.

"Mr. Lyon also said:

"The uselessness of pretending to encourage a merchant marine is at once apparent if the commission has authority to permit rail carriers to make less than reasonable rates in order to take from that merchant marine the business which would otherwise come to it. * * *

"It is a matter of fact that the charging of less than reasonable rates between water points has had the effect of limiting the operation of boats. Whether this policy is to be continued may well address itself to the legislative department of the Government, and we submit should play its part before the commission when it has before it a question the determination of which marks the boundaries of our merchant marine. * * *

"The United States has expended about $400,000,000 in building the Panama Canal, and indications are that additional sums will be necessary for its completion. The steamship companies utilize the Panama Canal in transportation between the Atlantic and Pacific coasts. The effect of granting those applications under the fourth section is to permanently turn business from the Panama Canal to the transcontinental rail lines. This may only be done by permission of the Interstate Commerce Commission. By granting this and like applications of the transcontinental lines, we respectfully direct the commission's attention to the fact that it is to a greater or less extent decreasing the use of the Panama Canal, thereby decreasing its revenues and thereby transferring the burden of its maintenance to the taxpayers of the United States generally, by requiring direct appropriations for the Treasury in order to continue its operation.

"That the special exemptions from the application of the fourth section granted to the railroads did and would have the effect of preventing altogether water transportation and that, notwithstanding such effect was expressly recognized, exemptions thereunder were granted, is shown, in addition to the case cited above, by the decision of the Interstate Commerce Commission in the case of Monroe Progressive League *v.* St. L., M. & S. Ry. Co. (15 I. C. C., 539):

"Complainant argues that, inasmuch as low rail rates have greatly reduced the steamboat traffic on the Mississippi River, water competition no longer exists at Vicksburg, and that, therefore, justification for the lower rates all rail from St. Louis to Vicksburg through Monroe is removed. The river, however, is still at Vicksburg, and any increase in the rail rates sufficient to induce the establishment of additional steamer lines would transform the diminished but strongly potential water competition into augmented active water competition which, once established, must continue.

"In the Nevada Railroad Commission *v.* S. P. Ry. Co. (21 I. C. C., 358), Commissioner Franklin K. Lane said:

"We have thus traced the history of this protracted struggle between the ocean and the land carriers that we might clearly appreciate the strategy of the railroads and its effect upon the ocean-borne traffic. One water route after another has been rendered innocuous. To meet the competition of the railroads the tendency of the ocean carriers has been to shorten the time consumed in passing by water from coast to coast. The clipper ship has been forced to give way to the steamship and the steamship has been compelled to transship by rail a portion of the distance. The routes by way of Cape Horn and Straits of Magellan have been virtually abandoned. For nearly 40 years the Panama route has been under railroad control. When an attempt was made to reestablish this route as a vital competitor the railroads used their own ocean and rail line to eliminate it from the field. * * * While they have subsidized, bought, and controlled the water carriers, there has always been present to the mind of the traffic manager of the transcontinental railroad the existence of the ocean and the possibility of its use. Without a ship upon it the ocean has the power to restrain, in some degree, the upward tendency of rail rates.

"It was thought that considerable advance had been made in freeing ship lines from the control of competitive railroad lines by the Panama Canal act. If, however, the competitive railroad lines can accomplish their purpose by making less than reasonable rates at the competitive points, or even by the permission and possibility of doing so, and can then reimburse themselves by higher rates at the intermediate points, and so destroy water competition or prevent its establishment, it is a far cheaper process for them than the control or ownership of actual ship lines to be maintained for the purpose of fighting off competitors. By this inexpensive process they can control competition through the Panama Canal, or any other waterway, and so render entirely useless the enactment of the law referred to, prohibiting them from owning competing water lines.

"In exempting the railroads from the operation of the fourth section the Interstate Commerce Commission, in the Louisville & Nashville case (31 I. C. C., 495), permitted lower rates from New Orleans to Nashville than to intermediate points on the same line, and states:

"While there is no sugar moving to-day between New Orleans and Nashville by water, still the river is navigable and there is a possibility of its moving that way.

"The effect of this is that while there was a possibility of it moving that way, so far as the physical conditions were concerned there was no possibility of it moving that way under the rate as permitted by the commission.

"In the case of Lake Line Applications under the Panama Canal act (33 I. C. C., 712) the Interstate Commerce Commission says:

"From an examination of the congressional debates from which the act emerged (referring to the Panama Canal act) it is at once clear that the spirit which undobutedly prompted this legislation was a desire to preserve to the common interests of the people, free and unfettered, the "water roadbed" via the Panama Canal, which was nearing completion. Coupled as it is, the legislative purpose of the other parts of the amendment with respect to waters "elsewhere" must necessarily have been to restore all the water routes of the country to the same condition of freedom from any domination that would reduce their usefulness.

"Notwithstanding this recognition of the intention and purposes of this section of the Panama Canal act, the commission

has permitted the roads, notwithstanding the long-and-short-haul clause, to make such rates as would prevent actual water competition where none existed but was only potential. Of course the same ruling would apply to the Panama Canal and utterly defeat the purpose defined by the commission in the passage just cited. In fact, the very existence of the canal itself, when open to traffic, was made by the railroads the basis of applications to the commission for further exemption from the long-and-short-haul provision of the fourth section, and in the case of the Fourth Section Application No. 205 et al. (32 I. C. C., 622) the Interstate Commerce Commission permitted the railroads to still further reduce their rates to the competitive water points and to maintain higher rates to the intermediate points for the express purpose of taking business from the Panama Canal, and rendered this opinion:

"We are of the opinion that these carriers should be permitted to compete for this long-distance traffic so long as it may be secured at rates which clearly cover the out-of-pocket cost.

"The railroads were permitted to fix rates to the coast that were admitted to be less than reasonable in order to take business from the Panama Canal. Under this a rate on structural steel from Pittsburgh to San Francisco was fixed at 65 cents per hundred pounds; while the rate to Reno, Nev., from Pittsburgh was fixed at $1 per hundred pounds, though the distance from Pittsburgh to Reno is 244 miles shorter than from Pittsburgh to San Francisco, and the shipment to San Francisco went over the same line as that to Reno and passed through Reno to its destination. Under this system, of course, the railroads secured the business which would otherwise have passed through the canal, and at the same time were relieved of the expense of operating a competing line of boats.

"The uncertainty which exists with regard to the matter, notwithstanding the order of the commission of June 30, 1917, which went into effect March 15, 1918, withdrawing exceptions from the fourth section in the Transcontinental Rate Case (41 I. C. C., 276), appears from that decision itself, as follows:

"When the water competition again becomes sufficiently controlling in the judgment of the carriers to necessitate the reduction of the rates to the coast cities to a lower level than can reasonably be applied at intermediate points, the carriers may bring the matter to our attention for such relief as the circumstances may justify.

"It is perfectly obvious that under this suggestion and invitation no security can be felt either by industry in the interior or by prospective ship-line investors on the coast; and, in order to enable either to operate, this constant menace should be permanently removed.

"In his report as Assistant Secretary of Commerce, cited above, Mr. Walter Parker says:

"At that time (the second stage of transportation economy in America) railroad expansion was proceeding at a more rapid pace than the commerce of the country was developing and railroad exploiters felt the necessity for controlling all of the commerce of the country and completely eliminating the boats as a factor * * * (p. 4).

"Under these conditions the railroads gained a practical monopoly of the country's transportation and enjoyed a period of great prosperity and attractiveness for the investor.

"Keen competition between the railroads and keen rivalry for the control of railroad systems resulted in short-sighted policies and the frequent and persistent violation of economic laws. Interior sections developed and began entering protests against the payment of rates high enough to offset the low rates given by the railroads to navigable water-served towns. * * * Commerce requiring transportation increased beyond the capacity of the railroads to conveniently and expeditiously move it (p. 5).

"In an address before the Boston City Club, April 11, 1918, Hon. George W. Anderson, late member of the Interstate Commerce Commission, said:

"But a large part—and I think the weight of opinion is, the larger part—of the decay of water-borne traffic has been due to artificially competitive rates. The long-and-short-haul provision of the interstate commerce act has been allowed to be set aside in order to meet water competition, and "meeting water competition" has commonly resulted in the destruction of water competition. During the last few years this destruction of water competition has reacted upon the carriers. When a rail carrier is saturated with traffic, additional traffic, causing congestion or a tremendous expense for new facilities, is disproportionately expensive and therefore unremunerative. Until about June 30, 1915, the rail carriers of the country wanted all the traffic there was. But during that year some of them became engorged, congested, overburdened. A large share of the locomotives which would normally have gone to our rail carriers went abroad. This made a bad situation worse. Then, almost for the first time in two generations, the American people awoke to the fact that they had been foolishly destroying transportation facilities furnished them by Divine Providence. Our canals have been in large numbers abandoned or little used. Canal transportation has been decadent from about 1840. So also as to our rivers and, to a large degree, to our coastwise transportation. * * *

"But, passing what we hope are the short-lived troubles of the war, the relation of rail transportation to a properly developed water transportation is of fundamental and permanent importance. As I probe deeper into the rate structure and try to analyze fundamental transportation facts I am surprised to find the extent to which the growth of large cities has been due to preferential rates. Railroad managers have come almost instinctively to regard water traffic as something to be done to death, fought without quarter. Remember that the railroads are now all under Federal control; that we have a unified national transportation system; that the Federal control act just passed by Congress provides in express terms, in section 6, for developing water transportation at the expense of the Federal Treasury; that for months the claim has been that we have not the facilities to handle our traffic.

"Yet my attention was recently called to certain evidence introduced by railroad witnesses in a case now pending. It was shown that the out-of-pocket cost of handling less than carload traffic at two terminals, plus the cost of a 10-mile haul, was about 30 cents for 100 pounds. In the same case the carriers asked the commission for permission to continue a rate for a haul of about 300 miles which was only about 1 cent higher than the 30-cent rate—this for the purpose of meeting alleged water competition. In other words, the carriers asked to be permitted to continue in traffic which admittedly paid them only 1 cent for an extra haul of about 290 miles. But this claim of the right to take traffic away from the water carriers, even at a loss, is typical of what has been going on for years, with results obvious to all.

"The destruction of water facilities is not the only untoward result of this unwise and injurious sort of competition. Rates, originally low but possibly remunerative, have given such advantages to certain advantageously situated cities that these cities have grown disproportionately, absorbing to themselves an overload of traffic with a resultant increasing terminal charge, generally absorbed by the carriers, so that it is plausibly claimed there are very many long through rates between our larger cities which, including terminal charges, show an actual, substantial out-of-pocket loss. Manifestly these railroads must become bankrupt or assess an unduly high charge upon intermediate and noncompetitive traffic. This results in subsidizing the undue growth of large cities and suppressing the proper growth of smaller cities and towns. I need not now dwell upon the disturbing social, political, and moral problems of our overgrown cities. We all agree that excessive urban growth is one of the evils of our modern society. In some of our cities the seemingly fundamental problem of housing the working population remains unsolved, and now confronts us as a war matter of first importance. Few people have had any adequate recognition of the extent to which that urban overgrowth has been caused by artificially competitive rail rates.

"In the hearings on this bill former Senator Joseph L. Bristow cited many illustrations of rate discriminations between communities in violation of the principle of the long-and-short-haul clause, and stated.

"There is not a small community in the United States that does not suffer as a result of this discrimination, and there are a vast number of large communities that are at the mercy of those that are still greater.

"He pointed out that the policy of the railroads was to acquire more transportation by a system of rates which encouraged the development of distant points on the long haul, at the terminals, necessitating a back haul and so much unnecessary haulage for distribution to the back country. This uneconomic system, which explains, in a large measure, both the congestion of cities and the breaking down and blockade of transportation referred to by Mr. Anderson, was described by Senator Bristow as follows (hearings, p. 65):

"The centering of the business that I am now discussing in Kansas City, so as to get this movement of live stock, and then the shipment of products—the manufactured meat, the dressed products—back into the country, 50 or 100 or 250 or 400 miles, as the case may be, creates a higher and better paying business.

"It gives them more profit out of the business. It develops transportation business for the carriers. Now, that system has prevailed throughout the United States, and it has resulted in the creation of a lot of unnecessary business, because it pays the carriers to handle it. * * *

"I think that the system of rate making, which has resulted in this congestion of business in great terminals, at the expense of the smaller commercial communities, has been very unjust. * * *

"The railways, by lessening the rates on competing water points, reducing them to a point where the water carriers could not accept the commerce and handle it, and then make up the loss, if loss there was, or penalize the communities that were not on water by excessive rates, have destroyed water competition.

"If that had not been permitted this Government to-day would not be required to spend a billion dollars to create a merchant marine. The system of rate making which has been recognized by the American people and recognized by the Interstate Commerce Commission, has destroyed the American merchant marine absolutely.

"Hon. C. C. McChord, member of the Interstate Commerce Commission, recently a member of the Railroad Wage Commission, and one of the umpires of the National War Labor Board, in a thoughtful analysis of the problems to be solved by the Nation in the reabsorption into our industrial life of the demobilized Army, in a statement published July 28, 1918, states:

"What is needed in this country is a wider diffusion of manufacturing industries and the local supply of the necessaries of life. Products of our factories are distributed throughout the land, but under circumstances of economic waste as to demand a radical change.

"After describing the enterprising efforts of the Middle Western and border Southern States to develop manufacturing industries in the period of renewed industrial activity following the close of the Civil War, he calls attention to the tragedies and failures of so many of these undertakings, stating that there were various causes for their lack of success, but that:

"Most of them should have survived, and would have done so except that influences were at work that made success impossible. Among the chief of these was the fact that the railroads favored certain manufacturing centers in the way of facilities and rates. * * * Long hauls in large lots afforded attractive business that added to the aggregate of the returns to the carrier from his (the traffic manager's) efforts,

and led to his preferment by those higher up in the control and management of the road.

"Competition for business at points reached by several railroads was keen and incessant. The more railroads that served a particular point the keener the struggle between rival traffic officials for business. For many years previous to 1900 and by many roads until 1906 rebates were paid to secure business to such an extent that officials have frankly admitted in evidence in proceedings before the Interstate Commerce Commission that few carriers pretended to collect more than 80 per cent of the advertised rates on shipments from competitive points.

"Railroads were built from business centers to business centers. Some reached the objective points by short direct routes, and others by long indirect routes. The latter in order to do business at the competitive points met the rates named by the short line, meanwhile maintaining higher rates at shorter distance points on their own lines.

"In the same way competition by boats on our inland and coastwise waterways was met by all-rail carriers until transportation by water, so far as our inland rivers are concerned, has been nearly abandoned. Cities and towns along these rivers, entitled to enjoy the cheaper water transportation, were deprived of the advantage of their location. * * *

"The result was that the factory in the small town ceased to operate and its employees were compelled to seek employment in the centers of production. * * *

"The result is that workmen and women in largest numbers live under conditions that are not sanitary, wholesome, nor conducive to good morals. This has happened in a country that is less densely populated than any of the great nations of the earth, and where there is room enough for every citizen and resident to enjoy his full share of pure air and sunlight and to live under conditions conducive to health, morality, and happiness. * * *

"There are many considerations that dictate a relocation of our manufacturing industries. * * *

"Thoughtful study should now be given to the equalization of rates for freight transportation and as to whether higher rates should for the future be permitted for shorter than for longer distances over the same line or route, the shorter being included within the longer distance, and whether combinations of rates and transit privileges that now unduly favor certain jobbing and junction points should be canceled and reasonable through rates established to all points. Transportation by boat on our rivers and coast lines should be encouraged to relieve rail carriers at congested cities and ports.

"The expectations of the authors of the fourth section, and that these expectations have been disappointed in the administration of the law, may be indicated by the following remarks of Hon. John H. Reagan, at that time chairman of the Committee on Commerce of the House of Representatives (CONGRESSIONAL RECORD, Vol. VII, pp. 7280–7281, July 21, 1886):

"The object of this important provision is to protect the people at noncompetitive points from paying for the carriage of the freight shipped from the competitive points. It was found difficult to provide a rule which would be entirely equitable. It would not be right to charge the same rate per mile for a long as for a short distance, as the loading, unloading, preparation of trains, and handling would be the same in both cases. In adopting the provision that no more shall be charged for the shorter than for the longer distance, which includes the shorter, we did discriminate in favor of the long haul to the extent of providing that no more should be charged for the shorter than for the longer distance, thus leaving the provision so that if the transportation companies find it necessary they may charge as much for the short as for the long haul. This rule recognizes the territorial extent of the country and the character of shipments to be made.

"It enables the transportation companies to carry grain and flour and meats from the productive fields of the West as cheaply as from Illinois, Indiana, Ohio, West Virginia, or from the western part of Pennsylvania or New York to the seaboard.

"Justice and fair dealing could surely require no more. And in preventing charging more for the short than for the long haul it conforms to the rule adopted in the State constitutions of Pennsylvania, Missouri, Arkansas, and California and by the statute laws of Massachusetts and other States.

"Hon. Shelby M. Cullom, of Illinois, chairman of the Senate Select Committee on Interstate Commerce, said in the Senate, April 14, 1886 (CONGRESSIONAL RECORD, Vol. VII, pp. 3472, 3477):

"Section 3 (of 1532 as reported) in general terms prohibits undue discrimination against localities, but section 4 is more specifically directed against that evil, by prohibiting a greater aggregate charge for a shorter than for a longer dstance over the same line, in the same direction, and from the original point of departure. This is the general declaration made, and it is agreed that this is the principle that should be observed as a general rule.

"Senator Cullom then proceeded to argue that there were exceptional cases in which this rule ought not to be absolutely applied. How far the result has been from the expectations and intention of Senator Cullom, who himself was among the most conservative of the framers of the act in regard to this particular regulation, is shown by the fact that the exceptional case which Senator Cullom had in mind has not only taken the place of the general rule, and reversed it, but has in fact become the universal practice, so that the evil of discrimination between communities, which was intended to be cured by this legislation, became more widespread and intense than before.

"The bill, as introduced in the House by Mr. Reagan and as passed by the House, contained no qualifying clause as to "substantially similar circumstances and conditions" and no proviso giving authority to the Interstate Commerce Commission to grant exceptions from its application.

"The fourth section of the Senate bill, as reported by the Senate committee, as will have been noted by the citation from Senator Cullom's remarks above, in addition to this qualifying phrase and proviso, contained, after the word 'direction,' the words 'and from the original point of departure.' In the vote in the Senate on May 5, 1886, these words were stricken out under the leadership of those who favored a stronger long-and-short-haul clause. In conference the words 'the shorter being included within the longer distance' were inserted after the word 'direction' in the place of those which the Senate had stricken out. Those who favored an absolute long-and-short-haul clause supported the House bill in this respect, but in conference a compromise was effected by the insertion of the words just quoted and the retention of the qualifying phrase and proviso mentioned above. It was believed by all that under the fourth section, as so framed, and which was finally enacted into law, the general rule would prohibit the charging of a greater rate for the short than for the long haul, but that in exceptional cases relief from it might be granted.

"Senator Isham G. Harris, of Tennessee, member of the Senate select committee, said, January 11, 1887 (CONGRESSIONAL RECORD, Vol. VII, pp. 527, 530):

"Most of those who oppose this section (as agreed upon in conference) claim that it fixes the same rate per ton per mile for the short as for the long haul. * * * Language could not be selected which would more clearly negative that idea than the language of the section does.

"The plain meaning is that the carrier shall not demand a larger gross sum for hauling a carload of grain or other freight over a part of its line than it demands for hauling a similar carload of the same class of freight over its whole line.

"* * * The proviso of the fourth section confers upon the commission full and complete power whenever application is made to the commission and the commission has become satisfied after investigation that this is an exceptional case under exceptional circumstances which require that the railroad in question should be relieved from the general rule prescribed by the fourth section.

"In the amendment of 1910, eliminating the phrase 'under substantially similar circumstances and conditions,' it was obviously intended and expected to strengthen the section and to prevent the discriminations in favor of the long haul which had continued under the act of 1887. There could have been no other purpose in view, and the debates of Congress show that this was the intention. As pointed out above, however, the purpose of Congress was again wholly defeated by reason of the proviso authorizing the Interstate Commerce Commission to grant relief in special cases. Under this, as before, the special cases became the universal rule and the situation remained substantially unchanged; and it is evident the only way in which relief from these discriminations can be obtained is by removing the invitation which the section, both in its original form and after the amendment of 1910, contained, to the railroad, to apply to the Interstate Commerce Commission for exemptions from the application of the fourth section. The discretion being vested in the Interstate Commerce Commission, the commission upon application felt compelled to exercise the jurisdiction thus conferred upon it. If the discriminations which have wrought so much injustice to the South and West, and, to a lesser extent, to the North and East, are to be removed, it is perfectly evident that this invitation must be withdrawn and this jurisdiction to grant relief from the act must be repealed and the act must be made mandatory and absolute, as provided by this bill.

"The rule should be that the railroads should be allowed to compete with water transportation as far as they can do so without making discriminatory rates between communities. The only interest which the railroads can have in seeking exemption from the fourth section is to destroy the water lines and get their traffic; because, as to mere comparative rates, just as large a revenue can be obtained by such an adjustment of rates to the coast and to interior points as to avoid discrimination.

"The destruction of intercoastal shipping retards the development of an American mercantile marine in the foreign trade, as the two are closely related and interlocked. If a flourishing intercoastal mercantile marine were developed some of its ships would touch at many foreign ports and others would make the intercoastal voyage a part of a continuous voyage between foreign and domestic ports. The handicap which railroads have put upon the development of intercoastal water transportation has been one of the most potent and deterrent factors preventing the development of American shipping in the foreign trade.

"If the ship lines could not meet railroad competition, would it be claimed that the interior should be taxed to subsidize them in order to enable them to do so? Regardless of the merits of the general proposition of a ship subsidy, certainly the proposition that this subsidy should be paid by only certain portions of the country, while others should be relieved from it, would not be considered for a moment; and yet this, to all intents and purposes, is the privilege which the railroads claim to enable them to meet water competition.

"By driving away water transportation, not only are the Pacific ports deprived of its benefits, but the interior as well,

since such points as Spokane would be enabled to get the benefit of the water rate plus the local rate to Spokane. It is assumed by some representatives of the railways that the ship lines, if allowed to engage in this business, would get practically all of the coast traffic. This is manifestly not the case, since it was testified by railroad officials themselves in the hearing that much of traffic would move by rail regardless of the water lines and, as has been recently demonstrated, the railroads would receive as much business as they can efficiently handle, notwithstanding water competition, and the people would be willing to pay for it reasonable rates so long as they were uniform to all and unjust discrimination was abolished.

"When freight rates were last year arbitrarily increased 25 per cent the discrimination against the interior was greatly intensified. While the interior was already suffering from the unjust burden of higher rates for shorter hauls the flat increase of 25 per cent on all rates in the section covered by the increase resulted in a larger absolute increase for the intermediate points than the same percentage produced when applied to the lower rates at the favored long-haul points. To still further widen the breach and aggravate the inequality of burden the percentage war tax on all freight bills was, of course, much larger on the higher freight bills of the interior points than upon the lower bills of the favored localities. In this way the original injustice was made the basis for a series of still further injustice and burdensome discriminations. As said by Mr. A. J. McGehee, secretary of the Association of Commerce of Jackson, Tenn., in the Traffic World, January 4, 1919:

"The recent raise in freight rates of 25 per cent on the dollar resulted in a very much greater increase of the high rates to the interior than it did the low rate to the river points; for illustration: Supposing the rate to the river point to be 50 cents per hundred, the increase made it 62½ cents per hundred, and the rate to the interior point, already, without any reasonable excuse, being $1 per hundred, is now $1.25 per hundred. * * *

"It is taxation without representation, because there has not been, and is not now, one single person who has authority or a vote in the matter of fixing these rates who lives in and has his personal fortune invested in any of these interior points. * * * It is taxation without recompense, because there is no possible return nor compensation given by the railroads, to the people of the interior, resulting from the levying of this excess tax."

"As indicating in total results the enormous surtax laid upon the people of localities against which this discrimination is practiced Mr. J. B. Campbell, of Spokane, Wash., a thoroughly well-informed and responsible witness, who, as the representative of the Spokane Merchants' Association, has studied the situation for years, in the hearings upon this bill, page 136, said:

"The average excess of transportation tax paid by the intermountain territory per year is $11,997,248. That is $998,104 per month, or $33,270 per day. The average excess war tax that will have to be paid by the intermountain territory upon a similar amount of traffic would amount, per year—if it ran a year—to $359,917.44, or $29,993.12 per month, or $99.77 per day. Now, excess war tax. Just think of that for a moment."

"In the hearings, page 135, Mr. Campbell testified that the annual intermountain freight tonnage hauled by the railroads, tonnage on which were paid excess freight rates, amounted to 2,994,312 tons. This estimate he arrived at by taking actual figures for four months of 1916 as supplied by the railroads. Mr. Campbell testified that this intermountain tonnage paid an average excess over the coast rates of 20 cents a hundred or $4 a ton, making an annual total of $11,997,248 excess freight rates paid by the intermountain country.

"One of the most illuminating and rather astonishing features of the discriminatory rate system, whereby the long haul or end-of-the-line points are given less than reasonable rates, based merely on the so-called out-of-pocket cost, because it is argued there is water competition at those points, is that in a shipment, for instance, from New York, which passes over several connecting lines, making a joint charge for the transportation, those lines which reach New York, the seaport, receive exactly the same rate whether the shipment is consigned to, we will say, Seattle, the terminal point, or Spokane, the interior point; and the enormous surplus which is paid upon a shipment to Spokane, as against a shipment to Seattle, is wholly received by the lines west of St. Paul. In other words, while the discrimination is based on the argument or assumption of water competition, the increased rate charged for the shorter haul is wholly collected and absorbed by a line which has no water competition whatever between its eastern terminal at St. Paul and its western terminal at Seattle, which shows that the excuse given for the discrimination is altogether fictitious. Mr. Percy P. Powell, a prominent wholesale merchant doing business at Spokane, Wash., in his testimony before the joint committee of Congress, which is reprinted at page 82 of the hearings on this bill, said:

"The rate on canned goods from New York to Spokane is $1.10 per hundred and the minimum is 60,000 pounds. The revenue on a car of canned goods from New York to Spokane on that minimum is $660, whereas the rate to the Pacific coast, which is 85 cents a hundred with the same minimum, produces a revenue of $510, the rate to Spokane earning $150 more than the rate to the Pacific coast. The carriers earn $150 more by dropping that commodity at a point 342 miles closer than the Pacific coast point of destination. This revenue is divided as follows: The lines east of St. Paul on the Pacific coast traffic receive $180.38, and the lines west of St. Paul receive $329.62. On the Spokane traffic the lines east of St. Paul receive $180.38, which is identically the same amount they receive if the car goes through to Seattle or the Pacific coast terminals, and the lines west of St. Paul on that same traffic receive $479.62. Now, whether this car of canned goods is subject to water competition or not, the eastern lines, or the eastern carriers, deliver that car from New York to St. Paul at exactly the same rate. * * * The excess freight we pay on those goods is paid the western line that hauls the car from St. Paul to Spokane, and Commissioner Prouty, and in fact all the orders of the commission, have stated absolutely that water competition does not exist between St. Paul and Spokane.

"Industries will not be developed at interior points on the basis of temporary rates. Neither will boat lines be established so long as the old system is liable to be restored at any time by which the railroads would be allowed to make rates at terminal points which would kill off water transportation. Rate uniformity must be put upon a permanent basis, as would be the case if S. 313 should be enacted into law."

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Washington.

Mr. CUMMINS. Mr. President——

Mr. POINDEXTER. I was just going to say that while I hope that the consideration of the amendment may not be delayed, I ask unanimous consent that it be passed over, so far as the vote is concerned, until to-morrow.

Mr. CUMMINS. I rose to say that the Senator from Michigan [Mr. TOWNSEND], who, as the Senator from Washington will remember, presented the amendment to the present law which is found in the bill now before the Senate, desires an opportunity to be heard a moment upon that phase of the subject, and I have sent for him, and he will be here at once.

Mr. MOSES. Mr. President, there is still another Senator who I understand wishes to be heard on the amendment, who is not in the city to-day, but who expects to be here to-morrow, I believe. If the Senator from Washington will consent that the vote shall be taken on this amendment to-morrow it will greatly accommodate that Senator.

Mr. POINDEXTER. I asked that the amendment be passed over until to-morrow.

Mr. MOSES. I beg the Senator's pardon. I did not understand that he had asked that it be passed over until to-morrow.

Mr. CUMMINS. If the Senator from Washington consents to passing over until to-morrow the amendment which he has proposed, I hope he will withdraw it, so that other amendments may be offered and we can go forward with the bill.

The PRESIDING OFFICER. The Senator from Washington has asked unanimous consent, the Chair understands, that the vote on his amendment be passed over until to-morrow.

Mr. POINDEXTER. Yes, that was my request. I do not think it is necessary to withdraw it, if by unanimous consent it is passed over. We frequently do that.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. CUMMINS. I assume that that can be done so as not to interfere with the offering of other amendments and going on with the bill.

The PRESIDING OFFICER. The Chair so understands it. If there is no objection, such will be the order.

Mr. GAY. Mr. President, I desire to offer an amendment at this time.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. In the first print of the bill, on page 66, after line 21, insert:

SEC. 31½. The provisions of this act relating to the grouping, consolidation, or Federal incorporation of carriers by rail, the adjustment of rates, fares, and charges in rate districts to yield the returns prescribed herein, and the disposition of the excess railway operating income of carriers by rail shall not be construed to apply to or affect any belt line railroad, terminal switching railroad, or other terminal facility, owned exclusively and maintained, operated, and controlled by any State or political subdivision thereof.

Mr. CUMMINS. Mr. President, as I view the bill, I think the substance of the amendment now proposed by the Senator from Louisiana is already in the bill, in even a broader form than is contained in the amendment. I have no objection whatever to it, so far as I can assent to the adoption of the amendment.

Mr. SMOOT. Mr. President——

Mr. GAY. I yield to the Senator from Utah.

Mr. SMOOT. I was just going to say that the Senator from Iowa has made in regard to five or six other amendments the same statement just made in regard to the amendment offered by the Senator from Louisiana, and really I can not see why we should adopt amendments that are already covered by provisions of the bill. It seems to me it is simply lumbering the bill, with no good whatever coming from it.

Mr. GAY. Mr. President, this matter was discussed rather exhaustively last night, and as there seemed to be some difference of opinion as to the possible interpretation of the amendment presented on yesterday, I have had this amendment drawn which I now offer as a substitute. The object of the amendment is to exempt public-owned belt railroads, belt railroads which are exclusively within the confines of a State, similar to the one owned by the city of New Orleans, from the provisions of the bill.

Mr. SMOOT. Very well; I have no objection. I suppose all such questions will be thrashed out in conference.

Mr. GAY. I was going to suggest that, if the amendment could be adopted, I would not care to take up the time of the Senate at this time with any lengthy discussion. The amendment was gone into in some detail last evening; but if it is desired that I should go into a discussion of it, I am prepared to do so.

Mr. SMITH of Georgia. Mr. President, I wish to ask the Senator from Louisiana, as I was not here last night, just a little about the effect of the amendment. Does it exempt State-owned roads from the operation of the bill, and to what extent?

Mr. GAY. It exempts belt-line railroads and terminal switching railroads owned by any State or political subdivision thereof. The Senator from Georgia is now referring to the amendment which I first offered. I have withdrawn that amendment, and this is a substitute.

Mr. SMITH of Georgia. Then I would like to hear the substitute stated. I have read the other amendment.

The PRESIDING OFFICER. The Secretary will read the amendment.

The Secretary read the amendment.

Mr. SMITH of Georgia. I understand the amendment applies only to belt lines?

Mr. CUMMINS. Belt lines, switching facilities, switching tracks, and the like.

The bill does not propose to control belt lines, switching facilities, plant facilities, and other transportation instrumentalities of that kind, nor does it propose to take from such facilities their earnings or regulate their earnings in any way whatever, as I understand the bill.

Mr. SMITH of Georgia. My interest is not in the belt lines. The State that I have the honor to represent owns a main line from Atlanta to Chattanooga, which is the most valuable property owned by the State. It was leased out for a term of years by the State, and it was to see the effect upon that line that I was especially looking at the amendment. It does not touch it, and therefore I have no suggestion to make. I may conclude, however, that a further amendment to take care of the line to which I refer will be necessary.

Mr. OVERMAN. Mr. President, I do not want to interfere, but I prefer the original amendment. Of course, if the Senator changes it to suit the New Orleans situation I shall not object, but I should be glad to support an amendment like that originally offered, which takes care of a State's property.

Mr. GAY. That amendment was withdrawn, and therefore this is the only amendment that is before the Senate.

Mr. POMERENE. The Senator from Iowa [Mr. CUMMINS] a moment ago referred to the general provision in the bill. That proviso is to be found on page 22, as I recall it, and reads as follows:

Provided further, That terminals, belt-line railways, tap lines, and other short lines or lines owned and operated by distinct corporations and so peculiarly situated or in such financial condition as to be practically incapable of consolidation, may be excluded if, in the judgment of the board, it is for the public interest.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Louisiana [Mr. GAY].

The amendment was agreed to.

Mr. FRELINGHUYSEN. Mr. President, I offer the following amendment, which I ask may be read.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. Add at the end of section 21 a new section, to read as follows:

For the purpose of enabling carriers by railroad subject to the commerce act properly to serve the public during the transition period immediately following the termination of Federal control, any such carrier may, at any time after the passage of this act and before the expiration of two years after the termination of Federal control, make application to the transportation board hereinafter created for a loan from the United States, setting forth the amount of the loan and the term for which it is desired, the purpose of the loan and the uses to which it will be applied, the present prospective ability of the applicant to repay the loan and meet the requirements of its obligations in that regard, the character and value of the security offered, and the extent to which the public convenience and necessity will be served. The application shall be accompanied by statements showing such facts and details as the board may require with respect to the physical situation, ownership, capitalization, indebtedness, contract obligations, operation, and earning power of the applicant, together with such other facts relating to the propriety and expediency of granting the loan applied for and the ability of the applicant to make good the obligation as the board may deem pertinent to the inquiry.

(b) If the board, after such hearing and investigation, with or without notice, as it may direct, finds that the making, in whole or in part, of the proposed loan by the United States is necessary to enable the applicant properly to meet the transportation needs of the people, and that the prospective earning power of the applicant and the character and value of the security offered are such as to furnish reasonable assurance of the applicant's ability to repay the loan within the time fixed therefor, the board may certify to the Secretary of the Treasury its findings of fact and its recommendations as to the amount of the loan which is to be made; the time, not exceeding five years from the making thereof, within which it is to be repaid; the character of the security which is to be offered therefor; and the terms and conditions of the loan.

(c) Upon receipt of such certificate from the board, the Secretary of the Treasury, at any time before the expiration of 26 months after the termination of Federal control, is authorized to make a loan, not exceeding the maximum amount recommended in such certificate, out of any moneys in the revolving fund provided for in this section. All such loans shall bear interest at the rate of 6 per cent per annum, payable semiannually to the Secretary of the Treasury, and to be placed to the credit of the revolving fund provided for in this section. The time, not exceeding five years from the making thereof, within which such loan is to be repaid, the security which is to be taken therefor, which shall be adequate to secure the loan, the terms and conditions of the loan, and the form of the obligation to be entered into, shall be prescribed by the Secretary of the Treasury.

(d) Loans so made shall be preferred liens upon the income and property of the applicant in the same manner and to the same extent that certificates issued by receivers appointed by United States courts are preferred liens upon the income and property that is being administered by the receiver.

(e) The board or the Secretary of the Treasury may call upon the Federal Reserve Board for advice and assistance with respect to any such applications or loans.

(f) There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $750,000,000, which shall be used as a revolving fund for the purpose of making the loans provided for in this section.

Mr. FRELINGHUYSEN. Mr. President, the amendment as written is identical with section 208 of H. R. 10453, the bill passed by the House and now on the Senate calendar with notice of a motion to strike out all after the enacting clause and substitute S. 3288 as it shall be amended, except that the phraseology is brought into harmony with S. 3288 by substituting the words "transportation board" or "board" for "commission," and the substitution of $750,000,000 for $250,000,000 as a revolving fund.

The creation of such fund was not urged upon the Senate committee by anyone until a few days ago, when a situation presented itself in the market for investment funds.

The Senate committee has not considered the amendment, but I believe it is so important to the country to properly finance the roads after they are turned back that the conference committee should at least consider the maximum amount needed to meet the financial requirements of the roads which are turned back in my opinion not in as good condition as when they were taken over.

It had been assumed that upon the return of the roads under proper safeguards for their financial welfare they would be able to borrow capital from the investing public. It now is learned that a committee of bankers advising in respect to the proposed general equipment trust to take care of cars and locomotives purchased by the Director General has advised that market conditions are not favorable now to the placing of even that gilt-edge security, and as the obstacle is, therefore, a question of credit supply, the apprehension is expressed that less attractive securities offered by the railroads during the coming year may be no more successful.

The vital public interest in adequacy of facilities and service in the immediate future seems to require that in the absence of a public market for railroad securities Congress should provide a credit with which the roads can proceed with essential work. The House bill provides $250,000,000 for this purpose. The Senate bill contains no such provision. Under conference rules if the Senate shall not act on this aspect before sending its bill to conference, the conferees would be limited to considering sums between $250,000,000 and nothing. In view of the prospect of early passage of the Senate bill and the lack of opportunity thus far since investment conditions became clear for deliberate study of the situation, this amendment is introduced, putting the figure at $750,000,000 in order that the conferees may, under the rules, consider any figure which may later be deemed wise between $750,000,000 and $250,000,000. To authorize such a revolving fund does not mean that the total

sum ever will be loaned. What is now proposed is to place the conferees in position to use their judgment in the light of information which may become available.

The sum of $750,000,000 is the figure suggested in conversation by Director General Hines. He does not expect that the carriers will be able actually to expend in that time more than five or six hundred millions, but thinks it will be necessary for them to make commitments in addition to these sums so as to provide for continuity of work.

In the event that there should be protracted delay in placing railroad loans with the investing public, there will be a number of fixed commitments to meet. The chairman of the House committee, Mr. ESCH, in his report to the House on H. R. 10453, pages 38 to 41, sets forth the amount of securities now outstanding which will mature in 1920 and require new capital for their discharge. This item is $221,234,692. During 1920, also, will come due one-fifteenth of the sums to be paid on the rolling stock already purchased by the Railroad Administration, or about $25,000,000. Improvements other than rolling stock already contracted for are estimated by Mr. Powell, Director of Capital Expenditures of the Railroad Administration, at from two hundred to two hundred and fifty millions of new money. This is a total of $446,234,692. If total dependence for new capital had to be placed upon the revolving fund of $750,000,000 this would leave $303,765,318. The Director General spent for additions and betterments in the last year for which statistics are available, 1918, about $576,000,000. The average for 10 years, as shown by the reports of the Interstate Commerce Commission, was about $579,000,000. Deducting from the 1918 figure the $200,000,000, which was Director Powell's minimum estimate for additions and betterments already contracted for and now under construction, not including any rolling stock, this would leave about $379,000,000 of capital improvements not provided for. It is generally known that the year 1919 has been a period of heavy deferred improvements on account of the near approach of a return to corporate operation.

It, therefore, seems obvious that an insurance of $750,000,000 of loans would be moderate in case investment conditions should continue for any length of time as they now are, and the public is to be served with facility. At least it appears prudent for the Senate to permit the conferees the latitude suggested.

Mr. President, I called Mr. Hines on the telephone and asked him in regard to the capital requirements of the railroads for the present year, and I now ask the Secretary to read his written reply.

The PRESIDING OFFICER. Without objection, the Secretary will read.

The Secretary read as follows:

UNITED STATES RAILROAD ADMINISTRATION,
Washington, December 11, 1919.

Hon. JOSEPH S. FRELINGHUYSEN,
United States Senate, Washington, D. C.

DEAR SENATOR FRELINGHUYSEN: Yesterday afternoon you telephoned me to get my estimate as to the capital expenditures which ought to be provided for the railroads for the calendar year 1920.

This morning I have again gone over this question with the Director of our Division of Capital Expenditures, and as a result express the following as my judgment:

Your inquiry presupposes that the capital expenditures would be planned and carried out by the railroad companies. On that assumption it must be borne in mind that the companies will require time to formulate and adopt plans and arrange for financing. This will all require considerable time, and it is not probable that the companies would be able to enter in a confident and effective way upon the making of provision for either betterments to roadway or acquisition of additional rolling stock upon an extensive scale prior to March 1 next. The amount that they would be able to spend in the calendar year 1920 would be considerably curtailed by such a late start in putting their plans into effect. Taking this into consideration, my judgment is that $400,000,000 would represent approximately the expenditure of cash which they would actually be able to make in the remaining part of the calendar year 1920. There is a possibility that this might be somewhat exceeded, but I do not think, in any event, it would go beyond $500,000,000, and I think the probability is much more in favor of $400,000,000.

I do not mean by the foregoing that the figure of $400,000,000 represents the full amount that ought in the public interest to be expended during the year 1920. On the contrary, I should say that at least 50 per cent additional ought to be expended in order reasonably to provide for the needs of the public service; but, in my opinion, this larger and more desirable provision can not be made because of the delay which will inevitably be connected with the transition back to private control and with each company thereafter making its own independent plans and necessarily waiting until it can obtain some more definite light as to its financial status.

Sincerely, yours,

WALKER D. HINES.

Mr. FRELINGHUYSEN. Mr. President, I think possibly my view on this question is one that may not accord with that of other Senators. I look upon it as good business for the United States Government at this time, when the credit of the transportation system of the country is at its lowest ebb, when the underlying securities are selling at figures which have not been reached before in 20 years, and when it will be almost impossible for the railroad companies to borrow sufficient funds to rehabilitate themselves when they go back into private management, to enact such legislation as is proposed in the amendment. I have but one interest in the matter, and that is to see that this transportation system, which, when it was turned over to the Federal Government was the best system of railways on the face of the globe, is properly rehabilitated.

The United States Government has been in control of the railroads for over a year and a half.

The railroads have had to stand the burden and pressure of war. They are returned to their owners at a time when their credit, as I have said, is at the lowest ebb. No one can estimate the amount of damage caused by their usage during the period while they have been under Government control. It is estimated at 10 per cent, and in some quarters as high as 20 per cent. That would run into several billion dollars; but even so, we know that the rolling stock of the roads was never in such poor condition as at present; we know that there are improvements which have to be made; and if the transportation system is to be immediately restored the roads must have money in order that they may be put into efficient condition.

In addition to that, there are maturing railroad obligations expiring in 1920 which will have to be refunded. I feel that when the roads have served the Government and in fact the world so well, and through their use we have been enabled to win the war, when they are returned to their owners the Government can do no better than to give them sufficient credit in order that they may make the necessary improvements immediately and restore the efficiency of the transportation system.

Therefore, with the idea in view that the country's best interest will thereby be served, I have offered this amendment, in order that the conference committee may consult with Director General Hines and ascertain the sum needed for the rehabilitation of the roads and that the United States Government may further sustain the roads by loaning the necessary funds for such rehabilitation.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN].

Mr. CUMMINS. Mr. President, the subject of the amendment which has just been offered by the Senator from New Jersey was not presented to the Committee on Interstate Commerce, and I know nothing with regard to the views of the members of the committee upon it. It is impossible, however, for me to allow the amendment to be submitted to a vote without expressing my opinion with regard to it.

The House of Representatives has proposed to appropriate in the bill $250,000,000 as a revolving fund, to be used in making loans to railroad companies after their properties shall have been returned. I have hoped, Mr. President, that Congress would adopt such legislation, fair to the railroads and fair to the public, as would enable the railroads to command the credit necessary to meet the exigencies of the coming year.

I am not willing to assume that the railroads can not, under the legislation which shall finally be adopted, borrow the money which they unquestionably will need. I do not doubt the statement of the Senator from New Jersey that the railroads will need during the coming year for additions, betterments, and other expenditures that are chargeable to capital account, together with the maturities of their funded obligations, quite $750,000,000. There can be no real question with regard to their requirements in that respect.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. CUMMINS. I yield.

Mr. POMERENE. I am very much interested in the statement the Senator is making. As I was able to follow the statement made by the Senator from New Jersey, it was to the effect that the Director General of Railroads was of the opinion that $400,000,000 would be required, or, at the outside, not to exceed $500,000,000, and that, in his judgment, $400,000,000 would be more nearly correct. That being so, why should we provide $750,000,000 for the purpose indicated?

Mr. CUMMINS. I am not suggesting that we provide for $750,000,000, If the Senator will wait for just a moment I will give him my view upon that.

Mr. POMERENE. Very well.

Mr. CUMMINS. I said a few days ago, and I have no doubt about the accuracy of the statement, that there ought to be expended upon the railways of the United States not less than $750,000,000 during the coming year. The Director General states in his communication that in his judgment not more

than $400,000,000, in view of the lateness of the season, can be well or properly expended for these purposes; and to that we must add, of course, $140,000,000 or $150,000,000 of obligations which will mature during the year; but, as I remarked a few moments ago, it seems to me that Congress ought to assume that the legislation which is to be adopted will enable the railroad companies to borrow what money is needed for these purposes. So I have not been able, and I am not now able, to give my concurrence to the proposal that there be $750,000,000 appropriated to be loaned to the railroad companies during the coming year. To me that is a confession that private management and operation are substantially impossible.

I can see no reason in the situation for believing that the railroad companies can not, upon good security, borrow money just as readily, though not, possibly, at as low a rate of interest, during the coming year as they can borrow money during the year following the coming year or any other year in the future. If I did not believe that the legislation which will be adopted by Congress would put the transportation system of the United States in position to take care of itself and be susceptible of private management and private operation I would not be in favor of returning the railroads to their present owners. If the future shall develop or shall show that we are mistaken in that respect and that the railroad companies can not borrow the money which is necessary for adequate facilities and for adequate service, that will be the time, it seems to me, for them to come to Congress for the loan which is contemplated in the amendment.

To me the suggestion implies great doubt of the efficacy of the legislation which we are proposing, and inasmuch as I do not maintain a doubt of that character I can not support the amendment proposed by the Senator from New Jersey.

It may be true that the railroads are not in as good condition as they were when they were taken over by the Government. That is a matter of dispute, and I do not pretend to have the facts necessary to enable me to form an opinion upon the subject with respect to the railroads as a whole. I know the situation with regard to some of the railroads; but even if the condition stated by the Senator from New Jersey exists, it seems to me that it is fully met by the obligation on the part of the Government to return these properties to their owners in as good condition as when they were taken on the 1st of January, 1918. The Government of the United States must pay for any difference in condition, if that condition be adverse to the Government, and so far as an appropriation being necessary to meet that obligation is concerned, I shall be in favor of it the moment the condition appears and the moment the fact is shown, for I hope the Government never will be careless or indifferent or even slow in responding to any obligation into which it has entered, but I can not see that that consideration can support the appropriation.

Mr. POMERENE. Mr. President, if I may be permitted to ask a question of the Senator, the Senator from New Jersey has suggested that one reason why he was offering this amendment at this time was to take care of the parliamentary situation. Now, of course, I shall hope that the Senate bill shall be finally enacted, but it is the present plan of the chairman of the committee, as I understand, ultimately to move to substitute the Senate bill for the House bill. Is the Senator of the opinion that when this matter is thrown into conference, if it should be thrown into conference, it will be necessary to have in the bill some such provision as is contained in the amendment proposed by the Senator from New Jersey in order that it can be made a proper subject of conference as to the amount?

Mr. CUMMINS. I think the Senator from Ohio has not caught the exact point made by the Senator from New Jersey. If the Senate bill is substituted for the House bill, as I hope and expect it will be, and then a conference occurs, there will be in conference the propriety of appropriating $250,000,000 for the purposes indicated in the amendment. But the Senator from New Jersey thinks that there ought to be a larger sum in controversy, so that the conference committee could agree upon an appropriation of $500,000,000 or $600,000,000 or $700,000,000 or $750,000,000, whereas at the present time and under the present prospective procedure the conference committee would be limited to an appropriation of $250,000,000.

Mr. POMERENE. That is just the question I had in my own mind. I am not sufficiently familiar with the conference rules to be able to determine now as to whether or not we would be limited to the $250,000,000 in the event that there was nothing of this kind in the bill.

Mr. CUMMINS. If the amendment offered by the Senator from New Jersey were adopted I assume that the conference would be limited only by the extreme—that is, the $750,000,000—but if the amendment is not adopted, then the conference committee would be limited to making an appropriation of $250,000,000, which is the sum named in the House bill.

Mr. POMERENE. That is what I wanted to be reassured about.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from New Jersey?

Mr. CUMMINS. Yes; I yield.

Mr. FRELINGHUYSEN. The Senator well knows that I have no intention of opposing his views in regard to this measure. I know the study he has given to this subject, and I only felt that it would be wise for the Senate to enact this provision, in the event of the conference committee finding that not only the $250,000,000 but more is necessary, so that they might have the opportunity of increasing that figure, and that the conference would not be practically foreclosed to a limit of $250,000,000. Now, I am informed, and I believe credibly, that when the $250,000,000 figure was reached in the House bill that was an estimate which they had procured for the needs of the roads next year, and that after it was enacted it was ascertained that probably the capital need would be much more. The Senate bill makes no provision for the creation of a revolving fund to take care of the credit needs of the railroads. I introduced that, and it is in my amendment, because very early, when we were considering this measure, the railroad men, the executives themselves and those interested in this problem, said that the railroads would have extreme difficulty in procuring their capital needs next year. Therefore, I simply introduced this amendment in order that the chairman of the committee, who has labored so zealously in order to solve this great problem, might not be restricted should he find himself face to face with a financial problem that possibly he himself, although at the present time opposed, might in the conference committee feel it necessary to solve.

If the Senator opposes it, of course I know that the amendment will not be adopted; but I hope, in order that there may be no limitation upon the deliberations of the conference committee, that this maximum amount may go into this bill, so that the Senator may be free either to limit it to $250,000,000 or increase it if he believes it wise, or cut it out altogether.

Therefore, believing that the most important question at this time is the credit of the railway system of the country, I have offered this amendment so that the conference committee will not be confined to the limitations of the House bill.

Mr. POMERENE. Mr. President, I desire to ask the Senator a question. In view of the parliamentary situation, and in view of the opinion which has been given by the Director General of Railroads, it does seem to me that the Senator ought to limit the amount of loans authorized to four or five hundred millions. I am disposed to agree with the chairman of the committee that it probably would be better to take up this subject when the situation requires it; but at the same time, as this matter may be thrown into conference, why should the Senate place a figure beyond that which the Director General says could be used by the railroads? I suggest a limitation of it to $400,000,000.

Mr. FRELINGHUYSEN. If the Senator will place it at $500,000,000, which is the outside figure suggested by the Director General, I should be very glad to have it changed.

Mr. POMERENE. It is the Senator's amendment. I leave that matter to his judgment.

Mr. FRELINGHUYSEN. Well, I will make it five hundred millions. I will modify the amendment by changing it to five hundred millions.

I ask, Mr. President, that the amendment may be printed and go over.

The VICE PRESIDENT. That order will be made.

Mr. STANLEY obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator from Kentucky yield to me?

Mr. STANLEY. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Elkins	Harrison	La Follette
Bankhead	Fall	Henderson	Lenroot
Brandegee	Fernald	Hitchcock	McKellar
Calder	Fletcher	Johnson, S. Dak.	McLean
Capper	France	Jones, N. Mex.	McNary
Colt	Frelinghuysen	Jones, Wash.	Moses
Cummins	Gay	Kendrick	Myers
Curtis	Gerry	Keyes	Nelson
Dial	Gore	King	New
Dillingham	Hale	Kirby	Newberry
Edge	Harris	Knox	Norris

Nugent	Ransdell	Smoot	Underwood
Overman	Sheppard	Spencer	Walsh, Mass.
Page	Simmons	Stanley	Walsh, Mont.
Phipps	Smith, Ga.	Sutherland	Warren
Poindexter	Smith, Md.	Thomas	Watson
Pomerene	Smith, S. C.	Trammell	Wolcott

Mr. SHEPPARD. I wish to announce that the Senator from Arizona [Mr. ASHURST] and the Senator from Kentucky [Mr. BECKHAM] are absent on official business.

The VICE PRESIDENT. Sixty-eight Senators have answered to the roll call. There is a quorum present.

Monday, December 15, 1919.

Mr. STANLEY. Mr. President, the proposed amendment contemplates the elimination of all provisions in the act providing for compulsory arbitration, including the various boards of wages and working conditions and the provisions providing for certain pains and penalties in the event of a strike after the finding of the board of transportation.

The attitude of Members of the Senate toward any legislation designed to prevent or punish striking will depend in great measure upon their varied conceptions of the meaning of the term. Webster defines a strike as "the act of quitting work, especially such an act by a body of workmen done as a means of enforcing compliance with demands made on their employers." He also defines "strike" as "an extortion of money or the attempt to extort money by the threat of injury."

Now, jurists have differed as widely in their conception of what this thing that we call a strike is as the lexicographers. If a strike is blackmail, if a strike is an attempt by illegal means to extort money, the quicker legislation is enacted to prevent it the better.

If it implies simply the refusal of one or more men to continue service in the employ of a private corporation or individual, its punishment is an entirely different matter.

The distinction between legal and illegal acts, between things which the law should not punish, which would imply the deprivation of an inherent right, an inalienable right, and the punishment of things that are palpably illegal and wrong has been clearly drawn in a decision, Arthur *v.* Oakes (63 Fed. Rept., 310), to which the Senator from Wisconsin [Mr. LA FOLLETTE] has already called the attention of the Senate.

Before inflicting heavy pains and penalties, we should know exactly what we are prohibiting and what we are penalizing. In the Oakes case the receivers for the railroad asked for an injunction. They alleged that irreparable injury was about to be inflicted and prayed that the employees of the carrier be restrained from committing depredations upon the property of the carrier, or from conspiring together to prevent the operation of the road, or from quitting the service of the carrier in a body with the intention to embarass such operation, or to hinder or delay the movement of commerce.

That great, wise, level-headed jurist, who combined in a strange and a rare degree a wealth of head and heart, that superb and robust intellect, John M. Harlan, draws the distinction between the right of employees to desist, to abstain individually or collectively from the employment of the master, and the license—because it could not be a right—to prevent another from entering its employ or from inflicting injury of any character whatever upon the property of the employer. Was not that the distinction that was drawn?

Mr. LA FOLLETTE. I think it was.

Mr. STANLEY. He modified the injunction by eliminating any prohibition upon the part of the court against the quitting by employees individually or collectively and retained in the order the prohibition against any injury to property or any effort to interfere with those who chose to enter the employment of the carrier.

Said Justice Harlan in that case:

> It would be an invasion of one's natural liberty to compel him to work for or to remain in the personal service of another.

Now, remember, the Government has a right to command my service nolens volens. I am of the opinion that a soldier in the service of his country or a policeman protecting the safety of a city has no right to strike. The proudest and most self-respecting citizen can render such service to the Government under conditions which render a breach of his contract a form of desertion. But you can not invest in any private citizen or corporation whatever that power which free and self-respecting men willingly render to the State. That is a sovereign power.

Said Mr. Justice Harlan:

> One who is placed under such constraint is in a condition of involuntary servitude, a condition which the supreme law of the land declares shall not exist within the United States or in any place subject to their jurisdiction.

Now, as to their right to do collectively that which he says you could not prohibit them from doing singly, Justice Harlan said:

> We have said that if employees were unwilling to remain in the service of the receivers for the compensation prescribed for them by the revised schedules, it was the right of each one on that account to withdraw from such service. It was equally their right without reference to the effect upon the property or upon the operation of the road to confer with each other upon the subject of the proposed reduction in wages and withdraw in a body from the service of the receivers because of the proposed change. Indeed, their right as a body of employees affected by the proposed reduction of wages to demand given rates of compensation as a condition of their remaining in the service was as absolute and perfect as was the right of the receivers representing the aggregation of persons, creditors, and stockholders interested in the trust property.

Now, let us see if the bill is designed to prohibit the positive, affirmative interference with interstate commerce. I concur with the committee that if we have not sufficient law to protect common carriers and to permit the unimpeded course of commerce, it should be passed. But there is a vast difference between such interference and sending an officer of the law into the home of an employee and commanding him to return to the service of his master or go to jail. In this very case the judge of the lower court who issued the injunction considered a strike—

> Essentially a conspiracy to extort by violence; the means employed to effect the end being not only the cessation of labor by the conspirators but by the necessary prevention of labor by those who are willing to assume their places—

Is that the strike about which we are talking? Justice Hannen, in Farer against Close, an early English decision, declares:

> A strike is properly defined as a simultaneous cessation of work on the part of workmen, and its legality or illegality must depend upon the means by which it is enforced and on its objects.

Justice Harlan, in the same case to which I have referred, said a strike may be—

> the orderly withdrawal of a large number or in a body from the service of their employers on account simply of a reduction in their wages. Such a withdrawal is not either illegal or criminal.

Is this the thing which this proposed law is designed to prohibit? The more conservative railroad presidents of this country believe that if this bill is passed it will precipitate a strike. I have no doubt of it.

Are you going to say to 2,000,000 proud and intelligent employees of the carriers, "If you meet in your lodge rooms or in your locals or anywhere else and discuss working conditions, if you find these conditions onerous or the compensation inadequate and agree to seek better and more remunerative employment elsewhere, and as a result of such conference two or more of you quit the service of the master, you shall be forthwith imprisoned"? That is exactly what it means.

The antistrike provision of this proposed act does not design to prevent lawlessness, or the clubbing of nonunion labor, the blowing up of bridges, the demolition of cars, or the wrecking of engines. Why? Because the chairman of the committee in presenting this bill to the Senate says that was not the purpose.

Mr. KING. Would it disturb the Senator if I should interrupt him?

Mr. STANLEY. Not in the slightest. I shall be glad to have the Senator interrupt me.

Mr. KING. The policy of the Government since 1887 has been to assert control over common carriers. They are to be treated as essential to the life and the welfare and the happiness of the people of our country. Indeed, they are essential to the life, the welfare, and happiness of the people.

Mr. STANLEY. They are absolutely so.

Mr. KING. By common consent it has been agreed that the Federal Government shall take charge of these instrumentalities of commerce. This bill, however, goes further than preceding bills.

Mr. STANLEY. It goes further than any bill which has ever been passed on the subject.

Mr. KING. It aims to provide for wages, for just compensation; it fixes the rates which the carriers may charge; it provides boards and instrumentalities to curb and control and determine the activities of the railroads. Why? Because the railroads are essential to the welfare of the public. The Government says, "You must operate these roads in a certain way; you must operate them continuously."

The Government having taken the employers and their property under its charge and jurisdiction and subjected them to limitations, without expressing any opinion, I desire to ask, Is there anything improper in the Government going further and, in the aid of the people everywhere, in the aid of continuity of service, for the welfare and for the life of the people, saying to the employees, "We think that you should be impressed more or less with this public interest, this public duty; that you ought not to strike; that you ought not to conspire to interfere with transportation and with the service which is necessary for the life and welfare of the people?" That seems to be the theory of the bill; that if the Government, for the

good of the public, can take charge of the property and of the individuals who own the property, the employees who are connected with these roads ought to submit to what this bill conceives to be, I presume, reasonable rules and regulations, to the end that the public interest may not suffer and the health and the happiness of the people be materially affected. Does the Senator think that the principle which would apply to private corporations in their relations with their employees should apply to public corporations, or, in view of the Government taking charge of the railroads and their property and fixing the rates, and so on, whether or not it has authority to deal with the employees? I express no opinion. I am inclined to think that the argument which the Senator from Kentucky is making, however, is very sound.

Mr. STANLEY. I will answer the Senator by saying yes and no. Commerce is to the industrial body what the circulation of the blood is to the physical body. Any interference with the movement of traffic has the same effect upon our industrial life as strangulation has upon our physical existence. The stoppage of the movement of traffic is more than a loss to the private corporation maintaining the road; it is a positive injury to the public; that is all true. Congress has a right to protect the public, and should do so by inflicting the most drastic pains and penalties upon any man or any set of men who attempt by any overt act to stop the movement of the mails or of passengers or freight or to offer any character of physical injury to the appliances used in interstate commerce. Congress has the right to enact—and should enact—the most drastic legislation punishing the engineer who leaves his locomotive, the conductor who quits his coach, the brakeman who leaves his car and then attempts by intimidation or physical violence or any other act to prevent another from taking his place; but I do not conceive that the public—that a majority—have any rights that the minority have not.

The right to life, liberty, and the pursuit of happiness is common to all, and the right, whether a man works with his head or with his hands, high or low, to seek individually or collectively that employment which is the most congenial and most profitable, is essential to the life, liberty, and happiness of a proud man. The majority, namely, the public, may, perchance, be inconvenienced by a carrier's lack of labor, by difficulties in the movement of traffic, not because its employees have done anything to hinder the operation of trains, but simply because their personal presence is needed to move them; under such circumstances the public is not warranted in saying: "If you do not work for a wage and under conditions named by some governmental board you must go to jail." That is not tolerable in a free country; that is establishing a system of involuntary servitude for the public good; and a system of involuntary servitude in one business will spread into another. A wise reformer once stated that they who deny liberty to others shall not long enjoy it themselves. Such a pernicious principle once established among common carriers will soon spread to mines, mills, and factories.

Mr. JONES of New Mexico. Mr. President, will the Senator yield?

Mr. STANLEY. Certainly.

Mr. JONES of New Mexico. I am very much interested in this discussion and must admit that it impresses me very forcefully; but I have been thinking of this situation: Take the coal strike; the mining of coal can only be carried on by those who have been especially trained or educated along that particular line. Now, if all of the coal miners concluded to quit mining coal at once, and there were no other supply of labor to take the place of those who are quitting, can the Senator suggest any remedy, in view of the premise which he is laying down, to relieve the public of absolute suffering and misery?

Mr. STANLEY. May I borrow a Yankee habit and answer that question of the Senator by asking him one?

Mr. JONES of New Mexico. I shall be delighted to answer if I can.

Mr. STANLEY. No misfortune can be so great as positive famine. The people of this country would starve to death if the sower did not sow the seed; if the farmer did not raise cattle and hogs. That work requires technical skill; a man can not plow until he learns the business; a man can not be a farmer without considerable intelligence; and I think it takes about the most intelligent men in this country to do it successfully. Suppose the men who tilled the fields found that they could make more money operating the railroads or working in the mines and they should all quit plowing corn and raising hogs, would the Senator be in favor of an act that would send men to jail who did not stay on the farm?

Mr. JONES of New Mexico. I am not saying that I am in favor of the provision in the bill putting people in jail for striking on the railroads; I have not come to that conclusion as yet; but I was just wondering what remedy, if any, could be provided by law.

Mr. STANLEY. I wish to say to the Senator—and I say it respectfully, because it is a hypothetical case—that he is shooting at a bogey man, a man of straw. It is absolutely futile, it is, I should say, an unfounded fear, an impossible thing that he is proposing to guard against for this reason: We had just as well pass an act in Congress punishing men for pulling their own teeth as to pass acts designed to prevent millions of men from starving or freezing themselves to death. It is impossible for all the miners of this country to stay out of the mines and everybody else stay out of the mines until the miners with the rest of us freeze to death. That is never going to happen; and it never can happen. It is just as improbable as that all the farmers of this country will ever refuse to sow wheat and to plow corn and to raise cattle until famine stalks in the streets and until they and their children die of hunger. It is impossible that 2,000,000 trainmen, with 10,000,000 dependent upon them, will ever abandon the highways until traffic rots in the ports, until trade is stagnant, and until ruin and bankruptcy and starvation desolate the land. Those things can not happen. They never have happened. They never will happen. The pain of the thing will drive the conductor back to his car, the engineer back to his engine. The force of public opinion, the inevitable suffering that they and their wives and children will be subjected to, will adjust the matter as it always has and it always will. You are providing the most dangerous, the most drastic, the most exasperating legislation to prevent a thing that is just as probable as that a meteor will strike the earth.

Mr. JONES of New Mexico. I made the inquiry and used the illustration which I gave owing to the condition which seems to have confronted the country just recently; and I believe the Senator will agree that unless that coal strike had been settled there would have been great suffering and loss of life in this country.

Mr. STANLEY. Undoubtedly.

Mr. KING. Mr. President, if the Senator will permit me, there was great suffering, and in some places there was, as I am advised, loss of life because of the inadequacy of fuel.

Mr. STANLEY. That is true.

Mr. KING. And I do not think the suffering of some of those people in the extreme West influenced the miners in going back to work, either.

Mr. WOLCOTT. Mr. President, will the Senator yield?

Mr. STANLEY. Certainly.

Mr. WOLCOTT. Referring to this coal strike, which is very recent history, are we not justified in gathering this lesson from that strike?

Before I deduce my conclusion from the facts, let me preface my statement by calling attention to the fact that while there was no statute making that strike unlawful, there was an injunction against that strike, a restraining order laid on all the mine leaders and workers and every man to whose knowledge that injunction process should come, with the indefinite pains and penalties behind a violation of that injunction, to be applied through contempt proceedings. Therefore, in that coal strike situation there was, to all intents and purposes, a law against strikes, with the most fearful kind of penalties, because they were indefinite—fine or imprisonment, or both, without limit.

Now, then, that being the case, may I not ask the Senator if it is not true that, regardless of pains and penalties, men will strike if they desire, and you can not stop them by law?

Mr. STANLEY. I entirely concur with the Senator, and further on in this argument I will come to a brief résumé of the utter failure of such legislation. Take the instance that the Senator from Washington and the Senator from Delaware have quoted. Originally, the coal miners of Pittsfield were prohibited, under the most dire pains and penalties, from forming any character of organization, or from quitting the service of their masters by any kind of agreement. For centuries that was the law. The man dug the coal, and the woman, with a leather thong about her neck, clad in a single garment, with a chain fastened to the thong and extending between her arms and her limbs, like a beast of burden, dragged it to the light. Her body was torn and maimed by the cruel links. They were dwarfed and hideous and dirty and ignorant, and philanthropists said that God could not see them, because they were in the darkness and in the bowels of the earth. One day they walked out into the light, and they said, "The last leather thong has been fastened to the body of wife or mother or daughter. You shall have beasts of burden to carry this coal to the light of day. We will die or starve or go to prison, but we will not go back into the mines as long as our women are hitched to these cars."

That was the first strike among the miners. That was their first organization. Great Britain, for a thousand years, attempted to hold these men in the mines by every character of drastic legislation, by every character of fine and imprisonment; and to-day she has wiped the whole thing off her statute books, and has affirmatively legalized and affirmatively guaranteed to labor the right to quit. What is true there is true in New Zealand, true in Australia, true in every country that ever attempted to make a vast body of men work against their will.

Mr. CUMMINS. Mr. President——

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Iowa?

Mr. STANLEY. Certainly.

Mr. CUMMINS. As a preliminary to a question, I want to refer for just a moment, if the Senator will allow me, to the statement just made by the Senator from Delaware [Mr. WOLCOTT].

Mr. STANLEY. Why, certainly.

Mr. CUMMINS. I assume that the great body of our people are law-abiding. They intend to respect the law. It was not assumed by them that there was any law that would permit the injunction granted by the Indiana judge. On the contrary, they protested most earnestly that there was no law which authorized an injunction of that character, and they proceeded upon the assumption that there was no law under which a judge could issue an injunction of that kind.

Now, I am not saying that the injunction was issued without authority of law. I do not attempt to revise or criticize the opinion of Judge Anderson nor his action, but I only say that the coal miners and the heads of the union representing the coal miners did not understand or believe that we had any law which would forbid a strike of that character; and, of course, if we have a law of that character, it is a part of the war legislation and will pass away when the emergency which created it passes away.

I am only saying that to put the history straight with regard to the effect of legislation of this character. I do not believe that the miners would have brought about a nation-wide strike in regard to the production of coal if at that time, when we were considering their difficulties and the inadequacy of their wages, we had had a provision of law under which their disputes could have been submitted to an impartial tribunal, just exactly as it is about to be submitted to an impartial tribunal, and settled in that way. We would have had no coal strike, because sensible, law-abiding men would have known, and they know now, that a government such as our Government will not do injustice to the great body of its people.

With regard to the illustration given by the Senator from Kentucky very eloquently and very truly, a provision of law prohibiting strikes, prohibiting the struggle that goes along with the strikes, without at the same time providing a tribunal for the just settlement of the disputes, whatever they may be, would be just as abhorrent to me as it is to the Senator from Kentucky, and the great failure of Great Britain in her advance along that path has been that Great Britain never has been willing to undertake the task of doing justice to her working people. The moment Great Britain is willing to assume the enlightened duty of adjudicating disputes between the working people of the country and their employers, then the case will be parallel to the one presented in this bill.

I beg the Senator's pardon for interrupting him at such length.

Mr. STANLEY. Just at that point, does the Senator from Iowa think that a citizen is under any higher obligation to obey an act of Congress than to obey the order of a court of competent jurisdiction? Here was a court of competent jurisdiction which said, as the President of the United States said, that the strike was illegal and unlawful.

Judge Anderson said that it was in clear contravention of the law of the land; and in addition to the weight of law, solemnly enacted, you had the injunction issued by the most determined, the most pitiless judge that ever sat on an American bench, as devoid of human sympathy as a marble column, and yet to a man they did not obey. If they would not obey under those circumstances, when they had the law, the President of the United States, and the court all warning them that their act was illegal, does the Senator think any other act would have any other effect?

Mr. CUMMINS. The Senator must remember that the strike had already occurred when these announcements were made.

Mr. STANLEY. Is there any difference between the lawlessness of a man who continues a strike after he knows it is against the law and that of the fellow who starts one?

Mr. CUMMINS. I think not. I think there is no essential difference.

Mr. STANLEY. Exactly.

Mr. CUMMINS. But the strike had already occurred when the appeal was made to the court, and the order that was issued was not directed to the men. It did not direct the men to return to work. It was directed against those who were before the court, the leaders; and, so far as we know, they claim at least that they gave the utmost respect to and obeyed implicitly the injunction that was issued. I do not know whether they did or not, but I am saying again that there was nothing that gave the miners any reason to believe that they would get any other or further justice than that they could secure at the hands of their employers. Now, if it is not in accordance with enlightened civilization to provide a tribunal to which every man and woman can go for justice, then I quite agree that the provision to make it criminal to strike ought not to find its way into the laws of the country; and I want the Senator from Kentucky to remember also that while we are using the word "strike," or the term "prohibition against a strike," this bill is not quite that.

I do not want to escape any responsibility for what it does really command. Under this bill every railroad man in the United States could leave his employment if he wanted to, every man could leave his employment after conferring with his fellow workmen, and leave without any violation of the law. It is only when a dispute has arisen and the strike or the concerted and agreed suspension of employment occurs in order to compel the employer to do the thing which the employees want done. It is that thing of which the Government takes jurisdiction in this bill and says whether the employers are right or the employees are right. It seems to me that there is a vast difference between that and compulsory employment. Every man is at liberty to take whatever employment seems most attractive to him and continue it just so long as he desires to continue it, and not a moment longer; and he can leave not only individually but in as large a company as he desires to gather about him, if he desires to do it. But he can not agree or combine with his fellow employees that he will prevent the movement of commodities in interstate commerce in order to coerce submission to the terms which he has proposed.

Mr. STANLEY. Let me interrupt the Senator. The Senator says the law provides that he shall not prevent the movement of interstate commerce. This law provides that he shall not prevent the movement of interstate commerce, as I understand it, by refusing or failing to assist in its movement, if that refusal is the result of an understanding between him and other employees.

Mr. CUMMINS. Not at all. It has no such signification as that, if I correctly understand it.

Mr. STANLEY. That is my understanding of the bill.

Mr. CUMMINS. It simply means that here is a dispute which we may say all the employees of the country engaged in railroad service have with their respective employers. They are trying to settle it and they can not settle it. The employees do not want to leave the railroad service, they do not quit their work in order to indicate that they desire to seek some other field of employment, but they quit because they want, through the suffering and inconvenience which they will occasion, to compel the employer or employers to accede to the terms which are proposed. If it were a struggle only between the employers and the employees, I would be the last man to advocate any limitation or restriction upon the right to strike.

But a third and innocent party comes in at that point, and the railroads being originally operated for profit, of course you may deny them that profit, and I have not a word to say. But when you put it out of the power of the railroad companies to serve the commerce of the country, you have visited a very great injury upon innocent people, and I believe the time has come when we should have some means of settling those disputes and avoiding those calamaties.

I know very well that substantially the law which is proposed here has not worked well, not perfectly, at least, in one other country. It has never been proposed in any country save one, notwithstanding all that is said here about it. It was proposed in New Zealand.

Mr. STANLEY. They have had the same act in Australia, or practically the same act, over and over again.

Mr. CUMMINS. Where?

Mr. STANLEY. In Australia.

Mr. CUMMINS. No; I do not think it is quite the same.

Mr. STANLEY. The same principle.

Mr. CUMMINS. These laws which provide for prohibition against strikes until an investigation can take place and which, after the investigation, cease to be of any binding effect, are not at all parallel with or similar to the law which we propose here.

The Senator from Kentucky and I have discussed this matter in the committee, and we know our respective views pretty well; but what would the Senator from Kentucky say about an agreement, we will say, between the producers of steel rails, that they

would not sell any steel rails to the railways of the country, and allow these railways to fall into such condition as that the properties could not be operated, in order to accomplish some purpose which the steel companies had in view? I know that it is an utterly inconceivable case, but suppose that all of the farmers of the United States should enter into an agreement with each other that they would produce just enough for their own consumption, but would not produce anything for sale? Any farmer can do that if he desires to do it, of course, and he is at perfect liberty to do it. But what would the Senator say of a society which had reached the point where, with a perfect organization of farmers, they would all agree that they would plant just enough to feed their own families, and not one ounce of foodstuffs for general distribution? If we can not do something to avoid a situation of that kind, then the Government is a failure.

Mr. STANLEY. I will say to the Senator that combinations between tradesmen for the purpose of fixing the price or limiting the output of any commodity have been illegal since the statutes of Elizabeth, since the earliest monopolies in glass, and soap, and playing cards, and what not. Such a combination as that is illegal at the common law, is in contravention of the Sherman Act, and is in violation of the statutes of almost every civilized community, and such acts have been in force, have never been repealed, and have never been opposed by any intelligent legislator who believed in the freedom of commerce and of trade. I say that you can not apply that rule to agreements between men touching the conditions and compensation of their employment, because they are not identical things. The chairman of the Committee on Interstate Commerce has never in all his useful and splendid career done anything more worthy, or anything which has brought him more fame and affection among the people of this country, than the fine distinction which he himself has drawn when he said that labor is not a commodity.

Mr. CUMMINS. Mr. President, I believe in that statement profoundly. I believe in it even more deeply than I did when it was proposed. But I do not believe that anyone should make a commodity of labor, and, as I remarked the other day, Mr. Fitzgerald or Mr. Foster or Mr. Gompers, or anybody else, should not be permitted to make a commodity of labor. I think it is just as bad for them as for Mr. Gary, or any of the other captains of industry, to make a commodity of labor.

Mr. STANLEY. Again, in answer to the statement of the chairman that men have no excuse for opposing the deprivation of a right where you afford them a tribunal to which they can go, and which will do them justice, give them something else just as good.

There is nothing that affects the community more, for instance, than marriage. Future generations depend on your wisdom and mine in selecting a companion for life, and for that reason kings and governments for years controlled that choice. There are eugenic uplifters who would do it now. What would the chairman say to a learned commission that should divest us of the right to select our own companions, look over the dames of the country, get one just as good or who would do just as well, and then if you do not marry her, put you in jail? You have not provided a fair tribunal compensating us for the loss of the right to select our own wives.

There are certain rights that Jefferson believed were inalienable. The worst, the most pernicious thing that I see today confronting the American people, a peril greater than the red haze of war on our eastern shores, more far-reaching and penicious in its consequences than the growls and the threats of the Bolshevists and the anarchists, is our utter departure from the principle that there is any such thing as an inalienable right, that there is any such thing as saying to an intermeddling government, "Thus far shalt thou go and no farther."

It is not the province of government to feed men with a spoon, to circumscribe inalienable rights. There are certain rights that come from God, that no government ever created, that no government should ever destroy; and the right, with or without the consent and cooperation of my fellow workers, to work where I please and when I please, and for such compensation as I can secure, is as inalienable, as much a part of me, as inherent and as sacred, as the right to marry, as the freedom of speech or of conscience. That is the thing that this bill destroys, and when it does it is nothing more nor less than bald socialism. The whole scheme was born in the dreams of a lot of wild-eyed Australian socialists, and after they had tried it in their own country, after the law has produced the thing it was intended to prevent, after this thing had proved abortive and worthless wherever attempted anywhere else in the world, this committee has taken this discarded, this discredited, this exploded vagary, this dream of socialism, and incorporated it into this law, over the earnest, indignant protests of 2,000,000 of intelligent Americans, who say they will not wear this yoke.

Let us see what happens to the operation of this law. Says the chairman, "The injunction issued at Indianapolis was against a few leaders; this act reaches the individual workman." So much the worse. Do you know that under this act, if a man and his wife are making out bills of lading in a freight office, and their wage is the subject of discussion before any board on earth, and he says to his wife, "I have had an offer of better employment, and I am going," and she says, "I will go with you," and thereupon they quit, you can put them both in jail?

If an engineer and a fireman discuss what they are going to do before they do it, before they leave the engine, you can send them to jail. Do you think any court will ever do that? Why enact a law that you will be unable to enforce?

Another thing: As I have said, this is pure socialism. It is nothing more nor less. I defy the chairman of the committee, I challenge any member of the committee, to show me where this thing has ever been attempted to any great extent, that it has not been in a socialistic community, advocated by labor leaders and socialists.

There are men in the Senate who remember when New Zealand was peopled by wild men. Its civilization is but a half century old. A homogeneous company of men of moderate means settled in the Pacific islands and started a socialistic community. It was not as bloody as Bolshevism, because there was nothing to be gained by attempting to rob men when they had nothing, and they did not care to rob each other. It was as wild an idea as any dream of Carl Marx.

Every commission that ever was sent to investigate the Australasian socialism has declared that the thing was predicated upon the idea that a man's labor and the employer's property alike belonged to the State, and where the State had a right to say what the man should do with his property the State has a right to say what a man shall do with his body, and that was consistent. I do not care whether I am working in a mine or a mill or a factory or on a railroad, shall the State say to me, "I have the right to your labor whether you propose voluntarily to give it to this private concern or not, because the public good demands it?" What are you going to say to Mr. Lenin or Mr. Trotski or Carl Marx when they show you that the happiness of the public alike demands that the State take your property with my labor? It is worse than the socialism of Carl Marx, wilder than the heresies of Lenin and Trotski, because of the two my body is more sacred than my property.

Our Saxon sires, devoutly worshiping their personal independence, appreciating the sanctity of their clean, brawny bodies, while permitting their Government to take their flocks and their lands, refused to endure a blow or any form of personal indignity.

It is a dangerous thing, a dangerous thing to make a commodity of the body of a free man.

Another thing: When you adopt this proposition you will go to a maximum and minimum wage scale. You can not help it. A maximum and a minimum wage scale means an inefficient, listless body of political slaves. Why? As long as a laborer is permitted to make his own bargains, either collectively or individually, and his wage is inadequate, that is his affair. If the railroad does not pay him enough, he can dig coal. If that does not pay him enough, he can plow corn. Here in this wide domain, with its multitudinous and multifarious industries, the doors of opportunity open on every side, and the man who gets an insufficient wage has every opportunity to better his condition.

But when you say to me, "You shall not leave that throttle, you shall not leave that coach, you shall continue to lay rails or to walk track—when you compel me to stay there—you are under a moral obligation to give me an adequate wage; and when you fix a maximum and a minimum wage you destroy individual initiative.

I speak not as the sponsor for labor or any other class; it is the principle I oppose, and that principle is socialism. If there is one thing on earth I fear more than anything else in the way of a political heresy and a social menace, it is socialism. None of you would fear a widely extended strike if labor was not organized.

I am the known friend of organized labor. Labor, however, does not ask the aid of the Government in perfecting an organization. It is not the province of this or any other Government to dictate to employees in this regard. It is the right of the laborer to bargain individually or collectively, and no governmental agency should attempt to control its choice in that matter.

Do you know that this bill, as every other compulsory arbitration plan ever devised, presupposes the unionization of the

employee? The House bill is more candid than the Senate bill. The House bill provides that the boards shall be made up of the heads of the various brotherhoods and unions. The Senate bill provides that the crafts shall name the boards. The same thing in effect. How can 10,000 trainmasters, for instance, or track walkers, scattered and unorganized from Hellsgate to the Pacific coast, send a representative?

Mr. SMITH of South Carolina. From Hellsgate to the Golden Gate?

Mr. STANLEY. Yes. You can not do it. You have to be organized. The provision is that the craft shall name these men. What will be the result?

If they look, as the chairman has said, to this board as the wise, just, able thing to fix their wage and protect their rights, do you not know that the advocate of organized labor must say, "You have been out of the union before, but you can not get to this board except through the door of the union," and he would organize every one of them. There never has been a compulsory arbitration measure enacted in New Zealand or Australia, or anywhere else, that it did not presuppose that it was based upon the complete unionization of the craft. Not only that, but in Australia and in New Zealand the law contained preferential clauses in favor of labor unions.

What has been done here? You have provided that the engineer can not get to the Government with his troubles, can not get to the board with his troubles, except through his craft; and the conductor can not do it.

There was an amendment offered here that certain ones were not organized and for that reason could not come in under the bill. You compel the men to organize in locals where they meet in secret and confer and consult. You say collectively they must present their demands, collectively they must ask these awards, and then "if they do not suit you and you collectively quit you go to jail."

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Kentucky yield to the Senator from Iowa?

Mr. STANLEY. Certainly.

Mr. CUMMINS. Is not the Senator mistaken about that?

Mr. STANLEY. No.

Mr. CUMMINS. There is nothing in the bill to require collective bargaining or to forbid collective bargaining, or to require collective appearance or to forbid it. The individual is just as free to come to one of the boards that are organized as is the union.

Of course, we understand perfectly—the Senator need not smile—that unions will do most of the work. But the Senator, I think, is wrong in saying that we require collective movement of any kind.

Mr. STANLEY. It is physically impossible for the individual to get to the board. You do not say "You shall go this way," but you leave certain doors open and the only doors that he can go through are the union doors. You say the craft shall name the boards and that they shall be selected from nominees of the craft. The House bill says the unions shall name them. If a man is not in a craft he has no voice in the naming of the judge to try his case.

Let us take the arbitration boards to see whether they are not a mockery, a delusion, and a snare. The labor men have spewed them out from their mouths because they know they amount to nothing. You have a board under the bill called a conciliation board. Half of the board is named by the craft, by the labor union. The other half is named by the railroads, the private corporations.

As a rule the Brotherhood of Firemen and Locomotive Engineers and the Order of Railway Conductors and the heads of the railroads act in harmony. In ninety-nine cases out of one hundred they are both against the shipper. Through all the long fights I have witnessed during 12 years' service in Congress, when we were attempting to clothe the Interstate Commerce Commission with a little power to say when a rate was excessive—and the Senator from Georgia [Mr. SMITH] will remember that long fight—the railroads themselves were no stronger against it than were the brotherhoods.

Any raise in rates is usually supported by the workmen. You have a board of wage conciliation. The employer and employee each through his representative meet to determine what is an adequate wage. The president of the road says: "If this thing is agreed to and it becomes a legal rate and we can not get a fair return on the movement of the traffic by reason of this increased cost, the Interstate Commerce Commission will be bound to increase our rates because this is a legitimate charge, and if the rate is not compensatory it is confiscatory."

Here is a charge supported by a mandate of law. What would become of that poor, voiceless, forgotten goat, the public, that pays the freight? The proposed board has no power on earth except to invite disputes that it can not settle; except to start fires that it can not put out.

What has been the experience of every country with such boards? Some claim that they have diminished strikes; all admit that they have increased the number of disputes. It is easy to get a hearing before such boards. I wish I had time to read a description of what occurred in New Zealand, from a discussion of this matter by a member of the Parliament of New Zealand. They had the same proposition, a bilateral board like the one proposed in this bill to hear disputes, and then if they could not agree they went to the highest authority, the governmental board. They said all disputes would be settled before they got there; but they found that they all went to the higher board, and it was utterly overwhelmed with work.

Not only that, but you are a thousand times worse off than if you did not have any board of conciliation at all. Why? Because you have in every court of justice the same method of conciliation that this board affords. It is equivalent to an act allowing A to employ two attorneys and B to employ two attorneys, and then if the attorneys can not agree to leave it to the judge. How many times do attorneys ever agree? What will be the result? The employees with their attorneys and representatives and the employer with his go before these boards. After they have discussed the matter until they have become inflamed and angered and set in their opinions, then they take the matter before a governmental board. How much better to take the matter before the governmental board in the beginning.

It is said that we should do this thing in order to secure the free movement of commerce. Is commerce on the land any more essential to national life than is commerce on the sea? Rome discovered, Carthage discovered, France discovered a thousand, two thousand, yes, three thousand years ago that nothing was worse than to stop the course of commerce. So they provided a very certain method of securing its movement. The motive power then was a man at the oar. To-day it is the man at the throttle. They chained the man to the oar so that he could not get away. I had fancied that the day of the galley slave was over, but this bill should be characterized as the latest and most approved method of fastening the conductor to his car and the engineer to his cab.

I wish to read here a description of how a similar provision worked in New Zealand. The industrial commission delegated to investigate this subject in New Zealand declared:

> Trade-unionism and collective bargaining are not only recognized but fostered as a national policy. This is reflected in provisions whereby only associations of either employers or employees may initiate proceedings before arbitration courts, and in the rapid growth of trade-unions in membership.
>
> The system has not prevented industrial disputes, which have, in fact, increased.

Dr. MacLaurin, of the New Zealand Parliament, years after the New Zealand bill was enacted, thus described its practical workings in that country:

> What I said about the compulsory conciliation act in January, 1898, has been abundantly emphasized by over two years of local history in the operation of that law. The act in question is a symbol of perpetual industrial war. * * * This law—

And it was almost identical with the proposed law we are now considering—

> generates political strife, resentment, suspicion, and reprisals subversive of the State. It does not conciliate, but it exasperates, sets class against class, trade against trade. * * * It annihilates all semblance of brotherhood and simply encourages a spirit of contentiousness, leading employers and employed to coerce each other without leaving room for individual exhibition of the golden rule. It thus generates a slavish and vindictive spirit. The act is a menace to the body politic. * * *
>
> It was claimed that this (compulsory arbitration) act would bring about industrial peace, that strikes would be at an end, and that capital and labor would work together in harmony and with a certainty that there would be no disturbance. * * * Well might the employers say, as they did lately at Christ Church, that they intend to end the matter one way or another. Continued pin pricks become unendurable in time, and a sword thrust even might be welcomed if it ended an ever-existing trouble; and, bad as strikes are for everyone, it is questionable whether it would not be better to have a question fought out to the death than a state of things continually pressing, which tends to keep those who are interested in it in a state of unrest and irritation. * * *
>
> The feeling is growing that even an occasional strike would be preferable to everlasting disputes, and there is undoubtedly less good feeling now between employers and employed than existed before the act.

On July 12, 1907, Mr. Loughnan, another member of Parliament, discussing the operation of these boards, said:

> The wages board are, I understand—although the details have not been given to us—to be composed of experts in each particular trade—

Like this bill which is now before us—

> and they will talk over matters in a friendly way and try to come to an understanding.

That is all the board under this bill can do—

This was the intention of the framers of the original conciliation and arbitration act, but for some reason the conciliation boards did not conciliate. The arbitration court was intended only to be the "bogey man"—the compelling authority of last resort; but after the failure of conciliation so many united in rushing to take their grievances to the court that the machinery of the court was checked and the court was unable to get on with its business. The result was an enormous accumulation of business, and the act—I will not say that it became a dead letter, but its work became most unsatisfactory.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. STANLEY. Certainly.

Mr. KING. I have not heard all of the Senator's observations, as I have been called from the Chamber several times; but, as I gather his position, it is this: That notwithstanding the progress we have made in civilization from the days of Rome and Carthage we can not devise any means to prevent strikes, any means of adjusting strikes, any means that will deal justly between capital and labor when controversies arise over wages, wage scales, and conditions of employment, but that the present method of war, of striking, must be continued.

Mr. STANLEY. No; I do not say that.

Mr. KING. Does the Senator suggest any other method of dealing with this problem—and it is a serious one—than that which is offered in the bill?

Mr. STANLEY. Yes; a very simple one; simple but effective. It is the obvious that frequently escapes us. In this country men seek that employment which is most remunerative; a good job will draw a good man. If the coal operators are making large profits and the men who are with them, or any number of them quit, they will offer more wages and get others; that is the whole of it. Here, in a free country, where each man is looking out for the most remunerative employment, pass and enforce laws which will punish infractions of personal liberty, that will punish assaults upon men or the destruction of property. When such acts are committed by individuals the law already covers them; and I tell you that where a body of men, union men or others, I care not what, organize to do an unlawful thing they are guilty of conspiracy, because, as is familiar to all lawyers in the Senate, any combination by unlawful means to do a lawful thing or any combination to do an unlawful thing by lawful means is a conspiracy.

If you would prevent the lawless interference with the movement of commerce, enact legislation that wherever an employee of a railroad engaged in interstate commerce is assaulted—and, as I have said, if it is done by an individual the law as it is now written against assault and mere breach of the peace will be effective—but where he is assaulted pursuant to a conspiracy make it a felony, if you like, and then enforce the law. Then you will have the common sense and conscience of mankind behind you; you will have a law you can enforce.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield further to the Senator from Utah?

Mr. STANLEY. Certainly.

Mr. KING. Then, as I understand the Senator's position, he thinks that nothing can be done to prevent strikes other than, if laws are not sufficiently drastic enough now, to enact other laws to punish assaults and batteries and overt acts, and that we may not create tribunals and compel the employer and the employee to resort to those tribunals for the purpose of determining their controversies?

Mr. STANLEY. No; I do not say that. I am arguing against the fatal defects of this bill; I am not saying that you can not stop strikes. I am not advocating strikes; I am not defending them; but I am saying that this bill is a socialistic nostrum; that is all.

To digress a little further, there is—and I will come to it later on—a very interesting report of what I think was called the Whaley Commission, named by the British Government to investigate this question. They made a very elaborate report on it within the last year, to which I will refer further on. They do not think anything will put an end to strikes, but found that shop committees would probably be very effective in tending to decrease strikes. Where only a few men are employed in an industry there is possibly no danger from a strike, if one occurs, because no especial injury to the community follows. Danger only arises in the case of enormous concerns, like steel companies, employing ten thousand men or a hundred thousand men, and in vast mining and transportation enterprises. Even in those instances, however, the head of the concern is usually in close touch with the heads of the organization. I think it might be highly advisable and I am inclined to favor a law providing for shop committees and providing that various industries might name boards of arbitration, selected by the heads of departments and by the employees, and pending their determination of the matter it is highly improbable the industry would be menaced by a strike.

The strongest factor that broke the recent great railroad strike in Great Britain was public sentiment. The laboring people are just as eager to get public opinion on their side as is the owner of the plant. As De Tocqueville said in his wonderful review of democracy in America, public sentiment is the monarch here; it is more powerful than the President; it is stronger than the Army. When public sentiment speaks in this country, men heed it, as he well said, more quickly than the French heeded the edicts of the Grand Monarch, Louis XIV. You can utilize public sentiment. The Canadian law does that. It provides first for boards of conciliation and arbitration, to which both sides present their case. Then that report is sent to the leading labor journal, it is sent to all the daily papers in the Dominion, and a copy is sent to each of the contending parties. If either party accedes to the demand, then that is published and sent to the other party, and if he is in the wrong the whole force of public opinion is bent against him. Then, if he agrees to abide by that decision, that arbitration has the force and effect of a decree of a court and can be enforced.

What is arbitration, anyway? I do not mean to say that I am against every form of arbitration for the settlement of strikes, because I am against this impossible thing. Why, if the Senator from Utah please, this is called "compulsory arbitration." There is no such thing. You might as well talk to me about a square circle or a straight crookedness. If it is compulsory, it is not arbitration, of course. Arbitration is the settlement of a dispute by persons named by the disputants. There are three ways, and only three, of settling differences between men. One is by force of arms; another is by decree of court; the other is by arbitration. Now, a legitimate arbitration, a valid arbitration, an arbitration that is not bogus and a sham, is based upon the consent of the parties. I name one arbitrator, and you name another, and they name a third. We have a voice in it. This does not do that. This board is impotent. If it does not agree, the matter goes de novo before another board, one selected by neither, authorized by neither, but whose decrees have the effect of law.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky further yield to the Senator from Utah?

Mr. STANLEY. Certainly.

Mr. KING. In view of the conceded irreparable injury that comes to the public from these great strikes, particularly strikes that involve our transportation system, does not the Senator think there ought to be some method devised in this Christian age and in this Christian Nation to prevent strikes? Does the Senator think that the wisdom and the ingenuity of legislators, and of laboring men, and of the heads of our industries are utterly futile to evolve some plan that will prevent strikes, and that we must go on in the same old way that we are going now, with strikes in every State—and I think there is scarcely a State in the Union to-day where there is no strike—with all of the consequent harm and sorrow and injury and, indeed, death?

I do not know that this bill is a specific, that it will relieve against—I was about to say the intolerable situation which now exists; but it does seem to me that if this bill does not reach the situation we ought to try to devise some method by which we can prevent strikes. I would be the last man in the world to prevent a laboring man from securing his rights. I know the wrongs to which the laboring men have been subjected in the past, and perhaps in the present, in this country. I know that great corporations have been builded up by unjust exactions wrung from labor and from the consuming, toiling masses, and I know that they have secured high tariffs in order to boost prices here, and have brought pauper labor from abroad for the purpose of forcing down the price of labor in our land. Those things are intolerable, and they ought not to be permitted to exist, and I hope they never will be permitted to exist again in this land; and yet there ought to be some plan devised by which the public shall not suffer because of controversies between the employer and the employee, particularly where the industry is one affecting the public.

The controversy is not alone between the employer and the employee. Most of these wage controversies affect the public. The public have some voice; they have a right to be heard in these controversies, because they affect the lives and the welfare of the public. You are interested; I am interested; the wage earners themselves in New York and in Chicago are interested if there is a coal strike, or if the transportation systems of the country are tied up so that starvation will come to them; and it does seem to me that there ought to be some plan devised

that will not infringe personal liberty, by which, in the future, these great strikes may be averted.

The Senator has just said, or at least I understood him to say, that the question of wage would solve the problem. I do not quite agree with him.

Mr. STANLEY. No; I do not say that.

Mr. KING. The Senator made an observation something like this when I asked him——

Mr. STANLEY. I hope the Senator will differentiate sharply at this point between those things which I might suggest as alleviating and those things which would prevent. There are certain evils which we can possibly prevent, like the invasion of the country. There are other evils, like intemperance or homicide or lawlessness, that you never can entirely stop. It seems—and I say it reverently—that God Himself has not so written His laws that they are all obeyed. I doubt if it is humanly possible to make every man continue in his employment, wherever it is, at the arbitrary mandate of the Government; but you can alleviate the situation.

Mr. KING. Mr. President, I do not want to suggest or even intimate that I would compel any man to assume any position that might be regarded as involuntary servitude. That would be intolerable in a Republic such as ours. The Senator, though, if he will pardon me just a moment, indicated, as I understood him, that this question would be solved or alleviated by the question of wages. I do not think that meets the situation. For instance, as the Senator from New Mexico stated a moment ago, take the question of coal mining, or the question of railroad transportation.

Mr. STANLEY. The Senator misapprehended me. All I meant to say was that in a community where there are so many different opportunities, where wages vary so much in different professions and callings—for instance, at one time large amounts were paid to day laborers in the wheat fields in the West and at another time in the lumber camps—there is such a wide opportunity for a man to find employment, and each seeks the best employment, that any raise in compensation instantly attracts thousands of men who otherwise would pursue some other vocation; and that is, perhaps, the best strike breaker, after all—the fellow who comes peaceably and takes the work that the other fellow quits.

Mr. KING. The Senator understands that that could not be done in all cases, as I was about to observe.

Mr. STANLEY. No.

Mr. KING. Take the engineers, the brakemen, those who have been engaged in the transportation business. You could not go out among the mass of the people and recruit men, if there were a general tie-up of our railroads, to take charge of the trains and to operate them.

Mr. STANLEY. And yet, if the Senator will pardon me right there, that is exactly what they did in Great Britain. They got men to operate those locomotives.

Mr. KING. Well, they got a few, but they did not have a general resumption of business; and they had to call into requisition the motor cars and the busses, and so forth, for the purpose of transporting; and indeed the transportation then was very insufficient and defective, and it is a question, if the strike had not soon terminated, whether there would not have been the greatest sorrow and suffering. Yet, after all, you can not compare the little island of Great Britain, with its congested population and good roads, where after breakfast you can walk across the island, as the Yankee said, with the United States, with its great distances and its vast continent. You could not in a day, or in a week, or in a month, bring to coal mining, or bring to the operation of the railroads, in the case of a universal strike, a sufficient personnel for a resumption so that people would not suffer; so that the question of wages, no matter what you might pay, would not reach the difficulty. You might pay the engineers $1,000 a week, and if there were a general strike you could not resume business and save distress and sorrow throughout our country.

So the wage question is not the solvent for this evil. There must be some other way of meeting it. It does not meet the situation and provide an adequate remedy for this very unfortunate conditon that prevails in our country, where we have these persistent strikes.

I am very glad to hear the discussion, and I am not sure that this bill reaches it; but I am very anxious to have the Senator point out, if he can, some method by which, if possible, we can avert these strikes. If it is impossible, then we will have to go along in the old way, doing the best we can.

Mr. STANLEY. I hope the Senator will differentiate right here. He takes me on a wide field that is very interesting. In the first place, I admit that we have a sick body politic. Industrial dislocations, as they are called, have paralyzed industry at times and imperiled the comfort and safety of the community; but it will not do to say to the doctor who objects to a certain remedy for a sick patient, "You object to curing the patient." It does not follow because I do not subscribe to this remedy either that I am in favor of strikes or that I believe that they are uncontrollable. I think there are many, many simple means of reaching these conditions.

Has the Senator from Utah ever thought of the proposition that a few years ago strikes were almost unknown in the commerce on the Great Lakes? No such thing was ever heard of as a general strike there. Now they are common. Then the commerce upon the Great Lakes was carried on by men who owned their own ships. The owner of the vessel started out as a boy before the mast or a cabin boy, and grew up with men of his own race, hardy Americans, who spoke his own language, called each other by name, and stood by one another in hours of peril. Wrecks were almost unknown. By and by a single corporation took control of that vast shipping, until to-day it is greater in tonnage than all the tonnage in New York Harbor and the combined tonnage of all our navigable streams. Men were put upon these vast steamers and these ore boats who spoke a jargon of every tongue on earth. Their employer was in Chicago or in Pittsburgh. They were known by their numbers. You had all kinds of strikes. Strikes are due in great measure to the distance between employer and employee and the lack of touch and the lack of understanding. Nothing reconciles man to man so much as personal contact. Legislation that will prevent combinations in restraint of trade, legislation that will allow smaller and more active and more efficient industries to live against combinations. A rigid enforcement of the Sherman Antitrust Act will do more than such bills as this, a thousand times more, to prevent this very thing. I am firmly convinced that the enforcement of the law against the things that produce strikes and then a rigid enforcement of the law against the lawless acts of strikers will prevent not so much the contemporaneous quitting as the evils often incident to it.

It is in the violence, in the intimidation, in the lawlessness, in the turmoil—these things are all wrong. In this very extensive term we have included these things, and also the personal liberty of the individual. In attempting to prevent things that are altogether wrong we are trying to prevent other things that no self-respecting free man can afford to give up. I believe we can ameliorate this condition. I believe that in a free country like this there is no business in the world that can not be operated, if the law is strong enough to protect the man who is operating the business from acts of lawlessness and violence and intimidation.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New Mexico?

Mr. STANLEY. Certainly.

Mr. JONES of New Mexico. This bill, of course, is one of the most important bills that we can possibly have before us for consideration.

Mr. STANLEY. If the Senator will pardon me right there, I concur with him to the extent of believing that this is the most vital legislation, the most perilous legislation, means more of good or evil to the commercial interests of this country, than any legislation we have before us.

Mr. JONES of New Mexico. We are all interested and anxious to bring about the right solution, and I should like to get the Senator's views regarding another method for handling this strike proposition.

In my State, more in former years than at present, the sheep industry was handled by running sheep in bands of two or three thousand out upon the public domain, at all times under the care of a herder. By legislation it was made a criminal offense for a herder to abandon his flock.

Mr. STANLEY. At what point, Senator? Excuse me for interrupting, but I think the Senator has presented a hard nut to crack. I want to get exactly what the law prevented, in order that I may be able to answer the question. Did the law compel the man to stay for any indefinite time, or prevent his leaving that herd before certain notice of an intention to quit, and certain opportunity afforded to employ somebody else in his place?

Mr. JONES of New Mexico. I can not at this time recall the specific language of the statute, but the substance of it was the law against abandonment. I assume that if the herder were to give notice to his employer that he must leave the employ, and therefore the care of the flock, it would not be an infraction of the law.

Mr. STANLEY. I am not sure, but I am under the impression that at this time a man can not abandon an engine 100 miles from its destination or from its roundhouse. I believe that if an engineer now, like the herder, would start with 500

passengers, and when they were out in the middle of the plains leave them there in the snow, abandon his engine, and refuse to go farther, he could be punished. An engineer now is morally compelled, if not by direct mandate of the law, to bring his engine in and turn it over to the hostler before quitting his employment. That is the thing that your law aimed at. With these sheep away out there without a shepherd, if they passed a law it would be perfectly proper to say to that man as a condition of his employment, "When you take this employment you take it subject to the condition that you shall not abandon your flock." It is just like an engineer, if he goes out on the mountains with 200 passengers or 10,000 tons of freight, he must carry that freight in. The same principle of law applies as with seamen. A seaman can not leave his ship save in a safe harbor. That is an old principle of law, and I am heartily in favor of its enforcement wherever it applies.

Mr. JONES of New Mexico. The Senator has anticipated precisely the application which I intended to make—in part. Let us extend that application a little further. We all know that a universal strike will affect materially the general public welfare. I understand the Senator to be agreeable to the idea that you might prevent a man quitting his work where that would endanger property.

Mr. STANLEY. Or life.

Mr. JONES of New Mexico. Or life; and give to the employer reasonable opportunity to get another employee. The public is interested in the conduct of this transportation business. Does the Senator believe that a law could be enacted which would make it a penal offense for the employees to strike en masse until the public or the company had an opportunity to put some one in their places and carry on the operation of the road?

Mr. STANLEY. Right at that point, I think it is a very, very pertinent suggestion that the Senator has made. I think these common carriers are quasi public-service corporations; in fact, they are public-service corporations, so far as their action is concerned, and I am vividly conscious of the fact that the employee of a railroad is very close akin to a public servant; that is, to the man who is in the employ of the Government or of a municipal corporation; that he in a way is a protector of society as well as a mere producer of an essential commodity; and I would go as far as I can go, preserving always inviolate a man's right to work or to leave work wherever that action does not immediately entail some injury.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. STANLEY. As soon as I answer this question I will be glad to yield.

I believe the Government has a right to say to employer and employee, "You shall make a certain kind of contract." I believe they would have a right to require, and that the employees themselves could agree, that no employee, except for sickness or some reason like that, should quit his employment without sufficient notice; and I believe if it were made punishable for a railroad to discharge a man without notice or a man to quit a railroad without notice that would do much to stop strikes. I believe we could do it without any personal invasion of the liberty of the employee.

Mr. JONES of New Mexico. I was asking the question for the purpose of bringing to the attention of the Senator legislation which, I understand, exists in the Dominion of Canada, where it is provided that the employees shall not strike until a given time after the investigation of the trouble.

Mr. STANLEY. Or pending the investigation. I have a copy of the act.

Mr. JONES of New Mexico. I should like to know of the Senator if some such provision as that would be a wholesome provision?

Mr. STANLEY. I am rather inclined to favor some provisions in it. They might do much to ameliorate conditions.

[At this point Mr. STANLEY yielded the floor for the day.]

Tuesday, December 16, 1919.

Mr. STANLEY. Mr. President, at the conclusion of my remarks on yesterday I called the attention of the Senate to the inevitable inefficiency invariably resulting from the multitudinous experiments with any system of Government control of labor through the means of alleged compulsory arbitration.

These arbitration boards, whether in Australia, or in New Zealand, or where not, all operate upon the same general principle; that is, a board of conciliation or arbitration is selected composed of representatives from both sides. In this bill it is called the board of wages and working conditions. The findings of this board go to some real tribunal named by the Government, whose determination has the force and effect of law.

It is not necessary to examine the precedents. A look into the working of the thing will convince any careful analyst of its inevitable result. Here are the representatives of the craft and the representatives of the employer endeavoring to reach a satisfactory wage. As long as the traffic will bear it, whether it has been among railroads or in private industrial institutions, the result has been to raise the wage. It does not matter whether men are mining coal or spinning cotton or operating a railroad, as a rule they are always willing to stand a raise in wages, provided that raise shall apply to all who are engaged in the industry in the country, and let the ultimate consumer absorb it.

In addition to that, as I called to the attention of the Senate yesterday, this is compulsory arbitration. The man is commanded to work, not because the conditions are suitable or the compensation satisfactory, but because the law commands it, and you can not in fairness compel a man to work without affording him a compensatory wage. For that reason a minimum wage has already accompanied a compulsory arbitrament of the question.

In a report made by the board of wages and working conditions under conciliation and arbitration acts of Australia and New Zealand, Mr. Ayes to the Right Hon. H. J. Gladstone, in 1908, after a thorough review of this system in both countries, says:

> But the real conditions of industry are very far from being determined simply by the wages that have been paid, and if laid bare I think the attendant conditions, when coupled with the increasing inefficiency, lack of interest in work, and trade-union intervention, would be found to be a greater cause of discontent and dissatisfaction among employees than the nominal wages fixed.

Another distinguished author has said:

> I am quite sure that the arbitration system has resulted in the loss of industrial efficiency far greater than ever resulted from strikes.

A thorough and exhaustive report on the working of compulsory and conciliatory and arbitration laws was made by the royal commission, a commission that visited all the countries in which these boards were in operation, and made anything but an unfavorable report. I call the attention of the Senate, however, to this pertinent paragraph, the thing that seems to have been overlooked by those who are studying simply its effect upon the employer and the employee and overlooking the rights and interest of the general public:

They said:

> The effect of the working of the act—

As far as the general public is concerned, and that is the thing in which we are principally interested here—

> has been undoubtedly to make the public to pay generally more for the products of an industry which has been regulated by a board or the court, when the tariff is high enough or other conditions occur to prevent foreign competition. I have already pointed out that, in the boot trade, the conditions imposed are such that outside producers are able to leap the tariff fence, and a Member of the House of Representatives said to me, "If the present duties are done away with the act may as well be repealed as far as raising wages in the manufacturing industries is concerned." The coal-mine owners agreed upon an advance in price when the cost of hewing was raised, and the flour millers acted similarly. Building has become more expensive, and in this trade the contractors at first made very little opposition to the claims for advance in wages, secure as they considered themselves in the ability to pass on the extra cost of construction to those who required their services. Now, however—

And this should give us pause at this time—

> they are of opinion that the tendency of the awards is likely to narrow the scope of their business, and they are making efforts to oppose more effectually the demands of the men. Cost of living, particularly rent, is becoming dearer, I was informed.

The inevitable result of allowing the employer and the employee to agree on the wage, and then authorizing the Government to give that agreement the force and effect of law, the public unconsidered and unrepresented, is to arbitrarily raise wages. Australia and New Zealand abandoned every semblance of free trade, closed their ports when they went to this pernicious policy, and kited wages so high that they were only stopped when the cost of living became acute.

Are we prepared at this time to adopt a policy whose friends admit results in inefficiency among the laborers and increased cost of the product of labor?

In my opinion the fear that haunts the minds of Members of the Senate and of members of the committee and has induced them to adopt this dangerous expedient, the fear that there will be a universal dislocation of transportation business in the United States, a universal paralysis of the whole movement of commerce from ocean to ocean, is unwarranted. It never occurred before and we have no reason to apprehend that it will occur in the future.

A strike, especially among the employees of common carriers, among engineers and firemen and conductors, is a dernier resort.

to which they never come except after long negotiations and a failure to reach any kind of agreement. These strikes, these disagreements, are the result of the failure of the employees to concur or to agree in some arrangement with their employer. Is it possible that when you have turned the roads back to not less than 20 nor more than 35 separate and distinct corporations, that each one and all of the corporations will have the same trouble at the same time? If they are local, if the walkout occurs upon one road and not upon the other, then you are not face to face with the evil and need no new legislation to handle it, and there is no reason to apprehend that it will be universal in the future any more than it has been in the past.

Now, let us suppose the thing should occur. Let us suppose that 2,000,000 men should at the same time and by common agreement all quit their work at the stroke of the clock. Remember the bill, as the chairman of the committee has said, is not like the injunction at Indianapolis. It is not directed against a half a dozen labor leaders. It applies to all, says the chairman, and that is true. It is a fundmental principle of the law of conspiracy that where a number of men agree to do an illegal thing it does not matter about the extent to which each participates in the enterprise, they are all equally guilty.

If 100 men agree to commit a robbery and 95 out of the 100 act as mere pickets, all are guilty. The same applies here. If they all agree to walk out you have 2,000,000 men who have violated an act of Congress. What are you going to do with them—put them all in jail? In 1910 the prisons of the United States accommodated a little over 111,000 men. You would have to put 20 men in each cell, if you had deputy marshals enough and soldiers enough and civil officers enough to apprehend and incarcerate 2,000,000 men. When you did, when the last railroader was in prison, who would run your railroads? If you could go and find new men to run the roads after imprisoning these men, would it not be easier to find them before you imprison them?

You know and I know and the employees upon the railroads know that the law can not in the nature of things be enforced. The only reason for passing it is the frail hope that it will never have to be executed; that it will never be violated.

The laws of the Supreme Judge, from whose decrees there is no appeal and from whose punishment and vengeance there is no escape, are violated. The children of Israel violated them before the thunders of His wrath had ceased to reveberate about Sinai's flaming top. No law has ever been written yet by God or man that has not been violated, and yet we are told that while we know this act is impotent, while we know it can not be enforced, we believe the moral effect, the sanction of it, will be such that the men will obey it, although they have told you that they will not.

The act not only never prevented a strike and never will, but the history of it in every country that has ever tried it shows that it is the most provocative thing of strikes and dislocations and revolts among labor that has ever been conceived by the wit of man. I know of nothing more interesting than the funeral orations which were delivered over the act in the New Zealand Parliament after 10 years of trial and the admission of utter failure, of failure so ludicrous and pathetic as to amount to a legislative and judicial fiasco and a farce.

In discussing the failure of an act which the chairman of the committee says in all respect is like this, that in every essential resembles it, this act is a twin of the dead New Zealand experience. Said Mr. Rigg, a member of the Australian Parliament, on July 1, 1908:

I have said it was a mistake to suppose that strikes could be prevented by coercive legislation; yet this is what we attempted (p. 48). Now, sir, I have already said that we committed a great error when we made that change. What has been the result? We have found that we have put a law on the statute book that we have been unable to enforce, and no one seems capable of suggesting any effective and proper means of enforcing it. Let me remind the honorable gentlemen that threats of imprisonment were used to compel the payment of fines under the act; that, in fact, writs of attachment were issued against strikers which entailed imprisonment if they had not been respected. Again, we know that where there is an extensive strike, and especially where the strikers are assisted and mutually supported by other unions, it is impossible to enforce the law by imprisonment—quite impossible. Without considering the obvious difficulty of accommodating as prisoners a very large number of our fellow citizens, to enforce it would be to deprive employers during the term of imprisonment of the very labor they can not do without and thus to prolong all the evils that arise from the strike itself.

This brings me to the next method of enforcing the law, which is by fine, and I ask, Is it possible to recover the fine? I say no.

This man is speaking from 10 years' experience with the operation of the act under his own eyes.

We have had recently, first, a union distributing its funds in order that they might not be attached, and then we have had the case where the goods of the strikers have been distrained, a number of articles seized, and, when put up to auction, bought in for 12s. 6d. by an interested party and returned to the owners. Now we are adopting another method, which is the attachment of wages over and above the sum of £2 a week. Now, without expressing any opinion as to the legality of such a course, let me ask, Supposing the attachment of wages results in the men refusing to work any longer, how are you going to enforce the payment of the fine? Have you not then reproduced the conditions that existed during the strike? The strikers who have been fined say, "So long as our wages are attached by the court we will not work," and that means of recovering the fine is destroyed.

I call the attention of the Senate to another brief and graphic description of the expiring agonies of the same act in the first country that ever tried it. I quote here from the Federationist:

For the first 12 years after the adoption of compulsory arbitration in Australasia its advocates had many reasons for satisfaction. The grievances and the wrongs of the men were so obvious that no court could refuse them awards, so the workers were satisfied. As the adoption of the law coincided with the period of prosperity the employers did not seriously object to increased wages.

As long as you agree to boost wages it works. Have you any need of law on a rising scale? Are wages rising fast enough in this country to suit you, or do you want to put this thing in under them and give them another shove upward?

The high tariff wall—

That is another thing that is necessary as well as the minimum wage scale. You can not operate this proposition without excluding labor, that is governed by the law of supply and demand, and not by boards and commissions. Wages should rise according to a natural demand and not according to the maneuvers of boards and commissions, to the detriment of the general public.

Beginning with 1901, however, dissatisfaction developed among the workers. This culminated in a long series of strikes, beginning in 1906, when a strike occurred on the tramways in Auckland. In 1907 there was a large strike among the slaughtermen. In 1908 the coal miners went out—

All in the teeth of this law.

The same year the motormen and the conductors in Auckland struck, and the bakers of Wellington. The labor report for New Zealand for 1908 showed 23 strikes, affecting 2,389 men, and since then strikes have increased in number and in scope.

In February, 1907, the slaughterers demanded an increase in wages. The packers refused to grant this and referred the question to the arbitration court. Knowing that the court would consume the most valuable time of the season in reaching a decision, which in the end would probably be unfavorable, the men struck illegally. The four principal centers of the packing business were tied up. This desperate situation forced the employers to grant the increase. The court was in a dilemma, for "the law must be upheld." They arrested the slaughterers and fined them $25 each. It was a long and tedious process. Men were numerous and hard to identify. Those brought in were searched, but the $25 was not forthcoming. The wheels of justice ground slowly; when summer was ended many unfined slaughterers had vanished. The law had been defied with impunity; it was impotent to prevent the strike and could not enforce the penalty for striking.

The necessity of enforcing the law prompted the Government to increase the penalties for its violation. In the future anyone who struck while a case was pending might be fined, and in lieu of the fine his goods confiscated or the man himself imprisoned. Any labor union ordering a strike, or permitting its members to strike, must pay a fine. Then, lest the unions evade the law by withdrawing their registration, the fine for striking was extended to all trades supplying a utility or necessity whether the trades were organized or not.

Strikes among the slaughtermen have been especially numerous in New Zealand, and for that reason are counted separately in the labor reports. In the year 1908–9 penalties were inflicted on workmen in 266 cases, the fines aggregating $6,650, of which, at the end of six months, 58½ per cent remained unpaid.

In 1908, after having presented their grievances again and again and receiving no answer except the dismissal of the men making the complaints, miners struck. Preparatory to action they divided their union funds among the individual members to prevent their being levied on for fines. The employers invoked the new law. The household goods of the men were seized—cook stoves, sewing machines, and furniture, including articles owned by wives before marriage. The goods must be sold at public auction, but buyers there were none. Finally a smiling man offered $1.25 for the whole lot, and got it. Before night the miners' goods had been returned to the miners' homes. Thus it was again plain the law could be defied with impunity. Enforcement of law depends on popular sentiment or concept of justice.

Mere enactment of legislation is no remedy. Compulsion can not be extended beyond certain limits.

The law referred to, it will be understood, was perfectly fair; that is, it was ambidextrous; it applied to both sides. The law provided heavy pains and penalties against the employer who did not raise wages on demand. The boot and shoe makers of New Zealand refused to obey an award of the commission; at least they closed their shops and boots and shoes were imported. Then the workmen turned on the law.

J. Stephen Jeans, late secretary of the Iron and Steel Institute, in a comprehensive review of the whole question, has this to say about compulsory arbitration:

Practically, however, all experience and precedents up to the present time are dead against compulsion in any form. You can not very well compel a man to agree to submit to reference whether he shall be required to work for a certain employer for a certain wage at a certain time. This must be left entirely to the man's own choice. Nor can you deal differently with a body of men, however numerous, so long as they have broken no laws and rendered themselves amenable to no penalties. Workmen must be continued in the enjoyment of the right to dispose of their labor at whatsoever price they like, and this being so they can not be compelled to arbitrate as to what the price of that labor shall be or as to any other general condition affecting its value and duration.

In my humble opinion, you are attempting to incorporate into this act a foolish and indefensible expedient highly offensive to labor, utterly useless to capital, and eminently calculated to produce the very evils it is designed to correct. Such legislation has often produced strikes by the wholesale. It has never settled one, it has never prevented one, and it never will.

Prof. John R. Commons, of the University of Wisconsin, and Prof. John B. Andrews, authorities of national repute, have written an exhaustive work upon this subject, entitled "Principles of Labor Legislation." With no political bias, without the question being agitated, speaking not as advocates but friendly to many provisions of the law, they review with pertinent comments the history of compulsory arbitration in Australia. They say:

* * * Turn now to the turbulent history of New South Wales. * * * This one State furnishes more than half of the days lost by strikes in all of Australia. * * * After a futile voluntary arbitration law of 1892, New South Wales passed its first compulsory law in 1901. * * * The act expired in 1908. The single court had not disposed of the cases brought before it with sufficient rapidity. The antilabor ministry in power at that time adopted a comprehensive system of wage boards modeled after the Victorian system, whose determinations were subject to appeal to a special court of arbitration—

The exact provision which is contained in this proposed legislation—

All strikes were declared illegal. A system of fines was adopted to reach the union funds. Strikes, almost of the character of rebellion, followed, and the next year the same ministry rushed through a bill applicable to strikes in certain necessary industries, like coal mining. These provided a penalty of not exceeding 12 months' imprisonment for instigating strikes, and the same length of time for mere participation in a strike meeting—

What was the effect of that on the coal-mining industry?

Immediately there followed a strike of all the coal miners in New South Wales—

They accepted the challenge instantly—

The situation became intolerable, and the Labor Party came back to power. A new act was passed in 1912. The severe penalties were withdrawn, and special conciliation boards were created for mine workers.

But neither under antilabor ministries nor under the present labor ministry is New South Wales industrially quiet. Frantic assertion of authority has been followed by flabbiness in the administration of the law. This has resulted in a series of headless strikes. The officials of the union, who might be prosecuted, make a show of dissuading the men—

Have we not had a similar experience recently in Indiana?—

and the men strike with neither political nor economic consequences, as the Government will not prosecute the rank and file, and the employer is bound by the awards. Practically the compulsory arbitration system of New South Wales has become an imperfect wage-board system.

The act of New South Wales was repealed. A provision was placed in the law of 1912 mildly reprobating strikes and in certain instances punishing them as a misdemeanor, and again the laborers struck.

The mild act of 1912 was not anything like as obnoxious as the previous one. Under it a strike or lockout was regarded not as criminal but rather as an extravagant expedient, liable to penalization extending to a charge on any moneys then or thereafter due to the person ordered to pay such penalty. The court was also authorized to grant a writ of injunction to restrain any person from continuing to instigate or to aid in a lockout or strike, the maximum penalty being imprisonment for six months.

In protest against and in defiance of this act, in a country containing less than 1,000,000 adult males, there followed in one year 289 dislocations, involving 144,704 men, and entailing the appalling loss of 2,861,595 working days, with the result that the objectionable provision was repealed in the following year by an amendment establishing the principle that strikes and lockouts, with certain exceptions, were expressly recognized as lawful.

Every country that has ever attempted to enact such a law as we are now attempting to enact has precipitated strikes, with the result that the law has been repealed and the right of laborers to quit the employment and personal service of any man or corporation without let or hindrance has been expressly recognized. Canada has done so; New Zealand has done so; New South Wales has done so; England has done so; and yet, in the teeth of these multitudinous failures everywhere in the civilized world wherever the attempt has been made, conservative men at this crucial time, at this perilous time, are endeavoring to revive this indefensible experiment.

Great Britain and Canada alike, admitting the impotency and folly of such provisions as this, have incorporated into the law express provisions recognizing the right of men to quit and guaranteeing immunity to employees who individually or collectively protest against objectionable working conditions by a refusal to longer endure them.

After more than 10 centuries of experience with every character of legislation penalizing combinations among employees or any character of interference in the relations of master and servant, employer and employee alike, in Great Britain have joined in the utter repudiation of the whole scheme of compulsory arbitration.

As I said on yesterday, we have had for 2,000 years experience with legislation similar to this. Senators will remember from the reading of Blackstone that it was a fixed principle of English law for five centuries that any combination among workmen for the purpose of extorting an increased wage or otherwise inconveniencing an employer was illegal; that any interference between a man and master was a misdemeanor or worse.

Very recently this whole question has been subjected to the most exhaustive inquiry by the Whitley Commission. In commenting upon the report of this commission, Mr. Joseph Horton, British correspondent of the Iron Trade Review, of August 1, 1918, thus summarizes the result of the findings of this commission.

These are not the protests of labor; these are the cold and deliberate judgments of capitalists and of employers of workmen. I quote from the Iron Trade Review of August 1, 1918:

Should employers and employees be compelled to submit their disagreement to arbitration? Should employees be compelled to remain at work while disagreements are being arbitrated? These were among the big questions studied by the commission appointed to investigate industrial unrest in Great Britain. In the latest report of the commission both questions are answered in the negative. The Whitley investigation commission, as the board is called, found that neither employer nor employee favored compulsory arbitration.

In this the second article written by the Iron Trade Review's British correspondent dealing with the British labor problem, the commission's reasons for its findings are set forth. It is pointed out that the mainstay of British industrial peace is the frank discussion of problems between employers and employees, and voluntary arbitration in all cases where such discussion fails to bring about the desired results.

The commission is strong in its advocacy of industrial councils in the various industries as a reliable means of arriving at a satisfactory understanding. The success of the voluntary arbitration plan has been founded on the confidence of both employers and employees in their arbitrators.

If it is not possible to enforce such an act in little islands, in thinly populated countries, how will it be possible to enforce such an act in this great country? The male adult population of New South Wales and of New Zealand does not equal the number of men now in the service of our railroads. There are not 600,000 adult, able-bodied workmen in either New South Wales or in New Zealand. There are more men in the employ of the common carriers of the United States than there are men, women, and children in either one of these countries; and yet these little, thinly populated countries could not enforce such an act on account of the number of men it affected. What are you going to do with 2,000,000 of men?

Mr. President, I have followed this committee and its great work with interest and with admiration. Its members have brought learning, experience, patience, and courage to the solving of an immense problem and to the performance of a titanic task. You have revolutionized a great industry in America. You have taken these roads from the control of the State Governments and placed them under Federal control. You have supervised and controlled the issuance of their securities, the payment of their rates, the organization of the corporations.

If we must make this attempt, let it be done in another bill and at another time. This all-important and vital legislation should not be shackled, should not be endangered by this provision, requested neither by master nor by servant, and sternly, and I think wisely, opposed by millions of men directly affected by it. This bill contains many things which are wise and good and more which are untried and new.

We are about to reorganize and revolutionize a system of transportation which equals in extent and value the mileage of all other railroads on the globe; we have provided for the reorganization of the corporations which have hitherto controlled and operated these systems; we have transferred them from the jurisdictions of the State to the Federal Government; we have regulated their earnings and the issue of their securities. The industrial peace and prosperity of this Republic rests in great measure upon the success and the great work this committee has attempted and to which it has given earnest thought and indefatigable attention and to which it has brought the talents and the experience of men who have given years of their lives to an understanding of this titanic problem. To make the reorganization of railroads and their return to private ownership a success you need not only the cooperation of presidents of banks and railroads, of financiers and traffic managers, you need the cordial, capable, enthusiastic cooperation of the

2,000,000 men who have operated this vast machine with such signal energy and efficiency. Were this some new industrial panacea, not branded all over with demonstrated failure wherever tried, it would still be objectionable at this time. Owners and operatives alike have problems enough to solve, and in their solution we need the cordial and capable cooperation of master and of man. It is not necessary, it is not wise, to endanger the success of the whole scheme by provoking the sullen opposition of those upon whom the expeditious and efficient movement of the commerce of America admittedly depends.

For the reasons assigned I offer an amendment providing for the elimination of the whole plan of compulsory arbitration from the pending measure.

Mr. JONES of Washington. Mr. President, I have received a letter to-day from the representative of the Farmers' National Council, which he asks may be read and printed in the RECORD. I am glad to ask that this be done. He claims to represent a large number of voters in the State of Washington and to speak their views regarding this bill. I ask that the letter may be read by the Secretary.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

FARMERS' NATIONAL COUNCIL,
Washington, D. C., December 15, 1919.

Hon. WESLEY L. JONES,
Room 445, Senate Office Building, Washington, D. C.

MY DEAR SENATOR JONES: At the request of the Washington State Grange, of the executive committee of which I am a member, and representing the triple alliance of Washington State, including the Grange, the State Federation of Labor, and the Railway Brotherhood, I have come to Washington to oppose the Cummins bill and the Esch bill for the return of the railroads, and to urge most strongly that the period of Government operation of the railroads be extended for two years in order that we may have an opportunity, after a fair trial, to determine whether or not Government operation of the railroads is advantageous to the American people.

I am confident that 200,000 voters of Washington State, all those who understand the Cummins and Esch bills, are opposed to their enactment, and feel that it is fundamentally unjust to the men, women, and children of America that legislation of such vital importance should be rushed through without fair and just discussion. We oppose the guaranteeing of dividends to the railroads, as provided in the Cummins bill, since such guaranty of 6 per cent interest will place a premium upon inefficiency and waste and petty graft—more, it will make them inevitable.

On behalf of these organizations I respectfully request that you will have this communication read to the Senate and incorporated in the RECORD, that it may be known to all Members of the Senate that the people of Washington State, who so vigorously, earnestly, and with such self-sacrifice worked for the winning of the war, overwhelmingly oppose the principles of the Cummins and Esch bills and demand that matters of such vital importance shall be determined only after thorough discussion and understanding.

Yours, respectfully,

FRED J. CHAMBERLAIN.

Mr. CUMMINS. Mr. President, on page 58, line 25, I propose the following amendment: After the word "carriers," I move to insert the words "including sleeping-car companies."

I may remark that there has been some question as to whether the employees of the sleeping-car companies come within the proper interpretation of the words "upon railway carriers subject to this act."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 58, line 25, after the word "carriers," it is proposed to insert the words "including sleeping-car companies."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Iowa.

The amendment was agreed to.

Mr. CUMMINS. In section 43, page 89, after line 13, I move to insert the matter which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 89 of the bill, in section 43, it is proposed to insert, after line 13, as a separate paragraph, the following:

Through rates for transportation wholly by railroad shall be made for the entire ordinary transportation service from point of origin to the destination and delivery at the depots, warehouses, team tracks, or other usual unloading places; and in case of ordinary live stock destined to be received at public stockyards, to include the service of unloading and delivery of inbound shipment into suitable pens, and receipt and loading of outbound shipments; such to be deemed the carrier's facilities. This provision shall likewise apply to other than ordinary live stock destined to or received from such stockyards handled in the same manner, provided that where by reason of the extraordinary value of the animals or their condition it is reasonably necessary for their proper care and handling, such additional service as is reasonably necessary in properly caring for the same, the unloading and delivery or loading thereof may be required by the carrier of the shipper, which, if not furnished by him, shall be furnished by the carrier, and reasonable charge made therefor against the shipper, all of which shall be carried in tariffs and subject to the determination of the commission.

Public stockyards are those used as facilities for handling live stock at places of sale, purchase, and slaughtering, including those at which the Department of Agriculture maintains inspection of meat animals for slaughter, and such other places as the commission may find in common use for handling or buying and selling live stock by carloads, to be designated by the commission.

Mr. CUMMINS. Mr. President, this proposed amendment has been brought to my attention by the American National Live Stock Association, of which Judge Cowan, of Fort Worth, is the general counsel.

The reasons that have been submitted to me for the adoption of the amendment are that it has become the practice of the railroad companies, or those connected with the railroad companies, to separate their charges, and when a shipper, especially a live-stock shipper, asks what the rate is from the point of origin to the point of delivery, which is a stockyard, the rate is given according to the published tariff, and then the railroad company adds to the rate a series of charges for various services performed in connection with the transportation of the live stock, so that the shipper does not know from time to time what it will cost him to have his stock delivered at the point to which he ships it.

I am entirely in sympathy with the purpose of these shippers, and want to bring the whole subject within the jurisdiction of the Interstate Commerce Commission, and compel the carriers to state in the published tariffs the rate that must be paid by the shipper for the entire service of taking the property at the point of origin and delivering it to the point at which it is to leave the car. I think it is an amendment which will tend toward the protection of those who have occasion to use the railroads in the shipment especially of live stock.

The amendment was agreed to.

Mr. CURTIS. I offer an amendment. I will state that it is the amendment I offered last night, which was printed and read, and about which remarks were made by myself and the chairman of the committee. I have nothing more to say about it. The chairman of the committee says he has no objection to it.

The VICE PRESIDENT. The Secretary will read the amendment.

The SECRETARY. On page 10, in lines 11 to 14, after the word "carriers," strike out the words "of which Federal control was relinquished prior to July 1, 1918, as provided in the act of March 21, 1918, this act shall constitute a guaranty for the said period," and insert the following: "referred to in the following provision in section 1 of the act of March 21, 1918: 'That every railroad not owned, controlled, or operated by another carrier company, and which has heretofore competed for traffic with a railroad or railroads of which the President has taken the possession, use, and control, or which connects with such railroads and is engaged as a common carrier in general transportation, shall be held and considered as within Federal control as herein defined, and necessary for the prosecution of the war, and shall be entitled to the benefit of all the provisions of this act,' and subsequently relinquished regardless of the wishes of the owners, this act shall constitute a guaranty (a) to the extent of any actual operating deficit, including taxes, that may have been incurred during the period January 1, 1918, to the date when this act takes effect; and (b) to constitute a guaranty until expiration of the four months' period heretofore provided in this section."

The amendment was agreed to.

Mr. UNDERWOOD. Mr. President, there are a great many features in the bill which cover subjects that seem to be in general accord with the views of most of the Senators. I take that to be true, because there was no serious opposition to them in the committee and there seems to be none on the floor of the Senate.

The questions of dispute to a large extent narrow down to the issues involved in section 6 and the section of the bill relating to labor disputes. What I have to say at this time I intend to confine to those two sections of the bill, but I do not wish it understood that by my silence I do not approve of and am not in accord with many of the other splendid features of the bill.

It is practically impossible, of course, to write a piece of legislation that embraces so important a subject matter and covers so large a field, both in the business to which it relates and the economic problems involved, that all men can agree to. In fact, there are some few provisions in the bill that I would change if I had the sole writing of the bill. But bills of this kind are more or less a matter of compromise. We must accept the good with the bad, and, in my judgment, the very large percentage of the bill is entirely good. The few clauses that I would change are not of such grave importance that I can not accept the bill as a whole.

I feel that we must legislate on the question of railroad transportation, and legislate at a very early date, or we will endanger the entire transportation system of the country. More than a year ago the President indicated his desire to return the railroads to their owners. He has twice set the date on which he proposed to return them, unless in the meantime the

Congress legislated. I do not believe that it is possible to return the railroads to their owners under present conditions and without remedial legislation, without danger to the business interests of the country. I do not mean that to be confined entirely to the railroads themselves. I have no interest in a railroad, never have had, and never expect to have. All the business interests with which I am connected are on the side of the shipper. But I realize the business from my standpoint can not be carried on unless the railroads of this country can function, unless the transportation facilities of America are prepared to carry goods that are produced in the fields and the manufactured products of the country to their ultimate market, where the producer can receive his money reward.

The policy of the regulation of railroads in the past has been correct, so far as policy is concerned. The practical workings of regulation in the past, in my judgment, have been a mistake. We have forced a condition in the supposed interest of the shipper to a point where we have reduced the problem to the successful operation of a few great systems in America, and almost to the financial destruction of 60 per cent of the American railroads. I do not mean by that that 60 per cent of the railroads are in the hands of receivers, or would have gone into the hands of receivers before the Great War came on; but I mean that 60 per cent of the roads were not functioning so that they could give the facilities that the producing and business interests along their lines were entitled to. They were not able to put in additional trackage, build additional cars, furnish facilities of all kinds, that would develop the business interests along other lines.

I think that the freights of this country should be carried at a reasonable rate; but, on the other hand, I believe that it is far more important to the shipper to have railroad facilities that will properly put him in contact with his ultimate market, and it is the question of cheap freight rates. By that I do not mean to say that freight rates ought to be exorbitant, but I think a reasonable increase in freight rates that will develop railroad facilities in this country is far better for the development of the business of the Nation than it is to have a paucity in freight rates and a lack of railroad facilities.

The purpose of drawing the bill, the basis of the bill, was to meet those conditions and conditions growing out of the war. We all recognize the fact that a dollar to-day will not purchase half the commodities that it did four years ago. That is true so far as the railroad operator is concerned, as it is so far as the man who must earn the dollar by his daily toil is concerned.

We also must recognize the fact that during the period of the war, under Government control, or at least since the period when the Adamson bill was enacted by the Congress, wages on these railroads have increased over a billion dollars.

That increase amounted to more than all the railroads have ever paid in any one year for interest on their bonds and dividends on their stocks. I know of no man who is now proposing to cut that wage scale, to reduce the wages that are paid. There is a proposal in the bill for wages that may come in the future, but as to the present wage scale I know of no proposal coming from anyone for a reduction. Without a reduction of the wage scale, the cost of the additional wage must be reflected into the cost of the transportation of freight and passengers in America.

Mr. KING. Will the Senator permit an inquiry?

Mr. UNDERWOOD. Certainly.

Mr. KING. Does the Senator mean to indicate—and I ask for information—that the wage scale is proper, regardless of the fact that the prices of all commodities and everything else may go down very much lower than they are at the present time?

Mr. UNDERWOOD. No; I do not mean to indicate that the wage scale is permanent, neither to go up nor down; but I think it is a fixture for the immediate present.

Mr. KING. I agree with the Senator.

Mr. UNDERWOOD. That is what I am addressing myself to. There are provisions in the bill for readjustment of the wage scale. In passing, I will say that in some particulars I do not think the wage scale was too high. The increase to the conductors and railroad engineers was only between 30 and 40 per cent. I do not think that was an extravagant increase for those men under existing conditions with the present high cost of living.

But in some other branches of the service the wage scale for some particular employees was several times in percentages greater than was granted to the engineers and conductors. I think it was an increase that was out of proportion to the increased cost of living or to the average increase in wage scales on railroads or off of them. I think the increase could have been better adjusted if it had been worked out by a board that was conversant with the facts and conditions and had properly solved the problem.

Mr. CUMMINS. May I interrupt the Senator for a moment?

Mr. UNDERWOOD. Certainly.

Mr. CUMMINS. I was afraid the Senator from Utah [Mr. KING] may have misunderstood the remark of the Senator from Alabama. The bill does not establish any wage scale or perpetuate any wage scale. Possibly the Senator from Utah has confounded the bill with a provision found in the House bill.

Mr. UNDERWOOD. I did not mean to imply that it did. I did not so understand the Senator from Utah.

Mr. KING. No; I did not so understand it, I will say to the Senator from Iowa. I understood that there was nothing in the bill which would perpetuate the present wage scale or prevent the board created from adjusting wage scales upon proper application.

Mr. UNDERWOOD. Nothing at all. My remark merely was as to the condition of facts, that it is not probable that they will be changed at this time, and, not being changed, we have a problem to face us of a billion-dollar expenditure that was not facing the railroad management before the war.

Of course, there is the cost of coal and the cost of all other supplies, but in addition to wages and supplies there is another problem that the railroads must meet in the future which is even more difficult than this and to which they have not yet come, and that is the cost of buying money, because you have to go into the market and buy money to operate with just like you have to go into the market and buy coal to operate with and to buy labor to operate with.

Twenty years ago a railroad bond was a prime security——

Mr. THOMAS. Some of them.

Mr. UNDERWOOD. The Senator from Colorado says some of them were, and I accept the amendment; that is true, but they were so regarded as a prime security that conservative New England, through her legislative enactments, required that the funds of trustees and certain trust companies and savings banks should be invested in railroad securities because it was considered a conservative investment.

Mr. McCORMICK. Securities drawing 3 and 3½ per cent.

Mr. UNDERWOOD. Certainly. Of course, bonds were primarily the case, but even stocks at that time had a larger dividend of 4 per cent; had a ready sale on the market. The condition has entirely reversed itself. Investing capital has gone in other directions and went in other directions before the war. The great industrials were regarded as better investments and since the enactment of the income-tax law, State and county and municipal bonds have become the prime investment for conservative capital, and since that time a great issue in many billions of dollars in Government securities has flooded the market, absorbing the idle capital that is here for investment and leaving no field for investment in railroad securities.

To properly equalize the purpose of the bill I think it is absolutely necessary that we should bear the fact in mind that it is the price of money that requires the legislation. You say that the roads have many bonds out on which they are only paying 4 per cent. True; but I can also say that there are many securities of the railroads out now on which they are paying 6 and 7 and 8 per cent interest. More than that, the railroad securities in the nature of bonds that were issued in the past when railroads were a fine investment are falling due, some this year, some next year, and most of them will become due in the next decade. When they become due they must be paid. There is but one way in which the railroads can get the money to pay them, and that is to borrow. Is there any Member of the Senate optimistic enough to contend that at any time within the next decade railroad securities will again sell at par on a 4 per cent basis? I do not think so.

The price of money to-day can better be measured by a Government bond than any other security in America, because we all regard the Government bond as an absolute certainty so far as the payment of principal and interest is concerned. We know that you can go on the stock exchange to-morrow and buy a bond that is practically tax free, except for the surtax, on a 5 per cent basis. Bonds bearing 4 per cent and 4¼ per cent are selling so far below par that, measuring them by the price and the interest received, they will pay the investor 5 per cent interest at maturity with no State tax, no county tax, no municipal tax to pay, and only the surtax to pay so far as the Government is concerned.

What is that security worth as measured in terms of other securities? What is a tax exemption of that kind worth to the investor? Bear in mind that this class of securities is usually purchased by investors of large means. I take it that it would not be out of the way at all to say that the exemption

from taxation is worth 1 per cent to an investor of that kind. Therefore, in comparing Government bonds with outside securities, which must pay municipal, State, county, and Government taxes, you can make the comparison that the Government bond to-day is selling on a 6 per cent basis. I do not regard that as unreasonable.

Since the bill has been before the Senate there has been some very severe criticism of it because it proposes to increase the cost of transportation, because it will increase the price the shipper must pay for transporting his freight. I am inclined to think that the statement that out of the bill will grow higher freight rates is true; but how much higher, and are they justified by the facts? I have heard it said on the floor of the Senate since the debate came on that the bill would put an ultimate charge of $4,000,000,000 on the American people. Let us come right down to facts and see what it does do.

Mr. FLETCHER. May I interrupt the Senator to ask that he compare what he regards as the probable increase under the bill with what he conceives to be the inevitable increase if the bill is not passed?

Mr. UNDERWOOD. I was coming to that. The Senator is undoubtedly correct about it.

Whether this bill passes or does not pass it will be necessary to take up the slack or the railroads can not run. They will have to be supplied with the money to function or they can not do business. The Senator is undoubtedly correct. Even if we do not pass this bill the Interstate Commerce Commission or the Director General of Railroads must make increases to meet the increased expenditures for labor, for fuel, for the procurement of money, or the railroads can not run; they will go into the hands of receivers. Such an increase is going to come whether the bill is passed or whether it is not passed. However, the committee has tried to be liberal.

Mr. STANLEY. Will the Senator yield at that point?

Mr. UNDERWOOD. I yield.

Mr. STANLEY. Commissioner Clark, I understand, has made an estimate that a freight increase of $1 is reflected in an increase of $5 in the cost of commodities in the hands of the ultimate consumer. Does the Senator from Alabama concur in that opinion?

Mr. UNDERWOOD. I am not informed on that subject, and that is not the question involved. Suppose it does. Now, let me ask the Senator a question. I do not know that that is so. As to how far an increase in a tariff tax will increase the article to the ultimate consumer, I do not know. That is the same proposition, and I have heard it argued, as has the Senator from Kentucky, many a day, with one side of the House contending that it meant a vast increase to the consumer and the other side arguing that it involved no increase to the consumer.

Mr. STANLEY. I do not think the charges of railroad carriers and import duties can be compared, for the reason that an import duty is usually levied on an article that goes into the hands of the consumer, while the cost of a freight rate enters into each phase of production.

Mr. UNDERWOOD. So does a tariff tax.

Mr. STANLEY. I am not asking the question in a controversial sense. I am asking for information.

Mr. UNDERWOOD. Yes; I understand. So does the tariff tax. It starts with the raw material and goes up to the finished product. The Senator from Kentucky and I have often contended it did increase the price, whereas our friends on the other side of the House contended that it did not.

Increased freight rates are undoubtedly likely to be reflected into the pockets of the ultimate consumer to a greater amount than the actual amount of the freight rate; but there is nobody who can say to what amount. A great many men——

Mr. KING. Mr. President——

Mr. UNDERWOOD. Just a moment—theorize on that question. It depends on which side of the question you are on, as to whether you put it high or low. But nobody knows. I now yield to the Senator from Utah.

Mr. KING. I think the Senator from Alabama is correct. I have seen the statement attributed to Mr. Commissioner Clark and a similar statement, I think, was made by Mr. Commissioner Woolley. As to some articles it is possible to trace the increased cost, and it will be very much greater in the hands of the ultimate consumer; but in the case of coal and oil, which constitute 40 or 50 per cent of all of our transportation, I do not think the statement holds good at all. Upon the contrary, as to those commodities I think an increased rate enhances the cost by only a very small percentage.

Mr. UNDERWOOD. The Senator from Utah is right. It largely depends upon the item itself. The cost of one article may be increased largely and another not materially. That, however, is not the question that confronts us. Suppose the statement which is attributed to Mr. Commissioner Clark were true and that every dollar by which railroad freight rates are increased were reflected in the pockets of the ultimate consumer of the commodity that went over the road to the extent of $5, and it were necessary to have $1 to run the railroads, would my friend from Kentucky withhold the dollar? Surely not. If it were necessary to have the dollar to run the railroads the Senator would say it is unfortunate that it has to be reflected in somebody's pocket to the extent of $5, but the railroads must function or the country can not live.

Mr. STANLEY. In the sense that a road must have an adequate rate.

Mr. UNDERWOOD. Surely. That is the only question.

I have already congratulated the Senator from Iowa [Mr. CUMMINS] on this bill. I think, taken in the main, it is a splendid and conservative bill. As to every feature I do not agree with the Senator, but I believe that it will relieve the situation.

When I first came to the Senate my friend from Iowa was regarded as a progressive; I think some people behind his back called him a radical. He has never functioned on the railroad side of this issue; he has never been a man who jumped through railroad hoops. Therefore, it rather surprised me when I found some of the Senators were practically charging him with being a tool of the railroads because he brought out this bill. The Senator from Iowa realized that there was a sick man on the table, that it required an operation to save his life; so he has gone at it in a conservative way and is trying to save the patient's life.

Mr. CUMMINS. Mr. President, I desire, if I may, to say in that connection that my views have not been in any way changed so far as the questions referred to by the Senator from Alabama [Mr. UNDERWOOD] are concerned. I think we must choose now between Government ownership and operation of railroads and private ownership and operation of railroads under regulation. If we choose the latter, it is absolutely necessary to put the railways in that position which will enable them to secure the money which is necessary to operate their properties. That has been my sole guide in what influence I have had upon the construction of the pending bill.

I have not consented to give the railroads one penny more than I believed to be absolutely necessary for that purpose; and a good many members of the committee felt, I am sure, that the basis we have provided for here was rather too low than too high.

I may add with regard to Government operation that I have no doubt that Government operation continued under present law will witness a very material increase in rates. The truth is that rates are now being raised all the time. The rates which were promulgated about the middle of the year 1918, known as the 25 per cent increase in rates, which was actually an increase of more than 25 per cent, are not the only rates which have been increased since the Government began to operate the railroads. The rates have been increased here and there all the while, and I never open my mail in the morning without receiving information, and protests ordinarily, against an increase in rates made very recently.

If the railroad companies can manage their properties more economically than the Government can manage them, then there is a possibility that there need be no increase in rates; but it depends upon the economy with which the railroad companies can operate the properties and render the service as compared with the economy with which similar service can be rendered by the Government.

I beg the Senator's pardon; but I wanted to state the case exactly as it appeared from my standpoint.

Mr. UNDERWOOD. I am glad that the Senator interrupted me. I am in thorough accord with the statement of the Senator who introduced the bill. We do not want any misconception about the question of what this bill will cost the country if it is enacted into law, and it is not possible of there being a misconception.

Of course, one can theorize as to how much an increase in rates is going to magnify the cost of commodities before they reach the ultimate consumer; that is theory; but when it comes down to the practical dollars it is going to cost the country under the terms of this bill, there is not room for theory; the fact is plain; it is definitely fixed in the bill, and is not subject to controversy. I refer, of course, to the mandatory features of the bill.

So far as I know, there are but two provisions in this bill that will affect an increase in freight rates. One is the provision that authorizes one-half of 1 per cent for permanent improvements, which has heretofore been taken out of the net income of the railroads, to be taken out of the gross income

of the railroads in the discretion of the Interstate Commerce Commission. That provision is not mandatory in any sense of the word but absolutely discretionary with the commission. How can any man who for the last three decades has consented to the regulation of the freight rates of this country by the Interstate Commerce Commission, where there was no limitation whatever upon the action of the commission except their own discretion in the matter, contend that there is any violent change in this bill, when the committee, to be on the safe side, renewed in the commission the power of exercising a discretion to the extent of one-half of 1 per cent, when heretofore they had the discretion with nothing to limit them but the blue dome of heaven, the reflection of the sentiment of the American people, and their own conscience as to what was right and what was wrong about the matter? Now, leaving out that, which is merely a discretion which the commission has now——

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER (Mr. GERRY in the chair). Does the Senator from Alabama yield to the Senator from Kentucky?

Mr. UNDERWOOD. I yield.

Mr. STANLEY. Before the Senator leaves this point, I wish to propound another question to him in the same spirit in which my last question was propounded. It has been stated repeatedly—in fact, the statement has been made to me by persons who claimed to know and who spoke from authoritative data—that not only was the rate multiplied to a startling degree but that the Government was now operating the roads at a profit and had been doing so for several months. I am not in favor of Government ownership; I am anxious to see the roads returned to their owners at the earliest possible moment; but I was surprised at such statements, not that I question them, because I have never investigated the matter and do not know; but conscious of the profound study which has been given to this question by the Senator from Alabama and having great respect for his judgment, I had hoped that he would discuss that matter before leaving this phase of the question.

Mr. UNDERWOOD. As I said to the Senator before, I can not enter into a discussion with the Senator as to how many times a freight rate is multiplied before it gets into the hands of the ultimate consumer. That is purely a matter of theory.

Mr. STANLEY. I mean, does the Senator know about the relative earnings of the roads for the last several months, or does the chairman of the committee know?

Mr. CUMMINS. Mr. President, will the Senator from Alabama allow me to answer that question?

Mr. UNDERWOOD. Surely; I shall be glad to have the Senator do so.

Mr. CUMMINS. I have given it some investigation, and possibly the Senator from Alabama has not. I intended to refer to that subject when I came to reply, if I do reply, to some of the arguments which have been made against this bill.

It has been said here that during August and September and October and November—the November report is just out—the Government has made a profit, after paying the compensation provided for, in the operation of the railroads. Let us see for a moment how that profit has been ascertained.

In the first place, the cost of the general administration has not been charged to operating expenses, as I am informed. I have not, of course, gone further than simply to inquire with respect to that matter, and I have been informed that the cost of the general administration has not been charged to operating expenses. Second—and this is the real point of it—everybody who knows anything about railroads knows that the fall months—August, September, October, and November—are the money-making months in all railway operation. These are the months of great volume of traffic, and these are the months in which operation can be carried on most economically; and if you will examine the reports of the railroad companies during years past, I think you will find that their net earnings in these months have been very, very much larger than in other months of the year.

The statement that a profit has been made is arrived at in this way: The earnings of the railroad companies for these favorable months have been aggregated, and then one-twelfth of the compensation has been deducted from these earnings, with the result stated by those who have occupied the floor.

I assume that the fallacy of that kind of computation is at once observable to any student of the subject. The only way in which you can ascertain whether or not a railway is profitable in its operation is to take in the entire year, with all of its variations; and I think that when the year is over it will be found that the Railroad Administration for this year has lost more than $325,000,000.

That is my response to the Senator's question.

Mr. STANLEY. Mr. President, at that point, does the chairman of the committee know how the earnings for these last three profitable months, for instance, that have been tabulated and given here, compare with the earnings for the same period last year? That of itself would settle the question.

Mr. CUMMINS. I have in course of preparation a table which will disclose the comparative earnings, and I will present it to the Senate before this debate is finished.

Mr. KING. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. KING. By way of supplementing what the Senator from Iowa has just stated, I have been informed—I do not know how credible the information is, but it comes to me from sources that I am inclined to look upon as being authentic—that the Railroad Administration, in anticipation of the roads going back to the private owners, during the last few months have curtailed necessary expenditures upon the roads for improvements and repairs and betterments and maintenance, which if made would aggregate a great many millions of dollars.

Mr. UNDERWOOD. I think the Senator is correct about that. I do not speak by the card on that subject, but I ride on the railroads sometimes. I think it is common knowledge of everybody how much freight cars have been in demand, and it is pretty nearly common knowledge of everybody that rides on the roads how many freight cars are standing on the sidetracks to-day and can not be used because they are out of repair, and the same can be said to a certain extent of the engines of the railroads. When you stop repairing your rolling stock, and make no charges for an outlay in that respect, you certainly ought to show some pretty good earnings on the other side; but somebody has to pay the bill at some time.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Ohio?

Mr. UNDERWOOD. I yield.

Mr. POMERENE. If the Senator will permit me, if we take into consideration the standard of compensation month by month, I think the figures will show that instead of there being a surplus for the months of September and October there has been a deficit; and I expect, later on, to present some figures sustaining that position.

Mr. UNDERWOOD. I am inclined to think the Senator is correct about it, although I have not worked out the figures myself. Of course, when you come to figuring, you can take an hour or a day or a minute, and sum up almost any business and prove that it is a financial success; but I am sure that it is common knowledge to every man in this Chamber that the one period of the year when a railroad ought to be making money is in the three months of the fall.

Mr. SMOOT. If it does not make money then, it is bankrupt.

Mr. UNDERWOOD. Yes; as the Senator from Utah suggests, if it does not make money then, it is bankrupt. Why? Because the crops are moving, people are traveling, there is a maximum movement of freight, and the best prices, and, more than that, there is no winter snow; there is no weather condition that makes it difficult to handle the trains. The railroad can function at its maximum in the three fall months, and ought to show its very highest condition of profit-making.

Mr. STANLEY. Mr. President, is it not possible to determine, and has or has not the Interstate Commerce Commission determined, by a system of averages—I do not know, but I think it is vital at this point—when this apparent gain in these favorable months is such as to show an actual profit, or when it is not sufficient to bring the average up above the cost of operation for the whole year?

Mr. UNDERWOOD. Well, I suppose you might theorize and figure it out, but what is the use of figuring?

Mr. STANLEY. It is not a matter of figuring. It is a matter of railroad experience, so as to know whether or not this apparent gain that is claimed is an actual gain.

Mr. UNDERWOOD. Does not the Senator himself know that what they gain in October, November, and December is not going to be a gain in January, February, and March?

Mr. STANLEY. Why, certainly I know it; but I also know that if, say, the railroads in these three months have made a net profit of 20 per cent, and the averages that the Interstate Commerce Commission have kept for 20 years show that ordinarily those months sustain a 5 per cent gain over the three previous months, then such a gain as that would establish a net profit, notwithstanding they were the best months. The amount of the profit, in the light of the figures of the average that must be kept by the Interstate Commerce Commission, ought to have some meaning more than a basis of speculation to those who know more about this thing than I do.

Mr. UNDERWOOD. To be sure. I will say to my friend from Kentucky that I have not worked it out in that line, but if he will work it out I am sure he will find that it does not show a profit. Now, I do not know that, but I make the prediction that he can not work out any profit if he will take it for the year. The reason why I know there has not been a profit is because you can take the whole year—it is practically out now—and demonstrate that they have made a very great loss. Now, what is the use of our theorizing that in the three good months they made a profit, when we know that they have made a great loss during the year, and more than that, we know it because it is reflected in the bills in this Congress?

Mr. STANLEY. I do not wish to take the other side of this controversy with the Senator; but I think the question is pertinent, nevertheless, for this reason: It is claimed by those who use this profit as an argument—and I am not taking that position at all—that the previous months were either months of war or months in which they were recovering from the shock of that controversy, and that this profit is not due to the normal movement of freight, but is due to a return to normal by the railroads. I do not make any such claim as that.

Mr. UNDERWOOD. The war was over a year before we reached this period. More than that, the conditions that I see in the railroads are no more normal this fall than they were last spring. It is a pure theory that is worked up by men who want to close their eyes to fact. The fact is that they have lost money, and the fact is that they stood at the door of Congress, when the long session of the last Congress was dying, proclaiming to us that if we did not pass a money bill for their relief then and there they could not function.

Mr. STANLEY. As I understand, the war was not over a year before the beginning of the period when it is claimed these roads were making a profit.

Mr. UNDERWOOD. The war was over on the 11th day of November, and I understood that they were taking——

Mr. STANLEY. It has been stated on the floor of the Senate, and has been stated elsewhere, that they claim a profit for September and October.

Mr. CUMMINS. One year before, however. The war was over the 11th of November, 1918. The three months which have been mentioned there are the three months in the fall of 1919.

Mr. UNDERWOOD. To be sure; nearly a year, if not a year, before it was over.

Mr. STANLEY. But, Mr. President, if the Senator will allow me, the Senator, as I understood him, stated that the war was over for a year before these figures were made. Now, I do not understand that that is exactly accurate with reference to those months, and the question was with reference to those months.

Mr. UNDERWOOD. I will correct my statement, then, and say it was over for practically a year.

Mr. STANLEY. Yes; that is true.

Mr. UNDERWOOD. Now, there is not any question about it; the reason why men bring that kind of an argument before the Senate is because they have to depend on theory to support their case and have to ignore facts. The fact is, and everybody knows the fact, that these railroads have been losing money, if you take the year through, and have not been making money, and they will go back to losing it when we get into the winter months of January, February, and March. There will be no better condition.

Mr. JONES of Washington. Mr. President——

Mr. UNDERWOOD. I yield.

Mr. JONES of Washington. Conceding that, and I do not see how it can be successfully disputed, is not this a very unwise time to turn the roads back?

Mr. UNDERWOOD. That depends on the point of view from which you want to look at it. Before they were taken over by the Government some way or somehow they were run with less freight rates than they are running with now, with less passenger rates than they are running with now, and they were giving more efficient service to the people of the United States than they are giving now. Whose fault that is, I do not know. It may be no human being's fault. It may be the fault of conditions; but nevertheless it is a fact.

The question may be asked as to whether if we turn them back to their owners they will give better service. I do not expect cheaper freights, because whilst the Government has had them they put burdens on them that must be reflected in the freight rates, and it would be folly to contend that they could. I believe myself that they will give better service, because, I do not care how much ability a man has—he may be a superman—there is no one man with sufficient ability to sit in Washington and issue his orders and make all the railroads throughout the United States function as successfully as they could do under presidents, general managers, and boards of directors who were interested in the property and had a specific line of road under their observation.

Mr. JONES of Washington. Mr. President——

Mr. UNDERWOOD. I yield to the Senator.

Mr. JONES of Washington. I agree with the Senator in that. This is the only point I had in mind: Granting the efficiency with private energy, initiative, and so forth, in which I agree fully with the Senator, yet if we put the roads back under such conditions that they would have burdens that they can not bear, I am afraid they will fall down; whereas if we turn them over to the owners, say, the 1st of September, when, with the energy and efficiency they could manifest they would probably bring us in greater receipts than we get under Government enterprise, they would have a chance to go on. Now, it looks to me as if we are likely to turn them back with such a tremendous burden, and probably such a tremendous deficit, that with all their energy and all their efficiency they can not stand up under it.

Mr. UNDERWOOD. I will say to the Senator that I do not think the bill is any too liberal to them; but the purpose in writing the bill, and the effort of the committee, was to make it liberal enough to take care of the situation which the Senator has just visualized. That was the purpose of the bill, and that is what we are driving at, to meet the very condition the Senator has described.

We do not make this condition permanent. It has been said here that we are writing a freight rate and charge on the public forever, never to come off. The bill itself denies that. The basis of making rates in the bill is fixed for five years, to enable the railroads to get the money to carry over the situation the Senator has described, and at the end of five years the whole question of the making of rates goes back to the discretion of the Interstate Commerce Commission, exactly where it rests to-day.

Mr. JONES of Washington. Mr. President, what I am really trying to get is the view of the Senator as to whether it would not be wiser for us not to try to pass any legislation at all, and not have the railroads turned back to their owners until, say, about the 1st of September?

Mr. UNDERWOOD. That is a matter, of course, of judgment.

Mr. JONES of Washington. I just wanted the Senator's opinion.

Mr. UNDERWOOD. I do not contend that my judgment is better than that of other men. It is really a matter of judgment. I do not know anybody to pass on it. I will tell you what influences my judgment, to a large extent, in wanting to see them turned back at once. It is that they have been a charge on the Treasury of the United States of $200,000,000 or $300,000,000 a year ever since we have had them. I do not mean to include in that the money we have advanced, and which we hope to get back some day, which amounts to something like $1,000,000,000; but I am talking of an actual charge on the Treasury of $200,000,000 or $300,000,000 a year ever since we have had them. If they are going to be controlled by private owners, if the future policy is going to be to turn them back to private owners, and that is what I am in favor of doing, then I do not see why we should continue the burden on the American public of $200,000,000 or $300,000,000 a year for another year. I think we had better turn them back right now.

You may say that if we do not turn them back, and do not take it out of the Treasury, we have to take it out of the freight rates. That is probably true. But the man who pays the freight gets something in return, and the man who does not have any freight to carry bears the burden without any adequate return; and I think if anybody must pay the increased cost of the operation of the railroads it ought to be the man whose freight is hauled and who gets an adequate return.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. LENROOT. The Senator states that he expects, and we all expect, that under the bill freight rates will be increased as soon as the roads are returned to private ownership. The Senator speaks of a great deficit being constantly created through Federal operation. I want to ask the Senator why it is not just as competent for the Railroad Administration to increase freight rates while the roads are under Federal control, and thus relieve the Treasury, as it is for the railroads under private ownership to do so?

Mr. UNDERWOOD. I think it undoubtedly is, and though I am not speaking with authority, but am just voicing my own opinion, I think if Congress would declare a permanent policy of continued control by the Government, the Railroad Administration would increase freight rates. They would be compelled to

do it, and they would do it. But expecting that the roads will be turned back to their owners in January, it is very natural that the administration would try to work through the present condition without an increase in freight rates.

Mr. LENROOT. Will the Senator yield again?

Mr. UNDERWOOD. Certainly.

Mr. LENROOT. The Senator from Washington [Mr. JONES] suggested next September as the date. I think that it might be before that, but if a time six months in the future were fixed, could not the present Railroad Administration increase the rates and thus protect the Treasury?

Mr. UNDERWOOD. Undoubtedly it could. But why should we put it off for 6 months instead of 30 days? I can see no reason. We are attempting to put them into a condition, under this bill, where they can function. If we are going to return the roads to the owners, I can see no reason in the world for postponing action for six months, and not doing it now. Nothing appeals to me in the matter.

Mr. LENROOT. Does not the Senator recognize that the task of unscrambling and readjusting the roads is going to be a very great task, indeed, and that it would be very much easier to do it if the roads were returned in April or May or later, when there would be normal business, when the executives would not have to devote their entire attention to the operation of the roads and saving deficits, so far as possible?

Mr. UNDERWOOD. I think that is purely theoretical. The man who devotes his time to operation is one man, the man who devotes his attention to finance is another man, and the man who is going to devote his time to operation will not be concerned or interfere with the financial questions.

Mr. LENROOT. No; I was not referring to financial questions, but the very operation itself, the use of terminal facilities, and the routing of freight. The railroads are now being run as a unified system. It is a matter of operation and not of finance.

Mr. UNDERWOOD. So far as the question of freight is concerned, I do not know any time when the hauling of freight is lighter than in the winter months. It certainly is much lighter than at many other times of the year, and if you want to turn the roads back at a convenient time from that standpoint, it is easier to handle now, and it seems to be now would be the time.

But that is not the real question. I know perfectly well that there is a sentiment in this country not to turn the railroads back to the owners, and I know perfectly well that there is a strong sentiment in favor of their return. The man who does not want the railroads to be returned to their owners naturally wants to put it off for an hour or a day or a year or a decade, if he can, and the man who wants to get them off the back of the Treasury of the United States and get them back into the hands of the owners wants it done the first moment he can get it done. We understand that proposition.

Mr. LENROOT. Mr. President, I hope the Senator will not put some of us, who believe it would be better to postpone the turning back for three or four months, among those who are against returning them at all. I certainly am not one.

Mr. UNDERWOOD. I do not want my remarks to apply to the Senator from Wisconsin at all, but I am talking about the men who do not want them returned at all, who want Government ownership. Of course they welcome the hour of delay, just as the man who occupies my position, who believes that they should go back to the private owners, wants them to go there as soon as it can be done.

But I have gotten far afield from the real question that I wanted to call to the attention of the Senate. The charge has been made that if we return these roads to their owners we are going to put a great burden on the American people under the terms of the bill. As I said, this is not a question of guess, it is not a question of theory; it is a question of abstract fact. We allow one-half of 1 per cent, in the discretion of the commission, to be used for the payment of unproductive improvements, and if the commission desires to use that discretion in the future it may do so; but it has the discretion now to increase rates without limit. So that is merely a discretionary matter and can be dismissed as part of the permanent charge. They will probably have to do it; but if you do not pass this bill they will probably have to increase the freight rates.

But what does the bill do? In the period just before the war—and I will say in passing it was a very good period for the railroads—under the freight rates that were established by the commission, reflecting the views of the Congress of the United States, on the average, for the period of three years, the railroads of the country earned on the value of their property, as shown by the reports of the Interstate Commerce Commission, 5.22 per cent. I think my figures are correct. I will ask the chairman of the committee to correct me if I am wrong.

Mr. CUMMINS. The statement just made is correct, as I remember it. The only suggestion I make is that this earning of 5.22 per cent was upon the property investment account.

Mr. UNDERWOOD. The property investment account as fixed by the Interstate Commerce Commission.

Mr. CUMMINS. I think the Interstate Commerce Commission has never fixed it. It is property investment account as reported by the various railroads to the Interstate Commerce Commission.

Mr. UNDERWOOD. I will make this correction in my statement, that the property investment account since 1906 has been made according to the direction of the Interstate Commerce Commission.

Mr. CUMMINS. That is correct.

Mr. UNDERWOOD. Before that it was carried on the books and made by the railroads themselves. The railroads have nearly doubled in value since 1906—I mean in their property investment accounts—so that that part we know is correct. The part prior to that in some instances may reflect some watered stock, but in other instances it reflects a great increase in value. I have heard it said by members of the commission that, not in detail but as a whole, the investment account practically reflects the real value of the railroads as it would be ascertained.

Mr. STANLEY. As I understand the Senator from Alabama, if the total capitalizations of the railroads of the United States were sold at par they would reproduce the properties upon which they are based at this time?

Mr. UNDERWOOD. No; I did not make any statement of that kind. I do not know about that.

Mr. STANLEY. The property investment account, I understand, is practically the same as the total capitalization. I should like to ask that question of the chairman of the committee, if the Senator does not know.

Mr. UNDERWOOD. If the Senator will allow me, I should like not to be diverted from what I am saying at this time.

The property investment account, I have understood from the commission, practically represents as a whole the real value of the property. Some roads have it too high and some too low, but when you take it for all of the railroads of the United States it is about a real reflection of value. On that they earned for the three years of the test period 5.22 per cent. What does the bill give them? The bill gives them 5.5 per cent on the value of the property as fixed by the commission—not fixed by the railroads, not fixed by the Congress, but fixed by the commission. I take it that that is a substantial and fair comparison of the increase, and there is no other increase. It is all right there.

The difference between 5.22 for the three years preceding the war and 5.5 that is reflected in the bill is 0.28 per cent. I do not know how you would fix the value of the railroad properties; you can fix it yourselves. Some men say they are worth $17,000,000,000, some $18,000,000,000, some more than that, some less than that, but I believe it is generally taken by the commission that $18,000,000,000 reflects their book value. If the charges for freight rates are going to be less, they certainly are not going to be higher than their own book value, and the commission fixing it at 0.28 figured on $18,000,000,000 of value means $50,400,000.

Mr. STANLEY. Do I understand the Senator to state that the commission fixed the value of the railroads?

Mr. UNDERWOOD. Yes; under the bill.

Mr. STANLEY. I mean the value as ascertained by the railroads upon the bill?

Mr. UNDERWOOD. I do not understand my friend from Kentucky. The bill bases the rate-making basis of 5½ per cent on the value of the railroads, which is to be fixed by the commission. That is provided in the bill.

Mr. STANLEY. I understood the Senator from Alabama to refer to the present value of the railroads and their past earnings. I do not understand that that value was fixed by the commission, but it was fixed by the railroads under a system of bookkeeping prescribed by the commission.

Mr. UNDERWOOD. Surely. The values before 1906 were fixed by the railroads absolutely. Since 1906 they have been fixed by the railroads under the rules and regulations of the Interstate Commerce Commission, which was practically the making of them by the commission. The value ascertained, if I recollect aright, was something like $18,000,000,000. I say, it is reasonable to assume that the commission is not going above that amount in fixing the value.

The Senator may contend that their value is less than $18,000,000,000. Then their earning capacity under the bill will be less, and possibly there will not be any increase at all in the amount of freight rates. But assuming that the value of $18,000,000,000 in the three-year test period was correct and their earning capacity was 5.22 per cent, and assuming that the commission is not going to put the value above that when they fix the value, and that that is going to be the extreme limit, then their increased earning capacity under the bill above what it would have been before the war for the three test years is 0.28 per cent, or, reflected into dollars, is $50,400,000. All this talk about a $4,000,000,000 charge upon the American people, all this talk about a tremendous increase in freight rates under the bill, is mere smoke, a smoke cloud blown by the enemy to conceal its own operations.

Mr. SMITH of South Carolina. Mr. President——

Mr. UNDERWOOD. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. The Senator means to say that whatever the increase for the freight of the entire country would be, it would be a percentage which in the aggregate would bring about $50,000,000?

Mr. UNDERWOOD. As fixed by the 5½ per cent.

Mr. SMITH of South Carolina. As fixed by the 0.28 per cent, the difference between what they earned previous to being taken over by the Government and what they would earn under the percentage on the invested value.

Mr. UNDERWOOD. Undoubtedly, except that, as I said before, and I am not sure the Senator from South Carolina was here when I said it, there is a discretion in the commission to allow them to charge to gross account one-half of 1 per cent for nonproductive improvements that heretofore were charged to net account. If the commission allows that, that would reflect into the return an additional one-half of 1 per cent. That, however, is discretionary with the commission. It is not in the bill. It is put in there to take care of an emergency if the emergency arises.

Mr. SMITH of South Carolina. I wish to ask the Senator if he thinks that under the bill the commission, in fixing the value of the property, which it is empowered to do under the bill, would take into consideration the changed conditions as to the value of property in general, and in fixing the value would they or would they not be justified in raising the value of the property now owned somewhat in ratio to the increased value of other earning properties not railroad?

Mr. UNDERWOOD. Of course I can not predict what the commission is going to do. We know what it has done in fixing values in the past. They say they are largely through with their work, at least three-fourths through, and they have not reflected any such viewpoint in their present work. What they might do in the future I can not predict, but up to this time in their work in ascertaining the value of the railroads they have not reflected a viewpoint that would give an increased property charge along the line suggested by the Senator.

Mr. SMITH of South Carolina. I will state the reason why I asked the question. The railroads previous to being taken over by the Government earned a certain average out of that 5.22 which we bound ourselves under the transfer of the railroads to the Government to make good. It aggregated something like a billion dollars in round numbers. What is the Senator's opinion, with the increased cost of wages, with the increased expenses that have been incurred by the Government and fixed by the Government, as to whether when we return them the $50,000,000 additional will enable the railroads to meet the responsibilities of increased wages and their increased charges? How will they live?

Mr. UNDERWOOD. I doubt whether it would, I will say to the Senator, if it were not for the fact that there is one-half of 1 per cent in addition to the 5½ per cent that is discretionary with the commission and that they can charge to gross account instead of to net account, which amounts to their increasing the compensation one-half of 1 per cent. I think that would take care of the situation, but if that is not necessary they do not have to do it.

Mr. SMITH of South Carolina. My experience in looking over the details that I have been able to get from the administration and comparing the expense accounts as best I could with the expense previously to the railroads being taken over by the Government leads me to ask this question. I know the Senator is inclined, if he will allow this digression, as all the balance of us are, to the idea that the railroads must go back, but is there any doubt that for a considerable period the one-half of 1 per cent, representing the difference between 6 per cent and 5½ per cent, plus the other one-half of 1 per cent, will be used to meet the conditions?

Mr. UNDERWOOD. That would only be a guess on my part, and it is not worth any more than a guess. I am rather inclined to think the guess of the Senator from South Carolina is correct. I suppose it is only a guess on his part.

Mr. SMITH of South Carolina. It is a little more than a guess for the reason I shall state. The railroads have an earning of 5.22 previous to the war on their property with the increased wages; and we must not forget that there was a 25 per cent increase in freight and in passenger rates made by the Government, in spite of the enormous tonnage incident to the period, the motive power and the rolling stock being taxed to its utmost, the tonnage carried per ton-mile in the country for the period of the last four years having been the greatest in its history, in spite of the 25 per cent increase on all classified freight and something like perhaps 150 to 200 per cent on some special commodities, and in spite of a 33 per cent raise in passenger rates, leaves a deficit of something like $200,000,000 or $300,000,000 between the operating expenses and the operating income.

Taking those circumstances into consideration and allowing for the incapacity of new hands to run the old roads as efficiently as they were run in the hands of their masters, it is not reasonable to suppose that if they could only earn 5.22 per cent before the war and to now only increase it one-half of 1 per cent to meet these enormous additional burdens, even the one-half of 1 per cent is going to take care of the situation.

Mr. UNDERWOOD. I think the Senator is correct about that. I believe that under the terms of the bill the railroads can go back and function. What I am addressing myself to is the charge that we are putting an unnecessary burden on the American people in the cost of shipping freight. I do not think there is any Senator who will stand on the floor on either side, no matter what his attitude is with reference to the bill, and insist that we should cut down wages to meet the situation. We know that they can not cut down the cost of the purchase of their supplies, because nobody else can cut that down. We know they can not cut down the price of money, because they have the great Government of the United States of America with its bonds competing with them in the money market. So I think when Senators advance the argument that this bill ought not to be passed because it is putting a great burden on the American people, there is no man who can come down to the facts embraced within the leaves of this bill and sustain any such position.

If that argument is not sound, and if the basis of rate making is reasonable and imposes only a reasonable charge on the American public, what is the objection to the bill? It is new; it is something novel. Of course, that is an objection to the bill; it is an objection in the mind of every man. We like to walk out before the public, throw out our chests, and say that we are progressive, that our neighbors are reactionary. That is modern thought, modern style; but, nevertheless, it may be stated as a fact that no man comes out with a new proposition in relation to anything that objection to it is not raised until a large number of the people are convinced that it is right and that it ought to be adopted, whether it is right or wrong. Then a propaganda may be inaugurated behind it that will do something in its favor. It then becomes progressive. Any new idea, however, until it reaches that stage of hatching is reactionary. To men of that mind who have not analyzed the bill there is an objection to section 6, and one objection only, and that is that it provides an absolutely new basis for rate making. Why is that necessary? It is new, and I recognize the fact that it can be properly challenged because it is new, for if a change is going to be made a reason should be given for the change, and it should be shown that the change will produce results for the good and not for the bad.

The reason for this change is simple. The old system broke down. There is not a man in America who can deny the fact that the old system of rate making would not work; it would not function. There could not be a schedule of rates arranged under the old system that did not either pay one road too much or another road too little. Under the old system of rate making great earning capacity was given to a few roads in this country, and the remainder of them were left hanging by their eyelids, ready to drop into the hands of a receiver at any moment. That was because the country was divided into three great rate-making districts, and all the railroads in the country had to be measured by the standard of one or the other of those districts. If a system of rate making were adopted by which road A was allowed to make enormous dividends in order that road B might barely live, there was a cry against it, and it was said that it was exploiting the public, and the rate had to be reduced. When the rate was reduced on road A it had to be reduced at the same time on road B, because the rate had to be uniform, and road B

went into bankruptcy. If that had merely involved the loss of money which had been invested in the road by its stockholders, it would have been bad, although it might be said the public was not interested in that contingency, but the real proposition was, Had not the man who lived on road B as much right to transportation facilities to carry his products to the final market of consumption as the man who lived on road A? It is not a question of the ownership of the stock; it is not a question that applies to the individuals who are engaged in the railroad business; but it is a question of the right of the citizens of the United States to have transportation facilities to the ultimate market.

The Congress of the United States is not living up to the responsibilities that rest on it unless it be willing to write legislation on the statute books that will enable the weak road to function for the benefit of the clientele that lives along its line as well as enable the strong road to operate. Why should a man who has a factory or a farm on the Pennsylvania Railroad have in the eyes of the law a better right to carry his products to the ultimate market of consumption than the man who lives on the Baltimore & Ohio Railroad? Yet the fact is that 80 per cent of the freight and passenger returns that maintain the railroads is obtained from the long haul, and that only 20 per cent of it comes from the short haul.

In the case of competitive lines, whether or not the rate is fixed by law, both roads have got to carry the freight at the same price, or all the freight travels along the line of the road that carries it the cheapest. We long ago recognized the fact that it was not possible to establish a freight rate that would afford reasonable compensation to a weak road and a lesser freight rate that would be reasonable compensation to a strong road and then have the weak road charge the higher rate and do business; that was found to be impossible. For the competitive distance the weak road had to haul the freight at the same price as the strong road, or it could not do the business.

The result is apparent in the tendency to take the more prosperous roads, make comparison of their earning capacity, establish freight rates on that basis, and then leave the future of the weak roads to be worked out as best it could, with the consequence that there has been a continuous procession of the railroads of America going into the hands of receivers, and there has been a continual complaint by the shippers of this country that they could not get the car facilities necessary to the conduct of their business.

Mr. SMITH of South Carolina. Mr. President, if the Senator will yield, is it exactly stating the whole facts in the case as to the weak road and the strong road to say that, by establishing a rate that would enable the strong road to earn a dividend out of all reason on the capital invested, the weak road on the same rate would scarcely be able to live? Was the fault entirely with the rate, or was it not largely due—I do not know to what extent—to the power of certain strong companies, outside of the personal direction of the freight on the part of the shipper, to sell their tonnage to other strong roads, divert traffic where they pleased, and thus deny an equitable division of the traffic of the country that would enable the so-called weak roads to exist under the rate that had been established?

Mr. UNDERWOOD. I think the Senator's statement is correct to a certain extent; there is no doubt that certain strong roads, while not directly pooling, could deliver their freight to certain other strong roads, and in that way build up a business that was detrimental to the weaker roads. That is probably especially true of what is called short-line railroads. But that was only a part of the equation. It was partially responsible for the evils complained of, but the main cause was that the weaker roads did not have a sufficient freight and passenger rate to sustain them. As to the matter of which the Senator speaks, this bill endeavors to correct that trouble and, in my judgment, does correct it.

Mr. SMITH of South Carolina. I made the suggestion because of the argument that we were attempting now to base the rate structure on the aggregate value invested within a rate district rather than on what is termed a reasonable return upon the property invested, which is another way of saying the same thing, the only difference being the basis of calculation. If within a given community the Interstate Commerce Commission were given the power at certain terminal points to distribute the tonnage, would it not largely obviate the necessity under which we have heretofore rested of legislating from time to time to cure these inequalities?

Mr. UNDERWOOD. I do not think it was practicable to do so under the old system.

Mr. SMITH of South Carolina. I think it was impossible, and therefore I am saying, in commendation of those features of the bill, that making the rates uniform was absolutely misleading and destructive unless there were some way provided of equitably distributing the tonnage so as to give the same basis of earnings to roads operating within a given district.

Mr. UNDERWOOD. I think that is necessary, and that is covered by this bill. I agree with the Senator about the necessity for an equitable distribution of the traffic. I take it that the primary point that we are after, and that every Senator here should be after, is service to the public. That is the question that we should meet—service to the public. Of course, the people who have money invested in this property should have their property taken care of. I am not one of those who believe for a moment in confiscating another man's property. I do not believe in doing it by freight rates or by any other method, but I do not contend that that is the primary object of this bill. The question of the value of this property to the owners is a secondary consideration in the great problem that is confronting us to solve to-day, that of seeing that the American shipping public have carriers of freight and passengers at their doors that can properly serve them.

Mr. SMITH of South Carolina. Mr. President, I do not think it will divert the Senator, but right at that point I want to ask him what remedy he would suggest, because it must be provided for in this bill now or later? This bill is predicated upon a standardized condition in this country, upon the idea that we are going to divide it up into certain rate-making groups, take the value of the property within each of those groups, and then upon that value allow the roads within a given group to earn 6 per cent on the aggregate property there. What provision is made for the building of new railroads in undeveloped territory?

The Senator recognizes, as I recognize, that this country is not standardized, and that there are communities into and through which railroads should be built that are not developed that could not furnish sufficient tonnage to live on anything like the standard return that is now provided for, and the overhead charge, the necessary expenses incurred in its production, would have to be taken care of unless the railroads that own the lines contiguous to that country laid aside a sufficient surplus out of the earnings above the 5½ per cent to build the road and still be under the rate of 5½ per cent. That means that new railroad construction in this country ceases with the passage of this bill unless some provision is made now to take care of new ventures until they can absorb the overhead charges incurred in construction.

Mr. UNDERWOOD. I am in accord with the view of the Senator about developing new lines of railroad in undeveloped territory. In certain portions of the East and the Middle West, probably, that is not necessary, but, undoubtedly, in portions of the South and far West the development of new lines of railroad is necessary and should be encouraged. I will say to the Senator, however, that the section I am now discussing, section 6, in no way militates against that, and the new scheme of fixing railroad rates does not militate against that, because the present rate that is being fixed in this bill is at least twenty-eight one-hundredths of 1 per cent greater than they earned before.

Mr. SMITH of South Carolina. Oh, yes; that is all right.

Mr. UNDERWOOD. So there is nothing here that would militate against that. Now, at the end of the five years in which this 5½ per cent rate is fixed it goes back to the discretion of the commission to fix the basis of the rates, just where it stands to-day.

Mr. SMITH of South Carolina. I understand that.

Mr. UNDERWOOD. So that it is impossible for anything in section 6 to militate against the building of new roads. There may be something elsewhere in this bill that may militate against that.

Mr. SMITH of South Carolina. Yes; but what I was speaking of was this: Within five years this basis will operate, but my idea was—and I do not know but that we may find that that is a fairer basis—that if the Interstate Commerce Commission, under the power granted in this bill, will scrutinize the securities, the real property devoted to the public use, and will restrict the roads issuing these securities or investing the money to the use of that money on their own individual property and carry out the purposes of this bill, it is my opinion now that this is perhaps a fairer basis of calculating what a uniform rate would be than any other that possibly may be found. Now, of course, I am not committing myself to the diversion of the excess to other purposes.

Mr. UNDERWOOD. I understand.

Mr. SMITH of South Carolina. But I am saying that it is my opinion that the initial method will be found to be more equitable and just. If that be true, then it will be perpetuated;

and I take it that we are now legislating, perhaps, more with the idea of standardization, of fixity, in our minds than that we are yet in the crescent period, in the developing period; and that while we are legislating to bring about an adequate service to the public that are now supplied with railroads we must not lose sight of an incentive to still further construct railroads and develop this country.

Mr. UNDERWOOD. I agree with the Senator thoroughly; but there is nothing in section 6, the new basis of rate making, that affects that question at all. If there is anything in this bill that can affect it, it is those provisions of the bill which relate to Government supervision of the issuance of railroad securities.

Mr. SMITH of South Carolina. I beg the Senator's pardon. Is he discussing section 6 alone, without reference to the general provisions of the bill?

Mr. UNDERWOOD. Of course, I am glad to answer questions on the other point, but the matter that I was particularly discussing at this time was section 6. Of course, however, I recognize the fact that probably the great railroads of the West were built, and could only be built, from a speculative standpoint. They have been condemned many times, and are to-day, on the floor of the Senate, because they sold their bonds and then gave a share of stock with each of the bonds. However, they were going through an undeveloped prairie or a trackless forest. There was nothing there to develop business. The man who put his money into them was not willing to do it on a 6 per cent basis or a 7 per cent basis, because he could get that by lending it on safe mortgages at home. It had to be a speculative venture, or you would not have gotten the money, and they did speculate. The investor in those roads got $2 of securities for $1 of cash, and he went in and built up a great empire, put towns and cities in it, and mines and factories and great consuming populations, because he was ready to make the speculation.

That was all right in a primitive country, in a developing country; but the people of the United States have passed beyond that. They say to-day: "We are not willing for men to speculate in that way in the securities of the common carriers that must give us our outlet to the markets, and put their charge on us. We want a dollar invested to be accounted for as a dollar, and we do not want to pay freight returns on anything more than the dollar actually invested."

That is the sentiment of to-day. It is the sentiment I am in accord with to-day, without criticizing the speculative building of the railroads of the past.

Of course, this bill has within its leaves a Government supervision of the future issue of railroad securities. How far that may go to prevent and to interfere with the speculative development of railroads in new territory I can not say, but the laws must be uniform. We can not eat our pie and keep it, too. We have got to take one horn or the other of the dilemma; and I do not think there is any question that the country as a whole wants, from now on, a definite understanding as to what it costs to develop a railroad, how the dollars are expended, and whether or not its freight rates must bear the burden of watered stock.

Mr. SMITH of South Carolina. I understand; but the Senator would not pretend to say that the demand in the standardized sections of our country for uniformity would preclude the possibility of independent communities, not attached to any railroad system now, building a railroad, incurring overhead charges, furnishing this convenience to an undeveloped community, and being given exceptional privileges in those particular cases to bring that community ultimately into accord with the developed condition of other communities?

Mr. UNDERWOOD. I do not think so; but, of course, that will be a question for the future, because, whether this bill passes or some other bill passes, a bill is going to pass the Congress regulating the issuance of railroad securities. The Senator from South Carolina knows that as well as I do.

Mr. SMITH of South Carolina. Oh, I understand that; but no provision whatever is made in this bill that I can find, except an amendment that was put in the other evening by the Senator from Montana [Mr. WALSH], taking care of this feature in a limited way. It goes without saying, however, that whenever you restrict the railroads to an earning based upon standardization and tonnage plus the capital invested, as in the case of the old railroads, and then put into the hands of a Federal authority the right to say where, how, and when railroads shall be built, if this becomes the fixed policy of this Government it is the end of railroad construction, except as feeders to lines where necessity compels them to be built, so far as the United States is concerned.

Mr. UNDERWOOD. Assuming, as I did a moment ago, that either this bill or some other bill regulating the issuance of railroad securities is going shortly to pass Congress—and I suppose that if any man were so bold as to move to strike those pages from this bill, there is no probability that he would get any vote but his own, because there is a fixed sentiment that the Government should regulate the issuance of railroad securities——

Mr. SMITH of South Carolina. I do not want the Senator to misunderstand me. I think that of all the provisions in the bill, this provision that empowers the commission to scrutinize and determine the character of railroad securities is the most-needed one. Had that been passed years ago and religiously observed, certain abuses that have brought about a condition in the railroads that we are now complaining of never would have existed. Railroads have been wrecked, as the Senator knows, because of the issuance of fictitious stock. I think that is essential; but I think we ought to write into the law a broad provision in reference to the building of new roads.

Let the securities be passed upon by the commission, but grant the power to take care of the overhead charges after the roads are constructed.

Mr. UNDERWOOD. I will say to my friend from South Carolina that if there is any provision or amendment that he can write to this bill that will not destroy Government supervision of railroad securities and yet will encourage the building of roads in new territory at the same time, I shall be glad to support it. I just have not the ability myself to put it on paper. I do not see the way. But if such an amendment can be offered, I will be glad to support it. And I am not controverting his views. But all I say is that the only provisions in this bill that are affirmatively against the development of a new railroad system, or that could be construed that way, are the provisions that require Government supervision of the issuance of securities, about which the Senator and I agree that there probably would not be a vote in the Senate cast against them.

Mr. SMITH of South Carolina. No; I think not.

Mr. UNDERWOOD. That is all there is to it. No man can contend for a minute that the provisions of section 6, fixing compensation, make it more difficult for the building of new railroads, because section 6 provides for a further increase, not so very much greater, but for a greater increase in returns on stock than has ever been made before, and I think with a new basis of rate making, placing it on their return on value, instead of primarily on service that ultimately must be reflected in value; and as an evidence that the Congress of the United States is willing to try and do what is fair by these railroad systems I think the passage of this bill will have a strong tendency to encourage the investor, and a very much stronger tendency than anything that has occurred in the last decade, to put his money into the development of new lines of road in new territory where there is a chance for a reasonably profitable return.

I see nothing in this bill whatever that would militate against the development of new roads as compared to present conditions if you admit that the provisions in reference to the issuance and supervision of securities by the Government are going to become law, because that is all there is to it. Of course, that takes out the speculative feature, the watered-stock feature, and brings it down to the solid basis that a dollar invested means a dollar to go into the railroads, and only a dollar must earn interest and be paid by the shipper of freight. So that I see nothing in that.

Now, as to dividing the country into districts in rate making, it is divided now. The rates of this country are based in three separate districts. Under the terms of this bill the rate making will be in three separate districts, following the geographical lines as they are to-day. The question is simple; it is accurate. The investor will know what he is going to get. The man who ships his freight will know what he is going to pay.

Mr. STANLEY. Let me ask the Senator, Does the bill provide for more than three districts or zones as a basis for rate making?

Mr. UNDERWOOD. I think that is all for rate making. There are some features about consolidation of railroads that divide it up into 35 or more systems; but that has nothing to do with the rate making.

Mr. SMITH of South Carolina. The bill does not provide for any rate-making groups, except the divisions which you speak of for consolidation. So there will be between 20 and 35.

Mr. UNDERWOOD. No. Section 6 provides that—

In dividing the country into districts and the carriers into rate-making groups the commission shall have in view the similarity of transportaton and traffic conditions therein. Rates of transportation shall at all times be just and reasonable and sufficient to produce a reasonable return upon the aggregate value of the property in each rate group used or held for the service of transportation.

As I understand the bill, it contemplates that the commission shall establish three rate-making districts.

Mr. SMITH of South Carolina. As the Senator knows, on account of conditions over which I had no control, I could not be present during the discussion of the bill by the full committee. But I have not seen anything in the bill that indicates any rate-making groups, outside of the consolidation groups provided for. I think the Senator will find, by a study of the bill, that it makes the rate making and the consolidation coterminous.

Mr. UNDERWOOD. No; I do not so understand the bill. I can not put my finger on the provision now, but I think the consolidation groups have nothing to do with rate making. The commission is to establish these rate-making groups in three zones. But that is not very material, because that could be changed. That is a mere detail.

But here is the change. To-day there is a southern rate-making group, which embraces the territory in which the Senator from South Carolina and myself reside. The rates are made up not on the value of the property directly but what is a just and reasonable return for the service rendered. That is reflected in so many cents per pound for the shipment of cotton, so much for the shipment of iron, so much for the shipment of the other products in our southern district. But in the end it must reflect itself in dollars, because it must be just and reasonable. What does that mean? Reasonable to the shipper and just to the railroad. What is just to the railroad? It means an earning capacity sufficient on its capital investment and its expenditures to reflect a reasonable return on the value of its property.

But you leave that problem uncertain as to what is going to be a fair return. You guess at it in freight rates as to what is going to be a reasonable return on the property. You guess at it in establishing a freight-rate-making system, and that guess is being attacked by the shipper, who wants to pull it down, and by the railroad manager, who wants to pull it up.

This bill abandons that system. It simply provides for 5½ per cent interest for the next five years on the value of the property. There is no watered stock in this proposition, no uncertain securities. In fixing the rate basis in this bill, it does not make a particle of difference to the public whether the railroad has had watered stock in the past or whether it waters the stock in the future, because the bill has nothing to do with stock and stock values. It is the real value of the property that is considered; and the bill says that upon the value of that property the owners for the next five years shall be entitled to a return of 5½ per cent. That is all there is to it, 5½ per cent, which I say no man in this day and time can say is an unreasonable return. At the end of five years the same discretion will be exercised by the commission, to fix what is a reasonable return upon the value of the property, that is now exercised by them to fix what shall be a reasonable return upon the value of the service rendered, and it is only a question as to whether it is more equitable and just and reasonable to fix the compensation upon the value of the property, and recognize that in the beginning, than to try and reach what is equitable and just on the property by taking a particular rate.

I can see no reasonable objection to the acceptance of section 6. On the other hand, I believe that section 6 will enable the railroads of this country to be placed on a more stable financial basis, will enable them to sell their securities so that they can get the money to pay back what they owe the Government, and sell their securities so that they can make the betterments and improvements that are necessary to serve the public.

We must not overlook the fact that these railroads owe the Government of the United States $1,000,000,000, and that to pay it back to the Government would reduce the taxation ultimately to that extent. They have no way of paying it back except to earn the money in freight rates or to sell their securities; and, of course, you could not put a freight-rate charge of $1,000,000,000 on these railroads now and make them return the money at once. So that the only way for the Government to get back its money is in the sale of securities by these corporations.

I believe that this bill will stabilize these securities, will enable them to place them on the market and sell them, so that they can get the money to pay the Government, and also enable them to get money to make the new developments, to build double tracks where double tracks are needed, and to buy additional cars where more car facilities are needed by the public.

There is no objection to section 6 that I have heard on the other end of the line. The bill fixes the basis of the intake the charge on the public for freight rates as based on 5½ per cent on the value of the property. But it does not limit the earnings of the railroads to 5½ per cent. That does not mean that all the railroads in America are going to earn 5½ per cent, not by any means; or that they are going to get 5½ per cent, not by any means, because they have to earn it before they get it, just as they do now. The 5½ per cent is merely a basis for fixing the rates. The Interstate Commerce Commission must fix as the basis of their rates an amount that, as near as may be, will reflect 5½ per cent return on the value of the property. But if a railroad can not carry freight and passengers and can not do a business economically sufficient to earn it, it can not earn the 5½ per cent; and, as a matter of fact, most of them will not do so.

Mr. SMITH of South Carolina. Mr. President, I wanted to ask the Senator if he had made a study—and I presume he has—of the different values placed upon the railroads throughout the country. Take them down on the coastal plain, where there is scarcely any grading and where conditions of cheap building exist. The capitalization necessarily is less than for roads that run at right angles to the coast and intersect our mountain country.

The cost per mile in different parts of the United States varies as geographical conditions vary. Under this provision, where the road has cost enormously more than other roads, would not the freight necessarily in that section be out of all joint with the freight under this iron-clad rule in the section where the roads cost less?

Mr. UNDERWOOD. It ought to be, but it can not be where it is competitive, because the other road can not increase its freight rates above those of its competitors.

I think the bill has a provision in it that will aid that situation where it is not a competitive road. There are railroads that build into mountain territories at great expense, without a great volume of freight to be handled, where it is very much cheaper for the people who live in that territory to have the railroad at even a higher rate of freight than it is to wagon their produce over the mountains. People of that kind could well afford to pay, and it would be cheaper for them to pay double the freight rate that is paid in other sections of the country and they would be greatly benefited by so doing.

That can be done under the bill in the discretion of the commission in the adjustment of freight rates to a large extent where the commission desires to exercise that discretion, and it may be helpful especially in the case of the short-line railroads. But it is impossible to do it where there is competition. It is not done to-day where there is competition. A road that goes over the mountains and has the long haul and the difficult way of getting to market, the costly carriage, does not want a freight rate fixed that is commensurate with the service rendered when it is competing with a railroad which runs over a shorter line, through valleys, at less cost of building and cost of actual transportation, because if it had it the other railroad would get all the freight, as I said awhile ago, and the road, of course, would be put out of business. It would not carry any of the through freight. However, I think the bill within its provisions carries, as far as is possible to do so, the discretion to the commission to relieve the situation referred to by the Senator from South Carolina.

There is another provision that I wish to discuss, and that is the pay of the railroads. The bill allows a railroad to earn up to 6 per cent. Then, if it earns more than that, out of what it earns between 6 and 7 per cent it can retain one-half of 1 per cent, and above 7 per cent it can retain one-fourth of 1 per cent of all it makes.

Some have asked why should you limit the earning capacity of the railroads? That same question was asked 30 or 40 years ago—most of us were boys at the time—when the original bill was passed to allow a commission to regulate the freight rates charged by the railroads of America. The men who owned the railroads in that day said, "Why, this is our private property. The Government has not any right to step in here and say what we shall charge for the carriage of persons and property. No; this is our private property, and we have a right to charge what we want to for it." Nevertheless, the Government did establish a commission to fix and determine what the rate was, and ultimately, in 1906, made it absolute that the Government had the right to fix what the rate for the carriage of property should be and the Supreme Court of the United States has sustained it all the way through.

What is the difference between directly and absolutely and unequivocally saying, so that everybody can know what you are doing, that the earning capacity of a railroad shall be limited to 6 per cent, and having the commission in an indirect way say that the freight rate for hauling a bale of cotton shall be so much, and for a bag of potatoes so much, and for a bull yearling so much, and that the charge for other commodities

going over the railroad shall be limited to so much in the aggregate, saying to the railroad, "You shall not earn more than that amount."

It is exactly the same proposition in principle, and the same question that is raised to-day, that we have no right to limit the earning capacity of the railroads, was the song of the men who attempted to prevent a commission to regulate railroad rates more than 30 years ago.

Mr. SMITH of South Carolina. Mr. President——

Mr. UNDERWOOD. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. I do not think the Senator is going to use that as a parallel in this instance. The court decided, and we have lived up to it since, that the Government has the right and the power in the regulation of interstate commerce to say what is a fair return for carrying a given unit of freight for the community or the individual. A certain amount is just and fair; but after it has established that as fair to the shipper and fair to the railroad, then the number of units that the carrier hauls spells the profit that it gets, and if it carries four times the given unit it gets four times that amount of profit.

Under this proposition you fix what is a fair and reasonable rate per unit of freight on the bale of cotton or the bull yearling and then you say, "After you have earned a certain amount we are going to stop you." In other words, it is like the law with reference to national banks and banks in the several States. There are different laws restricting the amount of interest banks can charge. I say, "You shall not charge more than 6 per cent on money." I do not say to the bank, "No, you have earned an aggregate of 50 per cent in reference to your capital or 20 per cent in reference to your capital, and I am going to take the surplus." I simply say, "For the service of lending $100 we will let you have $6. The more hundred dollars you lend the more six dollars you get." The bill says, "No, the more hundred dollars you lend, the more six dollars you get up to a certain point, and the balance I take, so that the more service you render the less you get."

Mr. UNDERWOOD. I do not think the Senator visualizes the necessity of the bill as I see it. It is true that we fixed freight rates in the past by saying what was a reasonable return on a bale of cotton, and then we let a man make just as much as he could out of carrying bales of cotton.

Mr. SMITH of South Carolina. At that rate.

Mr. UNDERWOOD. Yes, at that rate. That was regulating the amount of his return because if he did not have any other commodity than cotton to carry, and there were only a certain number of bales of cotton in his neighborhood and contiguous to his road, we absolutely fixed his earning capacity as the bill would fix it.

Of course, we made those rates uniform throughout a section of country, and if one railroad could carry more cotton than another, reflected back into its capital, it had a greater earning capacity than another.

That system might not have been bad. It might not have been unjust. It might have been workable if all railroads were operating under the same conditions; but they were not and are not, and they came up against the proposition that one railroad was making money and another one was going broke. We have got to meet the condition which the Senator from South Carolina reflected a moment ago when he said one road had to carry freight under a very much more costly condition of carriage than another. You can not do it under the old system of basing your rates and your earning capacity exclusively on a reasonable return for the cost of carriage. The necessity has arisen that a freight rate should be sufficient to allow the railroads to realize an earning capacity that will let them properly serve the people who live on the lines.

Mr. SMITH of South Carolina. I was called out of the Chamber for a moment. Unless it be for what they call the public necessity, I can not exactly see the justice in saying that on the aggregate property comprised in a certain zone the rate shall return 5½ per cent. It is composed of several individually owned roads.

Road A by thrift and economy is permitted to earn 5½ per cent on the capital invested, and the rate on the commodity is based upon that. By thrift and economy and enterprise and good will and service it carries a tonnage over its road that brings in 10 per cent.

Road B, by circumstances the reverse of those, earns only 4 per cent. Road B has not practiced thrift, economy, or enterprise; it does not earn it. And yet the thrifty road is cut down to where it must give up all above 6 per cent and the fractions that are allowed under certain conditions, and the excess is used for the purpose of lending to what are called the weak roads or unfortunate roads. There is no incentive for a road to earn other than the 5½ per cent, to practice any economy, to cut down the expenses of any of its officials, and to practice those things that would bring a larger return. It knows when it comes to the 5½ per cent that, so far as it is concerned, it is working for some other road than itself.

Mr. Thom was a railroad executive, but I quote him because his illustration seemed to me to be apt. He said a railroad, by practicing the virtues I have mentioned, in 10 months earned 5½ per cent. The road contiguous to it takes 12 months to earn the 5½ per cent. All the tonnage hauled by the first railroad in two months is given to the public as a gratuity. That road is then absolutely hauling and carrying units of freight and passengers absolutely for nothing, because within the first 10 months it earned all the Government would allow it. It could not stop functioning; it had to keep on operating and piling up a surplus to pay other roads that had not practiced the same thrift and the same economy.

Mr. UNDERWOOD. If the Senator will allow me, I think that is exactly the argument that was made 30 years ago. There is nothing new about it, except that conditions have absolutely changed. The argument is just exactly that employed by the gentlemen who owned the railroads 30 years ago, that Congress had no right to put any limitation on their earning capacity. If, for the hauling of wheat to market, road A can charge a certain freight rate and can get it from the shippers, and road B can not get it and can not move the freight, is the Senator going to say that road A shall not charge that freight rate if it can make the people on its road pay it?

Mr. SMITH of South Carolina. No.

Mr. UNDERWOOD. That is the argument now, and——

Mr. SMITH of South Carolina. No.

Mr. UNDERWOOD. And, if the Senator will allow me, that was the argument made by the railroads 30 years ago. I take it that the Senator from South Carolina does not insist that we can not provide what is a just and reasonable return to railroads, but he is insisting that we are taking away their incentive to service. Let us see how far we shall take away that incentive.

Mr. SMITH of South Carolina. Before the Senator goes any further, I should like to make my position clear in connection with the reference the Senator made to the railroads, saying "This is our private property, and we ought to be allowed to charge what we please." They have, however, been impressed with a public character; everyone recognizes that they are public utilities, and that the Government has a right to say what is a just and reasonable charge on a given commodity, taking a general average and having regard to a proper return on the money invested. Now, going further than we have ever gone before, they might agree that on the aggregate property within a given district the return should reach 5½ per cent, and that according to tonnage and to the general conditions they would fix a rate to bring 5½ per cent. They figure up the amount of tonnage there and the rate each of the articles that make up the tonnage shall bear in order to produce 5½ per cent. That is fixed. Then it is said to the roads: "Go to it; here are the conditions under which you are to function." Each one of them starts out. Each can earn 5½ per cent. One road does all in its power to compete with its fellows and to get as much of the freight as it can, because the rate is based on the value of the aggregate property. When that road has obtained the tonnage and the passengers and has reached the 5½ per cent point of return it ceases to enjoy further returns for services that it renders. In other words, when we fix the rate and say, "This is what you are allowed," if the carrier earns more than that and we take any of that return from the carrier one of two things is certain: We have not fixed a fair and just rate to the shipper and what we take is the shipper's money, or it was a fair and just rate to the shipper and it is the railroad's money.

Mr. UNDERWOOD. Now, let me ask the Senator a question. There are one or two railroads—I have one in mind—that I understand were earning before the war 30 per cent on their stock.

Mr. SMITH of South Carolina. That was not on the value of the property?

Mr. UNDERWOOD. On their stock; not on the value of their property. Would the Senator be willing to say because one road can earn 30 per cent on its stock that all other roads should earn 30 per cent on their stock?

Mr. SMITH of South Carolina. No.

Mr. UNDERWOOD. I know the Senator would not.

Mr. SMITH of South Carolina. I am saying that if we strike an average and take all the roads and put them all in the same

condition and say, "This is the charge; this is a reasonable rate to the public based, under the new conditions, on the value of the property which you have invested; we are going to allow you so much on the unit carried," and the railroad gets busy and tries to increase the number of units that it carries, both as to passengers and as to freight—I say that once having fixed the rates and said, "This rate is reasonable to the shipper and reasonable to the railroad," having fixed it on the basis of a return of 5½ per cent, and one road in a given group earns more than 5½ per cent, either you have fixed an unreasonable rate per unit of freight and passengers and the shipper is entitled to a refund or you have taken from the railroad what it is justly entitled to.

Mr. UNDERWOOD. I will tell the Senator——

Mr. SMITH of South Carolina. I say——

Mr. UNDERWOOD. I want the Senator to conclude.

Mr. SMITH of South Carolina. I will conclude with this statement: I have heard the argument advanced—and whatever weight should be attached to it those advancing it are at liberty to attach—that the Government is justified in taking this money in that it is to be used for railroad purposes. Then, there is impressed by indirection and not by direction a tax on a given road over and above an excess profit tax assessed and collected for the benefit of other carriers.

Mr. UNDERWOOD. I will say to the Senator that perhaps if he were visualizing this proposition entirely from the standpoint of the railroads and their invested capital, I could understand his position and I could concede that his argument might be sound, based on the standpoint that if they were all in a race for money, there should not be any limitation placed on the contestants and that the fellow who could run the fastest should get the most, but that is not the standpoint from which we are looking at this question. Primarily the railroads are chartered for the purpose of rendering a public service; they are public service corporations; and they are entitled to a reasonable return on the money invested, on the value of their property as public service corporations; but there can be no doubt that in the interest of the public the return should be limited.

The argument that these corporations are entitled to make all they can make because under certain terms and conditions they were allowed to make it in the past is no more justified at this time than it was 30 years ago. If 6 per cent is a reasonable return on the property invested, then the return should be limited to 6 per cent; if it is not a reasonable return, then we should in this bill increase it to more than 6 per cent, and allow them all to have a standard up to which they may tax the people. But when we have let them come up to the full maximum standard, then, in the interest of the public, in my judgment, no man can say that we have not the right to put a limitation on their earning capacity.

Why, we do that in the case of all public service corporations. It has been the custom in this country to limit their earning capacity by the freight rate or the charge on kilowatts of electricity or units of gas; but practically every public service corporation has a limitation on its earning capacity fixed by the public. This bill merely fixes the limitation in a different way, but a more certain way than did the law 30 years ago. What difference is there in principle? None. If the Senator says that the earning capacity of 6 per cent allowed to the railroads under this bill is too great, he has the right to move an amendment to make it less. I do not think it is too great.

The Senator intimates that we have destroyed competition. Of course, competition in freight rates has been destroyed before; it is destroyed now. There are three or four roads that leave my home city of Birmingham and go to New York; yet the cost of shipping a ton of pig iron from Birmingham to New York is the same over all of them. Competition in freight rates has gone, and it will be gone under this bill.

It is said there is a value in competition for service, and I think there is; and, in a way, this bill recognizes such competition. Originally as the bill was written it provided for a 6 per cent return upon the value of the property; but the argument was made in the committee that that cut off all competition; that when a road earned 6 per cent on the value of its property it would stop and would not try to earn any more. The committee then modified the bill and provided that within 6 and 7 per cent it could retain one-half of all it earned, and above 7 per cent it could retain one-quarter of all it earned. That is undoubtedly an incentive to the roads to compete for business, and, in my judgment, meets the argument that competition in service has been eliminated under the terms of the bill.

The men who make the argument that we are cutting off competition in service amongst the railroads overlook the fact that there are probably nearly a dozen railroads in the United States to-day—I mean main-line railroads; you may find a coal road here or an iron road there, or some special short line that is making very large returns on its money—but I think I am safe in saying that there are not a dozen of the main railroads in the country that are earning 6 per cent on the value of their property or can or will earn 6 per cent on the value of their property in the future, and that as to those railroads competition in service is there and will remain there for many years in attempting to climb up to the maximum earning capacity of 6 per cent fixed by the bill. I know that there are a few roads under very favorable conditions that are able to earn more than the 6 per cent, and I think most of the cry that is being reflected to Congress against the provisions of this bill limiting the return primarily to 6 per cent, with the increase above that as I have just indicated, comes from those roads, not a dozen of the great transportation systems of America. This bill can not be written for special cases. This bill can not be enacted to take care of some particular line of road. The real question is whether or not 6 per cent is a reasonable return and a reasonable charge to be reflected into the freight rates of the people who live along the line of the road.

As to what is above that, objection is made. They say it is a tax. It is not a tax; it is a limitation on the right to earn money, and that limitation has been conceded and recognized for 30 years. This money is not taken and given as a gift to the other railroads; no. The increased earning above 6 per cent goes into a special Government fund.

It does not go to the railroads; it goes to the Government, to a Government board, to be used for what purpose? To be used in the interest of the people of the United States. Have we not the right to use money in the hands of the Government for the development of transportation facilities? How many hundreds of millions of dollars have we invested to-day in great shipbuilding plants and shipping, first to take care of the war situation, and now maintained in order to expand the commerce of this country and furnish the American people with shipping facilities? If it is right to limit the earning capacity of these railroads in any way, then it is right to limit them to a reasonable return. Every man may have his judgment as to what is reasonable; but when we fix what is a reasonable return, they have no right to complain that we take the balance of the money away from them and use it for a great public service.

What is the public service? First, it may be used to lend to the railroads where they need money to improve their facilities to the public. It can be loaned to them to build new cars. It can be loaned to them to double-track their roads. It can be loaned to them to build new spur tracks and new lines. It can be loaned to them, at reasonable rates of interest, to develop the transportation facilities along their existing lines. Is not that in the interest of the public? It will have a tendency to bring down the money cost and the money charges for the borrowing of railroads. It will put this fund that the Government has in hand in competition with the banker and the broker who has been lending money for the public development at higher rates of interest, and that is clearly in the public interest.

There is another purpose for which it can be used in the public service, and that is to invest it in a great car-service corporation, where the Government can build cars and engines and rent them to the roads, the weaker or the stronger roads, in order to give transportation facilities to the public.

Is not that in the interest of the American people? Is it not in the interest of the man who lives on the line? And what right has the railroad owner to complain? He may say, "I have a great, powerful road, and I do not want you to give additional facilities to my weaker competitor. I want to keep it down, so that it can not function"; but that is a selfish argument that can not go here.

Suppose this fund accumulates so that we can develop a great transportation corporation. There have been complaints in the Congress within this session against the meat packers that their monopoly has been developed because they control the refrigerator-car service. If you had this bill through and that fund existing, money from this fund could be used to build for the Government refrigerator cars that could be used to meet any monopoly and give service to people who were financially unable to build their own cars. In a thousand ways the public may be served by a fund of this kind, and properly served; and it is no answer to the proposition to say that it should not be done merely because some particular road—one

in a hundred in this country—can earn more than 6 per cent upon its value, and insist to-day that the old system should exist and that it should be allowed to go on and earn to its full capacity, regardless of the public interest.

Why, this is a developing country. The country is new and the railroads are new. Where does the argument that has been made lead us to, that we should put no limitation whatever upon the earning capacity of these railroads? Where should it lead to? When a railroad is developed through a new country, with no factories along its lines, with agriculture undeveloped, with a scanty population, its earning capacity must be small; but as it develops and grows and population comes and the factory comes, and the mill hand, its freight rates and passenger rates increase and its earning capacity grows and grows.

Does anybody think for a moment that the railroads of this country have ceased to grow or that their earning capacity has ceased to grow? Must we go on and say that, because a rate is reasonable to-day, under those same rates an earning capacity of five times what it is to-day may be reflected into the treasury of the road two decades from now? Nobody can maintain that argument for a minute. Then, if that can not be maintained, they must consent to the proposition that we have a distinct right in the public interest to limit the earning capacity of these railroads after we have given them a just and reasonable and fair return on their money value.

As I said, if some man here thinks that 6 per cent is not a fair return upon the money value, it would be absolutely in order and proper for him to move to make it 7 or 8 or 10 per cent; but I do not think he can justify by any argument whatever the contention that because one railroad can earn a larger return under a certain system of rates that were allowed to grow up, because if they had not grown up some other railroad would have broken, we are not entitled to adopt a new system and limit the amount of charge upon the transportation of the people of America.

That is all there is in section 6, I think. It is not a difficult problem. I think it is a fairer and a juster way to fix the basis of rate making in this country than the present law. I think it will give the railroads of the country an opportunity to respond to the needs of the public more fully than they have ever done in the past; and if that is so, then section 6 should be adopted. That is the crucial situation in the rate-making and earning capacity of this bill.

As I said before, I have heard no Senator complain about the limitations on the issuance of railroad securities. Many of the pages of this bill are taken up with suggestions and amendments made by the Interstate Commerce Commission, about which practically every man here will agree. There are but few items, so far as I can see, that are in dispute or can be in dispute, except the question of the rate-making power, the amount of money that will be raised by it, and the problem regarding the labor features of this bill.

Mr. President, when I rose I intended to address myself to section 6 and to the provisions of the bill which relate to labor. I have spoken much longer than I expected, due to the interruptions which have occurred. I was unable to come to the Senate yesterday on account of sickness, and I find, now that I am on my feet, that I am unable to go on fully with the discussion in reference to the other features of the bill, and though I should have liked to have concluded to-night, I will have to pass over for the present my discussion of the clauses of the bill that relate to labor, and hope to have an opportunity to discuss them before the consideration of the bill is concluded.

Mr. CUMMINS. Mr. President, there is one formal amendment which I desire to offer. On page 13, line 12, of the bill, I move to strike out the words "its property investment" and insert in lieu thereof the words "the value of its property held for and used in the service of transportation, determined as herein provided."

I think there will be no objection whatever to this substitution. The words which I have sought to strike out are in the bill through an inadvertence.

The amendment was agreed to.

Mr. CURTIS. I offer the following as a separate section. I will state that it is the text of a joint resolution introduced, I think, by the Senator from Minnesota [Mr. KELLOGG] and it passed the Senate.

The PRESIDING OFFICER (Mr. DIAL in the chair). The Secretary will read the proposed amendment.

The SECRETARY. Add at the end of the bill the following:

That the effective date on and after which the provisions of section 10 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, shall become and be effective is hereby deferred and extended to July 1, 1920: *Provided*, That said section shall be effective as to all corporations organized after January 12, 1918.

Mr. CURTIS. I was requested to offer this amendment. I do not know whether there is any objection to it or not. If there is, I will withdraw it. This amendment is taken from the joint resolution which passed the Senate on October 14, 1919, and it is now pending in the House.

Mr. THOMAS. Will the Senator explain, in a few words, what is designed to be subserved by the amendment?

Mr. CUMMINS. While the matter was not brought to my attention by the Senator from Minnesota, I think I know what is desired to be accomplished by the amendment. In section 10 of the so-called Clayton Act there is a provision with regard to contracts made between railway corporations, or possibly it is broader than that and includes contracts between all corporations and contractors or mercantile concerns between which there might be a community of directors.

Mr. THOMAS. Yes; I remember it now.

Mr. CUMMINS. It was found very desirable a little later to postpone the effective date of that act. My recollection is that it has been postponed twice, and during this session the Senator from Minnesota introduced the joint resolution, and it was reported by the Judiciary Committee, postponing the effective date again until July 1, 1920. It passed the Senate without any objection, I believe, and is now pending in the House. I shall make no objection whatever to its being attached to the bill, although it really does not belong, in its subject matter, to the bill.

Mr. THOMAS. May I ask the Senator whether the amendment postpones the operation of that act beyond July, 1920?

Mr. CURTIS. No; until that time.

Mr. THOMAS. It is a duplication of the joint resolution passed at the last session?

Mr. CURTIS. Of the joint resolution that passed the Senate. I was requested this afternoon to offer it.

Mr. POMERENE. Mr. President, if I may have the attention of the Senator from Kansas for a moment, do I understand that it applies to section 10 of the act?

Mr. CUMMINS. No; to section 10 of the Clayton Act.

Mr. POMERENE. Relating to the sale of securities?

Mr. CUMMINS. No; to all kinds of dealings between corporations. It not only applies to the sale of securities, but to the purchases that are made by common carriers of supplies and the like.

Mr. CURTIS. I will state to the Senator from Ohio that if there is any objection to it I will withdraw the amendment.

Mr. POMERENE. I do not object. I simply wanted to understand it.

Mr. CURTIS. I offered it by request, and understood it had passed the Senate.

Mr. POMERENE. I suggest that section 10 of the act be incorporated in the RECORD, so that Senators may understand what it is. Perhaps it ought to be read, so that Senators here may understand what it is.

The PRESIDING OFFICER. The Secretary will read.

The Secretary read section 10 of the act approved August 20, 1916, as follows:

SEC. 10. That after two years from the approval of this act no common carrier engaged in commerce shall have any dealings in securities, supplies, or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than $50,000 in the aggregate, in any one year, with another corporation, firm, partnership, or association when the said common carrier shall have upon its board of directors or as its president, manager, or as its purchasing or selling officer, or agent in the particular transaction any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial interest in, such other corporation, firm, partnership, or association, unless and except such purchases shall be made from, or such dealings shall be with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission. No bid shall be received unless the name and address of the bidder or the names and addresses of the officers, directors, and general managers thereof, if the bidder be a corporation, or of the members, if it be a partnership or firm, be given with the bid.

Any person who shall, directly or indirectly, do or attempt to do anything to prevent anyone from bidding or shall do any act to prevent free and fair competition among the bidders or those desiring to bid shall be punished as prescribed in this section in the case of an officer or director.

Every such common carrier having any such transactions or making any such purchases shall within 30 days after making the same file with the Interstate Commerce Commission a full and detailed statement of the transaction showing the manner of the competitive bidding, who were the bidders, and the names and addresses of the directors and officers of the corporations and the members of the firm or partnership bidding; and whenever the said commission shall, after investigation or hearing, have reason to believe that the law has been violated in and about the said purchases or transactions it shall transmit all papers and documents and its own views or findings regarding the transaction to the Attorney General.

If any common carrier shall violate this section it shall be fined not exceeding $25,000; and every such director, agent, manager, or officer thereof who shall have knowingly voted for or directed the act constituting such violation or who shall have aided or abetted in such violation shall be deemed guilty of a misdemeanor and shall be fined not exceeding $5,000, or confined in jail not exceeding one year, or both, in the discretion of the court.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas [Mr. CURTIS].

The amendment was agreed to.

Mr. JONES of Washington. I desire to offer an amendment on page 81.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. On page 81, in lines 11 and 12, strike out the words "to construct a suitable dock and." Strike out lines 14, 15, 16, and that part of line 17 ending with the period after the word "sections" and in lieu thereof insert the following: "This provision shall only apply where such connection is reasonably practicable and can be made with safety to the public and where the amount of business to be handled is sufficient to justify the outlay." In line 22, strike out the words "docks and," and in line 23 strike out the words "docks and."

Mr. JONES of Washington. The amendment proposed makes the section conform to the existing law, paragraph "a" of section 6, and also correspond substantially to section 411 of the House bill.

According to the provision as it is now written, it gives the board authority to require a water carrier to construct a suitable dock, and the dock is considered as a terminal within the meaning of the act. That gives the board practical control over water transportation. I do not think that ought to be done. It seems to me the law ought to be left just as it is.

Paragraph A of section 6 as it reads now gives the commission authority—

To establish physical connection between the lines of the rail carrier and the dock of the water carrier by directing the rail carrier to make suitable connection between its line and a track or tracks which have been constructed from the dock to the limits of its right of way, or by directing either or both the rail and water carrier, individually or in connection with one another, to construct and connect with the lines of the rail carrier a spur track or tracks to the dock. This provision shall only apply where such connection is reasonably practicable, can be made with safety to the public, and where the amount of business to be handled is sufficient to justify the outlay.

I think that is all the authority the commission or the board ought to have in connection with waterways. To give it the authority stated in this connection would enable it practically to dominate a waterway. It could impose practically any burden that it saw fit to impose, and if it were inclined to favor the railway it could impose burdens that would favor it.

Furthermore, under this section the Interstate Commerce Commission would have control over the docks, for instance, in the city of Seattle, where they have constructed large terminal docks and facilities or waterway terminals. Under the express language of the section as it is herein the Interstate Commerce Commission would have control over them. I do not think that ought to be, and I can not believe that the Senator from Iowa really intended that that should be.

So I move to strike out the provision.

Mr. CUMMINS. As I understand it, this was a recommendation made by the Interstate Commerce Commission and was incorporated in the bill introduced by the chairman of the Interstate Commerce Committee of the House and incorporated in the bill introduced in the Senate by the Senator from Ohio [Mr. POMERENE]. The matter referred to by the Senator from Washington was not discussed at any great length in the committee, and I am not able to make any definite statement with regard to the attitude of the committee upon the matter.

That is all I care to say. I have no authority to accept it, but if the views of the Senator from Washington seem to the Senate sound, Senators will vote accordingly.

Mr. JONES of Washington. I would suggest that while probably under our rules it is hardly proper to refer to what action has been taken in the House, upon discussion and consideration the House struck out those provisions and made the section conform to what this would provide.

Mr. CUMMINS. I think it is quite proper for the Senator from Washington to make that reference, because the House has passed the bill and it is now on the Senate Calendar.

Mr. JONES of Washington. That is true. I have the House provision here as it passed the House, and I will read it:

A. They shall establish physical connection between the lines of the rail carrier and the dock at which interchange of passengers or property is made by directing the rail carrier to make suitable connection between its line and a track or tracks which have been constructed from the dock to the limits of the railroad right of way, or by directing either or both the rail and water carrier, individually or in connection with one another, to construct and connect with the lines of the rail carrier a track or tracks to the dock. The commission shall have full authority to determine and prescribe the terms and conditions upon which these connecting tracks shall be operated, and it may, either in the construction or the operation of such tracks, determine what sum shall be paid to or by either carrier: *Provided*, That construction required by the commission under the provisions of this paragraph shall be subject to the same restrictions as to findings of public convenience and necessity and other matters as its construction required under section 1 of this act.

It cuts out all control of the Interstate Commerce Commission over the docks, and so forth, and I think that ought to be done. Upon the statement of the chairman of the committee I will allow it to go to a vote.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington [Mr. JONES].

The amendment was agreed to.

Mr. LENROOT. Mr. President, I offer the following amendment.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Wisconsin.

The SECRETARY. Amend, on page 28, by striking out all of line 23 after the word "reasonable," and lines 24 and 25; and also strike out all of page 29 down to and including all of line 14.

Mr. CUMMINS. This is the part of the bill to which the Senator from Wisconsin [Mr. LENROOT] referred a day or two ago during his discussion. I am compelled to say that in my judgment Congress has no right and can not under the Constitution require the carrying for mere cost of traffic by a carrier directed so to do by the Interstate Commerce Commission or by the transportation board. The point made by the Senator from Wisconsin seems to me to be quite well taken and I shall not resist the amendment.

The amendment was agreed to.

Mr. LENROOT. I offer the amendment, which I send to the Secretary's desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. Strike out all of page 35 after the word "awarded," in line 14, and all of page 36, down to and including the word "properties" in line 5.

Mr. CUMMINS. May I be permitted to see the amendment?

Mr. LENROOT. I will state that the amendment strikes from the bill the guaranty of a return not exceeding the standard return provided in the present law to railroads pending reorganization. It is a matter that I discussed at some length a day or two ago. I wish to say now that I can not conceive of the Senate being willing to clothe the board of transportation with the power to obligate the United States Government to the extent of possibly hundreds of millions of dollars to guarantee a return to a railroad that may indicate its willingness and desire to enter into the plan of consolidation proposed by the board and to reorganize under that plan.

No one can say how many hundreds of millions of dollars, or even billions of dollars, it might obligate the Government to pay. Certainly no such vague and indefinite power should be granted, it seems to me, to the board of transportation.

Mr. CUMMINS. If the authority granted here could have, if exercised, the consequences suggested by the Senator from Wisconsin, I can easily understand how apprehensive Congress would be and how reluctant it would be to grant the authority. But I think the Senator from Wisconsin exaggerates, not intentionally of course, but overestimates the loss that could by any possibility be sustained by the United States through the power here granted. The power is to guarantee to the roads which are involved in the consolidation, and only during the process of consolidation, what we understand as the standard return.

When it is considered that the standard return is based upon the three years prior to July 1, 1917, when the growth and development which we confidently expect in the United States are considered, it is impossible for me to conceive that the guaranty by the Government during the short period of consolidation could involve the United States in any considerable loss; I very much doubt whether there could be any loss. However, it is not a direction to the board; it is authority to the board; and it may, I think, be fairly assumed that the board would act in the interest of the people of the United States.

The entire guaranteed return for all the railroads in the United States for an entire year is about $900,000,000. This at any given time would involve, I take it, comparatively few properties and for but a short time. The chances that these properties would not be earning substantially their standard return or the return of the test period would, it seems to me, be very remote. The only reason the provision is in the bill is because the committee believed that it was proper that there should be furnished some security, some inducement to the rail-

road companies to carry forward the governmental plan of consolidation.

I recognize that the point made by the Senator from Wisconsin [Mr. LENROOT] is not vital to the bill, and if we would accomplish the purposes of the bill, so far as I am concerned, I do not hesitate to take some risk. I do not feel, Mr. President, that I can accept the amendment offered by the Senator from Wisconsin. I am acting for the committee; I have, in a great many instances, subordinated my own individual opinion in order to carry forward the work which the committee has directed me to do; but in this instance I must submit the matter to the good judgment of the Senate.

Mr. SMITH of South Carolina. May I ask the Senator from Wisconsin to restate the amendment?

Mr. LENROOT. The amendment strikes out, on page 35——

Mr. SMITH of South Carolina. Of the last print of the bill?

Mr. LENROOT. No; I have the original print of the bill. Beginning on line 8, the remainder of page 35, and the first paragraph upon page 36. It proposes to strike out the guaranty of the Government to the railroads pending reorganization.

Mr. President, in reply to the Senator from Iowa [Mr. CUMMINS], I will say that so long as the railroads are prosperous and are making the standard return, in my judgment, there will not be the voluntary consolidations provided for in the bill, especially if the going rate of money when normal conditions again obtain shall be less than 6 per cent. Consolidations, however, will come under the bill very rapidly if we have an industrial depression in this country; and I think there is no one of us who have given thought to this subject who does not realize the possibility, and the very strong possibility, of such industrial depression ensuing before conditions in this country become normal. If such a depression does come, railroads by the score, with this guaranty in the bill, are going to accept the plan of consolidation proposed by the board in order to get the guaranty. Why should the Government in a period of industrial depression, where all investors must take their share of losses, give to the owners of railroad securities the same high return that they received during the period of their highest prosperity?

The Senator from Iowa says that it is left to the discretion of the board. That is true; but I undertake to say that if we have such a depression, the call upon the board for this guaranty will amount to many hundreds of millions of dollars per year, and it may cover a period of years.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LENROOT. I yield.

Mr. CUMMINS. The Senator from Wisconsin will note that the action of the board requires the approval of the Interstate Commerce Commission.

Mr. LENROOT. Yes.

Mr. CUMMINS. And I hope the Senator will comment upon this feature of the guaranty. This is not a guaranty for any railroad that does not agree upon the valuation of the property sought to be consolidated as fixed by the Interstate Commerce Commission. We all look forward to some differences of opinion with regard to these valuations. It is highly desirable, however, that the work of the commission shall be accepted with regard to the values; otherwise long litigation may ensue. This provision offers to any railway system about to consolidate with another a guaranty only in the event that those who are in the act of consolidation will agree that the value which has been put upon the properties by the Interstate Commerce Commission shall be the value upon which the consolidation shall take place.

Mr. LENROOT. In answer to that I will say that so far as this bill is concerned the guaranty is operative at any time until the reorganizations and consolidations become complete.

Mr. CUMMINS. I think that is true, but not until the great process of consolidation throughout the United States becomes complete; it will continue only during the process of the consolidation of the particular properties involved.

Mr. LENROOT. Certainly; that is what I meant. But it may well be that before this guaranty would be invoked at all the valuation will not have been determined by the Interstate Commerce Commission but judicially determined under the law itself. It is not optional with the owners of the roads to negotiate with reference to the valuation, but the valuation will become fixed, and if they do not voluntarily accept the valuation thus fixed they can be compelled to accept that valuation under the exercise of the right of eminent domain. So that I do not think that suggestion of the Senator has any very great force, although it is true.

I believe that voluntary consolidations will be accepted so as to make a given plan of reorganization complete only in time of industrial depression, and that being true, it is clear that the United States Treasury will be called upon to pay, perhaps, hundreds of millions of dollars. That is a matter that ought not to be left to any subordinate board of this Government. If when the time comes it is proper in the public interest to afford these companies the guaranty, Congress itself should pass upon that question at that time.

Certainly we ought not now to give any subordinate body the right to obligate the Government to no one knows how many hundreds of millions of dollars.

Then, again, I do not see any reason why there should be any guaranty to the railroads simply because they are going through a period of reorganization. That is a financial matter alone; it ought not to affect operation in the slightest degree. The mere fact of reorganization under this plan ought not to affect the net earnings of individual roads in the least. I do not see any possible reason for the roads securing from the United States Treasury a guaranty as is provided here.

Mr. President, this is a very important matter. I am sorry the chairman resists the amendment, but if it is to be resisted I feel that it is so important that I shall be obliged to call for a quorum unless the amendment is passed over. I am willing, however, to withdraw it for this evening and to reoffer it to-morrow, if the Senator so desires.

Mr. CUMMINS. I see no reason for withdrawing the amendment, for we must either have a quorum to pass upon it or we must take a recess.

Mr. LENROOT. Very well.

RECESS.

Mr. CUMMINS. Mr. President, the time has nearly come at which it was in our minds, I think, to take a recess, and in order to avoid the necessity of drawing festive Senators from the social functions in which they are undoubtedly very happily engaged at this moment I move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 8 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, December 17, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 16, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Sometimes, our Father in heaven, we find ourselves on the verge of doubt and uncertainty, then it is that the earth seems slipping from beneath our feet; but we are reassured when we remember the heavenly promise:

Behold, I stand at the door and knock: if any man hear my voice and open the door, I will come in to him, and will sup with him, and he with me.

So when we throw wide the portals of our soul, the Divine Guest enters and restores faith, hope, love, and we reenter with perfect confidence the kingdom of heaven and live again with Thee. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

Mr. SANDERS of Louisiana, by unanimous consent, was granted leave of absence, indefinitely, on account of important business.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed joint resolution (S. J. Res. 137) authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes, in which the concurrence of the House of Representatives was requested.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. J. Res. 137. Joint resolution authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes; to the Committee on Military Affairs.

ENROLLED JOINT RESOLUTION AND BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that, on December 15, they had presented to the President of the United States, for his approval, the following joint resolution and bill:

H. J. Res. 260. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919; and

H. R. 1199. An act to prohibit the purchase, sale, or possession for the purpose of sale of certain wild birds in the District of Columbia.

URGENT DEFICIENCY BILL.

Mr. GOOD, chairman of the Committee on Appropriations, by direction of that committee, reported a bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service, for the fiscal year ending June 30, 1920, which was referred to the Committee of the Whole House on the state of the Union.

Mr. BLANTON reserved all points of order.

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, on yesterday the House agreed by unanimous consent that at the close of the debate on the report now before the House, business in order on Monday should be in order to-day. The probability is that the business under the rule and one or two other matters that are privileged—a privileged resolution by the gentleman from Massachusetts [Mr. TINKHAM], a privileged report from the Committee on Printing—may take the major part of the day. In order that we may have a full day for the consideration of matters that were in order on Monday, I ask unanimous consent that we may dispense with Calendar Wednesday business to-morrow and business which was in order on Monday shall be in order on Wednesday.

In making that request I want to state that I have consulted the chairman and several members of the Committee on the Public Lands with which committee the call rests, and they have no objection to this request being granted.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that the order making business which was in order on Monday in order to-day be rescinded, and that instead to-morrow Calendar Wednesday be dispensed with and Monday business be in order then. Is there objection?

Mr. BANKHEAD. Reserving the right to object, I would like to ask the gentleman from Wyoming, in view of the program that he is laying out for the consideration of bills before the House, if he expects at any time to call up and take action on the Mondell soldiers' settlement bill?

Mr. MONDELL. Mr. Speaker, it is not necessary for "the gentleman from Wyoming" to assure the gentleman from Alabama that it would please "the gentleman from Wyoming" if such an opportunity were offered.

Mr. BANKHEAD. Does not the gentleman think he could create such an opportunity if he desired?

Mr. MONDELL. Not just at this time.

Mr. BLANTON. Mr. Speaker, reserving the right to object, we are preparing for, as I understand from the statement of the gentleman from Wyoming, a recess to commence Saturday over until January 5. Surely there are some legislative matters of greater importance than the Private Calendar that should be disposed of before January 5. In other words, if we dispense with Calendar Wednesday, to indulge in four hours' debate on nothing, and for the Private Calendar, I do not think we are meeting with the obligations that rest upon the House, and I object.

The SPEAKER. The gentleman from Texas objects.

HOUSE REPORT 487.

The SPEAKER. The question before the House is the further consideration of House report 487.

Mr. BYRNS of Tennessee. Mr. Speaker, I think there ought to be a quorum present to hear this debate, and I make the point that there is no quorum present.

The SPEAKER. The gentleman from Tennessee makes the point that no quorum is present. Evidently there is no quorum present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed, and the Sergeant at Arms was directed to notify absentees.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Bland, Mo.	Cantrill	Davis, Minn.
Anthony	Booher	Connally	Denison
Aswell	Bowers	Cooper	Donovan
Bacharach	Britten	Costello	Dooling
Baer	Burke	Crisp	Dunn
Eagan	Hull, Iowa	Mudd	Sinnott
Eagle	Humphreys	Nicholls, S. C.	Slemp
Edmonds	Igoe	Nichols, Mich.	Small
Ellsworth	Johnson, Ky.	Nolan	Smith, N. Y.
Fairfield	Johnston, N. Y.	O'Connor	Stephens, Miss.
Ferris	Jones, Tex.	Olney	Sullivan
Fisher	Kahn	Osborne	Sumners, Tex.
Foster	Kearns	Pou	Tague
Gallivan	Kelley, Mich.	Rainey, Ala.	Taylor, Ark.
Godwin, N. C.	Kennedy, R. I.	Rainey, H. T.	Thompson
Goodall	King	Randall, Calif.	Venable
Gould	Kitchin	Riddick	Ward
Graham, Pa.	Kreider	Riordan	Watson, Va.
Greene, Vt.	LaGuardia	Robinson, N. C.	Webster
Hamill	Lesher	Romjue	Welling
Hamilton	McKenzie	Rowan	Wheeler
Harreld	McKeown	Sabath	White, Me.
Harrison	McLane	Sanders, Ind.	Wilson, La.
Haugen	Miller	Sanders, La.	Wise
Heflin	Montague	Sanford	Young, Tex.
Houghton	Moore, Ohio	Schall	Zihlman
Howard	Moore, Pa.	Scully	
Hudspeth	Mott	Sears	

The SPEAKER. Three hundred and twenty-one Members have answered to their names, a quorum.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The gentleman from Tennessee [Mr. GARRETT] is recognized for one hour. [Applause.]

Mr. GARRETT. Mr. Speaker, when I stopped yesterday afternoon I had spoken longer than I have for many years in the House of Representatives, and longer than I desired to. My only apology for continuing to-day is the complex character of the matter which has been brought before the House for debate. I have sought, and shall continue to seek, to state the facts of the record, because it is upon the facts of the record that these matters must rest and that public judgment should be formed—not upon the inferences and intimations of the majority nor the inferences and suggestions of the minority. I wish it were possible for every Member of the House to read the record. If judgment is to be asked, if executive and judicial propositions are to be thrust before the legislative branch of the Government and discussed before the country, then we should adapt ourselves to the requirements of the situation and read the facts. And upon that record of facts—all the record, not a page here or a page there—the minority is content to stand here and before the country.

Yesterday afternoon I had just concluded a brief review of the organization under which the purchases of copper were made for the use of the Government. I omitted to say, and perhaps it will be of interest to the House to know, that the Government of the United States purchased during the war 670,000,000 pounds of copper. This was in addition to the amount—I do not know how much that was, but it was immense, probably as much as the Government itself purchased—which was being purchased by those who had Government contracts for munitions of war, and also in addition to the tremendous amount—I do not know how much that was—which was being furnished to the allied powers in Europe.

I think it is proper, and I think the House will be interested to some extent to take up now the facts of the disposition of the surplus which remained at the signing of the armistice. With the signing of the armistice the copper market became completely and thoroughly demoralized. It was known, of course, that the Government had large quantities of raw copper, but just how much was not known. This condition of affairs in the copper market continued through November, December, and January, as I recall. It was not known what the Government proposed to do with its surplus copper, whether it would hold it or whether it would be placed upon the market. Along in January or February, 1919, if I remember correctly, there was presented to some branches of the Government a statement as to the condition. Bear in mind that the production of copper had by every incentive that the Government could properly hold before the producers been speeded up to the highest point during the period of the war. Every mine that could possibly be put into production had been opened to production. It was absolutely essential as a military necessity.

The condition when the statement was presented was that there was something like a billion pounds of raw copper in the hands of the producers, in the smelters, and at various storage points. One hundred and seventy-five million dollars was tied up in this copper. The labor situation was completely demoralized. Working as they did upon the standard scale of prices, it was impossible to determine what labor could be paid and should be paid under the agreements had with the mine owners. With this condition confronting the Government and

confronting the people of the country, steps were taken to clarify the situation. Representatives of the Government and copper men, producers, through the United Metals Selling Co. in particular, because that had been the company which had handled the copper purchased by this Government, while the Standard Co., I think it was, handled that which was sold to the allied countries, arranged conferences to see what could be done to relieve the situation. A number of conferences were held, numerous propositions were canvassed. Differences of opinion arose that were sharp and marked, but all of these negotiations finally culminated, about April 10, 1919, in a contract with the United Metals Selling Co. whereby that company bound itself to take from the Government, beginning in the month of April, 1919, and continuing if it should become necessary until the month of June, 1920, 5,000,000 pounds of copper per month up until and including January, 1920, and 10,000,000 pounds per month after January, 1920, up until and including June, 1920. Before it engaged in that contract the United Metals Selling Co. had the cooperation and assurance of the various copper producers whom it represented that these contracts would be carried out. This copper was to be taken at a certain price, and I read now from the contract itself:

> The contract price for copper in usual commercial shapes is hereby fixed at the monthly average New York price for electrolytic copper quoted by the Engineering and Mining Journal published in New York.

That is the standard journal of the trade.

Mr. JUUL. Mr. Speaker, will the gentleman be good enough to state the volume from which he quotes?

Mr. GARRETT. I am quoting from part 1 of serial 6, at page 56 of the hearings before the subcommittee, No. 5, and I read from the contract itself. There was another condition of this contract, slightly complicated, which I read:

> Should the sales of copper owned or controlled by the purchaser and all producers of copper represented by it, in any one month during the months of April, 1919, to January, 1920, both inclusive, exceed 50,000,000 pounds, and during the months of February, 1920, to June, 1920, both inclusive, exceed 100,000,000 pounds, in such event the quantities specified in the above schedule shall be increased by an amount equal to 20 per cent of such excess.

In other words, that meant that if the United Metals Selling Co. and those producers whom it represented should sell in excess of 50,000,000 pounds of outside copper, not Government copper, there should be taken, in addition to the 5,000,000 pounds that the United Metals Selling Co. was absolutely obligated to take from the Government, 20 per cent of the total amount sold, and that 20 per cent should be taken out of the Government's supply.

The effect of that was immediate. The market became certain and the Government received for its copper the prevailing average monthly prices as shown by the market reports. As to whether that was wise or not, of course the judgment of men may differ, but I should like to know what there is about it to justify any imputation of fraud.

Another case has been referred to in the report, though not as yet upon the floor of the House; but, as I am anticipating that it is likely to be, perhaps I should say something concerning it. I do not wish to say much, partly for the same reason that I gave when I expressed myself in regard to the Standard Steel Car Co. settlement on yesterday. I refer now to the Jones & Laughlin contract, mentioned in the majority report. This is a steel-manufacturing concern located in or near Pittsburgh, Pa. It entered into a contract with the Government of the United States to construct 300 modern coke ovens. The Government's interest in it was to procure toluol for use in the manufacture of high explosives and ammonium sulphate. The contract is in our record, and is quite lengthy, and differs from some other contracts. Briefly, it may be stated that it was estimated, and this estimate was expressed in the face of the contract, that after these 300 ovens should have been completed there would be produced 810,000 gallons of toluol per annum, and the Government bound itself to take the full amount of production, whatever it might be, at the price of $1.50 per gallon. I do not now remember the estimate as to the amount of ammonium sulphate. These ovens had not been completed at the time the armistice was signed. The Government sought a termination of the contract, and upon investigation it was found that it was so near completion that it appeared to be to the interest of the Government to let the company complete the ovens and settle upon the basis of the original contract, and accordingly this was done. A claim was filed before the Pittsburgh board of claims, and was there first passed upon.

Along in February, 1919, a meeting was held in New York of representatives of the Government and of chemical men—I believe some chemical experts were present—this meeting being called by the head or chief of the claims board of New York particularly to discuss this toluol situation and to reach some conclusion as to how the many toluol contracts and claims should be settled. That meeting was attended by a representative of the Government by the name of Falk.

I have forgotten for the moment the precise position which he held, but I think he was a chief in the Ordnance Bureau of the Raw Materials Division throughout the war. He had been in private life a consulting engineer, as I now remember. He had made under his direction some time during the latter part of the war a table which is commonly referred to as the Falk chart, and it was referred to in the order issued by the Claims Board Division of the War Department. This chart undertook to estimate the amount of probable production of toluol at given plants. There is testimony from a very respectable source, in my opinion, in our record to the effect that there were errors in this Falk chart, though he himself assumed full responsibility for the chart, although he did not personally prepare it, insisting that it was correct. The Pittsburgh claims board along in March, I think it must have been, or perhaps in April, 1919, made an award making its recommendation as to the amount that Jones & Laughlin should be paid on the cancellation of the contract. I think that award reached the bureau board here, and if I am in error I will thank the gentleman from Illinois to correct me, but before it was taken up for consideration by the bureau here the Pittsburgh claims board received knowledge of this Falk chart. Jones & Laughlin had declined to accept their award. So they recalled the claim from this board, reinvestigated it, and apparently settled it in the light of the Falk chart, and that increased the award made to Jones & Laughlin, which they accepted, by the sum of $350,000. Now, I wish to state all the facts and state them fairly. That settlement on the Falk chart did apparently give the very highest reasonable credit for production that seemed at all probable in the industry. It did allow payment for an amount based upon the estimated production of the full plant of 300 ovens running 24 hours a day every day in the year at full capacity. Now, that is the substance of all we know about that claim. I do not know all the elements that entered into the consideration in the negotiation and adjustment of this particular transaction. Jones & Laughlin have not been heard before the committee.

The officer of the Government who actually negotiated the settlement was not heard by the committee nor called by the committee for any explanation of the matter. I do not hesitate to say to you, because I wish to be perfectly frank, that it seemed to me that the settlement was too large, but I do not believe that there is the slightest justification from anything which appears in our record of any imputation of fraud against the officer who negotiated it. It is a question of business judgment. That gentleman is available——

Mr. DEMPSEY. Will the gentleman yield for a question as to the copper-selling contracts?

Mr. GARRETT. Certainly.

Mr. DEMPSEY. As a lawyer I have had this experience: The wheat market took a tremendous fall a number of years ago. Day by day the papers of a certain city quoted wheat at $1.25 a bushel and you could not sell a bushel of wheat to save your life for a dollar. Now, this selling contract provides as the sole standard, as I understood the gentleman, the quotations in a particular paper, not in all papers, but in one paper alone. I happen to know, because I was interested as an attorney of this situation, that one broker furnished all the quotations for the papers at that time, and I happen to know that he was loaded to death with speculative and real wheat. Now, is not your contract subject to the objection that this particular paper might not show at all the selling price of copper in the months to which the gentleman refers from time to time throughout the life of the contract?

Mr. GARRETT. I will say to the gentleman that in the first place this paper, as I understand it, is recognized as the standard journal of the copper metal industry. In the next place it is a fact that there was verification of the prices quoted. The gentleman will understand that this copper to be sold in April was not in fact sold and delivered in April. It would be sold in the following month, and so on, of subsequent months, at the average price as given in this journal for that month, and that price was verified by actual investigation of the prices at which copper was selling generally in the market. So I do not think that that criticism would apply.

Mr. DEMPSEY. But what I am criticizing is that by the contract as the gentleman describes it you do not have the right to verify, you do not have the right to correct, you do not have the right to vary, you put this absolutely in the power of this single paper and its quotations.

Mr. GARRETT. Well, I did not read the full contract a few months ago, but I will say to the gentleman that, as a matter of fact, there was verification.

Mr. DEMPSEY. I am not talking about what was done, because I do not know about that, and the gentleman has not stated as to that until now; but I was taking the gentleman's statement of the effect of the contract and its provisions and terms.

Mr. GARRETT. If the gentleman will examine the full contract—it is quite lengthy—he will find that the interests of the Government were absolutely protected. Now, upon the question of whether the contract was proper, the gentleman's judgment might differ from mine. It seems to me it was a very reasonable and proper proceeding.

Mr. JUUL. Will the gentleman yield for a brief question?

Mr. GARRETT. Certainly.

Mr. JUUL. The gentleman who previously requested to be answered illustrated his subject with wheat. Now, there is a method for verifying wheat prices. If you can sell wheat at a given figure in Liverpool, England, that is considered in this country to be the standard, valid price established. Now, is there a similar method for establishing a standard, current price for copper, so that the world may know what copper is sold for to-day? Is there a market somewhere that establishes a standard?

Mr. GARRETT. I do not understand, Mr. Speaker, that there is any future speculation in actual copper. Speculation in regard to copper is in copper stocks and not in copper itself.

Mr. RAKER. Will the gentleman yield for a question right there?

Mr. GARRETT. I will.

Mr. RAKER. This contract has been running now about six months, has it not, and been in operation?

Mr. GARRETT. Longer than that. It began in April, 1919. Perhaps I may anticipate what the gentleman is going to ask me. All the Government's surplus copper has been disposed of long ago.

Mr. RAKER. The quotations in the paper name the value of copper throughout the country. Has there been any evidence presented by the majority of the committee to show that these quotations in the paper were fraudulent or improper, or lower or higher than the ordinary market throughout the country?

Mr. GARRETT. Oh, no. There has been no question raised in the committee about that. Upon the contrary, a witness selected by the committee, who seemed to be a very bright gentleman, a Mr. Gibbs—I believe his name was—secretary to Senator BRANDEGEE, made an investigation of the journal and of the market conditions, and his figures, as testified to, bear out absolutely the statements of all the others in regard to the prices at which copper sold during those respective months. Oh, no; there is no question about that.

Mr. RAKER. Then as to the suggestion of the gentleman from New York [Mr. DEMPSEY] that it might have been unfair to the Government by designating this paper, it turns out that it was not unfair?

Mr. GARRETT. It was not. The Government received——

Mr. DEMPSEY. The gentleman understands that my suggestion was entirely as to the terms of the contract. I did not understand that the gentleman stated anything as to how the contract was carried out, nor did I understand until now that there was any investigation of that question.

Mr. GRAHAM of Illinois. As a matter of fact, Gibbs testified to the prices he had found in the Engineering and Mining Journal. That is true, is it not?

Mr. GARRETT. That is my recollection. And they accorded with the testimony that other witnesses had given before the committee—Wolfson and others that I remember. I have not understood there was any question at any time about that. The Government received its money and the concerns that sold it. I do not know how that happened or why they happened to do it, but my recollection is they charged no commissions on the sales which they made for the Government, selling it in the regular course of business along with other sales.

To revert for a moment, now, to the Jones & Laughlin contract, I wish to repeat that there is no reason why anyone should infer fraud or to imply or impute fraud to the negotiating officer of the Government in the settlement of this claim. As I say, he was not examined. The committee met him personally on its visit to Pittsburgh—a gentleman by the name of Dravo. He seemed to be a very excellent gentleman. I was very pleasantly impressed with him, and he consorted with me upon the same terms of equality that he did with the other gentlemen of the committee, although his political affiliations are different from mine. [Applause.]

Mr. Speaker, I think that concludes about all that I have to say on the specific settlements mentioned in the majority report. I do desire, however, to direct the attention of the House to this statement of fact. Up to the time of the concluding of the testimony upon which report No. 463 on House resolution 381 was filed there had been settled of contracts, both formal and informal, more than 22,500. The uncompleted portion of these contracts and of claims settled or adjusted, in cases where the contracts were not completed, aggregate more than $2,000,000,000. These were adjusted and settled for about $330,000,000, and this includes $78,000,000 of partial settlements and awards upon other contracts. In other words, the War Department claims boards, and their subsidiary boards, if I may so term them, have been able to settle for about 12 per cent more than $2,000,000,000 of outstanding Government obligations. [Applause on the Democratic side.]

Mr. RAYBURN. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Texas.

Mr. RAYBURN. How much were the total expenditures for the War Department?

Mr. GARRETT. Does the gentleman mean for all purposes?

Mr. RAYBURN. For all purposes.

Mr. GARRETT. Something over $18,000,000,000. I have that testimony here.

Mr. GRAHAM of Illinois. I will refresh the gentleman's recollection, if he desires.

Mr. GARRETT. I yield.

Mr. GRAHAM of Illinois. It was $14,500,000,000, approximately.

Mr. GARRETT. The statement which appears in our record is that, as of date of September 1, 1919, the expenditures and outstanding obligations were $18,501,117,999.12.

Mr. RAYBURN. I have seen it somewhere in the newspapers, or in the hearings or elsewhere, that somebody had testified to something like the figures the gentleman from Illinois [Mr. GRAHAM] gives.

Mr. GARRETT. Well, the gentleman perhaps has in mind the fact that in answer to an inquiry made by the committee of the Secretary of War as to expenditures up to June 1, 1919, a statement was prepared by Gen. Lord, the Director of Finance.

That statement showed a total of $14,544,610,213.65, but that did not include any obligations. That purported to include only the expenditures and the amounts that had been passed to the credit of disbursing officers in the different departments.

There were some discrepancies, I might say, found in that statement of Gen. Lord's, and Gen. Lord, in testifying before the committee at one of its very first sessions before the full committee, directed attention to the fact that it should not be taken as absolutely accurate, because on account of the differences in bookkeeping in the different divisions there might be some errors, and Gen. Lord was particularly anxious to stress before the committee the point that it might not be taken with absolute accuracy. That was to be expected of Gen. Lord, of course, because he is a very efficient officer. The older Members will recall him, I know, as the able clerk to the Committee on Ways and Means when the Dingley bill was framed.

Mr. GOOD. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. GOOD. I am apprehensive that, perhaps, a wrong impression will be drawn from the gentleman's statement with regard to these two amounts. I am sure that the gentleman does not intend to leave the impression that it will be necessary after June 30, 1919, to pay approximately $4,000,000,000 in the discharge of contracts of the War Department that were then outstanding?

Mr. GARRETT. The statement of Gen. Lord did not include estimates of obligations then outstanding, either then or subsequent obligations.

Mr. GOOD. That is, the $14,500,000,000 did not?

Mr. GARRETT. It did not.

Mr. GOOD. But the statement of $18,500,000,000 included expenditures as well as outstanding obligations. Now, there is a difference of about $4,000,000,000. Of course, we did not have outstanding obligations on June 30 that will be necessary to pay $4,000,000,000. Many of these obligations were canceled without payment of anything, and some without the payment of very much.

Mr. GARRETT. The gentleman, of course, being the chairman of the Committee on Appropriations, is doubtless more familiar with that than am I. This is the statement given to us by an expert accountant employed by the committee, who investigated the books of the department, going through them very thoroughly. That statement was given to us by him, and he testified concerning it.

Mr. GOOD. Was that $14,500,000,000 given as the probable amount?

Mr. GARRETT. I can not say; nor did he say whether it was an estimated amount. He simply gave it to us under that head.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. LONGWORTH. I intended to ask the gentleman just the question which the gentleman from Iowa [Mr. GOOD] asked. But let me put it in this way: Was that $14,500,000,000 the amount that had been paid up to the 1st of September?

Mr. GARRETT. As I understand it, that purported to be the amount drawn from the Treasury, not paid necessarily, because money had been drawn from the Treasury and placed to the credit of disbursing officers at different points, according to my recollection of the testimony of Gen. Lord.

Mr. LONGWORTH. Can the gentleman state what balance stands to the credit of the War Department to-day?

Mr. GARRETT. I can not. We have no evidence upon that.

Mr. LONGWORTH. And those figures are inclusive of the period beginning on the day we entered the war up to the 1st of September?

Mr. GARRETT. From April 6, 1917, to September 1, 1919, and obligations outstanding as of September 1, 1919.

Now, Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 17 minutes remaining.

Mr. GARRETT. These, I believe, are substantially the statements of fact justified from the records before this committee, and I am willing to submit to the deliberate and unprejudiced judgment of men on either side of this Chamber whether if I have correctly stated the facts—and I rest upon the record for my statement—there is justification for the imputation in this majority report of fraud. [Applause on the Democratic side.] It does not exist.

Mr. Speaker, the gentleman from Kansas [Mr. CAMPBELL] correctly interpreted the purpose of bringing this report, which asks for no action on the part of the House, before this body for debate. He said, "We are not criticizing the officers and the men." There are officers and men connected with these settlements who saw service in France. But it will give an opportunity—that was the idea, though not his own words—to criticize the President of the United States and the Secretary of War.

Criticize the President of the United States? Certainly; you do not need a special rule to do that. [Laughter.] You have never needed any excuse to do that. All you have ever asked has been an opportunity. [Applause on the Democratic side.]

Criticize the President of the United States? Why, that is characteristic. Did it every occur to you that since the Republican Party came into existence there have been five Democratic Presidents elected by the United States? One of them the Republicans themselves nominated and elected as Vice President, and he became President by reason of the death of the great Lincoln, and they impeached and sought to oust him from office. The next one who was elected by the people they stole it from. [Applause on the Democratic side.] The other three they have slandered while living and traduced when dead. [Applause on the Democratic side.] We had an instance of that a few months ago, when an effort was made to set aside a little plot of ground upon which to erect a monument to President Buchanan.

Criticizing the President of the United States? Why, he is accustomed to it; not only to criticism——

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. In a moment. There have been Republican expressions of criticisms in clubrooms and cloakrooms and drawing-rooms and on the street compared to which the jibes of the guttersnipe are gracious compliments. But criticism is not all. Mr. Speaker, offensive curiosity and malignant hope forced a way into the sick chamber of the President under a pretense of performing public business, though every man knows, and the President himself knew, that the visitor went there for an inquisition of lunacy, with an order to return the writ within 48 hours. [Applause on the Democratic side.] And how disappointing it must have been for him to meet there a mind clear, untouched; a vision that still looked into the far future unclouded; and a will unbent, though he had suffered temporary defeat in his masterful effort for bringing about the peace of the world and stanching the flow of the blood of mankind. [Applause on the Democratic side.] And now the President has added insult to injury by walking! [Applause on the Democratic side.]

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Not just now.

Criticize the Secretary of War? Why, certainly. Did it ever occur to you that in every war of consequence in which this country has been engaged the Secretary of War has been a Democrat? It was so in the War of 1812, and in the War with Mexico. And Mr. Lincoln, in the very midst of the Civil War, called the great Stanton, the great Secretary of War, to his Cabinet. And it was so in the present war. The only Republican Secretary of War we had was during the Spanish-American War, Mr. Alger; and you remember that. [Applause on the Democratic side.] Now, do not misunderstand me. I disdain to make any intimation as to things that occurred during that administration, as charging Mr. Alger with any responsibility. No man of sense and intelligence would think for a single moment that he or the great and kindly McKinley were in any sort of way responsible for the food that was fed to the soldiers of this country in that war, and there is no political advantage to be obtained from it and none was obtained; and I tell you gentlemen now, you will derive none from this constant nagging. [Applause.]

Mr. LONGWORTH. Will the gentleman yield?

The SPEAKER. Does the gentleman from Tennessee yield to the gentleman from Ohio?

Mr. GARRETT. My time is very short.

Mr. LONGWORTH. Just a short question.

Mr. GARRETT. I yield to the gentleman from Ohio.

Mr. LONGWORTH. The gentleman will not deny, will he, that in another body harsher criticism has been used of the President and the Secretary of War by members of the gentleman's own party than by members of the Republican Party?

Mr. GARRETT. I let the record stand for whatever it may be.

Criticize the Secretary of War! Not the officers and soldiers; no; the Secretary of War. Oh, gentlemen, do you realize in faint degree what the duties of the Secretary of War have been?

The Army of the United States which went to France in 1917 was the largest army, the best-fed army, the best-clothed army, the best-equipped army that ever assembled under the flag of this Republic. [Applause.]

Criticize the President and the Secretary of War! Mr. Speaker, the closing paragraph of the report of Gen. Pershing, the commander in chief of the American forces in France, is as follows:

> In closing this report, Mr. Secretary, I desire to record my deep appreciation of the unqualified support accorded me throughout the war by the President and yourself. My task was simplified by your confidence and wise counsel.

[Applause.]

Mr. Speaker, I entered upon the service required of this committee with extreme reluctance. I had some vision of the drudgery which it was to entail, but I accepted the responsibility because the minority leader asked me to do so. I have not at any time or any place—and the gentleman from Nebraska [Mr. JEFFERIS] said the same of himself yesterday and said it truly—sought to inject into this matter the party spirit. I should be glad if I could be helpful in some constructive matter.

I wish to say to you, Mr. Speaker, that those honorable gentlemen with whom I have been associated in this gruelling work, these gentlemen of the majority, are capable of better things than hunting flyspecks. [Applause.] And I believe that in justice to my friends, the gentleman from Illinois [Mr. GRAHAM] and the gentleman from Nebraska [Mr. JEFFERIS], the steering committee, or whatever influence there is, should call off these efforts.

They have done everything they can. If there were anything there they would have found it. The War Department has been raked from end to end as with a fine-tooth comb. If they had found anything they would have brought it here before now, Mr. Speaker; and I suggest that they be relieved. They ought not to have imposed upon them the task of insulting their own intelligence as lawyers by a political exigency that requires them to bring in such a thing as this. [Applause.]

Give them an opportunity, sir! They are able men. Give them an opportunity to go at something that is constructive, and maybe they will be able to pull that side into performing something in these critical times for the good of the Republic.

I resent the imputation of fraud contained in this report. I resent it in the name of my party, one of whose members happens to have been the Secretary of War throughout these gruelling years of war. I resent it in the name of friends in that department, men of different political faith with whom I have come in contact, in whose integrity I have confidence.

I resent it in the name of the living millions of soldiers. I resent it in the name of the mothers of the soldiers who died in France and who "have their place in the warriors' heaven." You shall not, at least without my earnest protest and my feeble dispute, cause those grieved souls and bruised hearts to suffer more by untruthfully alleging that the administration under which they fought for their country was shot through with fraud. [Applause.] I challenge that statement and demand the proof. [Applause.]

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. BLANTON. Mr. Speaker, I regret, but I must object.

The SPEAKER. Objection is made.

Mr. GRAHAM of Illinois. In view of the objection, Mr. Speaker, I now state that I do not desire to yield to any interruptions of any kind. I have considerable to say and I want to say it. And in doing so, gentlemen, I will have to ask your indulgence if I follow my notes quite closely. Facts have been called for, and I want to give them to you.

The majority of the committee, after its investigation of war claims, has arrived at the following conclusions:

1. The interests of the Government in many cases have not been sufficiently guarded in such settlements.

2. Certain rules have been adopted by the War Department Claims Board which, as administered, have had the effect of depriving the Government in many cases of large sums of money to which it is rightfully entitled.

3. Large sums of money have been allowed to various contractors on settlements through unfair salvage values for raw materials and special facilities furnished by the Government.

4. In numerous instances Government officials charged with responsibility have not exercised sufficient vigilance in the protection of the Government interests in such settlements.

It is the opinion of the subcommittee that the facts which have appeared in such investigations as this subcommittee has made are sufficient to not only justify, but make it highly advisable, that this subcommittee report to the said select committee the facts within its knowledge so that the same may be reported forthwith to the House of Representatives.

There were many sections of our statutory law applicable to the making of contracts by the War Department prior to the recent war. Among these was the act of July 5, 1884, providing that all contracts for supplies, and so forth, should be let to the lowest responsible bidder therefor. The act of March 2, 1901, provided that purchases of all supplies for the Army should be made only after advertising for bids. Section 3744, Revised Statutes, provided that every contract by the War Department should be in writing. The statutes also provided that each contracting officer must make affidavit attached to the contract that the contract was of no personal advantage to him, and that if he failed to do so he should be guilty of a misdemeanor.

On the 12th day of April, 1917, six days after the declaration of war, the Secretary of War made an order dispensing with advertising for bids for contracts, which order has been already referred to by Mr. JEFFERIS.

From that time until the end of the war the statute requiring advertising for bids was practically a dead letter. As the war progressed less attention was paid from time to time to the statutes above cited. Sometimes the necessary affidavits were made, and sometimes they seem to not have been made. Although thousands of contracts were entered into toward the end of the war, but little attention was paid to the formalities and hence thousands of these contracts were found to be informal and illegal. Some of them were not in writing; some of them consisted of telephone conversations; some of a letter or telegram, and contractual obligations were assumed mounting into hundreds of millions, where there was little or no legal evidence that any contract had been made.

This situation became such that on November 25, 1918, Comptroller Warwick, of the Treasury Department, wrote Secretary of War Baker a letter in answer to a letter of the Secretary of War dated November 21, 1918, and in which the comptroller stated that all of the contracts signed by proxy were illegal.

Following the decision of the comptroller, the so-called Dent Act was prepared and submitted to Congress, presumably under direction of the War Department, and which became a law on March 3, 1919. The principal provisions of this statute are in the report.

Prior to the passage of this act, and, in fact, almost immediately after the signing of the armistice, machinery was put in operation for the settlement of claims against the War Department. The system is a very complicated one. It has already been described. The system seems to have been that when a contractor desired to make a settlement he took the matter up with the officers who had previously had charge of the performance of contracts that had been suspended, and this officer then made a recommendation to the local board as to what he thought the settlement ought to be. The local board then passed upon the claims, and if they approved the recommendation it would be so indicated, and the report would then go to the zone supply officer and he would pass upon it, and if he approved it, then the report would be sent to Washington for review by the Director of Purchase. The evidence shows that this was the course during December, 1918, and January, 1919. Some time in January, 1919, the evidence shows there was organized in the War Department a central or superior board known as the War Department Claims Board, and this organization consisted of a member from each corps of the Army; for instance, one from the Purchase and Storage or Quartermaster, one from the Ordnance, and one from the Signal Corps, and several other officers, including a representative of the Director of Finance. This board was to lay down general policies.

As soon as the claims came in from the zone officer this Claims Board gave them consideration and either approved or disapproved them; then the claims would finally pass to the War Department Claims Board proper, but in so doing they would pass through a bureau board attached to each department in the War Claims Board proper. After the act of March 2, 1919, was enacted, practically the same machinery was used.

There was machinery of this kind used in the Ordnance and other departments in substantially the same way.

It will thus be seen that the initiation of the claim of the contractor was a claim filed by him and approved by the officer in the zone or district where he had been operating under his contract, and which officer had had charge of the formal negotiations with him, and who, in many cases, was the officer who had, in fact, made the contract with him.

Attached to each of the various boards and officials were a large number of so-called legal assistants and technical experts to whom it has been found by the subcommittee that references were made from time to time of particular parts of the subject matter of the claims. Very frequently these experts were men who came from the particular business interests involved in the settlement of the claim.

As a result of the system above outlined it is practically impossible to fix individual responsibility on any particular person where a contract has been settled in a manner not to the interest of the Government. Where the adjustment of the contract has gone through dozens of hands, in the end there is no individual responsibility, but the responsibility is scattered among dozens of individuals, any one of whom can evade responsibility by directing responsibility on the others. This is true in the settlement of such claims as the subcommittee has been able to investigate. Wherever it seemed that there might be responsibility attached to an officer for the award he might make in a particular instance, it was the opinion of the subcommittee that the testimony would show that some so-called expert adviser who was in the service of the Government had passed his judgment upon the matter and that this had been accepted by the officer under whose authority he was working. In the first instance, the original contracts were not signed by the officers who negotiated the contracts, but almost as soon as hostilities began officers were designated, by order of the War Department, whose only function was to attach their names to written contracts and make affidavit that they had no interest in the contract as the law required. By this method the officer who signed the contract, and who was usually a Regular Army officer, could make the affidavit that he had no personal interest in the contract, while, as a matter of fact, the officer who did in fact negotiate or advise the making of the contract was, in many instances, some one from civil life who was closely allied with the particular business interest involved in this or other similar contracts with the Government.

The subcommittee on ordnance has performed a great mass of work in attempting to investigate, even in part, the expenditures of the Ordnance Department. Although the select committee, immediately upon its appointment on June 18, 1919, requested of the War Department a list of all contracts entered into by the War Department of over $100,000 in face value, together with the aggregate amount of money expended on the same, it only received the final parts of this report on September 18, 1919. To further illustrate the difficulties under which the committee has labored, on June 18, 1919, the committee requested from the Secretary of War information as to the total amount expended by the War Department from the beginning of the war until June 1, 1919. An answer was given to this inquiry by the Secretary of War on June 23, 1919. Afterwards the committee ascertained through an accountant that the original answer given by the Secretary of War was erroneous, and that the amounts expended by the various branches of the War Department, as given by the Secretary of War, are off balance from $171,582.37 as a minimum, to $184,945,938.47 as a maximum.

In making the investigations we have attempted to make we have found also great trouble in ascertaining where the

particular information may be found that the committee desires. Days after hearings had been had, and after the committee had requested all the papers, witnesses from the War Department would come to the committee with statements that there were certain papers that the committee had not seen that, up to that time, had been kept in the various district offices or elsewhere unknown to the committee.

Wherever the subcommittee has requested from the War Department specific information, such information has been given. However, in no instance has information been voluntarily proffered to the committee by the War Department, and hence the subcommittee has found it absolutely necessary to get what it gets by specific requests and after investigation, frequently outside of the department itself.

In about 50 per cent of the cases of informal contracts it has been possible for the War Department to adjust the suspension of these contracts without damages. Many contractors have shown a most commendable spirit of fairness in such settlements and have done everything they can to relieve the Government of additional financial burdens. And in many instances where exorbitant claims have been allowed the blame does not attach to the negotiating officers so much as it does to certain rules that have been adopted by the War Department Claims Board, which this subcommittee believes are unfair to the Government, and a spirit prevalent in the department to accede to the demands of the claimant rather than to vigilantly protect the financial interests of the Government.

Under the system adopted many civilians and commissioned officers of the War Department, and who possessed little, if any, knowledge of contracts or the construction thereof, and but limited knowledge of business and less concerning the construction of buildings and the manufacturing of complicated machinery, have been clothed with authority to settle and adjust procurement orders and contracts of uncertain meaning with contractors, and in so doing to transfer to such contractors valuable buildings, machinery, tools, and materials at a small percentage of the cost and value thereof.

Other claims involving the transfer of costly buildings, machinery, and materials have been settled by what is termed "negotiation," whereby the Government has permitted the contractor to retain the same at the price offered by the contractor, and without due consideration or ascertainment of the actual market value of the same.

In investigating the various matters it has not been possible to find anywhere a complete record of the transaction such as would be found in any court where a claim had been adjudicated, as will readily be seen by a reading of the hearings had by this subcommittee. There were private conversations by the various so-called technical experts and members of boards with each other and with various merchants and business men and with the claimants, as a result of which negotiations and talks and hearsay evidence claims were allowed and large sums of money paid. When it is attempted to ascertain the exact basis of these settlements no record is to be found and the investigator is forced to rely upon what some contractor or some Army officer says the facts were. Instead of the cumbersome, unwieldy, and unsatisfactory machinery now devised and in operation, if summary courts of claims had been established under order of the War Department, where every claimant would have been required to have produced his proof and where a record of the same had been preserved, the task of those who would revise such claims would have been made easy. But to-day, so far as this committee is concerned, and any other board, court, or committee that attempts to investigate any claims now being settled by the War Claims Board is concerned, such agency will be compelled to develop the facts by the calling of witnesses and by long and laborious research and investigation, and even then will be compelled to rely upon the memories of men who have perhaps long since left the service of the United States and have nothing to refresh their memories with.

Every settlement made under the act of March 3, 1919, is subject to review by either the War Department or a committee of Congress appointed for the purpose. In view of that situation, and while there is yet the opportunity to revise these settlements, if desired, the committee now reports the facts herein, so that the attention of Congress and the Secretary of War may be directed to these things. It is my deliberate judgment that the interests of the United States have not been insisted upon in many of these settlements as they should be. The remedy is not for this committee to apply, but the remedy must necessarily be applied by the War Department, under whose jurisdiction this machinery operates.

To illustrate many other settlements, the following specific instances are given. It is probable that the instances given are not extraordinary, but, rather, represent the rule, and are ones that happen to have come under the subcommittee's attention.

HENRY MOSS & CO.

The contract of Henry Moss & Co. was entered into in the latter part of September, 1918, and was for 195,000 branding irons. What tactician in the War Department engineered this purchase I fear will be unknown to fame. The committee was unable to learn his name. Altogether during the war and until after the armistice the War Department owned 580,182 horses and mules of all kinds, over 90,000 of which died. Evidently, with a branding iron for every three horses, the country ought to have been safe. There were four contracts, but no branding irons were delivered before the armistice. The contractor bought 79,952 pounds of copper to make these, for which he said he paid 39½ cents a pound. The specifications said cast copper. When he came to settle the Government made a chemical analysis of his copper on hand, found it impure, and hence only worth 11 cents per pound, and sold it back to him for that. Instead of penalizing him for not following specifications they allowed him full pay at 39½ cents per pound. There were 20,000 pounds more copper furnished than he needed, but this meant nothing. They bought it from him at 39½ cents and sold it back to him at 11 cents. The Government paid this firm about $40,000 in settlement, at least $27,000 more than he was entiteld to.

THE AMERICAN CAN CO.

This company took seven contracts to make 89,000,000 hard bread cans. The prices ranged from 5⅞ to 6½ cents each. Three independent can makers, with large manufacturing capacity, were trying to get contracts to make them at from 4 to 5 cents each, but the Government would not contract with them. The company delivered 49,738,608 cans. As has been said by Mr. JEFFERIS, tin plate had fallen in price but 9 per cent. This was admitted by the secretary of the company on the stand. In spite of this fact this company was permitted to keep this tin plate at 68 per cent of its cost price. At the same time, as is generally known, all sorts of tin products have risen in price. Every scrap of this material was no doubt used in the 55 factories of this company. An independent producer of tin plate, who had agreed to sell tin plate to the American Can Co. and who wanted to cancel his order on the armistice, was forced to deliver every pound. There was $867,732.37 worth of tin plate, and the Government lost on this tin plate $147,514.50 more than it ought to have lost. In addition, tools and machinery that cost the Government $165,705.56 was sold to this company at $35,695.47. The testimony showed that this machinery would readily last for 12 years of ordinary wear and was ordinary can-making machinery. We lost a quarter of a million dollars by this settlement.

STEIN BURN CAMP & FIELD EQUIPMENT CO.

This contractor had three contracts, one for fireless cookers, one for bread boxes, and one for cooks' chests. These were entered into about the last of August, 1918. The contractor delivered 66 fireless cookers, 25 cooks' chests, and 7 bread boxes. They cost us $171,687.06. This was the amount paid to the contractor in the settlement of his claim. The fireless cookers and cooks' chests were to be made of black steel sheets, the bread boxes of tin plate. The sheets required were all of standard material and sizes. The testimony of steel men and of Government experts—one a man who had been employed by Hibbard, Spencer & Bartlett for 40 years—was to the effect that the sheet steel was worth at the time, reasonably, 95 per cent of its cost price. The Claims Board let them take the sheet steel at the price of scrap iron and the tin plate at $20 a ton—plate which was worth on the market at least $140 a ton. A colonel on the Claims Board went to a metals expert attached to the board, a Mr. Birkenstein, of Chicago, a scrap dealer. Birkenstein told him there ought to be $25,000 come out of the claim. Then Stein came down and saw Birkenstein, and Birkenstein told the colonel about $2,800 would be right. And then they settled. The least inspection of this matter would convince anyone that this company received at least $114,051.91 more than they were entitled to.

NATIONAL ENAMELING & STAMPING CO.

This company had four contracts for boilers and kettles for rolling kitchens. They were made from September 7 to November 4. No completed articles were received by the Government on any of the contracts except the one for kettles, of which 8,000 were furnished after the armistice. This company has branches at various places in the United States, and issues a catalogue of 500 pages. It makes all kinds of materials made of tin plate and sheet steel. The contractor was permitted to keep the tin plate at approximately $35 a ton and the steel at $28 a ton. It is very probable that the Government lost by this

settlement at least $27,000. One of these contracts also was made on November 4. Sufficient time did not elapse for him to get the material, but it was charged as if they were received, and allowed. Doubtless the contractor had stocks of tin on hand for its ordinary business.

The same was true of the American Can Co. The secretary of the company swore they had a service contract with the American Steel & Tin Plate Co., and that they simply ordered in advance for prospective orders. And yet on each contract they were allowed to charge for each contract as if the material had been ordered for that contract alone.

BRIAR HILL STEEL CO.

The Briar Hill Steel Co. is engaged in the manufacture and sale of steel products, billets, ingots, sheets, and the like. They had three orders for 776,600 sheets of corrugated steel roofing, dated about the middle of October. Nothing was ever delivered to the Government. It was allowed $164,519.86 in cash, and allowed to retain all the raw materials and special facilities. It had 9,267 gross tons of steel ingots on hand. These it charged to the Government at $48.17 a ton, and bought them back for $31.57 a ton. There was a large amount of corrugated sheet steel on hand. It offered $2 a hundredweight for this. A Government investigator sent a written statement to the board showing the market price of such sheets was $4.35 a hundredweight, and that $2 was entirely insufficient. Disregarding this, the material was sold to the company at $2 a hundredweight. The material was the very material needed by the contractor in its business. There can be little doubt that the Government lost in this settlement $75,000 approximately.

THE STANDARD STEEL CAR CO.

As has been said, this company contracted to build nine hundred and sixty-four 9.5-inch howitzer carriages. Although the Government prepared several contracts, they would never enter into one. Mr. GARRETT states that he will not enter into a discussion of this matter. I do not blame him. It is so permeated with fraud and corruption that I do not wonder that any defender of this administration would not care to discuss it. We did not receive a single carriage that we could use prior to the armistice. The War Department spent in this venture $18,582,428.88. After the armistice the Ordnance Department had them finish 200 of these carriages. The company placed in the record a statement that the cost of production of these carriages was about $23,000 each. At this rate the total cost of production was about $4,600,000. The balance of this vast sum, or about $14,000,000, was used in overhead and in building an immense plant, filled with costly machinery, all of which the contractor now has. The company was permitted to take buildings and machinery that cost $2,987,200 for $600,000, and materials that cost approximately $5,558,000 for $300,000. There was a bid for this latter material of about $700,000 from another reliable firm, which Col. E. S. Hughes, negotiating officer, concealed from his associates. The arsenals of the United States were clamoring for this raw material and machinery, but they were handed over to the contractor. There was fraud and bribery proved in some of the subcontracts, but all such accounts were allowed in full.

A member of the War Claim Board at Washington wired to know if the claim had been audited. He received an answer from a member of the Chicago board to the effect that it had. The answer was false. All this time the Government accountants were protesting against the allowance of it. The company stole a carload of small tools from this plant and removed them clandestinely to their own plant. The wonderful machine which they took from the Government as junk they are now sending to their subsidiary factories for use. The War Department, instead of following the usual course, sent a couple of men to Chicago, and there the whole affair was closed up speedily and safely for the company. It has been said by Mr. Garrett that the War Department was investigating this claim before we took a word of evidence. They had, and they stopped. The record shows that the chairman of the Chicago claims board had before that time written to the military intelligence telling them he wanted no further investigation of fraud. Col. Hughes wrote an order directing that no complete audit be made, at a time when such audit was about to be made. He also demanded that the Government auditors be taken out of the plant immediately after he had made his hurried settlement. The military intelligence officers had stopped work, owing to the attitude of the department. Then Mr. L. J. Blakey, a Government accountant, came to the committee with his story. We went to Chicago and took testimony. Then things began to move. In a few days after our return Mr. Garrett, of our committee, had a talk with the Secretary of War. Then Mr. Baker telephoned me that he was going to have some hearings and I could be present if I cared. What has been the result? A month has elapsed.

Blakey had been transferred first to the Aviation and then to the War Claims Adjustment Board at Washington, although he knows all about the Chicago work; Col. Hughes still is chairman of the Chicago board. Gentlemen, read the record; it stinks of corruption. I charge that Col. Hughes has violated the military code in many instances and ought to be court-martialed. Other officers and civilians associated with him are as bad. Bribery has been proved in the case. How many prosecutions has the Attorney General made? The Government has been defrauded of millions. What action has the Secretary of War taken? Just as much as he ever shall. Mr. Garrett says this company has not been heard. He knows that a subpœna duces tecum was issued at Chicago for the records of this company and that they would not produce them. I hope, gentlemen, you will read the record of this case.

JONES & LAUGHLIN STEEL CO.

This company had a contract, made in August, 1918, with the Government to erect 300 by-product coke ovens on the lands of the company at Pittsburgh, which were to take the place of old beehive ovens that the company had been using in its business of making steel. The Government was to take the toluol and ammonium sulphate for two years produced by these ovens and was to pay $1.50 a gallon for the toluol and $90 a ton for the ammonium sulphate. The contract estimated the production of toluol at 810,000 gallons a year and the ammonium sulphate at 24,000 tons a year. Nothing was produced, the ovens being about one-half completed when the armistice was signed.

The production of toluol was in the hands of a bureau in the Ordnance Department. The making of these contracts was opposed by experts from the Bureau of Standards and elsewhere, in the Ordnance Department, as unnecessary and improvident. However, they were made. The H. Koppers Co., a company making and building a by-product coke oven, began early to have a controlling influence in this department. About the time the contract was made the following persons were employed in the department: Capt. Horace C. Porter, in charge of toluene production and distribution. He was, from 1915 to the time he entered the War Department, chemical engineer of the H. Koppers Co., and during at least part of the time he was an officer was drawing a salary from the Koppers Co.

Lieut. Arthur R. Gray was the officer in charge of distribution; he, from 1915 to 1918, was purchasing engineer for the Koppers Co. Mr. H. P. Jellar, who had charge of investigations and efficiency studies of coke ovens, was, at the time of his entrance, superintendent of a by-product coke oven company, and left the department in January, 1919, to accept a position with the Donner Union Coke Corporation at $12,000 a year. Mr. C. J. Ramsberg was a technical expert in the toluene department; he was also vice president of the Koppers Co. He worked two days a week for the Government and four days for the Koppers people and drew a salary from both. Mr. H. B. Kirkpatrick was also a technical expert. He was an employee of the Koppers Co. and drew a salary from both the Government and the company. There was another technical expert named Engleman; he left the department to take a good position with the Birmingham Coke & By-Products Co. Of course, the Koppers ovens were used by Jones & Laughlin, and in most of the Government work.

When the contract of Jones & Laughlin was suspended, they filed their claim. Early in January some claims board men and by-product coke-oven people met in New York. They fixed a value on toluol at 17½ cents a gallon and on ammonium sulphate at $60 a ton; why, nobody knows. Then they settled with Jones & Laughlin, estimated their full production for two years, and gave them the difference between 17½ cents and $1.50 a gallon and $90 and $60 a ton. It amounted to $3,330,040.69. At the New York meeting a Maj. Falk had presented a chart in which he assumed to give what coke ovens ought to produce. The chart was wrong, mathematically and in fact. After the Pittsburgh board allowed the claim, some one called their attention to this Falk chart. They at once reopened the claim and gave them $345,946.31 more. Then the claim came to the Washington board and was referred to a technical expert, Maj. Frankforter, late of the University of Minnesota. He called their attention to the errors in the chart, and would not approve the claim. Just then the department found the contract with Jones & Laughlin was informal and that they must file another claim, which they did. Then, in order to avoid the facts and Maj. Frankforter's report, Col. Ayer issued Ordnance Circular No. 60, telling all claims boards that, although the Falk chart was wrong, they might use it if they wanted to, and then the Pittsburgh board, being duly authorized, reallowed the claim, which went through the Washington office and was duly paid.

The Falk chart was prepared by men in the department closely affiliated with the Koppers people. There is no doubt the Government was defrauded of vast sums of money in this

settlement. Prospective profits were allowed, in violation of the Dent Act. If the Government had taken the two years' product under this contract instead of settling, it would have saved over a million and a quarter dollars. Anyone who doubts this can compute it easily from the facts. The War Department knows all this, and yet absolutely nothing has been done, and nothing will be done.

The report of the Secretary of War filed on the opening day of this session details approximately 5,000 claims that have been allowed by his machinery and approximately 4,700 that still remain unadjusted. Even the most casual examination of these claims will convince the investigator that the whole mass of claims should be reexamined and most of them readjusted. That this ought to be done goes without saying. And it seems to follow, as a logical sequence, that this ought to be done by some impartial semijudicial board whose personnel has had nothing to do with the former settlements.

When the United States entered the World War we were entirely and absolutely unprepared. Although the conflagration had been raging for over two and one-half years across the water, we had made no attempt to prepare for the day when it would spread to our side of the world. We had an administration of national affairs that was pacifist to the heart. The President not only consented to but apparently approved a national campaign in the heat of the war that was based upon the specious and misleading theory that he would keep us out of war if elected. His Cabinet was notoriously pacifist. The Congress, controlled by this administration, enacted no comprehensive measures for national defense. Such appropriations as were made for war supplies were in some instances not used for that purpose. There was information in the hands of those in executive charge of our affairs that gave them every notice that war was imminent. Yet when suddenly we found ourselves at war by a declaration of April 6, 1917, our weakness and lack of foresight became at once apparent. We had no aircraft, although we had known for years we must have them. We had no cannon, no shells, no small arms, no ships, no uniforms. Worst of all, we had no plans for anything. We did not know how to build guns or war machines and had no one to tell us how, except he came from across the seas. No trained personnel had been built up to do these things. For example, there were but three or four officers connected with the construction department and about 60 Ordnance officers of all grades in the Army in April, 1917. In such an emergency the administration adopted the policy of turning over to representatives of the producing and manufacturing interests of the country the planning, requisition, purchase, and prices of supplies for our military forces. The only preparedness this country had on April 6, 1917, was the preliminary organization through the advisory commission of the Council of National Defense of those who had things to sell which the Government would require during the war. From the time of our entrance into the war until its close, and even to this time, the business of buying and price fixing was not in the hands of the Government but in the hands of the producers.

I can not illustrate this better than with a statement of the copper situation during the war.

COPPER.

It was evident at the time of the entrance of the United States into the World War that large amounts of metallic copper would be needed, not only to supply the demands of the United States but as well to supply, in part at least, the needs of the nations allied with the United States in that war. This fact was also apparent even before April 6, 1917, when Congress passed the resolution declaring that a state of war existed. Copper enters largely into the making of munitions of war, and is especially an essential in the making of shells and projectiles of all calibers.

Prior to the declaration of war the War Department had failed to lay in any supply of copper for its prospective needs. In view of this situation the Government, in the production of copper for our war-time needs, was forced to rely upon the judgment and plans of those who had copper to sell. The facts disclose that from the very initiation of our attempts to procure and purchase copper for our war-time needs up to the time of the final disposition by the Government of its surplus stocks of copper after the signing of the armistice the situation as regards the production and sale of copper was entirely within the control of the copper producers. At no time was the Government a free agent in the purchase of such supplies.

On the 11th day of October, 1916, the President appointed an advisory commission to the Council of National Defense, which last-named body had been authorized by an act of Congress passed before that time. This advisory commission met first on the 7th day of December, 1916. Mr. Bernard M. Baruch, banker, was chairman of the commission.

These gentlemen, originally appointed as an advisory board, on February 12 adopted a resolution to the effect that a series of conferences be held with the leading men in each industry, so that the industries could organize themselves and deal through one man or a small committee. It will be seen from the facts hereinafter stated that the plan originally was—and which plan has been fully consummated in the subsequent proceedings—that the copper industry, as well as other producing industries, should be so centralized that it could be dominated and controlled by one man or a very small number of men, and that this control, once established over the industries, continued throughout the war, was the paramount influence toward price fixing and price control, and is one of the causes of high-priced commodities at this time. The plan of the Government was to centralize all industries irrespective of the result that might ultimately follow.

At the meeting last above noted, Mr. Baruch was given charge of raw materials, minerals, and metals, and it is manifest, among other matters, that he was in conference with the copper producers at the time of the declaration of war, a little less than two months afterwards. This is evident from the fact that about 10 days or 2 weeks before the President sent his message to Congress on April 2, 1917, Mr. Baruch and Mr. John D. Ryan were in conference at Washington and at that time arranged, evidently with the approval and after conference with the governmental authorities, a combination of copper producers and a sale to the Government of 45,000,000 pounds of copper at 16¾ cents per pound. Mr. Tobias Wolfson, vice president of the United Metals Selling Co., and next to Mr. Ryan the principal official in that company, came to Washington on or about the 2d of April on telegraphic advice from Mr. Ryan, and at that time was advised by Ryan to take charge of the matter of arranging the sale aforesaid and to have the proper conferences with the copper producers interested to that end. It will thus be seen that before the declaration of war Mr. Baruch, chairman of the advisory commission of the Council of National Defense, and Mr. John D. Ryan, president of the United Metals Selling Co., had arranged a combination and consolidation of the copper producers for the purpose of selling copper to the Government through the United Metals Selling Co. Mr. John D. Ryan was president of the company. Its stock was owned by the Anaconda Copper Mining Co., of which Mr. Ryan was president also. The companies who thus united in the combination that authorized the United Metals Selling Co. to act as their agent were the Anaconda Copper Mining Co. and 26 other companies.

It is in testimony that the United Metals Selling Co. under this arrangement represented practically all the copper producers in the United States. This arrangement was known to the Government and agreed to by it, and in fact was arranged by officials then connected with the Government.

The purchase of 45,000,000 pounds of copper was completed and the same was allocated to the military and naval departments of the Government. Immediately thereafter, however, it became apparent that much larger quantities of copper would be needed.

The Government purchased during the war 592,258,674 pounds of copper, of which 523,338,735 pounds were purchased from the United Metals Selling Co., 66,846,000 from the American Smelting & Refining Co., 290,000 from the Cleveland Brass & Copper Mills, 800,000 from J. B. Wise, and 983,939 pounds from the Gorham Manufacturing Co.

In the three last-named instances the companies were not copper-producing companies but had stocks of metallic copper on hand which they sold to the Government. It has been heretofore mentioned that Mr. Baruch was appointed by the advisory commission to take charge of raw materials, minerals, and metals. Thereafter, and early in the year 1917, Mr. Baruch appointed a cooperative committee on copper, which consisted of the following-named persons: John D. Ryan, R. L. Agassiz, W. A. Clark, Murry M. Guggenheim, James McLean, Charles MacNeill, and Stephen Birch.

Mr. John D. Ryan, one of the cooperative committee, was, in addition to his connection with the Anaconda Copper Mining Co., in practical control, through his company, of the Greene Cananea Copper Co. and the Inspiration Consolidated Copper Co., companies who were represented by the United Metals Selling Co., together with several other copper-producing companies. Mr. C. A. MacNeill, another member of this committee, was president of the Utah Copper Co., which, in turn, controlled the stock of the Nevada Consolidated Copper Co., both companies being in this combination, and was an officer in the Chino Copper Co., the Ray Consolidated Copper Co., the American Smelting & Refining Co., and the Wolverine Copper Mining Co., and others.

The Kennecott Copper Co. owns controlling interests in the stock of the Utah Copper Co. and the Braden Copper Mines Co., all controlled by the United Metals Selling Co., and which are in the group of mines ordinarily known as the Guggenheim interests. Mr. James McLean, another member of said cooperative committee, is a vice president of the Phelps-Dodge Corporation, was a director in the Greene Cananea Copper Co. and Old Dominion Co. Mr. Murry Guggenheim, another member of this cooperative committee, is an officer and stockholder in the Chili Copper Co. In addition to the above, the Guggenheim interests were heavily represented in the Braden Copper Mining Co. Mr. W. A. Clark, another member of this committee, in the United Verde Mining Co. and the Magma Copper Co.

It will thus be seen that every member of this cooperative committee was deeply interested in the copper industry and in the success of various properties owned or controlled in part by them. This was the committee whose function it was to assist in or advise as to the purchase of copper for the Government.

The committee above named was functioning after the first purchase of copper.

During the month of August, 1917, there was a very considerable discussion in Congress as to the propriety of the practice which it was thought was then prevalent of men attached to the various advisory committees of the Council of National Defense being intrusted with the purchase of supplies, in some cases from companies or interests in which they had a financial interest or were otherwise connected. As a result of an inquiry by the War Industries Board, on the 29th of August, 1917, the Attorney General directed a letter to Mr. Scott, chairman of the War Industries Board, in which he stated, in substance, that it was illegal for a person who was interested in the subject matter of a contract to enter into such contract on behalf of the Government.

Very shortly after the rendition of this opinion the various members of the cooperative committees that had been heretofore appointed by the Advisory Commission of the Council of National Defense began to tender their resignations. Section 3 of the so-called food control act evidently was aimed at the practice that had been theretofore indulged in and made it necessary for any members of companies interested to sever their connection with the Government service so long as the companies in which they were interested were contracting with the Government. On the 3d of October, 1917, the War Industries Board held a meeting, and at that time considered the matter raised by the opinion by the Attorney General and section 3 of the act of Congress aforesaid, and deliberated at considerable length on ways and means by which the effect of this act of Congress might be avoided by the appointment of committees to act for the various trades and industries represented, and by which the same result might be obtained as before.

Thereafter, on the 9th day of November, 1917, the director of the Council of National Defense stated, in a communication to the National Chamber of Commerce, that—

> in order to prevent a continuance of the embarrassing situation wherein members of the committee were called upon to act as both Government agents or advisors and, at the same time, as representatives of their respective industries that these resignations have been accepted—

and notified the National Chamber of Commerce to at once form committees to represent their industries which might deal with the Government. Thereafter, as a matter of fact, in most instances the former cooperative committees were continued, but were known as committees from the various trades and industries. There was no difference thereafter in the method of procedure. The copper cooperative committee resigned between September 19 and October 9, 1917. Up to the time that the cooperative committee on copper resigned all purchases of copper and negotiations relative to same were taken up through this committee.

It is in evidence, and conceded to be the fact, that the cooperative committee on copper practically controlled the companies that in turn controlled the price of copper in the United States, and it is further shown, especially by the testimony of Mr. Clarkson, director of the Council of National Defense, that because of the connection of these gentlemen with the Council of National Defense, and thereby with the Government of the United States, their authority was more coherent and their impact much greater in dealing with the other members of the copper industry, and that because of this official status they could more effectively control the price of copper than they could have done as individuals. As individuals they could not have coordinated the entire resource of copper in the country as well as they could do when officials. In other words, by virtue of their official standing all producers of copper could be compelled to pool their interests.

In the matter of the production of copper, as in all other industries and trades, the various cooperative committees who were appointed were selected not by the Government but by the respective trades and interests, and, as naturally would be expected, these gentlemen had in mind the condition of their various trades and were supposed and expected to represent them in their various transactions with the Government. On the other hand, on the part of the Government, there was no one who knew anything about the various trades or interests involved, excepting in the most casual and fragmentary way, and this condition continued to a very considerable extent throughout the entire war and certainly throughout the war so far as the purchases of copper were concerned.

As soon as the arrangement was made with the Government by the cooperating copper companies through the common agent, the United Metals Selling Co., four things were accomplished: First, all competition was eliminated; second, all expense of selling and finding a market was eliminated; third, the possibility of all loss from bad accounts was eliminated; fourth, the market was absolutely under the control of the American producers of copper.

While the United Metals Selling Co., in its inception, did not represent all the copper producers in the United States, this apparent difficulty in the organization was obviated as the result of an action of the War Industries Board early in 1917. Mr. Baruch, a member of the War Industries Board, appointed one Eugene Meyer, jr., as his representative, and who in turn requested all copper producers to arrange for a copper producers' committee. Mr. Meyer at that time had large copper investments and was heavily interested in the business. In this matter he was acting as a member or agent of the War Industries Board. On September 28, 1917, he came to the copper producers and asked them to appoint a committee which would represent all the copper companies, not only those represented by the United Metals Selling Co. but all other companies. That meeting was held at 120 Broadway, and there were present at the meeting the following persons:

Joseph Clendennin, Charles Earl, S. S. Rosenstamm, L. Vogelstein, Julius Loeb, Julian Beatty, M. H. Crego, T. Wolfson, Sidney Jennings, Charles Nichols, W. Parsons Todd, G. W. Drucker, James McDonald, H. M. Brush, and Eugene Meyer, jr.

There were no Army officers at this meeting. It is not known exactly what happened at this meeting, but the question of furnishing copper to the Government was fully discussed. On the 21st of September, 1917, Mr. Robert S. Lovett, acting chairman of the War Industries Board, wrote a letter to Mr. John D. Ryan, at New York, in which Mr. Lovett stated as follows:

> Dear Sir: I am pleased to advise you that the President has approved the oral agreement as to copper arrived at by the War Industries Board and the copper interests represented by you and which is correctly set forth in the following statement made public by the President.

The second purchase of copper made by the Government from the United Metals Selling Co. was on the 15th day of October, 1917, after the President had approved of the new price, and was a purchase of 11,595,346 pounds at 23½ cents per pound, or an increase of approximately 6.84 cents per pound. No reason appears in the record for this increased price. The price of 23½ cents per pound was continued in effect until June 15, 1918, when further increase of price was made to 26 cents per pound.

The War Industries Board, appointed by the Council of National Defense, ceased to function early in the spring of 1918. On the 4th of March the President wrote to Mr. Baruch appointing him chairman of a war-industries board, and in this letter of appointment gave him power by implication to fix prices. This War Industries Board was fully established on May 29, 1919, although it had been functioning practically since the 4th of March preceding the date of appointment by the President. From that time forward the War Industries Board was not under the control of the Council of National Defense, but was a body functioning by itself.

The price fixing of copper, as well as many other commodities, was in the beginning fixed by the cooperative committees appointed by the advisory Council of National Defense. This was particularly true of copper. Following the resignations of these various committees, the function of purchasing and price fixing was continued by the War Industries Board, appointed by the Council of National Defense, and particularly through Mr. Baruch, a member of that board. This continued until the spring of 1918, when the War Industries Board was organized as a separate entity, and of which, as has been said, Mr. Baruch was chairman. After the appointment of this presidential War Industries Board, certain committees were appointed by the board to have charge of various indus-

tries and productions. Almost at once there was appointed by Mr. Baruch what was called a nonferrous metals section. This section had charge of, among other things, copper. Its personnel was Pope Yeatman, chief; E. C. Thurston, assistant; Andrew Walz, assistant. From the time of the appointment of Mr. Yeatman and his section it was not permitted to place an order relative to copper except through him. A clearance from Mr. Yeatman was a prerequisite to such an order. Mr. Yeatman was a mining engineer, and at the time of his appointment was working for the Guggenheim interests, and was drawing $100,000 a year salary from them for this service in their mining interests. He left this position and was serving the Government for $1 per year, at which employment he continued until immediately after the armistice, when he left the Government service and went back to his original employment.

During the year 1918, Mr. Yeatman, under the direct supervision of Mr. Baruch, had complete charge of the copper situation in the United States.

During the period of the war the business of selling copper to the Government was conducted by Tobias Wolfson, vice president of the United Metals Selling Co., and by a Mr. Mosehauer, who was located at Washington, and who was the representative of the United Metals Selling Co. and the American Smelting & Refining Co. An arrangement had been made between these two companies by which the American Smelting & Refining Co. was to handle all copper for export, and the United Metals Selling Co. was to handle all copper for domestic use. They were, however, both represented by the same Washington representative, as above stated.

During the entire period of the war the uncontradicted testimony shows that the Ordnance Department and its officers had nothing to do with the fixing of prices on copper, and the Army officers in what they did simply followed Executive orders in that regard, and followed the directions of civilians in the War Industries Board or other price-fixing bodies constituted from time to time. As to the prices, the representatives of the Ordnance Department had no negotiations at all.

After the signing of the armistice it was determined that there was approximately 100,000,000 pounds of copper in the hands of the War Department that could be counted as surplus copper and was not needed by the Government for war purposes, and it was evident that some disposition must be made of it, either by a sale of it to the public generally or in some other manner.

On February 5, 1919, Mr. Mercer, chief of the raw materials and scrap division of the director of sales office, addressed a letter to Mr. E. C. Morse, assistant director of sales, in which he stated as follows:

> It would be my recommendation that Mr. Hare, or some one whom he might delegate, have a conference with Mr. Ryan, and any other representative of the copper interests, that we may arrive at some plan of distribution in accordance with the plan outlined in the correspondence which you handed me as passing between Mr. Ryan, Secretary Baker, Mr. Hare, and Gen. Williams.

It appears from this letter that before that time Mr. Ryan, Secretary of War Baker, Mr. Hare, director of sales, and Gen. Williams, Chief of Ordnance, had had a conference and had arranged upon some plan for selling the excess copper. The exact nature of that correspondence is not disclosed by the record and was not produced by the witnesses testifying on that subject. Prior to this time, however, and early in January, it was evident that the Government would have a surplus of copper, and the representatives of the United Metals Selling Co. approached the Secretary of War, asking that all copper be held off the market for at least six months, basing its request upon the proposition that during the months of November and December they had continued production paying a wage rate corresponding to 26-cent copper, and had an enormous surplus, and that reports from abroad were pessimistic as to a possibility of immediate sales.

The sales department then arrived at a policy as to this copper, which was to the effect that the copper would not be dumped upon the market, but that it should be the policy of the Government to absorb as much of the surplus as was possible in the War Department itself by sale or transfer to other War Department bureaus, other governmental departments, and semigovernmental commissions, and that every precaution should be taken to avoid the disturbance of the industry of the copper producers. About the time the negotiations were being had with the copper producers, representatives of the United Metals Selling Co., certain conferences were called in the Department of Labor between the representatives of the copper miners and representatives of the Government and representatives of the copper producers. These conferences were held the last week in January, 1919. The official report shows that on the 30th day of January, 1919, the conference of mine workers requested the Secretary of War and the Secretary of the Navy to cooperate with the producing and consuming industries to the end that a way of handling their stocks may be found to remove the existing lack of confidence in the market and that the methods thus determined upon shall be rigidly enforced by the officers of the respective departments. The resolutions requesting this action were signed by 30 representatives of the copper miners. At that time wages were being paid on a war basis, and it was feared that if a return was had to low prices on a sliding scale the wages of the workmen would be greatly reduced. At about this time or a little afterwards, also, it appears that there was a conference between Mr. Ryan and the Secretary of War, in which Mr. Ryan impressed on the Secretary of War what was said to be the demoralized condition of the copper industry, and asked the Secretary of War to use his discretion in disposing of this copper in order that this demoralized condition would not be made worse, and that the situation be taken up with the copper producers to see if some mutually agreeable way could not be worked out whereby the condition would be helped as much as possible, and the Government dispose of its surplus. It is probable that even before this time the Government had been in communication with the copper producers relative to the sale of this surplus.

Almost as soon as a director of sales was appointed, Mr. John D. Ryan sent Mr. Wolfson as his agent to Washington, directing him to have a conference with Mr. Hare, the director of sales, and to show to Mr. Hare what effect the surplus copper was having on the copper market. In pursuance of this direction, Mr. Wolfson came to Washington and saw Mr. Hare on February 13.

On the same date a meeting was called in the office of the director of sales, Mr. Hare, in the Munitions Building, at Washington, and at which meeting there were present certain representatives of the office of the director of sales and of the United Metals Selling Co.

A smaller conference was had within this conference, as shown by the official minutes, at which were present Col. Boggs, Col. Lehman, Col. Tenney, Capt. Mercer, Mr. Morse, Mr. Wolfson, and Mr. Bancker, who prepared certain principles which were to be the method of procedure of the Government in the sale of this surplus copper, the second of these principles being—

> It is felt that it would be to the best interest of the War Department, the producer, and the laboring class to have the War Department surplus copper and brass marketed by the producers, or some agency under their control, the marketing to be at the same price as similar material that they may sell during the same period.

The minutes also show the following:

> The representatives of the copper industry were to go back and see their principals, get together all the copper producers, and present these principles to them, returning as soon as possible for further conference with the War Department representatives with a definite proposition.

On the 14th of February Mr. Hare, director of sales, notified Mr. Wolfson, of the United Metals Selling Co., of the action of the conference and requested him to at once call the principal producers of copper throughout the country together—

> To discuss among themselves the terms upon which they will be willing to handle for the War Department the sale of surplus copper and brass now in the hands of that department.

Thereafter there were two conferences of copper producers held in New York, one on February 20, 1919, and one on March 3, at which all the copper producers were represented.

At these conferences it was arranged for the copper producers to take over the surplus copper of the Government, and on April 10, 1919, a formal written contract was entered into between the War Department and the United Metals Selling Co., by which 100,000,000 pounds of electrolytically refined copper was sold to that company on the following terms:

First, the price was to be the monthly average New York price for electrolytic copper as quoted by the Engineering and Mining Journal of New York, with lesser prices for copper not in commercial shapes and scrap copper. Second, the price was to be determined on the 5th day of May and on the 5th day of each succeeding month. Third, the price was to be paid on or before the 15th day of the second month for each month's quota. Fourth, a deduction of 1 per cent also would be made from the price to cover storage, and so forth. Fifth, the copper also would be delivered by the United States, with all expenses of loading and freight to be paid by the Government. Sixth, the copper was to be delivered 5,000,000 pounds per month, beginning with April, 1919, with the further arrangement that if the producers of copper represented by the purchaser in any one month up to January, 1920, should sell more than 50,000,000 pounds of copper, and from February, 1920, to June, 1920, more than 100,000,000 pounds, in such event the amount of 5,000,000 pounds per month should be increased by an amount equal to 20 per cent of the excess over 50,000,000 and 100,000,000 pounds, respectively.

The signing of the armistice created in the copper market, as in all other markets in the United States, a serious depression and stoppage of trade. The 26-cent price of copper continued automatically in effect until December 5, 1918. From that time up until practically the signing of the contract with the United Metals Selling Co. there was no market for copper. During December and January there were no sales being made of any kind. From February 1 up to July 30 the prices of copper were as follows: February 1, 1919, the Journal gives the prices at 18⅝ cents; February 15, 16¾ cents; March 1, 14¾ cents; March 15, 14⅞ cents; April 1, 15.35 cents; April 15, 15.15 cents; May 1, 15.35 cents; May 22, 16.35 cents; June 2, 16.35 cents; June 16, 17⅛ cents; July 1, 19 to 19.10 cents; July 15, 21.30 to 21.90 cents; July 30, 22.85 to 23.35 cents.

It will be observed from these quotations that from April 1 the approximate date of the contract with the United Metals Selling Co. for the Government surplus copper, copper increased until on July 30 it had risen to 23.35 cents, or 8 cents per pound, while from February 1 to March 15 it had fallen close to 4 cents per pound. The immediate effect of the sale of copper to the United Metals Selling Co. and the control of the copper market by this company was to stabilize the market and to increase the price.

That this was the intent of the Government agents and the copper producers there can be no doubt. In addition to the testimony of Mr. E. C. Morse, hereinbefore noted, his testimony shows that no minimum price was agreed upon in the contract with the copper producers, because to fix such a minimum price would be to depress the price. Mr. Morse also testified that the sale of copper was negotiated with the copper producers in this way for the purpose of keeping the market stable and not disturbing it, and disposing of the Government surplus as rapidly as possible.

It is the uncontroverted testimony that about the time conferences were initiated between the copper producers and the Secretary of War the director of sales issued an order directing that pending these negotiations no copper be sold by the War Department to any person. This order was as follows:

FEBRUARY 7, 1919.

Director of sales, Order No. 8.
Subject: Sale of copper and brass.
1. No further sales of either copper or brass, as new material or as scrap, are to be made under any circumstances until further notice.
By authority of the Director of Purchase, Storage and Traffic.
C. W. HARE, *Director of Sales.*

This inhibition against the sale of copper continued until after the contract was made with the United Metals Selling Co. for the Government surplus copper, and then, on April 18, the director of sales made an order permitting the sale of copper.

Mr. A. G. Peter, secretary of the committee having charge of the disposal of copper for the Ordnance Department during that period, testified that if he had been permitted he could have sold at least part of the copper of the Government at the market price during that time; as a matter of fact many offers were had for the Government copper, but owing to the order of the director of sales none could be sold. The object of the sale to the United Metals Selling Co. and the holding of the same off the market is well indicated by the testimony of Maj. L. R. Quinn, of the Ordnance Department, and who stated that the sale was to keep the market from being depressed; in other words, that the price of copper on the market should not go lower.

Mr. Wolfson said on this subject:

It was essential to get it out of the way, or we thought it was better that it be handled through the same channels that sold the copper. It did not matter whether it was sold by us or not, so long as it was gotten out of the way. We felt so long as that hung over the market there would be no stability. * * * I found I could not do any business with this hanging over the market.

Under the contract for the sale of copper the base price fixed on May 5, for the month of April, was 15.246 cents per pound; on June 5, for the month of May, it was 15.864 cents per pound; and on July 5, for the month of June, it was 17.61 cents per pound. In April the United Metals Selling Co. sold 83,000,000 pounds of copper, and hence took on their contract 13,000,000 pounds of Government copper at the average April price. During the month of May there was sold by the United Metals Selling Co. 207,649,189 pounds of copper, and accordingly there was taken by the United Metals Selling Co. of Government copper on June 5, for the month of May, 3,652,837 pounds. Practically the entire balance of the surplus copper to be taken by the United Metals Selling Co. under this contract was taken on July 5 on the average June price.

On the signing of the armistice the copper producers, represented by the United Metals Selling Co., had on hand approximately 750,000,000 pounds of copper aside from the purchase of the Government surplus copper, so that the price at which the Government surplus copper was sold to the consumers regulated not only the price of such copper as was being produced at the mines but also the price of approximately 750,000,000 pounds of other copper already on hand.

The profits of the copper producers from their negotiations with the Government during the period of the war, and in the purchase of the surplus copper after the war was over, were enormous, and it must have been apparent to the Government agents that such was the case. It is said that the high prices paid for copper were paid for the purpose of stimulating production. However, the facts do not seem to indicate that it was necessary to pay as great a profit as was paid to accomplish that purpose. It has also been said in defense of the price fixing by the Government and its other negotiations that the market price of copper was approximately 32 or 33 cents per pound when we entered the war, and that the price fixing by the copper producers was far below what they might have obtained on the open market. However, it will be remembered that the copper producers were at the mercy of the Government at that time, and that under section 8 the act of August 10, 1917, the food-control act, the Government had the right at any time to commandeer the mines and to practically fix its own price on copper.

Two methods of computation were used by the committee in ascertaining the cost of producing copper: One was in the examination of such reports of the copper companies as were available to accountants for the committee; the other was a report of the Federal Trade Commission made to the War Industries Board, and a copy of which was before the committee. This last-named document, confidential when received but now a public document, had evidently gone through the hands of the price-fixing committee of the War Industries Board, and this committee was fully conversant with the situation and the profits being made by the copper companies, as appears by their marginal notes upon the original copy. The custodian of these files produced the same, and from the marks made upon it, supposedly by the price-fixing committee, it appears that that committee knew that the profits being made by most of the principal producers in the United Metals Selling Co. combination were making, at a price of 23½ cents per pound, from 8 to 12 cents per pound profit. These marginal notations show that of the whole list of copper producers whose records were examined by the Federal Trade Commission the net profits at 23½ cents per pound were from 12 to 4 cents a pound, and that the principal companies in the United Metals Selling Co. group, and in which Mr. Ryan and the members of the cooperative committee on copper were most intimately interested, were from 8 to 12 cents per pound. Mr. Melville C. Wooster, chief accountant of the Federal Trade Commission, testified that the average cost of production of all the companies within the United Metals Selling Co. group for 1917 was 13.618 cents per pound, and in 1918, 15.326 cents per pound. In 1917 the cost of production per pound in the Utah Copper Co. was 10.4 cents, and in 1918, 12.3 cents. The cost of production in the Calumet & Hecla Mining Co. in 1917 was 12.9 cents, and in 1918, 15.7 cents. The cost of production in the Inspiration Consolidated Copper Co. in 1917 was 11.3 cents, and in 1918, 11.7 cents. The cost of production in the Kennecott Copper Co. in 1917 was 12.4 cents, and in 1918, 18.7 cents. It is useful to notice also that of the four companies last above named each one, except the Inspiration Consolidated Copper Co., reported a decreased production for 1918; and from their reports it is evident that these companies were mining their lower-grade ore and making their mines ready for a time of higher prices, when higher-grade ore might be produced at a lesser expense.

To illustrate the profits made during this period by some of the copper companies, four instances are cited:

The Utah Copper Co. in 1917 made a profit of $32,600,000, which was 200 per cent of its capital stock, and in 1918 a profit of $24,750,000, which was 150 per cent of its capital stock. The Calumet & Hecla Mining Co. in 1917 made a profit of $9,500,000, or 800 per cent of its capital stock, and in 1918, $3,500,000, or 300 per cent of its capital stock. The Inspiration Consolidated Copper Co. in 1917 made a profit of $12,260,000, or 55 per cent of its capital stock, and in 1918, $9,250,000, or 40 per cent of its capital stock. The Kennecott Copper Co. in 1917 made a profit of $11,826,000, or 70 per cent of its capital stock, and in 1918, $9,390,135.90, or 60 per cent of its capital stock. It is probable that other companies in the list made similar profits, but the exact information is not available without a careful and detailed audit of the books of these various companies.

Mr. HICKS. Will the gentleman yield?

Mr. GRAHAM of Illinois. I have but very little time.

Mr. HICKS. I simply wanted to ask the gentleman if the figures he has given are net profits.

Mr. GRAHAM of Illinois. I have given the profit per pound of 8 to 12 cents; this was net; that is my understanding of it.

Now, these companies represented in this consolidation, of course, were mostly low-priced producing companies. Let me tell you something else. The remarkable thing about this is that the gentleman from Tennessee [Mr. GARRETT] and the administration and the people who defend it say that they had to make this price to make a profit for the high-cost producing mines, and therefore the mines that had a low cost of production necessarily made more profit. As a matter of fact, all the figures we had available, taken from the reports of the company, show that this price had this effect on copper—that it reduced the production notwithstanding the increase in price. In 1918 three of the four big copper companies, of which we had the figures for production, were companies mining a low-grade ore, that is, a cheap ore, and they were doing it while the price was low in order when the price became high that they could manufacture high-grade ore and get a higher price. So the effect of the proposition was to feed this infernal trust which had its fingers on the throat of the country and let them make such inordinate profits as were entirely unjustified by the needs of the Government. There was no necessity for it, and the Government with its strong hand at the throttle could have commandeered all the copper it needed and made them furnish it at reasonable prices.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. GRAHAM of Illinois. I have but little time.

Mr. SMITH of Michigan. Did the committee investigate the purchase of food products by the Government?

Mr. GRAHAM of Illinois. Not this branch of the committee; that was done by subcommittee No. 4. Let me say that I find it necessary in order to get the facts before the House and the country to hereafter file a written report. I have conferred with a portion of my committee, and some time in the future the committee is going to give the detailed facts, the specific facts that we can not do now because we have been limited by objections from the Democratic side of the House. We want to file them so that the country can have the benefit of the information that this committee with six months of the hardest work I ever did in my life has collected. [Applause.]

Mr. GARRETT. The gentleman will confer with the other portion of the committee, I suppose?

Mr. GRAHAM of Illinois. I will; but I do not know what good it will do if you assume the same position you have about this.

The profits made by the copper producers out of the purchase by them of the surplus copper of the Government after the armistice would be hard to compute. It is certain that if this 100,000,000 pounds of copper had remained in the hands of the Government or had been sold by the Government to retailers or to the consumer the price of copper would have remained at least stationary. However, by its purchase the producers were enabled, by their combination and by the allocation of business among them as they chose, to control the market absolutely, and being permitted by the Government to combine and pool their interests the market immediately turned and started upward. Even in the matter of the contract itself it is evident that the copper producers were buying on the 5th of May, June, and July large sums of copper at a price that was the average price for the month before and on a constantl, rising market, so that any margin there might be in price, by way of an increase, would accrue to the copper producers and be lost to the Government. Just what this loss to the Government would be could only be ascertained by careful computation. In addition the copper producers were given 1 per cent of the cost as a condition of the trade. In addition every pound of the approximately 200,000,000 pounds of copper a month they were selling had an added value given to it by the rising market which the copper producers were creating. It is reasonable to assume that if, during the period the copper producers were taking the Government copper, their aggregate sales were 600,000,000 pounds, including the Government copper, their profit by virtue of the increase in price was approximately $50,000,000.

Not all the copper producers shared equally in these profits, it is true. Mr. John D. Ryan, in the first purchase of copper by the Government from the United Metals Selling Co., dictated the proportion which each company in that combination should furnish the copper, and this schedule or percentage obtained throughout the war. The same was true in the allocation of the surplus copper purchased from the Government. Some companies, and these were so far as can be seen usually the low-cost production mines, furnished most of the copper. An example of this will be found in the group of mines represented by Mr. John D. Ryan. The United Metals Selling Co. originally represented a small group of mining companies, 13 in number, and to these companies were allotted 152,500,287 pounds. Of this amount there was allotted to the Ryan companies—the Anaconda Copper Mining Co., Inspiration Consolidated Copper Co.—121,615,919 pounds.

At the time the first sale of copper was arranged at 16¾ cents per pound, many statements were circulated through the press of the country relative to the very excellent and patriotic work that had been done in this negotiation. The effort was then made to show that because this price was greatly below the average market price, that thereby the Government had made an immense saving and that the copper producers had patriotically turned over the production of their mines to the public for war purposes.

Scribner's Magazine for August, 1917, contained an extensive article entitled "What the Council of National Defense is and What it has Done," by Grosvenor Clarkson, secretary of the Council of National Defense and of the advisory commission. On page 190 is the following:

> * * * Mr. Baruch first announced his presence in the tremendous task of mobilizing American industry by procuring 45,000,000 pounds of copper for the Army and Navy at about half the current market price, saving the Government in the neighborhood of $10,000,000.

A fair and candid résumé of the whole situation can not fail to convince the reader that the arrangement thus entered into was one extremely favorable to at least a few of the copper producers, and that from this arrangement, and because of the necessity and demands of the Government during the war, those who operated these copper producing properties were enabled to make and did make extravagant and extraordinary profits.

During the progress of the war the people were continually reminded of the necessity of contributing liberally to the support of the Government. They were urged to buy bonds and war-savings stamps to the limit of their capacity and to practice every economy in food and clothing. It is a matter of pride to contemplate how fully the people responded to that request. The savings of the mechanic, the profits of the farmer, the mite of the widow, the pennies of the children, were freely and cheerfully given, with the high and sacred intent to thus advance the cause of our country. I stood one day in the mud in a ruined town in northeastern France and saw a division of American boys go past through the mist toward the battle out yonder that awaited them. I could hear the guns thumping and pounding in front, and over us soared aeroplanes, like monster locusts. There was no pomp and panoply about this. It was somber and serious business. As I looked at these young, healthy, clear-skinned boys, with the sacred fire of youth in them, they who had so much to live for, I thought of the supreme sacrifice they were making for their country. What the rest of us did was, as compared to this, a mere bagatelle, my countrymen. [Applause.] There was no thought of profits or gain or per cents or personal returns. It was a pure and unselfish dedication of all they had to the country that has gained much credit in this old world of ours, my colleagues, by having given them birth. And it does irk me exceedingly when I think of the economies and sacrifices of our people, when I remember what I saw in Flanders and in France, to observe a careless disregard of the public rights and an ignorant and apparently willful waste of public funds. Every cent we have must be carefully conserved. The times cry for the most stringent economies. We must not save our country only to see it become a bankrupt. It is the duty of every right-thinking man to guard in every possible way the public purse, and it matters not whether he be a member of a Claims Board or a Member of the Congress of the United States. [Applause.]

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Now that we have had four hours of general debate, what has been accomplished and what can we do?

The SPEAKER. The gentleman does not submit a parliamentary inquiry.

Mr. BLANTON. Very well.

CALENDAR FOR UNANIMOUS CONSENT.

The SPEAKER. Under the agreement heretofore made, the Clerk will call the Calendar for Unanimous Consent.

CERTAIN GRAZING LANDS IN UTAH.

The first business on the Calendar for Unanimous Consent was the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes.

The SPEAKER. Is there objection?

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. The gentleman from Oregon asks that this bill be passed over without prejudice. Is there objection?

There was no objection.

SIOUX TRIBE OF INDIANS.

The next business on the Calendar for Unanimous Consent was the bill (S. 1018) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims.

The SPEAKER. Is there objection?

Mr. KELLY of Pennsylvania. Mr. Speaker, I object.

Mr. GANDY. Mr. Speaker, will the gentleman withhold his objection until I can make a statement?

Mr. KELLY of Pennsylvania. I withhold the objection for a moment.

Mr. GANDY. I just want to say to the gentleman from Pennsylvania and to the House that the Senate bill 1018 is in identically the same language as a bill that has already passed this House at this Congress, and which has gone to the Senate. The House having passed his identical bill, and there is not the difference of the dotting of an "i" or the crossing of a "t," I hope that my friend will withdraw his objection.

Mr. KELLY of Pennsylvania. Mr. Speaker, I had this morning, as a member of the Committee on Indian Affairs, a delegation of men from the reservation who are particularly concerned in this measure, and they stated that they would have a delegation here shortly after the first of the year to present facts concerning this bill. Therefore, Mr. Speaker, I object.

Mr. GANDY. Mr. Speaker, then I ask unanimous consent that the bill retain its place on the calendar.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

The SPEAKER. The Clerk will call the next bill.

WATER SUPPLY FOR MISCELLANEOUS PURPOSES ON RECLAMATION PROJECTS.

The next business on the Calendar for Unanimous Consent was the bill (S. 796) for furnishing water supply for miscellaneous purposes in connection with reclamation projects.

The SPEAKER. Is there objecton?

Mr. WALSH. Mr. Speaker, I object.

Mr. EVANS of Montana. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. WALSH. I withhold my objection for a moment.

Mr. EVANS of Montana. Mr. Speaker, it seems quite imperative to a lot of people that this bill should pass. I think the gentleman from Massachusetts, whose purpose is to make an objection, has not investigated the question so that he is in full possession of the merits of the proposition. This is simply to afford the reclamation people the legal right to dispose of some surplus water. I have in my office a letter, which I received within a week from a State senator of my State, asking for the passage of this bill. He tells me in that letter that he has been operating a sawmill within 400 yards of a ditch of the reclamation people; that he has expended $2,000 trying to get water for his sawmill by digging wells on a reserve where all of the water was taken by the reclamation people. He could not get water, and the only way that he can get it is to haul it in barrels from the ditch, if the reclamation people would permit him to haul it. It seems unreasonable that the Government should not be permitted to sell its surplus water to people under these circumstances.

The bill is safeguarded, I think, by providing that the funds shall go into the Reclamation Service of the particular project. There are some months in the year when the water can not be used for irrigation or for any other purpose. It simply runs to waste to the sea. If it could be utilized by the men who have sawmills or sugar-beet factories, or who want to put alfalfa in silos, the Reclamation Service would get that much money for it, and it might as well obtain it and put it to the credit of the people who are paying for that service. I hope the gentleman will not object.

Mr. WALSH. Mr. Speaker, I appreciate the advantages which the gentleman states will come to certain individuals if we embark on this policy, but I submit that this is not a wise policy to embark upon in connection with the reclamation projects, and, therefore, I object.

CONFERRING CITIZENSHIP UPON CERTAIN INDIANS, ETC.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 288) for the purpose of conferring citizenship upon Indians, segregation of Indian tribal property, and for other purposes.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, I reserve the right to object. The gentleman in charge of the bill does not seem to be here, and I ask unanimous consent that the bill go to the foot of the calendar.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill go to the foot of the calendar. Is there objection?

There was no objection.

PERMITTING MINORS TO MAKE HOMESTEAD ENTRY.

The next business on the Calendar for Unanimous Consent was the bill (S. 1729) permitting minors of the age of 18 years or over to make homestead entry or other entry on the public lands of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HICKS. Mr. Speaker, reserving the right to object, just why are minors given this right? Is it because of a purpose to aid soldiers and sailors?

Mr. BLANTON. Mr. Speaker, there seems to be no one here who can answer the question, and I object.

The SPEAKER. The gentleman from Texas objects.

ERECTION OF FEDERAL OFFICE BUILDING IN ST. LOUIS, MO.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 484) to provide for the erection of a Federal office building on the site acquired for the Subtreasury in St. Louis, Mo.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

Mr. RUCKER. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. BLANTON. Mr. Speaker, if the gentleman desires to make a statement, I withhold the objection.

Mr. RUCKER. Mr. Speaker, let me make this statement: This bill is reported from the Committee on Public Buildings and Grounds. Some time ago a bill was reported and passed and is now law authorizing the construction of a Federal building in St. Louis upon land purchased and owned by the Government, but the law authorizing the construction of that building provided for the building of fireproof vaults for use of the Subtreasury at St. Louis. I think it is pretty well conceded now, since the location of the Federal reserve bank in St. Louis, that it will not be long until there will be no occasion for a Subtreasury there, and during the remainder of the time that the Subtreasury is in operation it can continue to do business in the building in which it is now located. This bill simply seeks to amend the bill heretofore enacted by striking out the paragraph in the original act which provided for the expenditure of money for the construction of fireproof vaults, so that money may be saved and the space intended originally for use of the Subtreasury may be used to house other governmental activities. This bill does not involve the expenditure of an additional dollar.

Mr. BLANTON. Will the gentleman yield?

Mr. RUCKER. I will yield.

Mr. BLANTON. Unless the present bill under consideration is passed the money which the gentleman seeks to have available to expend for a public building to be used for purposes other than the Subtreasury could not be expended?

Mr. RUCKER. There has already been, as I understand from recollection, something like $200,000——

Mr. BLANTON. But by this bill it will permit the expenditure of how many other thousands of dollars?

Mr. RUCKER. The entire amount appropriated for the construction of the building.

Mr. BLANTON. It is $600,000, is it not?

Mr. RUCKER. Probably that amount.

Mr. BLANTON. Then, by keeping this bill from passing we can keep that $600,000 in the Treasury, can we not?

Mr. RUCKER. But the gentleman should bear in mind, Mr. Speaker, that by the passage of this bill we will provide housing capacity for a great many governmental activities now housed in rented property. It is a saving in annual rental which the Government is now paying of something like $35,000 or $40,000.

Mr. BLANTON. There are 30,000 people in the city of Ranger, Tex., who are getting their mail in a little old shack that——

Mr. RUCKER. The building authorized in this bill is not a post office, I will say to the gentleman.

Mr. BLANTON. I understand it is for governmental purposes, and if we are going to build emergency buildings we ought to build them in these emergency places.

Mr. RUCKER. We will take care of that very soon. I hope the gentleman will not object.

Mr. DYER. Will the gentleman allow me to state in answer to the inquiry of the gentleman from Texas that under existing law the Treasury Department is now authorized to proceed to

erect the building as provided by law? It is only held up to save money.

Mr. BLANTON. Mr. Speaker, I feel the influence of the yuletide, and I want to be gracious, especially to the distinguished gentleman from Missouri, and I have felt so gracious that I have promised my friend from Minnesota [Mr. KNUTSON] that until January 5 I am not going to make any more points of order of no quorum. [Applause.] So that the fellows can go home whenever they want to do so. But this calls for an expenditure of a big sum of money which but for the passage of the bill can not be expended.

Mr. DYER. The gentleman is mistaken, the money is now available.

Mr. BLANTON. Why do not they expend it?

Mr. DYER. The Secretary of the Treasury feels that this money for vaults should be saved to the Government.

Mr. BLANTON. So the purpose of the bill is to permit the money to be spent in a building for purposes other than the Subtreasury?

Mr. DYER. No; the law already provides for a Government building for the use of the Subtreasury and other governmental activities.

Mr. BLANTON. But it is not going to be built?

Mr. DYER. Yes; they can go ahead now.

Mr. BLANTON. Does not the gentleman know the Secretary of the Treasury is not going to build it?

Mr. DYER. No; he has held it up to see if Congress would change the legislation in order to save the expense of the vaults.

Mr. BLANTON. Let us let it go over until after the Christmas holidays and then it can be taken up just as well.

Mr. DYER. The Committee on Buildings and Grounds took the matter up. They called upon the Secretary of the Treasury for a report and he reported, recommending that this bill be enacted into law, and has recommended even to the last Congress that he was very much in favor of it. The Secretary of the Treasury not only this Congress, but the last Congress, recommended this thing to be done, because he is not in favor of going ahead with the building and putting in expensive vaults that the Subtreasury realizes it does not need.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that this bill go to the foot of the calendar.

The SPEAKER. The gentleman from Texas asks unanimous consent that the bill go to the foot of the calendar.

Mr. RUCKER. What benefit is it to go to the foot of the calendar?

Mr. BLANTON. It gives us a chance to look into it. The gentleman can get it up any unanimous consent day after Christmas.

The SPEAKER. Is there objection to the immediate consideration of the bill?

Mr. RUCKER. I hope the gentleman will not object.

Mr. BLANTON. I regret that I am forced to object.

Mr. DYER. Mr. Speaker, I ask recognition to move to suspend the rules——

The SPEAKER. The Chair can not recognize the gentleman just yet. The Chair recognizes the gentleman from Pennsylvania [Mr. BUTLER].

CONTINUATION OF ALLOWANCES TO NAVAL OFFICERS.

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 213, to which there are two or three Senate amendments, and to pass the same.

The SPEAKER. The gentleman asks unanimous consent to take up House Joint Resolution with Senate amendments?

Mr. BUTLER. Yes, sir.

The SPEAKER. The gentleman asks unanimous consent for the present consideration of the resolution, with Senate amendments, which the Clerk will report.

The Clerk read as follows:

House joint resolution 213, continuing temporarily certain allowances to officers of the Navy.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. WALSH. I think it ought to be reported.

The SPEAKER. The Clerk will report the resolution with amendments.

The Clerk read as follows:

House joint resolution 213, continuing temporarily certain allowances to officers of the Navy.

Whereas since it now appears that peace will not have been declared by October 1, 1919, on which date officers of the Navy, by operation of law, will cease to receive the benefits prescribed in the act of April 16, 1918 (Public, No. 129);

Whereas said benefits will accrue to officers of the Army until peace shall have been declared: Therefore be it

Resolved, etc., That the paragraph in the act of July 11, 1919 (Public, No. 8), which reads as follows:

"The act of April 16, 1918 (Public, No. 129), granting under certain conditions to every commissioned officer of the Army the right to quarters in kind for their dependents or the authorized commutation therefor, including the allowances for heat and light, shall hereafter be construed to apply to officers of the Navy and Marine Corps only during the period of the war and in no event beyond October 1, 1919," be, and the same is hereby, repealed.

Also the following Senate amendments were read:

Page 1, line 1, of the preamble, strike out "will" and insert "has."
Page 1, line 1, of the preamble, strike out "have."
Page 1, line 5, of the preamble, strike out the period and insert a comma and the word "and."
Page 2, line 5, after "repealed," insert a colon and *"Provided,* That officers of the Navy and Marine Corps shall be entitled to all the rights and benefits under said act of April 16, 1918 (Public, No. 129), from and after October 1, 1919, and during the present emergency."
The title was amended to include "and Marine Corps."

Mr. WALSH. Mr. Speaker, reserving the right to object, the first amendment was, I understood, to strike out the word "will" in the first line of the preamble and insert the word "has"?

Mr. BUTLER. That is true.

Mr. WALSH. Then it will read:

Whereas since it now appears that peace has not have been declared.

Mr. BUTLER. I think the gentleman will find it is part of the Senate amendment that the word "have" should be stricken out.

Mr. WALSH. These are Senate amendments, I assume?

Mr. BUTLER. Yes.

Mr. WALSH. And the preamble was not stricken out as it previously passed the House?

Mr. BUTLER. The preamble was amended. The first amendment is to strike out the word "will," in the second line, and insert the word "has," and then strike out the word "have," so that it will read:

Whereas since it now appears that peace has not been declared by October 1.

The second amendment, I will say to the gentleman, is to insert the word "and" after the part of the preamble in parenthesis, namely "Public, No. 129," so as to connect the other "whereas" with it:

And whereas said benefits will accrue to the officers of the Army until peace shall have been declared.

Mr. WALSH. Reserving the right to object further, Mr. Speaker, the amendments that have been put onto the resolution itself are to the effect that these allowances shall be continued and be made retroactive back to October 1.

Mr. BUTLER. It has that effect, and I will tell my friend why. When this resolution was introduced and first considered here under suspension of the rules it was anticipated that it would be passed prior to October 1. On the day it was considered under suspension of the rules, my friend will recall, which was on September 23, it was in the evening time, and a question of no quorum was raised. Then the business passed over until the next suspension day, which was the third Monday in September, when there was not a suspension of the rules, because the chairman of the Committee on Appropriations moved to consider an appropriation bill or other measure on that Monday reported from his committee. Therefore, it was found on the Speaker's table on the next suspension day as unfinished business. I asked the Speaker to allow me to move to suspend the rules to include the Senate amendment, which amendment had come over in the meantime from the Senate upon another and similar resolution—No. 112. The Speaker said it had better be voted upon, as it remained upon the table as unfinished business. Consequently, there was a roll call and the measure was passed under the suspension of the rules. Then this same resolution went over to the Senate and the amendment was added.

October 1 had passed. I want to take to myself the blame for this amendment to the last naval bill. In order to reduce the expenses, and in the haste in which we made up the naval appropriation bill last summer, I inserted the provision now considered in the bill, and I then did a rank injustice to the officers of the Navy, and I have been told about it a good many times. My friend knows the pressure that has been made to increase the compensation of officers of the Navy. I am especially anxious that this measure, which was made to help the Army, and construed also to be to the advantage of the Navy in 1918, might be continued during the emergency, and if this amendment is adopted it will be so continued.

Mr. WALSH. The gentleman has under consideration a bill providing for readjustment of the pay of the Navy, has he not?

Mr. BUTLER. Yes, sir. But no report has been made on that bill.

Mr. WALSH. But the gentleman expects a report from the committee on that measure?

Mr. BUTLER. I hope that my friend will still continue the same confidence in our committee's disposition to be economical that he has always manifested. I will answer the gentleman candidly, as he asks the question. I believe at this time, and I have been working at it industriously for four months, that Congress must be asked to assist some of the noncommissioned and petty officers of the Navy. I discovered this morning that 1,700 enginemen have left the ships because they are not paid proper compensation. It is that part of the bill to which I am directing my attention. If this measure passes it will bring to these officers of the Navy what they expected to have and what they expected they would have and bring them a little compensation which, in my effort to keep the hands of Congress upon the appropriations, I deprived them of.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH rose.

Mr. WALSH. I will yield.

Mr. BUTLER. I think the gentleman from Ohio [Mr. LONGWORTH] probably rose first.

Mr. LONGWORTH. I am not quite clear as to the gentleman's intention. Is it to move to concur in the Senate amendment?

Mr. BUTLER. Yes. It is only to concur in the Senate amendment.

Mr. LONGWORTH. Is the gentleman clear that the Senate amendment corresponds with the amendment he has noted on his bill?

Mr. BUTLER. Yes, sir.

Mr. LONGWORTH. As I understood the reading, the Clerk did not report it that way. Was there a mistake in the reading?

Mr. BUTLER. I think not. I copied it with the greatest care. The purpose of the amendment is this: If we had succeeded in passing the resolution through the House in September and had gotten it to the Senate exactly as I anticipated, then October 1 would have been yet before us, and the allowance of money would still have gone to these officers. But having got tied up between the House and the Senate, and especially here upon one occasion when we did not have a quorum that would have enabled us to pass the bill under a suspension of the rules, it became necessary to make the amendment.

Mr. LONGWORTH. If the gentleman wants to concur in the Senate amendment he should be certain that the amendment is correct.

Mr. BUTLER. I thank the gentleman from Ohio for calling my attention to it.

Mr. LONGWORTH. I will ask that the Clerk report it again.

The SPEAKER. Without objection, the Clerk will again report the amendments.

The Senate amendments were again read.

Mr. LONGWORTH. The Clerk did not report it that way before.

Mr. BUTLER. Yes.

Mr. LONGWORTH. That is all right.

Mr. BUTLER. I thought the Clerk in reading it must have overlooked that part of the amendment. Now I will yield to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. I understood the gentleman from Pennsylvania to say that these were allowances which officers of the Navy had expected to receive.

Mr. BUTLER. Yes, sir.

Mr. MANN of Illinois. Did they have any inside information that the treaty would not be ratified by October 1? Why should they expect to receive these allowances later than October 1, when the original provision only lasted until peace was declared?

Mr. BUTLER. I wish I could answer my friend directly. I have not any knowledge on that point. No officer in the service has ever made any statement in my presence in which he attempted to impress me with a view as to when the emergency would be over. I may say to my friend this: That no public official and no officer of the Navy, to the best of my recollection, has ever made any request of me that they should be set right; but I have heard it said that I have been opposed to increasing the salaries of the officers of the Navy when I with my own hand took from them what the act of Congress last year gave them. I will further say to my friend that I would not have done it if I had contemplated that the emergency would have lasted beyond October 1. I would have allowed these men to have had the benefit of the allowance which the comptroller said the act of 1918 gave them.

Mr. MANN of Illinois. Well, they have had this allowance for a longer period than they had any right to expect they would receive it after the armistice was signed. Now, of course, this means practically that they expect to receive this increased allowance forever, so far as the service is concerned.

Mr. BUTLER. No, sir. The act of 1918 provides that only during the emergency shall these allowances be paid to the officers of the Army. The comptroller has construed the act as extending these allowances to the officers of the Navy and the Marine Corps. They last only during the emergency.

Mr. MANN of Illinois. Well, practically the emergency has long since ceased, but theoretically we are not at peace.

Mr. BUTLER. It was held yesterday that we are still going on with the war. [Laughter.]

Mr. MANN of Illinois. Theoretically we are not at peace, but practically we are at peace so far as allowances are concerned.

Mr. BUTLER. I have felt so, my friend, that we were.

Mr. MANN of Illinois. I can see no reason why we should pay this allowance now unless we are to make this permanent law.

Mr. BUTLER. I would not ask to do it——

Mr. MANN of Illinois. And so far as I am concerned, I am frank to say—the gentleman from Pennsylvania can not very well say—that I think it is very much more important to economize in the expenditures of the Government than it is to increase the pay of anybody at present. The only way we can get back to bedrock and away from high prices is to economize in the Government and in the country. [Applause.]

Mr. BUTLER. Let me say to my friend this: Are you willing to trust this committee for an economical appropriation of funds for the Navy? I know the gentleman will. I have talked with the gentleman frequently.

Mr. MANN of Illinois. I will make no promises in advance. I propose to vote, whenever I get a chance, for economy in the service. [Applause.]

Mr. BUTLER. So do I. I have voted for all the economies that have been suggested.

Mr. MANN of Illinois. I know the gentleman as well as any other man in the House. He is real economy itself, if he had his way.

Mr. BUTLER. I propose to have it or I will not have any way at all. [Laughter.]

Mr. MANN of Illinois. I am not sure.

Mr. BUTLER. I know my old friend of a quarter of a century thinks I am "easy." I am thinking about the American public that has these taxes to pay, but I will say to the gentleman that I think it is in the interest of economy to pass this measure now. I think it will relieve the tension that is now upon us.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Yes.

Mr. MONDELL. I am not clear in my mind as to the effect of the passage of the resolution as now presented. The provision to be repealed was one which applied to the Navy, for a certain period——

Mr. BUTLER. No, sir.

Mr. MONDELL. Let me finish my inquiry.

Mr. BUTLER. I beg the gentleman's pardon.

Mr. MONDELL. The provision which it is proposed to repeal is a provision that applies to the Navy, for a certain time, an act passed for the Army, or intended for the Army, and giving certain additional allowances.

Mr. BUTLER. Yes, sir.

Mr. MONDELL. That is true, is it not?

Mr. BUTLER. Yes; that is true. Will the gentleman allow me to make a statement?

Mr. MONDELL. Will the gentleman let me finish my statement?

Mr. BUTLER. Certainly.

Mr. MONDELL. I thought I was informed about this matter, but the more I have listened to this discussion the more confused I have become, and I want to know how far wrong I am.

Mr. BUTLER. I do not think the gentleman is wrong at all.

Mr. MONDELL. The provision which it is proposed to repeal is a provision which was carried in the naval bill?

Mr. BUTLER. Yes.

Mr. MONDELL. The effect of which was to give certain men in the Navy for a time the benefit of certain additional allowances which had been provided for the Army?

Mr. BUTLER. Yes; but if my friend will permit me to make a statement now, I will go back to 1918——

Mr. MONDELL. While the act originally was intended to apply only to the Army, it was considered to apply to the Navy.

Mr. BUTLER. The gentleman is correct.

Mr. MONDELL. And in order to limit it, you placed a limitation, as far as the Navy was concerned.

Mr. BUTLER. The Committee on Naval Affairs did.

Mr. MONDELL. Now, if you repeal this provision, your assumption is that the auditor will still apply the same rule as formerly, and so long as these allowances go to the Army they will go to the Navy.

Mr. BUTLER. I am assuming that they have construed the original act as applying to the Navy, and therefore if we take out this limitation I assume that the original act will be construed to apply.

Mr. WALSH. Mr. Speaker, I think the discussion that has been had clearly demonstrates that the proposed amendments of the Senate are not in the nature of economy. I opposed this resolution when it was here before, and the amendments of the Senate simply carry it back to October 1, 1919, which I contended would be necessary in order for these allowances to be payable; and much as I regret to interpose an objection to anything favored by the chairman of the Committee on Naval Affairs, I think this is a matter that ought not to be permitted to come up by unanimous consent, and I object.

Mr. SNYDER. Will the gentleman yield for a question?

Mr. BUTLER. I move to suspend the rules and take from the Speaker's table H. J. Res. 213 and concur in the amendments of the Senate.

The SPEAKER. The gentleman from Pennsylvania moves to suspend the rules and take from the Speaker's table H. J. Res. 213 and concur in the Senate amendments. Is a second demanded?

Mr. SAUNDERS of Virginia. I demand a second.

The SPEAKER. The gentleman from Virginia demands a second.

Mr. BUTLER. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Pennsylvania [Mr. BUTLER] is recognized for 20 minutes and the gentleman from Virginia [Mr. SAUNDERS] is entitled to 20 minutes.

Mr. BUTLER. Mr. Speaker, unless some gentleman wishes to ask me a question I will reserve my time.

Mr. KNUTSON. I wish to ask the gentleman a question.

Mr. BUTLER. I yield to the gentleman from Minnesota.

Mr. KNUTSON. How much does this involve?

Mr. BUTLER. This will involve about $10,000 a day.

Mr. BEGG. For how many days?

Mr. BUTLER. Until the emergency is over. Assuming that during the month of January we shall have an announcement of peace, it will be for October, November, December, and part of January. I have been calculating it by the day and not by the month.

Mr. LAYTON. What does the gentleman mean by emergency—until the league of nations is indorsed?

Mr. BUTLER. I do not know, my friend, what is meant by that. [Laughter.] I should like to inform my good neighbor, but I do not know.

Mr. SNYDER. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. SNYDER. A few moments ago, when the gentleman made the statement that he favored an increase in the pay of the petty officers——

Mr. BUTLER. Yes.

Mr. SNYDER. Coupled with that statement the gentleman said he had just been advised that some 1,700 enginemen of the Navy had gone out.

Mr. BUTLER. Yes; they have left their ships.

Mr. SNYDER. Will the gentleman tell us what he knows about that? Did they strike, or what?

Mr. BUTLER. No; these men never strike. These men have left, not all at one time, and evidently not by concerted action, but they have left the service of the Government. The war is now over—no; the war is not over. I would be standing upon both sides of the question if I said it was over.

Mr. KNUTSON. Stand right in the middle.

Mr. BUTLER. Yes.

Mr. GARNER. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. GARNER. This is retroactive since October 1?

Mr. BUTLER. No; it is not retroactive. It is simply continuing.

Mr. KNUTSON. Exactly.

Mr. SNYDER. Let us find out about the 1,700 engineman who went out.

Mr. GARNER. I want to ask the gentleman to tell us about that.

Mr. BUTLER. I shall be very glad to do it. There are in the Navy from 4,000 to 4,500 enginemen, chief machinists, and their assistants, first, second, and third grade. The chief machinists are most of them yet in the service, as I discover upon an examination of the records this morning, but as to the first, second, and third class machinists many of them have gone out into civil life. They are employed upon merchantmen, employed by the Shipping Board at enormous figures. We pay these men perhaps from $60 to $75 a month, and they get maybe three and a half times that from the Shipping Board.

Mr. SNYDER. I evidently got the wrong impression from what the gentleman said. I took it these men had left the service to-day, in a body.

Mr. BUTLER. Oh, no.

Mr. SNYDER. Due to the fact that their compensation was not satisfactory.

Mr. BUTLER. The gentleman is right about the compensation part of it, but they did not leave in a body.

Mr. HULINGS. They could not leave until they were discharged.

Mr. GARNER. Will the gentleman yield now?

Mr. BUTLER. Yes.

Mr. GARNER. This bill applies to all officers of the Navy from October 1, 1919, until the emergency is over.

Mr. BUTLER. Yes; it continues the pay which they had prior to October 1.

Mr. GARNER. Then it will apply to officers or men who were in the Navy who have resigned since October 1, as well as to those who are still in the service?

Mr. BUTLER. I understand not.

Mr. GARNER. Why not? I want to get at the facts, now. But the bill provides that the same compensation shall be allowed the Navy that was allowed prior to October 1.

Mr. BUTLER. When any man resigns, then all his pay ends.

Mr. GARNER. If he had this pay coming to him——

Mr. BUTLER. Oh, if he resigned in the middle of October. I would not ask to make an act retroactive; but the purpose was as I have endeavored to explain, that we made the attempt to pass a joint resolution in September when we discovered the emergency would exist October 1. We started of our own motion to set that right, but by reason of the interlocking between the two bodies, creating some confusion, that date passed. Now, without the Senate amendment the pay would be lost to the officers in October, November, and perhaps half of December. I do not think that is right. I have explained, in the presence of my friends, that I hold myself partly responsible. I think that I went possibly too fast; in endeavoring to cut off a dead finger I cut off a good one.

Mr. GARNER. The law will continue as long as the emergency exists.

Mr. BUTLER. Yes; the Army is drawing this pay, and it will continue during the emergency, and all we ask is the same for the officers of the Navy, including the warrant officers with commission rank.

Mr. SNELL. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. SNELL. I have heard it stated that the reason there is a shortage of enginemen on the eastern coast is that they have all been sent to the Pacific coast to be there when they had the big parade with the President and the Secretary of War present.

Mr. BUTLER. I must not take up much of the time of this session, but I want to say that I do not believe a word of it. I have for 24 years advocated a fleet on the Pacific coast. I think it belongs to us as well as the Atlantic coast, and it was not until the gentleman who now occupies the office became the Secretary of the Navy that I was able to impress my views upon him. He finally consented to take care of the Pacific coast. I am glad he has taken the fleet over there. There will be no trouble from any nation on that side while that fleet is out there. [Applause.] I am glad he has sent it to the Pacific. We can not have the naval stations out there that are asked for at this time, because we have not the money.

Mr. SNELL. But it is said that the mechanics and engineers are all out there at the present time.

Mr. BUTLER. Listen, if you please. The American people need not be disturbed if some of the officers of the Navy and some of the petty officers of the Navy decline to stand by their ships. We propose to have a Navy notwithstanding.

Mr. SAUNDERS of Virginia. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. SAUNDERS of Virginia. I understand the statement made on behalf of the original bill is that it was intended to put the officers of the Navy on the same footing as the officers of the Army with regard to drawing certain allowances.

Mr. BUTLER. Yes.

Mr. SAUNDERS of Virginia. For the same period. Now, why did they insert the language "but in no event beyond October 1, 1919"?

Mr. BUTLER. That was a hallucination; I thought we would then be in peace. My friend from Tennessee is always kindly disposed toward me, and he will perhaps share a part of the blame. I was insistent that the war would be over and that there would be no more fighting and peace would be declared before October 1, and then we would know what the appropriations were to be and what demands there would be on the Treasury, and we thought that we would cut it off October 1.

Mr. SAUNDERS of Virginia. Did not the use of that language carry the impression to us in the House that whether or not the war came to an end by that date, that thereafter the allowances would not go to these officers?

Mr. BUTLER. I think the gentleman from Virginia is justified in drawing that conclusion. I am endeavoring to give to him what was in the mind of the committee at the time the provision was put in the bill. If we had thought that this emergency would extend after October 1, I assure the gentleman the provision would not have been reported.

Mr. SAUNDERS of Virginia. What was the use of the language except to carry that idea to the minds of the Members of the House whether or not the termination of the war came, this allowance would not be carried beyond that time? What was contained in the minds of the committee would be accomplished if they had left out the reference to October 1, 1919.

Mr. BUTLER. Yes; if the war had ended all of this compensation would have disappeared.

Mr. SAUNDERS of Virginia. If you had left out the reference to October 1, 1919, you would have put the officers of the Navy on the same footing as the officers of the Army.

Mr. BUTLER. Yes; they would remain on the same footing they were on.

Mr. SAUNDERS of Virginia. And that would have been continued according to the ruling of the controller——

Mr. BUTLER. Yes.

Mr. SAUNDERS of Virginia. So this language meant nothing whatever, except to carry the idea that after that date the allowance would terminate.

Mr. BUTLER. We had the idea that the war would be over by that time and that this allowance would cease. I could hardly tell why we put it October 1.

Mr. SAUNDERS of Virginia. Because you wanted to make a good showing on the bill.

Mr. BUTLER. We did; and have some idea of what the appropriations were to be.

Mr. GARNER. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. GARNER. If the Army bill had carried a provision limiting the pay to October 1, then this bill would not be in here?

Mr. BUTLER. No.

Mr. GARNER. It is the result of continued legislation, if the Army gets something the Navy wants it. If you had limited the Army bill to October 1, this bill would not be in here.

Mr. BUTLER. Why, all should cease on October 1.

Mr. GARNER. And they are merely asking it now because the Army is getting something that they are not entitled to.

Mr. BUTLER. Oh, not that.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Let me answer the gentleman from Texas first. I hope my 15 minutes will be up presently, for I do not think that I am doing any good. [Laughter.] Why, of course, I would say in answer to the gentleman. What one Member of Congress wants another wants. Are we not all human?

Mr. GARNER. Yes.

Mr. BUTLER. I think that answers the question.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Yes.

Mr. MONDELL. I think the bill ought to pass, because I believe that so long as these allowances go to the Army it is entirely proper that the officers of the Navy should have the same benefits. I am very glad, however, that the chairman of the Committee on Naval Affairs has taken the position that there are to be none of these great increases of pay and allowances that people are asking for and that Members of Congress are being importuned to grant. However we may feel about these matters, whatever our sympathy may be, no matter how much we would like to add to the pay and emoluments of men in the public service, the condition of the Treasury is such now that these requests and demands can not be met and allowed.

Mr. GARNER. Mr. Speaker, will the gentleman from Pennsylvania yield to me in order that I may ask a question of the gentleman from Wyoming?

Mr. BUTLER. Yes.

Mr. GARNER. Then if the same effort is made to limit the Army to these allowances as it was proposed to limit the Navy, there will be no demand for this bill?

Mr. MONDELL. Oh, this is not a very large matter.

Mr. GARNER. Only $10,000 a day, that is all.

Mr. MONDELL. The law makes provision for the Army and we are not going to repeal it. In the providence of God and the good sense of the Senate we hope that before very long the emergency will have ceased, and then all of these allowances will cease, but so long as the Army receives these allowances, I think the Navy should also.

Mr. CALDWELL. Mr. Speaker, will the gentleman tell us which one of those sources he has the greatest confidence in? [Laughter.]

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Yes.

Mr. SNYDER. In the arguments that have been made for the passage of this resolution nothing has been said as to the necessity for it, except to put the naval officer upon a par with the Army officer in the matter of compensation for commutation of quarters.

Mr. BUTLER. He expected that and he has arranged all his affairs accordingly.

Mr. SNYDER. That is all very true, but in reality——

Mr. BUTLER. The effect is just what the gentleman states.

Mr. SNYDER. In reality that is what the gentleman is striving to do.

Mr. BUTLER. Yes.

Mr. SNYDER. Not because of any necessity on the part of the naval officer for an increase in compensation. Let us have it just as it is. When gentlemen say that they are opposed to increases in the future, why not start by doing the thing that we ought to do and eliminate now? Starting to eliminate means nothing. The thing that counts is to eliminate, and this proposition here is not based at all upon the necessity of the naval officer, but is based wholly upon a question of putting him on a par with the Army so far as compensation is concerned.

Mr. PADGETT. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Mr. Speaker, how much time have I consumed?

The SPEAKER. The gentleman has used 15 minutes.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Mr. Speaker, I would like to yield to my friend from Massachusetts. He knows that, but I have only 5 minutes left, and I must yield some of that to my colleague, the gentleman from Tennessee [Mr. PADGETT].

Mr. SAUNDERS of Virginia. I have promised the gentleman from Tennessee 5 minutes.

Mr. BUTLER. Did the gentleman want some of my time?

Mr. PADGETT. Oh, no; go ahead.

Mr. BUTLER. I will give the gentleman three minutes, and I will reserve the balance of my time.

The SPEAKER. The gentleman from Virginia [Mr. SAUNDERS] is recognized for 20 minutes.

Mr. SAUNDERS of Virginia. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. PADGETT].

The SPEAKER. The gentleman from Tennessee is recognized for eight minutes.

Mr. PADGETT. Mr. Speaker, this is a very plain and a very simple matter. Congress passed an act providing commutation of quarters for the Army. Under a prior law the commutations of the Navy are the same as provided by law from time to time for the Army, so that when Congress passed a special act providing commutations of quarters for officers of the Army, to continue during the emergency, by operation of the prior law they became available to the Navy.

Mr. CALDWELL. Mr. Speaker, if the gentleman will yield, I do not think he has made one point quite clear. The officers of the Army are entitled to commutation of quarters when they are not with troops, but when they are with troops they are not so entitled. When the officers went away to this war they left their families here, and they did not have the commutation

of quarters. A law was passed to give them commutation of quarters.

Mr. PADGETT. That is correct. In the naval appropriation bill which was passed last April, in a spirit of economy and assuming that the war would be over, that the emergency would cease, by the 1st of October, 1919, a provision was inserted providing that the commutation of quarters under the prior law which I mentioned a moment ago should not be construed to apply to the Navy beyond October 1, 1919.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. PADGETT. Yes.

Mr. GARNER. There is but one mistake that the committee made in the interest of economy, and that was in not including the word "army" also in that provision.

Mr. PADGETT. Well, I think the gentleman is entirely wrong when he gets to the facts. Now, that provision was inserted in the naval appropriation bill. The effect of that is that the emergency continuing the Army is now receiving a benefit of that special act, but the Navy is precluded from receiving it after October 1 by virtue of this clause inserted in the Navy appropriation bill providing that it should not be considered to apply to the Navy after October 1. Now, this resolution that was passed by the House was reported by the committee back in September, and we supposed that we would get it enacted before October. The only effect of it is to repeal this provision in the naval appropriation bill providing that commutation of quarters shall not be considered to apply to naval officers after October 1.

Mr. MANN of Illinois. Will the gentleman yield for a question?

Mr. PADGETT. Yes, sir.

Mr. MANN of Illinois. What then was the purpose of putting in the naval appropriation act the language "and in no event beyond October 1, 1919"?

Mr. PADGETT. That was to stop it at that time, because the committee supposed that the emergency would be over at that time.

Mr. MANN of Illinois. But they had already stated in the same paragraph that it should be continued only during the period of the war?

Mr. PADGETT. Yes.

Mr. MANN of Illinois. Now, that was sufficient——

Mr. PADGETT. Yes.

Mr. MANN of Illinois. As far as the war was concerned; and then you added "but in no event beyond October 1." What is the purpose of putting that in?

Mr. PADGETT. As I have stated, it was to stop it on the 1st day of October.

Mr. MANN of Illinois. Regardless of whether peace was declared or not? In other words, they went forward then and are now backing up?

Mr. PADGETT. That fixed a definite time. That was to stop it on the 1st day of October.

Mr. MANN of Illinois. Whether the war was over or not?

Mr. SNYDER. Which was absolutely right.

Mr. PADGETT. Now, the House passed a resolution repealing that clause of the naval appropriation bill providing that it shall not be construed to apply to the Navy after October 1. As I say, we thought we would get that enacted before October 1, but delays have occurred. The bill went over to the Senate, and the Senate passed another bill just identical with this bill and sent it over here, so that the House bill had gone over there and the bill came over here. Then the Senate, in order to get action upon the same bill, passed the House bill with an amendment making it operative upon the 1st day of October, so that these officers will not lose their commutation during the months of October, November, and December. In other words, so that the act will continue. A record vote was taken upon it, and there were but something like——

Mr. BUTLER. Six.

Mr. PADGETT. Five or six votes against it. Two hundred and fifty odd voted in favor of the passage of the resolution.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. PADGETT. In just a moment. The statement was made a moment ago that we were asking for it simply because the Army has it and because there is no need of it. I want to disabuse your minds of that. There is a tremendous need of it. We have had extensive hearings, and if you will take the pains to read those hearings any fair-minded man, I think, will come to the conclusion that there is an imperative demand that the pay of officers should be increased, and this is simply to give them the benefit of these commutations from October 1 during the continuance of the emergency, the same as is being received by the Army.

Mr. DEMPSEY. Will the gentleman now yield for a question?

Mr. PADGETT. Yes, sir.

Mr. DEMPSEY. The war service of the Army proper ceases as they reach our shores. Now, is there anything in this proposition? Has the Navy continued to render war services during this period in going back and forth for war purposes?

Mr. PADGETT. Yes; they have been bringing men back and taking supplies over and things of that kind.

Mr. DEMPSEY. As a matter of fact, has not a larger part of the Navy been engaged in war work right up to the present time and during this period for which the gentleman asks this allowance?

Mr. PADGETT. A great deal of it, yes, sir; and I want to say the only effect now of this amendment of the Senate is that instead of its becoming operative and continuing for the time it becomes a law now that there shall be no hiatus, that it shall take effect from the 1st day of October, and from the time that the Army has been receiving it, and when it was expected that it would become legislation. I yield back what time I may have remaining.

The SPEAKER. The time of the gentleman has expired.

Mr. BUTLER. Will the gentleman from Virginia consume the balance of his time? How much time is there remaining?

The SPEAKER. The gentleman from Virginia has 15 minutes and the gentleman from Pennsylvania 2 minutes.

Mr. SAUNDERS of Virginia. Does the gentleman from Pennsylvania wish some time?

Mr. BUTLER. No, sir, unless somebody desires to ask me a question.

Mr. SAUNDERS of Virginia. Mr. Speaker, it is stated on behalf of this legislation both by the gentleman from Pennsylvania [Mr. BUTLER] and the gentleman from Tennessee [Mr. PADGETT] that it originated in a spirit of economy, but I fail to see how they make good that contention. At the very moment the economy feature of this statute becomes effective, they propose to repeal it. No economy will be or could be secured under this statute, unless the allowances referred to are discontinued as of the date fixed in the resolution, and the discontinuance is perpetuated. But, confronted with the unexpected situation that the original provision of the naval bill is really protecting the Treasury and effecting a not inconsiderable economy, the chairman of the Committee on Naval Affairs insists that really his committee is taken by surprise, that it was not intended to secure a real economy by the language used, and if it is now operating to that effect, it should be repealed by the pending resolution.

Mr. LAYTON. Will the gentleman yield for a question for information?

Mr. SAUNDERS of Virginia. I will.

Mr. LAYTON. The gentleman is an older Member of the House and I know nothing about it. How long does commutation attach to an Army officer?

Mr. SAUNDERS of Virginia. I should prefer the gentleman should ask that question of some Member of the Committee on Military Affairs.

Mr. LAYTON. What I mean is the permanent allowance made to an Army officer?

Mr. SAUNDERS of Virginia. It attaches under certain prescribed conditions, and so long as the conditions exist, the allowances continue.

Mr. LAYTON. During the emergency?

Mr. CALDWELL. I will explain to the gentleman from Delaware that there is a continuing permanent law that gives to the Army officer who is not with troops commutation of quarters. During the emergency we passed a law giving to the officer who was with troops a commutation of quarters, so that his family could be cared for while he was in France fighting for us. The law of the Navy was, in general terms, that they should have the same commutation of quarters the Army has, and so by operation of law when we gave the Army the commutation of quarters for men who were with troops we gave it to the naval officers who were with troops and who theretofore did not have it. The emergency legislation limited it until peace was declared, but peace has not been declared. As explained here, they attempted to repeal the law for the Navy for the purpose of making political capital for the Republicans, who were claiming a desire for economy, and now that they find they can not do it without inequality they are in favor of it.

Mr. BUTLER. Will the gentleman give me a minute now?

Mr. SAUNDERS of Virginia. Yes.

Mr. BUTLER. Let me say to the gentleman from New York [Mr. CALDWELL] that the experts of the Navy Department reported to me to-day that they have thirty to forty millions of dollars left over out of this bill, and if we had two weeks more we would save that money, but we do not have it. We were

trying to economize. And I will say to my friend from Virginia [Mr. SAUNDERS] that this does seem a clear and honest and methodical way. Our purpose was to keep our hands on the appropriations and know about what charges would be put upon the Treasury and limit them everywhere we could. Even then, perhaps $30,000,000 or $40,000,000 will be left over at the end of the year.

Mr. CALDWELL. Will the gentleman yield?

The SPEAKER. The time of the gentleman has expired.

Mr. CALDWELL. May I have one more minute?

Mr. SAUNDERS of Virginia. Not just now but later.

I will say to my friend from Pennsylvania [Mr. BUTLER] that the proper action for this House to take is to continue the good work that you say you set out to do; in other words, we should defeat this resolution. That action on our part will make effective the scheme of economy which you had in mind when you submitted the naval bill to the House.

Mr. BUTLER. Usually the gentleman has no trouble to get me on his side, but he could not get me over there on this.

Mr. SNYDER. Does the gentleman understand that the only justification for the passage of this resolution is that since the committee has had this lapse in the idea of economy they now feel that they ought to put the naval officers, at least, upon a par with the Army officers, until such time as somebody declares the war to be over?

Mr. SAUNDERS of Virginia. The Committee on Naval Affairs is now confronted with a most unexpected situation. They find to their consternation that their legislation is proving effective for economy. Hence they clamorously insist that it should be repealed.

Mr. SNYDER. When they put in the bill that this commutation should go along further than October 1, that is what they meant?

Mr. SAUNDERS of Virginia. I suppose that the language to the effect that under no circumstances should the allowances be paid after October 1, 1919, was intended as a legislative joker.

Mr. SNYDER. I want to go on record as saying if the committee starts out to practice economy they ought to continue to do it, whether it meets up with some proposed advance that offsets it or not. I take the position also, with the gentleman from Illinois, that I am opposed to any more expenditure of money except for regular and economical purposes.

Mr. GOOD. I would like to ask the gentleman from Virginia [Mr. SAUNDERS] a question. Suppose we pass this resolution and it becomes a law to-day, and that by the first of the year such action should be taken as will permit the President to proclaim that peace has come. What effect would this resolution have then, so far as increase in pay or allowance for the year is concerned?

Mr. SAUNDERS of Virginia. This resolution is both retroactive and prospective. There is only a trifle of a million dollars involved in this joint resolution,—chicken feed, I believe is the phrase applied in these days to an expenditure of only a million dollars.

Mr. GOOD. From the statement of the gentleman from New York, I was rather led to believe that this law only applied during the emergency; but, from what the gentleman says, it is a permanent law.

Mr. BUTLER. Oh, no I would not vote for it if it was. It is only an emergency measure.

Mr. TILSON. Will the gentleman from Virginia yield to me two minutes?

Mr. SAUNDERS of Virginia. I think I will proceed with my much-interrupted speech, and yield later.

Mr. GOOD. It is not going to do any good if it is for only during the emergency. It is only going to give some officers about $10,000 a day for services they perform, if the President should proclaim peace to-morrow. It will not help you to keep officers in the service next year.

Mr. SAUNDERS of Virginia. The only merit of this resolution is that it will help some naval officers in the matter of pay during the emergency, or technical continuance of the war.

Mr. GOOD. Is it not true that if you put this in effect in the Navy, after the President has proclaimed peace, it will not help them at all?

Mr. BUTLER. I am not going to have the gentleman now get up of his own will and say it will loot the Treasury. It does not.

Mr. SAUNDERS of Virginia. How much of my time has now been consumed, Mr. Speaker?

The SPEAKER. The gentleman has seven minutes remaining.

Mr. SAUNDERS of Virginia. Now, Mr. Speaker, as I started out to say, the only way to maintain our consistency in this matter and uphold the gentleman from Pennsylvania in his spirit of economy, is to vote down the resolution. That will make the original action of the Naval Committee an effective instrument of economy.

Mr. LAYTON. Will the gentleman yield a minute?

Mr. SAUNDERS of Virginia. Yes.

Mr. LAYTON. Do you not think, to make it a perfectly complete thing, that we better go back and cut out this commutation for the Army?

Mr. SAUNDERS of Virginia. I have no objection to the gentleman's offering an amendment to that effect if he can do so. The merits of this increase of naval pay have not been discussed at all. No one has undertaken to show in any sufficient fashion that on the merits these officers are entitled to this extra compensation.

The simple statement has been made that because the Army was getting something, therefore the Navy wanted it, and was entitled to it. As I understand the statement made by the gentleman from New York [Mr. CALDWELL], a member of the Committee on Military Affairs, there is far more reason why the Army officers should have received these allowances, than the officials of like rank in the Navy.

Mr. Speaker, it has been said in this connection, I think, by the gentleman from Pennsylvania [Mr. BUTLER], that the naval officers were expecting these allowances; that they had made their arrangements with reference to the same, and that therefore it would be a hardship on them not to pass this resolution. I desire to call the attention of the House to the fact that, far from this being so, that these naval officers were specifically warned, and advised, by the terms of the naval bill that after October 1, 1919, these allowances would not be paid. Therefore they could not have been making their arrangements, unless they had such confidence——

Mr. STEPHENS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SAUNDERS of Virginia. Yes; but you ought not to interrupt me in the middle of a sentence. I will yield.

Mr. STEPHENS of Ohio. I just wanted to call your attention to the fact that the Navy is still active, and has been active during all these months, and the activity of the minesweepers, who have just raised the mines, has been remarkable. They have just done the most dangerous work of the war and have just returned to this country. This is only for commutation of quarters and not for extra pay. This date of October 1 was probably put in the bill inadvertently, because they thought the war would then be over.

Mr. SAUNDERS of Virginia. Oh, no; I am not willing to allow the Committee on Naval Affairs to be thus misrepresented. It was put in designedly.

Mr. STEPHENS of Ohio. Either way, it is only a matter of justice to the officers of the Navy.

Mr. SAUNDERS of Virginia. I am trying to be just to the members of the Committee on Naval Affairs, and to help them maintain their purpose in respect to economy. I think the House should support them in that attitude. We hear so little at this time of real economy, and have so few opportunities to vote for a proposition of reduction, that I think that the committee should be supported in its original attitude. To pass this joint resolution certainly would not be in the interests of economy.

Mr. TILSON. Mr. Speaker, will the gentleman yield for a question?

Mr. SAUNDERS of Virginia. Not now.

Mr. TILSON. I thought the gentleman had yielded the floor.

Mr. SAUNDERS of Virginia. No. What evidence had I given that I had yielded the floor? [Laughter.] I was doing my best to complete at least one sentence without interruption.

Mr. Speaker, summing up the argument, I think we should disregard the pathetic appeal of the Committee on Naval Affairs in this matter, as presented both by the chairman of that committee [Mr. BUTLER] and the ranking member on the Democratic side [Mr. PADGETT]: First, because they started out in this matter in a spirit of economy. This is a day and an hour calling for economy, and we should seek to make the spirit of economy effective: Second, this is now a retroactive resolution and as a rule this body does not and ought not to favor a retroactive proposition: Third, these naval officers have not been taken unawares, for the simple reason that the original provision specifically advised them of the fact that after October 1, 1919, they would under no circumstances receive these allowances. Therefore as patriotic citizens they presumably made their arrangements and ordered their domestic affairs to conform to the law. For all of these reasons I think this resolution ought to be voted down by the House.

Does the gentleman from Ilinois desire to ask me a question?

Mr. MANN of Illinois. No; I wanted some time.

Mr. SAUNDERS of Virginia. I regret that I have only one minute left, and that has been promised to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Speaker, one point that has not been brought out with respect to this resolution is a point favorable to the passage of it. As the law now stands, without passing this bill, we are really penalizing the naval officer who goes to sea. The reason why the law was originally enacted for the Army was the fact that under the law as it then existed the Army officer who was not with troops drew commutation of quarters, while the officer who was serving in the field with troops and doing the fighting, when there was fighting to be done, drew no commutation of quarters. As a result the family of the officer in the War Department or engaged at some other desk job was provided for, while the family of the officer in the field with his regiment had nowhere to live. It was the same way with the Navy. The officers who were on the ships at sea and doing the hardest kind of work had no commutation until the law was enacted which it is now desired to amend. Unless the limitation to October 1, 1919, is repealed we shall again have the anomalous condition of providing that officers who are safely ensconced in Washington or Annapolis or somewhere else shall draw commutation of quarters while the officers who go to sea do not have it. [Applause.]

The SPEAKER. The time of the gentleman from Connecticut has expired.

Mr. HULINGS. Mr. Speaker, I want to ask the gentleman from Pennsylvania [Mr. BUTLER] for a minute. I believe he has two minutes left.

Mr. BUTLER. Yes. I will yield to the gentleman a minute.

Mr. HULINGS. Mr. Speaker, it seems to me that the House is forgetting the real question, the real bone of all this proposition. This is not a question of economy. It is a question whether you are going to pay patriotic, efficient men in the Navy a decent wage to live on. [Applause.]

These men are leaving the Navy because they can not afford to stay. They love their profession, but they also love their families, and the pay that they get does not enable them to stay in the service.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. HULINGS. No. I have only a minute, and three-quarters of that is probably gone.

Mr. BEGG. I would like to know if it is the sailors that are quitting, or the officers?

Mr. HULINGS. It is the officers and the sailors both. I happen to know something about it. This little honorarium, as you might call it, this little addition to their pay, is the thing for us to do. I am in favor of this resolution. [Applause.]

The SPEAKER. The time of the gentleman from Pennsylvania has expired. The gentleman from Pennsylvania [Mr. BUTLER] has one minute.

Mr. BUTLER. Mr. Speaker, the gentleman from Connecticut stated the position squarely. These officers receive no commutation of quarters while at sea. They got it during the war by reason of the act of 1918. I repeat it again—and I could do no better if I had a month for the purpose—that this is simply a square act of justice. We must keep this naval force afloat, and this will help us to do it. I appeal to the House to pass this resolution. It sets no precedent. Take it from me, if you please, this is along the line of economy looking to the future, and it will be helpful to us all around. I ask you to pass it. [Applause.]

The SPEAKER. The gentleman from Pennsylvania [Mr. BUTLER] moves that the House suspend the rules and concur in the Senate amendment. The question is on agreeing to that motion.

The question was taken.

Mr. WALSH. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Massachusetts asks for a division.

The House divided; and there were—ayes 82, noes 17.

The SPEAKER. Two-thirds having voted in the affirmative, the Senate amendment is concurred in.

SUGAR.

Mr. HAUGEN. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, with amendments.

The SPEAKER. The gentleman from Iowa moves to suspend the rules and pass S. 3284 with amendments, which the Clerk will report.

Mr. MARTIN. Mr. Speaker, I demand a second.

The SPEAKER. The bill will be read first.

Mr. MANN of Illinois. It has to be read first.

The Clerk read as follows:

Be it enacted, etc., That the President is authorized to continue during the year ending December 31, 1920, the United States Sugar Equalization Board (Inc.), a corporation organized under the laws of the State of Delaware, and to vote or use the stock in such corporation held by him for the benefit of the United States, or otherwise exercise his control over the corporation and its directors in such a manner as to authorize and require them to adopt and carry out until December 31, 1920, plans and methods of securing, if found necessary for the public good, an adequate supply and an equitable distribution of sugar at a fair and reasonable price to the people of the United States. Sections 5 and 10 of the act entitled "An act to further provide for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, as far as the same relates to raw or refined sugar, sirups, or molasses, are hereby continued in full force and effect until December 31, 1920, notwithstanding the provisions of section 24 of said act: *Provided*, That the provisions of this act shall expire as to the domestic product September 30, 1920: *And provided further*, That the zone system of sale and distribution of sugars heretofore established by the said United States Sugar Equalization Board shall be abolished and shall not be reestablished or maintained, and that sugars shall be permitted to be sold and to circulate freely in every portion of the United States. The termination of this act shall not affect any act done or any right or obligation accruing or accrued, or any suit or proceeding had or commenced in any civil case before the said termination pursuant to this act; but all rights and liabilities under this act arising before its termination shall continue and may be enforced in the same manner as if the act had not terminated. Any offense committed and all penalties, forfeitures, or liabilities incurred prior to such termination may be prosecuted or punished in the same manner and with the same effect as if this act had not been terminated.

Mr. CANDLER. Mr. Speaker, I demand a second.

Mr. HAUGEN. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Iowa asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Iowa has 20 minutes and the gentleman from Mississippi [Mr. CANDLER] has 20 minutes.

Mr. HAUGEN. Mr. Speaker, the bill provides that the President is authorized to continue during the year ending December 31, 1920, the United States Sugar Equalization Board, and that sections 5 and 10 of the food-control act, so far as the same relate to sugar, are hereby continued in full force and effect until December 31, 1920.

Mr. DUPRÉ. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. DUPRÉ. Are there any committee amendments?

Mr. HAUGEN. There is one committee amendment—to strike out all after the enacting clause and insert in lieu thereof the matter read from the clerk's desk.

Mr. DUPRÉ. Will the gentleman be good enough to state how the bill reported from his committee differs from the bill that passed the Senate?

Mr. HAUGEN. It differs in this respect: That the Senate bill repeals section 5, the licensing provision of the food-control act, while the amendment continues it with respect to sugar, notwithstanding the termination of the war.

Mr. BEE. Will the gentleman from Iowa yield for a question?

Mr. HAUGEN. Certainly.

Mr. BEE. I am not familiar with this situation, but this was a war measure, as I understand it.

Mr. HAUGEN. Yes; the food-control act was.

Mr. BEE. If peace is declared and the country returns to a peace basis, as if no war had ever existed, what authority has Congress, then, to continue in time of peace a measure for the regulation of certain commodities?

Mr. HAUGEN. The gentleman is referring to the act as a whole. I am not sure that section 5 is based entirely upon the war power. The contention is that Congress has the power to pass a law licensing dealers to a certain extent outside of the war power. Besides, this condition results because of the war to a certain extent.

Mr. BEE. If the gentleman will permit the question, before the war was there any law that regulated the sale and use of sugar, such as is now contemplated in this bill?

Mr. HAUGEN. No; there was not.

Mr. BEE. Then by what authority, when this country is at peace, has the Congress a right to interfere in these matters, unless you go into the domain of licensing and controlling every industry in this country and taking all of them over?

Mr. HAUGEN. The fact that Congress did not assert its authority before the war is no reason why it should not do so at the end of the war. Besides, this condition exists because of the war.

Mr. BYRNS of Tennessee. Will the gentleman yield?
Mr. HAUGEN. Yes; certainly.
Mr. BYRNS of Tennessee. As I heard the bill read, the Senate amendment undertakes to repeal the action of the equalization board in establishing zones?
Mr. HAUGEN. It does, and the committee amendment does also.
Mr. BYRNS of Tennessee. As I understand, the establishment of those zones has resulted in requiring people in certain sections of the country to pay almost double what people pay in other sections of the country?
Mr. HAUGEN. Yes; through their establishment and the action of the Department of Justice.
Mr. BYRNS of Tennessee. Is it the opinion of the gentleman that this amendment which the gentleman seeks to have adopted will do away with that discrimination, and will allow people in different parts of the country to get sugar at substantially the same price?
Mr. HAUGEN. The House amendment also does away with the zone system. It directs its discontinuance.
Mr. BYRNS of Tennessee. And will enable people to get sugar at reasonably fair prices?
Mr. HAUGEN. If action is taken in the matter.
Mr. CRAMTON. Will the gentleman yield?
Mr. HAUGEN. Certainly.
Mr. CRAMTON. As I understand, the purpose of the extension of this law is to enable the Sugar Equalization Board to act in securing a distribution of sugar at a fair and reasonable price?
Mr. HAUGEN. Yes.
Mr. CRAMTON. Can the gentleman explain what is to be the relation between the authority of this board, which is to secure a uniform price, and the activities of the Attorney General, who has fixed a price of 17 cents for sugar produced in Louisiana and a price of 11 cents for sugar produced in Michigan? Is the authority of the Attorney General to be superseded?
Mr. HAUGEN. The food-control act gives the President of the United States certain authority which he has turned over to the Department of Justice; but there is also in existence this organization, the United States Sugar Equalization Board, a corporation incorporated under the laws of the State of Delaware. Both are agencies of the President.
Mr. CRAMTON. And are we to understand that with the extension of this law the Sugar Equalization Board will proceed with the equalization of the price of sugar, while the Attorney General, also acting under the authority of the President, will proceed to approve a price of 17 cents for Louisiana sugar and a price of 11 cents for Michigan sugar?
Mr. HAUGEN. The whole matter rests with the President of the United States; but as the gentleman has stated, the price of sugar in Louisiana to-day, I understand, is from 17 to 18 cents, while the price in the beet-sugar section is about 10 cents—about 7 or 8 cents difference in price between the two parts of the country. The price in one section is about double the price in another section of the country.
Mr. CRAMTON. The gentleman explained the matter fully when he said it all rested in the hands of the President.
Mr. HAUGEN. Yes; it rests in the hands of the President.
Mr. SNELL. Will the gentleman yield?
Mr. HAUGEN. Surely.
Mr. SNELL. I wish the gentleman would state in a few words what the actual effect on the country will be of the extension of this law?
Mr. HAUGEN. It will be left up to the President. The President has had the authority, but he has not exercised it. We do not propose to add anything to the authority which he had, nor do we take anything from it. It is suggested here to continue sections 5 and 10 of the food-control act with respect to sugar. Section 5 is the licensing provision and section 10 is the requisition provision.
Mr. SNELL. If the President does not exercise the powers which he already has we will get no relief?
Mr. HAUGEN. We will be exactly where we are now and some will go without sugar as at the present time. There is no question about it—had the President exercised his power under the law the situation now would have been entirely different.
Mr. SNELL. Why do you expect relief by continuing the power?
Mr. HAUGEN. The President has the power to relieve the situation; if he does not do so the responsibility will rest upon him and not upon Congress.
Mr. CAMPBELL of Kansas. Will the gentleman yield for a question?
Mr. HAUGEN. Yes; surely.
Mr. CAMPBELL of Kansas. Is it true that England has come into our sugar market and has purchased sugar at a price fixed by the producer, and in some instances running as high as 20 cents a pound?
Mr. HAUGEN. Mr. Wilkinson, a jobber of Washington, before the Senate committee said that he had been offered 22 cents a pound for sugar.
Mr. CAMPBELL of Kansas. By England?
Mr. HAUGEN. It has been alleged that sugar is being exported to England and other countries.
Mr. CAMPBELL of Kansas. I understand that there are millions of tons of sugar on the wharves in New Orleans waiting for shipment to England—sugar that was purchased for 20 or 25 cents a pound for England. I want to know if that is true.
Mr. HAUGEN. We had no evidence before our committee bearing upon that. This is the situation: The world's shortage of sugar is about 2,000,000 tons. There is produced in the United States 1,777,000 long tons. The prewar consumption was about 83 pounds per individual, during the war about 75 pounds, and is at present about 92 pounds. If that is correct, about 4,520,000 long tons of sugar will be required to supply the demand in the United States. The Cuban crop is about four and a half million tons, while their local consumption is but 150,000 tons, leaving, then, 4,350,000 tons for export. From one-quarter to one-third of the Cuban crop has already been exported at the present time. Deducting that from the 4,350,000 tons, they have about 3,000,000 tons for export. If apportioned as it was in the year past, one-third to Europe and two-thirds to the United States, there is about 2,000,000 tons available in Cuba for export to the United States. Add to that the 1,777,000 tons produced in this country and we will have 3,777,000 tons, which is 742,300 tons less than is required.
It goes without saying that it is necessary for Congress to do something to relieve the situation. Although the hour is late and the administration has slept upon its right to avail itself of the opportunity, there is some possibility of saving the situation to some extent. As I have said, we add nothing to the power granted in the food-control act as it relates to sugar, and we take nothing away, but if we pass this bill there will be no excuse for not exercising the power and protecting the people of the United States and supplying them with, if not an adequate supply of sugar, at least partial relief.
Mr. MONTAGUE. Will the gentleman yield?
Mr. HAUGEN. Yes; certainly.
Mr. MONTAGUE. Does your bill carry any provision for an embargo on sugar?
Mr. HAUGEN. No. We have that under another act.
Mr. KELLY of Pennsylvania. Will the gentleman yield?
Mr. HAUGEN. Yes; certainly.
Mr. KELLY of Pennsylvania. I would like to ask the gentleman whether the House amendment continuing the equalization board takes away the zones.
Mr. HAUGEN. It does. In that respect it is identical with the Senate bill.
Mr. BANKHEAD. Will the gentleman yield?
Mr. HAUGEN. Yes.
Mr. BANKHEAD. In view of the statement made by the chairman of the committee that the total amount of sugar in sight is only about 2,000,000 tons, the statement of the gentleman from Kansas [Mr. CAMPBELL] that there are millions of tons on the wharves at New Orleans is a little inaccurate.
Mr. CAMPBELL of Kansas. If I said tons, I meant pounds.
Mr. MARTIN. If the gentleman from Iowa will yield, I want to say that there are not 5,000,000 pounds of sugar on the wharves at New Orleans. Some few months ago the British Royal Commission got the refiners to refine sugar for them, and it has since been shipped. There is no sugar there that has not been distributed.
Mr. SMITH of Michigan. I wish the gentleman would explain the discrepancy in the price of sugar in Louisiana and in Michigan.
Mr. HAUGEN. I understand the price in Louisiana is 17 to 18 cents, and in Michigan about 10 cents per pound. Mr. Speaker, I reserve the balance of my time. I will avail myself of the privilege to extend my remarks by inserting extracts from the report and hearings.
The following is quoted from the Senate report on the bill:

Agreeable to the provisions of the Food Administration act, the President by proclamation in the summer of 1918 created the Sugar Equalization Board. Presumably for the purpose of effecting freedom from personal liability, the members of the board on July 15, 1918, filed articles of incorporation in the State of Delaware and obtained

a charter under the name of United States Sugar Equalization Board, with authorized capital stock of $5,000,000.

The powers conferred upon the corporation are to purchase, or otherwise acquire, manufacture, sell, dispose of, store, handle, and deal in raw and refined cane and beet sugar, sirups, and molasses.

The capital stock of this corporation was furnished by the President out of his emergency funds, and he holds all the shares of the capital stock of the corporation.

In the fall of 1918 the Sugar Equalization Board procured the 1919 Cuban sugar crop in order to assure to the American consumer a regular supply of sugar at a reasonable price and arranged with the beet-sugar producers of the United States and Louisiana cane-sugar producers to take their product at a compensatory price.

Of the supply of sugar purchased in Cuba, two-thirds was retained for our local requirements, and one-third went to the British Royal Commission for Great Britain, France, and Italy.

The price paid for the Cuban raw sugar was $5.50 a hundred pounds at the northern ports and $5.40 at the southern ports of Cuba. Agreement was had with the sugar refiners whereby sugar was refined at the cost of $1.54 per hundred pounds, which allowed the sale of sugar on the part of the refiners at 9 cents a pound, less 38 cents per hundred pounds retained by the Sugar Equalization Board in order to permit the equalization of prices and to cover cost to administration. The result of the functioning of this board brought about stable prices to the consumer of 10 cents per pound and a fairly equitable distribution of sugar throughout the United States until about July 1, 1919, when a shortage was observed in various parts of the United States, with a tendency on the part of some to exact from the consumer an unreasonable price.

On July 29 of the present year Cuban sugar producers, through their accredited agents, made a written offer to the Sugar Equalization Board to sell the Cuban crop of sugar for 1920 "at a price moderate but compensating to the producer and well within the economic reach of the consumer."

Following the receipt of this offer the Sugar Equalization Board gave thorough consideration to the proposal of the Cuban growers, and on August 14, 1919, addressed the President by letter and memorandum recommending that negotiations be entered into for the purpose of procuring the sugar crop of 1920. The act of the board, however, was not unanimous, as Dr. F. W. Taussig submitted to the President a memorandum suggesting that no negotiations should be entered into with the Cuban producers and that the regulation and restriction of sugar prices should cease with the close of the present arrangement December 31.

Aside from acknowledging the arrival of these memoranda, no action was taken by the President, so that the Sugar Equalization Board on the 20th of September addressed another communication to the Chief Executive stating that "the time is fast approaching, if it has not arrived, when we will be unable to control the Cuban crop of sugar for the year 1919–20 unless action is taken at once."

This communication also contains the statement that a considerable tonnage of Cuban sugar had already been sold and that the board felt that unless prompt action was taken the representatives of the Cuban producers would withdraw their proposition. On September 22 the Executive Secretary acknowledged the receipt of this note. On the same day the representatives of the Cuban cane sugar producers wrote to the chairman of the Sugar Equalization Board directing his attention to their offer of July 29 to sell the Cuban crop of 1920 and observed:

"In the interval that has transpired we have awaited your answer, confidently believing that the United States Government would undertake the continued control of sugar, and every interest concerned, especially the American consumer, would experience the advantage of a stabilized market. Unfortunately the logic of the situation has not impressed the Government, or in keeping with its traditional policy—the war being over—it is thought best to permit the market to be ruled by the natural law of supply and demand. While we had hoped for a different conclusion as to the negotiations put forward by Cuba, * * * we reluctantly accept the situation now existing and return the authority under which we are acting."

On the day following the president of the Sugar Equalization Board transmitted this letter to the President. No action having been taken by the President concerning these negotiations, the situation was called to the attention of the Senate by the junior Senator of Indiana, Mr. NEW, through a resolution dated October 1, 1919. A subcommittee of the Committee on Agriculture and Forestry commenced hearings on this resolution on October 3 and thereafter a bill was introduced into the Senate authorizing the President to acquire raw sugars, if the same could be had at a reasonable price, and to prohibit exportation of sugar and to license the importation, manufacture, storage, sale, and distribution of sugar during the year ending December 31, 1920.

The following is quoted from the House report on the bill:

Section 5, food-control act, of August 10, 1917, gives the President authority to license the import, manufacture, storage, or distribution of foods, including sugar. Section 10 authorized him to requisition foods, hence the administration, under the food-control and other acts, had, and still has, the authority and funds to buy and sell sugar, to license the dealers therein, and thus regulate the price and provide an adequate supply. It is unnecessary to set out that had favorable action been taken upon the recommendation of the Sugar Equalization Board of August 14, 1919, to the President; or its urgent appeal of September 20, calling attention to the fact that the time was fast approaching, if it had not already arrived, when we would be unable to control the Cuban crop of 1920, and that unless prompt action was taken the representative of the Cuban producers would withdraw their proposition, which was done; or had action been taken on these negotiations when the Cuban producers' letter was transmitted to the President the unfortunate circumstances with which we are now confronted would have been averted. Though that opportunity has passed, even now, if advantage is taken of the law, it is believed that the situation can be relieved to a large extent.

In view of the failure to take advantage of the opportunity, the inconvenience incurred to the public by the shortage of sugar and the hardship certain to follow, the continuation of the Sugar Equalization Board and the extension of sections 5 and 10 of the food-control act, in so far as they relate to sugar, seems essential. Your committee has seen fit to amend the bill by extending sections 5 and 10 of the food-control act, in so far as they relate to sugar, notwithstanding the provisions of section 24 of said act, which reads in part.

In support of the committee amendment, the following are quoted (a telegram from the chairman of the United States Sugar Equalization Board):

"Hon. G. N. HAUGEN,

"*Chairman House Committee on Agriculture, Washington, D. C.:*

"Replying your wire 13th, the United States Sugar Equalization Board is unanimously of the opinion that without the powers of licensing, embargo, and distribution control, its continuation could not serve any useful purpose, and these powers the McNary bill fails to provide. Furthermore, the time has gone by when a considerable portion of the 1920 Cuban crop can be purchased at a reasonable price. The Equalization Board was a war measure, dealing only with last year's crop, and this has all been distributed. It has no control over domestic sugars now available in fair volume nor new Cuban sugars, which are now beginning to move.

"(Signed) GEO. A. ZABRISKIE."

Extracts from the statement of Mr. William A. Glasgow, general counsel Sugar Equalization Board, New York, made before the Committee on Agriculture and Forestry, United States Senate, Sixty-sixth Congress, first session, during the hearings on the sugar shortage:

Page 96 Mr. Glasgow states:

"You have asked me to prepare a bill setting forth certain powers, as we thought it necessary for that board to have if Congress thought it was proper to purchase the Cuban crop of sugar next year. I prepared that bill and forwarded it to you, as, in our judgment, what was necessary in case you should determine it was desirable to purchase that crop. We are not pressing that bill before Congress or before this committee.

"I do say, Mr. Chairman, on behalf of that board, that the powers in that bill are absolutely necessary to have, in our judgment, if you should decide to purchase the Cuban crop."

Page 97, further:

"Mr. GLASGOW. I can see nothing, Mr. Chairman, nor can the board see anything that can be accomplished by it in the purchase of the Cuban crop, if the sole function of the sugar board is to go there and buy it and feed it out to the refiners and they feed it out in return to the middlemen, and they feed it out in turn to the dealers for speculation in the United States. Why not? In our judgment it is better to let the speculation begin with the refiners, purchasing from Cuba, and there is no occasion whatever for the sugar board to intervene and purchase the sugar crop in Cuba and give it to the refiners and feed it to them in the proportions which may be agreed upon for them to take and speculate on—some of them perhaps might—or the men they sell to to speculate upon and the American consumer pay the bill of the speculation. If Congress thinks it is all right to let the thing go along, it is entirely satisfactory to us. But our position is that there is no useful function for the Sugar Equalization Board to accomplish unless it is for us to try to fix upon a fair and reasonable price for the purchase of the raw, and a fair and reasonable price for the refining, and a fair and reasonable price of margin to the dealer and get the sugar to the consumer at a reasonable price, outside of speculation, and a uniform price throughout the United States.

"Do I make it clear now, Mr. Chairman, as far as the license feature is concerned?"

Page 99:

"Mr. GLASGOW. I understand. Our position is certainly clear, and I want it to be made clear if I can, that if you gentlemen determine that we ought to buy this crop, give us the powers that are absolutely essential to carry it out; if you determine it is undesirable to buy this crop, then do not make the purchase and let the refiners buy if they can in the markets upon terms.

"Senator MCNARY. Upon that point—and I think it very vital—if Congress simply authorized the Sugar Equalization Board, and gave it the power to acquire the balance of the Cuban crop, you would not desire to function unless you had the power of license and the power of placing embargoes?

"Mr. GLASGOW. Absolutely. We have to control the refiners in the United States in order to accomplish any good by the purchase of that crop.

"Senator MCNARY. You have operated the last two years under a license system, have you not?

"Mr. GLASGOW. Oh, yes. We can not keep the refiners together unless we have the control.

"Senator MCNARY. Has anybody complained of hardness of your control?

"Mr. GLASGOW. No, sir."

Page 164:

"Mr. GLASGOW. We have tried it under the fair price list, which has not been satisfactory at all. Let me ask one other question; Would not your suggestion carry with it the necessity of having money enough to buy all of this sugar?

* * * * * * *

"Let me say one other word. I do not want the license system; I am just as opposed to it as you are on every basis, but from practical experience in this matter I do not see anything but failure ahead of this equalization board without the powers; and we ask simply that unless we are given the powers, that Congress do not put the burden on this board to try to do it."

Mr. CANDLER. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. MARTIN] 10 minutes.

Mr. MARTIN. Mr. Speaker, this bill is not only unnecessary, but its agitation before Congress for the past three months will be responsible for the high price of sugar that will prevail next year.

I say it is unnecessary because it does not give the President or the United States Sugar Equalization Board any more powers than they had in July of this year or than they have now.

The United States Sugar Equalization Board originated with the Food Administration and it was incorporated, with the President as the sole and only stockholder, for the purpose of buying the Cuban crop and controlling the sugar market during the year.

All of the powers of the board are derived from the Lever Act, and this act is still in full force and effect to-day. In July

of the present year the Cuban sugar producers wrote the equalization board that they were again prepared to sell this Government their entire Cuban crop if this Government desired to purchase it.

The board held a meeting and on August 14 addressed a letter to the President inclosing the Cuban offer and recommending that the Cuban crop be purchased. Mr. Taussig, a member of the equalization board, dissented from the views of a majority of the board, in a separate memorandum, recommending that governmental control should be relinquished, and stating that if the price of sugar was to be specifically controlled, so should that of bread, meat, and clothing.

The Secretary to the President acknowledged receipt of these communications, stating that they would be brought to the attention of the President.

On September 20 the equalization board again wrote to the President directing his attention to their first communication and stating that unless action was taken at once they would be unable to purchase the Cuban crop.

Receipt of this letter was also acknowledged by the Secretary to the President, but no action was taken by the President himself. On September 22 the Cuban producers withdrew their offer to sell, and on the following day the board wrote the President, stating that the situation was out of hand and that he had, therefore, advised the American sugar refineries as to conditions so that they might purchase raw sugars as per prewar times.

I think it follows from this statement of facts either that the matter was not laid before the President or that if it was he took the advice of Prof. Taussig.

Some definite action with respect to the Cuban crop should have been taken at that time, because the Cubans were then willing to sell their sugars at from 6½ to 7 cents per pound, and not only could the equalization board have purchased the crop at those figures, but the refiners could have purchased it at the same figures had they known what the policy of the Government would be.

The refiners would have entered the Cuban market after they had been notified by the equalization board on September 20 that they were at liberty to do so, if the agitation in Congress had not immediately followed.

On October 3 the agricultural committee of the Senate began its hearings on the New resolution, which was introduced on September 27 and which resulted in the McNary bill. If this bill had not been introduced, the sugar refiners of this country could and would have purchased the Cuban crop at the same figure as could the equalization board, but with this bill pending, the refiners kept out of the market, waiting to see what the policy of this Government would be. While the refiners kept out of the market, foreign Governments did not, and as a consequence the price of Cuban sugar has been going up, until now it is doubtful whether the Cuban crop can be purchased at 10 cents per pound.

But, Mr. Speaker, the fact that this Government may have adopted a vacillating policy with reference to the Cuban crop is no good reason why a penalty should be visited on the domestic producers of sugar. It is no reason why they should be selected as the one industry in this country that should be controlled and placed under license. It is no reason why it should be selected as the one and only farm product that during the coming year will not have a free and open market.

The sugar producers of this country have never objected to the purchase of the Cuban crop, but on the contrary they have urged it, and yet because this Government failed to purchase the Cuban crop or to give the refiners of this country a free hand to purchase it you now say under the provisions of this bill that you propose to handicap, embarrass, and discourage the domestic producers. I do not believe that this Congress appreciates what this license feature means.

It means that a pound of sugar can not be produced in this country until the producer has first obtained a license from the equalization board. It means that after he has made it it must lie up in some warehouse until he has been told by the board to whom he can sell it or ship it. It means that the man who makes sirup and molasses on his farm, whether from cane or sorghum, must likewise secure a license before he makes it or ships and disposes of it. It means that after it leaves the hands of the producers and goes into the hands of the wholesaler that he too must secure a license and that he must dispose of it according to instructions from the equalization board.

Mr. Speaker, the licensing feature in this bill is entirely unnecessary. If it is not too late, the Cuban crop should be purchased, refined in this country, and distributed to the consumers at the lowest possible figure. This can be done without in any way interfering, tampering with, or discouraging the domestic industry.

The price of Cuban sugars has always controlled the market in this country, and the purchase of the Cuban crop either by the Government or by the refineries will fix the price of sugar in the United States and at the same time guarantee an adequate supply of sugar to the American people.

	Tons.
The Cuban crop for 1920 is estimated at	4,500,000
The local consumption in Cuba amounts to	150,000
Thus leaving for export	4,350,000
Mr. Zabriskie, the president of the United States Sugar Equalization Board, stated before the Senate committee that about one-fourth of this crop had been sold partly to European countries and in part to American refiners; deducting this one-fourth	1,087,500
We have in Cuba, still remaining for export	3,262,500

The Government estimates of the domestic sugar crop of the United States and its possessions are as follows:

	Short tons.
Beet crop, United States	953,000
Louisiana cane crop	138,000
Hawaiian cane crop	600,000
Porto Rican cane crop	300,000
Total	1,991,000
Reduced to long tons this domestic crop would be	1,777,700
Adding Cuban crop, now available for purchase and export	3,262,500
Leaves a total for distribution in this country of	5,040,200
(To this may be added such portion of the Cuban crop as has already been purchased by refiners in this country, and also such portion of the Philippine crop as may be brought to this country.)	
The estimated consumption of sugar in this country for the current year amounts to about	4,260,000
Thus leaving a surplus of	780,200

By the mere purchase, therefore, of the remaining unsold portion of the Cuban crop, either by the refineries or by the United States Sugar Equalization Board, this country will have an adequate supply of sugar and the Cuban price will control in our markets as it has always done.

The present scarcity of sugar is only temporary. It was brought about by the longshoremen strike, which tied up more than 100,000 tons of sugar in the Atlantic ports and put out of commission many ships engaged in this trade. This caused our refineries to shut down for several weeks because of the want of raw material.

This strike has been settled, the seaboard refineries are now running day and night, and, besides, the domestic beet sugars are now being placed upon the market.

The Cuban crop begins to move about January 1, and it is only a question of a week or 10 days when this country will have an ample supply of sugar, and the present famine will be relieved.

Mr. Speaker, if this great war has taught one lesson that the American people should take to heart it is that it is only by the encouragement of our own industries that we can ever hope to become independent of the world.

It is but poor encouragement to the cane and beet producers of this country to say to them: "You can raise cane and beets, but before you can convert it into sugar you must first get a license from the Government. And after you have made it into sugar you can not dispose of it as you see fit, but you must dispose of it in such manner as may be directed by a board, known as the United States Sugar Equalization Board. This board will tell you not only when, where, and to whom this sugar shall be shipped, but it will also relieve you of the trouble of fixing a price on your sugar. You shall sell your sugar in such manner and for such price as the equalization board may determine, and if you make any money well and good, but if you lose money and go bankrupt, well, we are sorry, but Uncle Sam has himself gone into the wholesale sugar business, and he will not stand for competition."

This policy of the Government will not tend to encourage and increase the production of sugar in this country, but will tend to demoralize the industry.

The Cubans, who by the way are not under license, will be glad to dispose of their crop in bulk and at a fair price, and the seaboard refiners will be glad to refine these sugars at 2 cents a pound as against 0.6 of a cent a pound before the war.

But the domestic producer is told that he is now put in the class with distillers of whisky, and he must now secure a license before he can even engage in the manufacture of sugar, sirup, or molasses.

Mr. Speaker, there was some excuse for control during the war, but this excuse no longer exists, and I can not believe that this Congress is prepared to single out one great industry in this country for governmental control.

To do this is unfair, unjust, and un-American. [Applause.]

Mr. SMITH of Michigan. I wish the gentleman would state what the reason is for the discrepancy in the price of sugar in Louisiana and the State of Michigan.

Mr. MARTIN. If the gentleman will give me time I will try and make it clear. The situation in Louisiana is this: Our normal crop is 300,000 tons. This year we will make less than 100,000 tons. In other words, we have about 25 per cent of a normal crop. Just at the time that this crop came upon the market there was a shortage of sugar in this country, a great scarcity, brought about by the longshoremen's strike, and when we began to harvest our crop people from all sections of the country rushed to Louisiana to buy sugar. They were willing to buy it at any price that we fixed. We had but to name the price. Many of them were offered 25 to 27 cents a pound for their sugar. This matter was brought to the attention of the Attorney General, and he wrote to the United States District Attorney in New Orleans that if any one attempted to sell sugar at any such price he should be prosecuted for profiteering.

The SPEAKER. The time of the gentleman from Louisiana has again expired.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to have the time for the discussion of this sugar proposition extended 10 minutes on a side. It is one of the most important questions that has come before us, and I think we should have time to get information in respect to it.

The SPEAKER. The gentleman from New York asks unanimous consent that the time for debate be extended 10 minutes on each side. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, 10 minutes is not enough. Most of the Members of the House are in just the position that I am. They have conflicting reports in respect to the matter, and I think the House ought not to act hurriedly. I hope the gentleman from New York will make his request 20 minutes on a side.

Mr. SNELL. Then, Mr. Speaker, I renew my request and made it 20 minutes on a side.

The SPEAKER. The gentleman from New York asks unanimous consent that the time for debate be extended 20 minutes on a side. Is there objection?

Mr. GARD. Mr. Speaker, is there any request for time on either side to take up this additional time?

Mr. CANDLER. Mr. Speaker, I have requests for additional time.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The gentleman from Iowa has 28 minutes remaining and the gentleman from Mississippi has 28 minutes remaining.

Mr. SNELL. Mr. Speaker, will the gentleman from Louisiana yield for a question?

The SPEAKER. The gentleman from Mississippi has control of the time, not the gentleman from Louisiana.

Mr. CANDLER. Mr. Speaker, I yield the gentleman from Louisiana three minutes more.

Mr. HAUGEN. Mr. Speaker, I yield the gentleman three minutes.

Mr. SNELL. Mr. Speaker, will the gentleman yield now?

Mr. MARTIN. The gentleman from Michigan [Mr. SMITH] asked me a question, and I want to answer that. As I was stating when I was interrupted, this situation was brought to the attention of the Attorney General. He, in turn, instructed the United States district attorney of New Orleans that if any one attempted to sell sugar at any such price he should be prosecuted as a profiteer, or rather he should be called before him and made to explain why he had sold sugar at any such figure, and if the explanation was not satisfactory he should be prosecuted. The two United States Senators from Louisiana and myself heard of this and we went down to see the Attorney General. We asked him if this report was true and he stated it was. He showed us the letter that he had addressed to the United States district attorney. We protested, first, because under the Lever Act all farm products were exempt, and we believed that sugar was a farm product. The United States Attorney General stated that he did not agree with us; that he thought that sugar was a manufactured product. I believe his ruling to be erroneous, but we further said to him that "even admitting what you say is true, that we are manufacturers and not farmers, then you can not convict anyone in Louisiana for the simple reason that a man who sells his sugar for 25 cents a pound, with only 25 per cent of a crop, can not make any money, and if he makes no profit he can not be prosecuted for profiteering." The Attorney General saw the force of this argument, but stated that in view of the fact that he was receiving so many protests from the Southern States against this price of sugar he felt he had to take some action in order to get the price of sugar reduced in Louisiana.

Mr. SNELL. Mr. Speaker, will the gentleman yield now?

Mr. MARTIN. I have not yet gotten through with this answer. I shall be glad to yield when I am through. It was then suggested that as he had a United States district attorney in New Orleans, who lived near the sugar district, that that United States district attorney and the producers in that State should get together and make some agreement whereby there would not be any charge of profiteering in Louisiana in respect to the sale of sugar. That was done. The United States district attorney met with the sugar producers of Louisiana. The producers laid the facts before him. He had the assistance of two ex-Senators from Louisiana. The producers showed him the size of the crop and what it had cost them to produce it, and after going over all of the facts and figures they came to the conclusion that any man in the State of Louisiana who sold sugar at a price not exceeding 17 cents a pound would not be profiteering, and that a great majority of them at that price would lose money. The sugar producers of Louisiana then voluntarily agreed that they would not sell any sugar in that State at more than 17 cents a pound for clarified sugar and 18 cents a pound for refined sugar.

The district attorney stated that if they did not he was going to call them before him to show cause why they should not be held as profiteers.

Mr. SMITH of Michigan. Was there anything said in the consideration of the sugar question about the low price in Michigan as to how it happened they could sell in Michigan at 7 and 8 cents where it was selling, say, in Louisiana at 17 cents?

Mr. MARTIN. I do not know, but I am informed that at 10 or 11 cents in Michigan you are making more money than at 17 in Louisiana, because we are not making any.

Mr. DUPRÉ. In view of that fact, is it not a fact that a great many sugar producers have been selling a large part of their crop at less than that?

Mr. MARTIN. Yes.

Mr. DUPRÉ. Does not the gentleman know some have been doing that?

Mr. MARTIN. Yes; I have sold some myself.

Mr. SNELL. Will the gentleman yield?

Mr. MARTIN. I will.

Mr. SNELL. I understood the gentleman in his remarks to say as one of the reasons why they did not want this extension granted that about the first of January there would be plenty of sugar for all. What facts has the gentleman to place before the House to substantiate that statement? That is the thing we are specially interested in.

Mr. MARTIN. I will give them to the gentleman.

Mr. DALLINGER. While the gentleman is waiting for his figures may I ask him this question? I would like to ask the gentleman from Louisiana whether or not he is in favor of so much of this bill, that part of this bill down to the proviso on page 5 which I understand authorizes the purchase of this Cuban crop?

Mr. MARTIN. Yes, I am. I have no objection, and I stated in my remarks that I have no objection.

Mr. DALLINGER. If the gentleman will yield for a further question. With the licensing provision embodied in section 5 of the Food Control Act reenacted in this bill as proposed by the House Committee on Agriculture, whether or not that would not give the Sugar Equalization Board and the President the right to control exports of refined sugar from the United States?

Mr. MARTIN. Yes.

Mr. LONGWORTH. Will the gentleman yield for a brief question?

Mr. MARTIN. I will.

Mr. LONGWORTH. If I understood the gentleman correctly he said the price of sugar in Louisiana was regulated by the price of sugar in Cuba?

Mr. MARTIN. I said the price of sugar all over the country was regulated by the Cuban price.

Mr. LONGWORTH. Then what difference would the volume of the production in Louisiana have one way or the other?

Mr. MARTIN. It has very little.

Mr. LONGWORTH. The gentleman speaks——

The SPEAKER. The time of the gentleman has expired.

Mr. MARTIN. I ask permission to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none.

Mr. CANDLER. I yield five minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Speaker, in the five minutes allotted to me I want to call the attention of the House to the Senate bill and to the amendments offered to that bill by the Committee on Agriculture, and I will say that this is a unanimous report from our committee. There was no division in the committee in regard to this bill. We felt that it ought to be passed. This bill is Senate bill 3284, and if the Members of the House have not copies of this bill, if you will look on page 359 of the RECORD of December 10 you will find the bill set out, with the exception that an amendment was adopted in the Senate that is not there printed. Now, the first amendment, and the main one, by the Committee on Agriculture is found on page 2 of the Senate bill, wherein the Senate repeals the provision of the food-control bill providing for the licensing feature. Now, here is the difference between the House committee and the Senate in regard to this bill: The Senate gave authority to the Sugar Equalization Board to buy the Cuban sugar; it then repeals the licensing feature and does not give the Sugar Equalization Board the authority and the right to control the sugar after it has been purchased. The Committee on Agriculture felt that the control of the sugar should remain in the hands of this Sugar Equalization Board, and therefore they not only struck out the provisions repealing the licensing feature, but they reinserted it affirmatively in the bill and provided that the Sugar Equalization Board should use the licensing feature of the food-control act during the life of this act. The object of that is simply this: If we go to Cuba and buy 3,000,000 tons of sugar and bring it into the United States and sell it through the refineries and the wholesale dealers and do not in some way control them in the price that they shall make to the retailers and the retailers to the consumers, why, the price of sugar will go sky-high. We are simply bringing in here 3,000,000 tons of sugar upon which the dealers in sugar throughout the country can profiteer for the next 9 or 10 months. Now, then, we felt that with this provision in the bill and this safeguard thrown around it, that we can afford to authorize the Sugar Equalization Board to purchase this sugar.

Now, again: We retain in the bill the Senate provision which says that the provisions of this act shall expire as to domestic sugar on September 30, 1920. That is left in the bill. We leave in the Senate bill the last provision of the bill relating to the doing away with the zone system. That is prohibited, and in that regard the House committee and the Senate are in full accord.

So those are the provisions, Mr. Speaker, of the bill as it is presented here to the House this afternoon for consideration.

Mr. WELLING. Will the gentleman yield for a question?

Mr. RUBEY. I will.

Mr. WELLING. I came in since the discussion began. I would like to know if it is true that the Department of Justice has authorized the sale of the Louisiana crop at a price of from 17 to 25 cents a pound?

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. RUBEY. That has already been explained on the floor of the House, I will say to the gentleman.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Michigan [Mr. MCLAUGHLIN] eight minutes.

Mr. MCLAUGHLIN of Michigan. Mr. Speaker, I shall say little, if anything, in regard to the sugar situation in the country. I think it is pretty well understood, and I believe everyone present realizes that something should be done respecting it.

As far as I am concerned, and as far as I know the opinions of others, what we are offering by this bill does not promise very much, because we are really offering nothing that is not now statute law. We are giving the President no authority that he has not had for more than two years; the authority he has had under the act of August 10, 1917. This bill, Mr. Speaker, is simply a suggestion to the President, a sort of polite request to him, to exercise the authority which up to this time he has failed to exercise. The bill reads:

The President is authorized to continue.

The Senate bill, as it was drafted, had the word "directed"—

That the President is authorized and directed.

The word "directed" was stricken out. I understand the President of the United States is never "directed" to do anything. He is "authorized" and "permitted" to do so-and-so, as Congress may determine or wish to suggest.

Now, as the gentleman from Iowa [Mr. HAUGEN] and the gentleman from Missouri [Mr. RUBEY] have said, this bill is like the Senate bill, with one exception. The first portion of it is a suggestion to the President that he act; that he use the authority, which up to this time he has failed to use, to put into action the Sugar Equalization Board, that it may purchase sugar and distribute it throughout the country. The bill before us, offered by the House committee, differs from the Senate in this, that the Senate bill has a provision which refuses permission to the President to exercise the power carried in section 5 of the food-control act. That is the section which carries the licensing provisions.

If the bill should pass as it came from the Senate, and the President should assume to act under the rest of the bill, he would not be able to use or permit the Sugar Equalization Board to use the licensing feature of the food-control act. The House committee believes that if anything is to be accomplished under this bill; if the President should finally, ultimately, some day be induced to act, little, if anything, can be done unless he be permitted to invoke the power conferred upon him by section 5, to license the manufacturers, dealers, and distributors of sugar.

Mr. LUCE. Mr. Speaker——

Mr. MCLAUGHLIN of Michigan. Pardon me until I finish my statement. We believe that any good work that can possibly be done must be done under the licensing feature. And the Committee on Agriculture recommends that it not only shall not be repealed, as the Senate bill provides, but that its life shall be extended, that the section shall not be permitted to die with the proclamation of peace. Our bill extends the life of the section to December 31, 1920.

Mr. LUCE. I have in my hand the annual report of the American Sugar Refining Co. for 1918, in which the statement is made in effect that the licensing feature of this board in 1918 did not reduce the consumption of sugar. The only effect, so far as it appears, was to produce great hardship in certain parts of the country, and increase consumption in other parts of the country that had not previously consumed the maximum. Will the gentleman point out where the continuance of the life of this board will result in anything else except the repetition of the hardship and injury caused by the existence of the board for two years?

Mr. MCLAUGHLIN of Michigan. I think with the existing and threatened shortage of sugar, and the fact that in one part of the country the price of 9 cents a pound prevails, in another part 10½ cents, and in still another part 17 cents, there should be some authority in the equalization board to control the sugar business even to the extent of controlling prices, as it will be able to do under the licensing system.

The members of the equalization board have evidently changed their minds since making the report from which the gentleman from Massachusetts quotes, because they told the Senate committee that this act would be of no value unless they were permitted to work under the licensing section of the food-control act, and the chairman of the Committee on Agriculture of the House received a telegram from the president or chairman of the equalization board telling him that the passage of this bill would produce little, if any, good unless the board were permitted to operate under section 5 of the food-control act.

Mr. SNELL. Mr. Speaker, will the gentleman yield for just a question?

Mr. MCLAUGHLIN of Michigan. In just a moment. This amendment of the Committee on Agriculture of the House would extend also the life of section 10 of the food-control act, which is the commandeering section, by which the President of the United States in an emergency is permitted to commandeer sugar and other food products and to provide for their distribution. We think it is proper to continue that and not let it die with the proclamation of peace, which may come before the 31st of December, 1920.

Mr. Speaker, we have put these amendments into the bill so that the power of the present law, the teeth of the present law, may be retained to give the President and the equalization board all possible authority, or in this way urge upon their attention that they have this authority, so that there will be no excuse in the future for the inaction that they have been guilty of up to this time. They have been talking about lack of authority. They have come before Congress and asked for something that they already have. We are giving them all they ask for, and more, so that if nothing is done the fault will lie with them and not with us.

As I say, I do not look for every much good to come of this because of the failure and refusal of the administration to act up to this time. But we are by this bill practically reenacting a statute which has been on the books for more than two years, giving them and continuing to them all the power they ask, and more, and if nothing is done from this time on, the fault will not lie with Congress. [Applause.]

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. LONGWORTH. It is the opinion of the gentleman and his committee that if the President does have large powers under this act the price of sugar will not be unduly enhanced?

Mr. McLAUGHLIN of Michigan. It gives the President, under the Sugar Equalization Board, authority to control the manufacture, distribution, and use of sugar, and under that power the prices can be controlled. If a license is issued, it can contain all kinds of conditions, to the effect that the sugar will be sold in such and such a way, in such and such quantity, for such and such prices. Under that power, if it is exercised, the price can be controlled.

Mr. SMITH of Michigan. They have that authority to-day.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HAUGEN. Mr. Speaker, I yield four minutes to the gentleman from Kansas [Mr. TINCHER].

The SPEAKER. The gentleman from Kansas is recognized for four minutes.

Mr. TINCHER. Mr. Speaker and gentlemen of the House, I think this bill should pass, although it only accomplishes one thing, and that would be to bring about the purchase by this board of the Cuban sugar.

Last August seven members of this board out of eight began to persist with the President in the attempt to procure his authority to purchase the Cuban sugar. But, true to form, the President listened to one member out of eight—he evidently did; and, in another way true to form, he has pursued the "watchful-waiting" policy to such an extent that he has not to-day answered the request of the seven members of the Sugar Board. If any board up to that time had deserved the gratitude of the people of the United States for the way they had handled the war measures, in my judgment it was the Sugar Board. Everybody knows that there had not been an increase in the price of sugar up to that date, as there had been on other articles, and the board had accumulated $30,000,000 in the Treasury and had not worked a hardship on anyone.

Mr. Speaker, I want in this brief time to answer one other proposition that has been advanced here, so that no Member will misunderstand. The Department of Justice has no authority to fix the price of sugar anywhere. The Department of Justice under the food-control law had the authority, and it was its duty, to prosecute profiteering, and there is nothing unusual and nothing strange about the fact that the Attorney General of the United States has said to the people of Louisiana who produce sugar, "You can charge 17 cents and not be profiteers," and at the same time has said to the people of Kansas who produce sugar, "You can charge only 11 cents, and if you charge more you will be profiteers."

I say there is nothing strange in the administration's attitude on that question. But this committee is inserting the license clause in the bill, so that the board, if permitted to function, can go ahead and control the price of sugar fairly and equitably in the United States, and will not have to be dependent on the Department of Justice to prosecute profiteers in order to control the price of sugar. I want to say to the membership of this House that in every instance where we have depended upon the Department of Justice to control prices by enforcing the antiprofiteering law it has been an absolute failure. I beg of you to pass this bill as the committee reported it to you. [Applause.]

Mr. LAZARO. Will the gentleman yield for a question?

Mr. TINCHER. I would yield, but my time has expired.

Mr. HAUGEN. I yield one minute to the gentleman from New York [Mr. SNELL.]

Mr. SNELL. Mr. Speaker, what I am interested to find out with regard to this licensing system is this: As I understand, you are going to extend the present licensing system. Under that system the man who wants to go to the corner grocery and buy two or three pounds of sugar for his family can not get it, because the grocer can not buy it and sell it at the price that the committee say he must pay; but the manufacturer can go into the field and buy any number of tons to manufacture candy or something else. What I want to have put into this law is something that will protect the family and the domestic use of sugar.

Mr. HAUGEN. The board has the power now. The fact that it has not exercised it is up to the board, of course.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. HAUGEN. All my time is allotted. I yield three minutes to the gentleman from Massachusetts [Mr. DALLINGER].

Mr. MADDEN. Mr. Speaker, will the gentleman from Massachusetts [Mr. DALLINGER] yield to me for a question?

Mr. DALLINGER. I have only three minutes.

Mr. MADDEN. I will not take over a half a minute.

Mr. DALLINGER. What is the gentleman's question?

Mr. MADDEN. Does the gentleman believe we ought to license the people who have to deal in sugar?

Mr. DALLINGER. I will explain that.

Mr. MADDEN. I want to say that I do not, and I think it is the most iniquitous thing that we could undertake to do.

Mr. DALLINGER. On October 16 I introduced a bill (H. R. 9376) to prohibit the exportation of sugar from the United States or from any place subject to its jurisdiction for the period of six months. This bill, which was designed to meet an emergency, was referred to the Committee on Interstate and Foreign Commerce. The first hearing on the bill was to-day, and the further consideration of this and other sugar bills was continued until Friday, so that apparently nothing will be done before the Christmas recess in the way of compulsory legislation by Congress stopping sugar going out of the country.

Now, what are the facts in regard to the sugar situation in the United States?

SUMMARY OF THE FACTS IN REGARD TO SUGAR.

During the first four or five months of the year 1919 it seemed probable that the United States would have plenty of sugar. The Sugar Equalization Board itself sold 150,000 tons for export, and they permitted sugar refiners to accept export orders for sugar.

During the latter part of May and the month of June, however, the situation changed completely. By July 1 it became apparent that the world's sugar production would be short 2,000,000 tons. Accordingly the equalization board ordered the refiners to stop accepting orders for export, and also borrowed 50,000 tons of sugar which had been allotted to the British commission with the expectation that it could be paid back later.

On August 1 the Sugar Equalization Board made the following recommendations: First, that the board be given the power to license all sugar dealers, together with the power to examine their books; second, that the board be given the power of distribution and rationing; and, third, that the board be given the power to prohibit the exportation of sugar—that is, to put in force an embargo. I understand from the equalization board that these recommendations were referred by the President to the Secretary of Agriculture, who, on the advice of so-called experts, decided to take no action in the matter.

On August 14 the Sugar Equalization Board advised the President that the Cuban commissioners had offered to the American Government the entire Cuban sugar crop for the year 1920, the average price at that time being about 6½ cents per pound, and called attention to the fact that the Cuban commission should be advised at an early date as to whether our Government proposed to consider this offer. Not receiving any reply from this communication, on September 20, 1919, the Sugar Equalization Board called the President's attention to the fact that unless some action was taken at once it would be impossible for the United States to control the Cuban sugar crop for the year 1920. If the President had heeded these communications of the Sugar Equalization Board and given his assent to the purchase of the Cuban sugar crop, the present situation would not have arisen.

THE PRESENT SITUATION.

The sugar situation at the present time in many parts of the country is very acute, and immediate action should be taken by Congress.

From January 1 to November 1 the total exportations of sugar from the United States amounted to 1,246,869,413 pounds, making a monthly average of 124,686,941 pounds, which would be 1¼ pounds a month for every man, woman, and child in the United States. In addition to this, 22,000,000 pounds in the warehouses of the American Expeditionary Forces at the time of the armistice were sold by order of the Secretary of War to the French Government at an average price of 2½ cents per pound.

The prohibition of further export orders by the Sugar Equalization Board has not prevented the sugar refiners from continuing to fill export orders already on their books, and, more important still, it has not prevented and is not preventing the export of resale sugar. For instance, a broker in New York has been and still is as free to buy sugar for a consumer in London as for a consumer in Chicago. After it leaves the refinery there is no means of tracing where the sugar goes, as it may be resold from broker to broker. In the month of October over 9,000 tons of this resale sugar was exported from the United States.

According to the Sugar Equalization Board, the wholesalers, instead of supplying their retail trade so that the family sugar bowl can be kept replenished, have been selling their stocks at high prices to confectioners, condensed-milk manufacturers,

chocolate manufacturers, manufacturers of preserves, and a large part of the finished product has been and still is being exported.

I am aware that men engaged in the sugar business are very likely to treat a lot of 1,000 tons of sugar as practically negligible. From the point of view of the American consumer, however, it should be borne in mind that 1,000 tons means that 1,000,000 housewives who are to-day asking for 2 pounds of sugar to fill the family sugar bowl will be able to get it. A lot of 50,000 tons, which was the amount borrowed by the Sugar Equalization Board from the British supply, would furnish 2 pounds apiece to 50,000,000 American citizens.

Mr. Speaker, such in brief are the facts in the case. The present situation is serious. Sugar and sugar products are going out of the country. An emergency exists and nothing is being done. Personally I would like to see Congress pass an embargo bill even if it was only for 60 days, to stop sugar from going out of this country. [Applause.] I believe that the American people would like to see such a bill passed. [Applause.]

But it seems impossible to secure the passage of a separate sugar embargo bill in time to do any good. Therefore as long as this bill is here and has been amended by the Committee on Agriculture so as to give some governmental agency the power to prohibit further exports of sugar, and there is a strong probability that it may become a law, I shall vote for it. I am frank to say, however, that I would like to see an amendment adopted giving to the Sugar Equalization Board the power to regulate and prohibit exports regardless of the President, or I would like to see an amendment to the first section adopted adding the words "and directed," so that the section as amended would read "the President is authorized and directed," and so forth. Nevertheless, I recognize that under suspension of the rules no amendment is permissible at this time and that this bill must pass just as it comes from the hands of the committee or not at all. Inasmuch, however, as this is the only chance we have of securing legislation to stop sugar going out of the country and to furnish the American consumer with an adequate supply of sugar at a reasonable price, I am in favor of this bill and trust that it will pass.

Mr. CANDLER. I yield one minute to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Speaker, I am in entire sympathy with the views expressed by the gentleman that this bill, with the licensing provision as we have brought it in here, will, indirectly at least, control the export situation. The Sugar Equalization Board, through the licensing power, can absolutely control the exports of the 3,000,000 tons of sugar that they are to bring in here from Cuba.

By unanimous consent Mr. DALLINGER, Mr. TINCHER, and Mr. HAUGEN were given leave to revise and extend their remarks in the RECORD.

Mr. HAUGEN. I yield three minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Speaker and gentlemen, I desire to congratulate this Committee on Agriculture on having performed a real public service in bringing this measure before the House. The question involved is one which concerns every household in America, and immediate action is necessary if we are to prevent great hardship being inflicted upon the people.

No more gigantic opportunity to exploit the public need could be imagined than that which will be offered to profiteers if no action is taken. The average annual consumption of sugar in this country is 8,000,000,000 pounds. If gamblers and speculators can manipulate the price a single additional cent, they will take $80,000,000 out of the pockets of the American people. If they can, through their juggling tactics, increase the price 10 cents a pound, they will add $800,000,000 to the food bill of this country.

Will they do it? I sincerely believe that if this measure is not passed and if all restrictions are removed on January 1, as will be done if no action is taken by Congress, the price of sugar will be around 30 cents a pound by March 1, and a new crop of millionaires will be made at the expense of the people of America.

The United States Sugar Equalization Board has made grave mistakes, it is true. I have been in almost daily touch with that board for the past three months and have followed its work closely. During the war period it acted wisely, and I believe its regulation and control of sugar kept the price down to a very considerable degree.

Then came the opportunity for the board to purchase the Cuban crop at a price of about 6½ cents a pound. The question was put up to the President, with favorable recommendation on the part of seven members and a dissenting opinion by one member. Apparently the President followed the solitary adviser; at least, he failed to request that the crop be purchased by the board, and the opportunity was lost.

That was a serious mistake, and its results will be measured in terms of dollars and cents in every home in America during the coming year.

Another mistake was the zoning system put into operation by the board. They arbitrarily established zones and ordered that certain kinds of sugar be used wholly to supply great districts, without regard to the actual relation of the production of such sugars to the needs of the districts.

For instance, the Pittsburgh district was put within the eastern zone and was ordered to secure its supply from eastern refiners. Shortly after this order went into effect I was deluged with complaints from dealers in the Pittsburgh district who were unable to get sugar. I took it up at once with the board and was promised that Pittsburgh would get exactly the same quantity as was received during the last four months of 1918.

Everybody was satisfied, because it was assumed that the promise meant that the same amount would be received as was received from all sources. But when I found that only a small fraction of the actual amount was being received and called upon the equalization board for action, I learned that it was planning to ship only the same amount from eastern refineries, regardless of the fact that three-fourths of the supply for Pittsburgh came last year from the beet-sugar refineries of the West. It was only after repeated efforts and long delay that I was able to secure an allotment of beet sugar for Pittsburgh, while other districts in the beet-sugar zone had an oversupply.

Now, Mr. Speaker, this measure before us abolishes the zone system in distribution and will end that mistaken policy. I believe it will also compel action in the purchase of that part of the Cuban crop which remains, even though the price paid must of necessity be much greater than was required last August.

The House Committee on Agriculture has also amended the Senate bill by providing that sections 5 and 10 of the food-control act shall be in effect as applied to sugar. These are licensing and requisitioning features, and without them this measure would be of little practical value. If the Cuban crop were purchased and brought to this country and the refiners were left to act without restrictions, the public would gain nothing. There would simply be an open invitation to all to profiteer to their hearts' content.

I appeared before the Agriculture Committee to urge the insertion of the licensing feature because I want to see some real benefits come from this legislation. It is easy to talk in aphorisms, as we have heard here to-day, and to proclaim that the "free play of the law of supply and demand" will solve such a problem. That famous old law of "supply and demand" has been nullified by profiteers in food products. They have locked up the supply in warehouses and storehouses; they have exported great quantities overseas and kept it from the people of this country. The supply, manipulated in such fashion, does not affect the price and neither does the demand from hungry people. Since the law of "supply and demand" is being nullified, it is better to have it done by the Government, representing all the people, than by the profiteers, exploiting all the people.

Mr. Speaker, it is high time to take drastic steps to end the activities of black-flag profiteers in the necessaries of life. They are as dangerous in their defiance of law and fundamental Americanism as are the red radicals who preach violent overthrow of this Government. Both despise the law and both would establish minority rule.

Without the passage of this measure there will be unbridled profiteering and unlimited gambling in sugar next year. We can prevent that by licensing every man that deals in sugar and making sure that unjust, unreasonable, and discriminatory prices and practices are not indulged in. This measure is drastic, but it is necessary. It is broad enough to cover, I believe, the diverting of great quantities of sugar, needed by the people on their own tables, to candy manufacturers and soft-drink makers, whose products are luxuries, for which high prices can be secured. The conditions make such an act as this necessary, and it should pass this House by a unanimous vote.

Mr. CANDLER. I yield five minutes to the gentleman from Maryland [Mr. BENSON].

Mr. BENSON. Mr. Speaker, were it not for the fact that this bill has been brought in under a suspension of the rules, thereby making it impossible to amend, I would offer an amendment to the bill that would, to my mind, prevent the distribution of

sugar in such a way as has in the past caused much complaint from those who desire sugar for domestic use. The amendment I had prepared reads as follows:

Provided, That in the distribution of sugar the reasonable necessities of wholesale grocers supplying retail grocers be given preference.

I venture to hope that the conference committee will consider the wisdom of incorporating in the bill a provision that will bring about the result I had hoped to attain by the passage of such an amendment.

I have been in correspondence by mail for over two months with the Sugar Equalization Board. In addition to this, I have sent the board several telegrams and communicated with Mr. H. K. Hall, an assistant to Mr. Lowry, over the telephone, this last-named method being the only way I could get a reply during the past 10 days, as replies to my letters of December 6 and 13 and my telegram of December 6 have not been received. I appealed to Mr. Hall over the telephone to permit the Federal fair-price commissioner at Baltimore to distribute eight carloads of sugar that had been there for more than a week and had not been distributed by the board. He said it could not be done in that way, but would have to go through the regular route. I insisted that something be done to get this sugar to the people, and Mr. Hall replied, "Mr. BENSON, you must recognize that we own that sugar." I said, "Who are we?" He replied, "The equalization board." I asked him who owned the stock in the equalization board, and his reply was, "The President of the United States." I then told Mr. Hall that I considered it a great piece of impertinence for him, an employee of the equalization board, to say that "We, the equalization board, own this sugar, and that therefore we are going to distribute it as we say."

When people in New York attempt to distribute sugar to consumers in Baltimore, and they allot 827 bags to the Coca-Cola Co., 525 bags to George Bloom & Sons, 248 bags to Guth Chocolate Co., 600 bags to Lauer & Suter Co., 1,950 bags to Stewart, Son & Co., 100 bags to Headley Chocolate Co., and similar amounts to other candy and soft-drink manufacturers, and allot 292 bags to J. A. Edmondson and 50 bags to H .Pfeil Co., two houses that have gone out of business, while they allot to the Grocers' Service Bureau, a large corporation, having approximately 850 retail grocers to supply, only 25 bags, I say that that is an experience in distribution that does not work out well.

Mr. MARTIN. Who made that distribution?

Mr. BENSON. The equalization board in New York. I have appealed to the board to distribute the sugar that was allotted to the two firms in Baltimore that have gone out of business, and suggested that their quota be allotted to the Grocers' Service Bureau. This request was made on December 13, but I have received no answer to date. The people in Baltimore are suffering for sugar largely because it has not been fairly distributed in Baltimore, not because of a failure to get the sugar to that city, and unless some plan is devised to take care of the wholesale grocers who supply the retail grocers, the ultimate distributors to those who desire sugar for domestic use, it can not be fairly distributed through New York.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. BENSON. Certainly.

Mr. SNELL. Will this bill remedy the situation the gentleman is speaking of?

Mr. BENSON. Not to my mind.

Mr. SNELL. That is the question that I am interested in.

The SPEAKER. The time of the gentleman from Maryland has expired.

Mr. BENSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection.

There was no objection.

Mr. CANDLER. Mr. Speaker, what we hope to do under the provisions of this bill is to remedy some of the inequalities that are complained of by the gentleman from Maryland [Mr. BENSON]. What I am personally interested in more than anything else is to provide some means by law whereby the people of this country themselves in their homes and on their tables may acquire sugar at a reasonable price, and be protected from profiteering, now seemingly being indulged in in this home necessity. [Applause.]

Mr. STEVENSON. Mr. Speaker, will the gentleman yield for a question?

Mr. CANDLER. Yes; with pleasure.

Mr. STEVENSON. Is there any possibility of holding down the price of sugar? I have been over to my office since this discussion has been going on, and I found there two letters from two ladies in two different parts of my district saying that they are being charged 25 cents a pound for sugar, and sometimes as high as 28 cents.

Mr. CANDLER. I think it is outrageous that those ladies were required to pay such an exorbitant price for sugar, and the object of this bill is to reduce the price of sugar, and we hope, if passed, it will accomplish that result.

Mr. EMERSON rose.

Mr. CANDLER. I can not yield. I am sorry that we can not discuss a means of furnishing sugar to the people of this country in their homes at a reasonable price without some one attacking the President of the United States. I regret that my distinguished friend from Michigan [Mr. MCLAUGHLIN] and my genial friend from Kansas [Mr. TINCHER] found it necessary even in the discussion of this great domestic question to attack the President of the United States and the Democratic administration. As was suggested by a very able and distinguished gentleman who preceded me in a speech to-day, on another subject, it seems that there is no occasion under any circumstances or anywhere but that some one feels that it is his duty to make a partisan attack on the great head of the Government of the United States and his administration which is in power by the will of the people.

I hope that some time we may be able to go into some question which all the membership of this House will be willing to settle upon some great patriotic basis in the interest of all of the American people without Members attacking the President of the United States, who is, at last, the President of us all regardless of party, and the President of all the people. I assert that he has done, and is now doing, and will continue to do, so long as he remains in the Executive chair of this great Republic, everything possible in the interest of all the people of the United States. He does not suffer by your puny attacks, but you will find you and your party will suffer if you continue to attack him without "rhyme or reason," on any and all occasions. [Applause on the Democratic side.]

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. CANDLER. I am very sorry I can not yield at this moment. I hope to be able to yield to my good friend a little later. It is complained that the President did not act. It is true that the sugar question was brought to his attention by this equalization board on the 20th of August last. There was a division of opinion in the equalization board. It is true that the majority did recommend that action be taken at that time. Mr. Taussig, a member of the board, recommended that action be not taken at that time. The President was considering the matter, and during his consideration of it he became, as you know, and as I know, sick and temporarily unable to consider the public business during some time, and none, by the direction of his eminent physicians, was brought to his attention. I think it is time to stop this unjust and partisan criticism of the President of the United States on every occasion and about everything when, without the fault and beyond the power of the President, in God's providence and wisdom, He saw proper to inflict upon him serious illness, which to some extent still continues. Thank God, however, he is rapidly improving, and I pray the good Lord that he may soon be entirely well, and you know when he is well he can take care of you and all your criticism. [Applause on the Democratic side.] It is charged that the President is the cause of this trouble because he did not take action. Let us see. In the hearings before the Senate committee we get some information on the subject. I read from the CONGRESSIONAL RECORD of December 10 last, at page 360, a statement from the Senate hearings before their committee, to which attention was called by Senator HARRISON, of Mississippi, during the discussion in the Senate:

Mr. HARRISON. I read from the hearings, on page 108. The Senator from Nebraska [Mr. NORRIS] asked this question:

"Senator NORRIS. If the President had authorized you, would you have done it?"

Speaking of the purchase of the Cuban sugar crop.

"Mr. GLASGOW. No, sir; not until Congress had given us the powers and they thought it proper. It would come back at last to the discretion of Congress as to whether they desired the distribution of sugar continued."

Mr. Glasgow, the gentleman making that statement, was the general attorney for the Sugar Equalization Board, and as such spoke by authority.

Therefore, if the President had acted at that time, the general attorney stated that the board would not have acted and would not have bought the sugar without the authority of Congress. The Senate had this matter under consideration from October 3, and for more than 10 weeks were considering it; and, because of the fact that the matter was pending in the Senate committee and in the Senate and they were threatening, at least, to legislate upon it, the refiners and people who deal largely in sugar refused to go into the market

and buy the crop of Cuban sugar and refine it and give the people the benefit of it for fear the Government would take action and take it away from them and convert and distribute it under Government control and supervision. Therefore it was the Senate of the United States that held up the situation, for the Congress of the United States had the authority and power to act. You who are in control of legislation in the House and responsible for it failed to act and the Senate failed to act, and this condition has arisen which confronts us to-day. Some Member asked to know whether or not there was any sugar in sight, whether it can be obtained at the present time. I read the following statement from a speech of Senator GAY, of Louisiana, delivered in the Senate on December 12 last:

	Tons.
The Cuban crop for 1920 is estimated at	4,500,000
The local consumption in Cuba amounts to	150,000
Thus leaving for export	4,350,000
Mr. Zabriskie, the president of the United States Sugar Equalization Board, stated before our committee that about one-fourth of this crop had been sold, partly to European countries and in part to American refiners; deducting this one-fourth, or	1,087,500
We have in Cuba, still remaining for export	3,262,500

The Government estimates of the domestic sugar crop of the United States and its possessions are as follows:

	Short tons.
Beet crop, United States	953,000
Louisiana cane crop	138,000
Hawaiian cane crop	600,000
Porto Rican cane crop	300,000
Total	1,991,000

SUGAR SHORTAGE.	Tons.
Reduced to long tons, this domestic crop would be	1,777,700
Adding Cuban crop now available for purchase and export	3,262,500
Leaves a total for distribution in this country of	5,040,200
(To this may be added such portion of the Cuban crop as has already been purchased by refiners in this country, and also such portion of the Philippine crop as may be brought to this country.)	
The estimated consumption of sugar in this country for the current year amounts to about	4,260,000
Thus leaving a surplus of	780,200

This statement conclusively shows there is sugar available, and the question is whether or not under this bill you will give authority to the equalization board to purchase it in order that they may control and distribute it in this country, and by the exercise of the powers conferred in this bill reduce the price of sugar to the consumer upon his table and enable him to get sugar. [Applause.]

Mr. DUPRÉ. Will the gentleman yield?

Mr. CANDLER. I will.

Mr. DUPRÉ. Has the gentleman heard any opposition to the purchase of the Cuban sugar crop expressed on this floor by gentlemen who do not favor the licensing feature of this bill?

Mr. CANDLER. No; but it is not being purchased by American interests, and we are trying to provide a way to purchase it for the benefit of all the people.

Mr. DUPRÉ. Therefore the gentleman's argument is extremely pointed.

Mr. CANDLER. Yes; pointed in showing that there is sugar available for purchase. Some Members wanted to know how much sugar there was, and I am simply giving the statement here from a competent source, from one of the gentleman's own Senators, Senator GAY, of Louisiana, showing the amount of available sugar that could be acquired in case the authority is given to the equalization board to purchase the sugar.

Mr. LINTHICUM. If the gentleman will yield, what would be the result if this law was not passed, if the equalization board were discontinued? Would it not result in very high prices and a monopoly of sugar?

Mr. CANDLER. I think the gentleman is entirely correct. Indications at least are that it would go higher and higher, as it is doing at the present time, and it would go sky high as soon as all Government control is taken away from it. Now, then, this bill provides for the continuance of this equalization board. Then it provides further for the striking out of the provisions of the Senate bill which eliminate the licensing feature and reinserting the licensing feature in this bill.

Mr. MADDEN. Will the gentleman yield?

Mr. CANDLER. In a moment or so. As was stated by the gentleman from Missouri [Mr. RUBEY], if that feature were left out of the bill, then if sugar should be purchased by the equalization board and brought into this country and they sold it and turned it loose upon the market of this country to the wholesaler without any control, they could not regulate the price at which it would be sold to the retailer or the consumer, but under the licensing feature they could control the price at which it was sold to the wholesaler, and they could control the price at which it would be sold by the wholesaler to the retailer, and therefore control the price in this country at which it was sold to the consumer and in that way see that the consumer had the opportunity to purchase the sugar at a reasonable price.

Mr. MADDEN. Does the gentleman favor the control of all the businesses in the United States under the licensing system?

Mr. CANDLER. The gentleman from Illinois very well knows I do not.

Mr. MADDEN. But the gentleman's argument would indicate that he was in favor of controlling——

Mr. CANDLER. I am in favor of taking the power and control of the Government off of private enterprise in this country and restoring normal conditions at the very earliest moment that it is possible to do it, but in an emergency like this here confronting us, when the people of this country are being imposed upon not only in the price paid but in getting possession at all of one of the real everyday necessities which is demanded upon their table, then I think the power of the Congress should be exercised and exercised promptly, in order that the general public may be protected.

Mr. MADDEN. Then the wise thing to have been done by the committee of which the gentleman is a distinguished member would be to bring in a bill here to repeal the war power now held by the President and all the other boards under his jurisdiction——

Mr. CANDLER. Well, all the war powers expire when the treaty of peace is ratified and the President of the United States shall by proclamation proclaim that peace has been established, and the war power will not be entirely taken away or expire until peace is secured by the ratification of a treaty which will terminate the war. May God speed the day when peace universal is realized by all mankind. [Applause.]

Mr. MARTIN. Will the gentleman yield?

Mr. CANDLER. Yes.

Mr. MARTIN. Will the gentleman favor an equalization board for the purpose of holding down the price and distribution of cotton?

Mr. CANDLER. When an emergency exists as it is here it will be time enough to consider that question, but it does not exist now, and it has not existed in the past. The farmers are not getting full value for their cotton now. There is a world shortage of cotton, and a small crop in this country, and, of course, that has advanced the price.

Mr. MARTIN. What does cotton sell for now?

Mr. CANDLER. Not as much as it is really worth, all things considered——

Mr. STEPHENS of Ohio. Will the gentleman yield?

Mr. CANDLER. I will.

Mr. STEPHENS of Ohio. Under the administration of affairs as they exist now, how does it come that we have such a scarcity of sugar and high price of sugar with this board of equalization existing and functioning at the present time? If it is not successful now, would it be if we were to retain it?

Mr. CANDLER. Because they really ceased to function so far as the available crop is concerned. If they had actively continued in operation they would have brought to this country the sugar available at the present time, but because of the failure of the Congress that had the power to act, and because of the fact that the necessary legislation was held up by the Senate of the United States for a long time, and because no final action has been taken up to the present time, we find ourselves in the condition that exists to-day, and another reason was suggested by the gentleman from Louisiana [Mr. MARTIN] in his speech, and that was that the strike of the longshoremen when they refused to unload ships loaded with sugar caused the loaded ships to remain for quite a while in the ports, thus creating the first scarcity of sugar. I have shown by the statement I read awhile ago that there is plenty of sugar available. The question is, Will you pass this bill and thereby make an effort to secure it and get it to the people and provide means to see that they not only get the sugar but get it at a reasonable price?

Mr. STEPHENS of Ohio. May I ask another question? If we had no Sugar Equalization Board during the past year, would not we have had plenty of sugar now at reasonable prices?

Mr. CANDLER. Oh, no. Certainly, the equalization board did not keep any sugar out of this country and did not keep anybody from buying sugar who wanted to buy it. If the people who deal in sugar and refine it for sale wanted to buy sugar and had been willing to do so, they could have gone into the markets and bought it. There was no limitation upon

them and no prohibition upon them which prevented them from buying sugar. The reason the refiners and the people who usually handle the sugar by private enterprise did not buy, I understand, was because this bill was pending in the Senate and being held up, and they were afraid to go into the market in view of that fact and buy for private enterprise. The trouble was caused by delay in passing necessary legislation.

Mr. MADDEN. I would like to ask the gentleman from Mississippi if it is wise to extend the licensing system to the question of sugar why it would not be wise to extend the licensing system to cotton. Is he in favor of putting cotton under the licensing system?

Mr. CANDLER. The gentleman from Louisiana [Mr. MARTIN] just asked that question a moment ago, and the gentleman from Illinois simply repeats it; that is all. I told the gentleman from Louisiana when he asked the question that there was no demand for a licensing system in reference to cotton and no emergency that called for it, and therefore no necessity for it in any part of the country, and I say the same to the gentleman from Illinois. I dare say, however, that there are people in the homes in the district of the gentleman from Illinois [Mr. MADDEN], and people in the homes in the district of every Member of Congress in the United States to-day who are demanding sugar, and demanding it at a reasonable price, and asking that something be done to protect the people of this country in this sugar emergency. Will you come to their rescue by passing this bill? [Applause.] Complaint has been made of inequality in price in different zones. This bill provides—

That the zone system of sale and distribution of sugars heretofore established by the said United States Sugar Equalization Board shall be abolished and shall not be reestablished or maintained, and that sugars shall be permitted to be sold and to circulate freely in every portion of the United States.

That provision in the bill will abolish the zone system and prevent it being reestablished or maintained, and will equalize prices so that sugar shall be permitted to be sold and circulate freely in every portion of the United States. So with the passage of this bill containing that provision that complaint can and will no longer exist. In the interest of the people, to relieve the situation in the homes, and for the benefit of the general public I appeal to you to promptly pass this bill, so that the relief necessary may come, and may come quickly. Let Congress delay no longer. [Applause.]

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. HAUGEN. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan [Mr. FORDNEY].

The SPEAKER. The gentleman from Michigan is recognized for five minutes.

Mr. FORDNEY. Gentlemen, I have but little to say on the subject. It is a matter of very great importance.

Mr. MADDEN. Mr. Speaker, will the gentleman yield for a question?

Mr. FORDNEY. If we can get order, so that I can hear the question of the gentleman.

Mr. MADDEN. I would like to ask the gentleman from Michigan if he is in favor of putting all the business interests of the United States under the licensing system?

Mr. FORDNEY. No; and anybody that knows me ought to know that without asking the question.

Mr. EMERSON. Will the gentleman yield?

Mr. FORDNEY. I have only five minutes.

Mr. EMERSON. I would like to know——

Mr. FORDNEY. I will yield if your question is very brief.

Mr. EMERSON. I will make it brief. There is some talk here about an embargo on exportation of sugar. Is this sugar in this country or is it in Cuba? The gentleman knows, and I would like him to answer that question.

Mr. FORDNEY. Mr. Speaker, it would be unlawful to put an embargo upon sugar this year, because the contract between the Sugar Equalization Board and Great Britain, France, and Italy is that this corporation purchased the sugar for export from Cuba for this year without competition from those other countries, with the understanding and agreement that this corporation would deliver to England, France, and Italy a proportionate amount of this Cuban sugar. To talk about putting an embargo upon the exportation of sugar while that contract lasts is nonsense. It can not be done.

The gentleman from Mississippi has just given the figures of the consumption and production of sugar in this country, which figures are correct. Our people are the greatest sugar-consuming people in the world, with the single exception of the English people. Our consumption reaches about 81 pounds per capita per year, while that of Great Britain is nearly 100 pounds. Before the war England obtained from Germany and Austria-Hungary very largely her supply of sugar, including what she obtained from this country. We produce 25 per cent of our consumption of sugar in this country from beets and cane and we import 25 per cent of our consumption from our insular possessions—Hawaii, Porto Rico, and the Philippines. We look to Cuba and the West Indian Islands and South America for the remainder of our consumption of sugar—about one-half of it. There is a shortage in the world's supply of sugar to-day, as reported. Every time the sugar-refining companies of this country want to boost the price of refined sugar they report a shortage in the world's supply of sugar, and up goes the price. It is said there is a shortage of about 3,000,000 tons out of a total production of 17,000,000 tons in the world. I believe the equalization board did good work this year. They kept the price of sugar down to a reasonable point and below that in foreign countries that did not produce their own sugar.

I believe that the equalization board might do some good this coming year if it would purchase the Cuban crop of sugar to-day and control the price, control the distribution to the refiners of the country, and therefore fix the wholesale price in this country as they did last year.

The licensing feature, if I am correct, existed in the law last year, but by contract between the equalization board and the producers of sugar and the wholesalers that licensing feature was not brought into operation, by contract, I say, and therefore the people of the country have had sugar at a fair price. I am opposed to a licensing feature in the control of any of our great industries in the country, those engaged in the production of food or clothing supplies. I believe it will not be applied if the existing law is extended for another year or if the rights under that law by contract are extended.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. May I ask unanimous consent for two minutes more?

The SPEAKER. All time has expired. The question is on suspending the rules and passing the Senate bill as amended.

The question was taken, and the Speaker announced that in his opinion two-thirds had voted in the affirmative.

Mr. MARTIN. A division, Mr. Speaker.

The SPEAKER. The gentleman from Louisiana asks for a division.

The House divided; and there were—ayes 128, noes 23.

Mr. MARTIN. Mr. Speaker, I make the point of no quorum.

Mr. MONDELL. Will the gentleman withhold that until I can make a unanimous-consent request?

Mr. MARTIN. Yes.

Mr. MONDELL. Mr. Speaker, I renew the request that I made earlier in the day, that the House dispense with business under the Calendar Wednesday rule to-morrow, and that business that was in order on Monday shall be in order to-morrow.

The SPEAKER. The gentleman from Wyoming [Mr. MONDELL], with the consent of the gentleman from Louisiana [Mr. MARTIN], asks unanimous consent that to-morrow Calendar Wednesday be dispensed with, and that the business in order on Monday be taken up instead. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, that means suspension day to-morrow. What is coming up under suspension?

Mr. MONDELL. I do not know what the Speaker has in mind to be recognized, but there are some bills on the Unanimous Consent Calendar that ought to be passed. There are two bills from the Committee on Banking and Currency, and I am hopeful that we may consider them. There are a number of bills on the Unanimous Consent Calendar.

The SPEAKER. The Chair has made no engagement as to unanimous consent, except that he has promised to recognize a gentleman as to one bill from the Committee on Banking and Currency, and one on a bill for a subtreasury at St. Louis.

Mr. MONDELL. One bill is to make gold certificates a legal tender. The other is a Senate bill to provide for the expenses of the farm-loan banks.

The SPEAKER. The one the Chair had in mind was for making gold certificates a legal tender.

Mr. MONDELL. I do not know that the other will come up. It is simply on the calendar.

The SPEAKER. Is there objection?

Mr. MORGAN. I object, Mr. Speaker.

Mr. GARNER. Reserving the right to object, Mr. Speaker, I want to ask the gentleman from Wyoming if he will not modify that request and have it apply only to unanimous consent, and then we shall know certainly what is coming up.

Mr. MORGAN. Mr. Speaker, I withdraw my objection.

Mr. MONDELL. My idea was that we could go through the calendar. There is a gold-certificate bill that ought to be passed.

Mr. GARNER. Does the gentleman know of anybody that is going to object to that bill?

Mr. MONDELL. I do not. No one can tell.

Mr. GARNER. There is a Rules Committee that can obviate that matter, and I do not believe you ought to ask unanimous consent to have suspension day all day to-morrow. That is what it means. It seems to me that it is asking a good deal of the House to ask for the entire day for the suspension of the rules when you do not know what is going to be brought up.

Mr. MONDELL. We did not have suspension of the rules Monday or unanimous consent Monday.

Mr. GARNER. We have had it to-day. We have had two suspensions of the rules. I assume this one is going to pass. I am sorry each of them will have been passed. If the gentleman will make his request apply to unanimous consent, I shall not object. Otherwise I will.

Mr. MANN of Illinois. The Unanimous Consent Calendar probably would not take all day to-morrow.

Mr. GARNER. We then can probably take up any subject that came under the rule. I want to have some assurance on that point. If I can have that assurance, I will agree.

Mr. MONDELL. I had in mind two bills. I do not know that the Speaker will recognize either of the gentlemen having them in charge. One of them is in regard to the public building at St. Louis.

Mr. GARNER. We will get an agreement from the Speaker.

The SPEAKER. The request is what the Chair has stated.

Mr. MONDELL. One bill is in regard to the Federal building at St. Louis and the other is a bill to make gold certificates a legal tender.

Mr. GARNER. With the understanding that the Unanimous Consent Calendar will be called and that there will be no other motions to suspend the rules except the ones which the gentleman from Wyoming has mentioned, I shall not object.

Mr. BLACK. Will the gentleman yield for a question?

Mr. MONDELL. Yes.

Mr. BLACK. Is the Federal-building project at St. Louis a new project?

Mr. MONDELL. Oh, no; that is old.

Mr. GARD. The bill for the Federal building at St. Louis may be considered to-night, I suspect, by unanimous consent.

Mr. MONDELL. There are other matters before the House.

The SPEAKER. If the bill is considered by unanimous consent, of course it will not require suspension.

Mr. JOHNSON of Washington. Will the gentleman add the deportation bill to his agreement?

Mr. GARNER. No; I will not agree to that.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming [Mr. MONDELL]?

Mr. GARD. I object, Mr. Speaker.

The SPEAKER. The gentleman from Ohio objects. Does the gentleman from Louisiana make his point of order?

Mr. MARTIN. Yes.

Mr. DYER. I ask the gentleman to withhold that for one moment. I want to renew the request made by my colleague——

The SPEAKER. That is not in order. There is a motion before the House.

Mr. DYER. It might be done by unanimous consent.

SEVERAL MEMBERS. Regular order!

The SPEAKER. The gentleman from Louisiana makes the point of order that there is no quorum present. The Chair will count.

Mr. DUPRÉ. I suggest to the Chair that on the vote there were 128 one way and 23 the other.

The SPEAKER. It does not follow that everybody present voted. The Chair finds that there is no quorum present. The Doorkeeper will close the doors. The Sergeant at Arms will notify the absent Members. As many as favor suspending the rules and passing the bill will vote yea, those opposed nay, and the Clerk will call the roll.

The question was taken; and there were—yeas 258, nays 34, answered "present" 1, not voting 138, as follows:

YEAS—258.

Almon	Brand	Carew	Dale
Anderson	Briggs	Carss	Dallinger
Andrews, Md.	Brinson	Carter	Darrow
Andrews, Nebr.	Browne	Casey	Davey
Ayres	Browning	Chindblom	Davis, Minn.
Babka	Burdick	Christopherson	Davis, Tenn.
Bacharach	Burroughs	Classon	Dempsey
Bankhead	Butler	Cleary	Dent
Barbour	Byrnes, S. C.	Coady	Dickinson, Mo.
Barkley	Byrns, Tenn.	Cole	Dickinson, Iowa
Begg	Caldwell	Collier	Dominick
Benham	Campbell, Kans.	Cramton	Doughton
Benson	Campbell, Pa.	Crowther	Dowell
Blackmon	Candler	Cullen	Drane
Bland, Va.	Caraway	Currie, Mich.	Dunbar
Dyer	Johnson, Wash.	Mooney	Sinclair
Edmonds	Jones, Pa.	Morgan	Sinnott
Elliott	Juul	Morin	Smith, Idaho
Elston	Keller	Mott	Smith, Ill.
Emerson	Kelly, Pa.	Murphy	Smithwick
Esch	Kendall	Nelson, Mo.	Snell
Evans, Nebr.	Kettner	Newton, Minn.	Steagall
Evans, Nev.	Kincheloe	Newton, Mo.	Stephens, Miss.
Flood	Kinkaid	O'Connell	Stephens, Ohio
Fordney	Knutson	Ogden	Stevenson
Freeman	Kraus	Oldfield	Stiness
French	LaGuardia	Oliver	Stoll
Fuller, Mass.	Lampert	Olney	Strong, Kans.
Gallagher	Langley	Overstreet	Summers, Wash.
Gandy	Lankford	Padgett	Sweet
Ganly	Larsen	Paige	Swope
Gard	Layton	Park	Taylor, Tenn.
Garland	Lea, Calif.	Parker	Temple
Goldfogle	Lee, Ga.	Pell	Thomas
Good	Lehlbach	Phelan	Tillman
Graham, Ill.	Linthicum	Platt	Tilson
Green, Iowa	Little	Porter	Timberlake
Greene, Vt.	Lonergan	Purnell	Tincher
Griest	Longworth	Quin	Tinkham
Griffin	Lufkin	Radcliffe	Treadway
Hadley	McArthur	Rainey, Ala.	Upshaw
Hardy, Colo.	McClintic	Rainey, H. T.	Vaile
Harrison	McCulloch	Rainey, J. W.	Vare
Haskell	McDuffie	Raker	Vestal
Hastings	McGlennon	Ramsey	Vinson
Haugen	McKiniry	Ramseyer	Voigt
Hawley	McKinley	Randall, Wis.	Volstead
Hayden	McLaughlin, Mich.	Reber	Walters
Hays	McLaughlin, Nebr.	Reed, N. Y.	Ward
Heflin	McPherson	Ricketts	Wason
Hernandez	MacCrate	Robsion, Ky.	Watson, Pa.
Hersman	MacGregor	Rodenberg	Weaver
Hickey	Magee	Rogers	Welling
Hill	Maher	Rose	White, Kans.
Hoch	Major	Rouse	Wilson, Pa.
Holland	Mann, S. C.	Rowe	Wingo
Howard	Mapes	Rubey	Winslow
Huddleston	Mays	Rucker	Wood, Ind.
Hull, Iowa	Mead	Sanders, N. Y.	Woods, Va.
Husted	Michener	Saunders, Va.	Wright
Hutchinson	Minahan, N. J.	Scott	Yates
Ireland	Monahan, Wis.	Sells	Young, N. Dak.
Jacoway	Mondell	Sherwood	Zihlman
Johnson, Miss.	Montague	Shreve	
Johnson, S. Dak.	Moon	Siegel	

NAYS—34.

Bee	Focht	Luce	Parrish
Black	Garner	McFadden	Rayburn
Box	Garrett	Madden	Sanford
Brooks, Pa.	Goodykoontz	Mann, Ill.	Smith, Mich.
Clark, Mo.	Gould	Mansfield	Strong, Pa.
Curry, Calif.	Greene, Mass.	Martin	Walsh
Dupré	Hardy, Tex.	Merritt	Watkins
Echols	Lanham	Moores, Ind.	
Fess	Lazaro	O'Connor	

ANSWERED "PRESENT"—1.

Crago

NOT VOTING—138.

Ackerman	Fairfield	King	Sanders, La.
Anthony	Ferris	Kitchin	Schall
Ashbrook	Fields	Kleczka	Scully
Aswell	Fisher	Kreider	Sears
Baer	Foster	Lesher	Sims
Bell	Frear	Luhring	Sisson
Bland, Ind.	Fuller, Ill.	McAndrews	Siemp
Bland, Mo.	Gallivan	McKenzie	Small
Blanton	Glynn	McKeown	Smith, N. Y.
Boies	Godwin, N. C.	McLane	Snyder
Booher	Goodall	Mason	Stedman
Bowers	Goodwin, Ark.	Miller	Steele
Britten	Graham, Pa.	Moore, Ohio	Steenerson
Brooks, Ill.	Hamill	Moore, Pa.	Sullivan
Brumbaugh	Hamilton	Moore, Va.	Sumners, Tex.
Buchanan	Harreld	Mudd	Tague
Burke	Hersey	Neely	Taylor, Ark.
Cannon	Hicks	Nelson, Wis.	Taylor, Colo.
Cantrill	Houghton	Nicholls, S. C.	Thompson
Clark, Fla.	Hudspeth	Nichols, Mich.	Towner
Connally	Hulings	Nolan	Venable
Cooper	Hull, Tenn.	Osborne	Watson, Va.
Copley	Humphreys	Peters	Webster
Costello	Igoe	Pou	Welty
Crisp	James	Randall, Calif.	Whaley
Denison	Jefferis	Reavis	Wheeler
Dewalt	Johnson, Ky.	Reed, W. Va.	White, Me.
Donovan	Johnston, N. Y.	Rhodes	Williams
Dooling	Jones, Tex.	Riddick	Wilson, Ill.
Doremus	Kahn	Riordan	Wilson, La.
Dunn	Kearns	Robinson, N. C.	Wise
Eagan	Kelley, Mich.	Romjue	Woodyard
Eagle	Kennedy, Iowa	Rowan	Young, Tex.
Ellsworth	Kennedy, R. I.	Sabath	
Evans, Mont.	Kiess	Sanders, Ind.	

So, two-thirds having voted in favor thereof, the bill was passed.

The following pairs were announced:

Mr. DENISON with Mr. BRINSON.

Mr. KLECZKA with the Mr. SCULLY.

Mr. MILLER with Mr. WATSON of Virginia.

Mr. FOSTER with Mr. STEELE.

Mr. NOLAN with Mr. MCKEOWN.

Mr. OSBORNE with Mr. GALLIVAN.

Mr. SANDERS of Indiana with Mr. IGOE.
Mr. ACKERMAN with Mr. YOUNG of Texas.
Mr. ANTHONY with Mr. WISE.
Mr. BAER with Mr. WILSON of Pennsylvania.
Mr. BLAND of Indiana with Mr. WILSON of Louisiana.
Mr. BOIES with Mr. WHALEY.
Mr. BOWERS with Mr. WELTY.
Mr. BRITTEN with Mr. VENABLE.
Mr. BROOKS of Illinois with Mr. TAYLOR of Colorado.
Mr. BURKE with Mr. TAYLOR of Arkansas.
Mr. CANNON with Mr. TAGUE.
Mr. COOPER with Mr. SUMNERS of Texas.
Mr. COPLEY with Mr. SULLIVAN.
Mr. COSTELLO with Mr. STEDMAN.
Mr. DUNN with Mr. SMITH of New York.
Mr. ELLSWORTH with Mr. SMALL.
Mr. FAIRFIELD with Mr. SISSON.
Mr. FREAR with Mr. SIMS.
Mr. FULLER of Illinois with Mr. SEARS.
Mr. GLYNN with Mr. SANDERS of Louisiana.
Mr. GOODALL with Mr. SABATH.
Mr. GRAHAM of Pennsylvania with Mr. ROWAN.
Mr. HAMILTON with Mr. ROMJUE.
Mr. HARRELD with Mr. ROBINSON of North Carolina.
Mr. HERSEY with Mr. RIORDAN.
Mr. HICKS with Mr. RANDALL of California.
Mr. HOUGHTON with Mr. POU.
Mr. HULINGS with Mr. NICHOLLS of South Carolina.
Mr. JAMES with Mr. NEELY.
Mr. JEFFERIS with Mr. MOORE of Virginia.
Mr. KAHN with Mr. MCLANE.
Mr. KEARNS with Mr. MCANDREWS.
Mr. KELLY of Michigan with Mr. LESHER.
Mr. KENNEDY of Iowa with Mr. KITCHIN.
Mr. KENNEDY of Rhode Island with Mr. JONES of Texas.
Mr. KIESS with Mr. JOHNSTON of New York.
Mr. KING with Mr. JOHNSON of Kentucky.
Mr. KRIEDER with Mr. HUMPHREYS.
Mr. LUHRING with Mr. HULL of Tennessee.
Mr. MCKENZIE with Mr. HUDSPETH.
Mr. MASON with Mr. HAMILL.
Mr. MOORE of Ohio with Mr. GOODWIN of Arkansas.
Mr. MOORE of Pennsylvania with Mr. GODWIN of North Carolina.
Mr. MUDD with Mr. FISHER.
Mr. NELSON of Wisconsin with Mr. FERRIS.
Mr. NICHOLLS of Michigan with Mr. EVANS of Montana.
Mr. PETERS with Mr. EAGLE.
Mr. REAVIS with Mr. EAGAN.
Mr. REED of West Virginia with Mr. DOREMUS.
Mr. RHODES with Mr. DOOLING.
Mr. RIDDICK with Mr. DONOVAN.
Mr. SCHALL with Mr. DEWALT.
Mr. SLEMP with Mr. CRISP.
Mr. SNYDER with Mr. CONNALLY.
Mr. STEENERSON with Mr. CLARK of Florida.
Mr. THOMPSON with Mr. CANTRILL.
Mr. TOWNER with Mr. BUCHANAN.
Mr. WEBSTER with Mr. BRUMBAUGH.
Mr. WHEELER with Mr. BOOHER.
Mr. WHITE of Maine with Mr. BLANTON.
Mr. WILLIAMS with Mr. BLAND of Missouri.
Mr. WILSON of Illinois with Mr. BELL.
Mr. WOODYARD with Mr. ASWELL.
Mr. CRAGO with Mr. ASHBROOK.

The vote was announced as above recorded.

A quorum being present, the doors were opened.

FEDERAL OFFICE BUILDING AT ST. LOUIS, MO.

Mr. DYER. Mr. Speaker, I ask unanimous consent that the bill H. R. 484, to which objection was made but has been withdrawn, be taken up, providing for the erection of a Federal building at St. Louis.

The SPEAKER. The gentleman from Missouri asks for the immediate consideration of the bill H. R. 484. Is there objection?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. DYER. I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Missouri asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. ROUSE. I object.

Mr. DYER. Mr. Speaker, I move to suspend the rules and pass the bill.

Mr. ROUSE. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Kentucky moves that the House do now adjourn.

The question was taken, and the House refused to adjourn.

Mr. DYER. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 484.

Mr. ROUSE. Mr. Speaker, I make the point that no quorum is present.

The SPEAKER. The Chair will count. [After counting.] One hundred and twenty-one Members present; not a quorum.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p. m.), the House adjourned until to-morrow, Wednesday, December 17, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the secretary of the United States Shipping Board, transmitting third annual report of the United States Shipping Board, covering the period June 30, 1918, to and including June 30, 1919 (H. Doc. No. 435); to the Committee on the Merchant Marine and Fisheries and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Interior submitting a supplemental estimate of appropriation required by the General Land Office for the protection of the so-called Oregon and California railroad lands for the fiscal year 1920 (H. Doc. No. 520); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Acting Secretary of the Navy submitting a deficiency estimate of appropriation, for payment to the Joe Andrews Co., of Los Angeles, Calif., for repair of an automobile damaged while in use by the Navy Department during the influenza epidemic of 1918 (H. Doc. No. 521); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Acting Secretary of War, transmitting a letter from the Acting Chief of Engineers, with map, on a preliminary examination of San Antonio River, Tex., authorized by the river and harbor act approved July 27, 1916 (H. Doc. No. 522); to the Committee on Flood Control and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting draft of a proposed bill entitled "An act fixing the compensation of certain officials in the Customs Service, and for other purposes" (H. Doc. No. 523); to the Committee on Ways and Means and ordered to be printed.

6. A letter from the Secretary of War, transmitting a letter from the Acting Chief of Engineers, United States Army, together with report of Col. G. R. Lukesh, Corps of Engineers, with map, on preliminary examination of the waterway between Charleston Harbor, S. C., and the North Santee River, by way of Wando River, authorized by the river and harbor act approved March 2, 1919 (H. Doc. 524); to the Committee on Rivers and Harbors and ordered to be printed.

7. A letter from the Clerk of the House of Representatives, transmitting report showing the average number of employees, including clerks to Members and Delegates, receiving the increased compensation at the rate of $240 per annum during the first four months of the fiscal year 1920 (H. Doc. 525); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GOOD, from the Committee on Appropriations, to which was referred the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, reported the same without amendment, accompanied by a report (No. 502), which said bill

and report were referred to the Committee of the Whole House on the state of the Union.

Mr. BARKLEY, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10847) granting the consent of Congress to Marion County, State of Mississippi, to construct a bridge across the Pearl River in Marion County, State of Mississippi, reported the same with amendments, accompanied by a report (No. 503), which said bill and report were referred to the House Calendar.

Mr. JOHNSON of Washington, from the Committee on Immigration and Naturalization, to which was referred the bill (H. R. 11224) to amend the act entitled "An act to exclude from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, reported the same without amendment, accompanied by a report (No. 504), which said bill and report were referred to the House Calendar.

Mr. GOOD, from the Committee on Appropriations, to which was referred the joint resolution (H. J. Res. 261) to make immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States, reported the same with an amendment, accompanied by a report (No. 505), which said resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN, from the Committee on Agriculture, to which was referred the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, reported the same with an amendment, accompanied by a report (No. 506), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GOOD: A bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920; to the Committee on Appropriations.

By Mr. JOHNSON of Washington: A bill (H. R. 11224) to amend the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918; to the Committee on Immigration and Naturalization.

By Mr. WEBSTER: A bill (H. R. 11225) making provisions for the irrigation of Indian lands within the limits of the Curlew irrigation district, in the State of Washington; to the Committee on Indian Affairs.

By Mr. McFADDEN: A bill (H. R. 11226) to amend an act approved April 23, 1918, entitled "An act to conserve the gold supply of the United States; to permit the settlement in silver of trade balances adverse to the United States; to provide silver for subsidiary coinage and for commercial use; to assist foreign governments at war with the enemies of the United States; and for the above purposes to stabilize the price and encourage the production of silver"; to amend section 3514 of the Revised Statutes establishing the standards of gold and silver coins, and for other purposes; to the Committee on Banking and Currency.

By Mr. WATSON of Pennsylvania: A bill (H. R. 11227) extending the period during which the prosecutions of certain violations of the selective-service act may be brought; to the Committee on the Judiciary.

By Mr. CLASSON: A bill (H. R. 11228) to authorize the establishment of a Coast Guard station on the coast of Green Bay, at or in the vicinity of Strawberry Passage, in Door County, Wis.; to the Committee on Interstate and Foreign Commerce.

By Mr. TINCHER: A bill (H. R. 11229) to increase the limit of cost of the public building to be erected at Pratt, Pratt County, Kans.; to the Committee on Public Buildings and Grounds.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 11230) to permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: A bill (H. R. 11231) defining criminal syndicalism and sabotage, proscribing certain acts and methods in connection therewith and in pursuance thereof, and providing penalties and punishments therefor; to the Committee on the Judiciary.

By Mr. JOHNSON of Mississippi: A bill (H. R. 11232) for the enlargement, extension, and improvement of the post-office building at Hattiesburg, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. LUFKIN: A bill (H. R. 11233) to amend an act of October 6, 1917, entitled "An act to provide for reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost or destroyed in such service"; to the Committee on Naval Affairs.

By Mr. FESS: A bill (H. R. 11234) to amend an act entitled "An act to regulate and improve the civil service of the United States, approved January 16, 1883"; to the Committee on Reform in the Civil Service.

By Mr. KELLY of Pennsylvania: A bill (H. R. 11235) to provide for aeroplane mail service between Pittsburgh, Pa., and Kansas City, Mo.; to the Committee on the Post Office and Post Roads.

By Mr. BLAND of Indiana: A bill (H. R. 11236) for the erection of a public building at Linton, Ind.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11237) to make additions, extensions, and improvements to the post-office building at Vincennes, Ind., to be used for post-office and mine-rescue purposes; to the Committee on Public Buildings and Grounds.

By Mr. KENDALL: Joint resolution (H. J. Res. 264) declaring November 11 of each year to be a national holiday; to the Committee on the Judiciary.

By Mr. CLARK of Missouri: Resolution (H. Res. 421) to pay six months' salary of George Killeen, deceased, doorkeeper on messenger roll, and $250 for funeral expenses to his daughter, Miss Ella M. Killeen; to the Committee on Accounts.

By Mr. DALLINGER: Memorial from the Legislature of the State of Massachusetts relative to the reported intention of the Navy Department to discontinue certain lines of work at the Boston Navy Yard; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON: A bill (H. R. 11238) granting an increase of pension to Lorin B. Ohlinger; to the Committee on Pensions.

By Mr. ANTHONY: A bill (H. R. 11239) granting an increase of pension to Marguerite Murphy; to the Committee on Pensions.

Also, a bill (H. R. 11240) granting an increase of pension to Anton Schwarz; to the Committee on Pensions.

By Mr. ASHBROOK: A bill (H. R. 11241) granting an increase of pension to L. W. Severns; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 11242) granting a pension to George A. Cooper; to the Committee on Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 11243) granting a pension to Nancy C. Troupe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11244) granting a pension to Enoch K. Shackelford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11245) granting a pension to Albert Shellhorn; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 11246) granting a pension to Elizabeth Burgess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11247) granting an increase of pension to Alexander Kimbrough; to the Committee on Invalid Pensions.

By Mr. HAMILL: A bill (H. R. 11248) for the relief of Lester Cross; to the Committee on Claims.

By Mr. HICKEY: A bill (H. R. 11249) granting a pension to Mary Jane Miller; to the Committee on Invalid Pensions.

By Mr. HOUGHTON: A bill (H. R. 11250) granting a pension to Delos Burke; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11251) granting an increase of pension to Emanuel Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11252) granting an increase of pension to Emmet Ellis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11253) granting an increase of pension to James L. Newbury; to the Committee on Pensions.

Also, a bill (H. R. 11254) granting an increase of pension to Thaddeus B. Tannery; to the Committee on Invalid Pensions.

By Mr. JOHNSON of South Dakota: A bill (H. R. 11255) for the relief of the estate of Joseph F. Mitchell; to the Committee on Claims.

By Mr. LEHLBACH: A bill (H. R. 11256) granting an increase of pension to Isabella W. Williams; to the Committee on Invalid Pensions.

By Mr. McCULLOCH: A bill (H. R. 11257) for the relief of the Liberty loan subscribers of the Mineral City Bank; to the Committee on Claims.

Also, a bill (H. R. 11258) granting an increase of pension to Luther C. Reidabaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11259) granting an increase of pension to Gariet H. Fowler; to the Committee on Pensions.

Also, a bill (H. R. 11260) granting an increase of pension to Harper Brosius; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11261) granting an increase of pension to William A. Ernst; to the Committee on Pensions.

By Mr. MAPES: A bill (H. R. 11262) granting an increase of pension to Joseph Mason; to the Committee on Invalid Pensions.

By Mr. REED of New York: A bill (H. R. 11263) granting an increase of pension to Frederick A. Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11264) granting a pension to Charles Apthorp; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 11265) granting a pension to Sarah R. Van Court; to the Committee on Invalid Pensions.

By Mr. TAGUE: A bill (H. R. 11266) for the relief of the employees of the Mead-Morrison Manufacturing Co., East Boston, Mass.; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11267) granting a pension to Huldah Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11268) granting a pension to Alexander Emory; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11269) granting an increase of pension to Charles Dodson; to the Committee on Pensions.

Also, a bill (H. R. 11270) granting an increase of pension to Flora Moore; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 11271) granting a pension to Adam Perry Kaufman; to the Committee on Invalid Pensions.

By Mr. WARD: A bill (H. R. 11272) for the relief and reimbursement of Cora T. Dering; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

428. By Mr. CAREW: Petition of Poughkeepsie Lodge, No. 275, Benevolent and Protective Order of Elks, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

429. By Mr. CLASSON: Petition of Teddy Budlong, No. 39, of the American Legion, pledging support to the Government in suppressing radical elements; to the Committee on the Judiciary.

430. By Mr. EMERSON: Petition of Warren Lodge, Benevolent and Protective Order of Elks, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

431. By Mr. JOHNSTON of New York: Petition of Bay Ridge Lodge, No. 1277, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Brooklyn, N. Y., opposing Cummins and Esch bills and favoring Sims bill; to the Committee on Interstate and Foreign Commerce.

432. By Mr. McGLENNON: Petition of Washington Camp, No. 196, Patriotic Order Sons of America, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

433. By Mr. MICHENER: Petition of sundry citizens of the second congressional district of Michigan, favoring universal military training; to the Committee on Military Affairs.

434. Also, petition of Wm. C. Stark Post, No. 97, American Legion, favoring legislation to rid country of undesirable aliens; to the Committee on Immigration and Naturalization.

435. Also, petition of the Men's Club of the Congregational Church of Ypsilanti, Mich., favoring use of armed forces to protect eastern Asia Minor; to the Committee on Foreign Affairs.

436. Also, petition of Michigan Daily Newspaper Association, opposing proposed change in zone system of second-class postage; to the Committee on the Post Office and Post Roads.

437. By Mr. O'CONNELL: Petition of Auto Pneumatic Action Co., of New York, favoring Madden bill, for 1-cent postage; to the Committee on the Post Office and Post Roads.

438. By Mr. RAKER: Petition of A. C. Hugg and others, of Corning, Calif., favoring two-year Government control extension bill; to the Committee on Interstate and Foreign Commerce.

439. Also, petition of California Fruit Exchange, Sacramento, Calif., urging appropriation for an experimental vineyard in California for converting wine grapes into commercial uses; to the Committee on Agriculture.

440. Also, petition of California Corrugated Culvert Co., of West Berkeley, Calif., favoring House bill 6044; to the Committee on Irrigation of Arid Lands.

441. Also, petition of California Automobile Trade Association, favoring House bill 10182; to the Committee on Interstate and Foreign Commerce.

442. Also, petition of Alturas Parlor, No. 159, Native Daughters of the Golden West, Alturas, Calif., regarding Japanese immigration; to the Committee on Immigration and Naturalization.

443. By Mr. ROWAN: Petition of the Foreign Trade Club, of San Francisco, concerning legislation for weights and measures; to the Committee on Coinage, Weights, and Measures.

444. Also, petition of St. Paul Association Public and Business Affairs, concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

445. Also, petition of Poughkeepsie Lodge, No. 275, Benevolent and Protective Order of Elks, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

446. Also, petition of M. E. Upplin, of New York, favoring recognition of the Republic of Armenia, and for relief in Alaska; to the Committee on Foreign Affairs.

447. By Mr. STINESS: Petition of Slocum Post, No. 10, Rhode Island Department, Grand Army of the Republic, urging passage of Fuller pension bill, H. R. 9369; to the Committee on Invalid Pensions.

448. By Mr. TILSON: Petition of West End Association, of New Haven, Conn., favoring House bill 10650; to the Committee on the Judiciary.

449. By Mr. VAILE: Petition of the Denver Retail Grocers and Meat Dealers' Association, of Denver, Colo., opposing House bill 9038; to the Committee on Ways and Means.

450. By Mr. WARD: Petition signed by Rev. Robert H. Kelley and other pastors and citizens of Liberty, N. Y., urging that relief be extended to the Jewish people in the Ukraine; to the Committee on Foreign Affairs.

451. By Mr. YATES: Petition of Champaign-Urbana Typographical Union No. 444, Champaign, Ill., urging that Congress take such steps as may immediately end the differences between the operators and miners, the miners' demands may be equitably settled, the mines opened, the miners given a fair and honest wage, the operators a reasonable profit, and the public a square deal; to the Committee on Mines and Mining.

452. Also, petition of A. W. Williams, Quincy, Ill., reciting that the Cummins bill appears to take away from such roads as earned more than a stipulated percentage on their real value a substantial proportion of the excess, and urging that a law of this kind if applied to business generally would be very disastrous; to the Committee on Interstate and Foreign Commerce.

453. Also, petition of Dr. T. J. Dunn and Mrs. Anna Dunn, Dieterich, Ill., reciting that the Cummins bill, if enacted into law, would end all railroad enterprise; to the Committee on Interstate and Foreign Commerce.

SENATE.

WEDNESDAY, *December 17, 1919.*

(Legislative day of Tuesday, December 16, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	McKellar	Simmons
Bankhead	Harris	McLean	Smith, Ga.
Calder	Harrison	McNary	Smith, Md.
Capper	Henderson	Moses	Smith, S. C.
Colt	Hitchcock	Nelson	Smoot
Culberson	Johnson, S. Dak.	New	Sterling
Cummins	Jones, N. Mex.	Newberry	Sutherland
Curtis	Jones, Wash.	Norris	Thomas
Dial	Kellogg	Nugent	Townsend
Edge	Kendrick	Overman	Trammell
Elkins	Keyes	Page	Walsh, Mass.
Fletcher	King	Phipps	Walsh, Mont.
France	Kirby	Poindexter	Warren
Frelinghuysen	Knox	Pomerene	Watson
Gay	La Follette	Ransdell	Wolcott
Gerry	Lenroot	Sheppard	
Gronna	McCormick	Sherman	

Mr. GERRY. I wish to announce the absence on public business of the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Kentucky [Mr. STANLEY].

I wish also to announce that the Senator from Arizona [Mr. ASHURST] and the Senator from Kentucky [Mr. BECKHAM] are detained from the Senate on official business.

Mr. BANKHEAD. My colleague [Mr. UNDERWOOD] is absent from the Senate on official business.

The VICE PRESIDENT. Sixty-six Senators have answered to the roll call. There is a quorum present.

PETITIONS AND MEMORIALS.

Mr. COLT presented petitions of David Lapineau Post, American Legion; of Andrew F. Young Post, No. 3, American Legion; of West Warwick Post, No. 2, American Legion; of Warwick Post, American Legion; of East Providence Post, No. 21, American Legion; of Alphonse Yelle Post, No. 9, American Legion; of North Kingstown Post, American Legion; of Gordon Greene Post, American Legion; of Scituate Post, American Legion; and of Kearney Post, American Legion, all in the State of Rhode Island, praying for the enactment of legislation providing for the suppression of Bolshevism and the deportation of undesirable aliens, which were referred to the Committee on Immigration.

Mr. CAPPER presented memorials of Local Lodge No. 225, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, of Topeka; of Common Laborers' Union, of Arkansas City; and of Local Lodge No. 83, Boilermakers' Union, of Kansas City, all in the State of Kansas, remonstrating against the passage of the so-called Cummins railroad bill, which were ordered to lie on the table.

He also presented a memorial of sundry citizens of Cassoday, Kans., remonstrating against the adoption of compulsory military training, which was referred to the Committee on Military Affairs.

He also presented a petition of O. M. Mitchell Circle, No. 20, Ladies of the Grand Army of the Republic, of Osborne, Kans., praying for the enactment of legislation granting increased pensions to veterans of the Civil War and to their widows, which was referred to the Committee on Pensions.

He also presented a petition of the congregation of the First Christian Church of Lawrence, Kans., praying for the enactment of legislation extending full citizenship to the American Indian, which was referred to the Committee on Indian Affairs.

He also presented a petition of the congregation of the Plymouth Congregational Church, of Lawrence, Kans., praying for the enactment of legislation providing for the control and settlement of industrial disputes, which was referred to the Committee on Education and Labor.

THE RECLAMATION FUND.

Mr. McNARY, from the Committee on Irrigation and Reclamation of Arid Lands, to which was referred the bill (S. 2822) making available additional moneys for the reclamation fund, and for other purposes, reported it with amendments and submitted a report (No. 335) thereon.

EMPLOYMENT COMPENSATION COMMISSION.

Mr. SHERMAN submitted an amendment intended to be proposed by him to the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, which was referred to the Committee on Appropriations and ordered to be printed.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on December 17, 1919, approved and signed the following acts:

S. 1300. An act to authorize the sale of certain lands at or near Minidoka, Idaho, for railroad purposes; and

S. 2497. An act to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct.

WAR INDUSTRIES BOARD.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Military Affairs:

To the Senate and House of Representatives:

I transmit herewith for the information and consideration of the Congress a report from Bernard M. Baruch, chairman of the United States War Industries Board, of the activities of said board during the war.

WOODROW WILSON.

THE WHITE HOUSE, *17 December, 1919.*

NOTE.—Report accompanied similar message to the House of Representatives.

SECOND INDUSTRIAL CONFERENCE.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Appropriations and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith a communication from the Secretary of Labor making an estimate of appropriation of $25,000 for the purpose of defraying the salaries and expenses of the second industrial conference called to meet in Washington December 1, 1919. I heartily approve this estimate and urgently request that the appropriation be made at the earliest possible moment.

WOODROW WILSON.

THE WHITE HOUSE, *17 December, 1919.*

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. POMERENE addressed the Senate. After having spoken for some time,

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Frelinghuysen	Knox	Simmons
Bankhead	Gay	La Follette	Smith, Ga.
Beckham	Gerry	Lenroot	Smith, Md.
Brandegee	Hale	McKellar	Smith, S. C.
Calder	Harding	McNary	Smoot
Capper	Harris	Moses	Stanley
Colt	Harrison	Myers	Sterling
Culberson	Henderson	New	Sutherland
Cummins	Hitchcock	Newberry	Thomas
Curtis	Johnson, S. Dak.	Norris	Townsend
Dial	Jones, N. Mex.	Nugent	Trammell
Dillingham	Jones, Wash.	Overman	Underwood
Edge	Kellogg	Page	Walsh, Mont.
Elkins	Kendrick	Poindexter	Watson
Fernald	Keyes	Pomerene	Williams
Fletcher	King	Ransdell	Wolcott
France	Kirby	Sheppard	

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. A quorum is present.

Mr. POMERENE. Mr. President, the railroad problem has been given the closest attention by the Interstate Commerce Committee of the Senate for at least six years to my certain knowledge. In 1916 a joint committee of the Senate and House, headed by that great Senator from Nevada, Mr. Newlands, who has since gone to his reward, had extensive hearings upon the subject of railroads generally. For the last two years the Interstate Commerce Committee, being keenly alive to the tremendous importance of the railroad problem, has been studying it in all its phases. After the armistice was signed the committee took up the subject with renewed effort, and there have been almost constant hearings since that date. The railway executives were heard, the security holders, the agricultural interests, the railway management, and the representatives of labor.

Complaint has been made during the last two weeks that no opportunity was given for hearings upon this particular bill in the form it is now presented. I think, however, with all due respect, that I am within the bounds of truth when I say that there is no phase of the bill which has not been discussed to a more or less extent by every element of society interested in the subject and all of them had opportunities to be heard. I recognize the fact that there are certain men—and I say it with all due respect—who may, perhaps, have extreme views upon either side of any problem and who never can be satisfied with the attention which is given to any subject by the Congress of the United States; and, in my humble judgment, the Congress of the United States would be derelict in its duty if, after all these hearings, it did not assume the responsibility of acting, and acting now.

Mr. President, in a portion of the discussion which we have heard on the floor of the Senate it has seemed to me that it has been considered from the standpoint of certain classes of society rather than from the standpoint of the public. I

recognize the great interest which capital may have in this problem, the great interest which labor may have in it, but I can not forget the interest which the public has in the subject, and my conviction is that if we attach paramount importance to the public phase of the problem we will the better serve all elements of society.

I have no apology to make for the excesses which have been committed by capital in the years gone by. I know that it has committed practically all the offenses known in the industrial and financial world; but we must not form our judgment of present responsibilities by the conduct of certain interests 20 or 30 years ago. We must, however, take counsel of the experiences of the past, but we must not be guilty of any extremes, either on the one side of this problem or the other.

Senators, again it seems to me that in the discussion of this problem, in part at least, it has been approached as if it were simply a matter that concerned certain Wall Street interests and certain labor interests, without taking into consideration the interests of the great investing and industrial public. In order that I may present the subject with some degree of accuracy I propose to ask the indulgence of the Senate while I call attention to a few figures.

In 1917 the capital stocks of the railroads outstanding amounted to $7,247,809,288; their long-term indebtedness was $9,359,048,456. The Interstate Commerce Commission is my authority for the statement that the property-investment account in that year was $14,822,227,582 in owned mileage; in leased mileage the investment was $2,939,924,545; making a total property investment of $17,762,000,000. I speak in round numbers.

Of course, this is the property investment as it appears upon the books of the railroad companies. I do not know, and no one else knows, what the actual valuation of these properties is at the present day. Suffice it to say that some six or seven years ago the Interstate Commerce Commission, by the authority of Congress, began a valuation of the properties. At the time that legislation was before the Senate I was led to believe that the valuation would be concluded within two or, perhaps, three years at the outside, but Judge Prouty is my authority for the statement that he can not even now, after five or six years of careful study of this problem, give an estimate of the total valuation of the properties which would be satisfactory to himself and that it will take several years more to complete the investigation.

Mr. SMITH of South Carolina. Mr. President, do the figures which the Senator from Ohio gave of $17,000,000,000, in round numbers, include the entire railroad-property investment in the United States?

Mr. POMERENE. My memory is that figure covered only the first-class roads. I think it is accurate as to them.

Mr. SMITH of South Carolina. Yes; that is of the roads which are known as class 1 roads.

Mr. POMERENE. I think so.

Mr. SMITH of South Carolina. The reason I ask the question is that the testimony of Commissioner Clark was that, estimating it from various sources, he found that the total property investment, instead of being $17,000,000,000, was around $19,000,000,000 for the entire railroad properties.

Mr. POMERENE. That may be so, and I thank the Senator from South Carolina for the suggestion.

Mr. OVERMAN. As the Senator from Ohio has been interrupted, I also should like to ask him a question.

Mr. POMERENE. I yield to the Senator.

Mr. OVERMAN. If the Senator from Ohio has the figures, I should like to know how many million dollars have been spent by the Interstate Commerce Commission in the valuation of the roads, and what they have accomplished by the expenditure of those millions of dollars.

Mr. POMERENE. Mr. President, I regret that I do not have those figures in mind at the present time; but the expenditure has been a very substantial sum.

Mr. OVERMAN. I know we have appropriated every year about $3,000,000 for such valuation, and I desire to know if the commission had succeeded in completing the work on any of the trunk lines. I heard the other day that they had completed the valuation of some roads, one of which was a short line in my State. What I desire to know, however, is what they have been doing in reference to the great trunk lines of railroad, if they have done anything at all.

Mr. POMERENE. Mr. President, I have no doubt there has been a great deal of important work done on that subject, but I do not care to go particularly into that feature of it now. I was referring to the valuation of the property rather because some criticism has been made during the debate to the effect that the valuations were now very uncertain, and that for that reason it would be next to impossible to ascertain what the earnings might be on rates which would yield 5½ per cent on the investment.

Mr. CUMMINS. May I interrupt the Senator from Ohio at that point, in order to partially answer the question of the Senator from North Carolina [Mr. OVERMAN]?

Mr. POMERENE. Yes.

Mr. CUMMINS. I think it will be helpful along the very line that the Senator from Ohio is about to pursue.

The bureau of valuation of the Interstate Commerce Commission, of which a former commissioner, Judge Prouty, has been the head, has practically completed the inventories of the physical property of all the railroads in the United States. Many arguments have been made before the bureau of valuation with regard to questions arising during the taking of the inventories and with respect to the appraisements which are being made by those who are employed by the bureau of valuation.

It was quite evident that one of the first things that must be settled after the inventory was practically completed was the basis on which the valuation should be made; that is, the principle which should control or ought to control the Interstate Commerce Commission must first be settled. Many very interesting arguments have been made before the Interstate Commerce Commission by counsel representing the railroads of the country, not merely small roads concerning which decision has been reached but arguments covering the entire field and which will ultimately settle the entire controversy. The Interstate Commerce Commission, after those arguments had been made to it in a very extensive hearing, rendered a decision covering, I should think, 100 printed pages, which would be very interesting to anyone who wants to know what principles the Interstate Commerce Commission have adopted or probably will adopt in the valuation of the railroad properties.

Some of the controversies have found their way into the Supreme Court of the United States; and on Wednesday last, a week ago to-day, as I remember, the case that has reached the Supreme Court was argued and submitted to the court; and very soon it is expected that a decision will be announced which will guide the Interstate Commerce Commission. With those principles settled and with the inventories which have been made practically completed, it is believed that the value of all of the railroad properties can be ascertained within two or three years.

I may say, however, that with all the information now in the hands of the Interstate Commerce Commission it can ascertain in a broad way the value of all the properties of the country for any given purpose.

Mr. POMERENE. Yes, Mr. President, that is true; but much of this information that was gathered some five or six years ago will be of about as much value in determining a proper valuation as is a 20-year-old textbook in a lawyer's library. That, however, is not the reason why I have directed my attention to this problem.

Much capital was made of the fact that we did not have a proper valuation of the railroads now, and, therefore, it would be impossible to determine whether 5½ per cent would be a proper return upon the property of the railroads. My answer to that criticism is that, whether we adopt the pending bill or any other bill, any freight or passenger rate must be made under the Constitution with reference to the value of the property, and that responsibility will attach, as it has heretofore attached, to the Interstate Commerce Commission under the old system as well as under the new.

Mr. OVERMAN. Mr. President, if the Senator will allow me to interrupt him again, when we come to value the railroads it will all be guesswork if it is true, as the Senator says, that the information they now have is like a 20-year-old textbook.

Mr. POMERENE. No; it will not be guesswork. It will be of some value, but it is not going to be an entirely accurate basis.

Mr. OVERMAN. It can not be accurate, and if it is like a 20-year-old textbook it will not be worth very much.

Mr. POMERENE. That was somewhat of an exaggeration. Let me say of a five or six year old textbook, which is perhaps more accurate.

Mr. OVERMAN. The work has cost $11,000,000 so far, and they appear to have gotten nowhere particularly as yet, and I do not know how long it is going to take them.

Mr. POMERENE. But, Mr. President, another feature of this question has been presented; it is treated as if all of the stocks and the bonds of the railroads were the property of Wall Street. I have to confess that I do not know how in a bill of this kind we are to discriminate between stocks and bonds held by the poor washerwoman or by some magnate in Wall Street; but in order that we may be better able to understand the public interest in this subject, I desire to present a few figures that I take from the reports of the Interstate Commerce Commission.

On December 31, 1917, the Interstate Commerce Commission tell us there were 572 class 1 roads and their nonoperating subsidiaries. At that time there were 627,930 stockholders, with aggregate holdings of 97,475,776 shares. The number of shares

held by the 20 largest stockholders in each road, aggregating 8,301 persons, estates, corporations, and partnerships, was 50,873,322 shares, or a little more than one-half. In other words, 46,602,454 shares, or about one-half of the shares, were held by 619,629 men, women, and children and other holders, the average being about 75 shares. Now, it is true that in some of these roads the controlling interests are in the possession of a comparatively few men. That is not true in many of the other roads; and let me illustrate.

I have here a list of 18 roads—and I take my data from this report of the Interstate Commerce Commission—which will indicate to Senators to some degree who are interested in the holdings in many of these companies.

I beg to insert the table showing the number of stockholders and the per cent of the shares held by the 20 largest holders in each of the companies named:

Name of road.	Total number of stockholders.	Per cent of shares held by 20 largest holders.
Pennsylvania R. R.	100,038	8.9
New York Central R. R. Co.	27,062	25.1
Baltimore & Ohio	29,360	17.4
New York, New Haven & Hartford	25,249	15.3
Pennsylvania Co.	17	100.0
Erie	9,571	19.7
Philadelphia & Reading	13	100.0
Lehigh Valley	12,325	18.1
Southern Railway	9,564	38.7
Illinois Central	10,783	41.6
Southern Pacific	37,853	23.0
Atchison, Topeka & Santa Fe	44,561	14.3
Chicago, Milwaukee & St. Paul	20,549	18.5
Chicago & North Western	12,770	20.9
Chicago, Burlington & Quincy	326	99.5
Great Northern	26,716	18.5
Northern Pacific	25,780	19.8
Union Pacific	33,875	17.8

This table shows the Pennsylvania Railroad Co. has 100,038 shareholders. The 20 largest shareholders have 8.9 per cent of the total stock, so that practically 91 per cent is in smaller holdings by the public.

The New York Central Railroad Co. has 27,062 shareholders. Twenty-five and one-tenth per cent only of the stock is held by 20 of the largest shareholders—in other words, one-fourth.

The Baltimore & Ohio Railroad Co. has 29,360 shareholders. Twenty of the largest holders have only 17.4 per cent of the holdings.

On the other hand, in the case of the Pennsylvania Co., which is a holding company, as I understand, the entire capital stock is held by 17 stockholders.

In the case of the Philadelphia & Reading, 13 stockholders have 100 per cent of the holdings.

I shall not take the time of the Senate to give in detail all of these various holdings, but by permission I have incorporated them in my remarks as above.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. POMERENE. Thus far I have spoken only of the stock. Let me now call attention to the bond holdings. I may say that the Interstate Commerce Commission does not have a complete statement of these holdings, but so far as they go I am sure they will shed some light on the subject, and I am going to give their figures as contained in this sheet.

The State banks of the country hold $1,626,298 of these bonds.

The mutual savings banks, $406,272,169.

The stock savings banks, $2,663,188.

The loan and trust companies, $33,753,533.

To obtain an approximation of the railroad bonds owned by the life insurance companies, a compilation has been made of the par value of the railroad bonds shown in the assets of the life insurance companies reporting to the superintendent of insurance of the State of New York, as shown in his report of 1918. The aggregate is $1,681,242,371. The New York Life heads the list, with $337,885,211; the Mutual Life comes next, with $304,498,457; the Equitable with $222,696,748; the Metropolitan with $210,875,682. Thus the savings banks and life insurance companies have over $2,000,000,000 of railroad bonds. A further $2,135,086,517 was held by railroad companies on December 31, 1916. The bonds actually outstanding on December 31, 1916, according to this report, amounted to $11,202,607,096.

There have been some other investigations of this subject; and while again I must add that I do not think the figures are mathematically correct, they will give to the Senate some idea of the widespread holdings. This information comes from the National Association of Owners of Railroad Securities, and it was sent to me, at my request, because I was making some investigation of this subject some time ago; and I want to read just a sentence or two from this letter:

> The most authentic figures we have been able to secure on the subject show that there are between 2,500,000 and 3,000,000 institutional and individual owners of railroad stocks.

As I understand it, they are taking into consideration those who may be financially interested in some institutions which are holders of this stock.

> There are probably some 7,500,000 institutional and individual holders of American railroad bonds.

These figures we can understand when we keep in mind the large holdings of railroad securities by the life insurance companies, the fire insurance companies, and the different savings banks of the country.

Let me go a little further into these details: It is claimed by this association that 1,000,000 individuals own about ten billions of railroad holdings. Life insurance companies having outstanding 46,000,000 policies, held, as I am advised, by about 30,000,000 policyholders, hold $1,515,000,000 of these railroad securities; fire and marine insurance companies and casualty and surety companies hold $649,000,000, while $350,000,000 of these same securities are owned by benevolent associations, charitable institutions, colleges, and schools. Trust companies and State and National banks own $685,000,000.

Now, Senators, it will occur to you that if any legislation relating to the subject of railroads is too drastic it is going to depreciate the value of these railroad securities which are held by the life insurance companies and the other savings institutions of the country as security for their policies, their stocks, and so forth; and the very minute we do anything to depreciate unduly the value of the railroad bonds or the stocks we are depreciating the value of the policies belonging to the railroad men or the other toilers of the country as security for their loved ones.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

Mr. POMERENE. I yield to the Senator.

Mr. FRELINGHUYSEN. Only recently officials of a large life insurance company in my State, one of the largest, I believe, writing industrial life insurance, came to Washington anxious that this railroad legislation should be passed in order to preserve the stability of their investments, which had depreciated some 20 per cent—investments consisting of underlying first-mortgage railroad bonds amounting to $185,000,000 protecting the reserves they were carrying against the indemnity for millions of industrial workers. Their interest was to preserve the solvency of their policies protecting those industrial workers.

Mr. POMERENE. I thank the Senator. Now, let me go a step further.

During the test period recognized under the railroad-control act, the average earnings based upon the book valuations of the railroads for those three years, one of which was a bad year and the other two prosperous years, were about 5.24 per cent.

Your committee saw fit to increase this rate, as a guide for the Interstate Commerce Commission in making rates, to 5½ per cent. In the hearings before the Interstate Commerce Committee, Mr. Thom, who had studied this problem, gave some figures. It is true he represents the railroad companies, and to a certain extent he has the railroad viewpoint; but I think every Senator who has heard him will give him credit for at least trying to be entirely fair in the presentation of his figures. He said that in no year from 1910 to 1916 did the roads earn as much as 5.36 per cent on the book investment, and he called attention to the eastern rate case, in which the Interstate Commerce Commission said that 5.36 per cent was not adequate, in the public interest. The average of the earnings of the roads for the years 1910 to 1916 on the book investment was 4.94 per cent. Of course, we must take into consideration the fact that the book investment is in many instances above the actual valuation of the railroad properties, and, on the other hand, in some instances below the actual valuation. We can not get at this with entire mathematical accuracy.

While I am discussing the financial side of this problem, remember that when it comes to the refunding of the indebtedness of the railroads to the Government because of the advances made during Government operation, we provide that they shall take care of them by issuing mortgage securities, where that can be done, and as to a certain portion of the indebtedness which I, for want of a better term, will call floating indebtedness, we say to the railroads, "You shall pay to the Government 6 per cent interest." Is that an excessive rate under present financial conditions? And if this rate charged by the Government is not excessive, can we say that 5½ per cent return on the value of the railroad properties is too much?

More than that, it must be borne in mind that whether we are railroad employees, investors, or engaged in industrial, financial, commercial, or agricultural life we are all interested in maintaining, if we can, the stability of the railroad securities. About one-twelfth of the entire capital of the country is invested in our transportation system.

Let us remember, too, when we look at this from the standpoint of the 627,930 stockholders of the country, and from the standpoint of the bondholders themselves, that the purchasing power of the interest on the bonds or of the dividends on the stocks has been very much depreciated, just as the purchasing power of money which is earned by anyone else, whether it be as a wage or as a salary, has been.

It is said by those who have made a deep study of the railway problem that if the transportation system is to keep apace with the growth of the country there ought to be added probably $1,000,000,000 per year for several years by way of extensions and improvements. Let us cut it in two and say $500,000,000, and I am sure that is a very conservative estimate; and that must be continued for some years to come. If you unduly cut down the earnings of the company, how are you going to increase the wage of the employee? How are you going to encourage the financiers of the country, or those who may have small savings, to take these securities in order to develop the transportation system of the country as it ought to be developed?

Then bear in mind this fact, too, that at the present time railroad stocks and railroad securities are at a lower ebb than they have been for years, whereas industrial stocks are higher perhaps than they have been at any time for years. It is little encouragement to anyone to make an investment in railroad securities of any kind. Rather, at the present moment, if a man had savings to invest he would take any other kind of securities before he would take the railroad securities of the country.

Now, Mr. President, let me go a little further into this problem, to show the increase in expenditures, and I am going to submit a very few figures bearing upon that subject. I am not criticizing them as I submit them. I am addressing myself now, rather, to the expense of the operation of these roads.

The total number of employees in December, 1917, was 1,703,748. In the month of January, 1919, the total number of employees was 1,848,774, or an increase of 145,026.

The days worked in December, 1917, were 5,819,461. The days worked in January, 1919, were 6,156,896, or 237,435 more in January, 1919, than in December, 1917.

The hours worked in January, 1919, were 391,449,564. In December, 1917, they were 387,696,988, making an excess in January, 1919, over December, 1917, of 4,747,576.

The compensation paid to the employees in January, 1919, was $230,800,589; in December, 1917, it was $153,039,988, or an excess of compensation in January, 1919, over December, 1917, of $77,760,601.

The average wage per day in January, 1919, was $4.83. In December, 1917, it was $3.52, an increase per day of $1.31 between the two months.

The per hour pay in January, 1919, was $0.514; in December, 1917, it was $0.342.

Mr. President, I am not complaining about these increases in wages.

Mr. OVERMAN. Mr. President——

Mr. POMERENE. Pardon me for a moment. I think, as a rule, they were justified. I do not want them to be reduced unduly, certainly not so long as the present high cost of living continues. But I am giving these figures to show one element of the increase in the cost of the operation of these railroads as bearing upon the necessity of the Congress to deal fairly with the railroads when it comes to the matter of fixing their income, whether in gross or net. I yield to the Senator.

Mr. OVERMAN. The Senator may follow it up, and I dislike to interrupt him right now, but I would like to know the difference between the receipts of the railroads in those years.

Mr. POMERENE. Mr. President, I intended a little later on to give some figures, but I might just as well do it now. I am not giving the gross figures; I am giving the net earnings. The other day the senior Senator from Wisconsin [Mr. LA FOLLETTE]—and I quote these figures from the RECORD, page 513—said that under Government operation and control the net profit for the month of August, 1919, was $12,000,000; that for the month of September it was $19,000,000, and that for the month of October it was $11,000,000.

I do not know the source of those figures. I do know that there are different methods of calculation and that different men studying a problem and approaching it from a different standpoint may come to different conclusions.

Mr. OVERMAN. I have seen a printed circular issued by Mr. Hines showing those figures, and I went there myself to ascertain it.

Mr. POMERENE. I think I understand his figures. On yesterday I sent a letter to the secretary of the Interstate Commerce Commission, and I am going to read two or three paragraphs from it so that Senators may be fully advised as to the information for which I called. I asked him for—

A statement showing what the standard return and rental guaranteed to the railroads under the railroad-control act is, by months, for the year 1919.

Also a statement showing the net surplus or deficit for each month of the year 1919, so far as it can be furnished, after the payment of all operating expenses, taxes, etc.

In other words, I would like to have figures showing what the net loss or gain for each of said months to the Government is after paying all operating expenses, taxes, etc., including the payment of the said standard return.

The secretary of the Interstate Commerce Commission late yesterday sent me a reply, and I think I shall read it, because it explains the figures which I shall submit later on. It reads:

As requested in your letter of this date, I give you herewith the net railway operating income of class 1 roads for each month of 1919, in comparison with the guaranteed amount. The guaranty, of course, is an annual one, but the total amount has been distributed by months, in accordance with the monthly fluctuations in net earnings during the test period. This statement is for the large roads regularly included in our monthly reports of revenues and expenses. It will not agree precisely with the published statements issued by the director general, because of a somewhat different mileage covered by our statements, but the discrepancies are not of importance.

Now, follow the figures. If Senators will permit me, I will just give the round figures, because they will be able to follow them more closely, and I shall furnish the exact figures to the reporter later. In January, 1919, the net railway operating income was $18,700,000. Bear in mind that this sum is subject to the payment of interest and dividends. During the same month the standard return guaranteed by the Government under the railroad-control act was $55,400,000. a deficit for that month of January of $36,600,000.

In February the net railway operating income was $10,100,000, the standard return guaranteed was $46,400,000, and the deficit $36,300,000.

In March the net railway operating income was $10,800,000. The standard return guaranteed for that month was $67,800,000, a deficit of $57,000,000.

Mr. HITCHCOCK. Will the Senator explain why the deficit was so much larger and why the requirement was so much greater for that month than for other months?

Mr. POMERENE. During the winter months the business of the companies is always less than it is in the late summer and autumn.

Mr. OVERMAN. Does the Senator know why the standard return is so large one month and not so large another month? It seems to me rather strange that in one month it was $56,000,000, whereas the month before it was only $36,000,000.

Mr. POMERENE. That may all be.

Mr. OVERMAN. Why the difference in the standard return of $20,000,000?

Mr. POMERENE. The Interstate Commerce Commission exacts monthly statements from all the railroads of the country and they are to be filed within 26 days after the month has expired. They take the net earnings, as I understand it, from each of the railroads during each of the three years of the test period and then average them and that makes the rule whereby to give the standard of compensation.

In April the net operating railway income was $26,100,000, the standard return guaranteed was $67,100,000, and the deficit $41,000,000.

In May the net railway operating income was $39,400,000, the standard return guaranteed $77,700,000, and the deficit $38,300,000.

Mr. OVERMAN. It seems to me very strange, and I think perhaps it may occur to other Senators, that there is a difference in the standard return for different months. It looks to me as though the standard return ought to average about the same every month.

Mr. POMERENE. No; not at all.

Mr. OVERMAN. I can not understand it.

Mr. POMERENE. If the Senator please, it is just as simple and just as easy to understand the figures and the variation in them as it is to understand why a banker one month will make more money than he will the next, or why a merchant will make more money in one month than he will the next.

Let me go to June——

Mr. HITCHCOCK. Before the Senator proceeds, permit me to observe that the Government has guaranteed a certain income for the year, but instead of dividing the year into 12 equal parts, it is here proposed to divide the year into the average profit for the particular month.

Mr. POMERENE. Not the average profit.

Mr. HITCHCOCK. The profit for the particular month.

Mr. POMERENE. The Senator, I think, was not in the Chamber when I began my discussion of the matter. These are figures furnished to me by the Interstate Commerce Commission. They get monthly reports. The test period was for 1915, 1916, and 1917. As they take the reports for January, let us say, for each of those years they average them and this average makes up the compensation which the Government is to pay the railroads for the month of January during the period of Government control.

Let me take the month of June. The net railway operating income for the month of June was $52,200,000, the standard return guaranteed $83,400,000, the deficit $31,200,000.

In July the net railway operating income was $77,100,000, the standard return guaranteed $75,600,000, so that for the first time in any month of the year we have a surplus of $1,500,000.

In August the net operating income was $92,000,000, the standard return guaranteed $87,600,000, and again there is a surplus of $4,700,000.

In September the net railway operating income was $77,700,000, the standard return guaranteed $92,100,000, and again there is a deficit of $14,300,000.

In October the net railway operating income was $76,300,000, the standard return guaranteed $95,100,000, and again there is a deficit of $18,800,000.

So that during the 10 months the total net railway operating income was, in round numbers, $481,000,000, the standard return guaranteed for those months $748,000,000, and the deficit for the 10 months is $267,000,000.

The tabulated statement referred to and which was furnished by Hon. George B. McGinty, secretary of the Interstate Commerce Commission, is as follows:

Net railway operating income of large roads in the United States, by months in calendar year 1919, in comparison with the standard return under the Federal control act.

Month.	Net railway operating income, 1919.	Standard return guaranteed.	Surplus or deficit.
January	$18,783,702	$55,442,674	[2]$36,658,972
February	10,106,268	46,493,912	[2]36,387,644
March	10,842,608	67,738,212	[2]56,895,604
April	26,115,214	67,102,681	[2]40,987,467
May	39,462,367	77,729,962	[2]38,267,595
June	52,270,702	83,444,790	[2]31,174,088
July	77,176,933	75,650,613	[3]1,526,320
August	92,396,635	87,681,468	[3]4,715,163
September	77,763,023	92,122,874	[2]14,359,851
October	76,397,213	95,123,649	[2]18,726,436
Ten months ending with October	[1]481,082,531	748,530,835	[2]1267,448,304

[1] Includes some corrections made in monthly returns as published.
[2] Deficit.
[3] Surplus.

Now, let us analyze these figures a little further. The computations which I now give were made by the clerks in my office. They are simple and correct.

Senators will remember from the figures I have given that in 8 of the 10 months there was a deficit. The total deficit for the eight months was $273,457,657. There were two months in which there was a surplus—July and August—amounting for the two months to $6,241,488. The average deficit for the eight months was $34,182,207.12, and the average surplus for the two months was $3,120,744. The net deficit for the 10 months was $267,216,169. The net deficit for each of the 10 months was $26,721,616.90. The total standard return guaranteed for the 10 months was $748,530,835, and the total standard return for 1 month on the average is $74,853,083.50.

I can understand if anyone takes the average compensation to be paid for each of the 12 months he can arrive at a different conclusion, but it seems to me if a Senator desires an accurate statement, so far as he can get it from the figures, and if he is taking the net surplus or deficit for each particular month during the current year, then those figures ought to be compared with the net earnings for each of the same months during the test period.

When it comes to a realization of the facts as they were disclosed before the Interstate Commerce Committee, we see that during the two years of Government control, according to the best judgment of the best-informed men who appeared before us, the loss to the Government during those two years is not going to be less than $650,000,000; it may reach $700,000,000, and it may be more, because, as will readily occur to Senators, we have not yet determined the question as to whether the railroad beds or the rolling stock are in as good condition now as they were before the Government assumed control. Many of those claims are unliquidated, and it is going to take time to determine what the net loss is going to be.

But when it is borne in mind that during the 10 months for which we have returns 8 of them had deficits at the end of the month and only 2 of them had meager surpluses, it seems to me there is not very much encouragement for those who plead for a further continuance of Government control.

Mr. SMITH of South Carolina. Mr. President, I desire to say right in that connection—the Senator may come to it later on—that the deficits to which he has called attention under Government operation of railroads are also in conjunction with an increase in both freight and passenger rates as compared with the rates obtaining under private control during the three test years.

Mr. POMERENE. I did not catch the Senator's statement.

Mr. SMITH of South Carolina. I say the deficit to which the Senator has referred is immediately in the face of an increase of 25 per cent in freight and passenger rates.

Mr. POMERENE. Yes. Since the Senator from South Carolina has made that suggestion—and I am obliged to him for doing so—if Senators are interested in the subject, I want to commend to their attention the testimony before our committee of Mr. Clifford Thorne. While I have seen much of Mr. Thorne, and many of his conclusions I can not accept, at the same time I think Senators who have heard him will agree with me that he is a genius when it comes to the furnishing of figures and the analyzing of data that he may have before him.

Mr. SMITH of South Carolina. Mr. President——

Mr. POMERENE. Pardon me just a moment. As the Senator from South Carolina has referred to the 25 per cent increase in the freight and passenger traffic rates, as Mr. Clifford Thorne pointed out, in many instances the rates were increased very much in excess of 25 per cent. That came about by reason of the fact that the committee of rate experts with which the Director General of Railroads had surrounded himself changed the classification of the freight so that in the Middle West the increase in the rates for the shipment of coarse grains was not 25 per cent but it was from 50 to 60 per cent.

Mr. SMITH of South Carolina. I further desire in that connection to call attention to the fact that the minimum carload rate was also an increase in many instances as high as 600 per cent.

Mr. POMERENE. I think the Senator from South Carolina is correct.

Mr. Thorne further called our attention to the fact that in the case of many shipments from New Orleans to the other sections of the country the increase in freight rates was from 100 to 240 per cent, and the distinguished Senator from Alabama [Mr. UNDERWOOD] is the authority for the statement which appears in the hearings of the committee to the effect that in Alabama and in contiguous territory many of the freight rates were increased by from 400 to 500 per cent.

Mr. KNOX. Was that due to a change of classification of freight?

Mr. POMERENE. It was by reason of the change of classification, as I understand.

I had expected to say something with regard to the Government railroad management, but I think I will pass on. It is a very interesting subject, perhaps, as a matter of history, but I think we are more interested, probably, in the pending bill.

Now I want to call the attention of the Senate to some specific provisions of the bill, and I am going to read from a memorandum I have prepared. It is not entirely complete, but it will call the attention of the Senate to some of the fundamental principles involved in the scheme which has been adopted by the committee.

First. Sections 4 and 6 of the bill provide for the division of the country into districts and of carriers into rate-making groups.

Second. Rates for transportation under this bill shall at all times be just and reasonable and sufficient to produce a reasonable return upon the aggregate value of the property in each rate-making group.

Third. And I want to call particular attention to this paragraph, because it has a bearing upon the constitutional question which has been raised. It being impracticable to establish a level of uniform rates and charges within competitive areas which will sustain sundry carriers indispensable to communities served by them without enabling more favorably situated carriers to receive revenue from such rates negligible as to each service, but in the aggregate substantially and unreasonably in excess of the aggregate over a fair return upon their property, unless regulated in the interest of the commerce of the United States as a whole, it is hereby provided that, subject to the exceptions and conditions of this act, no carrier subject to the provisions of this act shall be authorized to receive and retain for the transportation services rendered such proportion of the rates and charges collected by it as may

yield in the aggregate more than a reasonable return upon its property investment.

Fourth. The railway carriers as a whole allocated to each district shall earn an aggregate annual net railway operating income equal, as nearly as may be, to 5½ per cent upon the aggregate value.

Of course, I know that Senators have all given attention enough to this subject in order to realize that the rates on the several carrier lines must be the same. If lower rates are fixed for a prosperous road because it does not need the net earnings which it might get by a given rate than are fixed on a less prosperous line, the result will be that all competitive business will go from the less prosperous line to the more prosperous line. So the rates must be the same in the several districts which are to be defined.

Fifth. Reasonable latitude is given to the commission in order to adjust any particular rate, fare, or charge which may be found unreasonably high or unreasonably low.

Sixth. The commission, in its discretion, may add to the above one-half of 1 per cent upon the aggregate value of such property to make provision, in whole or in part, as the case may be, for what are commonly known as nonproductive improvements, betterments, or equipments, but this amount shall not be capitalized or used in any way as a basis for increased rates, fares, or charges by those carriers whose net operating income for the year exceeds 5½ per cent upon the value of their respective properties.

Seventh. For rate-making purposes, the commission shall from time to time determine the value of the property in each district and rate-making group, and lower or advance the rates, fares, or charges as the facts may justify.

Eighth. If any carrier shall receive a net railway operating income in any one year of more than 6 per cent—bear in mind that this relates to the individual carriers—from the 5½ per cent rate rule which is prescribed by the Interstate Commerce Commission, after allowance by the commission for nonproductive improvements, one-half of such excess between 6 and 7 per cent shall go to a reserve fund established by such carrier and the remaining one-half of such excess shall be paid to the transportation board for the purpose of establishing and maintaining a general railroad contingent fund.

Ninth. Out of any excess above 7 per cent, one-fourth shall be placed in the reserve fund of the carrier and the remaining three-fourths shall be paid over to the board for the general railroad contingent fund.

Tenth. The carrier may draw upon its reserve fund whenever and to the extent that its net annual operating income shall fall below 6 per cent of the value of its property.

Eleventh. When this reserve fund exceeds 6 per cent of the value of its property, two-thirds of such excess shall be turned over to the transportation board as a part of the general contingent fund and the remaining one-third shall be retained by the carrier for such lawful use or disposition as may be determined.

Twelfth. The general railroad contingent fund and the accretions thereof must be invested or expended by the board in furtherance of the public interest in railway transportation by the carriers in avoiding congestions, interruptions, or hindrances to the railway service of the United States, or in furthering the public service rendered by them, either by purchase, lease, or rental of transportation equipment and facilities to be used by such carriers wherever the public interest may require, or by way of lease of such carriers upon such fair and reasonable terms and conditions as the board may prescribe.

Thirteenth. In the year 1925, and every fifth year thereafter, the commission shall determine, under then existing conditions, what constitutes a fair return upon the value of the railway property, and it may increase or decrease the 5½ per cent hereinbefore prescribed, or the basis of the determination of the excess income.

I recognize there may be an honest difference of opinion as to just what limit should be placed upon the rule of rate making to be followed by the Interstate Commerce Commission; I realize how there can be an honest difference of opinion as to what disposition shall be made of the so-called excess earnings. I recognize, however, at the same time that we are all interested in reasonable rates, and that these being public-service corporations necessarily their net earnings must be limited. I realize also at the same time that we must be so reasonably liberal with all the railroads that the less prosperous of them shall continue to function for the good of their respective communities.

Mr. JONES of New Mexico. Mr. President——

Mr. POMERENE. I yield.

Mr. JONES of New Mexico. Just at that point I should like to ask the Senator from Ohio a question for information. The Senator is a member of the committee which framed the bill and which had it under consideration for a considerable length of time, aggregating several months. The bill has come into the Senate, and a good many of us are now giving consideration to the bill for the first time, because it is the only opportunity we have had so to do. I should like to know how the plan which is proposed here would benefit the less prosperous roads.

Mr. POMERENE. The question is a very proper one.

If we were to fix a rate which would yield a sufficient return to, let us say, the most prosperous road or the average road, the public might say, "It is sufficient for that road"; but if we had in mind only the average road the rate would not be sufficient to sustain the less prosperous roads; so that in any scheme that we may adopt, whether it is the one provided for in this bill or any other, we must have in mind the less prosperous roads.

Let us assume there are six roads in a given district. Two of them are not at all prosperous, two of them are average roads, two of them are very prosperous roads. But, now, if we make the rate so as to yield a sufficient return on the very prosperous roads or the average roads it will not be sufficient to sustain the less prosperous roads. We therefore provide that the Interstate Commerce Commission and the transportation board shall take the valuation of all of these roads and make a rate which will give a return of 5½ per cent on the total valuation of all of the roads. Now, it will occur to Senators that when we bring in the valuation of these less prosperous roads, and they figure in the making of the rate, it will increase the rate for the entire district over and above what it would be if the rate were made for the other two classes, so that they will get the benefit of that increased rate in the general scheme.

Mr. JONES of New Mexico. Just at that point it occurred to me that the effect of that plan might be very slight indeed, so far as the less prosperous road is concerned, but would add to the net earnings or business of the more prosperous road, because in many cases the cause for one road being less prosperous may be the lack of quantity of commodities to move and the increase of rate would not increase the commodities, so far as that road is concerned; but by increasing the rate over the whole district you would be adding to the earnings of the more prosperous roads in a very material way.

Mr. POMERENE. There is a good deal of force in what the Senator says, but I do not know how you are going to fix it except to provide for the same rate in a given district. I think the more the Senator studies that problem the more he will find that this will yield some advantage to the less prosperous roads, and that so far as the more prosperous are concerned we take from them their excess earnings. If we were to prescribe a rate which would keep the prosperous roads within certain ironclad limits, of course we could do away with the excess earnings; but if we did that, what would become of the less prosperous roads? This is a matter that has not only given the Senator from New Mexico a great deal of concern but it has given a vast deal of concern to every member of the committee.

Mr. KNOX. Mr. President, may I not ask if this is not about the most simple form of statement: In order to meet the constitutional question that was raised, and which superficially gives anybody pause, you are going on the theory that the Government has the power, under the interstate-commerce clause of the Constitution, to deal with this transportation question as a whole, and that you are purposely allowing the prosperous roads to collect a greater rate than they otherwise would if they were standing upon their own individual footing, in order that the surplus they make may take care of the less prosperous roads.

Is not that about the simplest form of statement?

Mr. POMERENE. I would not express it quite in that way.

Mr. KNOX. No; I would not if I were standing in the Senator's place as a member of the committee, explaining this bill; but I am just telling the Senator how it strikes my mind, that that is substantially the situation.

Mr. POMERENE. If the Senator would qualify his statement by saying that we fix the rate in such a way as to give advantage to the less prosperous roads, then I agree with him; but we do not have in mind the surplus for the purpose of giving direct benefit to the less prosperous roads. We do benefit them, however, under the scheme of the bill, by saying that a certain portion of this excess—the larger part of it, in fact, one-half of the first 1 per cent above 6, and three-quarters of the balance—shall go into a railroad contingent fund out of which the Government can make loans to the less prosperous roads or to purchase equipment to be leased or loaned to any road that may require it.

Mr. KNOX. It does not seem to me to make any difference which way you state it. The fact nevertheless is—and the

very fact that you provide for this contingent fund for the purpose of taking care of the less prosperous roads indicates—that the more prosperous roads are going to collect more money than they are entitled to hold.

Mr. POMERENE. Yes; that is what they are doing now; and I am obliged to the Senator, because he has illumined the subject.

Mr. CUMMINS. Mr. President, will the Senator from Ohio yield to me for a moment?

Mr. POMERENE. Yes; I yield to the Senator.

Mr. CUMMINS. So far as one member of the committee is concerned, I am willing absolutely to accept the statement made by the Senator from Pennsylvania. That is just what we are trying to do.

Mr. POMERENE. If the Senator will pardon me there, my only exception to the statement made by the Senator from Pennsylvania was that this surplus was not for the direct benefit of these less prosperous roads.

Mr. KNOX. I think we are substantially in accord.

Mr. POMERENE. Yes, indeed, we are.

Mr. CUMMINS. That is true. I meant to agree with the Senator from Ohio just as fully as I did with the Senator from Pennsylvania; but for the benefit of those who may not know the origin of this idea I want to say just a word, if it will not interfere with the Senator from Ohio.

Mr. POMERENE. I yield to the Senator.

Mr. CUMMINS. A few years ago the Interstate Commerce Commission had before it what is known as, first, the 5 per cent rate advance case and afterwards the 15 per cent rate advance case. A hearing extending over months and months was conducted, and the Interstate Commerce Commission went into the question with the greatest fullness and care. The hearing to which I now refer related to the railroads in the eastern district.

What was the result? It found that one railroad was earning all that it ought to earn and more. It found that another railroad was earning less than it ought to earn and could not maintain itself upon rates which necessarily were uniform, had to be uniform; I mean competitive rates, upon which a large part of the traffic is always carried. Now, in that dilemma, what did the Interstate Commerce Commission do? It selected what it was pleased to call—and I am not criticizing its terminology—typical railroads, and it averaged those railroads, ascertained the average of their earnings, and, of course, their necessities, and it attempted to put upon the eastern district a body of rates that would not do quite justice to the weaker roads, that did a little more than justice to the stronger roads, but, on the whole, constituted a fair average of the situation.

In a formal but in a much more effective way that is precisely what we are trying to do in this bill. We are trying to make the best arrangement possible to sustain all the roads without giving any undue or excessive earnings to any of the roads.

Mr. POMERENE. And if I may add a word at that point, I want to say to those Senators who are opposing this bill because it provides for an excess earning, that if they are going to continue with the law as it now is, there will be in that respect more of complaint against the present law than there is against the pending measure. It must be borne in mind that if that man is born who can write a bill which is going to give even and exact justice to everybody, I have not come in contact with him.

Mr. THOMAS. He is not in public life.

Mr. POMERENE. Well, I do not think he is.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER (Mr. WATSON in the chair). Does the Senator from Ohio yield to the Senator from New Mexico?

Mr. POMERENE. I yield to the Senator.

Mr. JONES of New Mexico. Just a further word on the subject we were discussing a moment ago, to get a little more concrete information: The road which is not prosperous is getting less return, of course, on the actual value of its property than the prosperous road; and when you go to increase a rate based upon the valuation of all the roads in the system, then the value of the nonprosperous roads becomes an added asset to the district and becomes a factor in the fixing of rates for the entire district; and, by reason of the favored location or other conditions surrounding the prosperous railroad, does not the value of the nonprosperous road add to these assets in such a way that that value will become a factor in increasing the rate of the district, to the advantage of the prosperous road, while it will not add materially to the actual income of the nonprosperous road?

Mr. POMERENE. No; I should say not. If you add to the value of any of these roads, of course it increases the total valuation, and you would still have the same 5½ per cent on the total valuation which they would be permitted to earn.

But now I want to call the Senate's attention to another feature. Senators will remember that the commerce act provides that rates of traffic shall be just and reasonable. That is the only provision in the present law affecting rates, as I recall it. Of course, there is a contention on the part of some that this rate has relation only to the cargo which is to be transmitted and it does not relate, directly or indirectly, to the return which the company is entitled to have. I do not agree with that construction. It seems to me that when you fix a rate, any tribunal must bear in mind that the railroad company itself is entitled to a reasonable return on the business or on its capital invested.

But the whole proposition was left so indefinite in the old law that your committee thought that we should lay down a certain formula which should be borne in mind in fixing these rates. So we have provided that the Interstate Commerce Commission, in changing or modifying rates, fares, charges, and classifications, is required to take into consideration, (a) the interest of the public; (b) the shippers; (c) the wages of labor; (d) the interest, maintenance, and operation, including taxes; and (e) the requirements for additional capital in order to enable the carriers to adequately perform their duties to the public, and the conditions under which the same shall be secured. I do not think anybody can raise any fair objection to those provisions.

In any enterprise the individual, or firm, or corporation, if it is going to do business, not only must buy labor and buy material but it is compelled to buy money, and when you bear in mind that at the present time there are bonds outstanding of $10,000,000,000 or $11,000,000,000, which are maturing at the annual rate of probably $140,000,000 or $150,000,000, and these bonds must be refunded, the old ones retired, many of which were issued at a low rate of interest, when the prevailing rates of money had advanced, why should we not take that fact into consideration? If you do not, how are you going to finance the railroads?

The man or the woman who invests money in railroad securities is entitled to a reasonable return. I have no defense to make of those people who in the past have wrecked roads or issued watered stock and bonds. I know of no words in the English language which are too strong to be used in condemnation of that practice. But that is past history. We are confronted by the now, the present, the future; and what are you going to do? If you are going to pare down the earning capacity of these roads so that the more prosperous of them can perhaps make only a modest return, what is going to happen to the others? We can not judge of one road or of one locality by another. The problem is nation-wide, and it must be dealt with from the standpoint of the Nation.

Mr. JONES of New Mexico. Mr. President——

Mr. POMERENE. Just a moment. Further, we sold a lot of Government bonds in order to finance the Great War, and the first two billion we sold at 3½ per cent, exempt from all taxation. Others were sold at 4, 4¼, and 4½. The last issue, which was sold just last March and April, we sold at 4¾, exempt from practically all taxation except the supertax.

We sold during the Victory-loan campaign less than seven billions of dollars of bonds, drawing 4¾ per cent, tax free except supertaxes. But we only sold them because we had back of that campaign all the patriotism and all the enthusiasm of every man, woman, and child in the country. If we are to refund these bonds at present rates we have to remember the state of the money market as well. We might for a time use the Bolshevik methods of operating the printing press, but it would not be very long before we would scrap not only the railroads but the credit of the country as well. Now I yield to the Senator.

Mr. JONES of New Mexico. I wanted to get a little clearer, if I could, the manner in which nonprosperous roads are to be benefited by this legislation, if at all. As I take it, any increase of rates would not affect the nonprosperous roads in any way that would not affect the prosperous roads.

Mr. POMERENE. That is true.

Mr. JONES of New Mexico. On the contrary, the probabilities are that the prosperous roads would get a much greater benefit from an increase of rates than the nonprosperous roads. The result is a contingent fund. Now, I should like to ask the Senator how that contingent fund is to be used for the benefit of the nonprosperous roads. The Senator has spoken of furnishing money for the purchase of cars as one element. I take it that money will be furnished at interest, and will there be

any special favoritism in that regard? Is there any provision in the bill which would authorize the Interstate Commerce Commission to loan the money at less than the prevailing rates, or in what way will the nonprosperous roads secure any special advantage?

Mr. POMERENE. Mr. President, those details are rather details of administration, I take it, than of legislation. They would, of course, be benefited whatever the rate, if reasonable. If the condition became such that they needed additional equipment the transportation board out of this contingent fund could buy it and lease it. Though there is no special provision in the bill, I assume, of course, that they would take counsel of financial conditions as they then were. I do not know that they would be controlled by them. That is a matter of detail that is not worked out in the bill, and I do not see readily how it could be. We must, of course, intrust some of these matters to the administrative branch of the Government, including the transportation board which is provided for under the bill.

Mr. JONES of New Mexico. That was precisely the point which I wished to bring out, so that it might clearly appear that this contingent fund, so far as the bill goes, is to be handled by the transportation board. There is no restriction in the bill as to how that board may use it, and it might use it by way of donations.

Mr. POMERENE. No; I do not think so.

Mr. JONES of New Mexico. Or lease cars to the nonprosperous roads at a nominal rental.

Mr. POMERENE. I can not now locate that provision in the bill, but I take it that they would use this contingent fund, having due regard to the security of the Government, very much after the fashion in which the Director General of Railroads has been using the revolving fund of five hundred millions which we originally gave to him, and which has been added to from time to time since.

Mr. President, we have provided for a transportation board of five members to be selected by the President and to be confirmed by the United States Senate. The board of five is to continue until after the consolidation of the roads in the manner provided for, and then its membership is to be reduced to three. That was the judgment of the committee. It was felt at that time, perhaps after the consolidation work was completed, that their duties would be reduced to a minimum and it would not be necessary to have the five. I do not know whether the judgment of the committee was accurate in that behalf or not. It seems to me, the more I study the problem, that while their duties may be diminished in the one direction they may be accumulating in other directions.

About a year ago I introduced in the Senate a bill providing amendments to the commerce act, and the distinguished chairman of the House Committee on Interstate Commerce introduced the same bill in the House. At that time it was believed that instead of devising an entirely new scheme for the operation and control of the railroads it would perhaps be best to content ourselves with a modification of the old law in respects which were deemed wise after taking counsel of Government operation.

We provided in the bill for Government control of the issuance of all railroad securities, for the greater consolidation of the railroads, for the common use of terminals, for the fixing of minimum and maximum rates instead of maximum rates only, as the law now provides, and for the larger control of traffic, sometimes loosely described as the pooling of traffic, and for greater control over the car service. I think that all of these changes were prompted by the experience we have had during the last 15 or 20 years and particularly because of the development due to national necessities during the period of the war.

But the Interstate Commerce Committee of the Senate in its investigation of the subject felt that the Government should have a greater control over the administration of the railroads than heretofore; that we ought to operate them in consolidated systems, but always under the Government's eye. To that end we felt that while the subject was up we ought to take hold of it in its broader aspects, and that we have done.

We also felt that, due to the exigencies of the war, the changes in freight rates which have already been made, and the changes which will be necessitated hereafter, we were going to increase very materially the duties of the Interstate Commerce Commission upon the subject of rates, charges, and classifications. So we felt that it would be better to divorce from the Interstate Commerce Commission, for whose work I have the profoundest admiration, taking it as a whole, many of the administrative duties and turn them over to the transportation board. We have provided for the rate-making groups and a plan for the consolidation of the railroads in not less than 20 nor more than 35 districts.

We have provided that the roads may be consolidated under plans which are to be devised by the transportation board and approved by the Interstate Commerce Commission and that the consolidations shall be voluntary for a period of seven years, because we believe that if the large number of roads, particularly the so-called feeders, can be consolidated with the trunk lines, we can not only reduce the overhead charges but we can improve the character of the service to be rendered by the lines in the combined state. But bear in mind that anything which can be done in this behalf must be done under the supervision of the transportation board and the Interstate Commerce Commission.

We provide further that if after seven years the lines shall not have been consolidated, then the transportation board and the Interstate Commerce Commission can compel the consolidation prescribed in the bill.

Of course, I recognize the fact that serious objection is raised to the compulsory feature, but my belief is that under the plan adopted most of the roads will combine. It may or may not be found wise at the end of seven years to consolidate the other roads, if any, which have not consolidated voluntarily, but the fact that the provision is there will aid in stimulating the desire of the roads to get together. I think that any student of the subject will come to the conclusion that after we shall have consolidated them we will be helping to solve the rate-making problem and to a certain extent we will be doing away with the difficulty which the Senator from New Mexico [Mr. JONES] had in mind when he was speaking of the less-prosperous roads. I feel confident that is true.

ISSUE OF SECURITIES.

I come now to the issuance of securities. I am not going to take up all the features of the bill, because I have already occupied more time than I had intended. Anyone who has studied the history of the railroads during the last 25 or 30 or 40 years realizes that the issuance of watered stock, and perhaps watered bonds, has led to untold difficulties. But under the pending bill I assert without fear of successful contradiction that it will be absolutely impossible for any company to issue watered stock or watered bonds, and I commend its provisions in that respect to the considerate attention of Senators.

Why should the Federal Government do this? I recognize the fact that some of the State utilities commissions are very jealous of their authority to control the financing of the railroads in their several States, but it has been a serious handicap not only to the railroads themselves but to the public. Let me illustrate:

Under the laws of most of the States application must be made for authority to issue stocks or bonds, as the case may be. Certain formalities must be complied with. There are rises and falls in the financial market. To-day perhaps you could negotiate a loan at 4½ or 5 per cent. Next month or the month following probably the rates for money have advanced and it would be utterly impossible to get the money at any rate whatever. It appeared before our committee in the discussion of this subject that one system of road—I have forgotten which it was, but it was one of the great western trunk lines—had to make its application to the public utilities commissions of 14 different States before they could complete their loan. It turns out also that some of the commissions, in order to get advantage for their particular States, will say, "We will not approve the application unless you will spend a certain sum on your road in this particular State," and the sum that they demanded to be spent might be in excess of the requirements of the road or the transportation there. It may be that by the time they got the consent—as I understand it happened in this particular case, where application had to be made to 14 different commissions—it was impossible to make the loan at the rate determined upon when the loan was finally approved.

But more than that, it must be borne in mind that the greater the uniformity of rules which are prescribed for the issuance of stocks and bonds the more likely the roads will be able to sell their stocks and bonds.

Further than that, I want to commend this fact to Senators: It is said that about 85 per cent of the traffic of the country is interstate and about 15 per cent is intrastate. If 85 per cent is interstate, why has not the Federal Government a greater right to control the financing of the roads than to have them subject to the jurisdiction of the commissions of every State through which the lines of the carrier may pass? Also, in order that the board may be fully advised, it is provided that when it comes to the issuance of any securities notice shall be served upon the governor of the State through which any of the car-

riers' lines may pass, so that the State authorities may have the opportunity to be heard, and the board will have before it the situation as it is seen by the eyes of the public officials of the several States. I think in that way we can aid very materially the financing of the roads.

Mr. President, there is another thought that I want to leave with Senators.

Mr. OVERMAN. Before the Senator begins the discussion of a new subject, may I interrupt him?

The PRESIDING OFFICER (Mr. GERRY in the chair). Does the Senator from Ohio yield to the Senator from North Carolina?

Mr. POMERENE. I yield.

Mr. OVERMAN. Section 13 of the bill troubles me. It was claimed by the chairman of the committee, in reply to a question which I asked him, that under the provisions of section 13 of the bill the Government can force a consolidation of a State railroad with a privately owned road.

Mr. POMERENE. Does the Senator mean by that a State-owned road?

Mr. OVERMAN. Yes; or a railroad one-half or three-fourths of which is owned by the State. I asked the chairman how that could be done, and he replied by condemnation. I doubt the power of the Government to condemn State property. The State can not condemn Government property. How can the Federal Government condemn a part of the sovereignty of a State? When the State charters a railroad and owns it, it is a part of its sovereignty. Can the Government condemn State property?

Mr. POMERENE. Mr. President, the Senator from North Carolina has suggested a very interesting subject. The Senator, I think, does not speak accurately, however, when he speaks of condemning the sovereignty of a State. If it is anything, it is condemning the property of a State.

Mr. OVERMAN. It is both; it is the property of the State and its sovereignty, because the title to the property is in the State and, therefore, it is a part of the sovereignty of the State.

Mr. POMERENE. I do not think that is an accurate statement; but I desire the Senator to bear this in mind——

Mr. OVERMAN. Suppose we limit it to property and leave out the question of the State's sovereignty. Does the Senator think the General Government can condemn such property?

Mr. POMERENE. My judgment about the matter can be given in a word. The power to compel consolidation is not a mandatory power which is conferred upon the board; it is a permissive authority. Of course, I do not have in mind the road to which the Senator may refer, and perhaps it is not a question which would address itself especially to the Senate; it might be a question which would be of very much more interest in the administration of the act; but, in a word, from a legal standpoint—and the Senator's question, I take it, was addressed to me rather in that behalf than any other——

Mr. OVERMAN. Yes; I know the Senator is a constitutional lawyer.

Mr. POMERENE. Under the Constitution the United States Government has the power to establish post roads; it has the power to regulate commerce among the States and with foreign nations. The power to regulate is very comprehensive, and I think it true that in the exercise of that power it would have the right to say to any State, "It is the judgment of the Federal Government that a certain road should be taken over by the Federal Government to serve the Federal purpose"; and I do not think it would lie within the power of a State under those circumstances to say "nay." I have in mind one particular road——

Mr. OVERMAN. Before the Senator gets to that, continuing the discussion of the constitutional question, if the Government has that authority, it is under the power of eminent domain.

Mr. POMERENE. Yes.

Mr. OVERMAN. Therefore, if the Government has the power—wherever it may lead—under the right of eminent domain, either for the purposes of interstate commerce or to establish post offices and post roads, or for any other purpose, to condemn the property of a State, it would have the right to condemn all of the property of a State, would it not?

Mr. POMERENE. That is a different proposition.

Mr. OVERMAN. If the Government has a right to condemn a part of the property of the State, it could condemn it all.

Mr. POMERENE. It would have a right to condemn property for certain purposes.

Mr. OVERMAN. If it could do so for any purpose—and it is not supposable that a case of that kind would occur—but if the Government had the authority under the power of eminent domain to condemn a part of the property of the State, it would have a right to condemn all of the property of the State, and, therefore, could wipe the State out of existence.

Mr. POMERENE. I think the Senator has answered his objection when he says that that is a very improbable situation. I can understand how the question might arise. I do not know the situation to which the Senator refers, but I can understand how a State might seriously object to the condemnation of a property within its borders. That, however, would be a matter that would be taken up, I dare say, by the transportation board and considered and determined. I do not think there will be any arbitrary exercise of power or anything of that kind. My notion is that after three, or four, or five, or six, or seven years most companies will have consolidated. Then those who are interested will come to the conclusion that is the best scheme to be applied to the railroads and the problem will be practically solved. There may be a few instances in which it may not be thought wise to consolidate.

The junior Senator from Louisiana the other day presented an amendment to take care of certain belt lines or other lines owned by the city of New Orleans. That is a matter in which the city of New Orleans has a material interest, but it is a local interest; we are not concerned in that. I think it would be very unwise to attempt to take over that property. At the same time my belief is that if the Federal Government in its wisdom felt that it should do so it would have the power. The Senator has raised a very interesting question.

TAXATION AND POLICE POWER.

Mr. President, when I was interrupted by the Senator from North Carolina I intended simply to refer to the power of the States over the subject of taxation and to the police power of the States. Those powers are fully reserved, as they ought to be, to the several States and the political divisions thereof. It is not attempted to disturb them in the least, and we ought not to do so. The railroad properties are proper subjects for State and local taxation; they are located within the several States and the several communities thereof, and the States and divisions thereof should continue to exercise the police power and the power of taxation as heretofore.

Mr. President, there is another part of the bill which I desire to discuss briefly. I have expressed my views heretofore upon this subject and I am going to ask the indulgence of the Senate while I develop them a little further. I realize that this is a very delicate question. I refer to the so-called strike provisions of the bill. I realize the sentiment that is back of it all; I realize that labor has had many contests in the past; I realize fully that the employer class in many instances has been very unjust toward the employee class. My sympathies have always been and now are with the laboring class, and I always deem myself very happy when I can find myself in accord with their views and their demands. I think my record in the Senate during the eight years I have been here has shown not a casual interest in what they wanted, but a very intense interest in what they wanted, and so long as I live, whether in public life or in private life, I expect to continue that interest. But there are certain times when under certain leadership certain things have been done in the name of labor which have not been of any benefit to labor.

And while we are discussing the rights of employer and employee, let us always keep before our minds the rights of the vast public, 110,000,000 people, among whom are the so-called employers and employees, transportation men, manufacturing men, miners, farmers, all the people of the country. In my humble judgment there never was a time in the history of this country and there never will be a time when it will be more important that every individual and every class of its citizens should consider themselves subordinate to the public and the public good.

I do not believe there is a situation in this country that justifies, even if we had the power, the prohibition of strikes in industrial life—I mean by that in manufacturing, mining, commerce—because, if for no other reason, when those questions arise they are local in their interest; but when it comes to the great agency of interstate commerce, it seems to me that we can differentiate.

I want to call the Senate's attention, as I approach this matter, to the enormity of the problem.

There are 260,000 miles of railway in the country. They are valued at probably from seventeen to twenty billions of dollars. They are the arteries of commerce. Stop transportation and you stop the delivery of the food products from the country to the cities; you stop the delivery of coal from the coal fields to the consumer; you stop the delivery of the raw material to the factory; you stop the delivery of the finished product to the consumer. The value of the manufactured products in this

country in 1914 was $24,246,434,724. Taking into consideration increased values, it is probably at least 50 per cent more than these figures indicate.

The mineral products of 1918 were valued at $5,526,162,000. The farm products for 1918 were valued at $21,386,000,000. Our foreign trade, exports and imports, for the calendar year 1918 amounted to $9,180,300,255, and during the present year they will amount to considerably more.

For the last six months our people have been disturbed by the unrest throughout the country. We have had longshoremen's strikes, coal strikes, steel strikes, threatened railroad strikes at the time when we were demobilizing an army of 4,000,000 men, 2,000,000 of whom had done service for their country and for humanity across the seas; and as these vast armies were being demobilized and were melting away into the civil life of the country these disturbances have come up. In some of them no doubt the complaints are justified, and so far as they are justified I want them to get their just deserts, and at all times I do not want labor to be treated merely fairly; I want labor to be treated liberally.

I recognize the patriotism of most of the men that belong to the laboring class. I recognize the patriotism of all classes, generally speaking. No one class has a monopoly of it, and no one class has a monopoly of law-abiding citizens. But what would be the effect if there were a strike on the railroads which interfered with the traffic of a substantial part of the community?

Take the great centers of population—New York, Boston, Philadelphia, Baltimore, New Orleans, Pittsburgh, Cleveland, Chicago, St. Louis, San Francisco. Within five days' time, if there were a general strike in any one of these localities, the entire population therein would be brought to the brink of starvation. It might be that in every other avenue of employment employer and employee would be entirely satisfied, getting good wages, prosperous, happy, as they ought to be, and as I hope they always will be; and I shall be glad to lend a helping hand whenever I can to improve the conditions of the laboring classes. But all of these men thus engaged in other lines of industry could be thrown out of work by a strike by a substantial number of the men in any one branch of the railway service.

We have had a number of hearings before the Interstate Commerce Committee bearing upon the subject of the relations of employees to employers in the transportation field. I recall labor leaders testifying very frankly, very openly, very candidly, concerning the disputes they have had across the conference tables, and I remember one of the grand chiefs saying that he had seen the time when he would have been most happy to follow some of the men on the other side of the table to their graves.

It was said laughingly. I have no doubt that men on both sides of the table felt the same way. I am not finding fault with them. Such feelings evidence the human nature of the participants. I do not wonder that men of intensity of purpose and of great ability have differences, but I have referred to it for this purpose: When men are in that frame of mind, ought the entire transportation of the country to be at their mercy? That is the problem. We can face it or shun it as we choose, but that is the problem now before the American people.

And, I want to say, so far as concerns the demands for wages by most of these laboring men in the transportation service, I think they were, for the most part, justified. Some of them have not been. It was because I felt in 1916 that their demands for better hours and consequent better wages were justified, in part, that I voted in favor of the Adamson law, and under the same conditions I would cast the same vote again. But with all of these strikes, actual and threatened, what ought we to do? Must the Congress, representing 110,000,000 people, say, "We are powerless to act"? Because certain propagandists come before Congress and demand certain changes in our economic policies, must Congress sit silently by when men talk of revolution?

It is true that when the expressions were used on one day, and certain gentlemen who used them saw that they were not being received with complacency by the public, they said that all they intended was social revolution. I think that is what some of them did intend, but some of them intended more; and let me say that the public generally understands what is meant when men talk of revolution. There never has been and never will be any occasion under the American form of government to talk of revolution. Some say that it is an inherent right with which man is endowed. I understand, of course, that there are times under certain political conditions when revolution is justified, and I would not be true to my American faith if I did not say that George Washington and his confrères were justified in revolution. But when our forefathers adopted the Constitution they were wise enough to provide for its amendment or change in the orderly and peaceful manner therein prescribed. Similar provisions are found in the constitution of each of the States. I would not take that right away from the people of this country or from the people of any State. But it must be done in conformity with the law of the land.

[At this point Mr. THOMAS raised the question that there was no quorum present, and the roll was called.]

Mr. POMERENE. Mr. President, there is another feature of this subject to which I wish to refer for just a moment. I have always the greatest respect for differences of opinion, and I think I can make proper allowances for intensity of purpose; but some witnesses have come before our committee and have said, as will be borne out by an examination of the record as well as by the public prints, that if this legislation looking to the adjustment of industrial difficulties should pass the law would not be complied with and that it would be defied. Without commenting especially upon this class of testimony, I want to direct this question to every man, woman, and child in the United States: Has any man the right to say he will defy the law of his country? Do law-abiding citizens so demean themselves?

If a law is placed upon the statute books which is not in conformity with the wishes of the public, or if the public has changed its mind and wants a change, there is an orderly way under the Constitution to bring about its repeal. That is the only method to which any American has a right to resort. I make that statement as applying to any man, whether he is of the employer class or the employee class. There is not any room for difference of opinion, Senators, upon that question. I know of only one autocrat in this country that will be tolerated, and that is the supreme majesty of the law. Autocrats, whether of one class or another, will not be tolerated by the public. The seat of government is, and always will be, under the dome of this Capitol, and it will not be under the hat of any man, whether he be capitalist, labor leader, or anyone else.

Mr. President, what are the provisions of this bill with respect to the settlement of strikes, so far as they relate to transportation? We do not say, "Your labor difficulties must be adjusted by some governmental board." In substance, this is the theory of the bill: We think that all disputes should be settled, and, in substance, we say, "We have schemes of mediation, conciliation, and arbitration. Use any of those methods that you choose to settle your differences, or adopt any other scheme that you want to settle your troubles. We hope you will settle them." But we say, "If you can not settle them, we feel that the cause of law and order, the cause of humanity itself, requires that you should present your difficulties to an impartial tribunal for hearing and determination, and after they shall have been heard and determined that both bodies shall comply with the decision." Is there anything wrong about this?

I have a difference, it may be, with one of the Senators over a matter which is near to my heart. I can not be permitted to take the law in my own hands; I ought not to be permitted to do it. Tribunals have been established whereby all disputes which may exist between us shall be determined. Now, let us apply this same principle to transportation.

Most of the disputes arise over questions of wages or hours or working conditions. Most of them are settled. We say all of them ought to be settled. Has any man the right to say that because I have a dispute with a transportation company I have the unconditional right to stop every line of transportation entering into a center of population? As the winter approaches, shall I have the right to stop the transportation of coal? Knowing that the country is filled with food products, shall I have the right to say that they shall not move in interstate commerce until my demands are granted? The babes of the country need their milk, yet shall I stand here and say the babes shall starve unless my demands are granted?

When leaders of labor or capital work themselves into such a state of mind that they can say, "I have seen the day when I would like to attend the funeral of the man on the other side of the table," must the country submit to that domination? And shall Congress say nothing on the subject?

Senators, you know how strikes are often brought about, and so do I. Let us be candid with the public. Strikes sometimes are not brought on by the men themselves, but by their leaders, by their delegates, as in the coal strike. The miners in the recent strike were not given an opportunity to speak for themselves. Their delegates and officers called the strike. Do not forget that sometimes strikes are brought on and are carried out when they are not even approved by many of the strikers.

What has your committee tried to do? We say to the men, "If you can not adjust your differences by reason of any method now known or which you may hereafter devise, here is a tribunal known as the committee on wages and working conditions, com-

posed of eight men, who are selected by a transportation board of five men, who in turn are to be appointed by the President and confirmed by the United States Senate." The transportation board will name four men who are representative of the different railroad crafts and who are selected by nominations made by the craftsmen themselves. The other four men are selected from the nominations made by the railroads of the country. Certainly both classes would nominate their best men, or the men whom they thought would stand by their interests and at least be just.

Then we say that if, by a majority vote, they agree to a settlement of the matter in dispute, it shall be subject to the approval of the transportation board, which represents the public, and if they are evenly divided then the transportation board shall settle it. Is there anything wrong about that?

It seems to me that when we are legislating, recognizing the fact that the legislation may not be entirely acceptable to everybody concerned, our duty requires that we do that which is going to be in the interest of the public, and, with all due respect, my guess is that if this plan is adopted and tried, the laboring men of the country would not go back to the old system, experts to the contrary notwithstanding.

Again, when it comes to disputes other than those relating to wages and working conditions, we have three adjustment boards. They must hear and determine disputes. An appeal lies from these boards to the committee on wages and working conditions. Without going into the details of the bill, the adjustment boards are selected in the same way as is the committee on wages and working conditions.

Then we say to the railroads and to their officers and attorneys and agents, "When the boards have entered their decrees you shall carry them out; and if not, you are subject to the penalties prescribed in the law." Is there anything unreasonable about that? Let us be fair with one another.

Mr. STERLING. Mr. President, will the Senator permit an interruption?

Mr. POMERENE. Just for a question.

Mr. STERLING. The Senator says that they will be subject to the penalties of the law if they do not abide by the decree. The Senator does not mean that the individual worker will be subject to the penalties of any law?

Mr. POMERENE. I am talking now about the officers, agents, and attorneys of the companies, and I am going to address myself to the others in just a moment. The officers of the railroad companies are required to comply with the decisions of these several boards.

Then we say with regard to all classes that if two or more persons enter into a combination or agreement with the intent to substantially hinder, restrain, or prevent the operation of trains or other facilities for the movement of commodities or persons in interstate commerce, or in pursuance of such agreement or combination to substantially hinder, delay, or restrain the operation of trains, then they shall be subject to the penalties; but always the right is given, the unqualified right of the individual, to quit his employment whenever he chooses.

Much is said about collective bargaining. I believe in collective bargaining. I always have believed in it. I can not see how I could change my mind on that subject. But in order to have a complete statement of the proposition there must be a corollary added to the right of collective bargaining, and that corollary is this: In the name of humanity collective bargaining does not mean collective dictation whether by one class or another. If Senators are of the opinion that even among the laboring classes themselves there is but one side to the problem, I say with all due deference they are mistaken. One of the men—of course, for obvious reasons I shall not name him—came to my office a few days ago interested in behalf of one of the organizations, and said to me, "Formerly I felt it was wrong to attempt in any way to restrict the right to strike, but my careful study of the subject leads me to commend the Interstate Commerce Committee for incorporating these strike provisions in the bill."

Mr. President, much has been said about involuntary servitude. I do not believe in involuntary servitude; I never did; but everything that is called involuntary servitude is not involuntary servitude simply because it is so called. Under our scheme of government the majority rules; the majority will rule. There is not a day that we do not make concessions the one to the other because of the necessities of society. It is right that it should be so; it always will be so. What class of men can say, "We must have the unrestrained right to stop the commerce of the country"? I want to call before them the sight of the innocent men, women, and children of the country when hunger begins to pinch them because of the lack of food, and the cold begins to freeze them because of the lack of fuel. Senators, it ought not to be necessary to invoke the aid of the courts to prevent such conditions. The only thing that ought to be necessary to control should be the appeals from the sufferers themselves. Involuntary servitude! Suppose that I were to say to 400 men, "Drop your picks at 6 o'clock to-night." What is that? "Take them up to-morrow." What is that? "Obey my orders, not the Government's; think only of yourselves, not of the 110,000,000 people." What is that? "Listen to a strike leader. Pay no attention to the appeals of the President of the Republic."

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Iowa?

Mr. POMERENE. I yield.

Mr. CUMMINS. If the Senator from Ohio will permit me, upon the point he is now discussing, I should like to refer to an opinion of Justice Harlan which was cited by the senior Senator from Wisconsin [Mr. LA FOLLETTE] in the course of his debate, and from which he drew the conclusion that what we seek to do in this bill was condemned by that opinion.

Mr. POMERENE. I shall be very glad to have the Senator do so.

Mr. CUMMINS. I may not get an opportunity to discuss the matter further, and I am sure the Senator from Ohio would be glad to review, to some extent, just what that distinguished jurist said.

Justice Harlan's opinions have great weight with every lawyer as well as with every humanitarian, for if there ever was a man who lived in his time devoted both to justice and to humanity Justice Harlan was the man. This was a proceeding to punish for contempt of court because it was alleged that the employees or some of them had violated an injunction which had been issued restraining them from doing certain things. I read just a clause or two found in the opinion previous to the quotation which was put into the RECORD by the Senator from Wisconsin:

> It will be observed that the motion of the interveners does not question the power of the court to restrain acts upon the part of the employees or others which would have directly interfered with the receivers' possession of the trust property or obstructed their control and management of it as well as attempts by force, intimidation, or threats or otherwise to molest or interfere with persons who remained in the service of the receivers or with others who were willing to take the places of those withdrawing from such service.

So much was conceded upon both sides.

> But it was contended that the circuit court exceeded its powers when it enjoined the employees of the receivers from combining and conspiring to quit, with or without notice, the service of said receivers, with the object and intent of crippling the property in their custody, or embarrassing the operation of said railroad, and from so quitting the service of said receivers, with or without notice, as to cripple the property or prevent or hinder the operation of said railroad—

This clause, says Justice Harlan—

> embodies two distinct propositions—one, relating to combination and conspiracies to quit the service of the receivers with the object and intent of crippling the property or embarrassing the operation of the railroads in their charge; the other, having no reference to combinations and conspiracies to quit, or to the object and intent of any quitting, but only to employees "so quitting" as to cripple the property or prevent or hinder the operation of the railroad.

Then Justice Harlan proceeds to take up the matter of the two propositions, for he begins:

> Considering these propositions in their inverse order, we remark that the injunction against employees so quitting as to cripple the property or prevent or hinder the operation of the railroad was equivalent to a command by the court that they should remain in the active employment of the receivers—

And so forth.

Then follows the part of the opinion read by the distinguished Senator from Wisconsin. He did not read all of it, but he read enough of it fairly to show its import. Now I come, however, to a part of the opinion which was not read because it dealt with the first of the propositions which I have suggested. After saying that the circuit court could not lawfully enjoin the employees from quitting the service, no matter what the effect of that cessation of work might be, Justice Harlan proceeds:

> But different considerations must control in respect to the words in the same paragraph of the writs of injunction, "and from combining and conspiring to quit, with or without notice, the service of said receivers, with the object and intent of crippling the property in their custody, or embarrassing the operation of said railroad." We have said that if employees were unwilling to remain in the service of the receivers for the compensation prescribed for them by the revised schedules, it was the right of each one on that account to withdraw from such service. It was equally their right, without reference to the effect upon the property or upon the operation of the road, to confer with each other upon the subject of the proposed reduction in wages, and to withdraw in a body from the service of the receivers because of the proposed change. Indeed, their right, as a body of employees affected by the proposed reduction in wages, to demand given rates of compensation as a condition of their remaining in the service, was as absolute and perfect as was the right of the receivers representing the aggregation of persons, creditors, and stockholders

interested in the trust property, and the general public, to fix the rates they were willing to pay their respective employees. But that is a very different matter from a combination and conspiracy among employees, with the object and intent not simply of quitting the service of the receivers because of the reduction of wages but of crippling the property in their hands and embarrassing the operation of the railroad. When the order for the original injunction was applied for it was represented—and the interveners admit by their motion that it was correctly represented—that unless the restraining power of the court was exerted the dissatisfied employees and others cooperating with them would physically disable and render unfit for use—

And so forth. Then I read further——

Mr. POMERENE. Mr. President, right there, if the Senator will permit me to interrupt him, in view of the language just quoted from the learned justice, let me ask the Senator if he sees any difference between the principle laid down by the justice and the language of section 30 of this bill, which makes it unlawful "to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons"?

Mr. CUMMINS. I do not. It has seemed to me all the while that we are not making it unlawful for men to quit their employment——

Mr. POMERENE. Certainly not.

Mr. CUMMINS. Either singly or in a body. While the case from the Sixty-third Federal Report did involve an attempt to do physical injury, in one phase, to the property, yet the reasoning of Justice Harlan clearly shows that if the employees enter into a combination or a conspiracy or an agreement to quit for the purpose——

Mr. POMERENE. That is it.

Mr. CUMMINS. For the purpose of preventing the moving of commodities in interstate commerce, they are violating the law as it was understood then and, I think, as it is understood now. I wanted to call clearly to the attention of the Senate the fact that this bill does not make unlawful the mere cessation of employment either individually or collectively. It requires a combination or a conspiracy to prevent, hinder, or restrain the movement of commodities in interstate commerce; and, not only so, but the section of the bill to which the Senator from Ohio is referring requires that such act be also with intent to coerce the employers into a submission to the demands that are made.

Mr. POMERENE. And now may I suggest to the learned chairman of the committee also that at the time of the decision of Mr. Justice Harlan there was no statute relating to the subject? Am I not right?

Mr. CUMMINS. The Senator is quite right about that.

Mr. POMERENE. In other words, the conclusion to which he came was based upon the common law as it existed in this country; so that, notwithstanding what has been heretofore said, we are seeking to write into the statutes what was the common law of the land as it was interpreted by Mr. Justice Harlan.

Mr. President, it has been said that similar legislation was adopted in New Zealand and New South Wales, but that it was not a success there. I do not know whether it was or not; but I can not refrain from observing that it was disclosed here yesterday, as it had been disclosed before, that in New Zealand and in New South Wales they have the socialistic form of government. Ours is not a socialistic form of government, and it will not be if I read the signs of the times aright. Our people are not socialistically inclined as are the New Zealanders.

And then, if I may quote a phrase from Virgil, "Mirabile dictu"—"wonderful to relate"—we are told that if this scheme is adopted it is going to result in the increase of wages for the workingman! Well, I hope that is so; and if it is so it ought all the more to commend itself to some of the critics rather than to be a cause for its condemnation.

No, Mr. President; I recognize the fact that in this country there are certain elements that would destroy the Government if they could. Now, do not misunderstand that remark. I believe that the vast majority of all these laboring classes are absolutely law-abiding, love their country, want to obey its laws, and I am not going to insult the intelligence of any substantial portion of my fellow citizens by saying here that if the Congress of the United States sees fit to adopt this legislation it will be defied. I have a higher opinion of the law-abiding character of these men. I know many of these railway men. I feel proud to count them among my best friends.

They are a part of the bone and sinew of this country, and my guess is that if in the wisdom of the Congress this law, which is meant for their protection as well as for the protection of the public, is passed, they will comply with it, and they will not go back to the old system where some one says "strike" and the strike is on, "work" and the work begins. I feel that I am a free-born American citizen, but I do not think it is inconsistent with free-born American citizenship to say that as some strikes are conducted they smack of involuntary servitude.

Senators, I recognize the fact that every man, when he is called upon to vote on this measure, must assume the responsibility for his action. It is sometimes said that I am a little bit too serious. Perhaps I am; but I want to say to the Senate that when the people of the great Commonwealth of Ohio, nearly 5,000,000 in number, sent me as their ambassador to the United States Senate to represent them, and, after a service of one term, returned me again for another six years, I think the commission with which they honored me demands that I shall do that which I think will be for the best interests of the people of my State and my country as a whole. If I have misjudged, I shall take the consequences. Service in the United States Senate is a great honor; I always regard it as such; but if one must surrender his convictions after much thought and study, I would rather not be a member of the Senate. As Luther said at the Diet of Worms, "I can not otherwise."

I have given, in this very frank way, some of the reasons which prompt me to support these strike provisions; and, in my judgment, if they are adopted they will redound not only to the benefit of the public as a whole, but to the benefit of the railway men and their families as well.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the amendments of the Senate to the joint resolution (H. J. Res. 213) continuing temporarily certain allowances to officers of the Navy.

The message also announced that the House had passed the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

SUGAR EQUALIZATION BOARD.

Mr. MCNARY. I ask unanimous consent that the Chair lay before the Senate the amendment of the House to Senate bill 3284.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, which was to strike out all after the enacting clause and insert:

That the President is authorized to continue during the year ending December 31, 1920, the United States Sugar Equalization Board (Inc.), a corporation organized under the laws of the State of Delaware, and to vote or use the stock in such corporation held by him for the benefit of the United States, or otherwise exercise his control over the corporation and its directors, in such a manner as to authorize and require them to adopt and carry out until December 31, 1920, plans and methods of securing, if found necessary for the public good, an adequate supply and an equitable distribution of sugar at a fair and reasonable price to the people of the United States. Sections 5 and 10 of the act entitled "An act to further provide for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, as far as the same relates to raw or refined sugar, sirups, or molasses, are hereby continued in full force and effect until December 31, 1920, notwithstanding the provisions of section 24 of said act: *Provided*, That the provisions of this act shall expire as to the domestic product September 30, 1920: *And provided further*, That the zone system of sale and distribution of sugars heretofore established by the said United States Sugar Equalization Board shall be abolished and shall not be reestablished or maintained, and that sugars shall be permitted to be sold and to circulate freely in every portion of the United States. The termination of this act shall not affect any act done, or any right or obligation accruing or accrued, or any suit or proceeding had or commenced in any civil case before the said termination pursuant to this act; but all rights and liabilities under this act arising before its termination shall continue and may be enforced in the same manner as if the act had not terminated. Any offense committed and all penalties, forfeitures, or liabilities incurred prior to such termination, may be prosecuted or punished in the same manner and with the same effect as if this act had not been terminated.

Mr. HARRISON. Mr. President, in view of the importance of this legislation and the necessity for its early passage, I move that the Senate concur in the amendment adopted by the House.

Mr. RANSDELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Calder	Dial	Fernald
Bankhead	Capper	Dillingham	Fletcher
Beckham	Colt	Edge	Frelinghuysen
Borah	Cummins	Elkins	Gay
Brandegee	Curtis	Fall	Gerry

Gronna	King	Overman	Townsend
Hale	Knox	Page	Trammell
Harding	La Follette	Phipps	Underwood
Harris	Lenroot	Poindexter	Walsh, Mass.
Harrison	McCormick	Pomerene	Walsh, Mont.
Henderson	McKellar	Ransdell	Warren
Hitchcock	McNary	Sheppard	Watson
Johnson, S. Dak.	Moses	Sherman	Williams
Jones, Wash.	Myers	Smith, Ga.	Wolcott
Kellogg	New	Stanley	
Kenyon	Newberry	Sutherland	
Keyes	Norris	Thomas	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. There is a quorum present.

Mr. CUMMINS. Mr. President, I understand that just before the call for a quorum a motion was made by the Senator from Mississippi [Mr. HARRISON] to concur in the amendment made by the House to a certain bill which has passed the Senate. Am I correct?

The PRESIDING OFFICER. That is correct.

Mr. CUMMINS. I make the point of order that the motion made by the Senator from Mississippi is not in order. It can not be that we may now leave, without action of a majority of the Senate at any rate, the railroad bill, which we are considering, in order to take up some other bill which may be pending.

Mr. McNARY. Mr. President, I think perhaps if I make a statement it will clarify the mind of the Senator having in charge the railroad bill. A few moments ago I asked unanimous consent that the Chair should lay before the Senate what is known as the sugar bill, and I assume that unanimous consent was granted. The substitute bill of the House was then read, following which the Senator from Mississippi made the motion to concur.

Mr. CUMMINS. I did not hear the Senator from Oregon make any such request. I heard the Chair lay before the Senate a message from the House of Representatives, and I take it that proceeding on the part of the Chair was entirely in order.

The PRESIDING OFFICER. If the Senator will permit the Chair, he will state to the Senator from Oregon that under the rules of the Senate the Chair can present to the Senate at any time a message from the other House. Unanimous consent does not have to be obtained.

Mr. CUMMINS. There is no question about that, and I have no objection whatever to that procedure, but I do object to laying aside the railroad bill for the purpose of taking up another measure, the debate on which, I am advised, will probably take longer than the time needed to conclude the consideration of the railroad bill.

The PRESIDING OFFICER. The Chair is not advised whether there are any precedents with reference to a matter of this kind, and the Chair is not very familiar with the procedure of the Senate in such a case. The Chair is disposed to sustain the point of order. The message will remain on the table. However, the Senate can take such action as it sees fit.

Mr. GAY. Mr. President, if there had been any request for unanimous consent, I should have objected, being on the floor when the Senator from Oregon rose. It was my understanding that the matter was simply laid before the Senate by the Presiding Officer.

The PRESIDING OFFICER. It was.

Mr. HARRISON. Mr. President, when the message was laid before the Senate the bill was before the Senate, and then I made the motion to concur. I would not have made the motion if the Presiding Officer had not laid the bill before the Senate, and it does seem to me that it is properly before the Senate at this time.

The PRESIDING OFFICER. The Chair will state to the Senator from Mississippi that the privilege of laying the bill before the Senate ended with that action, and it is on the table. The Chair has sustained the point of order of the Senator from Iowa with reference to taking it up at this time.

Mr. HARRISON. I move that the Senate take up for consideration Senate bill 3284 and the amendment of the House to the bill.

Mr. CUMMINS. That involves the same question that was presented the other day, whether the railroad bill shall be displaced by the sugar bill. I did everything in my power to facilitate the consideration of the sugar bill when it was up the other day, but I can not, in justice to the railroad bill and the great interests it concerns, consent to entering upon a long debate upon that measure. I make the point of order that in any event a message from the House of Representatives must lie over one day.

The PRESIDING OFFICER. The Chair is informed that there is no rule to that effect. The Senator from Mississippi has moved that the Senate proceed to the consideration of the amendment of the House to the bill.

Mr. GRONNA. Certainly the rule provides that the message may be received at any time.

The PRESIDING OFFICER. The amendment of the House has been laid before the Senate and is now on the table.

Mr. GRONNA. I want to say to the Senator from Mississippi [Mr. HARRISON], if he will give me his attention, that I think it would be very unfortunate at this time to enter upon a debate on that particular question. It would take a long time to dispose of it. I think the bill ought to go to conference. I do not anticipate that we would have any trouble in disposing of it in that way.

Mr. HARRISON. Mr. President, it seems to me that it is necessary, if we are going to pass any legislation upon the subject, that early action upon the bill should be taken by the Senate. A few days ago a motion was made to lay aside the railroad bill and take up the sugar bill. At that time it was only on the calendar, had not been passed by the House, and had not been considered by the Senate. By a very close vote at that time the Senate refused to set aside the railroad bill to take up the sugar legislation.

After that time we came to an agreement and passed the bill through the Senate. It had been before the Senate since October 3, for 10 weeks, with sugar soaring upward, English capitalists trying to purchase the Cuban crop, and we fiddling while Rome was burning.

It took the House not over 24 hours to pass the bill. They passed a real bill. They have passed a bill that will give substantial relief to the situation. It seems to me, if we are to give any relief to the country, the Senate ought to take immediate action and pass this legislation.

I do not anticipate any prolonged debate. I can not understand why there should be much opposition to a bill like this, when it will not only supply sugar to the consuming masses but will cut down the price from 17 cents to a reasonable price, and if we are to act we must act immediately. The export of the Cuban crop of sugar will begin about the first of the year, and if we wait until this railroad legislation is out of the way we may never get any legislation on the subject.

If this question should go to conference, here is the situation: No doubt the Senator from North Dakota [Mr. GRONNA] would be one of the conferees. If my recollection serves me correctly, he was not in favor of this legislation; he was not in favor of the licensing proposition. That is a fair statement, I think, touching the Senator's position.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from North Dakota?

Mr. HARRISON. Yes; I yield.

Mr. GRONNA. Does the Senator believe that we can pass the bill as it was passed in the House?

Mr. HARRISON. I hope so.

Mr. GRONNA. Without any discussion.

Mr. HARRISON. No; I do not say without any discussion.

Mr. GRONNA. The Senator from Mississippi, who is a very valuable member of the Committee on Agriculture and Forestry and a valuable member of any committee upon which he serves, must know that he can not charge the Senate of the United States with the responsibility of fiddling while Rome was burning. The Senator knows that the testimony of the Sugar Equalization Board will show, especially the testimony of Mr. Zabriskie, that the President of the United States is the man who was fiddling. Not only was he authorized but he was directed to buy the Cuban sugar crop. He had the authority to buy, he had the money to buy, but he failed to buy. So I think it is out of place for the Senator from Mississippi at this time to charge the Senate of the United States with the responsibility.

The Senator knows I am telling the truth. The Senator also ought to know that the bill can not pass in the form in which it passed the House, as I understand, without extended debate, and it is in the interest of saving time that I suggested that it should go to conference.

Mr. HARRISON. The argument of the Senator from North Dakota accentuates the fact that if we want to get legislation the House amendment should be agreed to by the Senate and not be sent to the conference committee, of which the Senator might be a member, because, as he says, he is not in favor of the legislation.

Mr. GRONNA. I will say to the Senator from Mississippi that I am perfectly willing to let the Senator from Mississippi have his say as to who shall be the conferees on the part of the Senate. I am perfectly willing to forego the pleasure of being

a member of the conference committee so far as I am concerned. The Senator from Oregon [Mr. MCNARY] has been in charge of the bill. He has done, I believe, as well as any Member of the Senate could do. He has been the chairman of the subcommittee which has had control of the legislation, and I am perfectly willing to allow the Senator from Oregon to name the conferees on the part of the Senate.

Mr. HARRISON. I will say to the Senator from North Dakota that is another reason why it should not go to conference. Unfortunately, when we passed the bill the other day, because of the peculiar parliamentary status, the Senator from Oregon had to agree with the Senators from Louisiana that he would stand by the action of the Senate that day. If he should carry out his promise and be a conferee, and I am sure he would, he would never be in a position to accept the action of the House. For that reason, and for the further reason that the Senator from North Dakota is against the licensing system, it seems to me that the Senate itself ought to take action and not send it to conference, because I am quite sure that it might die there.

With respect to what the Senator from North Dakota says about Congress not being at fault, I say Congress is at fault. The Senator from North Dakota knows that this question came before the Senate about the 3d day of October. The Senate Committee on Agriculture and Forestry began hearings about that date, and there has not been a day since October 3 when the Senate could not have taken action upon the bill and passed it and given some relief to the American people. For 10 weeks the Senate has taken no action. The House of Representatives took action within 48 hours, but here again Senators would have us put the matter off and get no relief in the end.

For the information of the Senator from North Dakota I want to read to him what appeared in the hearings before the Committee on Agriculture and Forestry of the Senate. This has been read into the RECORD before, but I want to burn it into the minds of some Senators, because the Senate has been at fault about the matter since the 3d day of October, because members of the Sugar Equalization Board all stated that it was necessary to obtain additional legislation before the Cuban sugar crop could be purchased.

Senator NORRIS, asking a question of Mr. Glasgow:

> I was trying to place responsibility for the nonpurchase of the crop. As I understand, they had the authority to buy it, and made a proposition to buy it if the President would authorize it.
>
> Mr. GLASGOW. With one other proviso. Here is the memorandum we sent to the President. It is in the record. In that memorandum we said that if the policy of the United States was to continue for the year 1920 the activities that the sugar board had been engaged in during this current year that it would be necessary to have Congress pass additional legislation continuing the authority that we exercised during the year 1920.
>
> We did not feel, Senator, that we were in a position, without the policy either being declared by the President and approved by Congress or the giving of the additional powers, that it would be right for us to go and purchase the sugar crop of Cuba.
>
> Senator NORRIS. As a matter of law, the authority existed at that time to buy that?
>
> Mr. GLASGOW. Yes, sir. But I think we would have been very culpable if we had gone on and exercised the power of the sugar board to purchase the Cuban crop of sugar unless we knew Congress desired us to continue the control and distribution for the coming year.
>
> Senator NORRIS. If the President had authorized you, would you have done it?
>
> Mr. GLASGOW. No, sir; not until Congress had given us the powers and they thought it proper. It would come back at last to the discretion of Congress as to whether they desired the distribution of sugar continued.

The chairman of the committee, the Senator from North Dakota [Mr. GRONNA], then said:

> You said something that I think ought to be framed in a gold frame, to the effect that you did not feel like acting until Congress had its say.

And yet Congress has had the matter before it, and the chairman of the Committee on Agriculture and Forestry, after he has uttered that beautiful expression, now says that the President of the United States is to blame. Sirs, the Congress is to blame and every Member of the Senate who is not now in favor of taking immediate action upon the proposition will have the responsibility placed upon him.

Mr. RANSDELL. Mr. President, I merely want to say a word. The Senator from Iowa [Mr. CUMMINS] has stated that he understood that the bill, if taken up, would call for some discussion. I am obliged to corroborate that statement.

The sugar bill passed the Senate several days ago in a form which I think would not be very objectionable to anyone, certainly not very objectionable to the Senators from Louisiana. The House struck out all after the enacting clause and has changed the bill in very material particulars, one of which is that it extends the licensing power provided in section 5 of the Lever food-control law until the 31st day of December, 1920. It applies all the drastic war powers of the bill to sugar, sirup, molasses, and so forth, for the whole calendar year 1920. The licensing system is very objectionable to a great many people, including myself, and if the Senate attempts to vote on that measure I shall feel it my duty—and I know my colleague will feel it his duty—to discuss the matter very thoroughly.

I see no reason why the bill should not follow the usual and ordinary course and be sent to conference. I see no reason why it should seek to set aside the great railroad bill, certainly as important a measure as we have had before us in many years. I am bound to say to the chairman of the committee in charge of the railroad bill that if the sugar bill is taken up now we will discuss it at least until we have exhausted it as well as we understand it, and I think that will take considerable time; just how long I do not know. I am making no threat of filibuster, but I shall certainly try to explain to the Senate the sugar measure before the Senate votes upon it. If it can go to conference, let it go now. There is no reason why the bill and amendment should not be sent to conference just as other measures are sent to conference.

Mr. CUMMINS. Mr. President, I have just a word to say. I repeat that I do not doubt the importance of the sugar bill. It so happens, however, that many of those who are most solicitous about the sugar bill are opposed to the railroad bill, and it may be that they are not entirely impartial in coming to a conclusion in regard to which of the two measures should have precedence.

We are nearing the end, if we may judge by appearances, of the consideration of the railroad bill. It has seemed to me that we ought to reach a conclusion to-morrow at the latest. I very sincerely hope that when we look forward and see what may happen if there is no speedy, diligent disposition of the railroad bill, that the Senate will not lay it aside for the purpose of taking up the sugar bill, which, if it were to follow its usual course, would at once be referred to a conference committee.

I ask for the yeas and nays on the motion of the Senator from Mississippi.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I think the country is getting a little tired of abnormal legislation and a bit more anxious to return to ordinary, normal ways of doing business. I think that perhaps the one exception the country would make to obedience to that rule is in case of a necessary of life. Sugar is not a necessary of life. I remember two or three years of my life when the Confederacy was waging war upon the balance of the United States when we had no sugar at all, and got along very well without it.

Besides that, Mr. President, the best way in the world to reduce profiteers to order and to bring about a normal scale of prices is to encourage overproduction of a thing being at that time underproduced, so that the men who want to profiteer at the expense of the public may be encouraged to overproduce their products until they find that they have overproduced, and that those engaged in that condition of overproduction are compelled finally to take even less than the cost to produce. That is the usual rule. That will follow here if you let the matter alone.

Now, of course, if it were a matter of bread or of meat or of some necessary of life, the Government might continue its war activities. But this is a question merely of sugar, confections principally, because most of the sugar goes into confections. The amount that goes into your coffee and tea is not the major amount of it at all.

So it seems to me that the present duty of the Senate is very plain, and that is to carry the railroad bill to a finish one way or the other, getting a final vote upon it and sending it to conference, and in conference make the House conferees and the Senate conferees agree to something and bring that something back before the two Houses with a view to having it dealt with. I started to say dealt with by the intelligence of the Nation, but, of course, that would not be true, for it would have to be dealt with by the two Houses of Congress instead of by the intelligence of the Nation.

But, Mr. President, it is, above all things, necessary that we should take out of the arena of public discussion at this moment the great transportation question upon which depends nearly everything. Do with it whatsoever you please. Doing anything with it will be better than doing nothing. I have a very clearly defined notion about what I want to do; so every other Senator has the same sort of notion about what he wants to do; but whatever those notions may be, as it strikes me now, the thing to do is to carry this bill forward to its ultimate conclusion and then to settle, temporarily at any rate, the transportation ques-

tion, so that the country shall be at ease. That is not all, Mr. President.

After the transportation question is out of the way there are many other questions that must be taken up and considered. In comparison with them, sugar is nothing; confections are nothing; candy is nothing; sweet cakes are nothing. Sugar is not a necessary of life. Any man with an average stomach can get along without it for two years. I did it once; the whole South did it once. Nobody's health was affected. Dr. Harvey Wiley, the best chemist in the United States, the other day said sugar was not a necessity of life. It is not a necessary of any description. The old Democratic Party that fixed a tariff on luxuries fixed a tariff upon sugar because it was a luxury, while it never fixed a tariff upon breads and meats, for they were necessities of life. So I hope, Mr. President, we shall not allow any special privileges, at any rate, to this bill or to any other bill until we have disposed of the railroad bill.

Now, there is another thing, Mr. President. Unless we do dispose of the railroad bill by the time that we have tentatively fixed for our Christmas holiday adjournment, we have got to stay here until we do dispose of it. I do not want to stay; I am tired of it; most of you are tired of it. So the best thing for us to do is to send the railroad bill to conference in some shape or other. I shall try to shape it in my own way; so will every other Senator. After it gets there, then, immediately after the Christmas holidays, we can pass it; but at any rate, Mr. President, to allow the enemies of the railroad bill to use the sugar question as a means of delaying the consideration of the railroad bill would be utterly stupid for those of us who want to settle the railroad question, one way or the other. That is what is going on; I do not say upon the part of any particular Senator, of course, but I mean that at the bottom of it all there is a certain element which is opposed to the railroad bill that is willing to vote to take up anything, whether sugar or anything else, in order to delay final conclusion of the Senate upon the transportation question.

Mr. President, transportation in modern civilization is at the root and bottom of everything. You can not even get fuel without it; you can not get food without it; you can not get clothes without it; you can not do anything without satisfactory transportation. We have passed beyond the period when one little neighborhood could supply the next little neighborhood with its food and with its garments. We have come to the period where a great interstate and international transport system must feed and clothe the world, and we ought to settle that. The idea of getting out of the way here and there, for sugar or for goober peas, peanuts that become candy, or anything else nonconsequential, is, in my opinion, absolutely absurd.

The VICE PRESIDENT. The yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. I promised to pair with him during that absence, and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. NEWBERRY (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. REED], and therefore withhold my vote. If permitted to vote, I should vote "nay."

Mr. THOMAS (when his name was called). I transfer my pair with the senior Senator from North Dakota [Mr. MCCUMBER] to the senior Senator from California [Mr. PHELAN] and vote "nay."

Mr. WILLIAMS (when his name was called). I have a standing pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I transfer that pair to the senior Senator from Arkansas [Mr. ROBINSON] and vote "nay."

The roll call was concluded.

Mr. EDGE (after having voted in the negative). May I inquire if the Senator from Oklahoma [Mr. OWEN] has voted?

The VICE PRESIDENT. The Chair is informed that he has not voted.

Mr. EDGE. I have a general pair with that Senator, which I transfer to the Senator from Kansas [Mr. CURTIS], and allow my vote to stand.

Mr. SMITH of Georgia (after having voted in the negative). When I cast my vote I overlooked the absence of the Senator from Massachusetts [Mr. LODGE]. I have a general pair with that Senator, which I transfer to the Senator from Tennessee [Mr. SHIELDS], and allow my vote to stand.

Mr. SUTHERLAND (after having voted in the affirmative). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. I notice he is temporarily out of the Chamber, and therefore I withdraw my vote.

Mr. KELLOGG. I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. As he has not voted, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. FRELINGHUYSEN (after having voted in the negative). May I inquire if the junior Senator from Montana [Mr. WALSH] has voted?

The VICE PRESIDENT. He has not.

Mr. FRELINGHUYSEN. I have a general pair with that Senator and therefore withdraw my vote.

Mr. GERRY. I desire to announce that the Senator from South Carolina [Mr. DIAL] is paired with the Senator from Missouri [Mr. SPENCER].

I also wish to announce that the Senator from Delaware [Mr. WOLCOTT] is detained from the Senate on official business. If present he would vote "nay."

I also wish to announce that the Senator from Arkansas [Mr. KIRBY] is absent on official business.

Mr. SMOOT. I desire to announce that the Senator from Kansas [Mr. CURTIS] is detained on official business.

I also wish to announce that the Senator from California [Mr. JOHNSON] is paired with the Senator from Oklahoma [Mr. GORE], and that the Senator from New Mexico [Mr. FALL] is paired with the Senator from Wyoming [Mr. KENDRICK].

The result was announced—yeas 23, nays 41, as follows:

YEAS—23.

Borah	Johnson, S. Dak.	McCormick	Nugent
Capper	Jones, N. Mex.	McKellar	Overman
Harding	Keyes	McNary	Sheppard
Harris	King	Nelson	Trammell
Harrison	La Follette	New	Walsh, Mass.
Henderson	Lenroot	Norris	

NAYS—41.

Ashurst	Fletcher	Page	Sterling
Ball	France	Phipps	Thomas
Bankhead	Gay	Poindexter	Townsend
Brandegee	Gerry	Pomerene	Underwood
Calder	Gronna	Ransdell	Wadsworth
Colt	Hale	Sherman	Warren
Cummins	Kenyon	Smith, Ga.	Watson
Dillingham	Knox	Smith, Md.	Williams
Edge	McLean	Smith, S. C.	
Elkins	Moses	Smoot	
Fernald	Myers	Stanley	

NOT VOTING—31.

Beckham	Hitchcock	Newberry	Simmons
Chamberlain	Johnson, Calif.	Owen	Smith, Ariz.
Culberson	Jones, Wash.	Penrose	Spencer
Curtis	Kellogg	Phelan	Sutherland
Dial	Kendrick	Pittman	Swanson
Fall	Kirby	Reed	Walsh, Mont.
Frelinghuysen	Lodge	Robinson	Wolcott
Gore	McCumber	Shields	

So Mr. HARRISON's motion was rejected.

TREATY OF PEACE WITH GERMANY.

Mr. KNOX. Mr. President, on Saturday last I introduced two resolutions pertaining to the treaty of peace with Germany and asked unanimous consent for the consideration of those resolutions in the order in which I propose to renew the request.

I ask unanimous consent, as in open executive session, that the Senate now proceed to the consideration of Senate resolution No. 1, which I ask may be read.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 1) submitted by Mr. KNOX on December 12 (calendar day of December 13), 1919, was read, as follows:

Resolved, That the Senate of the United States unreservedly advises and consents to the ratification of the treaty of Versailles in so far only as it provides for the creation of a status of peace between the United States and Germany.

The VICE PRESIDENT. Is there any objection to the present consideration of the resolution?

Mr. MCKELLAR. I object.

The VICE PRESIDENT. Objection is made.

Mr. KNOX. I now ask unanimous consent for the present consideration of Senate joint resolution No. 136, which I ask may be read.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The joint resolution (S. J. Res. 136) introduced by Mr. KNOX on December 12 (calendar day of December 13), 1919, was read, as follows:

Joint resolution declaring that a state of peace exists between the United States and Germany.

Resolved, etc., That peace exists between the United States and Germany.

The VICE PRESIDENT. Is there any objection to the present consideration of the joint resolution?

Mr. NELSON. I object.

Mr. McKELLAR. I object.

The VICE PRESIDENT. Objection is made.

Mr. KNOX. Mr. President, the Senate Committee on Foreign Relations reported to the Senate a resolution of ratification of the treaty with Germany, which, after a protracted debate on the floor, it seemed to me was likely to have been passed, that it would have received the two-thirds vote of the Senate with the reservations recommended by the committee and modified upon the floor. The President of the United States voluntarily advised the Members of his own party to vote against that resolution of ratification, which they did, with the result that it went down to defeat.

A few days afterwards two impassioned speeches were made upon the floor of the Senate on the other side of the aisle, one by the Senator from Alabama [Mr. UNDERWOOD], the other by the Senator from Nebraska [Mr. HITCHCOCK], imploring that the two sides of the Chamber should get together, and in a spirit of amity and in a spirit of compromise agree upon the conditions that should be attached to the ratification of the treaty. Heart-rending descriptions were given of the condition of the world, all of which was to be accounted for by the fact that this treaty had failed of ratification by the Senate of the United States. A day or two afterwards the President of the United States, by his own volition, announced to the public that no compromise on the question of reservations to the ratification of the treaty would be accepted by him; and his statement on that subject is final, because it makes no difference upon what conditions the Senate advises and consents to the ratification, the President, and the President alone, can determine whether he will accept reservations and conditions, and whether he will exchange ratifications upon the conditions advised by the Senate. So that to me, Mr. President, it seemed obvious, in view of the attitude the President had taken, both toward reservations and toward compromise, that we should make every effort in this body to reach a solution of this question; and I want the public to understand that the parliamentary situation is such that these resolutions which I have offered, either of which would solve the problem, can not be considered by the Senate except by unanimous consent, and I want the second time to have it appear that unanimous consent is impossible.

There is, however, Mr. President, another route by which we may travel, and by which we may possibly get results, and that is by reference of these resolutions to the Committee on Foreign Relations, and a report from that body. I therefore ask that both resolutions be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SMITH of Georgia. Mr. President, I wish to call the attention of the Senate briefly to the peace treaty with Germany. I do so not for the purpose of ascertaining who has been responsible for the delay but with the hope that we may agree on reservations and ratify the treaty without further delay.

There has been no lack of recognition by the Senate of the importance of closing the peace treaty with Germany. Had not the covenant of the league of nations been attached to the peace treaty with Germany, that treaty would have been ratified months ago.

The majority of the Senators are convinced that reservations should be made a part of the ratification of the peace treaty, because they are necessary to make clear doubtful provisions in the covenant and thereby avoid future disputes and wars; because they are necessary to prevent power which should be exercised by the Congress from being transferred 3,000 miles away, to nine men, eight of whom are foreigners; and because they are necessary to leave the Congress entirely free to perform its constitutional duties when an effort is made to spend the money of our taxpayers and to sacrifice the lives of our boys in the wars of the world.

For months it has been apparent that the covenant of the league of nations would not be approved without reservations covering the subjects to which I have referred. A study of the reservations voted for by the majority and reservations voted for or offered by the minority shows that more than two-thirds of the Senators have expressed themselves with reasonable certainty in favor of reservations which will accomplish the objects in view.

Most of these reservations suggested from different sides vary more in language than in substance. Senators have vied with each other in urging the importance of ratifying the treaty and in charging opposing sides with responsibility for the delay. Let us cease trying to find out who is responsible for the delay and bring the delay to an end.

Party politics should not be played over a question of such importance, involving our international relations. I believe that the party should and will be most injured which seeks most to make this treaty a party football.

The statement from the White House that President Wilson "has no compromise or concession of any kind in mind" only emphasizes the fact that the treaty is still in the Senate and that it is for the Senate to agree upon reservations and ratify the treaty. This surely can be done.

To insist that the President should withdraw the treaty just to send it back is entirely unreasonable. The Senate already has the treaty and has authority to perfect a resolution of ratification. At any time a majority of the Senate can take up the treaty. Certainly two-thirds of the Senate can do so by suspending any rule, if there is a rule, in the way of action.

The vote in the Senate indicates that much less than a third of the Senators are opposed to ratifying the treaty with proper reservations. Reservations voted for by more than two-thirds of the Senators are so similar in substance that conference alone should be required to make the language satisfactory to a sufficient number of Senators to ratify the treaty.

But we will make no progress through crimination and recrimination, and through efforts to place the blame upon this or that side for the delay. Ratification of the treaty must be by nonpartisan action, and every effort to create partisan advantage hinders ratification of the treaty.

I do not believe there are more than 16 Senators who wish the treaty killed, and I do not believe there are 10 more who are opposed to reservations of any kind. If I am right as to the sentiment of the Senate, ratification with reservations should not long be delayed.

If the Senators who now wish to ratify the treaty with reservations will confer over the subject, they will find how close they are together, how easy it is, I believe, to agree upon reservations that 64 Senators can support, and I am confident that we can agree and can act.

Mr. MYERS. Mr. President, I take this occasion to say that I am very heartily in favor of the Senate, of its own initiative and in its own way, resuming consideration of the peace treaty, compromising its differences, coming to an agreement, and ratifying the treaty. In my opinion the Senate is and has been making a political football of the peace treaty, and all of the football playing has not been on one side. It has not all been confined to either side. In my opinion, there has been politics on both sides in the contest. I think it is largely politics which is keeping the Senate apart on the treaty now, keeping it from agreeing, and I believe politics should be laid aside, and that we should get together and compromise our differences; and I, for one, am willing to compromise.

At the last session of Congress I voted for two reservations that were adopted, and if the matter comes up again I intend to vote for more reservations and amendments this time than I did last time, in the interest of compromising and getting together. The business conditions of the country and of the world are unsettled; we can not get back to normal prewar conditions until the peace treaty and league of nations is ratified. The way the matter stands now, the majority of the Republican Senators are not willing to vote for the treaty as the majority of the Democrats want it, and the majority of the Democratic Senators are not willing to vote for it as the majority of the Republicans want it. So it was during the entire time of the session recently ended, at which the treaty was under consideration. Neither side would yield.

In my opinion, it has been due largely to political obstinacy on each side. There the matter stands, but I do not think it should be allowed to stand there longer. On the last night of the last session of Congress, I voted to ratify the treaty with all of the Lodge reservations, and I voted to ratify it without any reservations. The next time I am prepared to go even further than that, and to do more than that, if possible, in order to ratify the treaty, and bring to an end the existing state of suspense and uncertainty of conditions in this country and in the world. I do not believe we should wait for the treaty to be withdrawn from this body and sent back, which would be a mere useless formality; but I believe this body should of its own initiative and power take up the matter and arrive at a compromise, ratify the treaty and league, get it out of the way, and send the country forward in a sane and natural way, and let us proceed to other business. Politics should be eliminated. This is a matter which should be put far above politics. I favor early action.

Mr. NELSON. Mr. President, I desire to occupy the attention of the Senate just a moment.

One of the two resolutions that have been offered by the Senator from Pennsylvania [Mr. KNOX] is simply a declaration

of peace, and a statement that the war between our country and Germany has ended.

The other resolution, which aims to cover the matter from another standpoint, is, to my mind, vague and indefinite. If the purpose of the Senator from Pennsylvania [Mr. KNOX] is to ratify all portions of the treaty except those portions that pertain to the covenant of the league of nations, the resolution ought to say so.

Mr. President, I am heartily in favor of the treaty with reservations that we can agree upon, and if we can not have that, I would vote for a resolution ratifying all of the treaty of peace except what pertains to the covenant of the league of nations.

But that ought to be clearly expressed in the resolution of the Senator from Pennsylvania, and I suggest to him that in case we can adopt the treaty with reservations he modify his resolution so as to make it perfectly clear that we ratify all of the treaty of peace except what pertains to the covenant of the league of nations.

Mr. McCORMICK. Mr. President, the Senator from Montana [Mr. MYERS] evinces, I was going to say, a breadth of view, but perhaps I would better say a breadth of purpose, which during the last session of Congress was not always manifest yonder on his side.

It would be interesting to some of us who supported certain amendments to the treaty, which were defeated, to learn if those who now discuss a modification of the reservations contemplate such modification as will give to the United States the same representation in the league of nations as that accorded another great power. The issue of the representation of the United States in the league was raised not once but several times during the last session by successive amendments or reservations.

Mr. SMITH of Georgia. Mr. President, will the Senator allow me just a word?

Mr. McCORMICK. Certainly.

Mr. SMITH of Georgia. While I mentioned three of the reservations embodying principles that I considered essential, I wish to add that I am still earnestly in favor of the reservation prepared by the Senator from Wisconsin [Mr. LENROOT], and I hope that reservation, which I think clearly takes care of us, so far as the six votes of Great Britain are concerned, will be a part of the resolution of ratification.

Mr. McCORMICK. It is precisely because some of us do not feel that the reservation of the Senator from Wisconsin [Mr. LENROOT] takes care of us, that I have risen to ask if those who propose a reconsideration of the terms of ratification now propose that the United States shall have as many votes in the league of nations as any other power?

Mr. SMITH of Georgia. Mr. President——

Mr. McCORMICK. If the Senator will permit me to finish——

Mr. SMITH of Georgia. I thought the Senator meant that as a question.

Mr. McCORMICK. It was said during the debate which closed with the last session, and it was repeated, that those of us who insisted upon an equality of representation for the United States sought to disfranchise the self-governing dominions of the British Empire. That was not true. We testified to the services which they had rendered during the war. We bore witness to our belief in their democratic purposes. We insisted only that since six votes were accorded to the British Imperial Federation, with half the self-governing population of this country, as many votes should be secured for the United States by amendments to the treaty adopted in the Senate of the United States.

The reservation offered during the last session by the Senator from Wisconsin [Mr. LENROOT], in my judgment, is a poor substitute for an equality of representation. I believe now, as I believed then, that if ever the covenant of the league be approved by the Senate, with whatever reservations, but without provision for that equal representation, the issue will not down, any more than the issue of slavery was put down through successive compromises, so called, adopted by the Congress of the United States. The issue of "6 to 1" will live here in Congress, on the stump, in the great cities, and at the cross-roads in the country. The covenant under these circumstances will not make for accord, but for discord, between the English-speaking peoples.

Men have borne witness, in the Parliaments of the federated States which make up the British Empire, to their belief that logic is on our side. One of them, for 16 years a minister of the British Crown, has asserted that the State of New York is more important to the Republic than the Dominion of Canada is to the Empire. Mr. President, when Englishmen can speak for justice and equal representation for the United States, the American people will not rest under the injustice which here in the Senate it has been the purpose to do them.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

The VICE PRESIDENT. The question is on the amendment of the Senator from Wisconsin [Mr. LENROOT].

Mr. TOWNSEND. What is the amendment?

Mr. LENROOT. If the Senator will turn to page 35, my amendment seeks to strike out the authorization to give a guarantee to the railroads pending reorganization. It went over from last night. I have been given to understand that the opposition has been withdrawn. I do not care to occupy the time of the Senate in further discussion of it if that be true.

The amendment was agreed to.

Mr. TOWNSEND. Mr. President, there was an amendment pending to that part of the bill known as the long-and-short-haul clause, offered by the Senator from Washington [Mr. POINDEXTER]. Is that now before the Senate?

The VICE PRESIDENT. It was laid aside, and so it is aside until called up again. There is nothing now pending before the Senate as in Committee of the Whole.

Mr. TOWNSEND. Mr. President, I do not propose to occupy much time of the Senate in discussing this bill. I doubt, however, if anybody is more deeply interested in it than I am. During all of my life in Congress I have been a member of the Interstate Commerce Committee, either in the House or in the Senate, and, as you know, these committees have jurisdiction of railroad matters. No one, I think, appreciates more keenly than I do the magnitude of this question, and its particularly serious nature at this time. If I thought it would do any good, if I believed that Senators, or any considerable number of them, cared for my opinion in reference to the measure, I would be very glad to express it in detail. But I have never been in the habit of talking simply for the RECORD, and shall not do so now. I am somewhat disturbed at what seems to be indifference to the subject, for it is of vital interest to the country, and yet the Chamber has been practically vacant during all of its discussion.

I have, however, two or three suggestions which I shall submit. I have listened to the discussion in opposition to this bill, and not always with a great deal of patience. The most bitter opposition to the measure came from a Senator who was a member of the committee, and yet during all the weeks of conscientious and full consideration of the bill by the committee I never heard him make one single constructive suggestion before the committee while we were considering the bill. I was on the committee for the purpose of trying to frame the very best bill possible, and I was most desirous of obtaining the intelligent ideas of Senators and of those qualified to speak who came before us. I believe that the other members of the committee were actuated by the same motives, and not all of them were novices in the subject matter.

I want to pay my tribute of respect and gratitude to the chairman of the committee [Mr. CUMMINS], who has manifested infinite patience, industry, and intelligence in the long and tiresome consideration of this measure. Each of the hundreds of men representing every interest and phase of the railroad question who appeared before us was given full opportunity to express his views and was treated with uniform patience and courtesy.

The committee framed and reported a bill which does not meet in every respect with the approval of any Senator. It is seldom that such bill does meet the ideal of its proponents. It is, however, a measure which, in my judgment, will solve approximately correctly the railroad problem, as it is presently complicated. It, for the first time, as it seems to me, in the history of railroad legislation, has for its cardinal principle protection of the people's rights. There is nothing in this measure, notwithstanding any statements which may be made to the contrary, which has in view the serving of any special interest. It recognizes the fact that the railroad question must be solved in justice to the people who pay dividends and wages. It is known that there are what are called weak roads and strong ones. The latter require regulation and restraint principally, while the former require support in addition to regulation. The committee has attempted to preserve, to make it possible to preserve, all of the necessary roads in the United States, and to enable them to furnish adequate transportation to the public at the lowest possible compensating cost.

The bill is not what the railroad owners wanted, and a statement to the contrary is in reckless disregard of the facts and the evidence as they have been disclosed. We have not sought to do anything contrary to the lawful and proper interests of the railroads, because we have known that any other course would be against the general welfare for which railroads are chartered and supported. We must have prosperous railroads in order to have general prosperity. But we never consciously lost sight of the fact that common carriers should serve and not control the public interest.

It is not a bill framed in the interest of the railroad employees, although every one of their rights is protected in harmony with the same principles which have been applied to owners. We provide a new and somewhat radical provision for handling disturbances between operators and their employees which disastrously affect the general welfare. I wish briefly to discuss that particular matter, because it is one of the things to which I wish briefly to direct the attention of the Senate.

We have in the bill what is known as an antistrike provision. It was thought absolutely necessary that Congress should do something to protect the people of the United States against threatened disasters which were impending at that time and which are now impending. We recognize that the railroads are chartered by the Government for the benefit of the people. That is the primary object in establishing and maintaining transportation companies. We know that unless the Government furnishes the money itself the money must be furnished by what are known as railroad owners and the railroads must be operated by what are known as employees. The owner is entitled to a reasonable return upon the property in which he honestly invests for the public welfare. The laboring man is entitled to a reasonable wage or salary for what he actually contributes to the success of the road. But it is unthinkable that any longer in this country employers and employees should be able to get together and fix wages and prices without regard to the rights of those who pay them. It is to me a monstrous thought that capital and labor can without let or hindrance starve and freeze and ruin the people in a struggle for supremacy.

Let me say here by way of parenthesis that a number of times since I have been in Congress—six times, to be exact—I have introduced a bill in the House and Senate providing for compulsory investigation of the questions growing out of the controversies between capital and labor. Every time that measure has been opposed by both capital and labor. Capital opposed it because it might involve an investigation of the accounts and methods of business.

Labor was opposed to it because it might lead ultimately to compulsory arbitration. Yet I have on my desk a printed statement which was sent out by Mr. Lewis, national president of the United Mine Workers of America, to his followers, explaining the agreement which he had recently made with the representatives of the Government, and stating that he had been promised a commission composed of three men, one an operator, one a miner, and another man, and that the findings of the commission as to prices and labor and working conditions were to be final. Mr. Lewis stated that was a great victory. But that is compulsory arbitration. Possibly this particular agreement contained other understandings than those submitted to writing, but on its face it is a provision for compulsory arbitration.

I favor compulsory investigation, believing that the public, when properly informed, would settle all of these great questions between capital and labor. So when the question came before the committee I was perfectly satisfied to provide for the boards for settlement of controversies between employers and employees and allow public opinion to do the rest, except that it was my desire to provide in the bill that there should be no conspiracy to strike permitted while the investigation was being carried on, and until the board had finally rendered its decision. I wanted to stop there. I did not care to go any further than that at this time because I thought that would be effective. That was my position before the committee and that is my position now. An amendment to that end will receive my vote.

I repeat that when the facts have been disclosed as to the controversy that exists between capital and labor, between owners and railroad employees, I think the strike will proceed no further because the party at fault would necessarily have to surrender to force of public opinion.

There is another thing of which I wish to speak. The Senator from Washington [Mr. POINDEXTER] has introduced an amendment striking out, as I understand it, the provision of the bill which has relation to the long-and-short-haul clause. Senators will understand that under existing law we have a prohibition against a greater charge for a longer distance than for a shorter distance, the latter being within the former, except under certain conditions. It is the exception which the Senator wishes to eliminate.

I know that in the West, and especially in the Northwest, there is complaint that the charge for the longer haul is less than the charge for the shorter distances sometimes. That seems to be inequitable, and per se it is so; but I want Senators to understand that we are now confronted with a condition and not a theory. The system of rate fixing has existed in the country for many, many years. Cities have been builded; the whole country has been established upon these arrangements. Some of them have been wrong. It has been wrong and is so now to fix the longer-haul rate so low that in itself it is not compensatory; that is, it does not yield its proper portion of the expense of operation of the railroad system. Then it stands to reason that the shorter routes paying the higher proportioned rate must have an additional burden placed upon them. That is wrong.

When the committee had the bill before it I offered an amendment to that provision, which was adopted, which states positively that no rate shall be fixed by the commission which in itself is not compensatory; that is, which does not yield a proper proportion to the expense of the operation of the line. We also provided that purely latent water competition shall not be the basis for the establishment of rates. What I mean by that is this:

It has been known for a good many years that what are known as Mississippi and Missouri River points have had lower rates than longer distances on either side, because of the possibility of water competition over the Mississippi and Missouri Rivers. Evidently the object of that was to keep water transportation off of both rivers. We provide in the amendment that the commission shall not grant reduced rates on account of potential water competition not in existence.

The practice of charging a lower rate proportionately for longer distances is not entirely without equity. The railroads themselves, if they are to do business with points where there is actual water competition, as, for instance, on the Pacific coast, where commerce is served by boats, must at those points meet the water-transportation rate. If those rates are not so low as to be noncompensatory, and therefore place an additional burden upon transportation for shorter distances, it seems to me there can be no harm in competitive rates. The committee amended the existing law on this subject, and I had supposed it was satisfactory to the Senator from Washington [Mr. POINDEXTER]. If you proposed a hard and fast rule looking to practically a mileage rate, if you say that under no conditions shall there be a reduction in rate for long distances to meet competition at some other point, you are disturbing a great business condition in the country in a way which, in my judgment, will be disastrous.

Mr. POINDEXTER. Mr. President——

Mr. TOWNSEND. I yield to the Senator from Washington.

Mr. POINDEXTER. I am afraid that some misapprehension will be created by the Senator's statement that the amendment would establish practically a mileage basis for the making of rates. I think the Senator is entirely mistaken about that.

Mr. TOWNSEND. I do not want to be understood as stating it quite as broadly as that.

Mr. POINDEXTER. I was sure the Senator did not. I just wanted, in order to clear that up, to say that if the amendment is adopted there will be nothing in the bill which prevents the charging of as low a rate for a long distance as is charged for the shorter distance. For instance, under the present system, on carpets shipped from New York to Fridley, Minn., the rate is higher than it is on the same identical goods over the same line to the Pacific coast, 1,200 miles farther west. Under the bill Fridley would be enabled to get as low a rate as Seattle or Tacoma or Portland, 1,200 miles farther away from the point of shipment, but there would be nothing in the law that would require Fridley to get a lower rate. The railroads would still be able to charge on shipments to Fridley just as much as they charge to the Pacific coast. The purpose of the amendment is not to prevent that, but it is to require that Fridley, to continue the illustration, shall not be charged a higher rate. That is as far as it goes.

Mr. TOWNSEND. I did not wish to be understood as saying that it would be the establishment of exactly a mileage rate, but I did wish to be understood as saying that it was a step in that direction. It is based more upon that principle than it is upon that of serving the different communities because of special conditions.

I desire to say here what I started to say in the first place, namely, that if we were starting anew in this country I doubt if I would have opposition to the Senator's position, but I must take conditions as they are. I wish now to refer to the language

which was used in framing the amendments to the interstate-commerce act proposed by the bill.

Mr. McCORMICK. Mr. President, will the Senator yield?

Mr. TOWNSEND. I yield to the Senator.

Mr. McCORMICK. Let me ask the Senator from Michigan if, in his judgment, we should contemplate a gradual revision of the economic inequality which is established by this rate differential or if we should allow it to go on in perpetuity?

Mr. TOWNSEND. The answer to the Senator's first question is that we should proceed to correct it as rapidly and with as little disturbance to business as possible, and that is what we attempt to do in the amendment to the interstate-commerce act proposed in the bill.

Mr. POINDEXTER. Mr. President, I shall not continue to interrupt the Senator from Michigan——

Mr. TOWNSEND. You need not hesitate to do so.

Mr. POINDEXTER. But on the particular point referred to by the Senator from Michigan and in relation also to the question asked by the Senator from Illinois [Mr. McCORMICK], I should like to emphasize the fact that if the amendment proposed by me is adopted it will not make any sudden or extensive change in the present situation. The purpose of the amendment, in fact, is to preserve the existing situation, which is temporary in its nature, but which has been in force for some time under the Government administration of the railroads.

The point I am making is that it will not bring about any sudden dislocation or sudden shock either to the transportation system or to rival communities. It seems to me that this is a very opportune time to take advantage of the temporary conditions that have been established by the Government Railroad Administration and which have been in force for a year or more, to continue them in effect and to accomplish the reform in which the Senator is interested.

Mr. TOWNSEND. Mr. President, as we all know, section 4 of the interstate-commerce act, which is known as the long-and-short-haul clause, was amended so that it did actually forbid the charging of less for a long haul than for a short haul, the shorter haul being included in the longer. As I have stated, with the exception that—

> the commission may from time to time prescribe the extent to which any designated common carrier may be relieved from the operation of this section.

My information from the commission is that it has reduced the exceptions in many respects; that it has been trying to arrange a schedule of rates that will work as little injustice to any community as it is possible to do. Then this is what we add:

> But in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not fairly compensatory for the service performed; and if a circuitous rail line or route is, because of such circuity, granted authority to meet the charges of a more direct line or route to or from competitive points and to maintain higher charges to or from intermediate points on its line the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points.

The commission tells me that this is practically the rule which it is now following, and that it is working out an approximately correct solution of this whole problem. Furthermore, we add:

> And no such authorization shall be granted on account of merely potential water competition not actually in existence.

Mr. President, it seems to me that this is a long step in the direction of correcting some of the apparent evils which are recognized to exist in the Northwest and possibly in some other sections of the country, but I do not think that at this time we should unduly and radically disturb existing conditions. I do not agree with the Senator from Washington that his amendment would not materially disturb the existing status of business throughout the United States. I think we had better not do that now; that we had better not go so far as that. Therefore, I trust the Senate will adopt the provision reported by the committee; let us try that out and see what can be accomplished by it.

Mr. President, as I have already said, there is very much I would like to say on the pending bill, but I recognize when I look over the Senate what a useless task that would be, unless I desired to talk for the RECORD; and that, I repeat, I do not care to do.

Mr. POINDEXTER. Mr. President, I ask that the amendment on the long-and-short-haul question which was submitted by me to the Senate on yesterday, and was passed over in order that more Senators might be present, be now laid before the Senate.

The VICE PRESIDENT. The amendment proposed by the Senator from Washington will be stated.

The SECRETARY. It is proposed by Mr. POINDEXTER, on page 77, beginning on line 22, with the words "*Provided, however,*" to strike out down to and including line 17 on page 78.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Washington.

Mr. TOWNSEND. Does the Senator from Iowa desire a vote on the amendment?

Mr. CUMMINS. I think we must vote on the amendment. If the Senator from Washington desires a quorum, he may call for it. Otherwise, I am ready for a vote.

Mr. TOWNSEND. Very well.

Mr. POINDEXTER. I see no reason why we should not proceed to a vote.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Washington. [Putting the question.]

Mr. POINDEXTER. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DIAL (when his name was called). I have a pair with the junior Senator from Missouri [Mr. SPENCER], and therefore withhold my vote. I ask that this announcement may stand for the day.

Mr. JONES of Washington (when his name was called). As I have heretofore announced, the Senator from Virginia [Mr. SWANSON] is necessarily absent, on account of illness in his family, and I promised to pair with him during that absence. Therefore, I must withhold my vote. If at liberty to vote, I should vote "yea."

Mr. KENDRICK (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. FALL], which I transfer to the Senator from Texas [Mr. CULBERSON] and vote "yea."

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN], but I have been released on this bill and all amendments thereto. I therefore vote "nay."

Mr. McKELLAR (when his name was called). I have a pair with the Senator from Iowa [Mr. KENYON], and therefore withhold my vote.

Mr. NEWBERRY (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. REED], and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. ASHURST (when the name of Mr. SMITH of Arizona was called). My colleague [Mr. SMITH of Arizona] is absent from the Senate on business of the Senate. If he were present, he would vote "yea."

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. He being absent, I withhold my vote.

Mr. THOMAS (when his name was called). Making the same transfer of my pair as announced during the last vote, I vote "yea."

Mr. WILLIAMS (when his name was called). I have a standing pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I do not know how he would vote if present. I find, however, that I can transfer my pair with him to the Senator from Nevada [Mr. PITTMAN], which I do, and vote "yea."

The roll call was concluded.

Mr. HENDERSON. I desire to announce that my colleague, the senior Senator from Nevada [Mr. PITTMAN] is absent on account of illness in his family. If he were present, he would vote "yea."

Mr. EDGE (after having voted in the negative). I have a general pair with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the Senator from Connecticut [Mr. BRANDEGEE] and allow my vote to stand.

Mr. WALSH of Massachusetts. I desire to announce that the junior Senator from Rhode Island [Mr. GERRY] is absent on official business. If present, he would vote "nay."

Mr. SHEPPARD. I wish to announce that the Senator from Oregon [Mr. CHAMBERLAIN] is detained from the Senate on important public business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from California [Mr. JOHNSON] with the Senator from Oklahoma [Mr. GORE], and the Senator from Massachusetts [Mr. LODGE] with the Senator from Georgia [Mr. SMITH].

The result was announced—yeas 25, nays 41, as follows:

YEAS—25.

Ashurst	Hitchcock	Norris	Sterling
Borah	Johnson, S. Dak.	Nugent	Thomas
Capper	Jones, N. Mex.	Overman	Walsh, Mont.
Cummins	Kendrick	Poindexter	Williams
Curtis	King	Ransdell	
Gronna	Kirby	Sheppard	
Henderson	La Follette	Smoot	

NAYS—41.

Ball	Gay	McNary	Townsend
Bankhead	Hale	Moses	Trammell
Calder	Harding	New	Underwood
Colt	Harris	Page	Wadsworth
Dillingham	Harrison	Phipps	Walsh, Mass.
Edge	Kellogg	Pomerene	Warren
Elkins	Keyes	Sherman	Watson
Fernald	Knox	Simmons	Wolcott
Fletcher	Lenroot	Smith, Md.	
France	McCormick	Smith, S. C.	
Frelinghuysen	McLean	Stanley	

NOT VOTING—29.

Beckham	Johnson, Calif.	Newberry	Smith, Ariz.
Brandegee	Jones, Wash.	Owen	Smith, Ga.
Chamberlain	Kenyon	Penrose	Spencer
Culberson	Lodge	Phelan	Sutherland
Dial	McCumber	Pittman	Swanson
Fall	McKellar	Reed	
Gerry	Myers	Robinson	
Gore	Nelson	Shields	

So Mr. POINDEXTER's amendment was rejected.

Mr. POMERENE. Mr. President, on the motion presented by the Senator from Washington [Mr. POINDEXTER] I voted "no." When this question was up before the Interstate Commerce Committee I voted in favor of the so-called Poindexter amendment. I am in sympathy with that amendment; but it is a matter of such very great importance, and there is such a diversity of opinion upon the subject, that my feeling is that it should have been presented in a separate bill, so that it could be determined solely upon its merits, and my fear was that if the Poindexter amendment had been adopted it might embarrass the passage of this bill. For that reason, I voted as I did.

Mr. JONES of Washington. Mr. President, I offer the following amendment: On page 82, lines 6 to 13, I move to strike out what is known as section 41.

The chairman of the committee has been so fair and just in connection with the various amendments I have offered that I do not want to seem to impose upon him, and I know he will feel that I am not doing so; but this amendment involves in substance the same principle that has applied to many of the other amendments I have offered. The section, as it is reported by the committee, amends section 6 of the act to regulate commerce by extending the jurisdiction of the Interstate Commerce Commission over water carriers by giving the commission the power to establish minimum rates. The law as it is now, paragraph (b) of section 6, gives the Interstate Commerce Commission power "to establish through routes and maximum joint rates between and over such rail and water lines." I make no objection to that, but I do oppose extending the power of the Interstate Commerce Commission to establish minimum rates over water routes, and that is what the provision in the Senate bill, as reported, in section 41, does.

As I understand, the House committee reported a similar provision, but when the matter came up in the House that provision was stricken out. Objections have come from all parts of the country against the Interstate Commerce Commission interfering with water rates, and especially should the Interstate Commerce Commission not have authority to fix a minimum rate. The water transportation companies should have the right to fix any rate that they desire to fix, so far as the minimum is concerned. We have had complaints heretofore that railroads have written their rates for the purpose of putting water carriers out of business. Here, apparently, would be a provision that the Interstate Commerce Commission could use, if they desired to use it, to prevent business from going to water carriers from railroads. Now, I do not believe that the chairman or the committee desire anything of that sort, and that is the reason why I move to strike this out, so as to leave the law to stand as it is, leaving the Interstate Commerce Commission the power to fix the maximum rates but not to fix minimum rates.

Mr. CUMMINS. Mr. President, the question raised by the Senator from Washington is one which for many years has concerned the people of the country who have had to do with the regulation of commerce. It is one upon which there may very well be difference of opinion. I grant that at once.

The act to regulate commerce, as it is now, reads as follows:

> To establish through routes and maximum joint rates between and over such rail-and-water lines and to determine all the terms and conditions under which such lines shall be operated in the handling of the traffic embraced.

It would be dogmatic if I were to attempt to insist that there is not room for fair difference of opinion with respect to this subject. If I understand the matter correctly, the Interstate Commerce Commission, after long study, reached the conclusion that their powers should be broadened and extended to the establishment of minimum rates as well as maximum rates. I suggest to the Senator from Washington that it would be well if this subject could be within the jurisdiction of the conference committee, if this bill ever reaches a conference, when it would be worked out, I hope, to the advantage of the whole country. If his motion prevails, the subject will not be in conference and the law will remain as it is now, with no opportunity on the part of the conferees to consider the respective arguments upon the one side or the other of this very important matter.

Mr. JONES of Washington. Mr. President, if the committee of the House had taken the view of this matter that the House took of it, I would not be so fearful of the conference; but the House committee reported this, showing that the House committee is in favor of the proposition to which I object. Therefore the conferees on the part of the House, while they are supposed to represent the views of the House, will personally be in favor of the provision that the Senate has reported, and I can very well imagine about how strenuously they will oppose the provision of the Senate; and that is one reason why I do not think the matter ought to go to conference, in addition to what I look upon, of course, as the merits of it.

I recognize, as the Senator says, that there is room for honest differences of opinion; but the fact that the Interstate Commerce Commission has recommended it does not appeal very strongly to me, because I feel that the Interstate Commerce Commission is primarily looking after the interests of the railroads, and that it will look after the interests of the railroads in fixing the rates on the water routes; and I think this is a provision that would be especially in the interest of the public, that the water carriers be left free to make any miniumu rate that they desire to make. As I said a while ago, for that reason I do not think this ought to be left to the Interstate Commerce Commission; and I would much rather that it would not go to conference, because I would be afraid of the conference report, in view of the attitude of the committee of the House.

Mr. CUMMINS. Mr. President, all that I ask the Senate to remember in deciding the matter is this, that the bill before the Senate gives to the Interstate Commerce Commission the power, which it has never had, save inferentially, at any rate, to establish minimum rates upon railways.

Mr. JONES of Washington. Waterways?

Mr. CUMMINS. No; railways. The bill gives the commission the right to establish a minimum rate upon a railway precisely the same as the House bill does, and I think nearly everybody agrees that the authority ought to exist to make minimum rates in order to prevent discrimination. The general object of the whole bill is to prevent discrimination, and with this observation, I submit it to the Senate for such action as it may desire to take.

Mr. RANSDELL. Mr. President, just a word to supplement what the Senator from Washington has said. I regard the matter as quite important and desire to corroborate, as strongly as I can, the points made by the Senator from Washington. I do not see how the public can possibly be injured by leaving the law as it is. The Interstate Commerce Commission, under the existing law, has a right to fix maximum rates. The public is interested in getting just as cheap rates as possible. The Interstate Commerce Commission might, in the interest of the railways, if they felt so inclined—and I would not think of charging them with being inclined that way—fix such a minimum that shippers could not afford to use waterways when that minimum is charged. That was directly charged on the floor of the House several weeks ago by Mr. CLEARY, a Member of Congress from New York, and I will read just a brief extract from his speech. I read from the CONGRESSIONAL RECORD of November 15, 1919, page 8611:

> Mr. CLEARY. Mr. Chairman, I might give some illustration as to the working of this abuse. Last year, for instance, a delegation from New York came down here in vacation time, and I came with them. The people from various parts of New York State came, and we waited upon Mr. McAdoo because the Erie Canal was not being conducted successfully. I did most of the talking with Mr. McAdoo, as I was familiar with the situation. I told him that the canal has got to have a very much lower rate than the rail to get any business.
>
> That is so, for various reasons. There is, for instance, the insurance, and also the fact that the shippers were more familiar with shipping by rail than by boat, and they did not have to ship in such large quantities, and all those things. I suggested that there was something that he should do, that he should name a rate from New York to all points west by rail, and then he should name a rate ex boats from Buffalo, so that the boats might carry it for any rate they pleased between New York and Buffalo, and thus give people the benefit of the canal. His reply to that was that he could not afford to let the water routes do what they wanted to because he had to protect the railroads. That is an illustration.

I assume that statement is absolutely correct. As stated by the Senator from Washington, the public is anxious to get just as low rates as possible, and if boats are given a free hand to charge whatever they wish, surely the general public can not be injured.

I sincerely hope the amendment of the Senator from Washington will be agreed to and the law be allowed to stand in this respect as it has been for some time.

Mr. FLETCHER. Mr. President, the principal objection in my mind to the section is to the latter part, where it refers to maximum proportional rates, using the words "maximum and minimum proportional rates," instead of, as in the original act, "maximum proportional rates." That would give the Interstate Commerce Commission entire jurisdiction of the rates on a waterway if the carriage were entirely on the waterway. I do not think we want to go so far as to give them jurisdiction to fix maximum and minimum rates on waterways where the carriage is practically entirely by water. Therefore I think the section ought to be stricken out.

Mr. KIRBY. I ask the Senator, Why should not the Interstate Commerce Commission have the power to regulate rates on water carriers the same as on rail carriers? They are supposed to be acting for the best interests of the country.

Mr. FLETCHER. I do not think it would be wise to give that power to the Interstate Commerce Commission.

Mr. JONES of Washington. Let me suggest to the Senator that the Interstate Commerce Commission was created primarily to look after the railroads and the interests of the railroads, and protect the public, of course, from the exactions of the railroads. I think they consider that that is their main duty and their main responsibility, and if you give them jurisdiction over the waterways, you will find, wherever a waterway tends to divert the traffic from the railroad in a way that might injure the railroad, they will stop it. We have been complaining for a long time that our waterways have not been put to use. We have a provision in this bill requiring the board to investigate and recommend to Congress means and methods by which we can increase our water transportation. I may be mistaken, but if we have a provision like this, in my judgment we may never have water transportation developed on our inland waterways.

Mr. POMERENE. Mr. President, if this were going to militate against water transportation, I would not be for it; but I say, with all due respect, I think my learned friend from Washington misconceives the effect of this proposal.

As I understand the practices of the railroad companies, in years gone by, when there was only a maximum rate provided, the railroads had the power to reduce those rates as much as they might deem wise, looking at the matter wholly from a selfish standpoint. As a result, the railroads succeeded in driving water transportation off the face of the earth.

Later on Congress adopted an amendment which in effect provided that if they should reduce the rates to a given point, they could not thereafter advance them. I may not be stating the principle with entire accuracy, but that is the substance of it.

Before the amendment to which I have referred, the railroad companies would adopt the practice of lowering the rates, driving the boats off of the river, and then raising the rates. It was supposed that the amendment would cure that evil, but it has not cured it, for this reason: If a powerful railroad company could reduce the rates below a living rate, they could destroy the water-transportation company. In other words, they could kill, and they did kill, a competitor, and having killed the competitor, they would have the freight and the business theretofore going to the railroad company as well as the business of the dead competitor; and in that respect they had an advantage.

It was because the committee had this information in its possession, and because the Interstate Commerce Commission felt that if they had the power to fix both a maximum and minimum rate they could to a certain extent prevent the continuance of the past conduct of the railroads, that the bill was drawn in this way.

Mr. JONES of Washington. Mr. President, will the Senator permit an interruption?

Mr. POMERENE. I yield to the Senator.

Mr. JONES of Washington. I would have no objection to the Interstate Commerce Commission having the power to fix minimum rates for the railroads. That is really what I was aiming at.

Mr. POMERENE. As I understand the Senator's amendment, it would have the effect of preventing the fixing of a minimum rate.

Mr. JONES of Washington. I suppose it would, probably, under this minimum on railroads.

Mr. POMERENE. The Senator is asking more than he really desires.

Mr. JONES of Washington. I am perfectly willing to take the time to prepare an amendment, or have the committee prepare an amendment, that will so amend paragraph (b) as to cover the railroads.

Mr. CUMMINS. I suggest to the Senator from Washington and the Senator from Ohio that the section that is sought to be stricken out does not give to the Interstate Commerce Commission the power to fix a minimum rate upon a water haul; nor did the section in the act to regulate commerce, for which it is to be substituted, give to the commission the power to fix a minimum rate, or a maximum rate, either, upon a water haul. The section relates wholly to a joint rate, a rate covering a route that is partly by land and partly by water.

The act as it is now says to the commission that a joint rate over such a route can be established by the Interstate Commerce Commission. The bill before the Senate says that the commission can fix not only a maximum joint rate, but a minimum joint rate as well; that is, a rate which shall apply for the entire haul both on land and water. That is the whole effect of the amendment. We do not propose, and never have proposed, to take a water haul as distinguished from a joint land and water haul and establish rates for the water haul.

The word "proportional" referred to by the Senator from Florida [Mr. FLETCHER] means simply that the Interstate Commerce Commission can divide the land and water rate so that either the land carrier or the water carrier can receive a less proportion of that joint rate than the local rate would be if the two hauls were entirely independent. There is no suggestion here of invading the province of the water carriers.

Mr. POMERENE. Mr. President, if the chairman will permit me to interpolate, the question was presented to the subcommittee, at least, as to whether we should take up the fixing of water rates—that is, where the rates were wholly by water—and we decided, after considerable discussion, that we would not take it up. I can assure the Senator from Washington that the explanation which has been given by the chairman of the committee is in entire accord with my own judgment about it.

Mr. JONES of Washington. I think that is true, from the language here, and I can see how the Interstate Commerce Commission could use even the power over joint rates to discourage and prevent the water carrier from taking the freight and diverting the full through route over the railroad. That is what I want to prevent. I do not want to give them the opportunity to do it. I do not think the Interstate Commerce Commission should have the power, if they desire to do so, to prohibit water carriers from putting their rate away down on a joint haul.

Mr. CUMMINS. There is nothing to prevent that. The Interstate Commerce Commission has that power now. Does the Senator from Washington desire to take that away from the commission?

Mr. POINDEXTER. Oh, no; not at all; that is under maximum rates.

Mr. CUMMINS. It has a right to establish a through route. It has a right under the present law to establish a joint rate; that is, to prescribe the maximum rate that both carriers shall charge for the haul on land and water. So much is in the law now. The only change this makes is that for the entire route over both land and water the commission may prescribe a minimum charge.

Mr. RANSDELL. Will the Senator allow me to ask a question there? Suppose in fixing the minimum joint rate for both the rail and water haul the commission should make the minimum rate so high that there would be no inducement to the shipper to use the watercourse.

Mr. CUMMINS. Precisely.

Mr. RANSDELL. That is exactly what seems to have been done in the New York case. Everybody knows that there are certain advantages which the railroads have, and if the rates by water are made as high as the rates by rail, most people, I am afraid, are going to use the railroads; and there is the danger. If the commission fixes the minimum joint through rate by rail and water so high, the people will not use the water at all.

Mr. CUMMINS. The Interstate Commerce Commission is not a railway commission, but an interstate commerce commission, whether the commerce be carried by land or water. If the Senate desires to assume that the Interstate Commerce Commission is an enemy of water transportation, is an enemy of the people of the country, and desires to inflict upon them higher rates than are necessary in order to fairly transact the business, then I can see some reason for the position that is assumed here. But I believe that the Interstate Commerce Commission is just as much interested in transportation by water as it is in transportation by land. I am bound to believe that it wants to serve all the people of the country in the most effective way in which they can be served. I do not believe that it ought to be asserted, or ought to be believed, that the Interstate Commerce Commission, if it has an opportunity to establish a joint route over a rail-and-water line, is going to establish a minimum rate so high that those who have freight to

transport will transport it over an all-rail line if one is available rather than over the rail-and-water line.

Mr. POMERENE. May I suggest to the Senator that under the bill it is made just as much the sworn duty of the Interstate Commerce Commission to take care of the water carrier as it is to take care of the rail carrier?

Mr. CUMMINS. It is so expressly declared, and the Senator from Louisiana [Mr. RANSDELL] was very glad to have that declaration inserted in the bill. I remember that he said somewhere, whether publicly or not I do not know, that this is the first real recognition that water transportation ever had at the hands of Congress.

Mr. POMERENE. May I add also that in deference to the desire of my good friend, the Senator from Louisiana, we changed the name of the transportation board from railway transportation board to transportation board, so that there would be no distinction between railway transportation and water transportation?

Mr. RANSDELL. I am much obliged for that. You did it at my suggestion and I thank you very much for doing it.

I wish to say to the distinguished chairman of the committee that I would not pretend to intimate that the Interstate Commerce Commission would do anything wrong. I do not believe that they would intentionally do anything wrong, but the chairman of the committee is bound to admit that for a great many years we have had practically no transportation in the country by water on our internal waterways which came into competition with the railways. Just what part the Interstate Commerce Commission had to do with it I am not prepared to say. I am simply stating the fact. The boats have been run off the rivers by the railways when the Interstate Commerce Commission was functioning. So you can not blame the waterway people for being just a little bit chary when it comes to legislating on the subject.

I want again to express my thanks to the committee for declaring that the transportation board shall endeavor in every way possible to keep transportation by water and by rail on terms of parity. I thank them from the bottom of my heart for recognizing for the first time in the history of the country that we have waterways in the country which transport freight. There has been no law to recognize that heretofore of which I know, except some appropriations to improve the waterways. I hope that if the bill is going to be passed, the provisions for the transportation board are going to be kept in it. I can see that there is a danger here, and why incur the danger of keeping in the word minimum? Why not leave the law just as it is? It would certainly be safer.

Mr. POMERENE. Mr. President, just a word further. I share the sympathies of the Senator from Louisiana with water transportation and I want to see it promoted, but I think we have provisions in the bill which will promote it. When the Senator from Louisiana refers to the disadvantages under which water transportation has been operated in the past, permit me to remind him that the Interstate Commerce Commission had no jurisdiction to deal with the water rates at all and in my judgment it was because of that fact largely that the water transportation was put wholly at a disadvantage.

If we are going to encourage both kinds of transportation, and that is what we ought to do, let us trust to the good judgment of the commission that is intrusted with this power. Though there are some things that it has done that I have not agreed with, I think the Interstate Commerce Commission has made a record for itself in the public service which has been equaled by very few other branches of the Governmnet. I hope the amendment will be defeated.

Mr. JONES of Washington. Mr. President, I agree with the Senator in his commendation of the Interstate Commerce Commission, especially in its dealings with the railroads, but I would like to get water transportation before we begin to regulate it, especially on a minimum basis.

We have many objections now—and, I think, very just ones—to appropriations that we are asked to make for the improvement of rivers on the ground that we have no water transportation on them. Whenever a river and harbor bill is up objections are made and the fact is pointed out that we have spent thousands and hundreds of thousands of dollars where we have no transportation.

If we are going to fix minimum joint rates that the carriers can charge in connection with railroads, we may, in my judgment, spend all the money that we may appropriate and we will not get the water transportation. When we get the water transportation, then if we find abuses arising I am perfectly willing to try to regulate them.

Mr. POMERENE. Will the Senator allow me to make a suggestion?

Mr. JONES of Washington. Certainly.

Mr. POMERENE. I think it may be fairly stated that the Senator himself feels that the amendment which he has presented goes too far. Will he not allow me to make the suggestion at this moment that the amendment be withdrawn and that he submit an amendment which will embrace just what he wants and nothing more? I am not prepared to say that I would support the amendment in that form. My belief is that the section should be adopted as it has been reported by the committee; but if the Senator will pardon me, I would offer that suggestion to him.

Mr. JONES of Washington. I am very glad to have the suggestion. As I said a while ago, if the committee wants to give the Interstate Commerce Commission power to fix minimum rates on railroads, I do not desire to take that away from them, but, as I understand the section, it really deals with joint rates. That is all that the section is intended to deal with. As the chairman stated a while ago, it simply amounts to a paragraph that deals with joint rates over rail and water lines. I oppose the fixing of minimum joint rates over rail and water lines.

Mr. SMITH of South Carolina. May I ask the Senator from Washington if his idea is not to obviate what has been in operation under the law—the fixing of a maximum, but no minimum, and allowing the rates to be put so low as to destroy water competition, but to still give the power to fix a minimum rate on the railroads and then allow the boats that may meet that minimum to adjust their rates to suit themselves?

Mr. JONES of Washington. Certainly; that is it.

Mr. SMITH of South Carolina. If we could get an amendment to the bill that would provide for a minimum so far as concerns the rail haul to the point where it comes in contact with water, fixing a minimum so that it could not destroy and drive off water competition, and then allow the water carrier to fix such rates as it sees fit, it would then enable the Interstate Commerce Commission to fix a rate that would keep alive transportation on the water.

That, it seems to me, would be a fairer chance for water transportation than to allow them to fix a joint minimum rate, because the water rate might be so very much cheaper than the rail rate, and the proportion of the rail haul in length being perhaps equal or greater, that the joint rate, unless the Interstate Commerce Commission were to apportion to each one of the carriers its proportionate share of that rate, might work so that you could hardly have them adjust the rate. Fixing a fair minimum to the water point below which they could not go, and taking the general average and putting it where the water carrier could meet it and meet it profitably, it seems to me, would fill all the requirements at this stage of water development.

Mr. JONES of Washington. Let me ask the chairman of the committee whether there is any provision in the bill outside of this paragraph allowing the Interstate Commerce Commission to fix minimum rates on railroads?

Mr. CUMMINS. There is.

Mr. JONES of Washington. If there is, that provision will take care of the very proposition the Senator suggests. As I understand it, this paragraph deals only with joint through rates?

Mr. CUMMINS. That is true.

Mr. JONES of Washington. So to strike it out would simply strike out the power of the Interstate Commerce Commission to fix minimum joint through rates——

Mr. KIRBY. Mr. President——

Mr. CUMMINS. Leaving the other provision in the bill to take care of the situation the Senator suggests. I yield to the Senator from Arkansas.

Mr. KIRBY. Is it possible that the Senator has in mind that the Interstate Commerce Commission would discriminate against one carrier and in favor of another carrier when its business is to regulate both in the interest of the public?

Mr. CUMMINS. No. I am not saying this because I think the section should be stricken out. I think it should remain in the bill, but in answering the inquiry made by the Senator from Washington I had in mind section 44, on page 85, of the bill, where it is stated that—

> the commission is hereby authorized and empowered to determine and prescribe what will be the just and reasonable individual or joint rate, fare, or charge, or rates, fares, or charges, to be thereafter observed in such case, or the maximum, or minimum, or maximum and minimum, to be charged, and what individual or joint classification—

And so forth.

I think that gives the commission the right to prescribe a minimum individual rate, the word "individual" being used in contradistinction to the word "joint."

Mr. JONES of Washington. Mr. President, I have here a memorandum from a gentleman in whom I have great confidence, in which he states that in the testimony of Commissioner Clark before the House committee he indicated very clearly his belief that they should take care of the railroads and the railroad situation. I do not know whether that is correct or not; but, at any rate, I do not see why we should now place it in the power of any governmental body to destroy water transportation; for we put it in their power to do so in certain cases when we give this power to the Interstate Commerce Commission. I should hope they would not exercise it; I should hope they would not use it in that way; but why give them that power? We want water transportation and we want water carriers.

Mr. SMITH of South Carolina. If the Senator will allow me at that point, the very section which the chairman of the committee read from provides—

the commission is hereby authorized and empowered to determine and prescribe what will be the just and reasonable individual or joint rate, fare, or charge, or rates, fares, or charges, to be thereafter observed in such case, or the maximum, or minimum, or maximum and minimum, to be charged, and what individual or joint classification, regulation, or practice is or will be just, fair, and reasonable, to be thereafter followed, and to make an order that the carrier or carriers shall cease and desist from such violation to the extent to which the commission finds that the same does or will exist.

In other words, that is almost a repetition of that of which the Senator complains, because there the commission is given a right to fix a minimum and maximum joint or individual rate, which must be observed.

Mr. JONES of Washington. That also might need to be amended; but section 41 deals especially with paragraph (b) of section 6 of the interstate-commerce act, which expressly gives the Interstate Commerce Commission authority to fix maximum rates for the joint rail-and-water haul. Section 41 extends that and gives them the power to fix minimum rates.

Mr. SMITH of South Carolina. Then, section 44 is still a further enlargement of section 41?

Mr. JONES of Washington. It may be; but let us strike out section 41, and then, if we have to strike out the other provision in section 44, very well. I had supposed that section 41 covered the whole matter.

Mr. CUMMINS. I hope the Senator from Washington will not destroy the entire interstate-commerce act.

Mr. JONES of Washington. I do not want to do that, I am sure; but the Senator from South Carolina just called the other section to my attention. I did not know what that section accomplished. I had not examined that phase of it at all.

Mr. CUMMINS. That does not relate to water carriage at all.

Mr. JONES of Washington. Then, I would not desire to touch it.

Mr. CUMMINS. It is most unfortunate, in my opinion, Mr. President, that in formulating a bill it is given the appearance of antagonism between the rail lines and the water lines. That is the most unfortunate thing that could possibly creep into this discussion. It would be especially unfortunate if it were to find a place in the law. Water carriers and land carriers are bound to cooperate if water carriers are successful.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Washington [Mr. JONES].

The amendment was rejected.

Mr. STERLING. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment proposed by the Senator from South Dakota will be stated.

The SECRETARY. In line 9, on page 58, it is proposed to strike out the words "each railway craft" and insert in lieu thereof "all classified employees of the railway carriers without other distinction"; and in lines 21 and 22, on said page, to strike out the word "crafts" and insert in lieu thereof the words "classified employees."

Mr. STERLING. I offer the amendment, Mr. President, partly in the interest of certainty in the portion of the bill affected and partly for the sake of preventing any discrimination between employees. The term "craft" may mean—indeed, that is one meaning given to it in the dictionaries—a trade-union or guild; and if the matter of selection is confined to the railway crafts, the language will most likely be so interpreted that employees outside of unions will have no voice whatever in the nomination of the committee of wages and working conditions. The law should not be left in such shape that a man in order that he might have his rights in this respect would feel it incumbent upon him to become a member of a trade-union; he should be left entirely free in that respect. I think the term "railway chaft" is used nowhere else in the bill than on this page. So I propose to substitute in place of "railway craft" the term "classified employees." In doing that I make this part of the bill coincide with other parts of the bill where the term "classified employees" is used and where the classified employees, apparently without other distinction, are the ones who participate in the election of the directors of companies incorporated under the act and of the directors of new corporations which are formed under the act.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. STERLING. I yield.

Mr. KING. Is the meaning of the words "classified employees" exactly clear? The reason I make the inquiry is that several persons have spoken to me, one a railroad man, who were not quite sure what meaning was to be ascribed under this bill to the words "classified employees." I ask the Senator from South Dakota or the chairman of the committee exactly what those words mean?

Mr. CUMMINS. I am informed, Mr. President, that both in the Railroad Administration and the Interstate Commerce Commission the phrase "classified employees" has a distinct and definite meaning. It was in view of that information coming to me quite recently that we adopted an amendment a few days ago providing for a board of adjustment for subordinate officials. It was because they were not, according to the terminology of these two administrative bodies, within the term "classified employees." I think the amendment offered by the Senator from South Dakota distinctly improves the bill, and expresses exactly what we intended to express.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

Mr. STERLING. I now submit another amendment, which I ask may be read.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 40, line 16, after the word "offices," it is proposed to strike out the period and add the following:

Provided, That all classified employees, without other distinction, shall have the right and opportunity, through proper notice, to participate in such nominations.

Mr. STERLING. Mr. President, I offer this amendment partly on the same ground that I offered the previous amendment.

Mr. CUMMINS. Mr. President, with the spirit of the amendment I have no objection at all. My thought at this moment is how would the unorganized classified employees present their nominee or nominees?

Mr. STERLING. I can not say, Mr. President, how they would do that. The language is confined to "classified employees," and in its broad sense it would mean all, whether organized or unorganized. Surely the unorganized employees ought to have the right to participate in the nominations, and some method ought to be provided whereby the classified employees would receive notice——

Mr. CUMMINS. Precisely.

Mr. STERLING. So that they might have the opportunity of participating in the nominations.

Mr. CUMMINS. The broad spirit of the amendment appeals to me so strongly that I shall make no objection to it.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from South Dakota.

The amendment was agreed to.

Mr. STERLING. Mr. President, I should like to make an inquiry as to the scope of the amendment offered by the Senator from Wisconsin last evening, which was adopted, I think, today during my temporary absence from the Chamber. I refer to an amendment, on page 28, where a certain part of the section was stricken out.

Mr. CUMMINS. If I may answer the question, to save time, referring to the record, the amendment of the Senator from Wisconsin, which was adopted, struck out, in line 23, beginning with the word "if," the remainder of the paragraph down to and including line 14 on page 29.

Mr. STERLING. That being the case, I offer an amendment to be added after the word "reasonable," in line 23, page 28.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 28, line 23, after the word "reasonable," it is proposed to insert:

If, in the exercise of the power in this paragraph contained, the terms fixed by said board have not been complied with, the carrier from or to whose lines such traffic has been diverted shall be entitled to recover, by suit or action against the other carrier, any damages it may have sustained by reason of the failure of such other carrier to comply with such terms.

Mr. CUMMINS. I have no objection to the amendment. I think it would be true anyhow.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STERLING. I offer another amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 30, line 13, it is proposed to strike out the words "such requirement or with," so as to make it read "is not satisfied with the terms fixed for such use."

Mr. STERLING. I move to strike out those words, Mr. President, for the simple reason that I do not think a railway carrier, on simply being not satisfied with the requirements imposed by the transportation board, should have the right to bring an action. The fact that a carrier is not satisfied should not be the foundation for an action. I therefore propose to strike out the words indicated. As the language of the bill now stands, simply on an expression of dissatisfaction with the requirements laid down by the board with regard to terminal facilities, the carrier would have a right to bring an action. If the amendment is adopted, the language of the bill will give the carrier the right of action if "not satisfied with the terms fixed for such use" or if the amount of compensation which is fixed is not duly and promptly paid. The carrier will have a right of action on those grounds, but not simply because he is not satisfied with the requirement that is made by the board.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

Mr. SMITH of South Carolina. Mr. President, on page 78 of one of the numerous editions of the bill, I call attention to that paragraph of section 34 which reads:

> From and after January 1, 1920, no carrier by railroad subject to this act shall undertake the extension of its line of railroad, or the construction of a new line of railroad.

And so forth. In the copy of the bill that I have the provision beginning with line 14, on page 78, including all of page 79, and going down to line 13 on page 80, deals with that subject.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In section 34, on page 73, beginning with line 14, it is proposed to strike out all down to and including line 12 on page 75.

Mr. SMITH of South Carolina. Mr. President, I call attention to that paragraph of section 34 which reads:

> From and after January 1, 1920, no carrier by railroad subject to this act shall undertake the extension of its line of railroad, or the construction of a new line of railroad—

And so forth.

In the copy of the bill that I have, the provision beginning with line 14, on page 78, including all of page 79, and going down to line 13, on page 80, deals with that subject. Mr. President, I move to strike out that provision, for the reason that I think we are all agreed that we are now suffering more from an inadequacy of rail transportation facilities than from any other cause. I have here before me the report of the Interstate Commerce Commission last issued. It is a startling revelation to see what scant additions in rolling stock and equipment have been provided in the last 10 years.

The present proposed railroad legislation is predicated upon a more or less standardized condition of our country; that is, those roads that have already an established position, and that have more or less established themselves in the communities, are the ones for which we are legislating. On account of the history of the advent and development of the railroads in this country this legislation has grown up. I believe it was as late as 1886 before there was any serious idea in the minds of the American people that any other than the sovereign States had a right to regulate commerce. A decision of the Supreme Court about that time exploded the old theory, and decided that the regulation of rail transportation was a Federal function and not a State function. Then, a little later, a law was passed to meet that situation, and the Interstate Commerce Commission was established.

So radical in its revolutionary nature was the application of steam to transportation that there was a perfect orgy of graft, not alone on the part of the companies who were promoting these systems of transportation, but by the public itself; for, realizing the vast wealth-producing power of this new system, by all kinds of subsidies and land grants, every inducement that could be brought to bear upon capital was brought to bear, in order that the various communities might enjoy this developing and civilizing agency that had come into existence. No one questioned at that time the means and methods by which a railroad was brought into a community. The great desideratum was, get the railroad into the community.

There is not a man who is conversant with railroad development but that knows that the development of America, the marvelous development of this new country, was made possible by the happy conjunction of circumstances by which, comparatively, soon after the establishment of this Government the application of steam to transportation was made practicable. The fact of the business is that the very first road that was ever built for steam transportation alone was built in this country. Certain sections of the Northeast and the East, as compared with other parts of the country, are standardized and developed. I take it that the object of this committee and the object of the American people is to encourage railroad building, to encourage the development and extension of railroad facilities in those sections not yet adequately provided for. What has caused the attitude of the public mind in reference to railroad legislation is the excesses that have been practiced by those who did not recognize the dependence of organized society upon this form of carriage.

We ourselves, as legislators, have been responsible in part for the cessation of railroad building in this country. Our legislation was a virtue carried to the point of a vice, because the evils that had sprung up were so glaring that in our restrictive laws we did not take the time to consider what was the root of the evil and apply the remedy there. We attemped to arrest the effect of the evil. Hence we had our restrictive laws as to rates, fares, and charges; we had our restrictive laws as to competition.

Up to the advent of the railroads in our commercial and industrial life one of the axioms of business was that competition was the life of trade. The railroads demonstrated the fact that competition could be converted into the death of commerce, and proceeded to do it. By actual competition strong railroads of unlimited resources would put their freight and passenger rates down to a point where a weaker competitor would be destroyed. They would meet him by actual competition, at a loss to themselves, until he was destroyed, and then absorb the competitor, and by raising rates recoup out of the public the loss that they had sustained in killing the competitor.

That orgy went on. In fact, the very instrumentalities of commerce were made the dice on the gaming table. As some one put it, they were the poker chips in the poker game. All kinds of excesses grew up—pooling of interests, destruction of competitors, recking not what effects they were having upon those who depended upon this means of transportation to carry on the commerce of the country; and we, in legislating to remedy the evil, actually precipitated, so far as the public was concerned, a condition about as bad as the roads themselves had created. We said to the railroads, "Those of you that lie in contiguous territory, or in a certain tariff zone, may not absorb or compete in rates with a paralleling line. The Interstate Commerce Commission shall fix a uniform rate, and that uniform rate shall apply to the roads in that district." You had the misnomer of competition in service, as contradistinguished from competition in rates, and what was the result? The result was that a railroad which had been later built, and perhaps cost more, which for one reason or another could not carry the tonnage that its competitor carried, could not live under a given rate, while its competitor was making enormous profits as compared with the capital invested.

When this war broke out there was disclosed another evil that had grown up under our restrictive laws, namely, that the great, strong through lines in this country could divert their traffic to their friends to the absolute starvation and destruction of other roads that emanated from the same terminal.

So notorious was that that all of the traffic that originated in the Mississippi Valley, in the West and the Northwest and South, was diverted to the North Atlantic ports; so that when this war broke out the established lines of traffic leading to these ports were the neck of a bottle so congested that you could not get your loaded cars in nor your empty ones out. There had been no opening up of the different ports, there had been no proper distribution of traffic from these sections to the Gulf and South Atlantic and Middle Atlantic ports.

This condition arose from the selfish interests of those who owned the great trunk lines. They routed the freight where they saw fit outside of the fortuitous routing of individuals. These conditions are what have brought about the attitude of the public toward the railroads.

I take it that what we are driving at, and all we hope to accomplish now, is to see to it that the capital invested for carrier services shall be a bona fide investment for the purposes of transportation and to divest the carrier of the power to divert business to another carrier, to the destruction of a competing carrier, which carrier is as necessary to the community through which it runs as the stronger line is. It is proper to take away from the owners of this property the right beyond their terminus to determine over what route the freight that they have brought to that terminus shall go, giving to the Interstate Commerce Commission the power to route it according to the public interest. In addition to that, restrict the capital invested in a given railroad corporation to that corporation, and see that that

corporation shall discharge the function of a carrier, with the capital that it has invested, and not be allowed interlocking directorates and the pooling of their interests ad libitum. Restrict them to their corporation or, as this bill provides, where there is, in the public interest, a pooling, let it be under the supervision of and by the direction and authority of the Interstate Commerce Commission.

I state here and now that had we recognized at the beginning that the investments in railroad property and the subsequent issue of securities against that property should be scrutinized by an impartial tribunal, an official body, we would never have had the disgraceful operation of our railroads that has occurred. But in attempting to cure the evil that has grown up under this ungoverned and unchecked issuance of securities against a given property there is provided in this bill a paragraph, a part of a section, that forbids any community from building a railroad or extending an old line unless they get permission from the board of transportation.

In the undeveloped West and in the South, where it is a case of arrested development, there is vast territory that needs to be developed. Who is the better judge of whether a new road would enhance the value and meet the needs of the community, the people on the ground who are suffering for the lack of it, and whose judgment is to be taken on the premises, or a political board composed of two of one political party and three of another? The fact is that this bill provides that where there is an application for the construction of a new road there shall be contiguous to the line of construction sufficient development to guarantee a tonnage that would guarantee a return for its construction. We must not forget the fact that a railroad is par excellence a developer. Take the history of our great continental lines. They ran through a territory comprising thousands of miles on which there was not a single unit that would produce freight or passengers to pay for the construction thereof.

But once this artery was built and the facility for getting the traffic out, both as to persons and property, was afforded, the development of the trackless territory was nothing less than a miracle brought about by this country assuming the overhead charges, absolutely carrying the stocks and bonds without a cent of return until such time as the people, taking advantage of this facility of transportation and travel, went into that rich country and developed it. Those conditions are not extinct in this country. Those conditions still exist in the West and in parts of the South. I consider it one of the virtues of this bill that the securities proposed to be issued for the purpose of constructing a road shall be under the supervision of a Federal body. But the building of the road should be left with the community.

I do not think it is fair to ask any of the undeveloped sections of this country to come before a board here in Washington and put their case before them, and depend upon them to decide whether or not their local community may be developed.

I understand that there has been criticism in reference to certain roads that have been built unnecessarily in this country. To all rules there is an exception. There may be a few such roads, but their percentage is infinitesimal by the side of those that have been built by private enterprise, with local charters, that have been of incalculable benefit. These are the ones that constitute to-day the great trunk lines of this country. The connecting up of the small lines that have been built for the development of the local communities has produced the great transportation systems of this country.

This bill proposes that all construction, both as to the extension of old lines and the building of new lines, shall be at the behest, at the sufferance of a transportation board in Washington. If we were a standardized country, if we had practically a sufficient amount of railroads in this country, a sufficient mileage, ramifying the country and meeting the needs of the vast majority of the outlying territory, it might be very well then for us to pass restrictive legislation looking toward preventing the still further burdening of the public with unnecessary railroads. But what we need at this time is more railroads; to provide the machinery for their proper supervision as to the issuance of securities and the overcharging of rates and fares, but not to discourage the building of railroads.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER (Mr. GAY in the chair). Does the Senator from South Carolina yield to the Senator from Wisconsin?

Mr. SMITH of South Carolina. I do.

Mr. LENROOT. Does the Senator concede that under the group-rate plan provided for in this bill the building of unnecessary lines and competing lines would result in an increase of rates for all the shippers within the territory comprising the group?

Mr. SMITH of South Carolina. Mr. President, I had thought of that very thing, and I think an amendment should be offered to this bill granting to new lines during their period of development certain privileges that would not affect that grouping. If you do not do that, as the Senator from Wisconsin intimates, the passage of this bill means the stopping of railroad construction in this country; because when you have given a certain group of roads a monopoly of territory, they will say to the farmers and the merchants and business men of that territory, "This is our territory. We are grouped here, and given a specific monopoly of this territory, therefore haul your stuff 10 or 15 miles across country, for if it finds a market it has to go over our roads, and why should we build more to accommodate you when we have a monopoly of the territory?"

Mr. KING. Mr. President, will the Senator yield?

Mr. SMITH of South Carolina. I will.

Mr. KING. I would like to ask the Senator from Wisconsin [Mr. LENROOT], as well as the Senator from South Carolina [Mr. SMITH], if the argument which the Senator from South Carolina is making is not a very strong argument against the group rating system, and if it does not show the vice of one of the fundamental principles of this bill?

Mr. SMITH of South Carolina. So far as I am concerned, Mr. President, I do know that whenever we force, by compulsory consolidation, these roads into certain groups, so far as any further railroad construction in this country comes, it will have to come when absolute necessity or greed forces the group to build the road.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator yield?

Mr. SMITH of South Carolina. I do.

Mr. STANLEY. This bill provides that the earnings over a given amount—5½ or 6 per cent—shall be distributed among the weaker roads. If the board having charge of the railroad that is established should conclude that the building of new roads might tend to the diversion of this excess from the roads that are already located in the standardized community, might that not be a powerful deterrent to the building of new roads in entirely new country?

Mr. SMITH of South Carolina. As a matter of course, I do not think that there will be any very great amount of reserve gotten from the excess over the 6 per cent provided. I think the railroads are old enough in the business to see to it that they do not perform a service gratuitously for others; and they will so regulate their business, possibly, so as to get the 6 per cent, but not do four or five times the work to get a quarter of 1 per cent on the balance that they may earn.

It seems to me, to restate the proposition as I stated it at the beginning of my remarks, that if the object of this legislation and if, as I take it, the need of this country is for more and better railroad facilities, surely we can leave to the initiative of the American citizens in undeveloped territory the right to assume the debt and responsibility of constructing any road with this board of transportation scrutinizing the securities, scrutinizing the investment, and assuring the public that the money was properly spent in constructing this common carrier, and then allow that road to work out its own destiny.

I think it far better for us to strike this provision out and leave it to the community to determine whether or not in their judgment that new roads are needed. Every Senator here knows that in most of the States the communities assume the overhead charges, not looking so much for any return from the railroad as the enhancement of the value of the property through which it runs.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Kentucky?

Mr. SMITH of South Carolina. I do.

Mr. STANLEY. The Senator from South Carolina seems to think that these powerful corporations, wise in business, would find it impracticable, if not impossible, to earn more than the minimum permitted under which they absorb all their earnings.

Does the Senator believe that if that sort of a rule were applied, not to soulless corporations, but to individuals, it would work otherwise? Suppose there should be passed an act by the State of South Carolina providing that the farmers who were located in rich valley land, applying loam, should turn over all they made over 10 per cent, clear, to a reserve fund, to be used in the manuring and improving of the poorer lands. Do you think that the poor farmer of South Carolina would get rich under that sort of a system?

Mr. SMITH of South Carolina. I do not think he would. I think he would come nearer going ahead and producing the crop than the railroad would come to going ahead and performing the services for which they knew they might get less than one-tenth of 1 per cent.

Mr. President, I know this provision was written in the bill for the purpose of keeping the public from being burdened with unnecessary roads and unnecessary expense. Yet that is a matter for the community to determine. I am perfectly willing to give to the Interstate Commerce Commission the right to control the issue of securities, in so far as they are honest or dishonest, and have them restrict the use of them to the corporation that issues them and for the legitimate purposes of transportation. But when it comes to the question of whether or not my community shall be developed at the behest of a Federal board, I think the sovereignty of the States and the communities and the individuals yet should have some place. I do not believe it is right for us to put it in the power of a board of transportation to say to an undeveloped community, "For miles and miles you may haul your stuff as best you can to our road. We are guaranteed so much here, we will get so much we have a monopoly, why should we go to the extra expense of building another road? We will handle the stuff anyway."

Therefore the passage of the bill in the form in which it now is means the stoppage of any further railroad construction, certainly voluntary railroad construction.

Mr. STANLEY. Does the bill provide—I have not analyzed it sufficiently carefully to know—any control or discretion in roads that are expected to provide a reserve fund over the building of terminal facilities and improvements of their property?

Mr. SMITH of South Carolina. No; that is entirely within the board. The board is charged with that power. In all extensions and in all building of new roads they are given full power to decide whether or not it shall be done.

Mr. STANLEY. As I understand, the bill does not control the discretion of the roads in the improvement of terminal facilities and improvements of that kind on the lines already builded. It determines that discretion in the building of new roads.

Mr. SMITH of South Carolina. Yes; and extensions.

Mr. STANLEY. If you have that, have you not got the rat hole into which all the water will run?

Mr. SMITH of South Carolina. Even if that were not so, everyone knows that human nature is what it is. The personnel of the board largely determines where the railroad construction will go in the country. The board consists of five members, a political body, and upon the political caste of that body will rest the determination in a large degree of the railroad construction that will go on in the country and where it will go. I submit that it is not right to put into the hands of any man the power to destroy or arrest the development of one section of the country and to determine what section shall be developed.

Therefore I move that the paragraph to which I refer be stricken from the bill.

Mr. KING. Mr. President, before the Senator takes his seat, may I inquire if his motion contemplates the striking out of the provision that prevents the abandonment of any part of the road by any common carrier without obtaining the consent of the board of transportation? If the Senator will permit me to ask another question before he answers that, if it does contemplate that I would like to ask the Senator to explain by what power or process of authority the board of transportation will carry into execution that provision of the statute? What authority has the board, with reference to the North Carolina or South Carolina railroad company, that may have a road running through a portion of the Senator's State for a hundred miles or so and which is not profitable, which is a losing concern, to compel the owners of the road to maintain it for an indefinite period? Are there pains and penalties prescribed to enforce the mandate? Is it a penal provision or is it by the injunctive power of the courts that the owners of the road are to be compelled to operate the road whether they want to or not, whether it is profitable or not, or whether it serves any useful purpose?

Mr. SMITH of South Carolina. It goes without saying that a road once constructed would not be abandoned by the company that constructed it without there being absolute compelling reasons, and I do not fear anything along that line. I think most of the States provide against the abandonment of a road. I think that the company could be enjoined from abandoning it unless they could show a sufficient cause, once they had secured the charter and franchise necessary to operate. I think the charter and franchise would provide against them wantonly tearing up and destroying their road.

That is a matter, of course, that would be provided for and is provided for in most of the States, and properly so; but that is infinitesimal compared to the proposition of restricting all future railroad development to the say so of the board of transportation. I know it is provided in the bill that committees may be heard and the cause set forth, and for that very reason I object to it. We know that whenever you come to Washington, as long as roads are in private control, and lay your plans and your purpose before the board and they are published, those who are in the business that do not want you to enter the competitive field will see to it that monkey wrenches are thrown into the machinery. For that very reason it invites a disturbance in the construction of roads.

I do not think it would impair the bill one iota; I think it would help it; I think the bill would be in better shape if we trusted the wisdom and patriotism of the American people in the matter of constructing the roads and then providing against the Shylocks and the money lenders from destroying them after they are built. I think we can safely leave that to the American people.

Therefore I propose that that part of section 34 comprised in the paragraph to which I have alluded be stricken from the bill.

The PRESIDING OFFICER (Mr. GAY in the chair). The Secretary will state the amendment proposed by the Senator from South Carolina.

The SECRETARY. On page 73 of the old print, line 14, section 34, strike out all down to and including the words "in the discretion of the court," in line 12 on page 75.

Mr. CUMMINS. Mr. President, everyone familiar at all with the subject will understand, I am sure, that the provision sought to be stricken out by the Senator from South Carolina is a new departure in the policy of regulating commerce among the States. I do not remember just how many States have legislation of this character, but there is a very considerable number of the States which for the protection of their people and the better regulation of their commerce have adopted provisions substantially like the one now sought to be eliminated from the bill.

It presents to the country a question which ought to be considered and ought to be decided without passion or prejudice, and ought to be decided without respect to the effect which it is supposed it would have upon any particular part of the United States. If there is any one thing from which the transportation system of the country, taken as a whole, is now suffering, it is from the unguided, uncontrolled right of owners to build railroads wherever they may see fit to build them and whenever they can avail themselves of an opportunity to sell at a profit the securities based upon the supposed construction.

The railways of the United States are not built where they should have been built. Everybody understands that. A great many have been built that never should have been constructed. We are now under the disadvantage of having developed a system which must be maintained because communities have been built up along the railways, and their interests can not be disregarded in the regulations which we shall adopt. The whole trouble to which I referred in my opening statement has arisen because of the building of railways simply to make money out of their construction and without regard to the possible profit of their operation.

I believe myself that the era of speculation in railroad building has passed. I believe that the development of the future must be along the line of safe and reasonable investment rather than of speculation. In the old days it was easy enough to secure a corps of engineers and survey a railway route almost anywhere; it was easy to organize a company for the purpose of constructing a railroad; and then it was comparatively easy to take the fifteen, twenty, or thirty thousand dollars of bonds per mile issued upon the property and the twenty, thirty-five, or forty-five thousand dollars of stock issued upon the same property by the same company and go into the markets with those securities and dispose of them at some price—at a price that usually gave to the promoters a very great profit. That is the way in which many of the fortunes which have been accumulated through railway manipulation have been founded, and they are the objects which are always pointed to in order to bring down reproach upon those who seek to grant to railway companies a revenue which will fairly support the existing systems.

I believe that there will be more railways built in the future where they should be built. I believe the securities will be better investments if the public authority exercises some supervision over the location and construction of the roads. I have long held this view, and, while I am not the author of this part of the bill, I very heartily agree to its policy in that respect.

Mr. SMITH of South Carolina. If the Senator will allow me, he spoke of railroads being built purely for speculative purposes. That was true in the early history of railroad development; but the Senator does not think it is very probable, in view of the fact that hereafter railroad securities are to be scrutinized in the manner provided by this bill, that communities themselves will become the victims of promoters in the light of past experience and the history of railroad construction, or that they would be likely to foster such enterprises merely for speculative purposes, as they have done in the past, especially under the restrictive features in this bill in reference to securities. That being true, does not the Senator think communities themselves would be more disposed now to invest their money in railway improvements which they themselves know to be needed? If they know that the issuance of securities is supervised by competent authority, either in the State or the Nation—and the bill provides that the supervision shall be Federal—will they not be more ready to invest, knowing they are not likely to meet the fate of those who took promoters' stock in the days that have gone by?

Mr. CUMMINS. Mr. President, I will say very frankly that I do not believe that the experience of the past will be duplicated in the future. I think that it will be found very much more difficult to dispose of railway securities in the future than it has been in the past. I think any sane man will readily agree to that conclusion; but, nevertheless, Mr. President, the opportunity still remains.

I have no doubt whatever that there ought to be railway building in the future. I have no doubt there are regions of this country which will need railway facilities which do not now have them; but it must not be assumed that because a project must be submitted to the Interstate Commerce Commission or to any Government authority, therefore there will be no railroad building in the future. What possible reason would the Government of the United States have to forbid or refuse to authorize a legitimate extension of railways?

We are, I hope, patriotic. I do not agree that the Government of the United States is in control of the existing railways.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, we are here trying to pass a bill to curb the greed and lack of patriotism of those who have built our railroads, or at least of those who own them. That is what we are doing in this bill.

Mr. CUMMINS. Precisely; and I think we will do it successfully. We have done it with fair success in the past, and I think we can do it in the future. I am not one of those who feel that every time an extension of governmental authority is asked it will necessarily be abused. I am not in favor of extending the authority of the Government except in those cases in which it is fairly necessary to protect the people of the United States; but where it is necessary I am not reluctant about doing it because I fear that the Government is going to be controlled by selfish men. I have faith in the Government of this country, even though I do not always agree with what it does. I think in the main that those in whom we have reposed authority have exercised it with fidelity and with the interests of the people in view. I think they will do so in this instance. There are a thousand cases in which we must give some such authority to the Government if the people are to be protected, for they can not be protected after the evil is accomplished. I do not believe, therefore, in the theory of the Senator from South Carolina that, if the people of his State, desiring to build a railroad, should come to Washington and lay the venture before the Interstate Commerce Commission, the Interstate Commerce Commission would deny the authority because the interest of some existing railroad might be served by refusing the authority; I can not conceive of that happening.

Mr. SMITH of South Carolina. Mr. President, the instance I am about to relate is not a parallel case, but it is analogous, and the chairman of the committee which in part would have the matter in charge is present. There happens to be a section of my State in which there are two rivers about 23 miles apart. The people on the upper reaches of the longer river desire to have entrance into two ports—Charleston and Georgetown. By cutting a canal from one river into the other, a distance, as I have said, of 23 miles, they would be given water transportation to the interior of the State. A company was organized in my State which proposed to cut such a canal. In the distance between the two rivers there is incidentally a fall of about 40 feet. The idea was conceived that when the canal was constructed locks and dams could be put in to develop water power of about 15,000 horsepower.

It was stipulated that there should be no tolls charged through the locks; that the improvement should not cost the Government a penny; and it was understood that the electricity generated and transmitted from the canal to the navy yard at Charleston would save the Government perhaps something like $75,000 or $100,000 a year, and would relieve also the consumption of coal by furnishing the street car companies with electricity. Those interested in the project simply asked the privilege of building the canal and constructing a dam for water power.

The improvement would have added immeasurably to the commerce of my State and would have developed power for the benefit of the public; yet what was the result? Under the rules and regulations established in Washington it was impossible for those interested to carry that improvement through, because, although local in character, it touched, in the first instance, a navigable stream and in the next instance had to wait upon the passage of a water-power bill. The people of Charleston must still burn coal, and the people of the upper regions of the river must still do without port facilities simply because, so far as the permission is concerned, it is a Federal affair and not a local affair. The consequence is that the canal has not been dug and perhaps it is not going to be dug, and the people down there will be compelled to continue to consume coal.

Mr. THOMAS. They will be lucky if they can get coal.

Mr. SMITH of South Carolina. As the Senator from Colorado says, they will be lucky if they can get coal. This is but one instance; but it serves to illustrate the result of the interference by the Federal Government in the legitimate development of this country. I imagine Senators from the West could testify here as to the result of Government interference with certain lands and certain power and with the wealth that lies out there under the control of the Federal Government, which might otherwise be developed and used.

I merely cite the case of the canal which it was proposed to dig as an analogous case to our coming to Washington, and asking if we could construct a railroad to take care of a certain situation that imperatively needed relief. The reply might be, "Oh, yes; come and lay the case before us." So we might lay the case before them, but some other community might be exhausting all the reserve funds and very likely might need more, and those who do not feel the pinch of the shoe can very easily say "no." That is what would happen.

Mr. CUMMINS. It would not be for the other community to say "no" in the case put by the Senator from South Carolina. Assuming that he states the facts correctly—and I have no doubt he does—I can see no reason for a refusal to enter into the agreement which he suggests if any officer of the Government had any authority to enter into such an agreement, but unfortunately there is no officer or department of the Government with authority to enter into an agreement of that character unless the necessary legislation is passed.

I express no opinion as to the merits of the water-power bill at this time; I have had occasion to discuss that measure frequently; but the difficulty with the project to which the Senator referred is evidently the want of legislation.

Mr. SMITH of South Carolina. But, Mr. President, right at that point, the mere possibility of the legislation being enacted is what is arresting that development. I think so far as digging the canal is concerned I might get that by, and so far as constructing the docks is concerned, but the parties will not risk investing their money in an absolutely feasible scheme, and one that is indicated as a necessity, not knowing just what form the legislation will take as to incidental power developed by virtue of building a canal. Therefore until we do know whether or not some power here will say, "You can" or "You can not," the development of that community is denied.

Mr. CUMMINS. Still, Mr. President, I suggest that the difficulty lies in the want of legislation.

Mr. SMITH of South Carolina. In the threat of legislation. Here you have the positive thing.

Mr. CUMMINS. No; the Senator says that he wants a contract that the power produced in the navigable streams can be used in private enterprise. That is one of the great questions involved in the water-power development of the country; and it is a legislative question, not an executive or an administrative question.

There is no parallel between the case put by the Senator from South Carolina and this one. We propose here to grant to a governmental body the right to survey the situation, and then say, as to a railroad which is to be a common carrier and to be engaged in interstate commerce, whether under the circumstances, looking at the future of the community and the opportunities for traffic and everything of that sort, it is a fair and a reasonable venture upon which the people of the country will be called upon eventually to pay a return.

Mr. SMITH of South Carolina. No, Mr. President; the analogy to which I called attention was this: If there were no

pending legislation, if there were no danger of any legislation interfering with the enjoyment of the power that they would create by digging the canal, then those people would have it dug now and the community would be enjoying the benefits from it; but in view of the pendency of the legislation they are denied that privilege. Here actual legislation is proposed to the effect that before you do it you have got to come and ask permission of an authority that knows nothing about the matter, except as it may hear both sides of perhaps a prejudiced case and it is not left to the community alone.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. CUMMINS. I yield.

Mr. LENROOT. I am very familiar with the case the Senator from South Carolina states, and I feel very clear that if there never had been a water-power bill introduced in either House of Congress, before they could build that canal and create that water power they would have to have legislation from Congress.

Mr. SMITH of South Carolina. I think, so far as granting the right to divert the water from one river into another is concerned, that would necessarily have to have the O. K. of Congress, but the engineers have already passed upon that feature of it. In the case of the incidental power that is to be generated, however, there is no legislation for it; and yet, as to the canal, the law that grants to the Federal Government the right to control navigable streams having been complied with, this other benefit, because of the pendency of legislation or the danger of it, is denied the community.

Mr. CUMMINS. Mr. President, I do not think it is quite fair to test the merit of the propositions contained in this bill by reference to some of the imperfections of government. This is a plain, easily understood proposition as to whether the construction of railroads which will carry interstate commerce for the future, and which must be supported by the imposition of rates which will return a fair interest upon the investment or value of the property, shall be placed under public control. That is the plain, easily understood proposition. I think every Senator has thought sufficiently about the matter and is sufficiently acquainted not only with the legislation of his own State but with the policy of the country generally to record an intelligent judgment upon the proposal; and I am quite willing to take a vote upon it.

Mr. JONES of Washington. Mr. President, I should like to ask the Senator in charge of the bill a question. The bill says:

From and after January 1, 1920, no carrier by railroad subject to this act shall undertake the extension of its line of railroad, or the construction of a new line of railroad—

And so forth. Take a case like this: Suppose the Northern Pacific Railroad Co., which extends through my State, should desire to build a road between two points in my State, but not connecting with its main line, could it do that without getting a permit under this act?

Mr. CUMMINS. That depends entirely on whether or not it desires to do an interstate business. This does not relate at all to a railroad that is willing to content itself with purely intrastate traffic; but if the road carried commerce between the States, then I think it would be compelled to apply to the commission under this section.

Mr. JONES of Washington. I thought that was true, and yet I wondered whether there was any doubt about it under the language of this section. It says, "or the construction of a new line of railroad." It does not say "a new line of interstate railroad," but "a new line of railroad."

Mr. CUMMINS. But it begins by saying, "No carrier by railroad subject to this act."

Mr. JONES of Washington. Yes.

Mr. CUMMINS. There are no railroads subject to this act except those engaged in interstate commerce.

Mr. JONES of Washington. I know; but I say, the Northern Pacific, of course, is subject to this act.

Mr. CUMMINS. That is correct.

Mr. JONES of Washington. Now, suppose that the Northern Pacific, as now organized and existing, wants to build a railroad between two points in my State, but not connected with its present line.

Mr. CUMMINS. Or with any line?

Mr. JONES of Washington. Or with any line, for that matter—just connecting between two points.

Mr. CUMMINS. And not doing interstate business?

Mr. JONES of Washington. And not doing interstate business.

Mr. CUMMINS. I do not think it would have to apply, because the Federal Government has no jurisdiction over a purely intrastate instrumentality.

Mr. JONES of Washington. I think that is true; but it seemed to me that this language might bear the construction that you wanted to give the jurisdiction.

Mr. CUMMINS. Of course I can not conceive of any railroad for general transportation that does not carry traffic destined beyond the borders of the State in which it may exist.

Mr. JONES of Washington. Oh, yes; I agree with the Senator. My question was simply based upon the language here, and I wanted to get the Senator's construction of it.

The PRESIDING OFFICER (Mr. MCCORMICK in the chair). The question is on the amendment offered by the Senator from South Carolina [Mr. SMITH].

Mr. DIAL. Mr. President, I think this matter is of sufficient importance to have a quorum here. I do not want to suggest the absence of a quorum, and I therefore suggest that the amendment might go over until to-morrow.

Mr. SMITH of South Carolina. I am perfectly willing to withdraw the amendment temporarily and reintroduce it to-morrow.

Mr. CUMMINS. Of course, any Senator has the right to call for a quorum. Does the Senator from South Carolina suggest the absence of a quorum?

Mr. DIAL. No.

Mr. SMITH of South Carolina. I will withdraw the amendment and reintroduce it to-morrow.

Mr. DIAL. I want to have us make all the progress we can.

The PRESIDING OFFICER. Does the Senator withdraw the amendment?

Mr. SMITH of South Carolina. I withdraw it temporarily.

Mr. JONES of Washington. Mr. President, in the early discussion of this bill the Senator in charge of it referred to section 45. That is a provision with reference to through rates over railroad and water lines, and is of especial interest to water lines in foreign trade. With the purpose of that amendment I am in hearty accord. I am in hearty accord with what the Senator from Iowa seeks to do in that amendment and I should like to see legislation on the subject as soon as possible. I hardly think, however, that the section as framed is in the shape that it really ought to be, and I am going to take the liberty, after conferring with the Senator, of offering a substitute for it, so that when it goes to conference the whole matter, of course, will be in conference, and the Senator will have before him this suggestion and these ideas. He knows what section 45 is as it is now, and I feel that some satisfactory provision can be worked out.

I therefore offer a substitute for section 45, in the hope that it will furnish the basis for a satisfactory section in conference.

The PRESIDING OFFICER. The Senator from Washington offers an amendment, which will be stated.

The SECRETARY. In lieu of section 45, as printed in the bill, it is proposed to insert the following:

SEC. 45. Every common carrier by water in foreign commerce, whose vessels are registered under the laws of the United States and thereby made subject to regulation under the Constitution and the laws of the United States, shall file with the board within 30 days after this act takes effect and regularly thereafter, a schedule or schedules showing each of its steam vessels intended to load general cargo at ports in the United States for foreign destinations; the ports of loading; the dates upon which vessels will commence to receive freight and dates of sailing; the route and itinerary vessel will follow and the ports of call for which cargo will be carried, and upon application of any shipper the carrier by railroad shall make request for, and the carrier by water shall upon receipt of such request name, a specific rate applying for such sailing and upon such commodity as shall be embraced in the inquiry, and shall name in connection with such rate port charges, if any, which accrue in addition to the vessel's rates and are not otherwise published by the railway as in addition to or absorbed in the railway rate. Vessel rates, if conditioned upon quantity of shipment, must be so stated and separate rate may be provided for carload and less-than-carload shipments. The carrier by water, upon advices from a carrier by railroad, stating that the quoted rate is firmly accepted as applying upon a specifically named quantity of any commodity, shall make firm reservation from unsold space in such steam vessel as shall be required for its transportation and shall so advise the carrier by railroad, in which advices shall be included the latest available information as to prospective sailing date of said steamer.

As the matters so required to be stated in such schedule or schedules are changed or modified from time to time, the carrier shall file with the board such changes or modifications as early as practicable after such modification is ascertained. The board is authorized to make and publish regulations not inconsistent herewith governing the manner and form in which such carriers are to comply with the foregoing provisions.

The board shall cause to be published in compact form, for the information of shippers of commodities throughout the country, the substance of such schedules, and furnish such publications to all railway carriers subject to the act to regulate commerce, as amended, in such quantities so that railway carriers may supply to each of their agents who receive commodities for shipment in such cities and towns as may be specified by the board, a copy of said publication; the intent being that each shipping community sufficiently important, from the standpoint of the export trade, to be so specified by the board shall have opportunity to know the sailings and routes and to ascertain the transportation charges of vessels engaged in foreign commerce as aforesaid. Each railway carrier to which such publication is furnished by the board is hereby required to

distribute the same as aforesaid and to maintain such publication as it is issued from time to time, in the hands of its said agents. The board is authorized to make such rules and regulations respecting the distribution and maintenance of said publications in the several communities so specified not inconsistent herewith and which will further the intent of this section.

When any consignor delivers a shipment of property to any of the places specified by the board as aforesaid, to be delivered by the railway carrier to one of the vessels upon which space has been reserved at a specified rate previously ascertained, as provided herein, for the transportation by water from and for a port named in the aforesaid schedule, the railway carrier shall issue a through bill of lading to the point of destination; such bill of lading shall name separately the charge to be paid for the railway transportation, water transportation, and port charges, if any, not included in the rail or water transportation charge; but the carrier by railroad shall not be liable to the consignor, consignee, or other person interested in the shipment after its delivery to the vessel; and the board shall make such rules and regulations not inconsistent herewith as will prescribe, in such manner as shall preserve for the carrier by water the protection of limited liability provided by law, the form of the through bill of lading thus to be issued. In all such cases it shall be the duty of the carrier by railroad to deliver such shipment to the vessel as a part of its undertaking as a common carrier.

The issuance of a through bill of lading covering shipments as provided for herein shall not be held to constitute "an arrangement for continuous carriage or shipment" within the meaning of the act to regulate commerce, as amended, nor shall any vessel registered under the laws of the United States be held subject to any of the provisions of said act when operating upon routes on which they are in competition with vessels of foreign nations.

Mr. CUMMINS. Mr. President, I realize that the provisions of the bill upon the subject covered by the amendment offered by the Senator from Washington [Mr. JONES] must be worked out in conference. I think the amendment offered by the Senator from Washington offers just as fair a basis for that work as the provision now in the bill, and I do not intend to offer any resistance to the acceptance of the amendment.

Mr. LENROOT. Mr. President, I tried to follow the reading of the amendment, but it is very lengthy. So far as I know, it may be all right. But it does seem to me that this is not the way to legislate. I ask the Senator from Washington whether this has been submitted to the committee?

Mr. JONES of Washington. This amendment practically embodies section 45. It was submitted to the chairman of the committee, and I will say to the Senator from Wisconsin that this provision has the approval of the director of operations of the Shipping Board. It was framed after consultation there, and I think is in very good shape. In any event, any correction that needs to be made can be made in conference. I believe it is a better provision than section 45 as it is in the bill. It is intended to meet practically the same purpose and the same object. It is intended to provide for the through billing of goods for export over railroad and shipping lines.

I know it is a long amendment; a great part of section 45 is included in it. We followed the language as far as possible. I know that this is a long amendment and that it is difficult for Senators to understand it just by having it read. Yet, having been called to the attention of the Senate in this way and having been embraced in a general way in section 45 as reported by the committee, I know the Senator from Iowa will give the matter very careful consideration in conference, and I feel that it can be worked into pretty good shape.

Mr. LENROOT. What I would like to ask the Senator is whether they could not work out that same thing with the committee text as well as with the amendment? We know what that is. What is the object of putting in something that Senators really have had no opportunity to consider?

Mr. JONES of Washington. I see this advantage in it: I do not think that section 45 is anything like as good as this provision. But if the provision is not in, the Senate conferees will not have it before them at all. All they will have in conference will be the provision in section 45 as it is now.

Mr. LENROOT. But the subject matter will be before the conferees.

Mr. JONES of Washington. I will say to the Senator that the provision in section 45 which I think is especially objectionable is the one under which the rates of our steamship lines will be published and will be made available to the world. I do not think they ought to be, especially in our foreign trade. In the shipping act we require the carriers in interstate commerce to file with the board their maximum rates, and they are made public. That is all right. But we do not require our steamship companies in the foreign trade to publish their rates, because that would give an advantage to their competitors which they ought not to have. Foreign shipping does not publish its rates. That is required under section 45 as it is now. If that were cut out of section 45 I would have no serious objection to the section. That is what this amendment intends really to do, and to meet the situation that would be provided for in that way.

Mr. LENROOT. Mr. President, I am not going to object to it; but the Senator will see that the Senate can not intelligently consider very lengthy amendments of this character when first presented.

Mr. JONES of Washington. I appreciate that.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Washington [Mr. JONES].

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I have one other amendment that does not relate to water transportation, which has been printed. I send it to the desk and ask that it be read.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. Add at the end of the bill the following section:

SEC. —. It shall be unlawful for any United States carrier or carriers by rail or water to participate in the continuous or interrupted transportation of passengers or property from any place in the United States through a foreign country to any other place in the United States, or from or to any place in the United States to or from a foreign country, where the through rate or through charge by combination of rates for such transportation, whether by rebate, by absorption of storage charges, wharfage charges, or any other charge or charges, or in any manner whatsoever is less than the through rate or through charge by combination of rates between such points on file with the Interstate Commerce Commission or the Shipping Board or the Interstate Commerce Commission and the Shipping Board, applying at such time for like transportation by United States carriers by rail or water or by rail and water.

Mr. JONES of Washington. Mr. President, I have just a brief statement to make with reference to this amendment.

The Congress has for many years legislated to give the Interstate Commerce Commission control over the extraterritorial rate, but the commission has been unable to enforce the law by reason of its lack of jurisdiction over the foreign carrier. As the result, foreign carriers have indiscriminately "cut" the rates fixed by the commission for American carriers by rail and by rail and water, and by such methods have diverted from the American carriers, particularly transcontinental railroads and western steamship companies, so much business as to seriously interfere with their successful operation.

The methods of the foreign carriers were fully explained in hearings before the House committee, which I hold in my hand, by Mr. W. L. Clark, of Seattle, who submitted in evidence photostatic copies of expense bills of the foreign carriers, exemplifying some of the methods of rate cutting and discriminations as between shippers which the commission is unable to reach.

Those will be found on page 2595 of the House hearings and the following pages.

American transcontinental railroads are in dire straits as to finances and their stocks selling way below par, so that Congress is called upon to bolster them financially and concur in that they shall exact higher rates from the public. Notwithstanding this deplorable condition, the Canadian Pacific Railway, one of the principal offenders against rates of United States carriers, is paying dividends at the rate of 10 per cent per annum in addition to putting aside a surplus, and its stock is selling in the market around $150 per share. By its misuse of our domestic freights this Canadian road is having practically a balanced traffic while 45 per cent of the west-bound car movement on the transcontinental roads of the United States consists of empty cars, resulting in a very expensive operation which reacts against American citizens in increased living costs in the necessity for increased rates by the American line upon farm products and merchandise, required to make up its losses due to the diversion to Canadian lines by unfair methods, a traffic consisting of American goods for American consumption, the carriage of which should by law be assured to American railroad and American water carriers.

In the Alaska trades the inroads of the foreign railroad-owned water carriers operating to a small but productive part of Alaska has created a very difficult transportation problem for Alaska as a whole, particularly western and central Alaska, so that Alaska may be robbed of its American service unless it is protected against the foreign carrier. Only one result has followed in these trades, the too great division of the business among many carriers has made it unprofitable for all, and necessitated the raising of rates and reducing the service on those routes, and I am informed that the Canadian lines have recently urged upon the American lines a further raise in rates to make profitable this "too-many-bites-from-a-cherry" operation.

The amendment proposed is to enable the commission to enforce orders against "cut rates" and other objectionable practices by the foreign carrier. We have controlled the American carrier's rates; we should protect them against this unfair foreign method. If this is not done it may be necessary to legislate so that our domestic merchandise shall not be permitted to move from one point in the United States to another in bond

through a foreign country. By the provisions of bonding laws we permit Canadian carriers, by cut rates, to compete with American carriers for the traffic of 114,000,000 people. This privilege is used to distort traffic movements within the United States to the great detriment of the American public, involving, as it does, an increased transportation cost on other American products. In return for this valuable privilege the United States carriers may compete against the direct Canadian lines, but not at "cut rates," for the traffic movement of not to exceed 8,000,000 Canadians. We can not insure successful operation of American railroads while such Canadian practices are permitted, and we trust this amendment may be agreed to in its national interests.

Mr. President, in brief it is simply this: Goods may be shipped now, for instance, from Boston or other points in the East, in bond, to Seattle or Tacoma over the Canadian lines. If they are shipped over our railroads they must charge rates under the control of the Interstate Commerce Commission. The practice now is for them to ship these goods, in bond, from, say, Boston to some point where the Canadian Pacific picks them up. It carries them on under reduced rates, cut rates, if you please, rates lowered by way of rebate or other methods, under which the business is diverted to the Canadian Pacific. They go on to the Pacific terminal and then down over an American road to the American territory.

The same operation is carried on over the steamship lines operating between Alaska and Canadian ports and United States ports, with the result, as I pointed out a moment ago, that our people have their traffic diverted from our roads that are controlled by our governmental agencies to these other roads, thereby furnishing to them a load both ways—and that is very advantageous to a railroad, of course, as everybody knows—while many of our trains, in going westward, go there with their cars empty in order to carry the products back. Of course, that is not the sole reason for cars going westward empty, but it has a great deal to do with it.

The purpose of this amendment is to meet that situation by providing that it shall be unlawful for our roads to carry these goods in bond to a foreign carrier that cuts the rate, by rebate or otherwise. That is the only way I see in which it can be met, because we can not deal directly with the foreign carriers.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. JONES of Washington. I yield.

Mr. LENROOT. I would like to ask the Senator, for information, whether there is filed with the Interstate Commerce Commission, or instituted by them, through routes and through rates in foreign territory?

Mr. JONES of Washington. I do not think so, but I can not give the Senator that information.

Mr. LENROOT. If that is not so, would not the effect of the Senator's amendment be this: Suppose, for instance, on the northern border of the Lakes the route through American territory might be 1,000 miles between two points, and through Canadian territory, in a given case, possibly 600 miles. Under the Senator's amendment shippers would have to pay the long rate through American territory, would they not, or the carrier would be debarred from receiving any transportation from the Canadian road that did not pay the full circuitous rate?

Mr. JONES of Washington. No; I rather think not. Here is the way it reads:

> It shall be unlawful for any United States carrier or carriers by rail or water to participate in the continuous or interrupted transportation of passengers or property from any place in the United States through a foreign country to any other place in the United States, or from or to any place in the United States to or from a foreign country, where the through rate or through charge by combination of rates for such transportation, whether by rebate, by absorption of storage charges, wharfage charges, or any other charge or charges, or in any manner whatsoever is less than the through rate or through charge by combination of rates between such points on file with the Interstate Commerce Commission or the Shipping Board or the Interstate Commerce Commission and the Shipping Board, applying at such time for like transportation by United States carriers by rail or water or by rail and water.

Possibly that might be the case. What I intended was that if by any rebate in any form they made the rate less than the ordinary competitive rate it should be unlawful.

Mr. LENROOT. Does not the Senator think his amendment goes very much further than that?

Mr. JONES of Washington. I am rather inclined to think it does, since the Senator calls my attention to it. I think that I will withdraw the amendment and offer it when we get into the Senate, if the Senate should not dispose of the bill to-night. I will try to meet that situation, because if it is a fair competitive rate I have no objection to it. I will withdraw the amendment with the idea of trying to frame it to meet the suggestion of the Senator from Wisconsin.

Mr. STANLEY. I offer the following amendment.

The PRESIDING OFFICER (Mr. THOMAS in the chair). The Secretary will state the amendment proposed by the Senator from Kentucky.

The SECRETARY. After the word "court," in line 27, page 57, strike out sections 25 to 31, inclusive, to the words "Section 32," line 22, page 66.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New Jersey?

Mr. STANLEY. I yield.

Mr. FRELINGHUYSEN. I offer the following amendment, which I explained yesterday.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. Add to section 2, at the end of the section, the following:

> For the purpose of enabling carriers by railroad subject to the commerce act properly to serve the public during the transition period immediately following the termination of Federal control, any such carrier may, at any time after the passage of this act and before the expiration of two years after the termination of Federal control, make application to the transportation board, hereinafter created, for a loan from the United States, setting forth the amount of the loan and the term for which it is desired, the purpose of the loan and the uses to which it will be applied, the present prospective ability of the applicant to repay the loan and meet the requirements of its obligations in that regard, the character and value of the security offered, and the extent to which the public convenience and necessity will be served. The application shall be accompanied by statements showing such facts and details as the board may require with respect to the physical situation, ownership, capitalization, indebtedness, contract obligations, operation, and earning power of the applicant, together with other facts relating to the propriety and expediency of granting the loan applied for and the ability of the applicant to make good the obligation as the board may deem pertinent to the inquiry.
>
> If the board, after such hearing and investigation, with or without notice, as it may direct, finds that the making, in whole or in part, of the proposed loan by the United States is necessary to enable the applicant properly to meet the transportation needs of the people, and that the prospective earning power of the applicant and the character and value of the security offered are such as to furnish reasonable assurance of the applicant's ability to repay the loan within the time fixed therefor, the board may certify to the Secretary of the Treasury its findings of fact and its recommendations as to the amount of the loan which is to be made; the time, not exceeding five years from the making thereof, within which it is to be repaid; the character of the security which is to be offered therefor; and the terms and conditions of the loan.
>
> Upon receipt of such certificate from the board the Secretary of the Treasury at any time before the expiration of 26 months after the termination of Federal control is authorized to make a loan, not exceeding the maximum amount recommended in such certificate, out of any moneys in the revolving fund provided for in this section. All such loans shall bear interest at the rate of 6 per cent per annum, payable semiannually to the Secretary of the Treasury, and to be placed to the credit of the revolving fund provided for in this section. The time, not exceeding five years from the making thereof, within which such loan is to be repaid, the security which is to be taken therefor, which shall be adequate to secure the loan, the terms and conditions of the loan, and the form of the obligation to be entered into, shall be prescribed by the Secretary of the Treasury.
>
> Loans so made shall be preferred liens upon the income and property of the applicant in the same manner and to the same extent that certificates issued by receivers appointed by the United States courts are preferred liens upon the income and property that is being administered by the receiver.
>
> The board or the Secretary of the Treasury may call upon the Federal Reserve Board for advice and assistance with respect to any such applications or loans.
>
> There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, a sum of $500,000,000, which shall be used as a revolving fund for the purpose of making the loans provided for in this section.

Mr. FRELINGHUYSEN. The amendment simply recites the House provision providing for a revolving fund whereby the Government can loan to the railroads on deferred liens at 6 per cent money to rehabilitate their systems. The amendment inserts that provision in the Senate bill and raises the amount to $500,000,000, the amount estimated by Director General Hines as the capital needs for the railroads next year. I simply wish the amount raised in order that the conference committee may not be limited in conference to the amount placed in the House bill.

Mr. SMITH of South Carolina. What is the amount the Senator proposes?

Mr. FRELINGHUYSEN. Five hundred million dollars. That is the estimate in a letter from Director General Hines, in which he says "$400,000,000, possibly $500,000,000." He says, further:

> I should say at least 50 per cent additional ought to be expended in order reasonably to provide for the needs of the public service.

The maximum is $500,000,000, but he thinks 50 per cent additional, or $750,000,000 altogether, ought to be expended. If the conditions in the money market are such next year that the

railroads can not get the money, the amendment provides that the Government, through a revolving fund, can meet the needs of the railroads by loaning to them on preferred liens at 6 per cent the necessary money.

Mr. SMITH of South Carolina. Does it make provision as to how fast it shall revolve and at what time the loans shall be returned to the Government?

Mr. FRELINGHUYSEN. The amendment provides that the transportation board shall administer it.

Mr. STANLEY. It provides that the loan shall not exceed that amount.

Mr. LENROOT. I should like to call the attention of the Senator from New Jersey and also of the chairman of the committee to the security that is provided in the amendment. The Senator from New Jersey said that they are preferred liens. The language is:

> Loans so made shall be preferred liens upon the income and property of the applicant in the manner and to the same extent that certificates issued by receivers appointed by the United States courts are preferred liens upon the income and property that is being administered by the receivers.

The loans are not limited to the purpose for which a receiver may issue receiver's certificates. The loans contemplate loans for capital account. I would be very much interested to learn upon what theory we can supersede existing liens upon a railroad by legislative declaration where they are not necessary for the maintenance and operation of the road and the preservation of the securities. I should like to hear from the chairman of the committee upon that subject.

Mr. CUMMINS. Mr. President, as a matter of law, the Senator from Wisconsin must know what my opinion would be.

Mr. LENROOT. I think so.

Mr. CUMMINS. I do not think that we have any constitutional authority to create a lien upon railroad property which shall be prior to those which are already upon it. Nevertheless I am quite willing that the amendment shall go into conference. I assume that the conferees would have the right to change the terms if they saw fit to do so.

Mr. FRELINGHUYSEN. I presumed that the rights of the Government were properly safeguarded. The amendment was inserted in the House bill and agreed to by the House; and I suppose any refinement necessary to protect the Government can be made without making it subject to a point of order.

Mr. STANLEY. Does the amendment of the Senator from New Jersey change the nature of the lien from that provided in the original bill, which created a revolving fund of $250,000,000?

Mr. FRELINGHUYSEN. No; it copies the exact wording.

Mr. STANLEY. It simply gives them a larger amount to lend?

Mr. FRELINGHUYSEN. Yes.

Mr. LENROOT. I should like to ask the chairman of the committee whether the committee considered the proposition?

Mr. CUMMINS. No; the committee did not consider the question at all. It was never presented to the committee. I first heard of the proposal when the House adopted the section authorizing the expenditure of $250,000,000 for supplying the railway companies with credit, which it was presumed they could not obtain in the general market.

Mr. LENROOT. Under the rules of the Senate, under what is known as the Curtis rule, if the amendment is agreed to the conferees will be compelled at least to give $250,000,000 for this purpose. They will not be at liberty to consider the merits of the question. It does not seem to me that the conference committee should be foreclosed from the consideration of the entire question, inasmuch as the committee has not considered it in the first instance.

I do not think the amendment should be adopted. If the amendment is adopted, without any question the House provision up to $250,000,000 can be adopted in conference, and if this amendment is adopted the only thing that the conference committee will be at liberty to consider is the amount to be loaned between $250,000,000 and $500,000,000.

Mr. CURTIS. In the judgment of the Senator from Wisconsin, could not the Senator from New Jersey reach the question by offering an amendment to the House bill when it is offered here increasing the amount from $250,000,000 to $500,000,000?

Mr. LENROOT. He could if the House bill became the bill passed by the Senate; but increasing the amount would not be of any value because, presumably, the House bill will not be the one that is passed by the Senate.

Mr. CURTIS. That is true.

Mr. FRELINGHUYSEN. Of course, I do not want to impose upon the conference the burden of forcing the House appropriation. If the chairman of the committee feels that it is not good policy to provide a revolving fund in order that the railroads might be properly financed in the event of there being no money market, and the number of railroads that we all know at the present time are almost on the verge of receivership are deprived of protection at this time, of course I will withdraw the amendment.

My position is that we are facing almost a crisis in the railroad situation. I happen to know something about the money situation in this country. I know that next year, if the treaty of peace is ratified, Europe will be draining the money market in this country at rates of interest far above that which the railroads can afford to pay for their capital needs.

The hope that we have all entertained that the bill in the period of transition would sustain and protect the great transportation system of the country might be defeated.

It was unfortunate that the provision was not adopted which I presented to the committee in the beginning, which is contained in the bill prepared by the committee of the Chamber of Commerce of the United States, after deliberate study, which was supported by the boards of trade and chambers of commerce throughout the country, providing that a fund of $500,000,000 should be created in order to take care of the financial problems that the railroads might meet when they were turned back in practically a damaged condition.

Therefore I felt that the conference committee should have that item fixed as a maximum so that they might study the situation and not be foreclosed to $250,000,000, which is not sufficient, in my opinion, to meet the financial needs of the railroads.

I warn the Senate at this time that unless some provision of this character is made we are going to see practically financial disaster come to many of the railroads of the country.

Mr. CUMMINS. I desire to have the Senator from New Jersey retain the floor for a moment while I ask him a question. The committee did not act upon the matter to which he refers at all. Therefore, I have no right to speak for the committee. The Senator from New Jersey has just as good right to act in that behalf as I could possibly have. His judgment upon the matter is a great deal better than mine. I do not know whether or not it will be necessary to make loans of the magnitude suggested, but I am perfectly willing that the subject shall go into conference. I have no objection in the world to that; and I am relying upon the judgment of the Senator from New Jersey with respect to the necessity of increasing the sum which the House has already provided for this purpose.

Mr. LENROOT. Will the Senator from New Jersey yield to me?

Mr. FRELINGHUYSEN. I yield to the Senator from Wisconsin.

Mr. LENROOT. Does the Senator from Iowa, then, take the position that he is willing to have this proposal go into conference with the only matter in conference being the difference between $250,000,000 and $500,000,000?

Mr. CUMMINS. I should prefer that it should go into conference with the whole matter in controversy, and that is what I am trying to suggest to the Senator from New Jersey. Just how to get the whole subject into conference, in view of the fact that the House has appropriated $250,000,000 in its bill, I am not clear about just at this moment.

Mr. LENROOT. Then I want to call attention to the further fact that with reference to the provision to which I just called attention, so clearly unconstitutional, that matter will not be in conference if this amendment is adopted, because it is identical with the language of the House bill; and under the Curtis rule there is no way by which the conferees could even modify that language so as to make it a valid provision.

Mr. CUMMINS. I suggest to the Senator from New Jersey that he reframe the amendment so as not to follow the House provision, and leave the whole subject in conference. I think it can easily be done.

Mr. FLETCHER. Mr. President, if the Senator from New Jersey will yield to me——

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. FLETCHER. I do not see how that question arises. The House bill is not the bill on which we are now acting. The House bill came over here, it is true, but it is not the bill that is now under consideration by the Senate and that will be amended if this amendment is adopted.

Mr. LENROOT. If the Senator from New Jersey will yield to me, I desire to ask the Senator from Florida if he is familiar with what is known as the Curtis rule that changes the entire matter?

Mr. FLETCHER. I am not referring to that rule.

Mr. LENROOT. Let me read it to the Senator, and he will at once see that the rule of which he is evidently thinking has been changed. The so-called Curtis rule reads:

> Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses.

When this bill gets to its final stage it will be substituted for the House bill; it will then be the House bill which will be before the conference; and any language that is found either in the Senate amendments or in the House bill which is identical will not be before the conferees.

Mr. FLETCHER. Then, the idea is to substitute the pending bill for the House bill; to report the House bill and amend it by striking out all after the enacting clause and inserting this entire bill?

Mr. LENROOT. Yes.

Mr. FLETCHER. In that case, I presume the Senator from Wisconsin is correct.

Mr. CUMMINS. The purpose of the committee is as stated by the Senator from Wisconsin. It has been our view that we would go through the Senate bill, deal with any amendments that might be offered to it, and at the proper time, after all the amendments, so far as can be foreseen, have been disposed of, either adopted or rejected, I intend then to ask the Senate to take up the House bill, and I intend to move to strike out all after the enacting clause and to substitute for it the Senate bill as it shall have been amended.

Mr. FLETCHER. Then, it is possible, if this is the same provision as that in the House bill, that the conferees would be bound to accept whatever is in agreement in both of them; that is possible; although there is a doubt in my mind whether we can not amend the whole House bill by substituting another and put the whole bill in conference.

Mr. CUMMINS. It has been my purpose to put the whole bill in conference except in so far as the language is identical.

Mr. STANLEY. Do I understand the Senator from New Jersey [Mr. FRELINGHUYSEN] has withdrawn his amendment?

Mr. FRELINGHUYSEN. I am preparing a substitute for it.

Mr. STANLEY. Pending the preparation of the substitute, I ask——

Mr. JONES of Washington. Will the Senator from Kentucky yield to me in order that we may dispose of a matter which I offered a moment ago?

Mr. STANLEY. Yes.

Mr. JONES of Washington. I offered an amendment a moment ago and withdrew it. I want to change the form and insert after the word "with," on page 2, line 1, of the amendment the words, "or approved by," so that it will read "by combination of rates between such points on file with or approved by the Interstate Commerce Commission."

I know that this is a very important matter; the committee may not have considered it; but I think it can be taken to conference, and the Senator from Iowa can then, possibly, work out something that will be satisfactory or reject it altogether if the conference deem it not wise to insert it.

Mr. CUMMINS. I have no objection to considering it in conference, if the Senator desires to have it so considered.

Mr. JONES of Washington. The amendment was stated except for the words which I have just proposed to insert. I offer it now as a new section.

The PRESIDING OFFICER (Mr. DIAL in the chair). The modification of the amendment as proposed by the Senator from Washington will be stated.

The SECRETARY. On page 2 of the amendment, line 1, after the word "with," it is proposed to insert the words "or approved by," so as to read, "by combination of rates between such points on file with or approved by the Interstate Commerce Commission."

The PRESIDING OFFICER. What disposition does the Senator from Kentucky [Mr. STANLEY] desire made of his amendment?

Mr. FRELINGHUYSEN. I trust the Senator from Kentucky will withhold his amendment until my substitute for my amendment shall have been acted upon.

Mr. STANLEY. I thought the Senator from New Jersey had withdrawn his amendment.

Mr. CUMMINS. I ask for action on the amendment offered by the Senator from Washington.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington [Mr. JONES] is before the Senate.

Mr. STANLEY. I withhold my amendment for the present. I repeat, I understood the Senator from New Jersey [Mr. FRELINGHUYSEN] had withdrawn his amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Washington.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the amendment offered by the Senator from Kentucky.

Mr. FRELINGHUYSEN. I ask the Senator to withhold his amendment for a moment.

Mr. STANLEY. I withhold the amendment for the purpose of allowing the Senator from New Jersey to present his amendment.

Mr. FRELINGHUYSEN. I offer an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of section 2 it is proposed to add:

> That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $500,000,000, which may be loaned to the railroads under such terms and conditions as may be determined by the board and the Secretary of the Treasury.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Jersey. [Putting the question.] By the sound, it appears to the Chair that the noes have it.

Mr. FRELINGHUYSEN. I ask for a division.

Mr. KIRBY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

The PRESIDING OFFICER (when Mr. DIAL's name was called). The present occupant of the chair is paired with the Senator from Missouri [Mr. SPENCER] and therefore withholds his vote.

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. I have agreed to take care of him by pair during that absence and therefore must withhold my vote. If at liberty to vote, I should vote "yea."

Mr. SMITH of Georgia (when his name was called). I have a pair with the senior Senator from Massachusetts [Mr. LODGE] and therefore withhold my vote.

Mr. SUTHERLAND (when his name was called). I have a pair with the senior Senator from Kentucky [Mr. BECKHAM]. He being absent, I withhold my vote.

Mr. THOMAS (when his name was called). Making the same announcement regarding my pair and its transfer as heretofore, I vote "nay."

Mr. WARREN (when his name was called). I have a general pair with the junior Senator from North Carolina [Mr. OVERMAN] and therefore withhold my vote.

The roll call was concluded.

Mr. KELLOGG (after having voted in the affirmative). I have a pair with the Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the senior Senator from Minnesota [Mr. NELSON] and allow my vote to stand.

Mr. FERNALD (after having voted in the affirmative). I observe that my pair, the Senator from South Dakota [Mr. JOHNSON], is not in the Chamber, and I understand he has not voted. I transfer my pair with that Senator to the senior Senator from Illinois [Mr. SHERMAN] and allow my vote to stand.

Mr. JONES of Washington. I transfer my pair with the Senator from Virginia [Mr. SWANSON] to the Senator from Michigan [Mr. TOWNSEND] and vote "yea."

Mr. WARREN. I transfer my pair so that the Senator from North Carolina [Mr. OVERMAN] will stand paired with the Senator from New York [Mr. WADSWORTH], and I vote "yea."

Mr. SUTHERLAND. I transfer the pair which I have with the senior Senator from Kentucky [Mr. BECKHAM] to the Senator from Indiana [Mr. NEW] and vote "yea."

Mr. CURTIS. I am requested to announce that the Senator from Ohio [Mr. HARDING] is detained on official business.

The result was announced—yeas 22, nays 18, as follows:

YEAS—22.

Ball	Gay	McCormick	Stanley
Cummins	Hale	McNary	Sutherland
Elkins	Henderson	Moses	Warren
Fernald	Jones, Wash.	Phipps	Watson
France	Kellogg	Pomerene	
Frelinghuysen	Keyes	Smoot	

NAYS—18.

Ashurst	Harrison	Nugent	Trammell
Capper	King	Sheppard	Walsh, Mass.
Curtis	Kirby	Smith, S. C.	Wolcott
Fletcher	McKellar	Sterling	
Harris	Norris	Thomas	

NOT VOTING—55.

Bankhead	Edge	Kendrick	New
Beckham	Fall	Kenyon	Newberry
Borah	Gerry	Knox	Overman
Brandegee	Gore	La Follette	Owen
Calder	Gronna	Lenroot	Page
Chamberlain	Harding	Lodge	Penrose
Colt	Hitchcock	McCumber	Phelan
Culberson	Johnson, Calif.	McLean	Pittman
Dial	Johnson, S. Dak.	Myers	Poindexter
Dillingham	Jones, N. Mex.	Nelson	Ransdell

Reed	Simmons	Spencer	Wadsworth
Robinson	Smith, Ariz.	Swanson	Walsh, Mont.
Sherman	Smith, Ga.	Townsend	Williams
Shields	Smith, Md.	Underwood	

The PRESIDING OFFICER. A quorum has not voted. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gay	McCormick	Smith, S. C.
Ball	Hale	McKellar	Smoot
Capper	Harris	McNary	Stanley
Cummins	Henderson	Moses	Sterling
Curtis	Jones, Wash.	Norris	Sutherland
Dial	Kellogg	Nugent	Trammell
Elkins	Keyes	Overman	Walsh, Mass.
Fernald	King	Phipps	Warren
France	Kirby	Pomerene	Wolcott
Frelinghuysen	Lenroot	Sheppard	

The PRESIDING OFFICER. Forty Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absentees.

The Secretary called the names of the absent Senators, and Mr. FLETCHER, Mr. HARRISON, and Mr. THOMAS answered to their names when called.

Mr. COLT, Mr. KNOX, and Mr. WATSON entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-six Senators have answered to their names. There is not a quorum present.

Mr. SMOOT. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. JONES of New Mexico and Mr. KENYON entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-eight Senators have answered to their names. A quorum is present.

The question is on the amendment of the Senator from New Jersey [Mr. FRELINGHUYSEN]. The Secretary will call the roll.

The Secretary proceeded to call the roll.

The PRESIDING OFFICER (when Mr. DIAL's name was called). The present occupant of the chair has a pair with the junior Senator from Missouri [Mr. SPENCER] and therefore withholds his vote.

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON]. I transfer that pair to the senior Senator from Illinois [Mr. SHERMAN] and vote "yea."

Mr. JONES of Washington (when his name was called). As I announced before, I am paired with the Senator from Virginia [Mr. SWANSON] during his absence. I transfer that pair to the Senator from Michigan [Mr. TOWNSEND] and vote "yea."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS], which I transfer to the senior Senator from Minnesota [Mr. NELSON] and vote "yea."

Mr. KNOX (when his name was called). I have had a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN], from which I have been released, and I therefore feel at liberty to vote. I vote "yea."

Mr. SMITH of Georgia (when his name was called). I transfer my pair with the senior Senator from Massachusetts [Mr. LODGE] to the senior Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. SUTHERLAND (when his name was called). I have a general pair with the Senator from Kentucky [Mr. BECKHAM], which I transfer to the junior Senator from New York [Mr. CALDER] and vote "yea."

Mr. THOMAS (when his name was called). Making the same announcement as before regarding my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. SHEPPARD. I wish to announce that the Senator from Nebraska [Mr. HITCHCOCK] and the Senator from Rhode Island [Mr. GERRY] are detained on public business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Mexico [Mr. FALL] with the Senator from Wyoming [Mr. KENDRICK];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS];

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Michigan [Mr. NEWBERRY] with the Senator from Missouri [Mr. REED];

The Senator from California [Mr. JOHNSON] with the Senator from Oklahoma [Mr. GORE];

The Senator from Vermont [Mr. PAGE] with the Senator from Alabama [Mr. BANKHEAD];

The Senator from Massachusetts [Mr. LODGE] with the Senator from Georgia [Mr. SMITH];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH].

The result was announced—yeas 28, nays 20, as follows:

YEAS—28.

Ball	Gay	Keyes	Pomerene
Colt	Hale	Knox	Smith, Ga.
Cummins	Henderson	McCormick	Smoot
Elkins	Jones, N. Mex.	McNary	Stanley
Fernald	Jones, Wash.	Moses	Sutherland
France	Kellogg	New	Warren
Frelinghuysen	Kenyon	Phipps	Watson

NAYS—20.

Ashurst	Harrison	Norris	Sterling
Capper	King	Nugent	Thomas
Curtis	Kirby	Overman	Trammell
Fletcher	Lenroot	Sheppard	Walsh, Mass.
Harris	McKellar	Smith, S. C.	Wolcott

NOT VOTING—47.

Bankhead	Gore	Nelson	Shields
Beckham	Gronna	Newberry	Simmons
Borah	Harding	Owen	Smith, Ariz.
Brandegee	Hitchcock	Page	Smith, Md.
Calder	Johnson, Calif.	Penrose	Spencer
Chamberlain	Johnson, S. Dak.	Phelan	Swanson
Culberson	Kendrick	Pittman	Townsend
Dial	La Follette	Poindexter	Underwood
Dillingham	Lodge	Ransdell	Wadsworth
Edge	McCumber	Reed	Walsh, Mont.
Fall	McLean	Robinson	Williams
Gerry	Myers	Sherman	

So Mr. FRELINGHUYSEN's amendment was agreed to.

Mr. MCKELLAR. Mr. President, I give notice that I shall ask for a separate vote on this amendment when the bill reaches the Senate.

Mr. STANLEY. Mr. President, I now reoffer my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. After the word "court," in line 27, page 57, strike out sections 25 to 31, inclusive, to the words "section 32," in line 22, page 66.

Mr. MCKELLAR. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MCCORMICK. Before the Senate proceeds to vote on the amendment offered by the Senator from Kentucky I wish to submit a substitute or series of substitutes therefor, and ask that they may be read. Before I send them to the desk perhaps I should inquire if the Senator from Kentucky prefers to have a roll call directly upon his amendment.

Mr. STANLEY. Yes; I prefer it. The amendments proposed to be offered by the Senator from Illinois are apparently pertinent if my amendment is not agreed to. I think it would be better to pass on the question of my amendment first to strike out the provisions of the bill referred to. I think we could better provide for conditions by inserting, if you choose to insert, the amendment offered by the Senator from Illinois, with which I am in a general way acquainted, if the sections go out to which my amendment applies. I think we can get such legislation as conservative men think necessary by inserting it as new matter, and I would prefer first to get a vote on my amendment. The only matter before the Senate now is the roll call, and the yeas and nays have been ordered.

Mr. MCCORMICK. Before the roll is called, if the Senator will permit me, for the information of Senators in the Chamber I should like to have the proposed amendments read and to say a mere word thereon in order that Senators may know what I have in contemplation.

The amendments are intended, first, to fix a specific time during which the committee on wages and working conditions and the regional boards of adjustment may have under consideration the matter in dispute. Secondly, they qualify what now are sections 29 and 30, although in the amendments which I shall offer they are consolidated.

The qualification is in the illegality of the act as provided in the two present sections 29 and 30. So, if the amendment which I offer should be agreed to it would be illegal, for example, to call a strike until 60 days after the decision of the board or its approval of the decision of the committee on wages and working conditions had been made, and the same would hold as regards any action of the carrier in discharging or denying employment to one of its employees.

For the information of the Senate, I will send the amendments to the desk, if I may do so.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Iowa?

Mr. McCORMICK. I yield.

Mr. CUMMINS. I desire to ask the Senator from Illinois if it is his desire to offer the modification which he has just described as an amendment to the amendment offered by the Senator from Kentucky.

Mr. McCORMICK. No; they are offered as amendments to the text of the bill as reported. I recognize the parliamentary situation which would arise if the amendment of the Senator from Kentucky should prevail.

Mr. CURTIS. Is it not a fact that to properly take care of the parliamentary situation, the Senate should vote on the amendment offered by the Senator from Illinois before voting on the amendment to strike out offered by the Senator from Kentucky?

Mr. CUMMINS. That course seems to me to be not only very wise but very necessary.

I was about to make a suggestion. I know that this part of the bill has excited more controversy throughout the country probably than any other part of the bill, and I want the completest opportunity for examination of the question, and also an opportunity for all Senators to be here when the question is disposed of.

Mr. McCORMICK. I venture to interject that that is very important.

Mr. CUMMINS. Tentatively I am going to make a suggestion, and if I find that it meets with approval I shall make it in form. I think I will ask unanimous consent to vote upon the proposed amendment, whether that of the Senator from Illinois or the Senator from Kentucky, in the regular parliamentary way to-morrow at 11.30, so that every Senator may be present and express his opinion by his vote upon it. Is there any objection to that proposition?

Mr. JONES of New Mexico. Mr. President, I had rather hoped that when we got to the voting we might have a vote on the amendment offered by the Senator from Kentucky first. If his amendment should not be agreed to, then I have prepared some amendments which I desire to offer, and they are very much along the line of the amendment just submitted by the Senator from Illinois. I will state, judging from what I have heard of the Senator's amendment, that those which I have prepared are prepared with express reference to the bill and to bring into it what is called the Canadian system.

Mr. McCORMICK. "Two souls with but a single thought."

Mr. SMOOT. Permit me to suggest to the Senator from Kentucky that it would be very much better to have the Senate vote on his amendments to the bill after the bill has been reported to the Senate, because if the amendments of the Senator from Illinois are adopted then some Senators may decide not to vote to strike out.

Mr. McCORMICK. I felt constrained by courtesy to offer the Senator from Kentucky the opportunity which he sought. He had very generously sat down and advised with me upon the terms of the amendment which I had in mind, but I recognize the point made by the Senator from Utah [Mr. SMOOT] and the Senator from Iowa [Mr. CUMMINS].

The amendments which I propose to offer are calculated to cure, as I see it, defects in the bill, and it will be difficult for Senators to act intelligently upon them if the Senator from Kentucky presses his amendment first.

Mr. STANLEY. I readily see the propriety of such suggestions as have been made touching the perpetuation of boards of conciliation and arbitration without the objectionable feature of compulsory orders commanding men to engage in the personal service of a corporation against their wishes. As I explained to the Senator from Illinois, I am equally firm in the belief that we can settle so much of the bill, pages and pages of it, and then we can better vote to strike out, and, if the vote carries, eliminate the provisions now in the bill and insert, if we care to, as I think we can, a much less cumbersome and much more effective provision than the original proposition. But as I understand the parliamentary situation now before the Senate, we have an amendment submitted, with the yeas and nays ordered, and of course the only thing in order would be to vote, I presume.

Mr. McCORMICK. I presume I may offer a substitute for the amendment.

Mr. STANLEY. Yes; if it is germane. I do not think the amendment as offered would be subject to a substitute.

Mr. FLETCHER. May I interrupt the Senator?

Mr. McCORMICK. Certainly.

Mr. FLETCHER. I think the rule is that the first thing in order would be the amendment of the Senator from Illinois, on the ground that he seeks to perfect the text of the bill, and that should be done before a motion to strike out is made.

The PRESIDING OFFICER. The Chair understands that that is the proper procedure.

Mr. McCORMICK. Then, I will send the amendments to the desk in order that they may be read, and I will say a word thereon, hoping that the unanimous consent for which the Senator from Iowa asks may be granted and the votes may be had to-morrow.

The PRESIDING OFFICER. The Secretary will read the amendments offered by the Senator from Illinois.

The SECRETARY. Beginning on line 9 on page 59, strike through, down to and including line 2 on page 60, and insert in lieu thereof the following:

"It shall be the duty of the committee of wages and working conditions to consider all complaints respecting wages and working conditions submitted by representatives of employees or of the carriers, and all decisions filed with it and proceedings transferred to it by any regional board of adjustment as herein provided, and within 90 days after the submission, transfer, or filing of any such complaint, proceeding, or decision, to make a decision by a majority vote respecting such complaint or transferred proceeding, or approve, disapprove, or amend such decision and transmit its decision or other action to the board, together with a transcript of the record in the proceedings; or, if evenly divided upon any such matter, to transmit such matter to the board, together with a transcript of the record in the proceedings.

"The board shall, within 90 days after any such decision, action, or proceeding has been transmitted to it as herein provided, approve or disapprove such decision or other action of the committee of wages and working conditions or render a decision respecting any matter on which the committee has been evenly divided, and shall, within the same period, make and publish a report which shall contain a statement of the matter involved in the dispute and the recommendations which are deemed proper to secure a just settlement thereof, together with its decision.

"The board shall promptly certify to the commission every decision or other action of the committee of wages and working conditions, when approved by the board, and every decision of the board with respect to matters transmitted to it for decision, and the decisions and other matters so certified shall be taken into consideration by the commission in any proceedings in which they may be relevant."

On page 62, line 3, strike out all of the paragraph after the word "filed" and insert in lieu thereof a comma and the following: "together with a transcript of the record of the proceedings."

On page 62 strike out line 10 and the remainder of the paragraph and insert in lieu thereof the following: "Such regional board shall transfer such proceedings, together with a transcript of the record therein, to the committee of wages and working conditions."

On page 62, after line 12, insert the following new paragraph:

"It shall be the duty of every regional board of adjustment, within 60 days after any complaint, grievance, matter, or dispute is submitted to it, to reach a decision thereon and file such decision with the committee of wages and working conditions, as provided herein, unless such decision relates only to personal discipline; or, within such time, to transfer the proceedings to such committee as provided herein, in case such regional board is evenly divided upon the matter in controversy."

Strike out sections 29, 30, and 31 and insert in lieu thereof the following:

"SEC. 29. Any carrier subject to this act which shall, for the purpose of enforcing or supporting its position or contention with respect to any demand made by its employees relating to terms of employment, discharge, suspend or deny employment to any of its employees prior to or within 60 days after the publication of the report of the board respecting the matter in dispute, and any employee of a carrier subject to this act who ceases or quits work in combination with other employees thereof, prior to or within 60 days after the publication of such report, for the purpose of inducing or compelling such carrier to grant or continue to grant terms of employment, or for the purpose of helping other employees to induce or compel their employer to grant or continue to grant terms of employment, shall be guilty of a misdemeanor, and shall on conviction be punished by a fine of not more than $500 or by imprisonment for not more than six months, or by both: *Provided*, That nothing herein shall be construed to deny to any employee of a carrier the right to quit work individually for any reason.

"SEC. 30. Any person who knowingly incites, encourages, abets, counsels, or aids in any manner any carrier or any employee thereof to violate any provision of section 29 shall be guilty of a misdemeanor and shall on conviction be punished by a fine of not more than $500 or by imprisonment for not more than six months, or by both."

Mr. CURTIS. May I ask the Senator a question?

Mr. McCORMICK. Certainly; I yield to the Senator with pleasure.

Mr. CURTIS. I could not hear all of the reading of the amendment, but I gather from what I did hear of it that it is patterned after the law of Canada. Is that so?

Mr. McCORMICK. It is patterned, Mr. President, after the law which owes its origin to Mackenzie King, whose very considerable reputation in this country and in Europe is due to that act.

Mr. WARREN. If I may ask a further question, has the law been entirely satisfactory to both employer and employee?

Mr. McCORMICK. I know of but one cause for dissatisfaction, and that the amendment seeks to meet. It has been charged in Canada that there have been instances when the mediating boards have kept disputes under advisement for indefinite and protracted periods. It was for that reason I fixed a limit during which the board might have disputes under consideration.

Mr. WARREN. But barring that change, which is surely an improvement, am I to understand that the law as enforced in Canada has been reasonably satisfactory?

Mr. McCORMICK. I think that it has been more than reasonably satisfactory; it has been a notable success.

It seems to me, Mr. President, in the first place, that we must reckon with the grave improbability that the provisions of the bill as reported can ever become law. It seems to me futile for the Senate to sustain a plan for the settlement of industrial disputes which, at this time, at least, is doomed to defeat.

Furthermore, I gravely doubt the prudence of undertaking to incorporate into this railroad bill a principle of industrial settlement which is absolutely unknown to our experience. If we go as far as the provisions amended as I propose to amend them would go, we shall be going a great way. We know how men rebel against the idea of coercion of labor; how men whose only considerable property is the labor of their hands consider such coercion as tantamount to the conscription of property or its confiscation.

It might be argued, from the extreme conservative viewpoint, that the proposal of the bill is dangerous, for if we establish the principle that the Government may summarily lay its hands, as it were, upon the manual property of the workman on the railroads, there is no telling when next and how next it may be sought to apply that principle to the conscription of other property. The Dartmouth College case had consequences which few saw at the time that it was heard and decided. So would it be, in my judgment, if these provisions in the bill became law.

Mr. CUMMINS. Mr. President——

Mr. McCORMICK. Just a word, and I am done.

Mr. CUMMINS. I merely wish to ask the Senator a question; I am not seeking the floor.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Iowa?

Mr. McCORMICK. Certainly.

Mr. CUMMINS. What is the attitude of labor or the labor leaders toward the Canadian law?

Mr. McCORMICK. Practically none of them have discussed either the Canadian act or the pending bill with me, let me say to the Senator.

Mr. CUMMINS. I did not know but that the Senator had inquired into it. The labor leaders of the country are quite as much opposed to legislation of the character suggested by the Senator from Illinois as they are to the legislation suggested by the committee; indeed, upon the whole, I think they are more opposed to it, for the reason that the Canadian law suspends or, as the Senator from Illinois has put it, conscripts their right for a certain period without assuming on the part of the Government any responsibility for their wages. I really think that the laboring people of America would far rather that the Government would attempt to do justice for them than they would to have the Government deny them the right to strike pending an investigation, which might be long or short.

Mr. Gompers says, Mr. Stone says, and others who are interested in that question say that there have been more strikes in Canada since the enactment of the Canadian law than were ever known in the United States, and that if there is any statute in the whole world which has proven an utter and complete failure it is the Canadian statute with regard to strikes.

Mr. McCORMICK. Does the Senator argue that the laboring men would prefer an absolute prohibition to strike to a qualified prohibition to strike?

Mr. CUMMINS. I do not say that; but I think a great many of them would rather have an absolute prohibition against strikes, provided the Government undertook to adjudicate the disputes which arise between themselves and their employers.

Mr. McCORMICK. The amendment does not touch the adjudicatory provisions of the bill.

Mr. CUMMINS. There is nothing in the Canadian law, at least—I have not read the amendment which has been offered by the Senator from Illinois——

Mr. McCORMICK. I hope that the request of the Senator that these amendments may be voted on at noon to-morrow may be granted, because in that time these amendments may be printed. They were hurriedly prepared this afternoon, and only reached my hands half an hour ago.

Mr. STANLEY. Mr. President, a motion to strike out certain provisions of the bill is clearly intended, as will be observed from a reading of the amendment presented by the Senator from Illinois, and I yielded on that account. A motion to strike out clears the way for the new and voluminous amendment now presented, which has much merit in it. Whether or not I can concur in the whole amendment I do not know, because I never saw it until it was offered. I repeat that there is much in it that has merit, so far as the principle involved is concerned, and that I have discussed with the Senator from Illinois; but the amendment should be printed, carefully studied, and discussed by the Senate. The amendment can better be offered—and it will have to be offered—as an original proposition. For that reason I think it much better—and I think that is the parliamentary status—that the motion to strike out should be determined one way or the other.

If the motion to strike out does not carry, it may be possible to do something with the proposal of the Senator from Illinois in the way of amending the original bill. If it does carry, the amendment of the Senator from Illinois can much better be offered as an original proposition after the pages of superfluous provisions in the bill are out of the way.

But, be that as it may, my understanding is that the motion to strike out has been offered. The motion of the Senator from Illinois is not offered as an amendment to my amendment, but a motion to strike out is as much a motion to perfect the text as any other motion; and my understanding is that such a motion is now pending before the Senate. I yielded the floor to the Senator from Illinois simply for the purpose of having his amendment read. The only motion that the Senate can pass on, however, is the motion I made to strike out certain paragraphs, and on that motion I ask for the regular order.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. STANLEY. Certainly.

Mr. LENROOT. If the Senator from Illinois has made his motion as a substitute, his would be first in order.

Mr. CUMMINS. He has not, though.

The PRESIDING OFFICER. He has offered that to perfect the text, and it has precedence.

Mr. CUMMINS. So far as I am concerned, I am ready for a vote on the amendment of the Senator from Kentucky.

Mr. JONES of Washington. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Washington will state it.

Mr. JONES of Washington. I wish to ask if, when a motion to strike out is made, amendments to perfect the text are not first in order?

The PRESIDING OFFICER. The Chair has so held.

Mr. JONES of Washington. So that any amendment proposed by the Senator from Illinois to perfect the text of this bill will take precedence over the motion of the Senator from Kentucky, even though the motion of the Senator from Kentucky is pending?

The PRESIDING OFFICER. The Chair has so held. The Senator from Iowa asks unanimous consent that the whole matter go over until to-morrow.

Mr. CUMMINS. I made the suggestion, hoping that I might reach some conclusion about it; but I am convinced now that I could not get unanimous consent, and therefore I am ready to have the amendment of the Senator from Kentucky disposed of.

Mr. THOMAS. Mr. President, I understand the parliamentary position to be this: The Senator from Kentucky [Mr. STANLEY] has made a motion to strike out certain parts of the bill. The Senator from Illinois [Mr. McCORMICK] has offered certain amendments to that part of the text to which the motion of the Senator from Kentucky relates. Consequently, his amendments take precedence of that motion until they are disposed of. If that be a correct statement of the situation, then the vote which we take to-night, if we vote at all, must first be upon the amendments or substitutes proposed by the Senator from Illinois.

The PRESIDING OFFICER. The Chair has so held.

Mr. THOMAS. Those are somewhat involved, and are very important, and Senators can not vote upon them intelligently until they understand them, and we can not understand them until we have time to examine them. Hence, to vote upon them to-night would be to vote blindly. So far as I am concerned, that is true. I think, therefore, the suggestion that they be printed and taken up to-morrow is the only one upon which we can act and at the same time act intelligently.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. THOMAS. Just a moment, and then I will yield the floor. I wish to add that when the junior Senator from Alabama [Mr. UNDERWOOD] yesterday yielded the floor he announced his desire, before a vote was taken upon the motion made by the Senator from Kentucky, to discuss those features of the bill, and I am satisfied that it is his purpose to do so.

Mr. CUMMINS. The Senator from Alabama is here.

Mr. THOMAS. I made that statement because I was ignorant of the presence of the Senator from Alabama. I have no wish to postpone for one moment a final vote upon this proposition, although I had intended saying something upon the subject; but I am quite as anxious to get a final vote upon the bill as the Senator having charge of the measure can be. Consequently, I believe we can make time by being furnished with printed

copies of the amendments offered by the Senator from Illinois, which, of course, is impossible until to-morrow.

I yield the floor to the Senator.

Mr. ASHURST. I was simply going to suggest that it was obvious that a vote can not be had to-night. The Senator from Illinois [Mr. MCCORMICK] has introduced some amendments in the nature of a substitute that should be read very closely by every Senator. Why can not the matter be composed by agreeing that at 12 o'clock to-morrow, or, say, at 12.30, a vote will be had on these various amendments relating to the compulsory arbitration feature?

I suppose that parliamentarily the way to proceed would be to vote first on the various amendments that are offered to the matter proposed to be stricken out; but I hope, for obvious reasons, that a unanimous-consent agreement can be reached which will permit us to have a vote first on the motion to strike out. That will require unanimous consent, because the parliamentary rule is the other way.

Mr. MCCORMICK. Mr. President, a parliamentary inquiry. If that unanimous consent were had, and we voted first upon the motion to strike out, and it failed, what then would be the status of the amendments to the text of the bill?

Mr. ASHURST. I confess I can not answer the Senator as to what the effect would be.

Mr. MCCORMICK. I say, assume that the motion to strike out failed, what then would be the parliamentary status?

Mr. ASHURST. The Senator would still have the right to offer his amendment as an amendment to the original text. I am sure of that. There is no doubt about that.

Mr. MCCORMICK. Personally, I raise no objection to the suggestion of the Senator from Arizona.

Mr. JONES of New Mexico. Mr. President, as I stated a while ago, I had prepared an amendment which is very much the same as that offered by the Senator from Illinois [Mr. MCCORMICK]. I had intended offering it, however, only in the event that the motion to strike out the entire section should fail. I should like very much to join in the request that by unanimous consent we first vote upon the motion of the Senator from Kentucky, and, if that should fail, then the amendment which has been offered here—either the one offered by the Senator from Illinois or the one which I have prepared—could be taken up for consideration. I think no good purpose could be served by taking up these amendments if the motion of the Senator from Kentucky should prevail; and I believe I will now offer the amendment which I have had prepared, so that it may be printed and considered along with the amendments proposed by the Senator from Illinois. They are very much the same, but we have had no opportunity to campare them critically; and I join in the request that the Senate now take a recess or adjourn until to-morrow, when these matters may be taken up in that order.

Mr. KIRBY. Mr. President, I do not see any reason why all parliamentary usage here should be sidetracked or overruled or abrogated in order to take up a matter out of its order, and I shall object to anything of the kind. This bill is entitled to be perfected, if it can be, before any part of it is stricken out, and it is in order to move to strike it out at any time. I shall insist that we proceed in an orderly way, and according to the regular rules and usages.

Mr. THOMAS. That is what we are trying to do.

Mr. CUMMINS. Mr. President, a parliamentary inquiry. What is the pending question?

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Illinois [Mr. MCCORMICK].

Mr. KIRBY. I would suggest, further, that I agree with the suggestion made by the Senator from Iowa that this matter ought to go over until 12 o'clock to-morrow, or 1 o'clock, in order that everybody may have an opportunity to read these amendments.

Mr. MCCORMICK. I should be glad if the Senator from Iowa would ask unanimous consent that that may be done; or, if he does not care to do so, I will.

Mr. CUMMINS. I am perfectly willing. As I said a few moments ago, I should like to see every Member of the Senate here when these questions are disposed of; so I ask unanimous consent that to-morrow, at 12 o'clock, the Senate proceed to vote without further debate on the amendment proposed by the Senator from Illinois [Mr. MCCORMICK], the amendment proposed by the Senator from New Mexico [Mr. JONES], and the amendment proposed by the Senator from Kentucky [Mr. STANLEY]. I do not name the order in which those votes shall occur. Let that be determined by parliamentary law and procedure.

Mr. HARRISON. Mr. President, is it the intention to adjourn until 11 o'clock to-morrow?

Mr. CUMMINS. I intend to ask the Senate to take a recess until 11 o'clock to-morrow.

Mr. HARRISON. If a recess is taken, of course we can not take up the sugar bill to-morrow morning.

Mr. CUMMINS. No; not to-morrow morning.

Mr. HARRISON. Will not the Senator from Iowa ask that this matter be taken up at 1 o'clock, and that the Senate meet at 11 o'clock, and give us an opportunity to pass the sugar bill to-morrow before 1 o'clock?

Mr. CUMMINS. Mr. President, I hate to refuse an appeal of that kind, even if it were in my power; but I must insist upon the railroad bill being considered continuously until it is disposed of. We are meeting a great crisis in the railroad situation; and aside from the great importance of it in order to take care of the transportation situation, if we do not pass the railroad bill by Saturday night there will be no recess of the Senate.

Mr. HARRISON. I understand the importance of the railroad bill, but no one can possibly imagine that this bill can become the law before the Christmas holidays. The most that can be done is to get it to conference within that time. The sugar bill is of very great importance. It ought not to take very long to dispose of the report on the sugar bill, since the Senate has passed it, the House has passed it, and all we must do is to concur in or reject what the House has done, and because of that I shall object to unanimous consent.

Mr. CUMMINS. Very well.

Mr. WATSON. Mr. President, does not the Senator from Mississippi believe that, inasmuch as the parliamentary situation is as simple as he has described it, the sugar bill can be disposed of in an hour?

Mr. HARRISON. I should think it ought to be disposed of in two minutes.

Mr. WATSON. I should think so. If we meet at 11 o'clock and take up the sugar controversy between 11 and 12, will that be sufficient?

Mr. HARRISON. It is perfectly agreeable to me that we adjourn until 11 o'clock, and then at 1 o'clock take up the railroad bill, devoting the first two hours to proceeding with the sugar legislation. We will try to finish it in five minutes. If no opposition arises to it we can, because the amendment made in the House yesterday was adopted by 257 to 31 votes.

Mr. MCCORMICK. Mr. President, before the Senator from Mississippi continues in this vein, I merely want to ask that, if consent be had, provision also be made that we may have an hour's debate before we vote, at any hour which may be fixed, on the pending amendments.

Mr. HARRISON. That is perfectly agreeable to me. I only want a little time for us to get an opportunity to pass the sugar bill; that is all.

Mr. MCCORMICK. How much time does the Senator want?

Mr. HARRISON. I think we might take it up to-night and pass it.

Mr. CUMMINS. I shall be very glad to do that. If the Senate will take it up to-night, I shall be very glad to ask unanimous consent to lay aside temporarily the unfinished business.

Mr. SMOOT. I object to that.

Mr. CUMMINS. The Senator sees that there are a good many angles to these propositions.

Mr. President, I move that the Senate take a recess until 11 o'clock to-morrow.

Mr. HARRISON. I make the point that there is no quorum present.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gerry	La Follette	Sheppard
Capper	Hale	Lenroot	Smith, S. C.
Colt	Harris	McCormick	Smoot
Cummins	Harrison	McNary	Sutherland
Curtis	Henderson	Moses	Thomas
Dial	Jones, Wash.	New	Underwood
Edge	Kellogg	Norris	Walsh, Mass.
Elkins	Keyes	Nugent	Warren
Fernald	Kirby	Poindexter	Watson
Gay	Knox	Pomerene	Wolcott

The PRESIDING OFFICER. Forty Senators have answered to their names. A quorum is not present. The Secretary will call the roll of absent Senators.

Mr. HARRISON. Mr. President, I move that the Senate do now adjourn.

Mr. CUMMINS. On that motion I ask for the yeas and nays.

The yeas and nays were ordered and the Secretary proceeded to call the roll.

The PRESIDING OFFICER (when Mr. DIAL's name was called). The present occupant of the chair has a pair with the Senator from Missouri [Mr. SPENCER] and withholds his vote.

Mr. JONES of Washington (when his name was called). Making the same announcement of my pair as before, I transfer my pair to the Senator from Michigan [Mr. TOWNSEND] and vote "nay."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS], which I transfer to the senior Senator from Minnesota [Mr. NELSON] and vote "nay."

Mr. McKELLAR (when the name of Mr. KENYON was called). The junior Senator from Iowa [Mr. KENYON] is engaged in holding a meeting of the Committee on Education and Labor, and it is impossible for him to come into the Chamber at this time.

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to the Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. THOMAS (when his name was called). I have a pair with the senior Senator from North Dakota [Mr. McCUMBER]. I transfer that pair to the senior Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING]. He is absent on account of official business of the Senate, but I understand that he would vote on the procedure in reference to this motion as I would, and therefore I feel that I am at liberty to vote. I vote "nay."

Mr. UNDERWOOD (when Mr. WILLIAMS's name was called). I desire to announce, for the senior Senator from Mississippi [Mr. WILLIAMS], that he has a general pair with the senior Senator from Pennsylvania [Mr. PENROSE] and that he is absent to-night on account of business.

The roll call was concluded.

Mr. BALL. I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. I transfer that pair to the junior Senator from New York [Mr. CALDER] and vote "nay."

Mr. EDGE. I have a general pair with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the senior Senator from New York [Mr. WADSWORTH] and vote "nay."

The result was announced—yeas 13, nays 33, as follows:

YEAS—13.

Ashurst	McKellar	Pomerene	Walsh, Mass.
Harrison	McNary	Sheppard	
Jones, N. Mex.	Norris	Smith, S. C.	
Kirby	Nugent	Trammell	

NAYS—33.

Ball	Gay	Lenroot	Sutherland
Capper	Gerry	McCormick	Thomas
Colt	Hale	Moses	Underwood
Cummins	Harris	New	Warren
Curtis	Henderson	Phipps	Watson
Edge	Jones, Wash.	Poindexter	Wolcott
Elkins	Kellogg	Smoot	
Fernald	Keyes	Stanley	
Frelinghuysen	Knox	Sterling	

NOT VOTING—49.

Bankhead	Gronna	Nelson	Simmons
Beckham	Harding	Newberry	Smith, Ariz.
Borah	Hitchcock	Overman	Smith, Ga.
Brandegee	Johnson, Calif.	Owen	Smith, Md.
Calder	Johnson, S. Dak.	Page	Spencer
Chamberlain	Kendrick	Penrose	Swanson
Culberson	Kenyon	Phelan	Townsend
Dial	King	Pittman	Wadsworth
Dillingham	La Follette	Ransdell	Walsh, Mont.
Fall	Lodge	Reed	Williams
Fletcher	McCumber	Robinson	
France	McLean	Sherman	
Gore	Myers	Shields	

So the Senate refused to adjourn.

Mr. CUMMINS. I understand the roll was called before. The Senator from Mississippi made a motion to adjourn. The next thing in order is for the Secretary to call the roll of the absent Senators, and if that does not develop a quorum, then the next motion will be that the Sergeant at Arms be directed to request the attendance of absent Senators.

Mr. NORRIS. Mr. President, a parliamentary inquiry. The motion we have just voted on was a motion to adjourn, was it not?

The PRESIDING OFFICER. It was.

Mr. NORRIS. That does not require a quorum.

The PRESIDING OFFICER. But the Senate refused to adjourn. A majority was against it.

Mr. NORRIS. Is it necessary to call the names of the absentees because a quorum did not develop on the motion to adjourn?

Mr. CUMMINS. The Senator from Nebraska probably was not in when the prior motion was made. I moved that the Senate take a recess until 11 o'clock to-morrow. Thereupon the Senator from Mississippi [Mr. HARRISON] called for a quorum. A quorum failed to appear upon the first roll call. Thereupon the Senator from Mississippi moved to adjourn. My motion to take a recess to 11 o'clock to-morrow is, I suppose, pending, and can not be disposed of until a quorum is developed.

Mr. HARRISON. Mr. President, I desire to make a parliamentary inquiry. Was not the motion to recess superseded by the motion to adjourn?

The PRESIDING OFFICER. The Chair thinks not.

Mr. HARRISON. The Chair thinks, then, that after the presence of a quorum has been developed we must vote again on the motion to recess?

The PRESIDING OFFICER. The Chair so holds.

Mr. HARRISON. Without a new motion being made?

The PRESIDING OFFICER. The Chair so holds. The Secretary will call the names of the absent Senators.

The Secretary called the names of the absent Senators, and Mr. FRELINGHUYSEN, Mr. JONES of New Mexico, Mr. PHIPPS, Mr. STANLEY, Mr. STERLING, and Mr. TRAMMELL answered to their names when called.

Mr. FRANCE and Mr. McKELLAR entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-eight Senators have answered to their names. There is a quorum present.

Mr. CUMMINS. I move that the Senate take a recess until 11 o'clock to-morrow.

Mr. HARRISON. I make the point that there is no quorum present.

The PRESIDING OFFICER. The point is not well taken. Forty-eight Senators have answered to their names. There is a quorum present.

Mr. POINDEXTER. I ask for the regular order. Let the motion to take a recess be submitted to the Senate.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRISON. The vote was had and after that there was a suggestion of no quorum, and the roll was called and no quorum was developed. Then a motion was made to adjourn. Does the Chair hold that that is not intervening business?

The PRESIDING OFFICER. No business has been transacted since the roll was called. The roll call has just been completed.

Mr. HARRISON. I ask for the yeas and nays on the motion to take a recess.

Mr. WARREN. The Senator must know very well that his point of no quorum is not in order. The presence of a quorum was developed and a motion was then made to take a recess.

Mr. HARRISON. I have asked for the yeas and nays on the motion to take a recess.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

The PRESIDING OFFICER (when Mr. DIAL's name was called). The present occupant of the chair is paired with the Senator from Missouri [Mr. SPENCER], and in the absence of that Senator withholds his vote.

Mr. JONES of Washington (when his name was called). Making the same announcement with reference to my pair and transfer that I previously made, I vote "yea."

Mr. McKELLAR (when Mr. KENYON's name was called). I make the same announcement with reference to the junior Senator from Iowa [Mr. KENYON]. He is engaged in an important committee meeting and can not be present.

Mr. SUTHERLAND (when his name was called). I have a pair with the senior Senator from Kentucky [Mr. BECKHAM], which I transfer to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "yea."

Mr. THOMAS (when his name was called). Making the same announcement as heretofore concerning my pair and its transfer, I vote "yea."

Mr. UNDERWOOD (when his name was called). I make the same announcement as to my pair that I made a while ago. I vote "yea."

The roll call was concluded.

Mr. BALL (after having voted in the affirmative). I find that the senior Senator from Florida [Mr. FLETCHER] has not voted. I transfer my pair with that Senator to the junior Senator from New York [Mr. CALDER] and let my vote stand.

The result was announced—yeas 41, nays 5, as follows:

YEAS—41.

Ball	Edge	Gay	Jones, N. Mex.
Capper	Elkins	Gerry	Jones, Wash.
Colt	Fernald	Hale	Kellogg
Cummins	France	Harris	Kenyon
Curtis	Frelinghuysen	Henderson	Keyes

Kirby	Phipps	Stanley	Warren
Lenroot	Poindexter	Sterling	Watson
McCormick	Pomerene	Sutherland	Wolcott
McKellar	Smith, Ga.	Thomas	
Moses	Smith, S. C.	Trammell	
New	Smoot	Underwood	

NAYS—5.

Harrison	McNary	Norris	Sheppard
Knox			

NOT VOTING—49.

Ashurst	Gronna	Newberry	Simmons
Bankhead	Harding	Nugent	Smith, Ariz.
Beckham	Hitchcock	Overman	Smith, Md.
Borah	Johnson, Calif.	Owen	Spencer
Brandegee	Johnson, S. Dak.	Page	Swanson
Calder	Kendrick	Penrose	Townsend
Chamberlain	King	Phelan	Wadsworth
Culberson	La Follette	Pittman	Walsh, Mass.
Dial	Lodge	Ransdell	Walsh, Mont.
Dillingham	McCumber	Reed	Williams
Fall	McLean	Robinson	
Fletcher	Myers	Sherman	
Gore	Nelson	Shields	

The PRESIDING OFFICER. On the motion to take a recess, offered by the Senator from Iowa, the yeas are 41, the nays are 5. There is not a quorum present.

Mr. HARRISON. I move that the Senate adjourn.

Mr. CUMMINS. Upon that motion I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BALL (when his name was called). I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. As on the previous vote, I transfer that pair to the junior Senator from New York [Mr. CALDER] and will vote. I vote "nay."

The PRESIDING OFFICER (when Mr. DIAL's name was called). The present occupant of the chair has a pair with the Senator from Missouri [Mr. SPENCER] and therefore withholds his vote.

Mr. EDGE (when his name was called). I transfer my general pair with the Senator from Oklahoma [Mr. OWEN] to the senior Senator from New York [Mr. WADSWORTH] and vote "nay."

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON]. I transfer that pair to the senior Senator from Illinois [Mr. SHERMAN] and vote "nay."

Mr. JONES of Washington (when his name was called). Again announcing the transfer of my pair, I vote "nay."

Mr. KELLOGG (when his name was called). Making the same transfer of my pair as heretofore, I vote "nay."

Mr. SUTHERLAND (when his name was called). Making the same announcement as heretofore with reference to my pair and its transfer, I vote "nay."

Mr. THOMAS (when his name was called). Making the same announcement regarding my pair and its transfer as heretofore, I vote "nay."

Mr. UNDERWOOD (when his name was called). I make the same announcement in reference to my pair and its transfer as on the former vote, and vote "nay."

The roll call was concluded.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Idaho [Mr. BORAH] with the Senator from California [Mr. PHELAN];

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from New Mexico [Mr. FALL] with the Senator from Wyoming [Mr. KENDRICK];

The Senator from California [Mr. JOHNSON] with the Senator from Oklahoma [Mr. GORE];

The Senator from Massachusetts [Mr. LODGE] with the Senator from Georgia [Mr. SMITH];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS];

The Senator from Michigan [Mr. NEWBERRY] with the Senator from Missouri [Mr. REED];

The Senator from Vermont [Mr. PAGE] with the Senator from Alabama [Mr. BANKHEAD]; and

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS].

The result was announced—yeas 12, nays 30, as follows:

YEAS—12.

Gerry	Jones, N. Mex.	Norris	Smith, S. C.
Harrison	Kirby	Nugent	Stanley
Henderson	McNary	Sheppard	Trammell

NAYS—30.

Ball	Cummins	Elkins	Gay
Capper	Curtis	Fernald	Hale
Colt	Edge	Frelinghuysen	Harris
Jones, Wash.	McCormick	Smoot	Warren
Kellogg	Moses	Sterling	Watson
Keyes	New	Sutherland	Wolcott
Knox	Phipps	Thomas	
Lenroot	Pomerene	Underwood	

NOT VOTING—53.

Ashurst	Gronna	Nelson	Simmons
Bankhead	Harding	Newberry	Smith, Ariz.
Beckham	Hitchcock	Overman	Smith, Ga.
Borah	Johnson, Calif.	Owen	Smith, Md.
Brandegee	Johnson, S. Dak.	Page	Spencer
Calder	Kendrick	Penrose	Swanson
Chamberlain	Kenyon	Phelan	Townsend
Culberson	King	Pittman	Wadsworth
Dial	La Follette	Poindexter	Walsh, Mass.
Dillingham	Lodge	Ransdell	Walsh, Mont.
Fall	McCumber	Reed	Williams
Fletcher	McKellar	Robinson	
France	McLean	Sherman	
Gore	Myers	Shields	

So the Senate refused to adjourn.

Mr. CUMMINS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	McKellar	Stanley
Capper	Harris	McNary	Sterling
Colt	Harrison	Moses	Sutherland
Cummins	Henderson	New	Thomas
Curtis	Jones, Wash.	Norris	Trammell
Dial	Kellogg	Nugent	Underwood
Edge	Keyes	Phipps	Warren
Elkins	Kirby	Pomerene	Watson
Fernald	Knox	Ransdell	Wolcott
Frelinghuysen	La Follette	Sheppard	
Gay	Lenroot	Smith, S. C.	
Gerry	McCormick	Smoot	

The PRESIDING OFFICER. Forty-five Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absent Senators.

The Secretary called the names of the absent Senators.

The PRESIDING OFFICER. There is not a quorum present.

Mr. CUMMINS. I move that the Sergeant at Arms be directed to request the presence of absent Senators.

Mr. HARRISON. On that I ask for the yeas and nays.

Mr. THOMAS. I rise to a point of order.

Mr. HARRISON. What is the point of order?

Mr. THOMAS. The point of order is that until we have a quorum we can do nothing except to vote on a motion to adjourn or request the attendance of absent Senators.

The PRESIDING OFFICER. The motion now is to instruct the Sergeant at Arms to request the attendance of absent Senators.

Mr. HARRISON. I have asked for the yeas and nays on that motion.

The PRESIDING OFFICER. The Chair can not entertain a request for the yeas and nays on the motion. The question is on the motion of the Senator from Iowa that the Sergeant at Arms be directed to request the attendance of absent Senators. [Putting the question.] By the sound the ayes seem to have it.

Mr. HARRISON. I ask for a division.

On a division the motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will carry out the instructions of the Senate.

Mr. KENYON, Mr. SMITH of Georgia, and Mr. JONES of New Mexico entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-eight Senators have answered to their names. There is a quorum present.

Mr. CUMMINS. I renew my motion that the Senate take a recess until 11 o'clock to-morrow morning.

Mr. HARRISON. Will the Senator withhold that motion for a minute?

Mr. CUMMINS. Certainly.

Mr. HARRISON. I understand that the Senator is willing to agree that to-morrow, at some time, he will try to give us an hour and a half to consider the sugar bill.

Mr. CUMMINS. I will, Mr. President. I recognize that there ought to be a disposition of the sugar bill, if possible; and, in so far as I can control it, I will do what the Senator from Mississippi suggests—give an hour and a half for the consideration of the sugar bill.

Mr. HARRISON. Would the Senator object to asking unanimous consent that at some time to-morrow, after the Senate convenes and before 5 o'clock, an hour and a half shall be given for the consideration of the sugar bill?

Mr. CUMMINS. Mr. President, I will do that. I ask unanimous consent that to-morrow, between the hours of 11 and half past 12, the message of the House of Representatives with respect to the sugar bill be taken up for consideration.

Mr. GAY. Mr. President, is the Senator making that request at this time, or does he intend to make that request to-morrow?

Mr. CUMMINS. I am making it at this time.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of Washington. Mr. President, I am not going to object, but I am simply going to prophesy that it will be an hour and a half wasted.

Mr. CUMMINS. I am afraid that is true; but I am very anxious to get forward with the railroad bill and I hope the arrangement I have proposed may facilitate the disposition of it.

The PRESIDING OFFICER. Is there objection?

Mr. HARRISON. I shall not object, because that is what I want.

Mr. RANSDELL. Mr. President, I wish to understand clearly what the request is before I decide whether I shall object or not. The Senator's request is that to-morrow, between the hours of 11 and half-past 12, the sugar bill be considered, and the Senator asks unanimous consent for that purpose?

Mr. CUMMINS. That is my request.

Mr. RANSDELL. I wanted to be sure. I do not object.

The PRESIDING OFFICER. The Chair hears no objection, and it is so ordered.

RECESS.

Mr. CUMMINS. Mr. President, I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 9 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Thursday, December 18, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *December 17, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, let Thy grace possess our hearts and abide with us that with perfect urbanity, justice and brotherly love we may fulfill the arduous duties laid upon us and at the close of the day's session hear the "well done, good and faithful servant," and thus go on our way rejoicing. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

FEDERAL OFFICE BUILDING AT ST. LOUIS, MO.

Mr. RUCKER rose.

The SPEAKER. For what purpose does the gentleman from Missouri rise?

Mr. RUCKER. Mr. Speaker, yesterday unanimous consent was asked for the consideration of the bill (H. R. 484) for the construction of a Federal office building at St. Louis. A colloquy occurred here which amounted to an objection, and, as I understand it, there was a direction from the Chair as to what should be done with the bill, so far as the calendar is concerned. And the last remark, I think, was that the bill should pass to the foot of the calendar. I understand that it was not left on the Calendar for Unanimous Consent, and I ask that it be reinstated on the calendar.

Mr. LANGLEY. The gentleman refers to the bill H. R. 484?

Mr. RUCKER. Yes; and I merely ask that it be put back on the calendar where it was.

The SPEAKER. The Chair is informed that it is back on the calendar.

CALENDAR WEDNESDAY.

The SPEAKER. To-day is Calendar Wednesday, and the Clerk will call the committees.

The Clerk called the Committee on the Public Lands.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent that the call of the Committee on the Public Lands may be passed without prejudice. I make this request for this reason: We have two bills that we ought to call up, and I think possibly they should be passed; but since the committee reported those bills some criticism has been made and some charges are made about the interests concerned in the bills. The committee is endeavoring to get fuller information on the bills, which it thinks the House is entitled to, and for that reason I make this request.

The SPEAKER. The gentleman from Oregon asks unanimous consent that the Committee on the Public Lands be passed without prejudice. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, what will be the status of the call of the Committee on the Public Lands if it be passed now without prejudice? Will it resume its place on the calendar?

The SPEAKER. The Chair supposes that the gentleman means that it shall be passed at this time.

Mr. TAYLOR of Colorado. Mr. Speaker, as I understand the request, it is that it go over until the next Wednesday after the holidays.

Mr. SINNOTT. Until after the holidays. That is what I mean. It would naturally come up then.

Mr. GARD. I made the inquiry to ascertain what the situation would be under the request made by the gentleman from Oregon.

The SPEAKER. The Chair is in doubt, but the Chair thinks it would hardly come up on the next Wednesday on the request that the gentleman made. The Chair understands the gentleman now to request that it be passed to-day, with the privilege of coming up again on the first Wednesday after the holiday recess. Is there objection to that request?

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, what committee has the call after the Committee on the Public Lands?

The SPEAKER. The Committee on Indian Affairs.

Mr. BANKHEAD. Has the gentleman from Oregon had any consultation with the chairman of the Committee on Indian Affairs as to whether there would be any objection to that?

Mr. SINNOTT. Mr. Speaker, I have just spoken to the gentleman from New York [Mr. SNYDER], and there is no objection from him.

Mr. EVANS of Nevada. Mr. Speaker, will the gentleman specify the bill that he refers to?

Mr. RAKER. They are all the bills on the calendar.

The SPEAKER. Is there objection?

Mr. CLARK of Missouri. Mr. Speaker, reserving the right to object, why does not the gentleman from Oregon ask specifically to have the call rest upon the Committee on the Public Lands on the first Wednesday after we meet after the Christmas holidays?

Mr. SINNOTT. I understood that the Speaker stated that as a modification of my request.

The SPEAKER. That was the request of the Chair last put. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I should like to know from the chairman of the committee, in the event this matter goes over the holidays, whether it would be his expectation in January to call up the Uinta bill?

Mr. SINNOTT. That is one of the bills about which we expect to get further information, and I will assure the gentleman from Michigan that I shall not undertake to bring up that bill until the chairman of the committee has had full conference and understanding with the gentleman from Michigan.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. The Clerk will call the next committee.

The Clerk called the Committee on Indian Affairs.

Mr. SNYDER. Mr. Speaker, the Committee on Indian Affairs had legislation which it expected to bring up to-day, but it finds itself in this position: The gentleman from Oklahoma [Mr. CARTER], the proposer of the bill H. R. 288, is indisposed and can not come on the floor to-day; in view of that fact, I ask unanimous consent that this committee be passed over without prejudice until the first Wednesday after the holidays.

The SPEAKER. Well, that day has already been assigned to the Committee on the Public Lands.

Mr. SNYDER. Then I modify by asking that the committee take its place immediately after the legislation from the Committee on the Public Lands is finished.

The SPEAKER. The chairman of the Committee on Indian Affairs asks unanimous consent that the Committee on Indian Affairs may come in immediately after the business from the Committee on the Public Lands is finished after the holidays. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, I do not think the committee should ask that it be continued. As it is, we are having one committee fall out and another take its place, and it will surely create endless confusion. I do not desire to obstruct legislation, but if the gentleman has not anything to consider he had better let it go over until he does have some legislation; and therefore I object to the request.

The SPEAKER. Objection is heard.

Mr. SNYDER. I understand it is a perfectly orderly proceeding, and we were ready to proceed to-day, except for the fact that the proposer of this legislation is unable to be present, and he requested me to make this request to the House, as he is anxious—as we all are—to get this legislation through at the earliest possible moment.

Mr. CAMPBELL of Kansas. Will the gentleman yield further?

Mr. GARD. I had objected, and I continue the objection; not for any reason of embarrassing the committee, but if the gentleman referred to is ill—and I suspect he is, unfortunately—then sufficient time ought to be allotted to him to recover; and on the call of committees his bill will be duly and easily reached, and the gentleman can have the legislation considered. If we pursue this course, it tends to create embarrassment among committees and endless confusion, unless the orderly and rightful consideration of the calendar is adhered to in the call of committees. If the Committee on Indian Affairs has no other bill for consideration, it should not ask that any other than the regular order be pursued.

The SPEAKER. Does the gentleman adhere to his objection?

Mr. SNYDER. Mr. Speaker, I am not particularly tenacious about this. I am simply doing it at the request of the proposer of the legislation.

The SPEAKER. Does the chairman of the Committee on Indian Affairs desire to bring up any business?

Mr. SNYDER. Mr. Speaker, do I understand the gentleman from Ohio objected?

The SPEAKER. Yes.

Mr. SNYDER. All right. I do not care to bring up anything further to-day.

HOUSING FOR WAR NEEDS.

Mr. LANGLEY. Mr. Speaker, by direction of the Committee on Public Buildings and Grounds I call up the bill H. R. 7656.

The SPEAKER. The chairman of the Committee on Public Buildings and Grounds calls up the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7656) to repeal the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, and to repeal all acts and parts of acts amendatory thereof, and to provide for the disposition of all property acquired under and by virtue of the same.

The SPEAKER. This bill is on the Union Calendar and the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, and the gentleman from Kansas [Mr. CAMPBELL] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7656, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7656, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7656) to repeal the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, and to repeal all acts and parts of acts amendatory thereof, and to provide for the disposition of all property acquired under and by virtue of the same.

Mr. LANGLEY. Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, and all acts and parts of acts amendatory thereof, be, and the same are hereby, repealed.

SEC. 2. That the Secretary of Labor be, and he is hereby, directed to deliver to the Secretary of the Treasury a detailed statement showing all real and personal property outside of the District of Columbia which has been acquired under and by virtue of said acts and which is now owned by the United States; and that the Secretary of the Treasury shall immediately proceed to sell the same, after due advertisement as provided by law, and to cover the proceeds into the Treasury as miscellaneous receipts and to make report of such sales to Congress: *Provided*, That in all sales of residences the Secretary of the Treasury shall give the preference in the right to purchase to individuals who bona fide desire to purchase the same for use as a home, but not more than one house shall be sold to the same person: *Provided further*, That in the sales of such residences the Secretary of the Treasury may, in his discretion, sell the same partly on credit to citizens of the United States who are heads of families and furnish testimonials showing that they are law-abiding, industrious, and patriotic, and that they intend in good faith to occupy the same with their families in all cases of such credit sales, reserving title in the United States until fully paid for, or conveying title to the purchaser and taking from him a mortgage upon the property to secure the deferred payments.

SEC. 3. That the Secretary of Labor shall, immediately upon the passage of this act, deliver possession of all houses built in the District of Columbia, under and by virtue of said acts, to the Public Building Commission created by the Sixty-fifth Congress for such uses and purposes as said Public Building Commission may decide.

SEC. 4. That all land within the District of Columbia, acquired under the said acts and which is still vacant and unimproved, and all personal property in said District of Columbia acquired under said acts, shall, by the Secretary of Labor, be transferred to the Secretary of the Treasury at once, to be disposed of in the same manner as provided in section 2 for the sale of property outside the District of Columbia.

SEC. 5. That if title to any real estate, either within or without the District of Columbia, acquired under any of the acts which are to be repealed by this act, has been taken in the name of the United States Housing Corporation, or any other agency, created or acting under said acts, or any of them, the said United States Housing Corporation or other agency shall, immediately upon the passage of this act, convey to the United States of America, by good and sufficient deed or deeds of conveyance, all of such real estate wherever situate.

SEC. 6. That the Secretary of Labor, the United States Bureau of Housing and Transportation, the United States Housing Corporation, and each and every other person or agency now or heretofore operating or acting under and by virtue of the said act of May 16, 1918, or any act or acts amendatory thereof, in possession of any notes, mortgages, contracts, or other evidences of indebtedness to the United States, or to any such officials or agencies for the benefit of the United States, by reason of any advances or loans of money to any transportation company, municipality, person, firm, or corporation, made by any of such officers or agencies for the United States, shall, immediately upon the passage of this act, take such action as may be necessary to vest absolute title to such evidences of indebtedness in the United States of America and deliver the same to the Secretary of the Treasury, who shall adjust and collect the same according to their tenor and effect, paying the proceeds thereof into the Treasury as miscellaneous receipts.

SEC. 7. That upon the passage of this act, if there be any uncompleted contracts, or any pending claims growing out of contracts completed or uncompleted, all such contracts and documents relating thereto shall be delivered to the Secretary of the Treasury and the same adjusted and settled by the proper officers in the Treasury Department.

The committee amendments were read, as follows:

Page 2, line 4, after the word "United States," strike out the semicolon and insert "and also showing use to which each piece of property has been applied up to the armistice and thereafter."
Page 2, line 12, after the word "who," strike out the words "bona fide."
Page 2, line 17, after the word "and," insert "who shall."
Page 2, line 18, after the word "furnish," strike out the word "testimonials" and insert "satisfactory evidence."
Page 2, line 21, insert a semicolon after the word "families."
Page 3, line 3, insert a comma after the word "Columbia."
Page 3, line 4, insert a comma after the word "act."
Page 3, line 7, insert a comma after the word "Columbia."
Page 3, line 15, strike out the word "if" and insert the word "where."
Line 17, insert a comma after the word "act."
Page 3, line 19, insert a comma after the word "agency."
Page 3, line 20, insert a comma after the word "acts."
Page 4, line 6, strike out the word "in" and insert the word "having," and in the same line after the word "of" insert the words "or title to."
Page 4, line 19, after the word "that" strike out "upon the passage of this act, if there be" and insert "where there are."
Page 4, line 20, insert a comma after the word "contract."
Page 4, line 23, after the word "be" insert the word "immediately."

The CHAIRMAN. Under the rules general debate may be had for two hours. Does the gentleman from Kentucky desire to make arrangement for a division of the time?

Mr. MANN of Illinois. That time belongs half to those in favor of the bill and half to those opposed to the bill.

The CHAIRMAN. The Chair has in mind the control of the division of time between individuals.

Mr. MANN of Illinois. The gentleman from Kentucky is entitled to an hour as being in favor of the bill, and somebody opposed to the bill is entitled to the other hour.

Mr. LANGLEY. I have no advice as to whether there is opposition to the bill.

The CHAIRMAN. Is any member of the committee opposed to the bill who desires to control the time in opposition?

Mr. LANGLEY. Mr. Chairman, under the rule I understand I am recognized for an hour.

The CHAIRMAN. The gentleman is recognized for one hour.

Mr. LANGLEY. Mr. Chairman, this bill was unanimously reported by the Committee on Public Buildings and Grounds. We have thoroughly investigated and considered the whole proposition and the committee is unanimously of the opinion that the bill should pass. I am suffering from a severe case of tonsillitis and will not be able to discuss in detail the merits of the bill, and I ask unanimous consent that I may extend my remarks in the RECORD on the merits of the bill, as I desire to bring to public attention some instances of maladministration and wasteful extravagance that have occurred in the conduct of the work of this bureau.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that he may extend his remarks in the RECORD on the merits of the bill. Is there objection? [After a pause.] The Chair hears none.

Mr. LANGLEY. Now, Mr. Chairman, I yield 20 minutes to the gentleman from Florida [Mr. CLARK], who is the author of the bill.

Mr. CLARK of Florida. Mr. Chairman and gentlemen, I am extremely glad that we have at last gotten this bill before the House for consideration. This bill was introduced on the 21st of July last and reported by the committee unanimously on the 30th day of July last. Several times I have called to the attention of the House the situation with reference to it and have appealed to the House to give a few minutes of time in which this bill might be considered and, if the House agreed with the committee, to enact it into law. I want to say that when the

war began it became necessary, as we all know, because of the fact that private capital either could not or would not engage in the business of providing homes for workmen, for the Government to go outside of its usual functions and engage in that business. Your committee in the Sixty-fifth Congress did their best, in the drafting of the bill under which this bureau was organized, to protect the interests of the Government and try to effectuate the purposes of the legislation.

Though hedged about as we tried to hedge it, yet after the bill had been passed and after this organization had been created it soon grew to immense proportions. Thousands of employees were brought here of every chaarcter. Although we placed in the bill itself the entire force of the Office of the Supervising Architect of the Treasury at the command of this organization, they proceeded at once to call to their assistance and place on the pay roll a large number of high-priced architects from different portions of the country. There was absolutely no necessity for the employment of a single architect by this bureau. The Acting Supervising Architect, Mr. Wetmore, had been before the committee and he had advised us that as a greater amount of Government work in the ordinary course—the building of post offices and the like—had ceased, his force could do the work which would be required by this bureau. But they went outside and employed these architects, very expensive employees, at large salaries, and put them on the pay roll.

Mr. SHERWOOD. Let me ask the gentleman how much was expended in that line?

Mr. CLARK of Florida. There has been $100,000,000 appropriated. There was drawn out of the Treasury $70,000,000, and $30,000,000 was never drawn out. The Appropriations Committee called upon the bureau to refund to the Treasury the money on hand, and they turned over $2,500,000. So $67,500,000 has been expended altogether by the bureau.

Now, gentlemen, that was bad enough; but I want to call your attention to the fact that in almost every project undertaken by these people, instead of using the force of the Supervising Architect, instead of using their own high-priced architects which they had employed, in almost every case they went outside of both of them and employed special architects for the particular work. Right here under the nose of Congress you have an object lesson of riotous and inexcusable extravagance. I refer to what are now called Government hotels on the Plaza. Everyone must concede that they are very commonplace and very plain and very cheap and intended to be temporary. When the bureau came to construct those buildings, 12 buildings, two wings to each, all of them nearly duplicates, instead of using the Supervising Architect's Office, instead of using their own architects, they went outside and employed Mr. Waddy B. Wood, an architect of the city of Washington, and agreed to pay him a fee of $25,000 to draw the plans for those common buildings on the Plaza. That is not all. They paid Mr. Wood, in addition to that, an overhead, as they call it, of 100 per cent. In other words, where Mr. Wood had a man employed who was getting $200 a month he got $400 from the Housing Corporation to assist in the drafting of these plans.

Now, my friends, let me say something right here while we are going along. This is not a political proposition. God knows, there is no politics in it with me. As I told a gentleman the other day, I do not care anything about his politics, for if a man is a grafter his being a Democrat or his being a Republican does not change his character. If he is a grafter, he is a grafter. [Applause.] These fellows who are running the bureau are pretty well mixed up in their politics; do not worry about that. They are not all Democrats, and they are not all Republicans, but the record shows that the grafters are pretty numerous.

Now, let me tell you something else about that, and necessarily I have not the time to go through with all of it, and I am talking about these things because they are right under our nose. They put up some dormitories down here at the navy yard for the navy-yard employees. They brought skilled mechanics here from all parts of the country to work in the navy yard, and these mechanics had no place in which to live, and it was proper to provide some place for them, as the Government had to keep them. So the bureau went down here and bought a lot of land, with a cemetery on one side and a workhouse and a smallpox hospital and jail and a lot of other "desirable" conditions on the other side, and they built what they called dormitories down there—the very cheapest concerns you ever saw—with little bits of rooms with just about space enough in them to slide one small single bed in. And yet those dormitories cost $685 per room.

Mr. ELLIOTT. Will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. ELLIOTT. Do you know whether any one of those rooms was ever occupied by any mechanic working in the navy yard?

Mr. CLARK of Florida. My information is that not a single, solitary one of them ever occupied a room there.

Mr. ROBSION of Kentucky. Will the gentleman yield further?

Mr. CLARK of Florida. Yes.

Mr. ROBSION of Kentucky. How many of these rooms were built?

Mr. BROOKS of Indiana. Five hundred and eighty-five.

Mr. ROBSION of Kentucky. I understand the gentleman to say that not one of them has been occupied?

Mr. CLARK of Florida. Not by any Government workers. I understand that at one time some soldiers who were there temporarily occupied them.

Mr. LANGLEY. And they were all equipped with furniture?

Mr. CLARK of Florida. All equipped and furnished completely with new furniture, and afterwards the furniture was hauled out and carried down to some place and sold at auction at a very small part of the original cost.

I want to tell you how they got the furniture. This is extremely interesting and shows how means of separating Uncle Samuel from his cash were devised. They employed a firm known as Myers & Phillips. This firm was organized at just about this time. Mr. Myers, who was a witness before the Senate subcommittee—and the testimony is all here—testified. He did not say it was organized for this express purpose. He belonged to another firm, named Barnett, Phillips & Myers, but the firm of Myers & Phillips was organized just about the time that they were employed as purchasers of furniture for the bureau. Now, then, instead of going into the open market, going to manufacturers of furniture, instead of going to wholesale dealers and undertaking to buy stuff that was in stock, Myers & Phillips undertook to draw special designs for the furniture they were to put in these dormitories and these houses all over the country and have them manufactured to order. And they got a fee as architects to draw the designs and they got a commission for buying the furniture. Now, if you can beat that, I wish you would show me how.

Mr. KNUTSON. Will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. KNUTSON. Are these men still at large?

Mr. CLARK of Florida. Yes, sir.

Mr. KNUTSON. Has the matter been called to the attention of the Department of Justice?

Mr. CLARK of Florida. I will state to the gentleman that the Senate Committee on Public Buildings and Grounds is making an investigation, and my information is that they intend to interview the Department of Justice when they get through.

Mr. ROBSION of Kentucky. Will the gentleman yield further for a question?

Mr. CLARK of Florida. I will.

Mr. ROBSION of Kentucky. What was paid in this fee for the plans of the furniture?

Mr. CLARK of Florida. I do not remember, but it is in the hearings. They were paid a certain percentage.

Mr. BROOKS of Illinois. Did I understand the gentleman to say that they sold the furniture?

Mr. CLARK of Florida. Yes; out of all these dormitories down at the navy yard.

Mr. BROOKS of Illinois. Is it not a fact that they were refurnished?

Mr. CLARK of Florida. Yes.

Mr. BROOKS of Illinois. And being sold to-day?

Mr. CLARK of Florida. And being sold again.

Mr. LANGLEY. Is it not also true that the furniture sold at auction brought less than 10 per cent of what it cost the Government?

Mr. CLARK of Florida. I never did know just what it brought, but I understand it brought a very small proportion of the original cost.

Mr. LANGLEY. That is my information.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. REAVIS. Was any architect employed to design the refurnishing that went in there?

Mr. CLARK of Florida. I do not know as to that.

Now, I must hurry along and try to get a few of these things stated. I said here some time ago certain things about this bureau, and one gentleman in the bureau wrote an article in the newspapers and stated that what I said was not correct. I made a statement here on the floor to the effect that they paid $4,800 for blinds and hardware to go in these dormitories on the Plaza;

that they paid $5,000 for the painting of the blinds, and that when the blinds and the hardware, painted and delivered at the place, were there, they cost $17,200 just to swing them or hang them up. [Laughter.]

Mr. LANGLEY. How much was that for each blind?

Mr. CLARK of Florida. Nearly $7 a pair; about $6.90, to be accurate.

Now, then, that gentleman disputed that statement. But it was absolutely true, and the record shows it. I have the statement of Mr. Waite, the chief accountant, who is as good a one as there is in this country, in the employ of the Senate committee, to the effect that it is absolutely correct, and it cost the Government $6.90 a pair to hang those blinds.

Now, then, I want to tell you something else that they are doing down there. The news of the reporting of this bill went out, and just so soon as this bill was reported these gentlemen down at the bureau who wanted to hold their jobs immediately rushed down to the dormitories and interviewed the 1,500 or 2,000 girls—whatever the number there is down there, war workers—and told them we were going to throw them out in the street, turn them out from house and home at once; and instantly every one of the young ladies went to her Member of Congress and got up a great stir over the report that we were going to put them on the street. There never was such an intention on the part of the committee. The committee believes that these dormitories down there ought to be continued just as long as there is an absolute necessity for the continuation of the project and so long as it does not cost the Government money to run it.

But whenever it does, whenever the Government has to go down in its pocket and put up extra money to run them, or whenever the necessity for them ceases, they ought not to be run a day longer, because it is not a proper function of the United States Government to run hotels. [Applause.]

Now, my friends, let me tell you further what they are doing down there. Do you know what the manager of that outfit gets in the way of salary? I have insisted all along, and I insist now, that the Government does not want to make any money out of those girls. They ought to get their board and lodging there for exact cost. [Applause.] That is what they ought to get it for, and the business ought to be economically conducted so that they would not have to pay exorbitant overhead charges, as they have had to pay and are now paying. Do you know what the manager gets down there? It is either $4,500 or $5,000. I think the salary is $5,000. In addition to that she has a suite of rooms, with bath and all that, and board, and her mother gets a room and board, or suite of rooms and board—whatever it is—and she has a private secretary who gets a salary and room and board, and she has a car, I understand, furnished by the Government, which she uses for her sole use, and a chauffeur, who gets his salary and board, and the Government pays for the gasoline; and when you foot it all up it runs into the neighborhood of something like $10,000 a year—more than you get to serve your district in Congress; and yet the manager of this place had never conducted a hotel or a boarding house or a rooming house or an apartment house a day in her life until she took charge of this place.

Mr. HARDY of Colorado. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. HARDY of Colorado. Who is it?

Mr. CLARK of Florida. I am not acquainted with the lady. She is a Miss James.

Mr. HARDY of Colorado. Is she a relative of somebody high up in the Government?

Mr. CLARK of Florida. I do not know about that.

Mr. HARDY of Colorado. I think you will find out that she is.

Mr. CLARK of Florida. Now, here is the record. I will quote from it directly. I have practiced law for a good while in my life, and my memory used to be a good deal better than it is now. I am not going to misquote if I know it. Here is the testimony taken by the Senate committee on page 439 of part 2 of the hearings. According to the testimony of the vice president of this institution they were paying men down there $58 a day and other men $33 a day. If you will figure it up, you will find that the $58-a-day man gets over $18,000 and the other fellow over $10,000 a year, counting only working days.

I want to tell you something else. I have spoken of it before, but I want to call it again to the attention of the House, inasmuch as some gentlemen may not have heard it. When the armistice was signed and the Senate had passed a resolution over there to wipe this whole concern out of existence—and that is a mistake we made in not doing it; I can see it now—we thought at that time some of the projects ought to be finished, because the Government could save more by selling them as a finished proposition than it could by selling them in their then unfinished condition; and so the House committee, acting upon the matter, expressed their view that 22 of these projects ought to be finished and the others ought not to be.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. LANGLEY. Mr. Chairman, I yield 10 minutes more to the gentleman from Florida.

The CHAIRMAN. The gentleman from Florida is recognized for 10 additional minutes.

Mr. CLARK of Florida. Now, then, instead of their doing that, we told them when they were before us that they were practically a defunct institution, and that they were going out of business, and we wanted them to economize and cut down their force and get rid of it and close it out; but instead of doing that they held a meeting five months after the armistice was signed, and raised the salaries of nearly every high official in the bureau. They raised one fellow's salary from $5,000 to $12,000 a year and dated it back 30 days, so that he got the benefit of a month more.

Mr. KNUTSON. Mr. Chairman, will the gentleman incorporate the raises or increases of salaries in his remarks?

Mr. CLARK of Florida. I will endeavor to do so; but many of them are incorporated in the report of the chairman.

Mr. CANDLER. What were the duties of this man whose salary was raised as stated?

Mr. CLARK of Florida. He claimed to be an auditor. I think he was simply a bookkeeper. He claimed to be an auditor. But, whatever he was, this increase was an outrage on the people and an unwarranted raid on the Treasury.

The rooms down at the Plaza dormitories, single rooms to accommodate one person, built out of hollow tiling and generally cheap construction, what do you suppose they cost per room? They cost $1,500 a room, every one of them. So we paid out $1,500 down there to house one war worker.

Oh, my friends, do you know how much they are going to lose on the navy-yard proposition, how much the Government stands to and is bound to lose? Just about $800,000. You can not sell it to-day for anything on earth except for the value of the naked land, and you can not get near what they paid for that.

Why, let me tell you one thing. In buying this land down here—and the real estate people came before us and boasted that they were costing the Government nothing, that they were dollar-a-year people—yet the evidence shows that when they went to buy one little piece of land down here by the navy yard that cost $5,200, although they had a big real estate division in the bureau, and although God knows Washington is full of real estate men, crowded with them, yet they sent all the way to Toledo, Ohio, and brought a man here to buy that land. [Laughter.] And they paid him $50 a day and his expenses. And that is not all. The record shows this. After they got him here they then employed another man in Washington, a real estate man, to assist him in buying that little piece of land, and they paid him $500 to assist the Toledo fellow.

Now, my friends, those are the things that have been going on from one end to the other, and the record is full of them. I am not charging anybody here with getting something that did not belong to them, nor am I charging a criminal offense, but I am simply pointing out the very peculiar methods of these patriotic business people as shown by the record.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. CLARK of Florida. I yield to the gentleman from Mississippi.

Mr. JOHNSON of Mississippi. Who is responsible? The gentleman referred to them as "they." Who are they?

Mr. CLARK of Florida. I am speaking of the bureau officials in charge down there. I will say that when the bill originally passed the House it charged the Secretary of Labor with the performance of this duty. The Senate amended the bill and charged the President with it, substituted the President. The President, under the Overman Act, delegated it to the Secretary of Labor, and the Secretary of Labor created this bureau. Now, they have gone on here with all these people, with this enormous expense, and long after the armistice they gave up the modest quarters they occupied down on G Street, and they went down to where the Railroad Administration was, I think it is Thirteenth and F or somewhere along there, and rented the whole floor of a magnificent office building for which they are paying $2,200 a year.

I am told they have got their names up on the doors, on these frosted glass panes, and this is "Private" and that is "Private," and so forth; and it is harder for a Member of Congress to get in there than it is for him to see some of these assistant

secretaries that you sometimes run up against. [Laughter.] Every one of them has got a private secretary. Why, this little man McCumber down there, who is vice president, I am told has got two private secretaries. A salary of $6,000 a year and two secretaries, in addition to all the stenographers and clerks and everything of that kind that they have got around there to wind up a dead concern.

Oh, this thing ought to be wiped off the earth and these people ought to be put out of business. My fellow Members of Congress this is an outrage upon the American people. I do not know just who is responsible for it. I hope it will be found out. I hope that it will go to the Department of Justice and that a thorough and full investigation may be made, and the man or men who are responsible for it ought to be punished, and punished to the full extent of the law. [Applause.]

You talk about Bolshevism and anarchy and all that sort of thing in this country. I am here to tell you that these are the things that create anarchy. [Applause.] These are the things that make Bolshevists in this country of ours, and it ought to be stopped.

Mr. BEE. I want to ask the gentleman from Florida if he is opposed to the continuance of the war-workers' homes in the city of Washington under the present arrangement under which they are being conducted; and if so, why? And what would become of the thousands of young women who are there now, who could find no other place to go?

Mr. CLARK of Florida. I just stated—probably the gentleman was not here—that I am in favor of conducting them just so long as they are necessary and just so long as they do not cost the Government money to run them. As long as those two things concur they ought to be run; but I submit that we have got no power and no right under the Constitution to take money out of the taxpayers of this country to run hotels. If it is necessary as a war emergency, yes; we have got the right to do anything; but when that ceases we have not the right to do it.

Mr. GARD. Who is to determine the necessity for the continuance of these projects, such as the Plaza buildings?

Mr. CLARK of Florida. I will tell you what the committee agreed was the proper thing to do. The bill provides that all of the property now in the District of Columbia is to be turned over to the Public Building Commission created by Congress. I suppose they would be all right to determine it. The only objection I had to putting it in their hands was the fact that I happen to be a member of that commission, but I knew of no other place where it could be put. I have no particular desire; in fact, I had rather forego my part of the obligation if it can be put somewhere else, but you remember it is the commission we created in the last Congress, composed of Senator SMOOT, Senator SWANSON, Mr. LANGLEY, myself, Mr. Elliott Woods, Mr. Wetmore, and Col. Ridley. I do think, as long as they have charge of all the building space in the District of Columbia belonging to or rented by the Government, that was the most appropriate body that I could find. If some gentleman can suggest some other authority, so far as I am concerned as one member of the committee, I will be glad to accept an amendment to put it somewhere else.

Now, Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

Mr. BEE. Will the gentleman from Florida yield for another question?

Mr. CLARK of Florida. Yes.

Mr. BEE. If the expenditures for the erection of these Plaza buildings, for instance, have already been made, and these houses are now being conducted without expense to the Government upon a self-sustaining basis, does not the gentleman from Florida think that these young ladies ought to be allowed to continue to reside in these buildings under the circumstances?

Mr. CLARK of Florida. I have just said that I do.

Mr. BEE. The gentleman did not answer my question before.

Mr. CLARK of Florida. Yes, I did; but let me answer it again.

Mr. BEE. All right, sir. That is the question I propounded.

Mr. CLARK of Florida. I say that so long as the hotels can be run without expense to the Government, and so long as they are necessary for the uses of the Government, they ought to be run. Is that plain enough?

Mr. BEE. That is plain enough now.

The SPEAKER. The gentleman from Florida asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. LANGLEY. I yield 15 minutes to the gentleman from Nebraska [Mr. ANDREWS].

Mr. ANDREWS of Nebraska. Mr. Chairman and gentlemen of the committee, I wish to take a brief space of time to emphasize one or two points upon which the previous speaker has dwelt only briefly. Your committee, without a single exception, has been fully convinced that the House should pass this bill substantially as it is presented, in order that the whole subject may be placed in the hands of the Senate for further and final consideration; not final in the sense, of course, that our committee would not have its rights in conference in case the Senate should pass the bill in a different form. The Senate committee has been conducting an examination—or an investigation, if you please—into the affairs of the Housing Corporation. To us it seemed inadvisable that the House committee should take up a similar line of investigation. We have gone far enough, however, to convince every member of the committee, so far as I know, that this Housing Corporation ought to be absolutely wiped out of existence.

With the passage of this bill by the House the whole question can go into the hands of the Senate committee for such consideration beyond the provisions of the bill as the extended investigation of that committee may suggest.

Mr. RAKER. Will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. RAKER. Can the gentleman advise the committee from the investigation by the Committee on Public Buildings and Grounds whether or not this Government hotel on the Plaza is practically maintaining itself now?

Mr. ANDREWS of Nebraska. I can not quote the figures on that point, because the investigation of that phase of the question was in the hands of others, members of the committee. Perhaps the gentleman from Florida [Mr. CLARK] or the gentleman from Kentucky [Mr. LANGLEY] can tell.

Mr. LANGLEY. My information is that it is not self-sustaining, and the one reason why it is not self-sustaining is the excessive overhead charges due to high salaries.

Mr. RAKER. The only reason is the high salaries of certain officials?

Mr. LANGLEY. Yes.

Mr. RAKER. Is it not the gentleman's opinion that it can be made self-sustaining?

Mr. ANDREWS of Nebraska. That is our judgment, that it can be, and the actual cost of the enterprise should be paid by those who receive the benefits.

Mr. RAKER. On page 3 you direct that this property shall be turned over to the Public Building Commission, and that they may use it as they decide. Ought not the committee to place an amendment in the bill providing that the Public Building Commission shall use the property as it is now being used until the emergency for the war workers is over, so that there will be no question about it?

Mr. ANDREWS of Nebraska. Mr. Chairman, it is the full purpose of the members of the committee that these buildings shall be used for the girls so long as there is necessity for it. And if there be any doubt with reference to that matter the committee would gladly entertain any sort of amendment that would remove the doubt on that subject. The gentleman who drafted the bill has gone over the question carefully, and we have not received any information from any source whatever to indicate that there was any disposition on the part of any members of the commission to indicate that they would act otherwise than as suggested.

Mr. RAKER. One further short question: Would the gentleman advise the committee, approximately, how many war workers are now in these buildings?

Mr. ANDREWS of Nebraska. I do not have the figures at this moment.

Mr. MANSFIELD. I think about 1,800.

Mr. DYER. There are as many as the buildings will permit the housing of, and there are others on the waiting list.

Mr. BROOKS of Illinois. I think the gentleman is mistaken; there are 688 vacancies.

Mr. DYER. Where?

Mr. BROOKS of Illinois. Down by the navy yard.

Mr. ANDREWS of Nebraska. We are talking about the Plaza, and I think the question related to the buildings on the Plaza.

Now, gentlemen, let us go back to what I was seeking to emphasize. With all the information that the Senate investigation will throw on this subject, they will then be in a position to make such amendments to the bill, if any, as conditions may suggest. The House by passing this bill expresses its judgment as to the absolute elimination of the Housing Corporation, with the ugly record that has been sketched by the gentleman from Florida. That is the point that urges us to the passage of this bill.

Now, with reference to the girls. Gentlemen, would you imagine for a moment that any member of that Public Building Commission would be so indifferent to the needs of the Government, so indifferent to the proper care for the girls who are occupying those buildings, as to turn them out into the street? No; that is an unthinkable proposition. I know, Mr. Chairman, some people have come to the committee greatly agitated; they have called upon individual members of the committee in the midst of the agitation, saying that this horrible thing or that horrible thing would happen to these girls. The committee expects, and the committee is willing to provide by specific words of law, that no such misfortune shall come to them. At the same time your committee feels under obligation to bring these facts to the House and say that the people who have been derelict in the discharge of public duty, as many of these people in charge of the Housing Corporation have been, shall be immediately separated from the Government business and, if possible, never be permitted to return to it.

Mr. RAKER. Will the gentleman yield for another question?

Mr. ANDREWS of Nebraska. I have but a short time remaining.

Mr. RAKER. I want to ask the gentleman if he thinks that the Public Building Commission has power to lease and run the buildings on the Plaza as a hotel, as it is now being run, if the property is turned over to them?

Mr. ANDREWS of Nebraska. The bill provides that the property shall be turned over to the Treasury Department, that has the facilities for handling public property, so that it will realize a better price for it when it comes to dispose of it in the market than any other agency that I know of within the scope of the Government.

The Secretary of the Treasury and the members of the Public Building Commission, acting in conjunction in reference to the disposition of this property, when its need for the use of these girls shall have ceased, will be able to work out that problem more effectively and economically than any other method that has been suggested.

Mr. BEE. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. I do.

Mr. BEE. I want to say to the gentleman from Nebraska that the only interest I have is in preserving these housing places for the young women. I want to ask with reference to that portion of section 4, on page 3, which directs that all personal property in the District of Columbia acquired under said acts shall be transferred to the Secretary of the Treasury, to be disposed of "in the same manner as provided in section 2 for the sale of property outside the District of Columbia." What does that mean, and will that effect a disposition of any personal property in these housing institutions that now take care of these girls?

Mr. ANDREWS of Nebraska. Mr. Chairman, the Secretary would then have full discretion to proceed to the disposition of this property, and as the interests of the Government would suggest, and, I take it, the interest of the girls occupying these places. These buildings were provided for the accommodation of the war workers, and when accommodations for war workers shall be no longer needed the Secretary of the Treasury, in the discharge of his duties, would dispose of that property in regular order.

Mr. HARDY of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. HARDY of Colorado. There seems to be an impression that this bill refers directly to the Plaza. How many other properties and what other properties does the Government own under this act?

Mr. ANDREWS of Nebraska. The property that was mentioned at the navy yard, and I am not able to give an inventory of all the property, aside from these that have been referred to, and these are the principal tracts that we have had under consideration.

Mr. LANGLEY. In the District of Columbia?

Mr. ANDREWS of Nebraska. Yes.

Mr. BROOKS of Illinois. There were three projects down there—seven blocks—and on those seven blocks there were 14 dormitories constructed, with 618 rooms, at the cost of $864,000.

Mr. ANDREWS of Nebraska. The actual cost, extravagant in the extreme, the absolute thoughtlessness in regard to the expenditure of public money, stand out in clear relief on every page of this record, and I wish that the gentleman from Florida [Mr. CLARK] had taken all of my time and gone forward to an enumeration of the other facts which I know are in his possession and which he is able to recite in precise form, project by project, because he has been identified with this legislation from its inception up to this time.

Mr. Chairman, I do not care to proceed further and consume the time of the committee, but simply want to emphasize again that here is an opportunity for the House to clear itself of this whole business and put it into the hands of the committee of investigation in the Senate, so that it will have even larger power to go on, with the knowledge that the House stands ready to wipe out this Housing Corporation and make provisions on an economic basis for the proper care of the girls and the proper disposition of public property.

I yield back the remainder of my time.

Mr. LANGLEY. Mr. Chairman, I reserve the remainder of my time, and if no one desires to be heard in opposition to the bill, I suggest that we proceed with the reading of it under the five-minute rule.

The CHAIRMAN. Does any gentleman desire to be heard in opposition to the bill? [After a pause.] The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, and all acts and parts of acts amendatory thereof, be, and the same are hereby, repealed.

Mr. RAKER. Mr. Chairman, I move to strike out the last word, for the purpose of getting some information from the chairman of the committee. I notice by the provisions of the bill that the housing act is repealed, and that would wipe out all right to function under it, and that all of the property is to be delivered to the Public Building Commission.

Mr. LANGLEY. In the District of Columbia; yes.

Mr. RAKER. The rest of the real estate and the personal property is to be sold. The personal property in the District of Columbia is to be sold, the same as outside property. Does the Public Building Commission have power under the act creating it to retain these buildings and run them for hotel purposes, as they are being run now?

Mr. LANGLEY. As I recall the provisions of the act creating that commission, I think they have general supervision of the disposition of all space in public buildings in the District of Columbia.

Mr. RAKER. On page 3, section 4, of the bill, providing that the buildings shall be turned over to the Public Building Commission, there is no provision that the furniture and equipment, which is personal property, may be retained; but section 4 provides that all lands within the District of Columbia acquired under the act still vacant and not occupied and all personal property in the District of Columbia acquired under the act shall be transferred and sold. That would take the personal property out of these buildings, would it not?

Mr. LANGLEY. A representative of the Treasury Department is a member of that commission, and I do not apprehend that any question of that kind would arise.

Mr. RAKER. He is a member of the commission, but if he has no authority to hold the property, he or the commission would be accused of violating the law. If he is to sell the personal property, that will include the carpets, the chairs, the tables, and everything that we have bought for and now in the Government hotels on the Plaza near the Union Station, and there could be nothing retained.

Mr. LANGLEY. The bill unquestionably gives the Secretary that power and perhaps there ought to be some qualification of that language.

Mr. RAKER. That being the case, must not the Secretary take all of this personal property immediately and dispose of it?

Mr. LANGLEY. He has supervision of it, but he does not have to sell it at once, or at least I do not think he would.

Mr. RAKER. But the bill provides that he shall sell it; that he shall dispose of it in the same manner as in section 2 for the sale of property outside of the District of Columbia. If this bill be passed without an amendment reserving the right to retain the personal property in these buildings that have been used, then it becomes the duty of the Secretary of the Treasury to take possession of the property and sell it. Then not only the 800 rooms at the navy yard but this large hotel, with some 2,000 or more rooms, on the Plaza will be stripped of all of the personal property, and we will have them on our hands without use, and in addition to that the war workers will be turned out of their homes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. EVANS of Nevada. Does not the gentleman feel that any transfer would be an improvement over the present conditions?

Mr. RAKER. I do not think so, but that is not the point. If they strip the buildings they can not be used. The Secretary of the Treasury is compelled to sell the property, namely, the furniture, the capets, chairs, stands, bed clothing, and everything in those dormitories on the Plaza under this bill.

Mr. CLARK of Florida. The gentleman understands, of course, that these buildings are going to be torn down some day?

Mr. RAKER. I understand it was never understood they were to be permanent. But until torn down let us use them and the equipment now in the buildings.

Mr. CLARK of Florida. I will say to the gentleman I think the committee would have no objection to any amendment that will make this bill clearer.

Mr. RAKER. I am satisfied of that.

Mr. LANGLEY. I want to say to the gentleman that what we are trying to accomplish is a betterment of existing conditions in these Plaza buildings, and if the gentleman has an amendment which he thinks will relieve any difficulty that might arise under the bill as now phrased the committee would be glad to consider it.

Mr. RAKER. There is the question of high-priced salaries which has been spoken of; they ought to be discharged, and in addition to that there should not be any doubt as to who is responsible, who has allowed this sort of thing to go on, who has permitted this work. There must be some one?

Mr. LANGLEY. Yes; and we are going to get rid of them.

Mr. RAKER. Has the committee found out who they are?

Mr. GARNER. Will the gentleman yield?

Mr. LANGLEY. We know in a general way about conditions——

Mr. RAKER. Is it possible that a committee with 23 members, with hearings and investigations that have gone into the facts, can not tell the House and the country who is the responsible head of this very bad mismanagement, not only mismanagement but upon its face worse than that?

Mr. LANGLEY. That was all very clearly stated by the gentleman from Florida.

Mr. RAKER. But he did not name the parties.

Mr. CLARK of Florida. If the gentleman will permit, I want to say the Senate committee is engaged in a very full investigation of this matter. I understand it is their purpose if anything criminal appears to report it to the Department of Justice, and now I do not think it would be very proper for me to undertake to name this man, that man, or the other man as doing anything criminal.

Mr. GARNER. Will the gentleman yield for a question to the gentleman from Florida?

Mr. RAKER. I will.

Mr. GARNER. I did not have the pleasure of hearing all of the gentleman's remarks. If I understand the purpose of this bill, it is to transfer the custodianship of this property from the people who now hold it in charge to what is known as the Public Building Commission, composed of the Senator from Utah, the gentleman——

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words.

Mr. CLARK of Florida. I ask that the gentleman have two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GARNER. If the gentleman will permit, that commission is composed of the gentleman from Kentucky [Mr. LANGLEY], the Senator from Utah [Mr. SMOOT], and some others. I was just wondering if the Congress of the United States was going into the boarding house business.

Mr. LANGLEY. We have been in it, and we want to get out of it.

Mr. CLARK of Florida. I stated, and I think I am stating the view of the committee, that it is our idea that these buildings ought to be run just so long as they are necessary for the uses of the Government and just so long as they do not cost the Government money. Those two things should concur. Whenever either of them ceases to exist, they ought to go out of business.

But now, I will say to the gentleman, the purpose of this legislation is to put all the property outside the District of Columbia—and they have it all over this country—in the hands of the Secretary of the Treasury. They have the means there for the holding and disposition of real estate, and so forth, and it will not cost anything extra for them to handle it and thereby get rid of these enormous salaries which are being paid down there in keeping it up. Then, as to the dormitories here in the District of Columbia, we propose to turn them over to the Public Building Commission and let them take charge of them.

Mr. GARNER. I want to congratulate the gentleman from Florida and the gentleman from Kentucky in making this arrangement with reference to putting outside property in the hands of the Secretary of the Treasury, but I can not extend this same congratulation as to the jurisdiction over the property of the District of Columbia, and that we should have a congressional commission having charge of a lot of boarding houses and make it a Congressman's duties to look after that is so silly that I think it ought all to be put under the Secretary of the Treasury, and an amendment ought to be offered to transfer the District property to the Secretary of the Treasury.

Mr. CLARK of Florida. Let me suggest to the gentleman to prepare an amendment.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. RAKER. I ask that I have one more minute.

The CHAIRMAN. Is there objection. [After a pause.] The Chair hears none.

Mr. RAKER. I want to call the attention of the committee to section 3, turning over to this commission all the buildings. Now look at it and see what it means. Not a carpet, not a chair, not a bed, no personal property. Section 4 directs that the property unoccupied and all personal property to be sold, therefore immediately upon the passage of this act every building on the Plaza is stripped from cellar to garret and there will not be a thing in there to accommodate these women who are there now. I want to call attention to that so as to make an amendment to provide for it, and I know the committee will do it.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3371. An act authorizing Gordon N. Peay, jr., his heirs and assigns, to construct, maintain, and operate a toll bridge and approaches thereto across the White River; and

S. 3418. An act to amend an act entitled "An act to provide for the lading or unlading vessels at night, the preliminary entry of vessels, and for other purposes," approved February 13, 1911.

HOUSING FOR WAR NEEDS.

The committee resumed its session.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words. This bill transfers the control of the property to the Secretary of the Treasury and it designates the Public Building Commission as an agency to manage these affairs for the accommodation of the war workers while the necessity exists, as explained by the gentleman from Florida. The provision that the Secretary of the Treasury shall proceed immediately to sell the property, both real and personal, does not, to my understanding of the subject as discussed in the committee, contemplate immediate sale and transfer of these buildings. It does mean that without delay the Secretary of the Treasury will proceed to a sale of the property. If he finds one piece of property that the Government has no further use for, he will sell it at once.

And the word "immediately," as I understood it in the discussion in the committee, had the meaning that when we reached the point when these buildings are no longer needed for the accommodation of the girls, he will then dispose of that property.

Mr. RAKER. In reading section 2 of the bill, all of the property, real and personal, is to be turned over to the Secretary of the Treasury; that is, outside of the District.

Mr. ANDREWS of Nebraska. Within the District.

Mr. RAKER. I have referred to that in the District.

Mr. ANDREWS of Nebraska. This bill relates to property within the District.

Mr. RAKER. And without, too. It says within and outside of the District.

Mr. ANDREWS of Nebraska. I am discussing the proposition here as relating to these girls.

Mr. RAKER. Where is there in the bill the right of the Secretary of the Treasury to hold this property and use it?

Mr. ANDREWS of Nebraska. Mr. Chairman, perhaps the practice of the department through a series of years brings to me an explanation of some terms in this bill in a satisfactory manner. I recall several instances in which similar directions were given to the Treasury Department to proceed immediately in the sale of property, and it took in some cases several years to dispose of the property. If the Government had one building that it did not need and it could receive a satisfactory price for it, it disposed of it. If another building was in use by

the Government pending the completion of a new building, for instance, that building was retained until the Government had its accommodations in the new quarters. Under those circumstances the Secretary of the Treasury would exercise such discretion as the public service would require. But he proceeds immediately, he does not wait a year to begin on the property that is not in use or is not needed for continued use, but takes it up as public necessity requires.

Mr. RAKER. This bill does not authorize and determine whether it should be for public use or not. On line 6, page 2, it says that the Secretary of the Treasury shall immediately proceed to sell the same.

Mr. ANDREWS of Nebraska. Proceed in the manner which I have indicated.

Mr. RAKER. Both personal and real property.

Mr. ANDREWS of Nebraska. I have no objection to the elimination of that word if in the judgment of the members of the committee it ought to be erased, but, to my mind, I see the way perfectly clear in the light and practice of the department through a series of years to do the work as I have suggested.

Mr. DOWELL. Will the gentleman yield?

Mr. ANDREWS of Nebraska. I will.

Mr. DOWELL. Under this bill, as I understand it, this property that is to be used will be turned over to the Public Building Commission?

Mr. ANDREWS of Nebraska. They will have the supervision of its use at the discretion of the Secretary of the Treasury.

Mr. DOWELL. But under this bill the Secretary of the Treasury has no discretion whatever. He will have to turn it over to this commission under this bill, and would have, as I view it, to transfer the property to the commission.

Mr. BEE. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Nebraska [Mr. ANDREWS].

Gentlemen of the committee, I have noticed with a good deal of interest the discussion in this House as to whether the Government of the United States ought to maintain housing buildings for war workers in the District of Columbia. We do not hear any discussion as to the Government of the United States extending its agencies all over this broad land, into every character of enterprise and industry, but when it is suggested that the young women who have been gathered here from all over this country, away from their homes and in foreign surroundings, and have become in a measure the wards of this Government during their occupancy of those positions, gentlemen hold up their hands in holy horror, aghast at the suggestion that the Government should take any interest in them.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. BEE. With pleasure, if it does not take too much time.

Mr. MADDEN. Does the gentleman know how many of the young women to whom he refers are the wards of the Government? What percentage of the total number of those employed here are being taken care of in these houses?

Mr. BEE. I will answer the gentleman from Illinois by saying a very small proportion of them.

Mr. MADDEN. So, as a matter of fact, the complaints the gentleman makes——

Mr. BEE. I do not make the complaint in that light. I would be glad if all of them were housed properly. I am speaking of a condition that presents itself, and not a theory, as suggested by the gentleman from Illinois. Here are the facts. I suppose there has been extravagance and waste in the building of the property and in its management. The only interest I have is that as long as the necessity continues there shall be proper maintenance and support. It is my information that they are being maintained now at cost, regardless of the other expenses connected with it. But here is what is in my mind: What is the necessity, when the Senate is investigating this matter, for the House to pass a bill of this character? The only suggestion I make about this housing proposition is that as long as the houses are self-sustaining and as long as the emergency exists we should afford these young ladies the housing facilities into which they have already been placed. And I will say to the gentleman from Illinois [Mr. MADDEN] that applications are on file there by the thousands. My last information is that applications made last August are just now being considered, showing that if they are not in there it is because there are not sufficient accommodations.

I want to suggest to the gentleman from Nebraska [Mr. ANDREWS] that if the language means anything it means, under section 4, that as soon as this bill passes it shall immediately become the duty of the Secretary of the Treasury, not in his discretion, I will say to my friend from Nebraska, but it shall become his duty immediately, to sell the personal property referred to in section 2 of this act. In other words, as the gentleman from California [Mr. RAKER] has well said, you will strip these buildings of every piece of furniture from cellar to garret, and the Government will have empty buildings on their hands, and these young women who are now being housed by the Government will be turned into the streets without any notice.

Mr. CLARK of Florida. Will the gentleman yield?

Mr. BEE. I will.

Mr. CLARK of Florida. I wanted to say to the gentleman that I think if he will look up the law he will probably find the Public Building Commission to-day, if they were so disposed, could take charge of those buildings and put offices in there.

Mr. BEE. Then if that is the case it is not necessary to pass this legislation.

Mr. CLARK of Florida. The Public Building Commission, as the gentleman knows, was created by Congress and given absolute control over the buildings in the District of Columbia owned and rented by the Government, and they can move one office out, and they can go down under that law to-day and move the Treasury Department out.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BEE. Mr. Chairman, I ask permission to proceed for one minute more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. BEE. I want to call the attention of the gentleman from Nebraska [Mr. ANDREWS] and that of the gentleman from Florida [Mr. CLARK] to section 2. According to the English language as I understand it—and I claim no special mastery of it except as the average citizen has—section 2 provides that the Secretary of the Treasury shall immediately proceed to sell all real and personal property outside of the District of Columbia acquired under this act, and section 4 requires that "all land within the District of Columbia, acquired under the said acts and which is still vacant and unimproved, and all personal property in said District of Columbia acquired under said acts shall, by the Secretary of Labor, be transferred to the Secretary of the Treasury," who shall at once dispose of it in the manner provided in section 2.

Unless you amend that, it is going to result in the stripping of these buildings and the winding up of these institutions before the time that the emergency for which they were created has passed away, and that emergency continues as long as this Government continues in operation war agencies and continues the hand of the Government in the exercise and control of its citizenship in war measures and war agencies. These departments must accommodate young women to do this war work, and as long as you have done that and have put your hand to the plow, you ought not to turn back and turn them into the street.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. HICKS. Mr. Chairman, I move to strike out the last four words.

The CHAIRMAN. The gentleman from New York moves to strike out the last four words.

Mr. HICKS. I do so, Mr. Chairman, for the purpose of asking the chairman of the committee [Mr. LANGLEY] or the gentleman from Florida [Mr. CLARK] a question or two in regard to a matter which is not quite clear to my mind. In lines 13 and 14, on page 2, where reference is made to the sale of these houses, provision is made that "not more than one house shall be sold to the same person." Does that prohibition apply to all the property that is going to be disposed of?

Mr. LANGLEY. I wish that the gentleman from Florida [Mr. CLARK], the author of the bill, would answer that question.

Mr. HICKS. The question refers to page 2, lines 13 and 14, the proviso, that says that "not more than one house shall be sold to the same person." Does that apply to all the property that we are going to dispose of?

Mr. CLARK of Florida. That applies to all the residences.

Mr. HICKS. I imagined that that was what it applied to.

Mr. CLARK of Florida. If the gentleman will let me call his attention to it, I may say that the Secretary of the Treasury shall give the preference to individuals who desire to purchase the same for use as a home, but not more than one house shall be sold to the same person.

Mr. HICKS. One more question.

Mr. CLARK of Florida. Very well.

Mr. HICKS. Is that word "person" a generic term? For instance, suppose there were two men who were associated together who wanted to buy a double house. Could those two men buy it on joint account?

Mr. CLARK of Florida. I think so.

Mr. HICKS. They would not be prohibited because they are two persons from buying under those conditions?

Mr. CLARK of Florida. I think not.

Mr. HICKS. Suppose there should be some sort of a cooperative society in which men are interested, as many of them are. They undoubtedly would be prohibited from purchasing homes under this proviso, would they not?

Mr. CLARK of Florida. Why?

Mr. HICKS. Because they are not individuals. For instance, suppose some association which is formed for the betterment of the condition of people, and four or five houses would be desired for purchase.

Mr. CLARK of Florida. They might buy one house. We wanted to prevent this property from falling into the hands of corporations and other speculators. These houses were built for homes, and we wanted them to be given to individual citizens for homes.

Mr. HICKS. I agree with the gentleman as to the risk of these houses falling into the hands of speculators, and I am opposed to it, but I am thinking of some cooperative society that would have the benefit of these people at heart, that might desire to come in and purchase these buildings for people to be used as homes, on part-payment plan, and dispose of them afterwards to some of their members.

Mr. CLARK of Florida. They would do that for the profit there was in it, of course.

Mr. HICKS. They might be cooperative.

Mr. CLARK of Florida. You do not find many of them in life.

Mr. HICKS. They might be cooperative, just the same, and not entirely speculative.

Mr. CLARK of Florida. That could be managed if they wanted to buy them for a number of individuals. They could do it in the name of individuals, any philanthropic concern that was really engaged in this sort of business.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. DOWELL having taken the chair as Speaker pro tempore, sundry messages in writing from the President were communicated to the House of Representatives by Mr. Sharkey, one of his secretaries, who also informed the House of Representatives that the President had, on December 17, 1919, approved and signed joint resolution and bill of the following titles:

H. J. Res. 260. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919; and

H. R. 9822. An act to authorize the President of the United States to arrange and participate in an international conference to consider questions relating to international communication.

HOUSING FOR WAR NEEDS.

The committee resumed its session.

Mr. GARD. Mr. Chairman, I move to strike out the last three words, if that is necessary.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes.

Mr. GARD. I am interested in having the committee understand the correct legal attitude we now find ourselves in by reason of the existing law in connection with the bill which we are now considering. Particularly I desire to call the attention of the committee who have the bill in charge to this phase: The section which we have been discussing, rather in an informal way, relates to the act authorizing the President to provide housing for war needs. The next section, section 2, provides "that the Secretary of Labor be, and he is hereby, directed to deliver to the Secretary of the Treasury," and so forth. The act under which we are now operating and the act which is referred to in the first section conferred upon the President, for the purpose of providing housing and transportation and other duties, the power to buy and the power to maintain and the power to sell certain real estate. The second section of this act provides that that entire act and all acts amendatory thereof be repealed.

Now, if that be done, there is in the existing bill, so far as I can see, no authority to direct a final report. There is nothing which provides for the transfer from the President to the Secretary of Labor, if such transfer has been made, of the power to do the things which the Congress said the President might do, and the President alone might do, in this act of May 16, 1918. In other words, the law provides that the President may have this power. Section 2 of this act provides that the Secretary of Labor shall turn these buildings back to the Secretary of the Treasury. Nowhere does it appear in this act how the property gets into the hands of the Secretary of Labor, so that he may turn it back.

Mr. CLARK of Florida. Will the gentleman permit me?

Mr. GARD. Surely.

Mr. CLARK of Florida. I would state to the gentleman that the original law as it finally passed turned this duty over to the President.

Mr. GARD. Yes; that is what I have been saying.

Mr. CLARK of Florida. Now, the President, acting under the Overman Act, passed it on to the Secretary of Labor. He had the right to do that.

Mr. GARD. I understand that. I have been saying that.

Mr. CLARK of Florida. So that, as the President was acting under the law, the Secretary of Labor is really the man who has been executing this law. That is why we direct him to deliver it to the Secretary of the Treasury, because he is legally in possession of it.

Mr. GARD. But the thing which it seems to me should be safeguarded is the fact that the Congress has given the power to the President.

The action of Congress has vested the power in the President. Now for the purpose of regulation, for the purpose of carrying out the duty which it is manifest the President could not carry out in person, he has, under the so-called Overman Act, transferred that power to the Secretary of Labor. But in this act should we not refer to the President, to whom the power was given to carry on these enterprises, instead of referring solely to the Secretary of Labor?

Mr. CLARK of Florida. Will the gentleman allow me to ask him a question?

Mr. GARD. Surely.

Mr. CLARK of Florida. The gentleman admits that the President had the power under the law to delegate that duty to the Secretary of Labor?

Mr. GARD. I do not know whether it should be called a delegation or not.

Mr. CLARK of Florida. I believe the language of the law is that he may transfer it from one department to another.

Mr. GARD. Under the Overman Act.

Mr. CLARK of Florida. Now, having transferred it, having vested in the Secretary of Labor the power to execute the law, we find the Secretary of Labor in possession of this property. We desire to turn it over to the Secretary of the Treasury. The President has nothing to do with it, because under the law which we passed he has divested himself of all authority in connection with it.

Mr. GARD. There is nothing in the bill that shows that. That is why I am asking this.

Mr. CLARK of Florida. It is in the law.

Mr. CANNON. I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. CANNON. As I understand it the President acted, and as he was authorized under the law to do, turned the administration of the housing law over to the Secretary of Labor?

Mr. LANGLEY. That is correct.

Mr. CANNON. The Secretary of Labor has functioned, and if the statements of the gentleman from Florida [Mr. CLARK] are true, and I have no doubt they are, the Secretary of Labor in functioning is officially responsible for the present condition, and it was because of failure through ignorance or otherwise, or lack of proper care, that we have the present existing conditions, especially so far as the property in the District of Columbia is concerned. Now, having failed, you propose that these duties shall be turned over to the Secretary of the Treasury. I am ready to vote to do that, or to make some other disposition of this property, and I take it that Congress alone has the power by legislation to make that disposition. It seems that under this bill it is to go to this building commission, composed in part of Members of Congress, so far as the property in the District of Columbia is concerned. I suppose the working member of the commission under that arrangement would be Mr. Woods, the Superintendent of the Capitol.

Mr. CLARK of Florida. I know that is what is in the minds of some members of the commission.

Mr. CANNON. There is power to do that anyhow.

Mr. LANGLEY. Yes; they have abundant power, and the commission relies greatly upon the experience and good judgment of Mr. Woods, the Superintendent of the Capitol.

Mr. CANNON. He will still have it in the event that this bill should be passed. Now, I have had some experience with the Superintendent of the Capitol. In one sense I am responsible for these congressional office buildings.

The House built one office building and the Senate followed suit. I was the chairman of the commission for the construction of the House Office Building. There were two other members of the commission—the gentleman from Tennessee, Mr. Richardson, a very competent man, now dead, and the gentleman from Iowa, Mr. Hepburn, also now dead. Well, they were not much wiser concerning the technicalities of architectural construction than I was. So having the power to do so, we put the whole construction duty upon the Superintendent of the Capitol. We said to him very frankly: "We are not builders. You have a free hand. If you need architects, if you need anybody to protect you—and you probably will need many experts in the construction of this building, in the matters of heat, light, drainage, and the purchase of the site and all that kind of thing—we are not practical men in these matters and we put them all under your charge. Your own reputation is at stake, and you have our reputation at stake."

Mr. LANGLEY. I think I ought to say for the Public Building Commission that in the matter of technical details the congressional personnel of the commission relies largely upon the Supervising Architect of the Treasury, the Superintendent of the Capitol, and the Superintendent of Public Buildings and Grounds. That is the general policy of the commission and I think it is a wise one.

Mr. CANNON. Precisely. Now, they are talking about turning out the girls. There are 1,600 of them housed in the Plaza dormitories. How many others are there who are on all fours with those housed who are not housed in these Government-owned buildings—I suppose 10,000?

Mr. LANGLEY. More than that number, I think.

Mr. CANNON. The gentleman says more than that. Now, if gentlemen are correct in their statements, these Plaza buildings, which are right under our observation here, are not self-sustaining in their administration, and, in any event, they dwindle into insignificance when you consider that there has been nearly $100,000,000 expended in housing all over the country. That being so, this little local matter here becomes negligible. But they being under our very eyes, the debate has been about the girls, about whether they are to be turned out or not. Well, if it is a good thing now, in a time when peace approaches, I am content to agree with the gentleman and say that these buildings should be utilized as long as we need them. God knows they will be torn down sometime, I hope, because we condemned that property when it was in private ownership, and tore down the houses that were on it, and the property has been paid for, so that we might have an extension of the Capitol grounds between this and the Union Station. But that is in the future.

The gentleman from Florida [Mr. CLARK], who is on this commission, said that the Government having built and furnished these houses, he is quite willing to have them utilized as long as their use is necessary and self-sustaining, and I have no doubt such action will be had. I say again, as I understand the situation, we are agreed that these buildings, having been built and furnished, and that would include repairs, they should be devoted to the housing of these war workers so long as with frugal administration the expenses of running them are paid by those who occupy them.

Mr. LANGLEY. Will the gentleman permit an interruption there?

Mr. CANNON. Certainly.

Mr. LANGLEY. I am glad the gentleman from Illinois has brought up that point, because he expresses exactly the purpose of the Committee on Public Buildings and Grounds. There is and has been a widespread misapprehension as to the purpose of this legislation. The committee has no intention of turning these girls out of these Plaza buildings, but, on the contrary, its earnest desire is to better their condition and to secure for them decent and courteous consideration, to which they are just as much entitled as the favored ones who get big salaries and have sumptuous conveniences that the poor and less fortunate Government workers can not have.

Mr. CANNON. I am inclined to think, taking the whole bill together, that there would be no embarrassment so far as the girls are concerned. I think the bill on the whole is wise. There is a hundred million dollars in buildings, scattered all over the country, of this kind, and I presume if we have been unfortunate in the District we have been unfortunate all over the country. There is one thing to guard against as to this hundred millions of housing property outside of the District, and that is to see that speculators do not combine and buy wholesale all of this property that we own all over the United States. The bill wisely has a provision that there shall be only one building sold to one individual. I for one am not afraid of the provisions of the bill. It means good administration on the part of the Treasury Department, and in the District on the part of the Public Building Commission. There may have been other abuses, and in the fullness of time they will come to light, and they are coming to light, and should be a warning against any further fraud.

Mr. LANGLEY. Will the gentleman yield?

Mr. CANNON. Yes.

Mr. LANGLEY. In extending my remarks, which the House has so kindly granted me the privilege of doing, I shall cite a number of instances in other parts of the country where there has been waste and extravagance in the expenditure of this money.

Mr. CANNON. I do not know anything about it except from the report of the committee, and I am quite sure that we ought to do something, and do it without damaging the worthy people who are the beneficiaries at this time of these buildings between the Capitol and the station. [Applause.]

Mr. DALLINGER. Mr. Chairman, I would like to ask the chairman of the Committee on Public Buildings and Grounds a question. What effect will the repeal of this act have on all the employees of the Housing Bureau of the Department of Labor; will they be immediately discharged?

Mr. LANGLEY. The Secretary of the Treasury is given broad discretion under the provisions of this bill. I do not think that would be the effect of it, but I do think that they ought to be dismissed as fast as they can be spared.

Mr. DALLINGER. The gentleman would not be in favor of turning out all these employees at once, would he?

Mr. LANGLEY. Yes; I would if their services are not required.

Mr. MANN of Illinois. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. MANN of Illinois. I hope I shall not use all of the time, and I may use more. In the first place, Mr. Chairman, I do not know just what effect the first section of this bill repealing the law relating to housing corporations will have. I do not know whether any member of the Committee on Public Buildings and Grounds knows; but if so, I would like to get that information. Congress passed a law authorizing the President to provide housing facilities for war needs. Under that law the President was given authority and given the money. I suppose from the title "United States Housing Corporation" the same procedure was taken in that case as was taken in a number of other cases whereby the corporation was created, not by act of Congress, but by application to one of the States.

Mr. CLARK of Florida. That is correct.

Mr. MANN of Illinois. If the housing corporation was created by act of Congress and we should repeal the act of Congress that would end the corporation. It could not even do what is provided for in section 5 of this bill—that is, transfer the title—because the law was repealed, and that ended the corporation. If we repeal the law authorizing the President to proceed, how far does that affect the State corporation which, by reason of the law we passed, has been created? The corporation, I suppose, employs the ones who are serving it. The corporation has the title, I presume, to the personal property—I do not know who has title to the real estate. Does anybody know?

Mr. CLARK of Florida. It seems that they have taken the title in different ways. The housing corporation has taken some titles, some of them have been taken in the name of the Government, and some perhaps by the Secretary of Labor; I am not sure about that.

Mr. MANN of Illinois. Here is a State corporation created—I do not know upon whose application, but possibly by direction indirectly of the President. What authority have we over that corporation? We can not repeal the charter of the corporation. We can repeal the act under which the President was directed, in effect, to provide a method of housing war workers, but if anybody can explain just what effect this bill will have if it becomes a law I have not yet heard the explanation. I am in favor of the bill, but hope that before it becomes a law it will be rewritten.

Mr. CLARK of Florida. Will the gentleman permit me an interruption?

Mr. MANN of Illinois. Certainly.

Mr. CLARK of Florida. The gentleman raises a question about section 5. The gentleman is right; the Housing Corporation is created under the power granted by Congress. That power was granted in an appropriation bill, and the purpose, as I understood it, was that this bureau might use the fund as a revolving fund, so that it would not have to come to Congress every time it wanted an appropriation. Now, it strikes me

that if we repeal this act which the corporation was created under, an act of Congress——

Mr. MANN of Illinois. The corporation was not created under an act of Congress.

Mr. CLARK of Florida. By virtue of an act of Congress.

Mr. MANN of Illinois. No; because of an act of Congress, but by virtue of a law of Delaware or some other State.

Mr. CLARK of Florida. They could not have incorporated as they did without Congress having consented in that appropriation bill.

Mr. MANN of Illinois. Whether they could or could not, they would not, anyway—I presume they could not.

Mr. CLARK of Florida. If we repeal the act, of course that puts the corporation out of business, as the gentleman states, but we provide here for certain things that the corporation must do to wind up its affairs.

Mr. MANN of Illinois. One of two things is certain. Either the authority of the corporation to act is dead when this becomes a law or it is not dead. That is perfectly patent.

Mr. CLARK of Florida. Dead, except for certain purposes.

Mr. MANN of Illinois. That is the question. It is either dead or it is not dead. If it is dead, then it can not convey title to property.

Mr. CLARK of Florida. Will the gentleman permit me to say to him this. The act repealing the law which does away with the corporation directs the corporation to perform certain acts in furtherance of its liquidation.

Mr. MANN of Illinois. I understand.

Mr. CLARK of Florida. If the gentleman thinks it advisable, we can easily add a proviso to this section 5, giving the corporation express authority to make these deeds, but it seems to me that the act as it is does that.

Mr. MANN of Illinois. I will not say that the gentleman from Florida is not correct. I am calling attention to what seems to be an anomalous provision. It may be perfectly proper, but it is rather strange to absolutely repeal an authority in one section and then in the next section direct the exercise of that same authority.

Mr. CLARK of Florida. Will the gentleman permit just one word further?

Mr. MANN of Illinois. Certainly.

Mr. CLARK of Florida. We are directing them to do an act which effectuates their dissolution.

Mr. MANN of Illinois. It is certainly proper to direct them to do that act. I read the other day a report from somebody—I think the Interior Department—in reference to these buildings down here the other side of the old Maltby Building, which we condemned a long time ago for the purpose of extending the Capitol Grounds to the Union Station. A portion of the ground that was condemned was built upon by the United States Housing Corporation. There are a number of old residences which were temporarily turned over to the United States Housing Corporation during the war for some period. That corporation expended, according to this report, something in the neighborhood, I think, over $35,000 in repairing those buildings. The rent from the buildings is about $2,000 a year. I do not know how it will strike landlords, but it struck me as a rather extravagant proposition to expend $35,000 repairing buildings which rent for only $2,000 a year. One who constructed a new building costing $35,000 would expect to receive a good deal more than $2,000 a year gross rental. And I have been somewhat impressed with the idea that this, along with others, is one of the things that grew up in the time of war that was inclined to be somewhat, if not very, extravagant.

Mr. DALLINGER. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. DALLINGER. I would ask the gentleman from Illinois if he will tell the House what his idea is of the effect of section 1 repealing entirely the act upon the appropriation for the current fiscal year for the work?

Mr. MANN of Illinois. I discussed that for about five minutes, and made up my mind that I did not know what the effect was and that I could not get any clear explanation of it from anyone else.

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. CARAWAY. Would it meet the gentleman's objection if in section 5 there was a provision stating that the title to the property acquired by the corporation upon its dissolution should vest in the United States?

Mr. MANN of Illinois. It probably would. I only instanced that one case. If the effect of repealing the corporation is to end it, what becomes of the employees of the corporation? They are not transferred by this bill with the property to the Treasury Department. What becomes of any appropriations which they have had? The appropriations are not authorized to be expended by anyone else. What authority will there be to repair the buildings? What authority will there be if it is necessary to purchase furniture? I do not know, and therefore I call attention to it, intending myself to vote for the bill, but hoping that if the bill becomes a law it will have been rewritten before it does so become a law.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WALSH. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WALSH. The language of the original bill with which the gentleman no doubt is familiar——

Mr. MANN of Illinois. I am not familiar with it.

Mr. WALSH. Is as follows:

That the President may exercise any power or discretion herein granted, and may enter into any arrangement or contract incidental thereto, through such agency or agencies as he may create or designate.

Would the gentleman think that under that authorization the President might enter into an arrangement with the corporation which might not be terminated by act of Congress repealing the law which gave him that authority?

Mr. MANN of Illinois. I do not undertake to say, but if the authorization is repealed and the repeal ends the authority, then the bill is not sufficiently explicit, because these people must have authority to wind up the affairs of the corporation in some way. It is not sufficient to merely say that title to certain property shall be conveyed to the Secretary of the Treasury or that possession shall be delivered to the building commission.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. GREEN of Iowa. I ask the gentleman's attention to this, and also the attention of the gentleman from Florida [Mr. CLARK]: Why would it not be well to strike out the first section and insert a proviso at the end of the bill that all acts inconsistent with the provisions of the bill shall be repealed, and a further section providing for the winding up of the affairs of the corporation? I direct my inquiry more particularly to the gentleman from Illinois, of course, because he has the floor, and I would like to know what he would think of that kind of an amendment.

Mr. MANN of Illinois. Personally I am inclined to think that if I get a chance I shall vote to repeal the law. I wanted to speak for a moment in reference to the provisions in sections 3 and 4 of the bill, if I may under my pro forma amendment, having the floor.

I happened to be here at the end of last July—I was not here very much during the special session—just after this bill was introduced, and I was waited upon, I suppose like all the rest of the Members of Congress were, by some ladies who said they came from my district—I do not know whether they did or not; I do not recall—in reference to this bill, on the theory it was designed to close up these buildings on the Plaza and turn the girls out, and I said to the ladies who waited upon me that while it might possibly be a good thing, it would not be done, and they need have no worry about it. Now, I take it that it is clearly the intention of the Congress, as long as there is lack of room in Washington, and I suppose that still exists, that we will not order closed up those dwellings which were erected and used by the Government to house the war workers. When the lack of room ends, either by the increase of dwelling accommodations in Washington or by the reduction of the number of useless employees in Washington, it will be time enough then to provide for closing those buildings. That brings me to the provisions of this bill. This bill first turns over all real estate and personal property outside the District of Columbia to the Treasury Department. Then it directs that the possession of houses in the District of Columbia shall be turned over to the Public Building Commission, and then it provides in section 4 that all the land which has been purchased within the District and all of the personal property shall be turned over to the Secretary of the Treasury. Now, it is perfectly patent to anyone that if we turn these Plaza buildings over to some other governmental agency than the Housing Corporation and intend them to be occupied, we must at the same time turn over to the same agency the personal property which is necessary for the occupancy, and it would not do to turn the buildings over to the Public Building Commission and turn the furniture over to the Secretary of the Treasury. They must both be turned over to the same govern-

mental agency, although the bill goes still further than that in section 4, in that it provides that the furniture shall be sold, disposed of by the Secretary of the Treasury, so that he would have no option even to leave it in the possession of the Building Commission. I had intended, if no one else did, to offer an amendment to section 3, to include that all personal property therein or connected therewith be turned over to the building commission if the buildings are to be turned over to the building commission. Then I would like to make an inquiry. The bill apparently directs that the Secretary of the Treasury shall at once proceed to sell the real estate outside the District of Columbia. Well, they used to have a habit down there of proceeding immediately when you said anything of that kind. Now, the bill further provides that the title to the real estate purchased in the District of Columbia shall be disposed of by the Secretary of the Treasury in the same manner. Now, there was land down here that was purchased for the care of persons at the navy yard; I do not know what use is being made of it; but I would like to inquire, for information, whether the purpose is to order all of that property immediately sold?

Mr. CLARK of Florida. I will state to the gentleman that that is my idea of what was intended. The property is being used for absolutely nothing.

Mr. MANN of Illinois. I did not know whether it was occupied or not.

Mr. BEE. Would I interrupt the gentleman——

Mr. MANN of Illinois. It will not interrupt me at all.

Mr. BEE. I was very much impressed with the argument of the gentleman as to the immediate effect of section 1 as a repealing nature. In that connection I would like his opinion as to the effect of this act, coupled with the provision in section 1 of the act of 1918, which provides that these housing facilities shall be only during the continuation of the present war, and if we repeal that law, what does it mean here in this law as to the continuation of these housing facilities?

Mr. MANN of Illinois. Well, I should say——

Mr. BEE. I would like the gentleman's opinion on that.

Mr. MANN of Illinois. That it is perfectly obvious that would not affect the situation as to anything except the houses in the District of Columbia, because the act directs that all the other property be disposed of at once. It will repeal that provision which apparently would automatically close up those dormitories on the Plaza.

Mr. BEE. Does the gentleman, then, think that would be the effect of section 1 of this act——

Mr. MANN of Illinois. I think that would be one effect.

Mr. BEE (continuing). Of automatically closing up——

Mr. MANN of Illinois. No; it would automatically keep them open.

Mr. BEE. That is what I wanted to know.

Mr. MANN of Illinois. After the close of the war.

Mr. WALSH. Will the gentleman yield?

Mr. MANN of Illinois. I will yield.

Mr. WALSH. Does it make any difference, in the gentleman's opinion, if the Housing Corporation is one in which the only stockholder is the Government of the United States or some official and this act and its provisions would only be operating, so to speak, upon the Government official who had been designated by the President to become the sole stockholder of the corporation?

Mr. MANN of Illinois. Well, I called attention to what I did for this reason: This is not a law yet. When you have a law written you must construe it, but before the law is written you can very often obviate any difficulty as to construction by covering the points that would otherwise be of doubtful construction. I think before this becomes a law—and I think something like it ought to become a law—it will be wise—and it still has to pass another body and doubtless have to go to conference—to have the form of it very carefully considered in connection with those questions. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I do not know that I desire to say very much about the bill, but I think I may very properly call the attention of the committee to the fact that it has been long understood by most people in the United States that conditions here in Washington are not what they ought to be. Before the war I think the departments had altogether about 30,000—maybe a few more than that—clerks in all branches of the service here, and now I think we have about 110,000, and I think everybody concedes that those are about 40,000 more than we ought to have even under present conditions. I do not have to remind gentlemen here that not long since, during the early part of this year, we went so far as to appropriate to pay the transportation charge to their homes of those who were willing to separate themselves from the service, and after all we could not get them separated from the service.

I think I do not overstate the case when I say that anybody can go into any department of the Government at any working hour of the day and find not to exceed 1 out of every 10 at work. I have taken the trouble to go through some of these departments myself, not on a fishing expedition or on a detective tour, but when having business in the departments, and I could not close my eyes to the situation which stood out prominently before me. I have gone through branches of the service when I have had come in view at least a thousand people between the hours of 10 o'clock and 11 o'clock in the morning—and one would suppose that would be the busiest hour of the day. I have gone into rooms where they had groups of stenographers, anywhere from 5 to 10 in a group, with as many machines as they had stenographers, but not a single machine at work and not a stenographer doing anything.

Mr. CLARK of Florida. Will the gentleman permit right there?

Mr. MADDEN. Yes.

Mr. CLARK of Florida. I want to say to the gentleman that a Government employee told me a few days ago that he went into a certain place to get a paper copied, and he was informed by a lady there that she did not have the time, but to go into the sewing room and find out about it, and he went in there and found them all sewing.

Mr. MADDEN. Well, that is better than to have them idle entirely, because it kept them out of mischief. And then I found not only the stenographers in these groups were not doing work, but in some other rooms the ordinary clerks that are supposed to be employed, but are idle, and you find as you move along through the departments a bureau head here and there—and he is on the pay roll, too—is not working.

You find them sometimes with their feet on the desk, sometimes with somebody else who has his feet on the desk, but rarely ever at work. It is unfortunate that such a condition should exist right under the dome of the Capitol, so to speak.

Mr. GOODYKOONTZ. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. GOODYKOONTZ. Does the gentleman think there will be any diminution of employees in these departments as long as Congress continues to appropriate money for them?

Mr. MADDEN. Well, I was going to get to that. We tried to separate them from the departments some time since——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I would like to ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. And we did appropriate the money to pay railroad fares home, as I said, and some few, who wanted to go home on a pleasure trip, perhaps, took advantage of the situation, but had themselves inducted back into the service as soon as they returned. They tell me that the heads of the departments are not anxious to reduce the volume of business which they think they are conducting in each of these bureaus. Each one wants his bureau to be considered of greater importance than the bureau of his neighbor. That is a very laudable ambition. But when we take into consideration the fact that we have beyond any question $3,000,000,000 of deficit facing the American people, with estimates for appropriations for the coming current fiscal year 1921 amounting to about $5,000,000,000 more, and faced with the further fact that the estimating officers of the departments have failed to estimate for $75,000,000 already appropriated out of the Federal Treasury for cooperation with the States in the construction of roads, and that they failed to estimate for the $250,000,000 already obligated for the payment of increased compensation to Federal employees, and that they have failed to estimate for $400,000,000 that is bound to be paid to the railroads before they are turned over to their owners, and for other unknown millions, you can see that we have not only the $5,000,000,000 proposed as the current expenses for the coming fiscal year, added to the $3,000,000,000 of a deficit, but substantially $1,000,000,000 more, making $9,000,000,000. And we have of anticipated revenue from all sources, with as much as an 80 per cent tax on the incomes of the American people in many cases, only $5,300,000,000 to meet the $9,000,000,000 of obligations, leaving at least $3,700,000,000 to be met at the end of the next fiscal year, assuming that we live within the revenues.

And yet we continue to submit to the iniquity of permitting the bureau chiefs in every department of the Government to laugh up their sleeves at the Congress of the United States

and insist that they appropriate money to maintain an army of unemployed clerks, and we find it necessary, as the result of that, to impose unheard-of obligations in the form of taxes on the already overloaded and overburdened American people. Yet, in spite of that, we doubt the propriety of economizing in any way.

This bill proposes to economize in a given branch of the Government. It may well be said that there may be doubt as to the wisdom of turning the girls out that are in these Government houses; that while they are in the employ of the Government they should be housed. There is no doubt about that. We should look to their comfort and their welfare, moral and otherwise. But my judgment is that most of these girls ought to be home under the influence of their mothers and fathers, where they belong. [Applause.] That is where they should have been long since. And my remedy for the effective enforcement of the proposition involved in this bill is to reduce the appropriations for clerical force in the departments of the Government to the extent that will enable us to tear the buildings down, because of no further need for their use, and then we will be able, Mr. CLARK, to remedy the evil that you have so well described and bring back the Government to its normal condition and ancient glory, and not be the laughingstock of all the clerks in the departments, who say without any hesitation that all they need to do is to hang up their hats in the departments and walk the streets; that there is nothing else for them to do in nine cases out of ten. And so we have an obligation, and that obligation can not be fulfilled until we have refused to appropriate the money for at least 40,000 idle people in these departments. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MADDEN] has expired.

Mr. BLACK. Mr. Chairman, I am in accord with the laudable desire of the gentleman from Illinois [Mr. MADDEN] to economize in Government expenditures, but while he was so eloquently discoursing about the prospective deficit that confronts the Government and the serious need for conserving our revenues, I brought to mind a large amount of correspondence that I have been receiving in the last two or three days concerning the Madden bill, which the gentleman from Illinois recently introduced, to reduce the rate of postage on first-class mail matter in city delivery offices and by rural carriers from 2 cents to 1 cent.

Mr. MADDEN. Mr. Chairman, will the gentleman yield? That is a reduction of taxation.

Mr. BLACK. Wait until I finish this statement.

If the postal revenues will bear a reduction of that kind, then, of course, the bill might well be enacted into law. But, knowing as I do the condition of the postal revenues and trying always to be frank with my people, I have replied at once that I was against the bill, and have told them why.

Now, let us see why I am against that bill.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes; I yield.

Mr. MADDEN. I wish to say that in response to an inquiry from the Post Office Committee, the Postmaster General has reported that the adoption of that bill will not reduce the revenues to exceed, in the first year, more than $14,000,000, and it relieves the taxpayers all over the United States of a vast amount of money.

Mr. BLACK. All right.

Mr. MADDEN. Then he says another thing. He did not say this officially, but he stated to me only a day or two since that the postal revenues, since the reduction of 3-cent postage rates down to 2 cents, are increasing, on the average, at least in Chicago and New York, about 30 per cent.

Mr. BLACK. Well, I will give the gentleman the figures in a moment on the average increase throughout the country. Now, let me finish. The gentleman says that the Postmaster General has stated in a communication that the passage of that bill will only lop off $14,000,000 from the postal revenues. Well, let us see whether we have got that $14,000,000 to spare.

The Post Office appropriation bill which was passed in March carried an aggregate of $401,000,000 for the fiscal year 1920. In November we passed a joint resolution further increasing the salaries of all the postal employees. That will add $38,000,000 more, and that will make an aggregate appropriation for this year of around $440,000,000.

Now, what are the estimated revenues? The postal revenues for 1919, the year that ended June 30, 1919, were $364,000,000. The average increase in the Postal Service from year to year is about 6 per cent, and, based upon that average increase, the revenues for this year would certainly not aggregate more than $390,000,000, and that would leave us with a deficit of $50,000,000.

But I am glad to state that on account of the unprecedented prosperity of the country the receipts are exceeding what they usually are, and the First Assistant Postmaster General estimates that for this year the increase will be much larger than usual, but making the most liberal allowances for this fact the figures will not exceed an aggregate revenue of more than $415,000,000 into the Postal Service, and that will leave a deficit of at least $25,000,000, due to the increase in salary.

Now, if the bill that the gentleman from Illinois [Mr. MADDEN] has introduced should become a law, notwithstanding his plea for economy, notwithstanding his professed love for the Public Treasury, he will add $15,000,000 more to the deficit and thereby have a total deficit of $40,000,000, and I think the gentleman's attitude is entirely inconsistent with his own proposed legislation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GRAHAM of Pennsylvania rose.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for five minutes.

Mr. GRAHAM of Pennsylvania. Mr. Chairman and gentlemen of the committee, I followed carefully the statement of the gentleman from Illinois [Mr. MANN] with respect to this bill, being greatly interested in it and appreciating the difficulty of interpretation that might exist with reference to some of the phrases and language contained in this bill. Since then we have drifted somewhat afield in the discussion of other matters. But I want to call the attention of the committee back again to what is the legislative matter now before the committee.

I suggest to the gentleman from Florida [Mr. CLARK], who has supported the bill so ably, that a few corrections in the bill would make these matters perhaps quite clear and free from objection. In the first section of the bill I suggest that after the word "repeal" he add the words, "reserving, however, in the President and every agency created under or because of said act the power to carry out the provisions of this act which require the performance of any duty." That makes a repeal of the act that is perfect, insomuch as this reservation is within the power that Congress possesses to qualify the repeal and preserve authority to carry out the provisions of the new legislation.

I was impressed with the suggestion of the gentleman from Ohio [Mr. GARD] when he called our attention to section 2, which provides that "the Secretary of Labor be, and he is hereby, directed," and so forth. It is quite true that nowhere in this legislation does it appear why we should direct the Secretary of Labor. In the prior act of Congress which created this situation we authorized the President of the United States, and I would therefore suggest that if the whole of the seventh line on page 1 and the words "hereby directed" in the eighth line on the same page be stricken out and the following language substituted we would put the bill in conformity with prior legislation and make the subject matter clearer and be dealing with the persons whom we authorized to enter upon this war housing work:

That the President of the United States be, and he is hereby, requested to direct the Secretary of Labor and every other agency created by virtue of the act approved May 16, 1918, and all acts and parts of acts amendatory thereof, to deliver to the Secretary of the Treasury—

And so forth. That would make a harmonious connection between this legislation and the prior legislation and a perfect bill.

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I will.

Mr. CARAWAY. If it will not interrupt the gentleman's argument, he was talking about his suggested amendment in section 2, "that the President is hereby requested to direct." Suppose he refused to do it. You would then have an act without any power to enforce it.

Mr. GRAHAM of Pennsylvania. I do not think that that criticism of the language is proper, in view of the form of legislation that is recognized when addressing the President of the United States. Congress always requests the President.

Mr. CARAWAY. Yes, sir.

Mr. GRAHAM of Pennsylvania. But when Congress addresses any department head of the Government Congress always directs. Now, we are exercising the highest function of our congressional duty when we say "request the President of the United States to direct" these things to be done, and I am sure that the President of the United States will comply with such a request. It would be an astounding proposition to suppose that he would not do so.

Mr. CLARK of Florida. Will the gentleman permit me just a moment?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. CLARK of Florida. So far as I am concerned, as one member of the committee, I agree absolutely with the gentle-

man's first proposition. I think it would make it very much clearer and better in every way, but on the last proposition I want to submit this to the gentleman: We did clothe the President with this duty, but there was in existence at that time the Overman Act, which gave the President plenary power to transfer from one department to another such duties as were defined in that law.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CLARK of Florida. I ask unanimous consent that the time of the gentleman from Pennsylvania be extended five minutes.

The CHAIRMAN. The gentleman from Florida asks unanimous consent that the time of the gentleman from Pennsylvania be extended five minutes. Is there objection?

There was no objection.

Mr. CLARK of Florida. There was in existence the Overman Act, which allowed this transfer, even from the Executive himself to a department or from one department to another. Now, the President acted under that, which was our law, and transferred it to the Secretary of Labor. Therefore were we not after that dealing with the Secretary of Labor instead of the President?

Mr. GRAHAM of Pennsylvania. I think not. When you clothed the Executive with power to do these things in the Overman Act, you did not clothe him with any other or greater power than you did in the act of May 16, 1918, and therefore I think the point of the gentleman from Ohio, Judge GARD, was properly made, and we are putting this language in harmonious relationship with the previous legislation and making it clear what the intent is, and to what this subject that we are now legislating upon relates.

Mr. GARD. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. GARD. Is it not the gentleman's belief that the word "amendatory," as applicable to this act, can have no application to an outside act like the Overman Act, extending power?

Mr. GRAHAM of Pennsylvania. No; certainly not. Now, proceeding a little further, I would amend section 4 by adding, in line 14 on page 3, the following language:

Except such personal property as may be needed by the Public Building Commission for the care and management and use of the houses transferred to it under section 3.

That, I think, would cover the difficulty of leaving these houses stripped, and therefore unproductive, or requiring the Building Commission to furnish them, in order to keep them occupied for the use of the employees of the Government, for whose use they are intended. Those words added would give the Public Building Commission authority to receive and hold whatever furniture was necessary for the continued use of these properties until the time of their final disposition and the end of them in every way.

Now, I would also suggest that at the end of section 6 a provision be inserted for the merging into the Treasury of all unexpended appropriations made under the act of March 6, 1918.

Mr. CLARK of Florida. Mr. Chairman, will the gentleman permit me?

Mr. GRAHAM of Pennsylvania. Certainly.

Mr. CLARK of Florida. Have we not already a general provision for that?

Mr. GRAHAM of Pennsylvania. Where?

Mr. CLARK of Florida. For the covering of that money into the Treasury.

Mr. GRAHAM of Pennsylvania. In this bill?

Mr. CLARK of Florida. No; in the general law. I think there is a general law on the statute books now which provides for that very thing.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I wish to answer the gentleman from Florida first. I would say that such a provision as this would be pertinent in this bill, and that it provides for the application of the amendment contained in section 1, which is to retain in the President and his agencies the power to perform any duty required under this bill, and to transfer or direct it to be merged into the Treasury would, perhaps, be one of those powers, although I do not insist—I only suggest that that might complete and perfect the bill.

Now, if these amendments were added I would feel that the difficulties and doubtful interpretations would be largely removed. For myself I am inclined to the view that under the terms of this bill the interpretation of this law would be that those powers were impliedly reserved, because by the bill, which repeals those acts, we impose these duties, and therefore it will be a fair interpretation to say that the power is reserved. But to make it clear we ought to put this language into the bill, and then there can be no question about it.

Mr. CARAWAY. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I have not time to yield, because my time has expired. Otherwise I would be glad to yield.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last word. The covering of unexpended balances into the Treasury is specifically provided for by permanent law. Any money in any annual appropriation now existing that is not required by permanent provisions of law after the passage of this bill will remain in the Treasury and can not be paid out. It would be a mistake to require all of these balances to be covered into the Treasury immediately upon the passage of this bill.

Mr. GRAHAM of Pennsylvania. In view of the gentleman's statement I withdraw the suggestion about which, as I wished to make it clear to the committee, I was not definitely assured in my own mind. If that is the law that these balances will be turned into the Treasury in due time, then there is no necessity for adding that suggested amendment.

Mr. ANDREWS of Nebraska. May I add a brief explanation? If we should cover them all into the Treasury immediately upon the repeal of this law, some expenditures properly authorized before the repeal could not be made without the renewal of the appropriation by Congress.

Suppose that an item of $100 on salaries or supplies had been properly incurred before the passage of the bill, and the bill should carry the unexpended balance back into the Treasury. No money could be advanced for such payment. An auditor could state an account for that amount, because an appropriation had previously existed for its payment, but it had gone back into the Treasury. That would lay the foundation of a claim. On the other hand, unless Congress should reappropriate that money that item could not be paid. At the end of the third year, two years following the period for which the appropriation was available, all unexpended balances will go back into the Treasury under the operation of permanent law. In the meantime these unexpended balances would remain to liquidate any legal obligation on the part of the Government under that appropriation. If it should remain as it is, the whole question of accounting will take the regular course and be closed out without any loss or liability to anyone.

Mr. CARAWAY. Mr. Chairman, I realize that one who did not help to frame a bill ought to be very cautious about suggesting changes. I want, however, to discuss briefly two suggestions by the gentleman from Pennsylvania [Mr. GRAHAM], for whose judgment I have the most profound respect.

His first suggested change in section 1, leaving to the President and existing agencies the power to carry out the provisions of this act, would conflict with section 3, which undertakes to transfer certain powers to the Public Building Commission to continue the operation of these so-called Government hotels. Then the suggested change in section 2, that the President is requested to direct the Secretary of Labor to transfer certain property to the commission, or to sell certain property, might, I think, reasonably be answered by the Secretary of Labor by saying, if the language were changed that way, that he had no power to do it, because he was created an agent of the Government to perform certain duties. Unless we empower him to perform these acts prescribed by this bill he is without power either to sell this property or to dispose of it in any way. He would be correct, because he holds this property now merely as an agent. And I think that merely requesting the President to direct him would not empower him to do these things. Therefore I think that change would be unhappy.

I want to suggest two changes, if I may do it. In section 3, which is the one I apprehend will be most fought over, because the friends of the Government hotels want to be certain that the young ladies occupying them will not be summarily turned out of doors, I would suggest that in line 5, after the word "Congress," you insert this language: "and furnishings thereof." And then strike out the remainder of the paragraph and say "that the Public Building Commission is hereby empowered"—not directed or authorized, because we want to leave it to their discretion—"that they are hereby empowered to continue the operation of these so-called Government Plaza hotels as long as the necessity for them shall continue, not to exceed one year after the termination of the present emergency."

Mr. GRAHAM of Pennsylvania. After the passage of this act.

Mr. CARAWAY. No; the emergency may last much longer than one year after the passage of this act. We had an illustration of that thing yesterday when my good friend Col. BUTLER

was trying to extricate himself from a difficulty he got into in an appropriation bill by limiting the provision to October 1, 1919.

Mr. LANGLEY. Will the gentleman yield?

Mr. CARAWAY. Yes.

Mr. LANGLEY. I want to suggest that that would leave it uncertain when the bureau would be terminated.

Mr. CARAWAY. The Public Building Commission would terminate it when the use of the hotels for war workers terminated.

Mr. LANGLEY. The gentleman says the Public Building Commission should have the power to determine when——

Mr. CARAWAY. The power to continue the use of these hotels as long as the necessity requires, not to exceed a year after the termination of the present emergency.

I have another suggestion, possibly more verbal than real, but it seems to be an inelegant use of language. Page 2, line 14, after the words "*Provided further*," you have this language:

That in the sales of such residences the Secretary of the Treasury may, in his discretion, sell the same partly on credit to citizens of the United States who are heads of families and who shall furnish satisfactory evidence showing that they are law-abiding, industrious, and patriotic, and that they intend in good faith to occupy the same with their families.

That means either one of two things. It means that they must be sold to a group of citizens or to one citizen who has more than one family. There may be people who might qualify under one or the other of the categories but would not want so to register themselves in order to buy a Government building. [Laughter.] Therefore I would suggest that it be amended to read in this way: "That in the sale of such residences the Secretary of the Treasury may, in his discretion, sell the same partly on credit, and in such case the sale shall be to a citizen of the United States who is the head of a family, and who is law-abiding, industrious, and patriotic, and who in good faith intends to occupy said premises as his residence."

Mr. LANGLEY. Mr. Chairman, I think we have had liberal general debate, and I ask unanimous consent that debate be now closed on the first paragraph of the bill.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that debate be closed on the first paragraph of the bill. Is there objection?

There was no objection.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I wish to offer the amendment I suggested to the first paragraph.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Pennsylvania: Page 1, line 6, after the word "repealed," insert "reserving, however, in the President and every agency created under or because of said act the power to carry out the provisions of this act requiring the performance of any duty."

Mr. LANGLEY. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LANGLEY. Debate having been closed on the first paragraph by unanimous consent, the amendment of the gentleman from Pennsylvania can not be discussed. It can be offered and voted upon.

The CHAIRMAN (Mr. WALSH). The gentleman is correct; debate is closed on the first paragraph. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. GRAHAM of Pennsylvania) there were 6 ayes and 35 noes.

So the amendment was rejected.

Mr. DALLINGER. Mr. Chairman, I move to amend by striking out the section.

The Clerk read as follows:

Amendment by Mr. DALLINGER: Strike out all of section 1.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That the Secretary of Labor be, and he is hereby, directed to deliver to the Secretary of the Treasury a detailed statement showing all real and personal property outside of the District of Columbia which has been acquired under and by virtue of said acts and which is now owned by the United States; and that the Secretary of the Treasury shall immediately proceed to sell the same, after due advertisement as provided by law, and to cover the proceeds into the Treasury as miscellaneous receipts and to make report of such sales to Congress: *Provided*, That in all sales of residences the Secretary of the Treasury shall give the preference in the right to purchase to individuals who bona fide desire to purchase the same for use as a home, but not more than one house shall be sold to the same person: *Provided further*, That in the sales of such residences the Secretary of the Treasury may, in his discretion, sell the same partly on credit to citizens of the United States who are heads of families and furnish testimonials showing that they are law-abiding, industrious, and patriotic, and that they intend in good faith to occupy the same with their families; in all cases of such credit sales, reserving title in the United States until fully paid for, or conveying title to the purchaser and taking from him a mortgage upon the property to secure the deferred payments.

The following committee amendment was read:

Page 2, line 4, after the word "States," insert "and also showing use to which each piece of property has been applied up to the armistice and thereafter."

The committee amendment was agreed to.

The Clerk read as follows:

Page 2, line 12, strike out the words "bona fide."

Mr. BEE. Mr. Chairman, I have an amendment before we get to line 10, which makes it possible to offer the amendment which I send to the desk as a substitute for the committee amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, by way of substitute, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEE: Page 2, line 10, strike out all of section 2 after the word "Congress," in line 10.

Mr. LONGWORTH. Mr. Chairman, I make the point of order that that amendment is not in order until the committee amendment, which is a perfecting amendment, has been acted upon.

Mr. BEE. The reason I offer it at this time is because there is a committee amendment pending.

The CHAIRMAN. The Chair will state that the committee amendments will be acted upon before the amendment offered by the gentleman from Texas. The gentleman's amendment may be offered, but the committee amendments will be voted upon first. The question is on the second committee amendment, striking out the words "bona fide," in line 12.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 18, before the word "furnish," insert the words "who shall."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 18, strike out the word "testimonials" and insert "satisfactory evidence."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 21, strike out the word "families" and insert the word "families" and a semicolon.

The CHAIRMAN. The question is on agreeing to the committee amendment.

Mr. RAKER. Mr. Chairman, apparently the committee has stricken out the word "families," and has reinserted it again with a semicolon.

The CHAIRMAN. The Chair would state that the word "families" was stricken out and the word "families" and a semicolon inserted. It is the understanding of the Chair that amendments in the change of the punctuation usually comprehend the striking out or insertion of a word.

Mr. LANGLEY. That was the view of the committee.

Mr. RAKER. It seems to me that we would have inserted the punctuation just as well as to strike out the word and insert it. The matter is immaterial, however.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BEE. Mr. Chairman, I now offer the first amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. BEE: Page, 2, line 7, after the word "same," insert the words "partly for cash and partly for credit, upon terms and conditions to be prescribed by him."

Mr. BEE. Mr. Chairman, it is my purpose to follow this amendment up by another amendment striking out all of the remainder of section 2, beginning on line 10, after the word "Congress," so that the section will read, in part:

The Secretary of the Treasury shall immediately proceed to sell the same, partly for cash and partly for credit, upon terms and conditions to be prescribed by him, after due advertisement, as provided by law, and to cover the proceeds into the Treasury as miscellaneous receipts, and to make report of such sales to Congress.

I suggest that we stop there, because if you go on with section 2 you find yourself in a maze and labyrinth of instructions and directions, that the Secretary shall give the right of preference to individuals who desire to purchase for a home, who do not desire more than one home, and who are the heads of families, and who show that they are law-abiding, industrious, and patriotic, and that they intend to occupy the same with their families, and so forth, all of which I submit is covered by prescribing that the sale shall be partly by cash and partly for credit, upon terms and conditions to be prescribed by the Secretary of the Treasury.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. BEE. Yes.

Mr. LAYTON. Does not the gentleman think that this bill should have a provision which will prevent all of these properties, scattered throughout the United States, from falling into the hands of a combination of capitalists?

Mr. BEE. Yes; I do; and that is the reason I think, if you put the provision in there "upon terms and conditions to be prescribed by him," without prescribing the various conditions that this section does, that it will answer the purpose. With all due deference to the committee and the authors of the provision, I would suggest that, in my judgment, it is rather awkwardly drawn.

By prescribing the various things which I have enumerated you are putting limitations and conditions into a deed which in some States would not convey a fee simple title under the laws of those States, but which would leave parties in a state of uncertainty and doubt. For that reason it occurred to me that if you leave it to the Secretary of the Treasury, let him sell partly for cash and partly for credit, and let him prescribe the conditions under which sales shall be made, you have everything that is in the section after the word "Congress" in line 10.

Mr. LAYTON. Why should not Congress make the provisions?

Mr. BEE. If Congress is going to enter a large field like this, there will be no limitation upon what will hereafter be done.

Mr. CLARK of Florida. Does the gentleman think that these conditions will be set out in the deeds made?

Mr. BEE. No. It is not necessary to set them out.

Mr. CLARK of Florida. But the gentleman made the statement that we were going to attach those conditions to the deed.

Mr. BEE. I said if he followed this he would have to attach them.

Mr. CLARK of Florida. Oh, no.

Mr. BEE. I submit that if you put this into the organic law of this land you put a burden upon every purchaser of showing that he is a good American citizen; that he is law-abiding and patriotic.

Mr. CLARK of Florida. We are not considering the drafting of an organic law.

Mr. CARAWAY. If the gentleman will yield, the gentleman knows that upon this point the Secretary's decision, if you satisfy him, is final, because it is in his discretion; and the gentleman knows that all these conditions attached—that the man shall be the head of a family, that he shall be an American citizen, and so forth, are in our homestead laws. Now, we all know—I think the gentleman from Texas knows—that if we permit the Secretary under general terms to sell it, some real estate company will buy all of it up and peddle it out at 1,000 per cent profit. Since the Government has gone to the expense of these buildings, why shall not we say they shall become the homes of patriotic, industrious American citizens?

Mr. BEE. Because I think when you make provisions that under the terms and conditions prescribed by the Secretary of the Treasury the Secretary of the Treasury will attach the conditions without having that written into the law by Congress and it will not fall into the hands of speculators and capitalists. If I thought it would for one minute, I would say to this House I would not only make this provision strong, but add more to it.

The CHAIRMAN. The time of the gentleman has expired. The question is upon the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. GARD. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 7, after the word "the," insert "President direct the" and strike out "be, and he is hereby, directed."

Mr. GARD. Mr. Chairman and gentlemen of the committee, the amendment that I offered is one that seeks to carry into legislative effect the undoubted purpose of the Congress of the United States in providing that the President of the United States should have this power of providing the houses as a military necessity during our war emergency. It carries into this act the provision as amended that the President direct the Secretary of Labor to deliver to the Secretary of the Treasury, and so forth, the lease of all this property. As the bill now stands we have reference here to the Secretary of Labor without any connection save the connection which those who speak in favor of the bill contend for, that the amendatory act takes care of it by reason of the inclusion of the so-called Overman Act. Now, I do not believe that is true, and I think to make it clear we should have the expression which I have indicated, that the President directs the Secretary of Labor.

Mr. CLARK of Florida. Mr. Chairman, I hope the amendment will not be agreed to, for this reason: We have got a system of laws, and while I know it is frequently a very violent presumption it is the presumption that the lawmakers know the law——

Mr. CARAWAY. I never heard that advanced before.

Mr. CLARK of Florida. Well, it is the presumption that we know what the law is, else we would not undertake to legislate. I know it is a very violent presumption, but it is the presumption. Now, then, we have got what we know as the Overman Act, which gives the President the power to transfer the performance of duties from one department to another, even from the Executive, so when we passed the original act vesting this power in the President and the President under the terms of the Overman Act vested it in the Secretary of Labor, the President's action made the Secretary of Labor the agency through which this law was being executed just as effectual in my judgment as if it had remained in the bill that way. We are not dealing with the President, but we are dealing with the Secretary of Labor, who carried the law into execution and who has attempted to enforce it, and we do not want any amendment here that is going to complicate matters at all. As has been suggested by the gentleman from Illinois, this bill will probably go to conference and we will have the benefit of the advice of another body, and it will eventualy be whipped into shape, and the committee would much prefer it remaining as it is now in the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

Mr. GARD. I have certain other amendments.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 2, strike out the words "outside of the District of Columbia."

Mr. GARD. Mr. Chairman, I ask, in connection with that, that the Clerk be permited to read the second amendment which I have on that page beginning with line 6.

The CHAIRMAN. The gentleman asks unanimous consent that the other amendment be read. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Page 2, line 6, after the word "shall," strike out the word "immediately" and insert the words "in his discretion as the public use and benefit may require."

Mr. GARD. Mr. Chairman, I ask permission to speak on both of these amendments so as to conserve a little time. The first amendment I have offered strikes out the words "outside the District of Columbia." If that amendment is accepted it makes unnecessary section 3 and section 4. My belief about the expression of the bill is that there should be no difference as to the right and power to sell Government property. The Secretary of the Treasury has a supervising architect and a corps of architects and has always had the jurisdiction and control of public buildings and now sells, with the approval of the Congress, all Government buildings which are not necessary. I can not see why the provision should not with equal force apply to property within the District of Columbia. The old law provides that the Public Building Commission is created in this language—

With a view to the control and allotment of space in owned or leased Government buildings in the District of Columbia a Public Building Commission is organized.

There is nowhere in the Public Building Commission any power of purchase or any power of sale, merely a sort of supervision in the control and management and allotment of space in the buildings, and I concur in the idea expressed by the gentleman from Texas [Mr. GARNER], that the Secretary of the Treasury or the man who has all these buildings under his control should have them continued in his control, whether they be without the District of Columbia or within the District of Columbia.

Another suggestion I have—and this applies to the second amendment—is this: The language carried in the bill we are now considering, on lines 6 and 7, provides that the Secretary of the Treasury shall immediately proceed to sell the same. Now, there has been some question raised as to what that means, whether it is an absolute direction of immediate action on the part of the Secretary of the Treasury regardless of existing conditions or public necessities or not. In order to clear that up I have offered the amendment I proposed, which carries the idea that the Secretary of the Treasury be given invested discretion for the public use and benefit to sell this property—the property turned over to him from the Secretary of Labor. So that, with the two amendments I have—and, of course, I realize they will have to be voted on separately—the first proposition is to make the Secretary of the Treasury the sole comptroller—if one may use that phrase—of the sale of the property, whether it be within or without the District of Columbia. This would eliminate the placing of this duty of maintaining property in the District of Columbia on the Public Building Commission, which, as the gentleman from Texas has said, would take away from them the many arduous duties of taking care of these hotels and such other buildings that we now have in the District of Columbia, occupied by those who are employed in the District.

Mr. MANN of Illinois. Will the gentleman yield for a question?

Mr. GARD. Certainly, sir.

Mr. MANN of Illinois. I ask for information. The gentleman, I take it, is of the opinion that if the language which he has offered be substituted and section 3 is stricken out of the bill, the Secretary of the Treasury would have the power not only to sell the buildings but to operate them?

Mr. GARD. Yes, sir. Sections 3 and 4 can be stricken out of the bill.

Mr. MANN of Illinois. Well, section 4 is another matter entirely; but section 3 has reference to buildings controlled by the Public Building Commission?

Mr. GARD. Yes, sir.

Mr. MANN of Illinois. Is the gentleman of the opinion that if the buildings be turned over to the Secretary of the Treasury and the Public Building Commission they would not have the authority to conduct a boarding house?

Mr. GARD. I do not think so.

Mr. MANN of Illinois. The Housing Commission has authority, or, at least, it does it.

Mr. GARD. That power was given to it in its incorporation.

Mr. MANN of Illinois. Now, will the Secretary of the Treasury have that power? All we say is that the property is to be turned over to him, and he, in his discretion, will sell it. Will he meanwhile have the power to run a boarding house?

Mr. GARD. It was my purpose to include, in addition to the power of sale in the Secretary of the Treasury, the power of carrying on the existing authority of the Housing Corporation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

Mr. CLARK of Florida. Mr. Chairman, just one word about this: If this amendment be adopted, it will absolutely emasculate the bill. Now, we have provided in the section there that all of this property outside of the District of Columbia is to be turned over to the Secretary, and that he has to immediately sell it. The object the committee had in view with reference to that was to get rid of this property at the earliest practicable day and save the enormous charges that are now being paid. A lot of this property is not rented; a lot of it is in charge of custodians; and, of course, if it is turned over to the Treasury they will have to have custodians to take charge of it and preserve it, and probably it will have to be insured, unless the Government is carrying its own insurance. And the object of the committee was to close up this whole affair at the very earliest possible day and get the cash in the Treasury and stand our loss, whatever it is. And these amendments would mean simply to prolong it. I hope they will not be adopted.

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio [Mr. GARD].

Mr. GARD. Mr. Chairman, I ask that the first amendment be again reported.

The amendment was again reported.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The gentleman from Ohio offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. GARD: Page 2, line 6, after the word "shall," strike out the word "immediately" and insert: "in his discretion, as the public use and benefit may require."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. CARAWAY. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CARAWAY: Page 2, line 14, after the words "*Provided further,*" strike out all down to the semicolon in line 21 and insert: "That in the sale of said residences the Secretary of the Treasury may, in his discretion, sell said residences partly on credits, but in such case the sale shall be to a citizen of the United States and who is the head of a family, and to one only who can show by satisfactory evidence that he is law-abiding, industrious, and patriotic, and that in good faith he intends to occupy said premises with his family as his residence."

Mr. LANGLEY. Mr. Chairman, the language of the amendment I think improves to some extent the language of the bill, and, so far as I am concerned, I have no objection to it, and I think the committee will be glad to accept it.

Mr. RAKER and Mr. DOWELL rose.

The CHAIRMAN. The gentleman from Iowa [Mr. DOWELL] is recognized.

Mr. DOWELL. Mr. Chairman, I did not understand exactly the reading of this amendment, but if I heard it correctly it only limits the sales to citizens of the United States when the sales were upon credit. If that is the language of the amendment, it should not be adopted, and I ask for a further reading of it in order to ascertain its exact meaning.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

The amendment was again read.

Mr. DOWELL. Mr. Chairman, the word "such" in the amendment, it occurs to me, may be misinterpreted. I suggest that the word "such" be stricken out and the word "all" be inserted, so that it will include all sales.

Mr. CARAWAY. This provision, Mr. Chairman, was dealing only with those properties that were residential and that were to be sold partly on credit, dealing with that particular class of property that could be used as residential property, and not dealing with the large part of the property, such as dormitories and that kind of thing.

Mr. DOWELL. I understand; but in the text of the bill it is provided that all sales of residences shall be so and so. This provides that in the discretion of the Secretary he may sell on credit.

Mr. CARAWAY. Yes; some of them.

Mr. DOWELL. And such sales shall be to citizens. Now, it seems to me that all sales should be to American citizens.

Mr. CARAWAY. If the gentleman from Iowa will pardon me, this was dealing only with the property that was to be sold as residences and sold partly on credit. If he undertook to avail himself of this right given to him by the bill—to sell residence property on credit, it must be only to American citizens who are industrious and hard working and patriotic.

Mr. DOWELL. How about the other property?

Mr. CARAWAY. This does not interfere with what he shall do with the other property. This only undertakes to limit his discretion if he undertakes to sell residential property on credit.

Mr. MANN of Illinois. Mr. Chairman, as I listened to the reading of the amendment I could see no practical distinction between the amendment and the language of the bill except in the matter of number. The language of the bill is in the plural number, and the amendment offered by the gentleman from Arkansas [Mr. CARAWAY] is in the singular. Is there any distinction between the two?

Mr. CARAWAY. It was only to clarify the language. It was only with a view to improving the language.

Mr. MANN of Illinois. I would say myself that the plural number was better than the singular.

Mr. CARAWAY. If the gentleman from Illinois will pardon me, it would seem, as the language is now used, that the Secretary of the Treasury could only sell to groups of people.

Mr. MANN of Illinois. Oh, not at all.

Mr. CARAWAY. That is what the language means.

Mr. MANN of Illinois. Of course the gentleman from Arkansas is frequently a dictator as to the meaning of language. I am only an humble follower in the matter of language. Still I have had about as much experience in dealing with language as has the gentleman from Arkansas.

Mr. CARAWAY. I did not mean to be discourteous.

Mr. MANN of Illinois. I thought the gentleman was intentionally discourteous.

Mr. CARAWAY. It was not so intended. Possibly it sounded that way.

Mr. MANN of Illinois. The plural form usually and in this case is better than the singular form, although it probably makes no difference in the effect, the law providing that in either case the singular shall be taken as plural and the plural as singular.

Mr. RAKER. Mr. Chairman, I offer an amendment to the amendment by striking out the words "that he is law-abiding, industrious, patriotic, and."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California. The Clerk will first report it.

The Clerk read as follows:

Amendment offered by Mr. RAKER to the amendment offered by Mr. CARAWAY: Strike out the words in the amendment "that he is law-abiding, industrious, patriotic, and."

Mr. RAKER. Now, Mr. Chairman and gentlemen of the committee, in the first place, it must be sold to a citizen of the United States; second, he must be the head of a family; and. third, he must intend to reside on the property.

Now, why put in the language that is in the amendment, that there must be satisfactory evidence that he is a law-abiding citizen, that he is industrious, and that he is patriotic?

Mr. MAYS. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. Now, we have an American citizen, with the presumption that he possesses all the qualifications that are attached to an American citizen. He buys and sells property in this country wherever he pleases, and here you have a little public property where a man must prove by evidence satisfactory to the Secretary of the Treasury——

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In just a moment. Then I will yield.

Mr. CARAWAY. If the gentleman had any property of his own and was going to sell it on credit, would he want to know that the man to whom he sold it was honest and hard working and a good citizen?

Mr. RAKER. That is presumed.

Mr. CARAWAY. Would the gentleman from California presume it or ask about it?

Mr. RAKER. I would find out about those things.

Mr. CARAWAY. I thought so.

Mr. RAKER. But we do not have a law of that kind on the sale of property to American citizens. The Secretary of the Treasury or his agent, when he sells it, would meet the man, and on investigation he would know and become convinced that he is a law-abiding citizen.

Mr. CARAWAY. Mr. Chairman, will the gentleman yield further?

Mr. RAKER. Yes.

Mr. CARAWAY. This whole bill is brought in here because an agency of the Government has abused its discretion and wasted millions of dollars. Why not, when we are trying to correct an abuse, make it impossible for another agency to abuse its discretion?

Mr. RAKER. That is all right; and yet there has not been any evidence presented as to who was the responsible party. I am not criticizing the committee for that, but clearly all under "the Department of Labor" does not seem to be in the category as suggested. I can not consent to any such statement. But here is an attempt to sell property, and you must present a certificate or evidence satisfactory to this official showing that the man is a law-abiding citizen. You must present evidence and bring witnesses to show that he is industrious, and you must present evidence and bring witnesses to show that he is patriotic.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. Then I will yield. But let me complete this. Now, the Secretary of the Treasury handles large volumes of property and disposes of them. None but an American citizen can buy. He must be a man of family. He must be intending to reside upon the property.

Mr. MURPHY. Mr. Chairman, will the gentleman yield for a question?

Mr. RAKER. Yes.

Mr. MURPHY. As I read this bill, a single man or a single woman is barred from buying?

Mr. RAKER. Yes; they are barred.

Mr. CARAWAY. A man might be unmarried and still be the head of a family. The departments have construed that over and over again. The gentleman from California is a member of the Committee on the Public Lands, and knows that.

Mr. RAKER. In direct answer to the gentleman's question the head of a family might be a man whose wife may be dead, or he has brothers and sisters, or a mother or father, or other relatives living with him, dependent upon him. But my answer to the gentleman's question is that a single man or a single woman, if not included within the statement just made, no matter what the situation might be, would be inhibited from buying under this bill. That is all there is about it.

The CHAIRMAN. The question is on agreeing to the Raker amendment to the Caraway amendment.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Arkansas [Mr. CARAWAY].

The amendment was agreed to.

The CHAIRMAN. The gentleman from Ohio [Mr. GARD] has a perfecting amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 2, line 23, after the word "a," insert the word "first," and strike out the word "mortgage" and insert the word "lien"; line 24, strike out the period and insert the words "and such other security as he may deem proper," so that as amended the lines will read: "In all cases of such credit sales reserving the title in the United States until fully paid for, or conveying title to the purchaser and taking from him a first lien upon the property to secure the deferred payments, and such other security as he may deem proper."

Mr. MOORE of Virginia. Mr. Chairman, I suggest to the gentleman from Ohio the following substitute for the amendment which he has proposed: After the words "such credit sales," in line 21, strike out the words that follow to the end of the section, and insert:

He—

Referring to the Secretary of the Treasury—

shall secure the deferred payments by reservation of the title or first lien on the property, and such other security as he may think proper.

The CHAIRMAN. The gentleman from Virginia will send his amendment to the desk. The Clerk will report the amendment offered by the gentleman from Virginia as a substitute for the amendment offered by the gentleman from Ohio [Mr. GARD.]

The Clerk read as follows:

Amendment offered by Mr. MOORE of Virginia as a substitute for the amendment offered by Mr. GARD: After the words "such credit sales," in line 21, strike out the words that follow to the end of the section, and insert the following: "He shall secure the deferred payments by reservation of the title or first lien on the property, and such other security as he may think proper."

Mr. GARD. Mr. Chairman, the amendment which I offered, to which the gentleman from Virginia offers a substitute, was prepared in part by myself and partly by the gentleman from Virginia. Since, I think, his substitute expresses my idea better than my own amendment, I am very willing to have his substitute agreed to.

Mr. LANGLEY. The committee are entirely satisfied with the phraseology of the substitute offered by the gentleman from Virginia.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Virginia [Mr. MOORE] for the amendment offered by the gentleman from Ohio [Mr. GARD].

The substitute was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Texas [Mr. BEE] to strike out all after the word "Congress," in line 10, down to the end of the section.

The question being taken, the amendment was rejected.

Mr. BUCHANAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BUCHANAN: Page 2, amend, at the end of line 24, after the word "payments"——

The CHAIRMAN. The portion of the bill to which the gentleman offers his amendment has been changed by a previous amendment.

Mr. LANGLEY. That language has been stricken out of the bill.

Mr. BUCHANAN. I did not know of that amendment. I would like to have my amendment follow at the end of the amendment which has been agreed to.

The CHAIRMAN. The amendment will follow at the end of the section.

The Clerk read as follows:

Amendment by Mr. BUCHANAN: Page 2, at the end of the section, insert:

"*Provided further*, That in no instance shall the Secretary of the Treasury sell such residences to such heads of families for a less amount than can be obtained therefor from other sources."

The question being taken, the amendment was rejected.

Mr. CLARK of Florida. If there are no further amendments to section 2 I ask unanimous consent to return to section 1 in order that Judge GRAHAM of Pennsylvania may offer an amendment.

The CHAIRMAN. The gentleman from Florida asks unanimous consent to return to section 1 in order to enable the gentleman from Pennsylvania [Mr. GRAHAM] to offer an amendment. Is there objection?

Mr. RAKER. Reserving the right to object, when we return to section 1 and the amendment is offered it will be subject to consideration, will it not?

Mr. LANGLEY. Not for debate, because debate has been closed.

Mr. RAKER. But when we get unanimous consent to return to that section to offer amendments we ought to be heard upon the amendments.

The CHAIRMAN. There will be no debate on the amendment. Is there objection to the request?

There was no objection.

Mr. GRAHAM of Pennsylvania. I offer the following amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAHAM] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. GRAHAM of Pennsylvania: After the word "repealed," in line 6, page 1, insert the following: "Reserving, however, in the President and every agency created under or because of said act power to carry out the provisions of this act which may require the execution and delivery of deeds or other papers and the transfer of property."

Mr. LANGLEY. That is all right, Mr. Chairman.

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. That the Secretary of Labor shall, immediately upon the passage of this act, deliver possession of all houses built in the District of Columbia under and by virtue of said acts to the Public Building Commission created by the Sixty-fifth Congress for such uses and purposes as said Public Building Commission may decide.

With the following committee amendment:

Page 3, line 3, strike out the word "Columbia" and insert "Columbia" and a comma.

Page 3, line 4, strike out the word "acts" and insert "acts" and a comma.

The amendment was agreed to.

Mr. CLARK of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Florida offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CLARK of Florida: Page 3, line 4, after the word "acts," insert the words "and the furnishings therein."

Mr. MANN of Illinois. Does the gentleman think that is quite broad enough? The language that I proposed to the same purpose was "and all personal property therein or connected therewith."

Mr. CLARK of Florida. I will accept that in lieu of this.

Mr. MANN of Illinois. I suggest to the gentleman that he offer that.

Mr. CLARK of Florida. I ask unanimous consent to withdraw my amendment and to offer this one.

The CHAIRMAN. The gentleman from Florida asks leave to withdraw the amendment just offered. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Florida offers the following amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CLARK of Florida: Page 3, line 4, after the word "act," insert "and all personal property therein or connected therewith."

The amendment was agreed to.

Mr. CLARK of Florida. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 3, line 5, after the word "Congress," strike out the remainder of the section and insert in lieu thereof the following: "and said Public Building Commission is hereby empowered to continue the use of such buildings as Government hotels as long as, in its judgment, such use may be necessary, not to exceed one year after the termination of the present emergency."

Mr. BLACK. Mr. Chairman, I offer the following substitute for that amendment:

The Clerk read as follows:

Substitute offered by Mr. BLACK for the amendment of Mr. CLARK of Florida: Page 3, line 5, after the word "Congress," strike out the remainder of the section and insert in lieu thereof the following language: "*And provided*, That the Government dormitories, erected on the site of the United Station Plaza, shall be operated under the supervision of the Superintendent of the Capitol Buildings and Grounds for the purposes for which they are now used until otherwise ordered by Congress."

Mr. RAKER. The gentleman leaves in the bill, lines 4 and 5, "to the Public Building Commission, created by the act of the Sixty-fifth Congress."

Mr. BLACK. These buildings, together with the personal property contained in them, under the provisions of this section, are all turned over to the Public Building Commission. Then I have provided in the substitute which I have offered that the Government dormitories shall be operated by the Superintendent of the Capitol Building and Grounds until Congress shall otherwise order.

Mr. RAKER. Will the gentleman yield for a question?

Mr. BLACK. I would like to make my statement and then I will yield. The amendment that the gentleman from Florida has offered gives the Public Building Commission the discretion to operate these dormitories for such time as it may deem proper, not to exceed one year. If my substitute is adopted it would make it mandatory upon the Superintendent of the Capitol Building and Grounds to operate these Government dormitories until otherwise ordered by Congress.

There is a considerable difference between the two propositions. It might be that the commission would be hostile to the continued operation of the dormitories, and under the language of the amendment of the gentleman from Florida they would have the power to discontinue them immediately upon the final approval of this bill. As an original proposition, I do not know that I would advocate in a time of peace a Government-constructed dormitory to house Government workers. But they have all been constructed, the expenditure has already been made, and whatever extravagance there may have been in their construction is water which has already run over the wheel. They are there and are admirably equipped for the purposes for which they are used.

I have taken occasion to make some inspection of the accommodations they furnish, and I think all the Members who have done so will agree with me in my statement that they furnish an admirable place for comfortable housing of the young women in Washington who work for the Government. And they furnish it at a reasonable price, and the surroundings are wholesome.

Mr. PLATT. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. PLATT. Does not the gentleman think it might be possible to lease them for a term of years to be used for that purpose and at the expiration of that time to be torn down?

Mr. BLACK. I will say that that might be a proper thing to do, but my amendment provides that for the present they shall be operated as they are now operated until Congress otherwise orders. It may be entirely possible that upon investigation it could be found that private enterprise could operate these dormitories better and more economically than the Government is doing.

Mr. BEE. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. BEE. Would not the gentleman add to the suggestion of the gentleman from New York a provision that the parties who lease it should not profiteer on the girls, as the real-estate men and boarding-house keepers profiteer upon everybody else?

Mr. PLATT. It might be possible to lease them to cooperative associations.

Mr. BLACK. That proposition is not now before us.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CURRY of California. Mr. Chairman, I ask that the gentleman have one minute more, as I wish to ask him a question.

Mr. HARDY of Texas. I ask that the gentleman from Texas have his time extended five minutes, as I want to ask him a question.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the time of the gentleman from Texas be extended for five minutes. Is there objection?

There was no objection.

Mr. BLACK. I will yield first to the gentleman from California.

Mr. CURRY of California. I would like to ask the gentleman if he knows that the Housing Corporation has already tried to lease the dormitories at Georgetown and the annex at Mare Island Navy Yard; that they have absolutely entered into an agreement to lease them to a firm of real-estate men for a term of five years. Immediately they started to put up the price of the rents, and I had to intercede with the committee in Congress and the Secretary of Labor to stop them. They have not rescinded it yet. Now, if Mr. Macomber would do that, he would lease these dormitories to anyone, so that he would be

free of the care and trouble, and he would not care how much they made out of it.

Mr. BLACK. In reply to the gentleman from California, the provision I offer does not provide for a lease, but directs the Superintendent of the Capitol Building and Grounds to continue to operate these dormitories as they are now being operated until Congress by specific, definite legislation otherwise orders. Now I yield to the gentleman from Texas.

Mr. HARDY of Texas. Mr. Chairman, I believe that I am in thorough harmony with the purpose of the amendment of the gentleman from Texas [Mr. BLACK], but does not the gentleman think that there might be other possessions, other houses in the District besides those to which his amendment applies?

Mr. BLACK. There are none that I know of.

Mr. HARDY of Texas. Would it not be best and safest to insert the amendment of the gentleman after the word "decide" on line 6, page 3?

Mr. BLACK. I have no knowledge of any others in the District of Columbia and I think the language will cover the situation.

Mr. HARDY of Texas. I was a little uncertain whether there was other property in the District of Columbia.

Mr. BLACK. I think not.

Mr. CLARK of Florida. There are some navy-yard dormitories.

Mr. BLACK. I would be very glad if we could get some information from the gentleman from Florida.

Mr. CLARK of Florida. There are dormitories down at the navy yard that have not been disposed of.

Mr. BLACK. Are they now being operated?

Mr. CLARK of Florida. No; but they are built and furnished.

Mr. BLACK. We do not want to operate them if they are not now being operated.

Mr. HARDY of Texas. The gentleman's amendment would strike out the language—

for such uses and purposes as said Public Building Commission may decide.

I think that ought to remain in there, so that it would apply to these other buildings, and if the gentleman will leave those words in and put his amendment in the nature of a proviso at the end of the paragraph, I think he would accomplish what he has in mind.

Mr. BLACK. I think it would, without in any way committing the Government to the operation of any dormitories it does not now operate, and I ask unanimous consent that my amendment may be modified so as not to strike out the language referred to, and so that it may follow as a proviso after the last word in the section.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to modify his amendment in the manner in which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK as a substitute for the amendment offered by Mr. CLARK of Florida: On page 3, line 6, after the word "decide," insert: "*Provided*, That the Government dormitories located and situated on Union Station Plaza shall be operated under the supervision of the Superintendent of Capitol Building and Grounds for the purposes for which they are now used until otherwise ordered by Congress."

The CHAIRMAN. Is there objection?

Mr. RAKER. Mr. Chairman, reserving the right to object, why not leave it as it is? If there are 800 rooms at the navy yard already prepared for use, with the necessary equipment to allow 800 of the young men here in the service to occupy them who are now paying three or four prices for board, why should not the buildings be used in that way?

Mr. BLACK. I have left the amendment identically as I had it, except I merely modify it so as to move it down to the end of the section.

Mr. RAKER. And he does not change that?

Mr. BLACK. No.

Mr. RAKER. It has been in my mind all of the time that the supervision of these dormitories should be under the Superintendent of Capitol Building and Grounds.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CLARK of Florida. Mr. Chairman, I do not want to take up the time of the committee, but I want to say this, for I want the committee to understand what we are offering. We have offered an amendment to meet objections of some gentlemen and to show that we do not intend to put these girls out in the street. We leave it in the discretion of the Public Building Commission to say how long they shall be operated. If the amendment of the gentleman from Texas be adopted, that they shall be operated until Congress otherwise directs, they will be operated down there for years and years. There is no telling how long. No one can tell how long it will take to get a bill through Congress to repeal this. Our provision is that they shall be operated for at least one year longer.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Florida. In just a minute. For not exceeding one year after the emergency. It has been suggested that we change that, and I ask unanimous consent to change it so as to make it read for one year after the approval of the act. If the emergency exists, Congress can just as easily and more easily direct that they be carried on than Congress can pass a bill to repeal the provision of the law which the gentleman proposes.

The CHAIRMAN. The gentleman from Florida asks unanimous consent to modify his amendment in the manner indicated. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Amendment offered by Mr. CLARK of Florida: Page 3, line 5, after the word "Congress," strike out the remainder of the sentence and insert in lieu thereof the following: "And said Public Building Commission is hereby empowered to continue the use of such buildings as Government hotels as long as in its judgment said use may be necessary, not to exceed one year after the approval of this act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I had sent up an amendment to the amendment offered by the gentleman from Florida, which would have inserted the words which he has now added, and I therefore ask unanimous consent to withdraw the amendment.

The CHAIRMAN. The gentleman from Pennsylvania withdraws his amendment.

Mr. HENRY T. RAINEY. Mr. Chairman, I have an amendment which I desire to offer in the nature of a substitute.

The CHAIRMAN. The Chair will suggest to the gentleman that there is a substitute already pending.

Mr. HENRY T. RAINEY. Then I ask to be recognized in opposition to the substitute.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. HENRY T. RAINEY. Mr. Chairman, Congress wants to get rid of the management of these hotels. The amendment of the gentleman from Florida [Mr. CLARK] limits the time these hotels can be operated to one year. They can not be operated longer than that, and they may be operated, in the discretion of the Public Building Commission, for a less period of time than that. The substitute for the amendment provides that they must be operated until by an act of Congress their operation is discontinued.

In other words, the substitute provides that we must go all over this question again at some time in the future. These are temporary buildings, and the time will come when the cost of repairs and maintenance will be enormous, and when that time comes their operation ought to be discontinued. It is hardly possible that that time will occur within one year from the present time. The committee has been so far unable to advise us definitely as to whether or not these buildings are now paying their way as they are operated. The chances are that if they are not now paying their way they soon will. They are splendidly conducted, as Members of this body know, and efficiently and economically managed. They ought not to be discontinued until they become a decided burden upon this Government, whether that is within one year or after one year from this time, and I shall propose an amendment, if the pending substitute is defeated, which I ask the Clerk to read now in my time for the information of the committee.

The CHAIRMAN. The Clerk will read the amendment for information.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY as a substitute to the pending substitute: Page 3, line 6, after the word "decide," strike out the period and insert a semicolon and add the following: "*Provided*, That the dormitories now used as hotels for Government workers shall be conducted as hotels for Government workers for the period of one year from and after the passage of this act and so long thereafter as, in the judgment of the Public Building Commission, they are actually needed and are conducted without cost to the Government, and in estimating the cost to the Government nothing shall be included on account of interest on the amount invested in said buildings."

Mr. HENRY T. RAINEY. Mr. Chairman, we do not want to turn these young ladies out of the comfortable apartments they now occupy if these hotels can be operated without cost to the Government, whether that period of operation extends over one year or not. It would be wasteful, indeed, to destroy those buildings and sell their furnishings and other equipment if they are being operated economically and efficiently and are not a

burden to the Treasury of the United States, and they will, I think, become self-sustaining in a year. They may become self-sustaining in a month; they may be self-sustaining to-day; at any rate, we know from what has been said on the floor, and some of us as a result of our observation, that they are almost, if not quite, self-sustaining now. The expense of maintaining them, even if they are conducted at a slight loss for a year, will not be great, and during that period of time the present efficient management will be able, if they are conducted at a loss, to so adjust the overhead expenses or to so slightly increase the cost to the young ladies who now occupy those rooms and take their meals in those dining rooms that, without burdening them, they will not be an expense to the Treasury thereafter. Of course, nobody expects these hotels to pay interest on the investment. We do not want some executive officer of this Government hereafter to construe as part of the cost of maintenance the interest on the amount the Government may have invested in this proposition. Therefore if this amendment is voted down I shall offer this as a substitute to the pending amendment.

Mr. LANGLEY. Mr. Chairman, just a moment, please. I want to state that the committee earnestly hopes that neither the Black nor the Rainey amendments will be adopted. We think the amendment offered by the gentleman from Florida is liberal enough and gives abundant time, as much as Congress ought to extend.

Mr. FESS. Mr. Chairman, I ask unanimous consent that I may speak for five minutes, which would be out of order because debate is exhausted.

Mr. MANN of Illinois. Debate is not exhausted.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to speak for five minutes out of order. Is there objection?

Mr. LANGLEY. Mr. Chairman, I ask that all debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. MANN of Illinois. I desire to be heard on this.

Mr. FESS. Mr. Chairman, I understand debate has not been exhausted.

The CHAIRMAN. The gentleman from Kentucky asks unanimouse consent that debate close in 10 minutes. Is there objection?

Mr. MANN of Illinois. Mr. Chairman, reserving the right to object, I would like to have five minutes.

Mr. LANGLEY. I will make it 15 minutes.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that debate upon the paragraph and all amendments thereto close in 15 minutes. Is there objection?

Mr. BLACK. Mr. Chairman, reserving the right to object, does the gentleman have in mind—I do not want any more time myself, but if all is to be used in opposition to the substitute I would ask that some time on the question be granted——

Mr. LANGLEY. I have no information on that subject, but it is getting late and I thought we ought to close debate.

The CHAIRMAN. Is there objection?

Mr. GARD. Mr. Chairman, reserving the right to object, is the request of the gentleman from Ohio that he proceed out of order or proceed on this bill?

Mr. FESS. To proceed in order. I thought debate had been exhausted.

Mr. GARD. I have no objection.

The CHAIRMAN. The Chair hears no objection.

Mr. FESS. Mr. Chairman, I do not intend to delay the action of the committee, but I did want to say—it probably has been said frequently on both sides of the Chamber—that we are in a situation just now of vast expenditures on the part of the Government, in which we are spending money for new and various agencies created by the war, and that unless we take decisive action against making them permanent we will never get rid of them, and that is why I would hate to see the amendment of my good friend from Texas, with whom I frequently vote, pass, because it makes this temporary policy permanent. The housing proposition was an emergency, an agency of many others to meet the necessities of war, to be disbanded when war ended, and the trouble will be to prevent it becoming permanent and perpetual.

Mr. BLACK. Will the gentleman yield?

Mr. FESS. I will.

Mr. BLACK. I will ask if the gentleman does not favor my proposition? Does he favor the proposition of the committee to leave it entirely within the discretion of this commission as to how long they shall operate these dormitories? They might close them up in two weeks.

Mr. FESS. I would much prefer leaving it to the commission than make it permanent by law, as proposed in the amendment.

Mr. BLACK. Will the gentleman yield for another question?

Mr. FESS. My time will all be exhausted. A recent report states that in England to-day there are still over 400,000 people who entered Government employment during the war and are still carried on the pay rolls. They refuse to return to a productive capacity because they prefer to be with the Government in its employ. This persistence to remain on the pay roll, whether the need is present or not, is not confined to England. It is a by-product of war. Wages are better, work is less arduous, conditions socially are more pleasing, and, generally speaking, greater honor attaches to such employment. Hence the great hordes of officeholders clinging to temporary employment and their efforts to make it permanent, such as the citation of the situation in England.

That is a remarkable statement as applied to England, and is official. I would like to know, and it is a pertinent inquiry for Congress to make, how many people are in the employment of the Government to-day, more than a year after the armistice, that came in under legitimate agencies and who are insisting on becoming permanently employed. Every effort to drop an employee or eliminate a war agency is resisted. If we do not take a decisive stand here and now to cut off these agencies that were created under the stress of war and which are now clamoring for perpetual life, and which are demanded by a great many people on the basis that it is an uplift movement in the interest of the country, a progressive movement, we shall never lessen the expense of the Government. This clamor is largely centered here in the Capital, and we are facing it right now in the housing proposition. I want to vote, not to embarrass matters here, but to take the earliest possible step to reduce all unnecessary expenditures. Many of them, we know, must cease in the near future, and yet we know they will not cease unless we take direct action. That is why I will vote to abolish this new agency, which, if you permit it to exist, will continue to accumulate in its demands and in its outlay on the part of the Government, as is always true. We must take this step just as soon as it is possible to do it, with the least embarrassment to the Government in so doing.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. FESS. I yield to my friend.

Mr. ANDREWS of Nebraska. I wanted to call attention to the fact that $128,101,000, due now for 83 years, awaiting direction otherwise by Congress for the collection of the money, is a similar proposition.

Mr. FESS. This is but a comment upon the necessity for action. Mr. Chairman, just this further word: I have found it to be the experience in institutional life, like universities, for example, that the greater the endowment the greater the outlay always to the student. The more numerous the institutions we create under the Government the more expense to the unit it will be; and if we keep on creating agencies we will find every agency will cost vastly more when run by the Government than it would if it were run outside of the Government. That inevitably is the result. And it is our business, without embarrassing the Government, to cut off everywhere it can be done, and I think this is a good step.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. Mr. Chairman, we have three propositions, two pending and one proposed. The first proposition is that these dormitories be closed within a year after peace is declared. The second proposition is to have them maintained until Congress shall repeal the authority. That is the substitute of the gentleman from Texas [Mr. BLACK]. And the only difference otherwise is that he directs the Superintendent of the Capitol to operate the dormitories. I think if it is left to the Public Building Commission that would be the effect anyway, and it is not necessary to say that. I think it is better to hold both the Public Building Commission and the superintendent responsible than to simply hold the superintendent responsible.

Now, my colleague has offered what seems to me the proper solution. I think we ought not to provide that the dormitories shall continue until Congress shall repeal the authority. Legislation is not so easily put through, and the moment you put it in that shape everybody connected with the dormitories who wants to retain his position will use all of his influence—and frequently the smallest have a good deal of influence in that way—to prevent action by Congress, either in this House or in another body. I do not believe that Congress wants to say that these dormitories shall be absolutely closed up in a year or in a year and two or three months from the time peace is declared, if peace is declared soon, when the exigency may still exist at that time that should keep the dormitories in operation.

Mr. BLACK. Will the gentleman yield?

Mr. MANN of Illinois. Very briefly. I want to discuss something, and I have not much time.

Mr. BLACK. Very well.

Mr. MANN of Illinois. If we say they have got to be closed in that time they will be closed, unless there be legislation extending them. We had an example of hasty legislation yesterday about closing up something enacted months ago and repealed yesterday. My colleague offered a substitute providing that the Public Building Commission shall continue to operate these dormitories for a year, or as much longer as the exigency requires, and they pay their own expense, not including interest as a part of the expense. What possible objection can the gentleman from Florida [Mr. CLARK] have to that proposition? That leaves to the the Public Building Commission the right to say at the end of a year whether there is room enough in Washington without these dormitories. If there is not enough in which to house these clerks at the end of a year, we ought to maintain the dormitories after that at their expense. And there is nobody here or elsewhere that is more anxious to see the Plaza turned into a plaza than this gentleman now addressing the House. I think we ought not to close the thing up so that it will require future legislation. Leave it to the Public Building Commission so that it will operate the dormitories as long as it is necessary, and then stop them. [Applause.]

Mr. BLACK. Mr. Chairman, I believe there are five minutes remaining, all of which I shall not use. The gentleman from Illinois always very plausibly argues his point, but notwithstanding his apparent logic and plausibility I am not convinced that the proposed substitute of the gentleman from Illinois should be adopted. What is the situation? We have down there now on the Plaza a number of buildings that are admirably equipped for Government hotels. They are furnished. They are filled to capacity with Government workers. Now, it is not a question as to whether we have more Government workers in the city of Washington than we ought to have. I do not controvert the point that in all probability a reduction of force could be made. But even with that, I think any man who has taken note of the situation is bound to admit that we will still need these dormitories.

Now, it looks to me like going at the thing backward, to anticipate the future and repeal the law. If it develops that there is still need for them, Congress will have to come in and, by another affirmative act, extend the period of their operation. It looks to me as though the most sensible thing would be to say that we will continue to operate these essential Government activities until Congress in its wisdom—and Congress meets every year—decides otherwise. Therefore I believe that my substitute ought to be adopted.

Mr. CLARK of Florida. Mr. Chairman, I simply want to say that all that the committee desires is to get this bill in good shape. We have no objection to the amendment of the gentleman from Illinois [Mr. HENRY T. RAINEY], but we do hope the committee will vote down the amendment offered by the gentleman from Texas [Mr. BLACK].

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

Mr. MOONEY. Mr. Chairman, may I ask that the substitute be again reported?

The CHAIRMAN. The Clerk will again report the substitute offered by the gentleman from Texas [Mr. BLACK].

The substitute offered by Mr. BLACK was again read.

The CHAIRMAN. The question is on agreeing to the substitute.

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. BLACK. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 13, noes 69.

So the Black substitute was rejected.

The CHAIRMAN. The gentleman from Illinois [Mr. HENRY T. RAINEY] offers a substitute for the amendment offered by the gentleman from Florida [Mr. CLARK], which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY as a substitute for the amendment offered by Mr. CLARK of Florida: Page 3, line 6, after the word "decide," strike out the period and insert a semicolon and the following:

"*Provided*, That dormitories now used as hotels for Government workers shall be conducted as hotels for Government workers for a period of one year from and after the passage of this act and so long thereafter as in the judgment of the Public Building Commission they are actually needed and conducted without cost to the Government, and in estimating the cost to the Government nothing shall be included on account of interest on the amount invested in said buildings."

Mr. CLARK of Florida. Mr. Chairman, I want to say that the committee has no objection to that amendment.

Mr. HENRY T. RAINEY. Mr. Chairman, I ask unanimous consent to modify my amendment by substituting a colon instead of a semicolon.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to modify his amendment as indicated. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY: After the word "decide," strike out the period and insert a colon and the following, etc.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move to strike out of the substitute the language leaving it to the Public Building Commission to continue beyond a year in their judgment.

The CHAIRMAN. The gentleman from Pennsylvania moves to amend the substitute in the manner in which the Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Pennsylvania to the substitute offered by Mr. HENRY T. RAINEY: After the word "act" strike out the following language: "and so long thereafter as in the judgment of the Public Building Commission they are actually needed."

The CHAIRMAN. The question is on agreeing to the amendment to the substitute.

The question was taken, and the amendment to the substitute was rejected.

Mr. CRAMTON. Mr. Chairman, I offer an amendment to the substitute to strike out the requirement that they be operated for one year and also "so long thereafter," leaving it entirely to the commission to operate them as long as it may deem necessary.

The CHAIRMAN. The Clerk will report the amendment offered to the substitute.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON to the substitute offered by Mr. HENRY T. RAINEY: After the word "workers" strike out the following language: "for a period of one year from and after the passage of this act."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question recurs on the substitute offered by the gentleman from Illinois [Mr. HENRY T. RAINEY].

The question was taken, and the substitute was agreed to.

The CHAIRMAN. The question now recurs on the original amendment offered by the gentleman from Florida [Mr. CLARK] as amended.

The question was taken, and the amendment as amended was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That all land within the District of Columbia, acquired under the said acts and which is still vacant and unimproved, and all personal property in said District of Columbia acquired under said acts, shall, by the Secretary of Labor, be transferred to the Secretary of the Treasury at once, to be disposed of in the same manner as provided in section 2 for the sale of property outside the District of Columbia.

The CHAIRMAN. The question recurs on the committee amendment.

Mr. BEE. Mr. Chairman, a parliamentary inquiry. Has the committee amendment been reported?

The CHAIRMAN. No. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 3, line 7, strike out the word "Columbia" and insert the word "Columbia" and a comma.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RAKER. Mr. Chairman, I offer an amendment to line 9, page 3, of the bill, to add, after the words "personal property," the words "except that provided for in section 3 hereof."

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. RAKER: Page 3, line 9, after the word "property," insert "except that provided for in section 3."

Mr. CLARK of Florida. That is unnecessary. It is already covered.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question being taken, on a division there were—ayes 4, noes 60.

Accordingly the amendment was rejected.

Mr. BLACK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 3, line 14, after the word "Columbia," strike out the period and insert a colon and add the following language: "*Provided*, Such personal property as may be needed in the operation of the Government dormitories on Union Station Plaza shall not be sold until authorized by Congress."

Mr. BLACK. The committee may argue that the adoption of the language of the Rainey amendment would obviate the necessity of the amendment I have offered to section 4, but I do not believe it will.

Section 4 authorizes the Secretary of the Treasury to dispose of all personal property acquired under these Housing Corporation acts. Now, I do not think we ought to leave anything to ambiguity or construction, and I think we ought to say specifically in section 4 that none of the property needed in the operation of these Government dormitories shall be sold.

Mr. TILSON. Will the gentleman yield for a question?

Mr. BLACK. Yes; I will yield.

Mr. TILSON. Having in the previous section passed an amendment turning over to the Building Commission, and leaving within the discretion of that commission the conduct of this property as a hotel after one year, should we not put it in the discretion of that commission to sell this personal property at any time they see fit after one year? Otherwise the commission might discontinue the use of the buildings as dormitories and yet have no power to dispose of the furniture until specifically empowered by Congress.

Mr. BLACK. That would be a matter that probably ought to have been offered to the other section. Of course, Congress can take that up at any time, but I do not think we ought to give a broad blanket power in section 4 to the Secretary of the Treasury to sell all of the property purchased under these various acts, and yet contend that by construction he would be precluded from doing so under the language adopted in section 4. I think we ought to make it clear, and I believe my amendment will do that.

Mr. CLARK of Florida. Mr. Chairman, there is absolutely no necessity on earth for that amendment. Under section 3, in addition to the Rainey amendment, we have inserted, after the word "act," in line 4, the words "and all the furnishings therein." We have already required the dormitories and all the furnishings therein to be turned over to the commission. Now, the Secretary of the Treasury can not sell anything he has not got. He can not sell anything that is not turned over to him, and it is absolutely unnecessary to put it in.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The amendment was rejected.

The Clerk read as follows:

SEC. 5. That if title to any real estate, either within or without the District of Columbia, acquired under any of the acts which are to be repealed by this act has been taken in the name of the United States Housing Corporation, or any other agency created or acting under said acts or any of them, the said United States Housing Corporation or other agency shall, immediately upon the passage of this act, convey to the United States of America, by good and sufficient deed or deeds of conveyance, all of such real estate wherever situate.

With the following committee amendment:

Page 3, line 15, after the word "that," strike out the word "if" and insert "where."

The amendment was agreed to.

Also the following committee amendment:

Page 3, line 17, strike out the word "act" and insert "act" and a comma.

The amendment was agreed to:

Also the following committee amendment:

Page 3, line 19, strike out the word "agency" and insert "agency" and a comma.

The amendment was agreed to.

Also the following committee amendment:

Page 3, line 20, strike out the word "acts" and insert "acts" and a comma.

The amendment was agreed to.

Mr. EVANS of Nebraska. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. EVANS of Nebraska: Page 3, line 24, after the word "situate," strike out the period and insert the following: "and shall fully and completely close up its business and transfer all of its credits and moneys to the Secretary of the Treasury."

Mr. EVANS of Nebraska. Mr. Chairman, I understand this amendment is agreeable to the committee, and it will provide for the final closing up of this corporation.

Mr. LANGLEY. That amendment is satisfactory to the committee.

The amendment was agreed to.

The Clerk read as follows:

SEC. 6. That the Secretary of Labor, the United States Bureau of Housing and Transportation, the United States Housing Corporation, and each and every other person or agency now or heretofore operating or acting under and by virtue of the said act of May 16, 1918, or any act or acts amendatory thereof, in possession of any notes, mortgages, contracts, or other evidences of indebtedness to the United States, or to any such officials or agencies for the benefit of the United States, by reason of any advances or loans of money to any transportation company, municipality, person, firm, or corporation, made by any of such officers or agencies for the United States, shall, immediately upon the passage of this act, take such action as may be necessary to vest absolute title to such evidences of indebtedness in the United States of America and deliver the same to the Secretary of the Treasury, who shall adjust and collect the same according to their tenor and effect, paying the proceeds thereof into the Treasury as miscellaneous receipts.

With the following committee amendments:

Page 4, line 6, strike out the word "in" and insert the word "having."

The committee amendment was agreed to.

The Clerk read as follows:

Page 4, line 6, after the word "of" insert the words "or title to."

The committee amendment was agreed to.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. The first section repeals the act except as designated in the amendment adopted which was offered by the gentleman from Pennsylvania [Mr. GRAHAM]. There is no provision in the bill now, and I call the attention of the committee to the fact, which will provide for the transfer of the extensive and valuable records in the possession of this department. These records should be transferred to the Secretary of the Treasury in addition to the transfer of the property, and I trust that the gentleman will not overlook offering an amendment to that effect.

Mr. LANGLEY. That necessarily follows.

Mr. RAKER. Where will the records go? The Secretary of Labor is now an officer of the Cabinet, appointed by the President. These records are up in the air. They are not a part of the Department of Labor records. You are turning over the property of certain officers, but you have valuable records, and I call the attention of the committee so that they can make it complete that the records be transferred.

Mr. LANGLEY. I never heard of a bureau being transferred to another department without the records going with it.

Mr. RAKER. You have not transferred them by any language and you have not transferred the bureau.

Mr. LANGLEY. I mean the corporation.

The Clerk read as follows:

SEC. 7. That upon the passage of this act, if there be any uncompleted contracts, or any pending claims growing out of contracts completed or uncompleted, all such contracts and documents relating thereto shall be delivered to the Secretary of the Treasury and the same adjusted and settled by the proper officers in the Treasury Department.

The Clerk read the following committee amendment:

Page 4, line 19, after the word "that," strike out the words "upon the passage of this act if there be" and insert the words "where there are."

The committee amendment was agreed to.

The Clerk read as follows:

Page 4, line 20, after the word "uncompleted," strike out the word "contracts" and insert the word "contracts" with a comma.

The amendment was agreed to.

The Clerk read as follows:

On page 4, line 23, after the word "the," insert the word "immediately."

The committee amendment was agreed to.

Mr. WALSH. In line with the suggestion of the gentleman from California [Mr. RAKER] I offer the following amendment.

The Clerk read as follows:

Page 4, line 22, after the word "thereto," insert "and all official records in the United States Bureau of Housing and Transportation, or the United States Housing Corporation."

Mr. LANGLEY. I do not think it is necessary, Mr. Chairman, but the committee has no objection to that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. LANGLEY. Mr. Chairman, I move that the committee do now rise and report the bill to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 7656) to repeal the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, and to repeal all acts and parts of acts amendatory

thereof, and to provide for the disposition of all property acquired under and by virtue of the same, had instructed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. LANGLEY. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

There was no demand for a separate vote.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question now is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. RAKER) there were—ayes 103, noes 0.

So the bill was passed.

On motion of Mr. LANGLEY, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. LANGLEY. Mr. Speaker, by direction of the Committee on Public Buildings and Grounds I call up the bill H. R. 484.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 484) to provide for the erection of a Federal office building on the site acquired for the Subtreasury in St. Louis, Mo.

Be it enacted, etc., That in carrying out that provision in the act of Congress approved March 4, 1913 (37 Stats., p. 886), which authorized the construction of a building for the United States Subtreasury and other governmental offices in St. Louis, Mo., upon the site theretofore acquired for that purpose, the Secretary of the Treasury may have said building so constructed as to omit accommodations for the Subtreasury.

The SPEAKER. The bill is on the Union Calendar, and the House will automatically resolve itself into the Committee of the Whole House on the state of the Union, and the gentleman from Kansas [Mr. CAMPBELL] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 484, with Mr. CAMPBELL of Kansas in the chair.

The Clerk reported the title of the bill.

Mr. LANGLEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDREWS of Nebraska. Mr. Chairman, just a word of explanation in regard to the bill.

Mr. EMERSON. Mr. Chairman, is this the bill that the gentleman from Missouri [Mr. DYER] tried to get up last evening?

Mr. ANDREWS of Nebraska. Yes. Some Members seem to have the impression that this is a new enterprise. It is not. It was fully provided for in the act of March 3, 1913. The limit of cost for the building is $1,000,000. The site has been secured. Nothing has been done toward the construction of the building. This bill provides for the elimination from the law of March 3, 1913, of the provision relating to the Subtreasury. To carry out the provisions of the law as it stands, we would need to construct vaults and to purchase bank fixtures, all of which would be quite expensive, requiring the use of considerable space that could otherwise be used by clerks. This bill proposes to eliminate that provision, and gentlemen may ask why. It appears that the establishment of a Federal reserve bank in St. Louis has reduced the work of the Subtreasury to such an extent that the quarters that it then occupied and that it still occupies are fully adequate to its needs. It is proposed, therefore, to amend this law so that the expense of construction will be reduced by avoiding the use of the vaults and the bank fixtures, and utilizing that space for clerks. That will enable us, in the judgment of the Secretary of the Treasury, to provide space for all of the Government activities in the city of St. Louis. We are now paying out a little over $28,000 a year for rent for quarters for clerks in other departments of the service. This provision will bring the whole range of Government activities into the new building when constructed. The bill will not advance appropriations a single dollar. The economy thus provided, in the judgment of the committee, urges the passage of the bill.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. DYER. I just want to state that this bill was prepared at the Treasury Department and is recommended by the Secretary of the Treasury.

The CHAIRMAN. The Clerk will read the bill for amendment.

Mr. WALSH. Mr. Chairman, I assume that gentlemen who are opposed to this measure are entitled to one hour under the rule? I am not opposed to it, but I want any gentlemen who are to have that opportunity.

Mr. LANGLEY. No one is opposed to it.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That in carrying out that provision in the act of Congress approved March 4, 1913 (37 Stats., p. 886), which authorized the construction of a building for the United States Subtreasury and other governmental offices in St. Louis, Mo., upon the site theretofore acquired for that purpose, the Secretary of the Treasury may have said building so constructed as to omit accommodations for the Subtreasury.

Mr. LANGLEY. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 484) to provide for the erection of a Federal office building on the site acquired for the Subtreasury in St. Louis, Mo., and had directed him to report the same back to the House without amendment, with the recommendation that the bill do pass.

Mr. LANGLEY. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. LANGLEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

ENROLLED JOINT RESOLUTION SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 213. A joint resolution continuing temporarily certain allowances to officers of the Navy and Marine Corps.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 3418. An act to amend an act entitled "An act to provide for the lading or unlading of vessels at night, the preliminary entry of vessels, and for other purposes," approved February 13, 1911; to the Committee on Ways and Means.

S. 3371. An act authorizing Gordon N. Peay, jr., his heirs and assigns, to construct, maintain, and operate a toll bridge and approaches thereto across the White River; to the Committee on Interstate and Foreign Commerce.

LEAVES OF ABSENCE.

Leave of absence was granted, as follows:

To Mr. ASHBROOK, indefinitely, on account of important business.

To Mr. OLIVER, for three days, on account of important business.

To Mr. WALSH, for two days, on account of official business.

To Mr. FIELDS, for to-day, on account of illness.

ADJOURNMENT.

Mr. LANGLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Thursday, December 18, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting estimate of appropriation for the relief of contractors, Treasury Department, for inclusion in urgent deficiency bill (H. Doc. No. 526); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of communication from the Secretary of Agriculture submitting a deficiency estimate of appropriation required by the Bureau of Crop Estimates for the fiscal year 1918 (H. Doc. No. 527); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of communication from the Secretary of the Navy submit-

ting an estimate of appropriation to reimburse A. Besalu & Co., of Santiago de Cuba, for damage done by collision with Marine Corps truck (H. Doc. No. 528); to the Committee on Claims and ordered to be printed.

4. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Colorado River, Tex., from its mouth as far up as is practicable, with a view to removing the raft, including consideration of any proposition for cooperation on the part of local or other interests (H. Doc. No. 529); to the Committee on Rivers and Harbors and ordered to be printed, with accompanying paper and without illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. LEHLBACH, from the Committee on Reform in the Civil Service, to which was referred the joint resolution (H. J. Res. 263) extending the time for filing final report of the Joint Commission on Reclassification of Salaries, created by section 9, Public, No. 314, Sixty-fifth Congress, approved March 1, 1919, to a date not later than March 12, 1920, reported the same without amendment, accompanied by a report (No. 507), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CURRY of California, from the Committee on the Territories, to which was referred the bill (H. R. 10873) to provide for the acquisition by the United States of private rights of fishery in and about Pearl Harbor, Territory of Hawaii, reported the same with amendments, accompanied by a report (No. 508), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9658) granting an increase of pension to Clara J. Sitton; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10900) granting a pension to Emma Bouse; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11006) granting a pension to Augustus O. Hartel; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11095) granting an increase of pension to Theresa Brisbois; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11271) granting a pension to Adam Perry Kaufman; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HOCH: A bill (H. R. 11273) to prescribe certain conditions upon which newspapers and periodicals shall be entitled to the privileges of the second-class postage rate; to the Committee on the Post Office and Post Roads.

By Mr. WOOD of Indiana: A bill (H. R. 11274) providing for the extension and enlargement of the post office and court building at Hammond, Ind.; to the Committee on Public Buildings and Grounds.

By Mr. ROGERS: A bill (H. R. 11275) to amend section 4 of the act entitled "An act to provide for a uniform rule for the naturalization of aliens throughout the United States, and establishing the Bureau of Naturalization," approved June 29, 1906, as amended, and section 2 of the act entitled "An act to amend the naturalization laws and to repeal certain sections of the Revised Statutes of the United States and other laws relating to naturalization, and for other purposes," approved May 9, 1918, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. LANGLEY: A bill (H. R. 11276) to amend an act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1919, and prior fiscal years, and for other purposes, approved July 11, 1919; to the Committee on Public Buildings and Grounds.

By Mr. HICKS: A bill (H. R. 11277) to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts; to the Committee on the Judiciary.

By Mr. IRELAND: A bill (H. R. 11278) authorizing the Secretary of War to donate to the town of Wyoming, Ill., one German cannon or fieldpiece and shells; to the Committee on Military Affairs.

By Mr. FISHER: A bill (H. R. 11279) to authorize the Secretary of the Treasury to acquire by gift a suitable tract of land in or near city of Memphis, Tenn., and to construct thereon a hospital, etc.; to the Committee on Public Buildings and Grounds.

By Mr. KETTNER: A bill (H. R. 11280) to amend paragraph 75 of the act approved October 3, 1913, entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes"; to the Committee on Ways and Means.

By Mr. BEGG: A bill (H. R. 11281) to prohibit seditious acts against the Government and Constitution of the United States, the promoting thereof, the use of the mails and interstate traffic therefor, provide punishment therefor, and for other purposes; to the Committee on the Judiciary.

By Mr. FORDNEY: A bill (H. R. 11282) to replace section 1 of the act entitled "An act fixing the compensation of certain officials in the Customs Service, and for other purposes," approved March 4, 1909, and the amendment thereto approved September 8, 1916; to the Committee on Ways and Means.

By Mr. TAGUE: Memorial from the Legislature of the State of Massachusetts, regarding the Boston Navy Yard; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CAMPBELL of Kansas: A bill (H. R. 11283) for the relief of Jacob Scott; to the Committee on Military Affairs.

By Mr. COLE: A bill (H. R. 11284) granting an increase of pension to Joseph E. Crow; to the Committee on Invalid Pensions.

By Mr. GOODYKOONTZ: A bill (H. R. 11285) granting a pension to Susanah Raines; to the Committee on Pensions.

By Mr. HERSEY: A bill (H. R. 11286) granting an increase of pension to Cassie R. Hatch; to the Committee on Invalid Pensions.

By Mr. IRELAND: A bill (H. R. 11287) granting a pension to Charles A. Rogers; to the Committee on Pensions.

By Mr. KENNEDY of Rhode Island: A bill (H. R. 11288) granting an increase of pension to Lewis W. Taft; to the Committee on Pensions.

By Mr. KETTNER: A bill (H. R. 11289) granting a pension to Eleanor Peel; to the Committee on Invalid Pensions.

By Mr. LONERGAN: A bill (H. R. 11290) granting a pension to George F. Smith; to the Committee on Pensions.

By Mr. McCLINTIC: A bill (H. R. 11291) granting an increase of pension to William A. Karnes; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 11292) granting an increase of pension to George R. Driver; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 11293) granting an increase of pension to Sarah E. Frost; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 11294) providing for the purchase of certain inventions, designs, and methods of aircraft, aircraft parts, and aviation technique of Edwin Fairfax Naulty and Leslie Fairfax Naulty, of New York; to the Committee on Military Affairs.

By Mr. SELLS: A bill (H. R. 11295) granting an increase of pension to John F. Dile; to the Committee on Pensions.

By Mr. WASON: A bill (H. R. 11296) granting an increase of pension to Nelson B. Hackett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11297) granting a pension to Daniel F. Healy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11298) for the relief of William H. Philbrick; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

454. By the SPEAKER (by request): Petition of Porto Rico Sugar Growers' Association, protesting against the continuation

of the equalization board for the control of sugar prices for the 1920 crop; to the Committee on Agriculture.

455. Also (by request), petition of delegates of the First National Labor Party Convention, protesting against the actions of Judge Anderson and others in regard to the coal strike; to the Committee on the Judiciary.

456. By Mr. BARBOUR: Petition of California Fruit Exchange, favoring establishment of two experimental vineyards at Fresno and Oakville, Calif.; to the Committee on Agriculture.

457. Also, petition of Modesto Parlor, No. 11, Native Sons of the Golden West, opposing all organizations teaching anarchy or revolution; to the Committee on the Judiciary.

458. Also, petition of Hanford Lodge, No. 1250, Benevolent and Protective Order of Elks, protesting against the spread of disloyalty and seditious sentiment; to the Committee on the Judiciary.

459. Also, petition of Fresno Lodge, No. 439, Benevolent and Protective Order of Elks, protesting against the spread of disloyalty and seditious sentiment; to the Committee on the Judiciary.

460. By Mr. BEGG: Petition of John H. Warner Post, No. 169, American Legion, Tiffin, Ohio, urging drastic action in suppressing the activities of the I. W. W.s, Bolshevists, and other cliques of radicals; to the Committee on Immigration and Naturalization.

461. By Mr. CANNON: Petition of United Brick and Clay Workers of America, Local Union 115, of Danville, Ill., favoring impeachment of Judge Anderson; to the Committee on the Judiciary.

462. By Mr. COLE: Petition of Warren Lodge, No. 295, Benevolent and Protective Order of Elks, condemning activities of I. W. W. and Bolshevists; to the Committee on the Judiciary.

463. Also, petition of Association of Ohio Technical Societies, favoring Senate bill 2232; to the Committee on Public Buildings and Grounds.

464. By Mr. CRAGO: Petition of Gold Star Memorial Association of Birmingham, Ala., urging that steps be taken to return bodies of our dead soldiers to America; to the Committee on Military Affairs.

465. By Mr. CULLEN: Petition of S. Bresler and others, of Brooklyn, N. Y., regarding bonus for soldiers; to the Committee on Military Affairs.

466. Also, petition of Union National Association of Post Office Clerks of Brooklyn, N. Y., regarding salary question for postal clerks; to the Committee on the Post Office and Post Roads.

467. By Mr. ESCH: Petition of the Silk Association of America, regarding daylight saving; to the Committee on Interstate and Foreign Commerce.

468. By Mr. FULLER of Illinois: Petition of the St. Paul Association, concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

469. Also, petition of the Franklin Motor Car Co. and E. V. Price Co., of Chicago, Ill., favoring Madden bill for 1-cent postage; to the Committee on the Post Office and Post Roads.

470. By Mr. HERNANDEZ: Petition of Raton Chamber of Commerce, favoring House bill 10650; to the Committee on the Judiciary.

471. By Mr. JOHNSTON of New York: Petition of sundry citizens of New York, favoring bonus for soldiers; to the Committee on Military Affairs.

472. By Mr. JOHNSON of Washington: Petition of sundry citizens of Nisqually, Wash., opposing Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

473. By Mr. KELLEY of Michigan: Petition of Rev. J. Bradford Pengelly, rector, and 10 other members of St. Paul's Church, of Flint, Mich., in favor of House bill 10477, creating a corps of chaplains in the Army; to the Committee on Military Affairs.

474. By Mr. KETTNER: Petition of Santa Ana Chamber of Commerce, concerning Japanese question; to the Committee on Immigration and Naturalization.

475. By Mr. KING: Petition of sundry citizens of Illinois, favoring legislation to punish usurpation of constitutional power and rights; to the Committee on the Judiciary.

476. By Mr. LUFKIN: Petition of Central Socialist Club, of Haverhill, Mass., favoring amnesty for political prisoners; to the Committee on the Judiciary.

477. By Mr. MORIN: Petition of the local council, Friends of Irish Freedom, Pittsburgh, Pa., D. N. Murphy, president, urging immediate and favorable action on bill introduced by Mr. MASON of Illinois, virtually granting recognition to Ireland as a republic; to the Committee on Foreign Affairs.

478. By Mr. HENRY T. RAINEY: Petition of Ancient Order of Hibernians of Pittsfield, Ill., favoring appointment of a minister to Ireland; to the Committee on Foreign Affairs.

479. By Mr. RAKER: Petition of Pacific American Steamship Co., of San Francisco, Calif., favoring House bill 10532; to the Committee on the Merchant Marine and Fisheries.

480. Also, petition of Pacific American Steamship Co., of San Francisco, Calif., favoring House bill 10534; to the Committee on the Merchant Marine and Fisheries.

481. Also, petition of Private Soldiers' and Sailors' Legion, favoring House bill 10673; to the Committee on Military Affairs.

482. Also, petition of California Fruit Exchange, favoring experimental plants for grape vineyards to be established at Fresno and Oakville, Calif.; to the Committee on Agriculture.

483. By Mr. ROWAN: Petition of American Machinist, regarding disposal of machinery now held in the War Department; to the Committee on Military Affairs.

484. Also, petition of Chamber of Commerce, Washington, D. C., concerning the statutory rule of rate making; to the Committee on Interstate and Foreign Commerce.

485. Also, petition of the American Mining Congress, presenting resolutions on various subjects; to the Committee on Mines and Mining.

486. Also, petition of New York County Organization of the American Legion, favoring universal military training; to the Committee on Military Affairs.

487. By Mr. SCHALL: Petition of Theo. Peterson Post, No. 1, American Legion, favoring legislation to remove radical elements from the United States; to the Committee on Immigration and Naturalization.

488. By Mr. TAGUE: Petition of Bunker Hill Post, No. 26, American Legion, protesting against the methods adopted by the Boston Navy Yard in employing war veterans; to the Committee on Reform in the Civil Service.

SENATE.

THURSDAY, *December 18, 1919.*

(Legislative day of Tuesday, Dec. 16, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Elkins	La Follette	Ransdell
Brandegee	Frelinghuysen	McCormick	Sheppard
Calder	Gay	McLean	Sherman
Capper	Hale	McNary	Simmons
Chamberlain	Harrison	Moses	Smith, S. C.
Cummins	Johnson, S. Dak.	Myers	Trammell
Curtis	Jones, Wash.	Nelson	Watson
Dial	Kellogg	Norris	Wolcott
Dillingham	Knox	Page	

The VICE PRESIDENT. Thirty-five Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. BANKHEAD, Mr. KIRBY, Mr. LODGE, Mr. NEW, Mr. NEWBERRY, Mr. NUGENT, Mr. OVERMAN, Mr. POINDEXTER, Mr. SMOOT, Mr. STERLING, Mr. THOMAS, Mr. WALSH of Montana, and Mr. WILLIAMS answered to their names when called.

Mr. EDGE, Mr. FRANCE, Mr. COLT, Mr. GRONNA, Mr. SUTHERLAND, Mr. FERNALD, Mr. HENDERSON, Mr. KENDRICK, Mr. POMERENE, Mr. HARRIS, and Mr. TOWNSEND entered the Chamber and answered to their names.

Mr. CURTIS. I have been requested to announce that the Senator from Ohio [Mr. HARDING] and the Senator from New Hampshire [Mr. KEYES] are detained from the Senate on official business.

Mr. GERRY. The senior Senator from Kentucky [Mr. BECKHAM], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Maryland [Mr. SMITH], the junior Senator from Kentucky [Mr. STANLEY], the Senator from Utah [Mr. KING], and the Senator from Georgia [Mr. SMITH] are absent on official business.

The VICE PRESIDENT. Fifty-nine Senators have answered to the roll call. There is a quorum present.

AMENDMENT OF FEDERAL RESERVE ACT—CONFERENCE REPORT.

Mr. MCLEAN. The conference report on the disagreeing votes of the two Houses upon the amendments of the House to Senate bill 2472, to amend the act approved December 23, 1913, known as the Federal reserve act, which was originally presented to the House and afterwards to the Senate and adopted early in the week, contains three or four clerical errors. I ask that the pending measure be temporarily laid aside in order

that the Senate may consider a concurrent resolution authorizing the Secretary of the Senate to make the necessary corrections.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. McLEAN. I submit the following concurrent resolution and ask for its adoption.

The resolution (S. Con. Res. 22) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed to enroll the bill (S. 2472) "to amend an act approved December 23, 1913, known as the Federal reserve act," as follows:

Insert the matter proposed by House amendment No. 15, and after "herein," on page 5, line 8, of the engrossed bill, insert "Nothing contained in this section shall be construed to prohibit the Federal Reserve Board, under its power to prescribe rules and regulations, from limiting the aggregate amount of liabilities of any or all classes incurred by the corporation and outstanding at any one time."

On page 5, line 24, of the engrossed bill, strike out the word "not."

On page 5, line 25, of the engrossed bill, after "transacting," insert the word "any."

On page 5, line 25, of the engrossed bill, after "United States," strike out the comma.

On page 6, line 5, of the engrossed bill, restore the matter proposed to be stricken out by amendment No. 21 and insert the matter proposed by said amendment.

Mr. GRONNA. May I ask the Senator from Connecticut if this is new matter or is it merely to correct clerical errors?

Mr. McLEAN. Merely clerical errors.

Mr. KIRBY. I should like to ask whether the matter was left out of the enrolled bill and is matter that has been passed on by both Houses of Congress heretofore?

Mr. McLEAN. It was passed on by both Houses, and if the conference report was strictly followed it would break the sense of the bill. The resolution merely carries out the intent of the report of the conference committee. There is a comma inserted that should be erased, and if the report of the committee was strictly followed there would be a duplication of the word "not" and one proviso would be in the wrong place.

Mr. KIRBY. Would it not be better to have the bill reenrolled than to attempt to correct it in this way?

Mr. McLEAN. What is the suggestion of the Senator?

Mr. KIRBY. My idea is that it is not contemplated that legislation shall be enacted in this manner. The bill has been passed and agreed on by both Houses; and if it has been enrolled that ought to be the final determination, and it becomes a law upon the approval of the President. If it has been incorrectly enrolled, it ought to be reenrolled.

The VICE PRESIDENT. It has not been yet enrolled and the resolution is to correct certain errors. There is no doubt about the report of the conference committee being incorrect in the particulars named.

Mr. KIRBY. I have no objection to the resolution.

The concurrent resolution was considered by unanimous consent and agreed to.

SUGAR EQUALIZATION BOARD.

Mr. McNARY obtained the floor.

Mr. FERNALD. Will the Senator from Oregon yield to me for a moment?

The VICE PRESIDENT. The Chair understands that it is not on the calendar, and so the Chair is not to blame for it, but there was a unanimous-consent agreement to take up the sugar question at 11 o'clock, and nothing will interfere with that now.

Mr. HARRISON. Is Senate bill 3284 before the Senate?

The VICE PRESIDENT. The amendment of the House of Representatives to the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, is before the Senate.

Mr. HARRISON. I move that the Senate concur in the amendment of the House of Representatives.

The VICE PRESIDENT. The question is on the motion of the Senator from Mississippi to concur in the amendment of the House of Representatives.

Mr. RANSDELL. Mr. President, I wish to have something to say before the Senate votes on that measure.

Mr. President and Members of the Senate, I hope that the Senate will very carefully consider this matter before it follows the unusual proceeding of accepting the House bill on a very important measure like this. The Senator from Mississippi [Mr. HARRISON] yesterday in debating this question stated that the House had passed the bill in 48 hours. I believe they did pass it in 48 hours. Far be it from me to criticize anything done by the House——

Mr. THOMAS. Mr. President, I suggest that the Senator from Louisiana suspend until the private business of individual Senators is transacted.

The VICE PRESIDENT. Is that a motion?

Mr. THOMAS. I will make it as a motion if necessary.

The VICE PRESIDENT rapped with his gavel.

Mr. RANSDELL. I thank the Senator from Colorado. I should like to have Senators listen to me, as this matter is quite an important one. It will violate all the precedents of our country if we pass this House bill, and I should at least like to have Senators understand what they are doing should they vote to adopt the amendment of the House. I can not believe the Senate will ever do such a thing.

I was proceeding to say that the House had acted upon this very important measure in two days' time—in 48 hours. The bill was before the Senate Committee on Agriculture and Forestry for quite a while. We had rather extended hearings, which embrace two big pamphlets which I hold in my hand [exhibiting], one containing 164 pages and the other containing 81 pages. The Senate Committee on Agriculture and Forestry debated the question very thoroughly for a number of days. It then reported a bill to the Senate authorizing the Sugar Equalization Board to be extended for one year and to purchase whatever sugar may be necessary to give to the American people all of that commodity they need.

The bill came up before the Senate several days ago; it was slightly modified on the motion of the Senator from Tennessee [Mr. MCKELLAR], so as to abolish the zone system now in vogue under the administration of the Sugar Equalization Board, and was passed. The bill was sent to the House, which struck out all after the enacting clause and included in the terms of the bill which they present to us an extension for one year of the license provision of the Lever Food Control Act.

Before entering into a general discussion of the bill I want to read to the Senate exactly what the provision of the Lever bill is. I wish also to compare the Senate provision in regard to the license clause of the Lever bill with the House provision. This is the provision in the Senate bill, which we passed:

Provided, That after the passage of this act neither the President nor the corporation shall have or exercise, either directly or indirectly, with respect to raw or refined sugar, sirups, or molasses, any of the powers conferred upon the President by section 5 of an act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917.

I call the attention of the Senate to the fact that this clause specifically provides that none of the powers heretofore exercised under the food-control bill, to wit, the powers of regulation, of license and control, shall be exercised by the Sugar Equalization Board. We particularly placed our disapproval upon the further exercise of that war statute, a law which could only be justified by the needs of our country during the period of the world's greatest war, a war which ceased more than 13 months ago. Now, what does the House do in its bill? Let me read its provisions on that subject:

Sections 5 and 10 of the act entitled "An act to further provide for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, as far as the same relates to raw or refined sugar, sirups, or molasses, are hereby continued in full force and effect until December 31, 1920, notwithstanding the provisions of section 24 of said act.

Think of it, Senators! The provisions of this very drastic and unusual measure, absolutely unjustifiable except by the exigencies of war, are to be continued for a period of fully two years and two months after the close of the war.

Do we apply this drastic measure to all food products? Is it a general bill, fair and equal in terms to all? No. It is confined to sugar, sirups, and molasses. If there ever was attempted in this country a piece of indefensible class legislation, this bill in the form presented by the House is such an attempt.

The very principles on which our Government was founded are fair play and equal treatment to all men and to every kind and class of business. What right have we to single out the sugar industry, the sirup industry, the molasses industry, and inflict this unwarranted punishment on them by placing their business in peace times, long after the close of the war, under a war board which will have authority of espionage, the right to enter the private premises of anyone dealing in sugar, sirups, or molasses, and the power to license or to refuse a license to those engaged in any of these businesses? It is very easy for us to refuse to be disturbed when the other fellow's ox is being gored, but when it comes home to us and our ox is being gored it is not so simple.

I wish to call the attention of the Senate to the fact that until very recently sugar has been certainly the cheapest food commodity on the market. It has been a great deal cheaper in proportion than butter, eggs, bacon, lard, beef, meal, and flour, or any of the other usual food commodities. It is not as high now as many other foodstuffs. Butter and eggs are more necessary

to maintain human life than sugar, and they are very much higher at present than sugar.

If we are to single out sugar and place it under Government control, regulation, and license, why do we not single out butter and eggs, for instance? Why do we not continue for another season the regulation and control of wheat, which our friends from the wheat-growing section have considered—and I believe justly so—disastrous to their business?

Why do we not provide for Government regulation and control of the shoe industry? There is the greatest complaint that people are required to pay exorbitant prices for their shoes. I heard a young person no longer ago than this morning say, in speaking of Christmas, "Oh, this is going to be a sad Christmas for the poor, as everything is so high that a poor person can not even look at anything. They are not able to buy it, and they can not even look at it." Everything is abnormally high; so, if you are going to license sugar, if you are going to control the price of sugar because it seems to you to be a little high, why not control everything? Why not at one fell swoop put the Government into the business of buying, furnishing, and supplying food to the people of the country? Why not put it into the business of selling all the clothing the people need, of selling all the shoes that they need? Why not have a great, broad power, a "big father" here in Washington, doing all the business which the people generally have done heretofore for themselves?

Of course, such an idea as that is so ridiculous that it would be resented by any reasonable person; but, let me ask, Is there any reason why you should single out one commodity and not extend the principle to others? Is there any overweening necessity for such a thing?

I am perfectly willing to admit that in times of great public necessity nations are sometimes forced to let the law slumber in the face of the national needs, but no such situation exists now. There is plenty of sugar on the American Continent—I mean continental United States and our insular possessions and the island of Cuba. We could get along, if necessary, with a great deal less sugar than we are consuming to-day. Sugar is not generally considered to be a necessity of life but rather a luxury. I have always thought myself that it was a very healthful article of food, and certainly a very delicious article of food; but I believe that the human race could exist indefinitely if there were not a pound of sugar in the world. We could not exist indefinitely if there were not flour and meal and meat. They are necessities, but sugar is not.

However, if for the sake of argument we grant that sugar is a necessity to some extent, let us see why we should violate all rule and precedent, and pass this law in the form provided by the House, in order to secure that necessity.

There are in the United States a great many people engaged in the production of beet sugar. From the best information available the present Cuban crop is 4,500,000 tons. Cuba, of course, being so close to us, and in a way under our tutelage, we feel that we have a right to expect that if there be any favoritism it will be shown to us. It surely is an open market where all people can go and buy sugar, and there are 4,500,000 tons in the growing crop of Cuba, ready to be consumed by the world next year. It is estimated that the local consumption in Cuba amounts to 150,000 tons, so this will leave for export 4,350,000 tons.

Mr. Zabriskie, president of the United States Sugar Equalization Board, stated recently in one of the public hearings before the Senate Committee on Agriculture and Forestry that about one-fourth of this Cuban crop had been sold, partly to European countries and in part to American refiners. Deducting this one-fourth—1,087,500 tons—we have in Cuba still remaining for export 3,262,500 tons. But do not overlook the fact that of the 1,087,500 tons already sold a portion thereof, according to Mr. Zabriskie, was bought by the American refiners, and is doubtless in this country ready to be sold to American consumers.

The Government estimates of the domestic sugar crop of the United States and its possessions are as follows, in short tons:

Beet crop of the United States, 953,000 tons.

Louisiana cane crop, 138,000 tons.

I wish to remind the Senate at this point that the Louisiana crop is usually upward of 300,000 tons; but, owing to the most unfavorable season in the history of the industry for a great many years, the crop is reduced more than one-half. It rained incessantly in the cane-sugar section of Louisiana and the people there have made a disastrously short crop. I understand that since this estimate was made the continued rain and the continued warm weather have caused the cane further to deteriorate, have kept it growing, have kept it so green that very little saccharine was formed in it, and the crop is really very much less than 138,000 tons. For the sake of the argument, however, I am treating it as being 138,000 tons.

The Hawaiian cane crop is 600,000 tons.

The Porto Rican cane crop is 300,000 tons.

This makes a total of 1,991,000 tons of domestic sugar, but takes no account of the Philippine crop, which is also domestic. I do not estimate the Philippine cane crop for the reason that the cost of transportation is so great that I am willing to assume that most, if not all, of the Philippine sugar will be sold abroad.

That gives us, then, available in Cuba 3,262,500 tons, and the domestic crop 1,991,000 tons. Reducing it to long tons of 2,240 pounds each, it leaves for distribution in this country a total of 5,040,200 tons.

Mr. POMERENE. Mr. President, will the Senator yield for a question?

Mr. RANSDELL. I shall be very glad to yield to the Senator.

Mr. POMERENE. I heard the statement from some authentic source the other day, as I thought—of course, it is only, I assume, an estimate—that the Louisiana crop this year would amount to 100,000 tons. The Senator has just made the statement that it was 138,000 tons. I assume that is the Senator's best judgment about it?

Mr. RANSDELL. I will say to the Senator that I was giving the reports of the Government. I said that my best judgment was that it was less than that.

Mr. POMERENE. Oh, I did not understand that.

Mr. RANSDELL. These are the Government figures that I am quoting.

Mr. POMERENE. Very well; that answers my question. Now, then, can the Senator tell us what portion of this crop has been marketed?

Mr. RANSDELL. I judge, from the best information I have been able to obtain, that something like two-thirds of the crop has been marketed; but I am going to ask my colleague, who is more familiar with that than I am, to say what percentage of the Louisiana cane crop he thinks has been marketed up to date. Will my colleague kindly answer that question?

Mr. GAY. Mr. President, I think perhaps not that much sugar has been marketed, owing to the fact that it has been difficult to get cars to move the sugar. I think it would be fair to say that two-thirds has been manufactured, but I doubt if two-thirds has reached the market.

Mr. POMERENE. What would be the Senator's judgment, if I may ask, as to the amount which has in fact been either sold or marketed by the manufacturers?

Mr. GAY. I have no accurate figures here. I suppose about half.

Mr. POMERENE. Then may I ask another question? Can either of the Senators tell me at what figure this has been sold?

Mr. RANSDELL. I understood that the producers were selling that sugar in the raw state at 17 cents a pound wholesale and the refined sugar at 18 cents. I would like to say to the Senator in this connection that early in the season, I think as much as a couple of months ago, the two Senators from Louisiana and Congressman MARTIN, who represents the big sugar district of Louisiana, had several conferences with representatives of the Department of Justice. We had understood that the department was going to prosecute any persons who profiteered in food products of any kind. Sugar being a food product, it was naturally supposed that our people would be prosecuted if they engaged in profiteering. We pride ourselves on being a very law-abiding, patriotic people in that State, and we desired to avoid all trouble; we wanted to cooperate, as well as we could, with the administration of justice. So we called on the Attorney General and asked him if he would not have the Federal district attorney in New Orleans, Hon. Harry Mooney, ascertain, in any way that he could, by calling in witnesses, by conferring with sugar growers, by asking the advice of disinterested people who are familiar with the product, at what price the Louisiana sugar producer could sell his sugar and yet not subject himself to the charge of profiteering. That hearing was held by Federal District Attorney Mooney, and he came to the conclusion, after a thorough investigation, that if the people of Louisiana sold at an average of 17 cents for the raw sugar, or 18 cents for the refined sugar to the wholesalers, it would not be profiteering. So the people down there adopted that as their general price, and, so far as I am informed, have marketed the crop that has been marketed so far at those prices.

Mr. POMERENE. One broker in the city of Columbus some time ago issued a statement to the trade to the effect that he had at that time bought 15,000 barrels of Louisiana sugar at, I think, 17½ cents or 18 cents, but I am not clear about that. It was either the one figure or the other.

Mr. RANSDELL. He naturally bought the refined sugar, I will say to the Senator, and that would have been 18 cents.

Mr. POMERENE. If I may pursue my inquiry a little further, the Senator has indicated that in his judgment the figures 138,000 were in excess of the actual crop in Louisiana.

Mr. RANSDELL. I think so.

Mr. POMERENE. What is the Senator's judgment as to the actual crop?

Mr. RANSDELL. That would be very much of a guess. I was influenced a good deal in arriving at that opinion by a statement made by Congressman MARTIN, who is a conservative man and very well posted. He told me that for a while they thought they were going to make upward of 40 per cent, but owing to the continued rains and the untoward season, many of them would not make more than 25 per cent of their crop, and it would be very much less than 138,000 tons. But he did not say how much it would be, and I could not even guess, but considerably less than 138,000 tons.

Mr. POMERENE. That is the Senator's judgment?

Mr. RANSDELL. Yes, sir.

Mr. POMERENE. I can understand that neither Representative MARTIN nor the Senator could get at the exact figures.

Mr. RANSDELL. No, sir; we could not get the exact figures.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Oregon?

Mr. RANSDELL. I yield to the Senator.

Mr. McNARY. I simply want to supplement the statement of the Senator from Louisiana [Mr. RANSDELL] by remarking that all those who appeared before the Committee on Agriculture of the Senate agreed that the crop this year, the 1919-20 crop, I will call it, in Louisiana, will be about 100,000 tons.

Mr. SMOOT. That is, for the year 1919?

Mr. McNARY. For 1919.

Mr. GAY. Mr. President——

Mr. RANSDELL. I yield to my colleague.

Mr. GAY. The statement of the Senator from Oregon is absolutely correct; but I want to say that since the harvesting season has commenced I think they have found that they overestimated the crop.

Mr. RANSDELL. Will the Senator please state what were the reasons for the overestimate?

Mr. GAY. The tonnage was lighter per acre than was anticipated and, due to the prolonged wet season, the sucrose in the cane was much less than normal. I think that accounts for the overestimate.

Mr. RANSDELL. I should like to ask the Senator if normally we do not have a dry fall, with usually fairly early cool spells, which cause the cane to ripen and develop the sucrose, and if there was not an absence of both dryness and cool weather this fall.

Mr. GAY. It has rained in Louisiana since the beginning of October, 1918, almost constantly. There have been more than 100 inches of rainfall in some sections of the State, where the average rainfall should be between 50 and 60 inches. The fall of 1919 was very hot, as it was throughout the entire country, and the great amount of rain kept crops of all kinds in a growing condition, so that they did not have an opportunity to mature. The harvest season commenced toward the latter part of October, and the yield has been most disappointing, both in tonnage and in sucrose in the cane.

Mr. RANSDELL. I thank the Senator for that statement.

The VICE PRESIDENT. The Chair recognizes the propriety of a presiding officer keeping silent, but now and then the presiding officer has to vote on a bill. I want to make an inquiry. Have we a Department of Justice that consults with people in the United States and determines the price at which they can sell goods, and promises immunity if they do not sell at higher prices?

Mr. RANSDELL. I do not know that we have, in answer to the question of the presiding officer; but I must say that I can not see that there was any impropriety whatever in the Department of Justice, when requested by representatives of this great Louisiana industry, having that informal inquiry conducted.

Mr. SMOOT. Mr. President——

Mr. RANSDELL. Will the Senator wait just a moment? The Department of Justice, I will add, did not voluntarily do that. It did not interfere, or attempt to interfere; but the Department of Justice is charged with the duty of prosecuting all profiteers.

Owing to the remarkable conditions in Louisiana, it was extremely difficult for our people to say what would constitute profiteering in that State. I do not think the Department of Justice wished to attempt to prosecute any people unless they had been acually guilty of profiteering.

The Vice President will readily understand that when a normal crop is made, you might sell that sugar at around 10 cents, as I understand the beet sugar people were very willing to do, and come out with a reasonable profit; you might sell the Porto Rican sugar around 10 cents and come out with a reasonable profit, because they have a normal crop; the Hawaiian sugar might be sold around 10 cents and come out with a fair profit, because the crop is normal. But with the vexatious conditions I have attempted to describe, and which my colleague has corroborated, of long-continued rains, it made a difference. I know in my part of Louisiana it rained for more than 12 months. It has been raining nearly all the time since the 1st of October, 1918, and it is raining yet; and with unusually warm weather, keeping the cane growing all the time. Such adverse conditions were present that we did not know what would be profiteering.

So in our distress and in our desire not to break the law, we called in this friendly manner upon the Department of Justice, and that action was taken. There was no price fixing, I may say, but it was simply a statement that if the people there did not sell their sugar at a price higher than 17 cents, it would not be considered profiteering. I yield now to the Senator from Utah.

Mr. SMOOT. In further answer to the question propounded by the Vice President, I wish to say that the Lever bill, as amended, and now in force, authorizes the Attorney General to bring suit against profiteers in food products and, of course, that includes sugar.

I wish to say that the Attorney General issued a statement to every beet sugar manufacturer in the United States, and called their attention to the fact that if they profiteered on sugar, the Department of Justice would proceed against them as profiteers in the selling of sugar. No beet sugar producer thought of profiteering; no beet sugar producer wants to profiteer; but the power is lodged with the Department of Justice to prosecute any profiteer selling food products in the United States. If I were a Senator from a State where the people were being compelled to pay 27 cents a pound for sugar, I would see that some action was taken against the profiteers, as there is no justification for selling sugar at that price, even though they paid 17 cents a pound for the Louisiana sugar.

Mr. HARRISON. Mr. President——

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Mississippi?

Mr. RANSDELL. I yield to the Senator from Mississippi.

Mr. HARRISON. I merely desire to say, in answer to the Senator from Utah, that if he were a Senator in a State where the people were being profiteered upon to the extent of 27 cents a pound for sugar, he would see that they were prosecuted. I know that the Senator would be very alert; he would probably serve his people better than any other Senator would. But I want to say that in my State I have taken up with the Department of Justice every instance that came to my notice. I wish I knew more to do to have this legislation passed. I have done my part in the matter, and I wish they could be prosecuted and will be prosecuted.

Mr. SMOOT. I want to say to the Senator that I had no idea of casting any reflection upon the Senator from Mississippi.

Mr. HARRISON. That is about the third time the Senator from Utah has made that statement. The Senator from Mississippi has stated several times that he took it up with the Department of Justice. I could not do any more than that or I would have done it.

Mr. SMOOT. That is exactly what the Senator from Utah would have done, too, Mr. President.

Mr. POINDEXTER. Mr. President, will the Senator from Mississippi allow me to ask him a question?

Mr. HARRISON. If the Senator from Louisiana will yield.

Mr. RANSDELL. I yield to the Senator from Washington.

Mr. POINDEXTER. Did the Senator from Mississippi obtain any explanation from the Department of Justice as to why they did not proceed against these profiteers?

Mr. HARRISON. I will say that the Department of Justice say that they are making an investigation of it and expect to proceed against these people, and to convict them if possible.

Mr. POINDEXTER. But they have taken no action?

Mr. HARRISON. The grand jury probably has not met since that time. I think the Department of Justice is really trying to do what it can. I have faith in the Department of Justice in the matter.

Mr. GAY. Mr. President——

Mr. POINDEXTER. Just one moment.

Mr. RANSDELL. I yield further to the Senator from Washington.

Mr. POINDEXTER. The Senator from Mississippi, I infer from what he says, admits that he has been able so far to obtain no relief from the Department of Justice. I should like to ask the Senator from Mississippi whether he has applied to the Sugar Equalization Board?

Mr. HARRISON. The Sugar Equalization Board has no authority to prosecute people. They are not extending the license system at this time. They are not functioning at this time.

Mr. POINDEXTER. Has the Sugar Equalization Board the same authority that is proposed to be conferred upon them under this act?

Mr. HARRISON. They could exercise the authority until the Lever Act expired, which would be at the termination of the war or the signing of the treaty of peace.

Mr. POINDEXTER. In other words, the Sugar Equalization Board, during all the time when these abuses existed, had the opportunity and the authority, if they chose to exercise it, to proceed to remedy the situation in the way that the Senator from Mississippi hopes will be followed under the act now pending; but yet they have not done it? I am asking for information.

Mr. HARRISON. The Senator is very much mistaken. The Sugar Equalization Board, as long as they functioned, maintained a price to the consumer of 9 cents a pound. Not only that, but they turned into the Federal Treasury $38,000,000. Congress did not act and pass legislation extending the food-control act through next year, which they all agreed would be necessary in order to purchase the Cuban crop of sugar, so that if they did purchase the Cuban crop of sugar they could regulate and control that crop. When they failed to get that legislation and the board apparently was about to cease to function, the prices began to soar and the people were compelled to pay the exorbitant prices that have been paid recently.

Mr. POINDEXTER. My understanding is, and I will drop the matter with this remark, that whether they exercised the power or not they had the power, and the failure to exercise it was upon the responsibility of the Sugar Equalization Board.

Mr. HARRISON. The failure since the 3d day of October has not been with the Sugar Equalization Board or anybody else except the American Congress.

Mr. SMOOT. I take it for granted that the Department of Justice keeps informed as to the amount of sugar in the world and the trend of prices of sugar in the markets of the world. If the Senator will permit me——

Mr. RANSDELL. I yield to the Senator from Utah.

Mr. SMOOT. I have just telephoned to New York to find out the prices on Cuban sugar to-day for December delivery, January delivery, and February to June of next year delivery. This is the response that I get:

Cuban sugar for December delivery is being purchased in New York to-day at 10½ cents with a few minor sales reaching as high as 12 cents. For January delivery—that is, next month—the sales are being made at 9 to 10 cents. For February to June delivery, purchases are being made at 8⅞ to 8¾ cents.

Mr. POMERENE. Mr. President——

Mr. RANSDELL. I yield to the Senator from Ohio.

Mr. POMERENE. I ask the Senator, is that raw sugar?

Mr. SMOOT. That is Cuban raw sugar delivered at New York.

Mr. POMERENE. From whom do the quotations come?

Mr. SMOOT. I got them from the American Sugar Refining Co., and they are also confirmed within one-eighth of a cent by the Willett & Gray quotations given on December 11, as I remember.

Mr. POMERENE. Did the Senator have any communication on the subject, may I inquire, with the United States Sugar Equalization Board?

Mr. SMOOT. No; I have not had; but I am quite sure that the junior Senator from Louisiana [Mr. GAY] has before him the issue of the Willett & Gray magazine for December 11 showing the prices, and they are almost identical with the prices that are being paid for sugar in New York to-day.

Mr. RANSDELL. I ask the Senator if Willett & Gray are not considered about the highest authority on sugar in the United States?

Mr. SMOOT. They are the highest authority on sugar in the world, I will say to the Senator.

Mr. McNARY. Mr. President——

Mr. RANSDELL. I yield to the Senator from Oregon.

Mr. McNARY. I should like to know if the prices named by the Senator from Utah are for refined granulated sugar?

Mr. SMOOT. They are for Cuban sugar.

Mr. McNARY. That is not an answer to my question. Are they for refined granulated sugar?

Mr. SMOOT. I will ask the junior Senator from Louisiana [Mr. GAY] to read the Willett & Gray announcement of December 11 and then the Senator will get just exactly what Willett & Gray say.

Mr. RANSDELL. I yield to the junior Senator from Louisiana for that purpose.

Mr. GAY. The Weekly Statistical Sugar Trade Journal, published by Willett & Gray, of December 11, 1919, contains an article headed "Raws," reading as follows:

[From Weekly Statistical Sugar Trade Journal, December 11, 1919.]

Raws: Since our last report we have had quite an exciting market. Trade manufacturers who have recently been purchasing raw sugars for shipment during next year, and having them refined on toll, made urgent efforts during the week to obtain further supplies, particularly for December and early January shipment. Buyers appeared willing to pay as high as 15 cents for prompt-arrival sugars, but, as far as we can learn, there were none obtainable. Cubas for shipment during December at specified dates sold at 12 cents, and very early January shipment at 11 cents, and first-half January shipment at 10 cents, and all-January at 9⅞ cents. All the above quotations f. o. b. Cuba. For the position of February–May the demand has not been so urgent, so that the advance established on these latter shipments has not been so large, as sales were made at 8⅞ cents f. o. b. Cuba, against quotations of 8¼ cents f. o. b. Cuba prevailing last week. As we go to press the market is easier, as the demand has materially slackened. The principal reason for the decreased demand has been the disposition on the part of our refiners to decline any further business on the toll basis. With the inability of manufacturers to have their raws made into refined, naturally their interest in the raw situation decreased.

Quotations at this writing: December, 10½ to 12 cents; January, 9¾ to 10 cents; February–June, 8⅞ to 8¾ cents; all f. o. b. Cuba.

Mr. HARRISON and Mr. McNARY addressed the Chair.

Mr. RANSDELL. I yield to the Senator from Oregon, who has charge of the bill.

Mr. McNARY. It is fair to say in answer to the Senator from Utah [Mr. SMOOT] that this does not refer to refined granulated sugar, which sold for 9 cents last year, but to the raw Cuban sugar which sold for 5½ cents per pound last year. The prices quoted are twice as high as those which the Government paid last year for raw sugar; and it is conformable to the statement I made a few days ago that I thought the whole crop could be had at 10½ cents a pound or less.

I desire to ask the Senator from Utah how extensive are these contracts and what part of the Cuban crop is involved?

Mr. SMOOT. The amount of the purchases is just what is being purchased in New York for the use of the refiners. I took for granted that everybody knew that Cuban sugar delivered at New York always came as raw sugar, and there is $1.54 per hundred pounds allowed between raw Cuban sugar and granulated sugar.

Mr. RANSDELL. May I interpose the remark that that was the refining price last year? I do not know what it is now. It may be higher.

Mr. SMOOT. I will say to the Senator, speaking of sugar produced for the year 1918, that beet-sugar manufacturers paid only $7.50 a ton for beets. For this present crop they paid $10 a ton, and they paid just what Mr. Hoover told them to pay, and they sold their sugar last year at exactly what Mr. Hoover told them to sell for. The beet-sugar manufacturers this year have been willing to sell their sugar at whatever price the Sugar Equalization Board may fix. I told the committee having this matter in charge, speaking for the beet-sugar people of the United States, that the producers were only too glad to sell the sugar at whatever price might be fixed by the Sugar Equalization Board; and they taking that position, we do not want Congress now to force them under a license system.

I will say also that I know they are perfectly willing now that sugar shall be sold to the consumer at a reasonable price. Mind you, the price that I speak of that they are paying now for beet sugar means the price of the sugar refined and delivered at the Atlantic seaboard.

Mr. POMERENE. Mr. President——

Mr. RANSDELL. I yield to the Senator from Ohio.

Mr. POMERENE. I should like to ask two or three questions of the Senator, if I may.

We have just been told that the price of raw sugar in December is 10½ cents, with a few sales at 12 cents. In January the price is 9 to 10 cents, and in February and subsequent months it is still lower.

Of course, as time goes on, from month to month a large part of the sugar will be consumed, and necessarily there will be less sugar available in January or February than there is at the present time. I wish to ask whether the high prices for December sugar do not indicate to the Senator that there is some speculation now which is affecting the price of the sugar?

Mr. RANSDELL. There possibly is. I could not say about that.

Mr. SMOOT. I will say to the Senator from Ohio that it indicates that the refiners of sugar and also those who are interested in sugar see a crop sufficient to meet the demands and more than the demands if the present high prices prevail. Therefore the price of sugar for future delivery is declining; and if the estimates are right as given from several sources, there is ample sugar to supply the world.

Mr. POMERENE. May I ask another question?

Mr. GAY. Mr. President——

Mr. RANSDELL. I will yield later to the Senator from Louisiana, if he will pardon me.

Mr. GAY. I wish to ask a question of the Senator from Ohio.

Mr. RANSDELL. I yield for that purpose.

Mr. GAY. The price at this time shows plainly that the Cubans, in view of the proposed legislation, which I feel confident they are watching very carefully, have offered sugar at the advanced price at which they expect the United States to purchase the entire Cuban crop through the Sugar Equalization Board. If this bill should be enacted into law and become effective at this time we would purchase at advanced prices instead of letting the whole trade go through the ordinary channels. Why project this month's famine price over the entire year?

It is indicated plainly that when the agitation in favor of this bill had ceased the Cubans were very fearful that the Sugar Equalization Board would go out of existence and that they could not sell their crop at the highest price; they were afraid they were going to have to return to the system of buying and selling according to the system of supply and demand.

The refiners have never been talking about 25 or 30 cent sugar. They have not lost their heads in this excitement. They are a canny lot. This is nothing but playing into the hands of the Cuban producers, who would be glad to see the United States buy a year's supply of sugar at the very highest price. When the 1st of February comes it is estimated there will be a great deal more sugar in this country than we can consume in nine months' time. That is the situation at present.

Mr. POMERENE. Mr. President——

Mr. RANSDELL. I yield to the Senator from Ohio.

Mr. POMERENE. Mr. President, I desire to get at the exact truth, if I can; and I want to give to the Senator some figures, if he will be kind enough to follow me.

Mr. RANSDELL. I shall be delighted to do so.

Mr. POMERENE. In Ohio we have, in round numbers, a population of 5,000,000. The annual per capita consumption of sugar being 92 pounds, the total consumption in Ohio is 460,000,000 pounds. A variation in price of 1 cent a pound for the entire consumption in Ohio would mean to the people of Ohio an expenditure of $4,600,000; a variation of 5 cents would mean $23,000,000. The total cost of the entire consumption for one year at 10½ cents, being the price which was fixed for beet sugar, would be $48,300,000. These figures will indicate to the Senator that this is a very serious problem, so far as the people of the State which I have the honor in part to represent are concerned.

Mr. RANSDELL. I desire to ask the Senator at that point if he is figuring the total price for beet sugar at 10½ cents or the advance on what the price ought to be?

Mr. POMERENE. No; I am figuring it merely at 10½ cents. I want to get some figures which we can use as a basis of calculation.

I have said that an advance of 1 cent a pound to the people of my State will mean $4,600,000.

Mr. RANSDELL. May I ask the Senator what he means by "an advance"—an advance of 1 cent a pound on what?

Mr. POMERENE. I do not mean it that way. I mean if we could get it at an increase of 1 cent a pound it would mean $4,600,000, while if it is advanced 2 cents a pound it would mean another $4,600,000.

Mr. RANSDELL. I thought the Senator was establishing a unit. I did not understand him.

Mr. POMERENE. No; I am not. I want to call attention, now, to the situation so far as it affects Louisiana, if I may.

The Senators from Louisiana have given it as their best judgment—and I have put these figures down in pencil as the discussion has been going on—that the total crop of sugar in Louisiana is 100,000 tons, or thereabouts, for this year. Assume that those are the figures.

It is said that up to date 50,000 tons of the sugar have been sold. That would leave only 50,000 tons in prospect from the manufacturers for the general market. At 1 cent a pound that would mean just $1,000,000 on the 50,000 tons, and at 17½ cents a pound it would mean $17,500,000, assuming that it was all to be sold at that price. There would be a difference of $7,000,000 between the 17½-cent price and the 10½-cent price.

I want to apply this to Louisiana. According to the last census the great State of Louisiana had 1,656,388 people; and, with a per capita consumption of sugar of 92 pounds, the total Louisiana consumption would amount to 162,387,696 pounds, or 76,193 tons. If the sugar manufacturers of Louisiana have only 50,000 tons on hand, it indicates that they have on hand only two-thirds enough sugar for the consumption of their own people.

I recognize the fact that this means a good deal to the manufacturers; but does it not occur to the Senators from Louisiana, when the public authorities indicate that beet sugar can be manufactured at 10½ cents a pound, that, if we are to make a price of 17½ cents a pound—and I regret exceedingly that the people of Louisiana have not had a good crop—every time the price is advanced 1 cent above 10½ cents to the people of my State it means $4,600,000; that 1 cent a pound advance means to the people of the entire country $101,200,000, and a 5-cent increase a pound means an advance of $506,000,000? Does it not occur to the Senator from Louisiana that under those circumstances there either ought to be some concession made or something done so that we can relieve the good people of Louisiana, the producers of sugar there, and all the remainder of the people in Louisiana from paying this high price in order to compensate somebody who happens to have a loss? Ought the entire people of 48 States pay tribute in this vast amount because of such loss?

Those are questions which address themselves to my mind as I think about the subject; and their gravity, it seems to me, is momentous. I want to help; but, while there is a duty which we owe to the good sugar planters down in Louisiana, is there not also a duty that they and the sugar producers generally owe to the public at large?

I am obliged to the Senator from Louisiana for permitting me thus to interrupt him. I should be very glad to have the Senator suggest what the United States Congress ought to do under these circumstances that will be fair and equitable and just to all of the people of the United States; for we are interested in all the people of the United States, no matter whether they are in Louisiana or Oregon or Ohio; and I am sure the Senator from Louisiana looks at it in just that light.

Mr. HARRISON. Mr. President, will the Senator from Louisiana yield to me for a moment?

Mr. RANSDELL. No; I can not yield now. I desire to answer the question of the Senator from Ohio first.

Mr. HARRISON. I merely wish to submit a request for unanimous consent.

Mr. RANSDELL. I would rather answer the Senator from Ohio briefly, and then I will give the Senator from Mississippi an opportunity.

Mr. HARRISON. There are only seven minutes remaining to consider this bill under the agreement, and I had hoped that we might agree to vote at a certain time. Would the Senator object to that?

Mr. RANSDELL. I would certainly object to voting at any time. I have not nearly finished my discussion of the question. I have yielded to many Senators, and I should like to go on with the discussion and finish it.

Mr. KIRBY. Mr. President——

Mr. RANSDELL. I will have to decline to yield until I answer the question of the Senator from Ohio.

Mr. KIRBY. I do not wish to ask the Senator a question, but I should like to make a request of the Senate for unanimous consent.

Mr. RANSDELL. I would yield for that purpose.

Mr. KIRBY. It is evident the Senator from Louisiana expects to talk out the time which has been granted for the consideration of the sugar bill and that no action will be taken upon it. I regard this as a more important matter to the people of the United States than the railroad bill, because of the urgency of the situation, and I ask unanimous consent that the time shall be extended one hour further for the consideration of the bill now under discussion.

Mr. RANSDELL. I shall have to object to that, Mr. President.

Now I wish to answer, as well as I can, the very fair, carefully worded question of the Senator from Ohio. He has evidently given great thought to the subject and has stated the question in plain, good language. I wish to say first that the people of Louisiana do not ask that any favor at all be shown to them. They simply ask that the ordinary laws of supply and demand be applied to them in the disposition of one of the great crops of their State.

I think a great deal of the trouble in this matter has grown out of the continuation of Government interference in private matters set up by us under the machinery known as the Sugar Equalization Board. That board has established zones in this country under which the people in the southern portion of the United States are in one zone, those in the North Atlantic section in another zone, and those of the West, in the beet-sugar region, in another. Three zones were established. The Louisiana people did not want the people of the Southern States, and especially of the State of Mississippi, placed in any zone with them, so that they would have to buy from us. We were entirely willing, and are willing now, that all zones be abolished, so that the remnant of the Cuban crop still remaining in the

hands of the Sugar Equalization Board, and which has been sold to the wholesalers at 8.82 cents a pound—that was the price at which we sold the sugar of last year, the beet-sugar crop, the Louisiana crop, and the Cuban crop, 8.82 cents a pound—may be sold anywhere in the country.

Mr. POMERENE. That was done by the Sugar Equalization Board?

Mr. RANSDELL. The Sugar Equalization Board sold what they bought from Cuba at that price, and by agreement with the beet-sugar growers and the Louisiana sugar producers they sold their crops at the same price. The Sugar Equalization Board did not have power to enforce such a price, but we were all patriotic and we said, "We can live at that price for the crop of 1918 and we will sell at that price."

Of course, the Cuban crop has not yet been disposed of; they have some of that crop on hand, and they are continuing to sell it along the Atlantic seaboard, in that particular zone, at that price. The beet crop came in some weeks ago, but there was no arrangement as to the beet crop this year, so they began to sell at 10½ cents a pound. There was no arrangement as to the Louisiana crop of this year, and it was such a complete and thorough failure that we had to get 17 cents, and even then many of our people are losing money. We began to sell at 17 cents, but we did not ask anybody to pay that price unless he desired so to do, I will state to the Senator.

Mr. KIRBY. Mr. President——

Mr. RANSDELL. I decline to yield for the moment. I must try to complete my answer, and then I will gladly yield to the Senator from Arkansas. The sugar producers of Louisiana could have sold the small crop they had to the candy manufacturers and to the soft-drink manufacturers at more than 17 cents, provided they had been allowed to go around the country and pick out such dealers wherever they were found; but most of our people—I do not say all of them, but most of them—tried to comply with the zone system established by the Sugar Equalization Board, and in that zone they sold their sugar at 17 cents.

I grant that it is pretty hard for the people of the United States to have to pay a big price for all their sugar in order to help out the Louisiana producers, but I deny that that is being done. I deny that one-fortieth of the whole can control the situation. I should like to say to the Senator from Ohio that, in round numbers, the United States uses 4,000,000 tons of sugar a year. That quantity will be available this year, for there is plenty of it in sight. Louisiana is making about 100,000 tons, or one-fortieth of the amount consumed. It is perfectly ridiculous to suppose that one-fortieth of the production can control the price. If we do away with the Sugar Equalization Board, do away with the zones, and let the people go freely throughout the country and buy sugar from the beet producers, from the Cubans, from the small amount that we have in Louisiana, there will not be any very great increase in the price—generally, I mean—at least, I do not think there should be. I think that public opinion against profiteering and the laws which I understand we have against profiteering would avail, and those who sold beet sugar or Hawaiian sugar or Cuban sugar at the exorbitant prices that have been mentioned here would be prosecuted.

I am going to ask the Senator this question, because he is a very fair man: Does he blame my constituents, who have suffered the awful losses caused by the God of Nature in almost complete failure of their crops, a loss which enables them only to make about one-third of a normal crop—does he blame them for wishing to sell their crop at a price which will at least enable them to come out whole, when, with that desire, they say to the balance of the country: "We ask no favors. We are perfectly willing to go on the open market with our little one-fortieth of the whole, and if we can not compete, then we will have to suffer the loss"?

The VICE PRESIDENT. The hour of 12.30 o'clock having arrived, and the prophecy of the Senator from Washington [Mr. JONES] having been fulfilled, the Chair lays before the Senate the unfinished business.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. BRANDEGEE. I should like to ask the Senator from Iowa whether I will be interrupting any plan of his if I should present an amendment now? I do not know what order has been reached.

The VICE PRESIDENT. There is an amendment pending, offered by the Senator from Illinois [Mr. MCCORMICK], to perfect the text.

Mr. STANLEY. Mr. President, on yesterday I talked to the Senator from Illinois [Mr. MCCORMICK] and to the Senator from New Mexico [Mr. JONES], both of whom have amendments here to perfect the text, while my amendment is to strike out; and, there being some question about the parliamentary status, the Chair ruled that the amendment offered by the Senator from Illinois was in the nature of an amendment to perfect the text and took precedence over a motion to strike out.

The VICE PRESIDENT. That is true.

Mr. STANLEY. I felt that outside of the parliamentary status this amendment of the Senator from Illinois would itself probably need perfecting, and is subject to amendment and to discussion, and that it would be much better to substitute something in lieu of the provisions of the bill after we had eliminated those provisions. As a matter of legislative procedure, it is unfortunate that the technique of parliamentary procedure prevents the carrying out of that program which I suggested to the Senator from Illinois at the time, before the amendment was offered. He stated yesterday that he was perfectly willing, if it met the approval of the Senator from New Mexico, who had a similar amendment, to withdraw his amendment temporarily and allow a vote on the amendment that I have offered to strike out certain provisions. I will ask unanimous consent that that procedure be followed, since it meets the approval of the proponents of both the other amendments.

Mr. CUMMINS. Mr. President, I do not rise to object to the unanimous consent asked by the Senator from Kentucky, for I do not care how the Senate approaches this question. I understood from the Senator from Illinois last night that he had withdrawn the amendment as offered, but asked to have it printed, so that it would be before the Senate this morning.

Mr. STANLEY. That is the fact.

Mr. CUMMINS. However, it appears from the RECORD that I am mistaken with regard to that.

Mr. STANLEY. I will state to the chairman of the committee that his statement was based upon the statement made to me that he would withdraw it if it met with the approval of the Senator from New Mexico [Mr. JONES], who we thought was here. I did not get to see the Senator from New Mexico until he was just preparing to leave, and by that time the Senator from Illinois was gone, and the agreement was not carried into effect because of other matters, roll calls and the like.

Mr. CUMMINS. I understand that the Senator from Kentucky now asks unanimous consent to present his amendment.

Mr. STANLEY. That is right, notwithstanding the ruling of Chair.

Mr. CUMMINS. And have it voted upon first, notwithstanding the rules of the Senate.

Mr. STANLEY. Yes.

Mr. CURTIS. Mr. President, the Senator from Illinois [Mr. MCCORMICK] is on his way over here from the Office Building. I wondered if this amendment could not, by unanimous consent, be temporarily laid aside, and let us dispose of the amendment which the Senator from Connecticut [Mr. BRANDEGEE] desires to offer.

Mr. STANLEY. I should prefer to let the amendment of the Senator from Illinois remain in abeyance and proceed with this amendment to strike out.

Mr. CUMMINS. I may say further that in a conversation I had with the Senator from Illinois this morning about the matter I understood him to indicate that he was willing that a vote should be had first upon the amendment proposed by the Senator from Kentucky.

Mr. STANLEY. That is correct. The Senator from Illinois said that to me.

Mr. MCCORMICK entered the Chamber.

Mr. CUMMINS. The Senator from Illinois is here now, however, and he can speak for himself.

Mr. STANLEY. I will say to the Senator from Illinois that I have just stated that if it meets with the approval of the Senator from Illinois, and the Senator from New Mexico concurs, I should be glad to have a vote first on the motion to strike out, and then a vote on the amendment offered by the Senator from Illinois.

Mr. MCCORMICK. Mr. President, in order that I may be clear as to the parliamentary status of the amendment which I have offered, let me inquire if I withdraw my amendment for the moment in order to permit a vote on that of the Senator from Kentucky would my amendment then be in order if that offered by the Senator from Kentucky should fail of adoption?

The VICE PRESIDENT. The Senator from Illinois has moved to amend part of the text which the Senator from Kentucky has moved to strike out. If the motion of the Senator from Kentucky is first put and carried, the Senator from Illinois could accomplish his purpose by moving a new amendment embracing the part of the old text which he desires to remain, with the amendment which he desires to add to the old text. That is the only way in which it can be done.

Mr. McCORMICK. That I understand, Mr. President; but if the amendment offered by the Senator from Kentucky should fail of adoption, there is no doubt about my amendment being in order?

The VICE PRESIDENT. Oh, there is no doubt at all.

Mr. McCORMICK. Then, Mr. President, since there are Senators who wish first to vote upon the amendment offered by the Senator from Kentucky, and later, if it fails, to support an amendment like my own or that of the Senator from New Mexico, I will withdraw my amendment in order that that offered by the Senator from Kentucky may be voted upon directly.

Mr. STANLEY. I will say to the Senator from Illinois, in that connection, that if this amendment should prevail, it would not interfere at all with the offering of the subsequent provision and such amendments to it as might be necessary.

Mr. McCORMICK. I understand; but I feel that I owe this courtesy to the Senator from Kentucky.

Mr. STANLEY. I thank the Senator.

The VICE PRESIDENT. The question is on the amendment of the Senator from Kentucky, which will be stated.

The SECRETARY. It is proposed to strike out sections 25, 26, 27, 28, 29, 30, and 31—that part of the bill relating to the settling of disputes and controversies between railways and their employees and creating a committee of wages and working conditions.

Mr. UNDERWOOD. Mr. President, before a vote is taken upon the motion of the Senator from Kentucky [Mr. STANLEY], to strike out the provisions in this bill relating to labor adjustments, I desire to say a few words against the motion.

Since the dawn of civilization, no more difficult problem has faced humanity than the problems involved in labor and its employers. Naturally, there always has been a contention between the employer of labor and the employee. Up to the present time, at least in modern times, the contest between labor and capital, so called, has been settled by force. For many years, in the ages that have passed, labor was not strong enough to exercise its power effectively, and the force of capital dominated it, forced unreasonable and unjust terms on it, and it has only been through the gradual evolution of the rights of labor that it has come to a point where it can fight for itself.

Through the last half century labor has been fighting for itself, until to-day organized labor constitutes the effective force in human endeavor, the dominant force between labor and capital. It may be said that that is not an unjust position for it to occupy, because it has fought its way to that position. It would not be if the only matter in dispute were a fight between labor and capital. If that were all that were involved in the issue, I would not be in favor of the provisions of this part of the bill.

But the issue here goes far beyond the question of labor and capital. As a matter of fact, so far as railroad labor is concerned, it has no issue with invested capital. Theoretically it may have, but as a practical proposition the wages of labor engaged in railroad industry have long ceased to come out of invested capital. They come out of freight rates and passenger rates as prescribed by the Government, either through a director general or through the supervision of an Interstate Commerce Commission. The amount of labor involved and the value of labor's wage in this industry is so great that if it rested for one year upon invested capital it would destroy invested capital. Of necessity it must come out of the earnings of these roads, and the earnings of the roads must come out of the public.

If that is the case, is it fairly stating the proposition to say that labor must still carry its weapon of offense against capital, that the value of its wage must be determined on the battle ground between labor and capital, and then, after the battle is fought and won, the result of the victory must be assessed against the public, which has had no interest or no hand in the dispute?

But it does not even stop there. The public are not only required to pay the bill, but they must bear the burden of the fight. The reservation to labor of the right to strike is either an actual fact, a weapon that is poised on its way to the blow, or it is a mere theory and is of no value. If it is of no value, if it is not going to be used, if there is no danger of a strike, if it is not an effective weapon for labor, why should we hesitate to adopt clauses in this bill that provide that two or more men shall not conspire to interfere with interstate commerce? There is nothing to be obtained for labor if this is a mere theory, a weapon that will never be put into force.

On the other hand, if it is an actual weapon that some day may be used, who will pay the penalty? Of course there can be nothing else now but a universal railroad strike in this country. The day of a local strike is past. There may be a bubbling over here or there on the map. Labor leaders do not want local strikes. Railroad companies do not want them. It is only when the organization loses its control that a local strike takes place. The real effort is the effort to bring about a universal railroad strike in America.

That was threatened in 1916. We were told that it was imminent at that time unless remedial legislation was passed to avert it. Legislation was passed, and the strike was averted; and now we are told by some that there was no danger of that strike, that the men did not intend to strike, or that the representatives of the railroad companies would have surrendered. We are told by some that when labor came to Congress and asked that the Adamson bill be passed in order to avoid strike conditions the men who came here did not represent their organizations, and that they are in no way committed to the precedent set in that case. Nevertheless, a great strike was imminent, it was threatening the commercial life of the Nation, and was only avoided by legislative enactment.

Who would have paid the price if the railroads had stopped operating for 30 days by reason of a great strike? Capital would have been affected to some extent, because the earnings on capital might have been affected.

Labor would have suffered to a great extent, because labor's wages would have been wiped out for the period of the strike. But the sufferings neither of vested capital nor of labor would have been commensurate with the distress that would have come to every home of this land.

Stop the railroads from operating into the great cities for 30 days, and the population is starving. Stop the railroads from operating into an industrial center for 30 days, and commerce has ceased, and labor involved in commerce is out of employment. Stop the railroads from operating for 30 days, and the whole business life of the Nation has ceased to function. That is the price that the people of the United States must pay for the privilege given to organized labor to declare a universal strike for any cause and to make it effective.

I am not going to contend as to whether the cause of labor is just or not. Men are human, whether we class them in the aggregate or as individuals, and human nature is prone to err on either side of the equation. I think it is safe to say that sometimes a strike is most just, for a most just cause, and at other times a strike is without reason or justice behind it.

But that is not the question involved here. The public, the hundred millions of people in the United States, are not those who determine whether the strike is just or unjust. They merely stand to pay the penalty, and they will have to pay it some day, beyond peradventure of a doubt, if the Congress of the United States is unwilling to meet the situation and put remedial legislation on the statute books that will work justly to all men and avoid the dangers to the American public.

Some men speak of the so-called right to strike as if it were a human right, a right that belonged to men, like the right to live, the right to breathe, the right to work in an individual capacity. Organized labor itself repudiates the foremost right of man, the right to work, when it stands for a closed shop.

The by-laws of many of these organizations proclaim that no man can work in certain shops or at certain employment unless he belongs to a particular organization and works within the rules and according to the dictates of that organization.

If labor has the privilege and the right to deny to other labor the unrestricted right to toil and earn its daily wage, does it lie in their mouths to say that the Congress of the United States is taking away from them an inherent right that belongs to them when the Congress says, "You can work only under certain limitations," the Congress speaking for the whole people of the United States?

To strike! What does it mean? Men now talk of the right to strike as if it were the right to quit work. The right to strike and the right of the individual to quit his employment are two very different things.

One is the exercise of individual liberty, the other is the exercise of aggregate force to accomplish a purpose, to carry out the desire of the men engaged in the strike, or of the organization that has ordered the strike. One is a negative force, that hurts no man; the other is an active force, that injures many. This bill in its terms provides that nothing written in these pages shall be construed as preventing any

man engaged in the railroad business from quitting his employment, and yet they speak of it as if this bill intended to coerce men to work when they did not desire to do so.

A strike is what it implies in its own terms. It is a blow, a blow directed with an object behind it, and it is the only way that it makes it effective. Is the Congress to stand here and allow any organization whatever to deliver a blow against the American public that may endanger the very life of the Nation, or is it our duty to see that substantial justice is done to all concerned without the delivery of the destructive blow?

When the bill and these provisions were before the Committee on Interstate Commerce Mr. Gompers appeared as a witness in opposition to the bill. I asked him some questions regarding the matter. I think his answers to the questions I asked thoroughly defined the position of labor in regard to the bill and where their position leads to. I am therefore going to take the time of the Senate to read three or four pages from the hearings, so that that provision may be made clear in the RECORD.

I said this to Mr. Gompers:

I think some of the gentlemen who have come before us have misunderstood the purpose or the reason for the initiation of this legislation; but I am sure you have not, because I think you recognize the fact that in recent years you and those you represent have been reasonably and fairly treated by Congress. Of course, this legislation comes with a sentiment behind it or it would not be here; but there is a sentiment among the people that is responsive to it, because Congress seldom acts without the sentiment of the people in framing legislation. Of course, you recognize that that sentiment comes from a fear that a general universal strike throughout this country would bring a debacle that would make the mass of the people who are not engaged in the strike suffer more than even the horrors of war. Now, that is the real thing that brings this legislation to the table. Now, I want to ask you if you oppose it or if you think it is ill advised to meet this situation by profit sharing or any other reward to labor except the just wage that is due it; how are we to avoid the danger to the public of an issue that comes, that may come at some time? Fortunately it has never come yet in that stressed form, the danger that may come to the public of a universal strike in this country that might last for months. Is there any other way to avoid it except by law?

Mr. Gompers answered the question as follows:

You can not avoid it by law. That is not the way to avoid it.

Then I asked:

What other way is there to avoid it? Of course, I do not so agree that it can not be avoided by law. You may be right; I may be wrong. I think the law goes a long ways sometimes——

Mr. GOMPERS. Sometimes.

Then I asked the question:

But I would like to have your view. I think it is a serious problem that confronts the country. I am sure that you realize the seriousness of the problem, and I would like to have your view on that subject.

Mr. GOMPERS. No one views that thought, much less that act, more seriously than I do; but I do know this: There has been no general strike of railroad men in the United States, and the attempt that was made in 1894 with the A. R. U. strike was, after a few days, practically abortive. The railroad brotherhoods stood as strongly against that general strike as any body of men could. They had more influence in determining that it should not pass those limits or reach those limits than anybody could have, the Congress included. The American Federation of Labor was a party to a conference in 1894 at Chicago where an urgent appeal was made to us to order or to declare for a general strike of all the workers of the country. The men of the American Federation of Labor were in conference with the chiefs of the railroad brotherhoods, and that was negatived. We were willing to do anything we could to bring about better conditions for the workers at Pullman, Ill., but we would not sanction, but gave our disapproval of, anything like a general railroad strike or a general strike among the workers.

Then I said:

Well, I am not talking about the past. I suppose the nearest we came to it was in 1916. But it does mean that that is what the public visualizes, and that is the sentiment that stands behind this bill.

Mr. GOMPERS. The question is whether such a strike could be prevented if this measure were enacted into the law. That is the question.

Then I asked the question:

Well, that question, of course, I recognize. I recognize, as a rule, if this became a law that it would prevent a universal strike; but I may be in error. You may be right; but the question I would be glad to have you answer to go into the record, not only for you and me but for the country to understand, is, Is there any other way that a universal railroad strike or the danger of it can be avoided if the Government itself does not act?

May I read that question again, because I want to impress it upon the record?

Is there any other way that a universal railroad strike or the danger of it can be avoided if the Government itself does not act?

Mr. Gompers answered:

I can not underwrite any measure or proposition that will absolutely prevent a general railroad strike. No one can. But this I do know: That fair treatment of the workers and with the workers' organizations is the best insurance against such a movement, such a strike. You will find the four railroad brotherhoods, with their executive officers, are men of experience, men of intelligence, and men with a fair sense of the responsibility that rests upon them. I do not mean only the chiefs of these brotherhoods; I have also in mind their associates on the executive boards and in the various divisions throughout the country.

There is no greater safeguard against such strikes than a reasonable course pursued by the companies and by the employers to treat with the workers and give these men a fair chance that they may have the opportunity of educating their fellows. If that chance is denied them, if every move they make is antagonized, their influence will be destroyed and the element that now would turn this country topsy-turvy would have the ear and the attention of the discontented in the organizations and the unorganized.

Then I said:

Well, I am interested in what you say, but that does not answer the question. I assume that you mean by your answer to the question that you do not think it is possible in any other way except by law, by this law, to eliminate the possibility, the future possibility, of a universal railroad strike.

Mr. GOMPERS. I say with the full understanding of the words I employ, that the surest way of creating dissension, greater unrest, possibly leading to such a strike, is the provision in that bill. No other agency could provoke it more than that bill.

Yesterday I took occasion in some little detail to discuss the experience of the countries in which compulsory arbitration has been tried. Although it is not called a compulsory arbitration law, it still is, in other words, a law to determine wages, hours, conditions of employment; and if there be no majority of the two parties or four, then there is an appeal to another board whose findings and award are final in matters on wages, hours, and conditions of employment. It is final. There is no appeal anywhere. The men must obey. They must work, whether they will it or not. They can not quit work, they can not strike, if you please. You will never take away from the working people by law or by any other process the right of the workers to quit their employment.

Then I said:

Well, I would not do that if I had the power.

Mr. GOMPERS. That is done in that bill.

I said:

I do not think it is in that bill.

Mr. Gompers said:

It is in the bill, section 29.

I then said:

But the difference is, or I think it is, under the bill, that there is no limitation on the power of the workers, in singles or in pairs, to quit the railroad employment unless they do it for the purpose of interfering with commerce, the movement of commerce. Of course that is a different question from the mere question of their right to work. In the interest of the public we pass many laws restricting the rights of the individual. Of course, to keep the flow of commerce that keeps the people of America going, I have no doubt, and I do not think you would disagree with me, that we have a right to pass reasonable laws and regulations in the protection of the public. That is the way I view this part of the section. The real question involved in this bill is the question of the Government fixing the wage instead of the corporation fixing the wage. Although this is called arbitration, I think you will agree with me that this is not compulsory arbitration, but, in the last analysis, it is the fixing of the wage by the Government. The Government board has the last say and it fixes the wage.

Mr. GOMPERS. Yes; and the men are compelled to work under that governmental award.

Then I said:

Well, just as clerks in a department in Washington, with their fixed wages, are obliged if they want to work at all.

Mr. GOMPERS. But they can not quit. They must work.

I said:

I do not understand it that way. I think you are wrong.

Omitting a few sentences there that are not pertinent to the issue, I said:

If it was intended to stop the movement of trains, yes; but not because a man was not satisfied with his job and wanted higher wages.

Mr. GOMPERS. The man who wants to quit his job can quit. It is not a question of a man quitting his job, but two men in concert quitting their jobs in order to persuade or influence the employer to grant better conditions; and the idea of simply quitting is not the only thing. No man can quit his job without inconveniencing the employer or others. The stenographers in the Senate, if they informed the clerk, or the man who has them in charge, who gives them employment, that they are no longer willing to work for the rate of compensation, and they quit work, it would inconvenience the Senate very materially; and that is the purpose, to inconvenience the Senate sufficiently that the Senate will yield a fair consideration to these men.

I will not take up the time of the Senate in reading further from this statement, but I have read from it for the purpose of bringing out two facts: One is that Mr. Gompers, the supreme head of organized labor in the United States, declares that there is no other way to avoid a universal strike except by this bill; and he denies that this bill will do it, but he says there is no other way. Then he says that a strike is an offensive weapon. In the last sentence that I read to you he admits the bill does not prevent the individual from exercising his personal liberty and quitting work when he desires to do so, but that it does prevent two or more from exercising the right to quit collectively so as to inconvenience their employer and by that course compel the employer to agree to their terms of employment.

That is the issue presented to the country. It is not disputed by the supreme head of organized labor. The question that confronts this body is whether or not, under those circumstances, the Senate of the United States intends to surrender the initiative—to recognize that there is no way to avoid the calamity of a universal strike except by law, and then refuse to pass the law.

About the terms of the law I am not so much concerned. Write in this bill a provision that the mass of the American

people shall no longer be in danger of a universal strike and I am willing for you to write the terms under which labor shall surrender that so-called right.

I fully recognize the fact that the force of the blow under the right to strike is the weapon by which labor must battle upward, and under ordinary circumstances and conditions it is entitled to use that force in its own behalf, if it does not endanger the public. I also recognize the fact that if that right is taken away from organized labor or unorganized labor, in justice and right they must be given some remedy in its place. Labor should not be disarmed and capital left armed cap-a-pie to ride them down; there would be no justice in that, but in every other walk of life we have established the courts of the land to avoid the blow.

Back in the generations that have passed man held his property by force of arms; to-day he holds his property by force of law. So long as the strike did not threaten the body politic, the Government ignored the power of the strike, but now that the people, as a whole, are endangered, only the Government can protect them.

Is it injustice to any man to prepare a fair and just tribunal in which the great issue of wages and working conditions may be worked out and solved, first, in the interest of labor, and, second, in the interest of the American public?

Mr. Gompers, in his testimony—and I take his testimony because he is the leader; the testimony of the chiefs of the brotherhoods who appeared before the committee was along similar lines—Mr. Gompers, in his testimony, says that the way to avoid strikes is through the moderation and conciliation of the railroad chiefs and their subordinates; the reaching of a common understanding on controverted matters; working out abstract justice through mediation. Have they any less opportunity to work out abstract justice through the mediation of a Government board such as is proposed by the bill than they have in a board of directors of a railroad company? I think not. I think the position of labor, if it is only battling for what is justly its rights, is vastly more improved under the terms and conditions of this bill than if it were relegated back to the present warring conditions prevailing between labor and invested capital.

Mr. McCORMICK. Mr. President, may I ask the Senator a question?

Mr. UNDERWOOD. Certainly.

Mr. McCORMICK. I assume the Senator does not argue that even though the Senate were to accept the amendment of the Senator from Kentucky we would be going back all the way on the road to the original status of labor and capital vis-à-vis.

Mr. UNDERWOOD. Of course, I could come to no conclusion about that until I saw the final action of the Senate. The Senate might strike out all the labor clauses of the bill and put something else in their place, but it might not. I think that the fundamental provision in this bill which is going to work out a result is the one that if arbitration fails, if conciliation fails, a board of men appointed by the President of the United States, representing the American people, assumed to be free from bias and prejudice on either side, shall sit in final judgment and determine what is a fair wage, not between labor and capital but a fair wage between labor and the public that pays the bill. I do not know of anything that would be a greater backward step for the Congress of the United States to take to-day than to abandon the efforts made during the Great War by the Government and its Government boards to see that labor was justly and fairly compensated and avoid the debacle of strike conditions and strike out the labor provisions of this bill. That is what it means.

How many strikes were adjusted during the Great War because there were in existence boards similar to those set up in this bill? Can anyone say that labor was unjustly treated, that the Government wronged the labor of the United States in the trial of these matters? I think not. I say the man who predicts that a board representing the Government of the United States can not do justice to labor doubts the very fundamental principle on which our Government is established, doubts the ability of our Government to do justice between man and man and preserve the liberties of the American people.

Mr. STANLEY. Mr. President, will the Senator yield?

Mr. UNDERWOOD. To be sure.

Mr. STANLEY. The Senator states that certain boards of conciliation were successful—and they were successful—in preventing dislocations between labor and capital during the war. If in the stress of war the Government was able by the use of boards exercising purely moral suasion to prevent those troubles, does not the Senator think that the same power and boards clothed with the same authority ought to do it in time of profound peace?

Mr. UNDERWOOD. Well, I understand that the Senator from Kentucky is objecting to Congress writing this legislation on the statute books.

Mr. STANLEY. I have no objection to such boards as were organized during the war. I have no objection, and in fact I think it is wise, that the President should name, as President Roosevelt did, boards to hear differences between these people, as the President named a board the other day. As long as the Government moves by moral force and appeals to public opinion, and gives publicity to any unjust demands made by either labor or capital, that is perfectly proper. But when the Government ceases to appeal to the moral sense of a free citizen and attempts to deprive him of a hitherto inalienable right by lodging him in jail, that is a different thing. That is not conciliation; that is compulsion.

Mr. UNDERWOOD. This is the first time I have ever heard my friend from Kentucky argue in favor of a government of men, and not a government of law—argue against the fact that the law of the land is, or should be, the highest ideal of moral suasion to the people.

Mr. STANLEY. I think it would be better for the law to provide for boards of conciliation. I am not objecting to that. Does the Senator from Alabama argue that the Presidents of the United States in time of war, or even in time of peace, have violated any law in suggesting these boards?

Mr. UNDERWOOD. Oh, not at all.

Mr. STANLEY. There is one right that is higher than even the mandate of a law, and that is a natural right.

Mr. McCORMICK. Mr. President, I think the Senator from Alabama will concede that there is a new blend in the old doctrine held on the other side of the aisle. He ought not to challenge the Senator from Kentucky on that ground.

Mr. UNDERWOOD. That may be; but I am not willing to concede that for my friend from Kentucky. I have served in the ranks with him too long. Hard cases drive us sometimes to hard points; but I know the simon-pure democracy of the Senator from Kentucky as few other men know it, and I do not doubt it at the test point. But my friend from Kentucky is not moving merely to strike out the punitive features of this bill; he is proposing in his motion to strike out the entire sections relating to labor, the clauses relating to arbitration, the clauses relating to a Government board of adjustment, as well as those sections which provide that a man who interferes with the movement of the commerce of the country shall commit a crime.

Mr. STANLEY. Mr. President, I am sure that my just friend, the Senator from Alabama, would not attribute to this motion a motive which did not inspire the maker of it, although the Senator might be warranted in coming to that conclusion from the fact that there was a motion to strike out. I will say to the Senator from Alabama that I have no objection to boards of conciliation and arbitration; that my motion to strike out all these provisions was for the reason that in the first place I objected to the compulsory and punitive provisions contained in the thirtieth and thirty-first sections, and that, in my opinion, the other provisions are too cumbrous and embrace a mass of details that are not necessary; that I have no objection to the principle involved and simply believe that the end can be attained by a simpler process and less machinery.

Mr. UNDERWOOD. Then I say to my friend—I am sure that is his position—that if that is the case, he should not by his motion seek to deprive the American people of the privilege granted them by the terms of this bill without proposing within the bill some other means of taking care of this situation. We may differ about the question of saying to a man, "You shall not strike"; but I am sure we can not differ about the proposition that if it was just and right for Mr. Roosevelt, as President of the United States, or for Mr. Wilson, as President of the United States, to propose a system of arbitration and award to take care of particular instances of strikes, and to reach an adjustment that would attempt to avoid injury to labor and capital and the public as well—because I do not know of any cases where the Presidents of the United States have exercised their high authority as first citizens of the land to avoid labor disputes except in those cases where the public was involved——

Mr. STANLEY. Mr. President, I seldom differ with my friend from Alabama, and always when I do with reluctance, and usually with regret, and I see a happy opportunity now, as the Good Book says, to "agree with thine adversary quickly, while in the way with him." Now, I am perfectly willing to amend this motion of mine, and provide simply for the elimination of the punitive features, eliminate the jail and the prison and the fine, and leave the conciliation and arbitration boards unaffected, if he will support that amendment.

Mr. UNDERWOOD. I will say to my friend that I hope, from the position he takes, he will undoubtedly do that. I think that

is the material part of this bill, not the punitive features; but I think the part of this bill that protects the public is the fact that you are going to have a Government board standing here to do justice in these matters. I do not believe that any man can lead the great mass of American labor to strike unless injustice has been done them, or they are led to believe that injustice has been done them.

Mr. McCORMICK. Mr. President——

The PRESIDING OFFICER (Mr. BRANDEGEE in the chair). Does the Senator from Alabama yield to the Senator from Illinois?

Mr. UNDERWOOD. Just one second. I believe that if you have a fair and just Government board, which we must assume will justly decide these questions of labor and capital and the burdens under them, it will in the main prevent strikes in the future; and therefore I hope the Senator, unless he is going to propose some other amendment as a substitute for those sections of the bill, will not move to strike them out, because we are in accord on those features of the bill.

I yield to the Senator from Illinois.

Mr. McCORMICK. Mr. President, the colloquy between the Senator from Illinois and the Senator from Kentucky, and the tender on the part of the Senator from Kentucky leads me to ask if the Senator from Alabama will not anticipate a little and give his judgment on the amendment which I have offered, and of which I am in part, and only in part, the author.

Mr. STANLEY. Right at that point, Mr. President, pursuant to what the Senator from Alabama has said, I did not care to be put in the position which was justly warranted on the part of the Senator from Alabama, because I moved to strike out all of these provisions, and he had a perfect right to conclude that I was opposed to the principle of the thing that I proposed to eliminate. That, however, was not the thought in my mind. I am of the opinion, however, as I explained in a rather elaborate address before this body a day or two ago, that the English system of boards of conciliation in large establishments, made up of equal numbers of employers and employees, without making the organization of that labor a condition precedent, and allowing either union or nonunion labor to avail themselves of the services of such boards, is more feasible than the measure hinted at by the committee or the measure definitely outlined by the House of Representatives. It is not my purpose to oppose the very laudable endeavor on the part of the committee and the laudable purpose on the part of the people of this country, both capital and labor, to adjust industrial dislocations by every possible method of arbitration and conciliation, because the strike is to industrial peace what the battle is to political warfare—a dernier, and usually an indefensible, resort.

Mr. UNDERWOOD. To be sure; and that is the reason why I think we ought to put something in its place, because that battle field goes over the homes of America; that battle field rests on the heart of America; and the Congress of the United States can not do its full duty to the American people and let that battle field rest where it is.

I do not think that there is any man on the Committee on Interstate Commerce who has any dogmatic views about the provisions of this bill in reference to the labor dispute. The committee have been attempting to work out a higher ideal. The bill must yet go to conference. All these provisions may yet be changed in conference. What I say is that if a man believes in those ideals he ought either to let these provisions go to conference or he ought to propose something better in their place.

Now I will answer the Senator from Illinois. Since the Senator offered his amendment I have not had an opportunity to read it, and therefore I am not sure whether or not I have in mind exactly what he intends. But I will state what I understand his amendment to be. I understand that his proposal is substantially what has been known in the past as the Canadian arbitration law.

Mr. McCORMICK. In good part.

Mr. UNDERWOOD. That was my understanding.

Mr. McCORMICK. Let me add, if I may, that it amends the provisions of the bill as reported from the committee by qualifying the prohibition against strikes. It would prohibit a strike until after a period following the rendering of a decision by the board.

Mr. UNDERWOOD. I understand the provisions of the Canadian law, because I have read those a good many times, and in what I am saying now I may make a mistake in reference to the Senator's amendments, because I am talking now about the Canadian law. If it does not apply to his amendment I hope he will correct me.

In the first place, my objection to the Canadian law as a substitute for the provisions of this bill is that they are only temporary. They are helpful, or supposed to be helpful; at least they are an effort along the right line. But they are not conclusive. They stop the strike by force of arms until arbitration takes place, and then after arbitration takes place a certain time is allowed to expire, and then the battle can go on. I think the time has come when the battle should cease, and that is what I stand for. The Canadian provisions, as offered as a substitute for this clause, leave out of the equation the principal party to it, the party who pays the bill.

The Canadian law provides for an arbitration board, to be selected on the one hand by labor and on the other hand by capital, and they are to decide the terms of employment.

Mr. CURTIS. Mr. President, as I understand the amendment offered by the Senator from Illinois, it leaves the labor boards and the transportation board as they are in the bill, the transportation board representing the public and having, as I understand it, the final decision.

Mr. UNDERWOOD. Of course, as I stated in my remarks a minute ago, I have not read the amendment proposed by the Senator from Illinois, and I was addressing myself to the Canadian law, because I understood it was modeled on that; and, as I stated, my objection to the Canadian law was that it represented only labor and capital and had no representation for the public; and yet in railroad disputes no man can contend today that the shipping public does not pay the bill, and every material increase in the wages of labor must be reflected into the pockets of the American public or the railroads would go into the bankruptcy court.

Of course, if the Senator's amendment provides that in the end there shall be a final board representing the Government, appointed to represent the American people, then this criticism would not apply to his amendment. I have not read it.

Mr. CUMMINS. Mr. President, may I interpose a word at that point?

Mr. UNDERWOOD. Certainly.

Mr. CUMMINS. I have read the amendment of the Senator from Illinois [Mr. McCORMICK] as well as that of the Senator from New Mexico [Mr. JONES], and there is no substantial difference between the two amendments. While they take on, in a general way, the form of the Canadian statute, they are not at all similar so far as the proposition of the board or boards to make investigations is concerned. The amendment of the Senator from Illinois leaves our boards, as stated in this bill, just as they are now; and the essential difference is this—and I will read that part of the amendment so that the Senator from Alabama can have that difference in mind. This is after the board or boards have considered the dispute and have issued a recommendation or decision, whatever you may be pleased to call it. It does not bind anybody so far as the future is concerned, either railway company or employee. It proceeds:

> Any carrier subject to this act which shall, for the purpose of enforcing or supporting its position or contention with respect to any demand made by its employees relating to terms of employment, discharge, suspend, or deny employment to any of its employees prior to or within 60 days after the publication of the report of the board respecting the matter in dispute.

That takes care of the carrier. Then it provides:

> And any employee of a carrier subject to this act who ceases or quits work in combination with other employees thereof, prior to or within 60 days after the publication of such report, for the purpose of inducing or compelling such carrier to grant or continue to grant terms of employment, or for the purpose of helping other employees to induce or compel their employer to grant or continue to grant terms of employment, shall be guilty of a misdemeanor.

The essential part of it is that the Government boards go forward and make the investigations. They issue a recommendation with regard to the dispute, I assume as to the merits of the dispute, and then for a period of 30 days the carriers can not discharge the employees on account of the dispute, and the employees can not cease to work, in combination, on account of the dispute. But at the end of 30 days both the carrier and the employees are at perfect liberty to renew their struggle, and one can lock out the employees, and the other can enter into combination and suspend the commerce.

Mr. UNDERWOOD. That was my understanding of the Canadian law. But the Senator from Kansas [Mr. CURTIS] suggested that in this amendment they provided for the same arbitration and the same final board of adjustment that is provided in this bill. I am not informed about that. Can the Senator from Iowa inform me?

Mr. CUMMINS. I think that is true.

Mr. McCORMICK. That is true. The amendment makes only two substantive changes. The first limits the period within which the board and the committees now created by the bill may have the dispute under consideration, in order that it may not be interminably drawn out; the second fixes a time after the final decision of the board before which it shall be illegal to strike under the terms of the bill.

Mr. UNDERWOOD. I will say, in reference to the amendment of the Senator as I understand it, I would prefer to have his amendment than no legislation at all; but if it is a good thing to prevent a strike temporarily—and it is—why is it not a good thing to prevent it entirely? If this can be worked out justly as a temporary matter by a Government board and boards of arbitration, why can it not be worked out as the final conclusion? That is the question. If it can, why should we limit the process? It is either right or it is wrong in principle. It is either right or it is wrong in justice to the men who are earning their daily wage on these railroads. It is either right or it is wrong so far as the American public is concerned; and if it is right in part for temporary purposes, then it seems to me the conclusion is irresistible that it is right in whole and should be adopted for the final conclusion.

There is nothing in this bill that prevents any man from quitting work if he does not enjoy it. If he thinks he can get a better wage or more satisfactory employment somewhere else, there is nothing within the folds of this bill that stands in his way. The only thing in this bill, if you bring it down to its last analysis, and eliminate all the preliminary procedure of arbitration and leading up to the question of final conclusion, is that a Government board, appointed by the President of the United States and confirmed by the Senate of the United States, representing the hundred million people of this country, entirely free from bias on the side either of capital or labor, shall determine what is a fair and just wage to the men who carry the commerce of this country, and then reflect that determination back into the freight and passenger rates, and make it a charge against the shipping public of America, and I might say the consuming public of America. That is all there is in this bill.

But, like any other law that is in the interest of the people, the bill says that if you do not comply with the law, the Government makes you comply with the law. What does that mean? That means that any man in railroad employ in the future, if the terms of this bill are adopted, who is not satisfied with his wage or his working conditions, can carry his complaint to the Government tribunal without let or hindrance from anybody. He does not have to be the tool of a labor organization or of a railroad company. He can exercise his own individual rights, and have the Government determine what is a fair and just wage. I say that there is no danger of the Government doing injustice to this great body of citizens of America. This is a republican Government, a free Government. The men whose wage scale will be tried in this Government court cast 2,000,000 votes in the American Republic. Is it at all probable, under those conditions, that the finding of that board is going to be unjust and inequitable in their behalf?

I think not. If there is any bias to be expected on either side, it will fall on the side of the employee, naturally, but in the end it will be a check against any inordinate increase of wages that must be reflected into the freight rates that must be paid by the American people.

My friend, the Senator from Kentucky [Mr. STANLEY], was contending with me on the floor a day or two ago that possibly an increase in the freight rates of America might mean an increased charge to the American public of five times the amount of that increased rate. I am going to apply his own argument to himself, that where we charge $1 more for freight the consuming American public must pay $5 before its food and its clothes come to its homes.

Mr. STANLEY. That was an inquiry, not an assertion.

Mr. UNDERWOOD. It had been asserted by others, and I am just going to bring those coals home to Newcastle.

There is no theory about the proposition which I am now going to state. Since 1916 and largely during the period of the Great War the wage of the railroad workers of America has increased a billion dollars. That is no theory; that is a fact. A billion dollars! If those who contend that increasing freight rates $1 reflects $5 into the cost of the product when it reaches the ultimate consumer are correct, then we are to believe that the increase of $1,000,000,000 in the labor wage of the American railroad employees was instantly reflected into the freight rates because it could not be paid anywhere else.

The Director General of Railroads increased the freight rates 25 per cent and the passenger rates 50 per cent throughout America. He made a greater increase than that, because he changed classifications in many particulars that amounted to an increase in freight rates. So that the extent that the wage scale went up was reflected into the pockets of the men who ship the freight.

That being the case, is it contended that that billion dollars' increase in wages reflects $5,000,000,000 in the pockets of the American people? If it does, we have some idea of where, at least in part, the increased cost to the American people comes from.

The question of wage scale is not settled. I am not going to pass on the contention as to whether it is right or wrong. I am not informed. It is not my place to pass on it. But we know that the men engaged in the railroad world to-day are insisting now that there shall be a further increase in wages. They may be right or they may be wrong. If that wage increase is anything in proportion to the last one, then it would mean another billion dollars, and if the argument about freight rates as made by some here is correct, it would mean reflecting into the pockets of the consuming masses of American people another $5,000,000,000.

Now, can the Congress of the United States, because it wants to be just to labor, because it wants to be fair to labor, ignore labor itself, ignore the clerk in the countinghouse, the ditch digger in the street, the man on the scaffold building the great buildings of America, the laborer on the farm, and say that an organization in the United States composed of not over 2,000,000 men can reflect their will and through the power of the threatened strike force billions of dollars into the cost of living of the American people?

That is the issue at which I am looking. I do not stand here holding a brief against labor. I know that when labor ceases to battle upward the Nation is dead; but when one class of labor, one clan in the great body politic of labor, desires to reserve to itself the right to stand independent of the Government, to exercise its right or the so-called privilege to strike in order that it may enforce additional burdens on the masses of the American people, then, I say, the time and place have come when it is the duty of the Government of the United States to function in the matter.

Do not tear down class or clan. I am not in favor of destroying union labor. I think union organization has done great things for labor, and sometimes it has done great injury to labor. I am not with union labor when it seeks to make the closed shop and deny to other men the right to work. I am not with union labor when it says by force of arms, the force of the power to strike, that "we can invade the party politic and make the American public pay the price, right or wrong." I am not with union labor then, but I am with union labor when it says, "We are entitled to social justice."

That is the high ideal of all labor, the uplifting of the home, the education of children, the upbuilding of society—all that is theirs, justly theirs; but it is in keeping with the exercise of the brutal power of the savage to strike down other men with a blow in order that they may take home what they have, regardless of the right or the justice in the case. When you say that labor has the right to exercise or bring about a universal railroad strike in the country, to starve the American people into submission in order that it may dictate to them its will and put its penalties on the backs of the American people, then I draw the line and I will not go with you.

If that is the case, if that is the justice of the cause, I say, give them a Government board to decide what is a just wage, and I will go with you as far as you can go to see that that board is just and fair and equitable. Then I say that the decision of that board is written into the law of the land, and I am prepared to send to jail the man who defies its conclusions, like I am prepared to send to jail the man who defies the law of the land.

The great sustaining policy of the American Republic is its just laws, and they can only be just to all by all upholding them. How are we to uphold them? We can not uphold the law by appealing merely to the conscience of men to obey the law. Most men obey the law because they respect it, but some men are highwaymen and obey no law except by the force of the strong arm of the Government.

If you have worked out abstract justice through courts of arbitration and the final court of the Government to solve the question in the interest of labor and have protected the American public against unjust demands, and at the same time have left labor free to exercise its individual liberty and quit employment when it elects, so long as it does not defy the law, then I say that you have, as this bill does, responded to all the demands of abstract justice, and the man who defies it stands in defiance of the law and, like other lawbreakers, should be punished.

Mr. THOMAS. Mr. President, I have listened to the discussion of the bill as constantly as my other duties have permitted. It has been presented to the consideration of the Senate by those familiar with its character and who have framed it after many months of long, anxious, and exhaustive consideration. I do not think any measure was ever presented to the consideration of the Senate, with the possible exception of some of our revenue bills, which has received more attention than has been devoted to this one by the Senate Committee on Interstate Commerce.

This body owes a lasting debt of gratitude to the committee for its earnest and laborious effort to solve one of the most complex and important problems which this Congress must solve. The theory of the bill was presented very ably and exhaustively by the chairman of the committee, and however much one may differ from his conclusions or from the basis of the details of the bill, he will give him due credit for a thorough understanding of the subject and for reviewing the action of the committee that would have been most edifying to every Member of the Senate had they attended and listened to his statement.

I am not satisfied, Mr. President, with this measure. It contains many features which do not appeal to my judgment. If I were to frame a bill covering its subject matter I should certainly eliminate some of its features and include some which are absent from it. I realize, however, that those in charge of the subject are far better informed than I am regarding its details, and that the bill is the result of their composite effort to reach some basis of legislation reasonably just in its provisions and which may command our approval, although reluctantly given.

Since the bill has been pending I have endeavored to outline some provisions more acceptable to myself, but I have not been able to reach a conclusion which, in my judgment, would command the vote of a majority of this body. Concretely, I should like to see the railroads returned to their owners with a Government guaranty against loss and for a revenue equivalent to that provided for in the existing law for a 12-month period of time after the roads were thus transferred.

I believe that such an arrangement, simple in character, might be so far successful as to enable the Congress in the interval between its enactment and its maturity to supplement it with such legislation as the experience of that interval might require.

I am also wedded to the theory of regional incorporation, and for reasons which I have not the time to present. I dislike the limit of compensation, because it seems inconsistent with the competitive principle.

There are, however, obvious reasons for that arrangement, and particularly in view of the conditions under which the Congress justified the taking over of the roads. These constitute a contract between the people of the United States and the owners of the railroad property, a contract which we have observed and which we should, as an honest Nation, continue to observe. Whatever we may say regarding the manner in which railroad property has been acquired and the infamies which have at times attended its mismanagement, we must recognize that vast sums of money have been invested in the creation and operation of our great systems of transportation, and that, as property, it is as much subject to the protection of our laws and is as much entitled to proper consideration as any other species of property.

On the 21st day of March, 1919, "an act to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes," was approved by the President. The first section of that act, among other things, recites—

> That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation (called herein carriers), is hereby authorized to agree with and to guarantee to any such carrier making operating returns to the Interstate Commerce Commission, that during the period of such Federal control it shall receive as just compensation an annual sum—

And so forth.

It was also provided that written agreements should be executed between the Government and the owners of the railroads providing among other things for the manner of their return.

> Every such agreement shall also contain adequate and appropriate provisions for the maintenance, repair, renewals, and depreciation of the property, for the creation of any reserves or reserve funds found necessary in connection therewith, and for such accounting and adjustments of charges and payments, both during and at the end of Federal control, as may be requisite in order that the property of each carrier may be returned to it in substantially as good repair and in substantially as complete equipment as it was in at the beginning of Federal control—

And so forth.

I take that to mean that the President must return, and under its terms he has contracted that the roads shall be returned, in as good condition as they were received, to do which the pending legislation or some legislation of similar character is necessary.

It must also be carried in mind that the acquisition of the roads by the Government was for war purposes, justified by war's necessities and made essential because of the crisis through which the Nation was then passing. With the subsidence of the necessity, the need for the roads having passed, they should be returned to the owners. A limit of time was fixed for that purpose, which, as I recall, was to be within a period of 21 months after the return of peace between the United States and the Central Empires.

We did not, therefore, take the roads from their owners for the purpose of keeping them permanently; we did not take them in pursuance of a previously agreed-upon policy; we did not propose to substitute Government ownership for private ownership and control. We simply did what any nation has the right to do, what any individual similarly situated has the right to do—we took them because of the need for our self-preservation, for our safety, and for exigencies which at that time menaced the public welfare.

We have been in possession of them for a period of practically two years. The war in the interval has been brought to a termination, so far as active hostilities are concerned, and this is one of the vexing problems resulting from it and with which we are called upon to deal.

Mr. President, believing that the committee having charge of the bill, cognizant of the magnitude of the problems involved, and inspired by a sincere desire to serve the country and this body, have given to the subject that exhaustive consideration which its importance requires, unless I can suggest something better, unless it is possible for me to devise some plan of return that will appeal to a majority of the Members of this body more completely than that which the committee has worked out, it is my duty to support it. It is for that reason that I have determined, except as some amendments are concerned, to take chances upon this measure, knowing that if it should prove defective or unworkable in any of its details we have at all times the power to improve by the process of amendment or elimination wherever it may be necessary to improve or to eliminate as time shall pass. We must make a beginning somewhere, and no scheme can be devised, no plan can be prepared, that will escape serious and substantial criticism and objection, however long the time we may devote to such a purpose, and however confident we may be of our ability to accomplish it.

When I was a young man, Mr. President, a bill for the resumption of specie payments was enacted, as I recall, in the year 1874. It provided for a resumption of specie payments in 1879. From the end of the Civil War to the enactment of that measure the country was torn by the issue of specie resumption. It became so acute that it ultimated in the creation of one of those temporary political parties which have punctuated the history of the United States—the Greenback Party—a party which had much of good in its purposes and much of logic in its platform; a party which made severe inroads into the ranks of the two great historic political organizations, and which largely influenced the discussions of that tremendously important measure. It was predicted that with the disappearance of the existing monetary system by the operation of the resumption act the country would encounter a panic of unprecedented dimensions; that business would become bankrupt, manufacturing stagnate, and hundreds of thousands of men would be thrown out of employment. Among others, Mr. President, I believed, possibly because the party to which I then and now belong opposed the measure, that many of these anticipated troubles would ensue in consequence of this legislation. But it went into effect; all efforts to repeal or to postpone it failed; and while it created a transient disturbance, while some features of business and of industry were more or less affected, it easily became an established fact, and demonstrated the unwisdom of attributing too much importance and too perilous consequences to a scheme of legislation deemed experimental in its character. We soon perceived it as one of the wisest and most desirable pieces of legislation following the establishment of peace, and it did more to settle and systematize the business of the country than perhaps any other single financial measure since 1865.

When I hear some of the objections presented to this measure, and when some of them occur to me, I comfort myself with the reflection that they may perhaps prove to be quite as ephemeral as those of 1879. Doubtless other items of legislation have been similarly opposed, and the consequences of whose operation have been similarly satisfactory. So I shall take the good with the bad, trusting to the future for the satisfactory outcome of the measure.

I know that under our agreement with the owners of this property it is our duty to live up to our covenant in all particulars. The Senator from Iowa [Mr. CUMMINS] led the fight in this body against that part of the present railroad law which fixed the compensation for the use of the roads. He convinced me that the rate was entirely too high, and I still think he was right about it; but the Senate disagreed with him, the House disagreed with him, the bill was passed over that and other objections, and when it became written into the laws of the

United States controversy ceased to exist and compliance with its requirements became a public duty.

The Senator has spent the last six months in a concrete effort to perform that agreement in the interest of the American people without doing injustice to any of its component parts; and I think under the circumstances he has done as well as, if not better than, any other man in this body could have done, because he has given years of anxious study and consideration to every feature of the great problem of public transportation and is justly considered a high authority upon the subject.

But, Mr. President, I have said more than necessary in a general way regarding this bill. I perhaps should from the outset have addressed myself to the sections which are covered by the motion of the Senator from Kentucky [Mr. STANLEY]. That directly concerns the operation of the property.

We are all agreed, we must be agreed, that transportation is a governmental function. It is the inseparable adjunct of our modern economic, industrial, political, and social life. The Senator from Kentucky has likened it, and very properly so, to the circulatory system of the human body, and there is no other simile which so simply and graphically illustrates its relation to the body politic. We have in this country nearly 300,000 miles of railroad, far more than that which exists in any other section of the globe.

It supplies a country of diversified climate and industries, occupying all the space between two great oceans, covering an entire continent, and, in width, the greater part of the Temperate Zone. It is inhabited by 110,000,000 people, living under a republican form of government, enjoying the blessings of free institutions, and mutually interdependent for their common prosperity. Each section contributes not only to the comforts but to the necessities of every other, and does so through and by means of the medium of physical transportation. Without such a system the country must languish, if, indeed, it does not retrograde. Without such a system the great cities of the country never would have risen and expanded; and perhaps it might not have been an unmixed evil had they been restricted to a much less degree of population and area than they now cover—but we have them. A majority of the people of the United States, perhaps—certainly in most of the States—are urban and consequently crowded into the centers of population. The world carries a very small amount of extra rations upon its back, and that part of the world inhabiting these great centers has practically no extra rations in stock. If you paralyze the system of transportation, if you interfere with the normal intercourse due to the running of trains, you not only seriously embarrass the welfare of these great masses of people but, continued for a short length of time, it will visit upon them all of the horrors of cold and starvation.

I might say in passing that this is one of the facts upon which the bolshevistic spirit counts, believing that the production of such a situation creates a fertile soil for the propaganda of blood and destruction which they preach and always practice when they can; and, of course, it is perfectly natural that large bodies of men and women deprived of sustenance should bitterly complain. It is perfectly natural that they do not stop to reason as to the why and wherefore of their condition, but demand relief, and demand it instantly. Moreover, Mr. President, the commercial interests of the country as to things material but not absolutely necessary to the sustaining of physical life—they, too, are dependent upon our system of transportation, and bankruptcy will confront them when it ceases to operate.

There is not a phase of modern civilization which is not bound up in our modern systems of transportation of merchandise and of intelligence. Therefore no man can safely challenge the proposition that it is a public function which it is the bounden duty of the Government to continue in full operation at whatever hazard. The trains must move; hence the franchise given to the corporation requires continuous operation and inflicts a penalty of forfeiture as a punishment for neglect of that duty, whatever the reason for the failure.

Inasmuch as unlimited private control of transportation in America has proven a failure, fraught with every element of discrimination, speculation, and abuse, the Government long since stretched forth its hand and exercised control over the operation of these huge concerns, and in some degree has been able to minimize these evils in the interest of the general public.

We speak of the general public frequently in this Chamber, and sometimes in terms that are as broad as humanity, which is correct; but we do not always emphasize just what general public is meant in connection with a problem of this character.

Men and women of a certain age exercise political power in this country, but do not constitute all of our population, perhaps not 50 per cent of it. Those under age and the stranger within our midst, temporarily or permanently, constitute as well a part of the general public. In other words, every man, every woman, every child within the limits of the American Republic has an interest in transportation, is in some degree dependent upon it, and must in some degree suffer in proportion as this element is interfered with or fails to function.

It is an old but true aphorism that the welfare of the people is the supreme law. It is a law, Mr. President, so supreme that it overrides constitutions and statutes whenever the latter fail to accomplish that end. A supreme law is a law over everything, like the law of self-preservation, and that supreme law demands the interchange of commodities, the constant movement of trains and of vessels, so that our active physical life may at all times and everywhere be given the proper consideration and attention.

If I am right, then by it we must measure our duty to the public in the enactment of this bill, and wherever any interest, I care not how extensive it may be, conflicts with that supreme one, and they can not be reconciled, it must give way in the public interest to the extent that such interest makes it necessary.

In legislation of this sort, what are the elements? First, the great body of the people, as I have said, and, secondary to that, these other elements—ownership, management, operation. I do not state them in the order of their importance. They are equally important. They are like faith, hope, and charity. We must name them consecutively, because we can not name them otherwise. But they are equally important, and none more so than the other.

The owners of the railroads have demanded certain things from our committee. They are not satisfied with this bill. Away down in their hearts many of them would like to go back to the good old days, when the ownership of the railroad, represented by its officials, dictated the terms to that section of the country subject to their distribution, and consequently to their domination. Management is not satisfied, because management sees in Government control the imposition of limitations, to them perhaps disastrous in their operation, but in any event interfering with their free exercise of discretion.

The great body of individuals whom we call the employees are not satisfied, because they contend for the right to operate the roads or not as they may see fit, their action being determined by what they conceive to be their interests at any particular time.

Here, then, Mr. President, are three elements entering into the matter of actual operation which we can not hope to satisfy, no matter what we do. Unfortunately their relations are not always cordial, although frequently cooperating. But each of them possesses an element of interest which in its judgment should predominate over the other elements, and unless they so predominate they feel and fear, with greater or less conviction, that injury or possible disaster may come to them.

Mr. President, we can not divorce ourselves from sympathy or prejudice, or both, toward one or more of these contending elements. Human nature is not sufficiently perfect to enable any man to act with strict impartiality regarding great questions of this kind, no matter how earnestly and honestly and seriously he may endeavor to do so. We must make allowances for the frailties of human nature, and it is for that reason that practically all legislation must be compromised.

But we can reason together in the effort to do the best we can for everybody interested, and if we fail after such effort we will at least have the consolation of knowing that we did our best.

That brings me, Mr. President, to an immediate consideration of the subject matter of this amendment. It is directed to a scheme of proposed legislation which is deemed essential to the constant operation of an indispensable system and to enforce a duty resting upon the employee in the discharge of his portion of the general scheme for the welfare of the public. It declares strikes to be unlawful, and, prohibiting them, it seeks to provide machinery whereby the rights of those affected can be safeguarded nevertheless.

Mr. President, if we have no right to do it, or if by doing it we trench upon the fundamental, inalienable rights of the individual, as guaranteed to him by the laws and Constitution of his country, then, without regard to the consequences to the body politic, I presume we should not do it. But if, on the other hand, we are guilty of no such transgression and are at the same time convinced that this, or something which is its equivalent, must be done if the well-being of the country is to be safeguarded, then, in my judgment, we fail in the discharge of our duty if we fail in affirmative action.

It has been said, Mr. President, by a number of Senators, and frequently insisted outside of the Chamber, that the right to strike is an inalienable one, or, as some express it, an inviolable

one. If by that is meant the right to work or not to work, I concede it, although we have laws in almost every State of the Union punishing men for vagrancy. We are told by Holy Writ that in the sweat of his brow shall man eat bread, and our forefathers in legislation, taking that literally, provided punishments for those who were without employment and had no visible means of support. Unfortunately, such laws have been very largely honored in the breach rather than in the observance for some time, and convictions for vagrancy are few and far between. I mention it, Mr. President, as emphasizing the proposition that even the right to refrain from work is not an inalienable right, but is measured and limited by the dependence which refraining from work brings to the individual and makes him a burden on society.

But I concede that there is not, there should not be, and there can not be, a law in America requiring a man to work if he does not want to. Nor can there be a law to restrain a man from working when he does want to; although unhappily in practice we know that all over the country and for years past men have been prevented from working, men have been mutilated for working, men have been murdered for working, their only offense being the exercise of the right of an American citizen. That is an inalienable right, also, and one which it is the duty of the legislator and executor to protect at all times quite as much as the other.

Whether a strike is an inalienable right, Mr. President, depends upon what we mean when we use the term.

Mr. STANLEY. Mr. President, will the Senator yield?

Mr. THOMAS. I yield.

Mr. STANLEY. I am very much interested in what the Senator is saying and only regret that a greater number of the Members of the Senate have not given the attention to this debate which he has. Its importance justifies it. I think at this point the Senator from Colorado has struck the crux of the whole controversy. It is what Lord Bacon would call a legomica. It arises from a misunderstanding of a term that is capable of two contradictory interpretations.

The trouble is that the term "strike" to one man means an entirely different thing from what it does to another, and I wish to call the Senator's attention to a very apt definition of strike as given by Sir James Hannen, in the case of Farrer against Close.

Mr. THOMAS. The Senator is reading from the Arthur case?

Mr. STANLEY. Yes.

Mr. THOMAS. I shall refer to that in a moment.

Mr. STANLEY. He says:

I am, however, of the opinion that strikes are not necessarily illegal. A strike is properly defined as a simultaneous cessation of work on the part of workmen.

Do I understand the Senator from Colorado to claim that a simultaneous cessation of work on the part of workmen doing a strictly personal service, whether the master be delegated to operate a public common carrier or a mill, should be punished as an offense carrying the opprobrium that imprisonment always carries, if it goes no further than the negative act of refusal further to assist in the movement of interstate commerce?

Mr. THOMAS. I might answer that query Yankeelike, by asking if the Senator ever knew of such a strike in all his existence, but I will not do that.

Mr. STANLEY. I am perfectly willing to answer that question.

Mr. THOMAS. Very good.

Mr. STANLEY. There are a great number of so-called strikes in which there has been practically no breach of the peace or interference with nonunion labor. The late strike in the coal industry, bad as it is, has been remarkably free from such a thing. But I am perfectly willing to admit exactly what the Senator claims, that the right—and I believe it is a right, and Justice Harlan in the Oakes case says so explicitly—of workmen to simultaneously cease or quit the service of their employer is seldom unaccompanied by indefensible acts of injury to private property and to the persons of volunteer workmen not within the organization. I am of the opinion that that is the line the law should draw and that the courts should draw.

I am of the opinion that any interference with persons engaged in interstate commerce, either by a combination of workmen or by individuals, is an offense in the nature of an insurrection, a blow at the public good rather than at personal property and personal interests, and that any interference whatever with the voluntary employees or with the property of a common carrier should be subject to much heavier pains and penalties than like offenses against a private individual or private property. I believe that the law should be drawn with that idea in view, and I believe that any act like the present act—and I think the Senator from Colorado, with his splendid power of analysis, will agree with me—that scrambles and conglomerates this simultaneous cessation from employment with acts of insurrection and violence, is necessarily abortive and impotent, because if it is severe enough to punish these breaches of the peace and these criminal interferences with the movement of interstate commerce, it is too severe to be inflicted upon a mere cessation from employment, and if such a cessation is an offense such penalties as may be inflicted upon that offense would be too weak to deter bold and desperate criminals who would attempt to assail conductors and firemen or to blow up bridges and dismantle engines.

I hope the Senator will differentiate in that line, and I bespeak his cooperation and his able assistance in securing legislation that does make this necessary and essential discrimination.

Mr. THOMAS. Now, Mr. President, I shall try to answer the Senator's question directly. First, let me say that his definition, like all definitions of a word so comprehensive in its character, is not, in my judgment, complete, although I am perfectly willing to concede that it is as complete as any.

My answer would be, and I base it upon the decision from which the quotation was made, that if the strike which the Senator supposes is a spontaneous affair and goes no further it is beyond the power of the statutes to regulate. But if it is one of the overt acts of a conspiracy or agreement to strike for the purpose of accomplishing some common object, then it does fall within the powers of the legislator to provide against, just as any other conspiracy.

Mr. STANLEY. I did not wish to interrupt the Senator again——

Mr. THOMAS. I yield.

Mr. STANLEY. But right at that point I think he has probably come to a conclusion on such legislation. There is this difference between the law of conspiracy as commonly applied or between the application of the law to those cases to which the authors of the law originally tended and its necessary application to modern conditions.

The law of conspiracy as originally framed—and it is wise, as all laws that are as old and established by the experience of courts and centuries are wise—in the main meant to reach all parties who cooperated in some illegal act. If any number of men agreed to injure the person or property of another, commit some breach of peace, some fairly ascertainable or admitted wrong, then the law could be applied with justice whether the parties are the immediate actors or whether they render some collateral assistance.

But here is the basic difficulty, and I have given it some thought, about the application of the broad and generally just principles of conspiracy to organizations of this character. Here is an organization of 2,000,000 men, in the nature almost of a corporate organization. They are separated by thousands of miles. They comprise every character of citizenship. A vote is taken among 300,000 conductors and firemen and engineers, we will say, that unless certain conditions are met they will all quit work.

Those men are notified in California, in Florida, in Maine, that the head of the brotherhood, the competent and authorized executive, has directed every engineer to leave his cab at a given hour, and 300,000 men quit. In the city of Pittsburgh a hotheaded railroader, resenting that some volunteer or scab, as he calls him, is going to take charge of his engine, hits him with a club. If you apply the law against the conspiracy, as the Senator is now applying it, every man engaged in railroading in the United States is guilty of participating in that assault and in law he is guilty, and yet the Senator from Colorado knows and I know that neither the conscience nor the common sense of the American people will permit the infliction of the punishment which the law authorizes, with the inevitable result that the law is brought into disrepute.

It is true, as the Senator has so well said, and he is usually right, that strikes have an almost universal concomitant of lawlessness and violence; but the people who engage in the strike are the multitude in many cases and those who commit the occasional acts of violence are irresponsible individuals, who, as a rule, indulge in this character of lawlessness which is utterly indefensible and in opposition to the desire and the purposes in many instances of the very men who order the cessation of employment.

For that reason, in my humble opinion, it is absolutely necessary in this effort to protect the movement of interstate commerce, and in that I join most heartily with the Senator from Colorado, that sound legislation be drawn—it must be drawn; it is not a difficult thing to do—differentiating between the pains and penalities inflicted upon those who affirmatively interfere

with the movement of commerce, and those inflicted against those who obey the order of some superior officer in simply desisting from employment. The bill, to my utter amazement, having failed everywhere else, as it ought to fail, has made a discriminating, unwise, indefensible hodgepodge and scramble of these simple distinctions.

Mr. THOMAS. Of course, I do not agree with the Senator from Kentucky as to the effect of the law in the instances to which he refers. I am painfully aware, as all men must be, that conspiracies of any sort may become broad enough to ripen into riots, riots into insurrections, insurrections into rebellions, rebellions into revolutions, if they are successful. If the Senator's argument, therefore, be a cogent one, it would seem that whenever the act sought to be prevented is participated in by a very large number of people, some other method of legal solution should be sought for and applied. I think that may be true. I do not know whether this legislation will prove practically operative at all times. Frankly, I have my doubts about it, for several reasons. I had intended to have spoken about that later, but I might as well do so now.

In the first place, there is the physical power of the organizations, which, as the Senator says, are scattered all over the United States. That power may be exercised in many ways, and effectually. Then there is the political power of the organizations, the one power to which Members of Congress are inclined to bow at all times, if they can only discover where it is and whither it tends; and that is local as well as national in its operation and influence. Then, again, there may be the impossibility of the application of any system or scheme of laws to vast numbers of men determined to disregard it. Resort must be had to the ultima ratio of all governments, which is force. However, must we because of these possibilities shrink from the performance of our duty here in the enactment of such legislation as seems to be all we can accomplish to keep these great avenues of transportation open and constantly in operation? If the Government can not do that, it is a failure, because unable to perform one of the public obligations resting upon it and which it must discharge or abdicate.

What would be thought of a provision in this proposed law which even directly permitted the owners of the railways to cease operating their trains upon them? What would be thought of any government that would permit the owners to announce a certain schedule of rates and to serve notice upon the public that unless such rates were accepted on the first day of the following month all trains upon the system would cease operation until they were accepted? What would be thought of a scheme of legislation which should interpose no obstacle between that sort of a conspiracy and its consummation by permitting the defaulting company to interfere with and prevent others from operating trains upon the roads, whatever the necessity?

The statement of a query of that kind is its own answer; and yet the Government has as much right to permit that sort of interference as to permit any other interference that would succeed in paralyzing the functioning of the great system of transportation so necessary to all the people and every section of the country. If the operation of that system is an absolute public necessity, if transportation is a governmental function, and if we can neglect it in one direction whereby it comes to naught, we can neglect it in all directions whereby it comes to naught.

There is a difference between an employee and the owner of a road, of course; there are many differences; there are some fundamental differences; but in the combination of ownership, management, and operation they are all engaged in the performance of a common duty to the public, just as is the general commanding the Army, the department having upon its shoulders the duty of furnishing equipment and supplies, and the soldier who goes into the trench and fights the battle. The private who fails his country in such an exigency is shot; so is the officer, and so is the commander. It is because they are all engaged in the highest of all duties, that of fighting the battles of their country. This is analogous; and no organization of capital or of individuals can be exempt from the authority of the Government and disregard its needs with impunity without bringing that Government into humiliation and failure.

Mr. President, I think that the provisions of the bill to which the motion of the Senator from Kentucky [Mr. STANLEY] is aimed must have been framed in strict accordance with the decision of Mr. Justice Harlan in the Arthur-Oakes case. That case has been cited by the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Kentucky [Mr. STANLEY] as an authority in opposition to these features of the propsed law. It has also been cited as stating the law upon the subject; and in that I agree, although I have no doubt there are many other decisions equally valuable, some of which may perhaps differentiate from this. In this case the trial judge, at the instance of the receiver, issued an injunction which restrained the employees of the company from doing certain things, which I need not read.

Among the things which they were restrained from doing was—

> From combining and conspiring to quit, with or without notice, the service of said receivers, with the object and intent of crippling the property in their custody or embarrassing the operation of said railroad, and from so quitting the service of the said receivers, with or without notice, as to cripple the property or prevent or hinder the operation of said railroad.

Afterwards a second writ of injunction was issued, which not only repeated the substance of the prohibition which I have just read, but also prohibited the employees—

> from ordering, recommending, approving, or advising others to quit the service of the receivers of the Northern Pacific Railroad Co. on January 1, 1894, or at any other time.

The appellants were the chief executive officers of the Brotherhoods of Locomotive Engineers, Railway Conductors, Firemen, Telegraphers, Railway Trainmen, and the Switchmen's Mutual Aid Association. They did not seek to avoid the injunction, but only to modify it by striking from both writs the words which I have read. The motion was in writing, and the court granted it by modifying the second writ of injunction. Then an appeal was taken to the court of appeals, and a decision was rendered by Mr. Justice Harlan granting the motion.

Mr. KIRBY. What is the volume?

Mr. THOMAS. Volume 63, Federal Reporter, the case being entitled "Arthur against Oakes." The Senator will find the case beginning on page 310.

I share fully the eulogy pronounced by the Senator from Kentucky upon this distinguished justice, than whom no abler, wiser, nor more patriotic man ever sat upon the Supreme Bench of this or any other country. I read one or two extracts from his decision not heretofore presented:

> It will be observed that the motion of the interveners does not question the power of the court to restrain acts upon the part of the employees or others which would have directly interfered with the receivers' possession of the trust property, or obstructed their control and management of it, as well as attempts, by force, intimidation, or threats, or otherwise, to molest or interfere with persons who remained in the service of the receivers or with others who were willing to take the places of those withdrawing from such service.

Whatever the reason may have been, the defendants acquiesced in that part of the writ of injunction.

> But it was contended that the circuit court exceeded its powers when it enjoined the employees of the receivers "from combining and conspiring to quit, with or without notice, the service of said receivers, with the object and intent of crippling the property in their custody or embarrassing the operation of said railroad, and from so quitting the service of said receivers, with or without notice, as to cripple the property or prevent or hinder the operation of said railroad."

Then the court continues:

> If an employee quits without cause and in violation of an express contract to serve for a stated time, then his quitting would not be of right, and he would be liable for any damages resulting from a breach of his agreement, and perhaps, in some states of case, to criminal prosecution for loss of life or limb by passengers or others, directly resulting from his abandoning his post at a time when care and watchfulness were required upon his part in the discharge of a duty he had undertaken to perform.

The court then decides what is called the vital question. That portion of the decision has been read into the RECORD by other Senators. Then the court proceeds:

> The right of an employee engaged to perform personal service to quit that service rests upon the same basis as the right of his employer to discharge him from further personal service. If the quitting in the one case or the discharging in the other is in violation of the contract between the parties, the one injured by the breach has his action for damages; and a court of equity will not, indirectly or negatively, by means of an injunction restraining the violation of the contract, compel the affirmative performance from day to day or the affirmative acceptance of merely personal services.

The court, speaking of the evils which may result from that application of the law, then says:

> But these evils, great as they are, and although arising in many cases from the inconsiderate conduct of employees and employers, both equally indifferent to the general welfare, are to be met and remedied by legislation restraining alike employees and employers so far as necessary adequately to guard the rights of the public as involved in the existence, maintenance, and safe management of public highways.

And that is precisely what the labor sections of the bill propose to do. They are applicable alike to employers and employees. Those who framed the bill evidently accepted the law as laid down by this eminent justice.

He continues:

> In the absence of legislation to the contrary, the right of one in the service of a quasi public corporation to withdraw therefrom at such time as he sees fit, and the right of the managers of such a corporation

to discharge an employee from service whenever they see fit, must be deemed so far absolute that no court of equity will compel him, against his will, to remain in such service—

And so forth.

"In the absence of legislation to the contrary!" Now, the committee in framing this bill propose to legislate upon the subject, to prohibit the employee in the one direction and the employer in the other from doing those things which will interfere with and imperil the public welfare.

How such legislation can be unconstitutional, how it can interfere with any absolute, inalienable right, in view of what the law is, as declared by one of its greatest interpreters, passes my comprehension. It says to the owner of the road: "You shall not arbitrarily discharge your employees. You shall not refuse to operate your road. You must continue the performance of this public duty which has been delegated to you by the Government at your request." It says the same thing to the employees. If that is not an effort to dispense equal and exact justice to every element entering into this complicated character of service, then I am unable to understand the English language.

Mr. President, I must define a strike by our own experiences concerning them. We may be satisfied with abstract definitions, but we know what strikes are in practice, and it is the practice at which the law must aim, and that practice necessarily, to be successful, involves the exercise of force, positive or negative, or both. Without such exercise, the man who does not want to strike or the man who wants to work would not be interfered with, and if they are not interfered with the strike *is apt* to be a failure. You might as well talk about a peaceful revolution in Mexico as to talk about a peaceful strike, especially if it possesses any dimensions. And when we consider that there is no resulting damage, no available remedy to the injured party which he can assert and enforce successfully in a court of justice against those thus acting, the need of restraint would appear to me the more absolutely essential.

No labor organization of which I have any knowledge is incorporated. The associations are voluntary. What they do, therefore, they do without those attending responsibilities which the law imposes upon organized effort, incorporated effort, or by individuals who can respond in damages. It is true the Supreme Court of the United States, in the Danbury Hat case, enforced a judgment obtained by the hat company against a certain body of men who struck, and who sought, and sought successfully in some degree, to prevent the continued operation of the factory against which the strike was directed; but every judge connected with that decision has been the subject of the severest personal criticism and in some instances of personal abuse by the organizations as a violation of their inalienable rights and as inflicting upon them great, cruel, and unjust burdens. Generally speaking, men are so certain that recovery is impossible that they take their losses and say nothing about it.

Away back in 1886 Congress passed a law regarding national trade-unions. That law now constitutes sections 8908 to 8912, inclusive, of the Revised Statutes of the United States. It extended to trade-unions the right and privilege of incorporating, and, of course, the right carried with it certain responsibilities. The law has been a dead letter. Organizations have not sought to take advantage of it, because they could then be held, like other people, responsible for violations of the law and for the infliction of injury upon others. They prefer immunity from the consequences of wrongdoing.

Suppose, Mr. President, that some operator should bring suit to-morrow against that particular union in his immediate vicinity, belonging to the United Mine Workers of America, for the loss and damage inflicted upon him in consequence of this strike: How far would he get with it? Where would he find a jury possessed of a sufficient sense of independence, freedom, and exemption from the influence of the great body of the organization to respond in damages? Take the strike against the steel company or companies. I am not just now interested in the justice or injustice of that strike, but I do know that some property was destroyed by those engaged in that movement. How long would a suit in the city of Youngstown or Pittsburgh last if brought against Mr. Fitzpatrick and Mr. Foster, or the organizations which they represent, for damages? Possibly a judgment might be obtained; unquestionably the law should give it, upon the general principle that there should be no wrong without a remedy; but no such remedy exists except in the abstract, and the man resorting to it will generally have his expenses for his pains.

The Adamson law was enacted upon the eve of a Nation-wide strike of railroad trainmen of all kinds. Suppose it had been put into operation: It would have tied up the country, with the resulting great loss to individuals, companies, and sections of the community. But where was any redress? If the railroad companies determine to suspend operations until their ideas of a tariff rate shall be accepted by the public, a remedy exists. Suits may be brought against them and their property may be taken under execution to satisfy any judgment obtained; but not so with the organization. Hence, if I am right—and I think I am—there is all the more need for preventive legislation, if such legislation can be enacted and afterwards enforced.

The Senator from Kentucky [Mr. STANLEY] says that the brotherhoods are composed of our best American citizenship, and that is true. He says they represent virtually the aristocracy of labor, although I do not know that he used that identical expression; but that is true. He says they are made up of law-abiding citizens, and that I cheerfully accept. Therefore, he says, there is no need for legislation of this kind. But, Mr. President, I do not think that follows at all. Men do collectively, and particularly where there is no corresponding liability, many things that they would not do individually. We do know that the men belonging to these brotherhoods were ordered out in 1916. We do know that some threats were made about the time the last demand for a raise was being considered. Justice requires the statement that they were explained and corrected by the leaders shortly afterwards, but they were made. We know that certain local strikes took place, notwithstanding the action of the leaders, notably at Los Angeles and afterwards at Kansas City. We know that according to the latest estimates the coal strike inflicted a loss upon the country of $260,000,000, and that is wiped out. I might retort and say that if none of these bodies expect to quit work, then this law will not hurt them; it will be perfectly innocuous. But there are other organizations besides those mentioned which have to do with transportation, whose establishment is of recent date, and whose actions up to this time we do not know much about. My experience is that the tendency to strike, and to strike is a tendency that is growing progressively in this country.

I have here a statement, to which I will refer for a moment, bearing upon that proposition.

The total number of labor strikers between the date of our declaration of war and the date of the armistice in this country was 2,386,285. Now, when we consider that the total number of men sent to France was 2,053,347, it follows that the army of strikers during that period exceeded the army of fighters during that period by about 350,000 men; and that was a time, Mr. President, when the energy and the labor of every citizen was sadly and sorely needed, when every impulse of duty and patriotism combined to keep the home fires burning, that the boys across the sea might need nothing essential to their supreme and heroic task, notwithstanding which these are the appalling figures.

I am not now discussing the justice or the injustice, the wisdom or the unwisdom, of these strikes. I know many of them were called to force the Government to pay higher wages, and some of them were doubtless due to the need of improved conditions. Since the war we have had a perfect carnival of strikes in this country, some of them of huge dimensions, nearly all of them attended to a greater or less degree by violence and the destruction of property, and every one of them menacing, more or less seriously, every American citizen desiring to continue to work or to take the place of some of these men. Some time ago I received a letter from an ex-member of the American Expeditionary Forces in San Francisco. He said the men who struck in the shipyards had gone to work in other avenues of industry, while he and others who wanted work were not permitted to take their places because they did not receive the protection which the Government of the United States should give them, and without which their lives would be in jeopardy the moment they attempted it.

Mr. President, when face to face with these conditions and confronted by the duty of seeing to it that such legislation as we enact must be effective and keep the roads going, I am unable to vote for the motion to strike out these provisions, and particularly since the Senator making it has nothing better to offer. The Senator asked me a few moments ago if a spontaneous strike of men was a right with which we could interfere. I responded by asking him if he ever heard of such a strike. He said he had occasionally; but admits that without the element of potential strength or force behind them they must prove a disappointment, a failure.

Upon this subject, Mr. President, I quote an author who was a member of a trades-union himself, whom the labor elements of the United States justly regard as a patron saint, and who had one of the keenest and most analytical minds of any man of his generation. I refer to Henry George, the author of

Progress and Poverty. He had occasion, when running for mayor of New York, to indite a letter to Pope Leo XIII. What inspired the letter I do not know, but trades-unionism was its subject, and this is what he said:

While within narrow lines trades-unionism promotes the idea of the mutuality of interests, and often helps to raise courage and further political education, and while it has enabled limited bodies of workingmen to improve somewhat their condition, and gain, as it were, breathing space, yet it takes no note of the general causes that determine the conditions of labor, and strikes for the elevation of only a small part of the great body by means that can not help the rest.

Aiming at the restriction of competition—the limitation of the right to labor—its methods are like those of the Army, which even in a righteous cause are subversive of liberty and liable to abuse, while its weapon, the strike, is destructive in its nature, both to combatants and noncombatants.

To apply the principle of trades-unions to all industry, as some dream of doing, would be to enthrall men in a caste system. Union methods are superficial in proposing forcibly to restrain overwork while utterly ignoring its cause and the sting of poverty that forces human beings to it.

And the methods by which these restraints must be enforced multiply officials, interfere with personal liberty, tend to corruption, and are liable to abuse.

Labor associations can do nothing to raise wages but by force. It may be force applied passively, or force applied actively, or force held in reserve, but it must be force. They must coerce or hold the power to coerce employers; they must coerce those among their own members disposed to straggle; they must do their best to get into their hands the whole field of labor they seek to occupy, and to force other workingmen either to join them or to starve.

Those who tell you of trade-unions bent on raising wages by moral suasion alone are like people who tell you of tigers that live on oranges.

Labor associations of the nature of trade guilds or unions are necessarily selfish; by the law of their being they must fight, regardless of who is hurt; they ignore and must ignore the teaching of Christ, that we should do unto others as we would have them do to us, which a true political economy shows is the only way to full emancipation of the masses.

I wish that thought could be driven into the hearts and minds of every man and woman in this country. He continues:

They must do their best to starve workingmen who do not join them; they must by all means in their power force back the "scab," as a soldier in battle must shoot down his mother's son if in the opposing ranks—a fellow creature seeking work, a fellow creature, in all probability, more pressed and starved than those who bitterly denounce him and often with the hungry, pleading faces of wife and child behind him. And in so far as they succeed, what is it that trades guilds and unions do but to impose more restriction on natural rights; to create "trusts" in labor to add to privileged classes other somewhat privileged classes; to press the weaker to the wall?

I speak without prejudice against trades-unions, of which for years I was an active member. I state the simple, undeniable truth when I say their principle is selfish and incapable of large and permanent benefits, and their methods violate natural rights and work hardship and injustice. Intelligent trades-unionists know it and the less intelligent vaguely feel it.

Mr. President, if I had uttered those sentiments, I would be characterized as an enemy of organized labor, which I am not. But we must recognize that it is based upon a selfish principle, just as an organization of vested interests is based upon a selfish principle, and should therefore be subject to the same controlling legal influences. Organizations of men and organizations of property differ but little in these days in their ultimate purpose. I have spent a great part of my life in fighting the one. I can not accept the practices of which they are guilty because they have been adopted by other sources for different reasons. We do know that unionism does tend to exclusiveness, and the extent to which that exclusiveness may go in the long run no man can tell.

I have a clipping here which does not relate to an entirely isolated case, which, nevertheless, vividly illustrates, as Mr. George says, the exclusive and selfish and forcible character of the general movement.

Mr. Foster expressed Mr. George's idea regarding the scab more forcibly and perhaps more logically when he said that a man might rob, he might steal, he might violate all of the laws of the country, and be pardoned; but if he went to work during a strike to earn an honest living he should be exterminated like vermin. It is true that when asked what he meant by that statement he said he meant to educate him; a conclusion which men may or may not accept.

I read a clipping from the Literary Digest, and typewritten, by the way, because a number of pressmen's organizations in New York, in violation of their contracts, did not strike, but went off on "a long vacation." This clipping reads:

MR. MURPHY, THE UNION, AND HIS PORCH.

"May I not paint my own porch?" asked a Chicago citizen named Murphy a few days ago. "You may not," promptly replied the painters' union of the Windy City, and forthwith proceeded to levy a fine of $50 on Murphy as a penalty for such painting as he already had done. Being true to the type indicated by his name, Murphy refused to pay the fine, and, according to the Chicago Tribune, "upon his refusal to pay this criminal demand he was slugged." The Tribune's attention was first called to the episode by the receipt of a letter from Murphy's daughter, in which the circumstances were related. After publishing the letter in the department of the paper known as the "Voice of the people," the Tribune received a number of other letters from persons who expressed themselves in regard to the incident. These were also published in the "Voice of the people." We reproduce three of them herewith. The first, after registering its writer's objection to the interference of the union, relates another instance of such interference. The letter says:

"It seems we can neither paint our own porches nor mend our own plumbing without being threatened with violence, and in many instances receiving it from the trade-unions with whom the officials do not care to stir up trouble when violence has been done to individuals. Who is this czar that can infringe upon our most sacred right, personal liberty, and regulate our affairs in our own home?

"Yesterday a janitor stopped a woman's maid who was washing the windows of her apartment, as he said that was the union window washers' work, who came around once a week and charged 20 cents a window. There are 15 windows in her apartment. She was timid and complied with his demand."

The second letter is written by a man who defends the action of the union in these quite outspoken words:

"In the Voice of the People you begin to talk up Murphy as if he was a martir the same as some other cases you butted in this town of Chicago to a union town and after union agents have raised wages up where they are who told you to but in and take a side with scabs that go to painting their own jobs instead of giving out the job to regular union men. Let any man mind his own jobs in his own trade and not try to hoggit all. The common people ant going to stand much longer for one man holding out against organized labor in defying its rules. All wealth is labor and nothing else when Murphy painted his own job he stole the laboring mans wealth. You say has a man got a right to paint his own house and the union says no and means it. Murphy didnt have no right to lay a brush on that job and if he did go to buy that shack he didnt have no right.

"Yours for unionism honest pay freedom Americanism 6 hours day and liberty."

Mr. President, I knew of two such occasions in the town of Goldfield, Nev., away back in 1906, when the I. W. W. was in its infancy. Nobody defends these things openly, except such gentlemen as wrote to the "Voice of the People." But in practice, Mr. President, the progress has been constantly toward that identical end, and because legislators are timid about enacting laws for the protection of the individual, and because courts and juries are timid about enforcing the laws which we have, the point has been reached where it is declared that no laws can be passed upon this subject because striking is an inalienable right, and men high in authority announce in advance of their enactment that if they are placed upon the statute books they will be openly defied and flouted. If that is the situation, if we have reached that point, then it is only a question of days, Mr. President, when the nongovernmental organizations will possess the political and temporal power of the country, when they might just as well take possession of the Government and operate it in the exclusive interest of a part only of the great body politic. But if, on the other hand, the institutions of the country are to be protected, the Government is to perform its duty to the people whose servant it is, and the avenues of transportation are to be kept open and continued, it behooves us to assert what little power we have left and make an effort at least to perform our duties to the people who sent us here.

In considering a question of this kind we must not forget the extreme need, as I have heretofore emphasized, of the 110,000,000 people. Since the steel strike I have received many letters from farmers, not only in my own State but many others, asking why the Congress did not meet the difficulty, protesting against the extreme to which certain elements of organized labor were proceeding, and realizing that they were as much concerned, perhaps more concerned, as to results as any other class of the people, for there must be an eternal conflict between the producer and the consumer when a portion of the latter insist upon high compensation and a low price of living. The two are absolutely irreconcilable.

It is supposed, and for years it was a fact, that there was no such thing as a right without accompanying responsibility. The privilege which a man enjoyed was accompanied by corresponding duty, which limited it and was inseparable from it. He who claimed the exercise of any right was very properly required to recognize the limitations of the responsibility. I have a right under the rules to speak in the Senate all the time——

Mr. ASHURST. The Senator exercises it.

Mr. THOMAS. The Senator from Arizona says I exercise it. That may be true, but every other Senator, including the Senator from Arizona, has the same right. If it be true that I have exercised it, then I have trespassed upon the rights of the Senator from Arizona and upon the rights of every other Senator.

Mr. ASHURST. The Senator, when he exercises that right, is always exercising it for the good of the country and the delight and interest of the people and his colleagues.

Mr. THOMAS. I thank the Senator for the compliment, but I am merely illustrating in a homely way what should be an obvious fact. That right is not unlimited in its actual operation, for otherwise it would destroy the prerogatives of the other 95 Members of the Senate.

I have a right to use the streets, even with an automobile if I were rich enough to possess one, but I have no right to use

it so as to interfere with the rights of my neighbor. He is frequently run over, and the man who runs over him recklessly and deliberately should be shot on sight; but he is exercising the same kind of a right when he does it that many exercise who are to-day clamoring for rights and at the same time evading or ignoring their responsibilities.

These provisions of law are merely designed, however inoperative they may be, to regulate rights limited by responsibility and obligation.

Moreover, Mr. President, under the requirements of the situation, and I pass now briefly to another part of the bill, we are required to return the roads in practically as good condition as when we got them.

The Senator from Alabama called attention to the fact that in the item of wages alone we have increased the expense of transportation since Government possession by a billion dollars and when the roads go back that added burden goes with them. No man is insane enough at present to think about a reduction of wages and particularly a reduction of the wages of the men who are employed in railroad operation. I am not attacking these rates, for frankly the impression that the railroad employees of the country were the best paid of our employees before the war is a mistaken one. I have here an extract from an official statement issued by Mr. McAdoo on that subject when he was at the head of the Railroad Administration, and I ask leave, without reading, to incorporate it in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objections, it is so ordered.

The statement referred to is as follows:

Report bipartisan commission appointed by Secretary McAdoo January 18, 1918, Secretary Lane, chairman:

"It has been a somewhat popular impression that railroad employees were among the most highly paid workers. But figures gathered from the railroads disposed of this belief. Fifty-one per cent of all employees during December, 1917, received $75 per month or less. Even among the locomotive engineers, commonly spoken of as highly paid, a preponderating number receive less than $170 per month, and this compensation they have attained by the most compact and complete organization handled with a full appreciation of all strategic values. Between the grades receiving $150 to $250 per month there is included less than 3 per cent of all the employees (excluding officials), and these aggregate less than 60,000 men out of a grand total of 2,000,000. The greatest number of employees on all the roads fall into the class receiving $60 and $65 per month—181,693; while within the range of the next $10 in monthly salary there is a total of 312,761 persons. In December, 1917, there were 111,477 clerks receiving annual pay of $900 or less. In 1917 the average pay of this class was but $56.77 per month. There were 270,855 section men whose average pay was $58.25 per month; 130,075 station service employees whose average pay was $58.57 per month; 75,325 road freight brakemen and flagmen whose average pay was $100.17 per month; and 16,465 road passenger brakemen and flagmen whose average pay was $91.10 per month."

Mr. THOMAS. The statement shows that the average wage paid before the Government assumed charge of the railways was very much below the cost of living, very much below. The men were obliged, in view of existing conditions, to ask for, and it was but just that they should have received, the increase. The difficulty, however, with the increase is that it was not properly distributed. Some men are paid inordinate wages and others are not paid wages enough. I do not know what the system was; in fact, I do not think there was any system. It seemed to be a haphazard condition based largely upon classifications of employment. Here is one of the instances of the unwise and improvident distribution of wages:

A Wabash Railroad water tank, operated by electricity, is tended by a farmer, who turns on the switch in the morning, works all day at his own business, and turns the switch off at night. For this he was formerly paid $20 a month. Under the Government Railroad Administration he was classed as an electrician, his time was figured for the entire day, and he was allowed $300 a month and given over $2,500 back pay.

I have no doubt this gentleman is very anxious to continue the roads in the possession of the Government and that there are many others who have similarly been discriminated in favor of who naturally feel that way.

But, Mr. President, we are running behind in the operation of our roads to the extent of millions upon millions of dollars every year. We have been told that in addition to the liabilities of the railroad companies to the Government, and for which they must have time for settlement, there is a deficit of some $600,000,000 to $650,000,000. That is for two years. If we keep the roads two years longer the chances are ten to one that the deficiency will progressively increase, because there will be other demands for advances in wages, and so forth, and with each of these demands, production being a diminishing quantity, there will be a corresponding increase in the deficiency.

Is it to the interest of the millions of taxpaying Americans to continue the possession of the roads under such conditions any longer than is absolutely necessary? The man who pays the taxes is entitled to a little occasional consideration in Congress, although we express that consideration generally in appropriation bills. He is the man upon whom the burden of this stupendous financial responsibility directly rests.

I repeat what I have frequently said here, that we can not go on forever in our reckless management of financial affairs, rich as we are, as we are going on now. The $650,000,000 must be paid. If we keep the roads two years longer it will be $1,500,000,000 which must be paid. How shall we pay it? There is only one way, and that is to take the taxpayer and turn him bottom side up and run the money out of his pocket into the National Treasury. I wish he would organize and assert some of his rights occasionally.

We shall spend between $5,000,000,000 and $6,000,000,000 of his money during the next fiscal year. If we add to it practically half a billion dollars as another deficiency, supplement that with the demand for $750,000,000 for soldiers' bonuses, and that with the demand for $500,000,000 for good roads, I actually think that even the American taxpayer will begin to show some signs of rebellion.

Under the circumstances I want to get rid of the railroads and give them back to their owners as soon as possible, and save that drain. I want the guaranty, which under our arrangement we must give, to be limited to the lowest proportion consistent with the efficiency which we require of these concerns. I want to see production and thrift reestablished as old American virtues, for until they are reestablished we will fight the high cost of living and all our other troubles in vain.

I think this is a good step. I once thought, and thought seriously, that inasmuch as the Interstate Commerce Commission was far from successful, inasmuch as the regulation of the railway companies, try as hard as we might, was accompanied by many discriminations and many abuses, Government ownership was our last resort, and we ought to assume it as soon as possible. But if the two years of public administration is a sample of Government ownership, then may God in His infinite mercy deliver the people of the United States from its longer continuation.

The other is not a satisfactory alternative. The bill seeks, however, and I think successfully, to modify these conditions and eliminate a great many of the evils of which the people justly complain.

Mr. President, in conclusion let me say that it seems to me that those who will not accept and propose to vote against this bill, owe it to us, to the railroads, and to the country to propose a better scheme and one which will accomplish the main object with less expense and with more satisfaction to all concerned.

Mr. WILLIAMS. Mr. President, I think we are considering a practical proposition. I do not see any particular reason to get red-headed about it one way or the other. I do not see any particular reason to become Bolshevists in connection with it or to become reactionaries, either one. The world up to this date has pursued its even course, and the world, outside of immediate war conditions, has conquered a higher place every century and every generation. Labor has conquered a higher place every century and every generation by means of cooperation amongst laborers to advance their welfare. I do not see any reason why I should rise in rebellion against labor unions or against agreements amongst laborers to make their place in the world better than that place has been or now is.

Mr. President, we have just passed through a state of universal war in which men were killed and dismembered, women were starved and ravished, and children were deprived of milk at the time that they ought to have had it—a period during which the birth rate immensely decreased and the death rate increased still more immensely. I stand here as one of those men who want peace—international peace, industrial peace, every form possible of peace between man and man, with the love of God and of God's dear Son extended in an apostolic blessing upon us as we seek peace.

I am opposed to every form of contention and war, international or industrial. I am in favor of every sort of arbitration, every sort of impartial tribunal that may diminish the chances of war and increase the chances of peace.

Mr. President, I left my home this morning and came down to the Capitol in the street car. I saw the streets splendidly paved, automobiles passing by, high buildings in which were housed the men who are carrying on private industries in the city of Washington, and the great public buildings and the monuments along the way. I saw beautiful women coming into the car and going out of it; I saw strong, stalwart men coming in and going out. I said to myself: "This is a picture of the accumulation of the human race in mutual benefit and in happiness which we call civilization."

Up to this good date in the history of the world, Mr. President, that civilization, at odd and irregular intervals, has been subject

to annihilation. Barbarians came around the Caspian Sea with knives in their teeth and bridle reins in their hands.

All that Plato taught in Greece went for naught; all that Seneca taught in Rome went for naught. The barbarians conquered. While Rome went on, the world went into a state of demilunaticism for something like a thousand years.

The great Macaulay said that the only difference was that while the old race of barbarians came from the forests of Germany and from the steppes of Asia the new race of barbarians would come from the alleys of the great cities and the back sloughs of the great factories. Now, is that true or not? Have we got to meet with it or have we not? It depends upon your wisdom, upon my wisdom, and the wisdom and vision of everybody else. And, Mr. President, what does that depend upon?

Does the Senator from Colorado [Mr. THOMAS], who has just taken his seat, imagine that the only danger to world civilization to-day is Bolshevism; that the only danger is trade-unionism—a much less thing—or does he not imagine that, perhaps, a part of the danger is due to the very reaction which he has expressed; the very counter-revolution which he represents? In medio tutissimus ibis—in the middle of the way lies safety—is a wise rule for all people at all times.

Oh, Mr. President, if I just could divorce Representatives and Senators in Congress from their idea of being reelected to something, if I could just divorce their minds from senatorial or congressional or presidential aspirations, and lead them to think honestly with one another as if they were around a social board, with no especial object in mind, I could accomplish the purpose which I, at any rate, have in view.

Mr. President, what is this matter that we are discussing? I want to bring the ship back to where we can take our bearings. So much has been said about it, and so much has been said so foolishly, that it is well for us to know just what we are doing. This is the provision under discussion:

SEC. 30. It shall be unlawful for two or more persons, being officers, directors, managers, agents, attorneys, or employees of any carrier or carriers subject to the act to regulate commerce, as amended, for the purpose of maintaining, adjusting, or settling any dispute, demand, or controversy which, under the provisions of this act, can be submitted for decision to the committee of wages and working conditions—

Which is an arbitral committee established in the cause of peace, established for the purpose of preventing industrial warfare—

or to a regional board of adjustment—

A subordinate board of the same sort—

or to a regional board of adjustment, to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation.

Now, mark you that—"the operation of trains or other facilities of transportation."

Mr. President, I find two sides here contending for a couple of theories, one with the view that a man has a right to combine with everybody in the world, no matter with what result to the general public, in order to stop or to hinder "the operation of trains or other facilities of transportation," the other side contending that nobody has any right to quit work—both of them equally foolish, both of them equally absurd. All that this bill says is that the employees shall submit to this chief board and to this subboard of arbitration the questions in dispute—before what? Before they "hinder, restrain, or prevent the operation of trains or other facilities of transportation."

Mr. President, this Republic contains something like 110,000,000 men, women, and children. The great city of New York, perhaps now, with its suburbs in New Jersey and on Long Island, the largest city in the world, except it may be London, contains something like five or six million people. Probably something more than one-half of that population are women and children, and one-tenth of that population are children, little babies seeking the milk bottle or their mother's breast—and under the new order of modern women, under the new civilization, they seek their mother's breasts almost in vain, and must have milk bottles. If a man comes to me and tells me that upon some theory or other he has a right to stop the transportation of milk to those babies in New York, I tell him when he says it that he is a self-confessed murderer of children. He is worse than King Herod, because King Herod did try to find out the children who were born in Nazareth, whereas these other men are not trying to find out anything about the children at all except to starve them. They care not for their parentage or birth place.

Chicago contains almost as many people as New York; Philadelphia somewhat less; Boston still less; but there is not a great city in the United States that could do without railroad transportation of milk for three weeks without starving not hundreds but thousands of babies.

Talk to me about the schemes of the Kaiser and of German barbarism! This is industrial barbarism worse yet. Talk to me about the iniquity of the Senate in defeating the league of nations! That was bad enough, but this is infinitely worse. They were both contemptible, but this is still more contemptible than the others were.

The human being whose soul can not rise, not to the point of harmony with Jesus Christ, because none of us can do that, but to the point of sympathy with His goal and His dreams and His visions, is a human soul unworthy to sit here and talk about industrial peace or industrial war or international peace or international war.

But that is all this provision means, that before they can go out on what they call a strike—which is not an individual man quitting work, but is a combination amongst various men; a strike confined to the "operation of trains or other facilities of commerce"—they must first go before one of these two boards.

Does a man tell me because he labors with his hands and I do not labor with mine, that therefore he has a right to starve babies and I have not a right to starve them?

Why should his hand thrust be any more innocent than my brain thrust? Perhaps he ought to be in my place, exercising his brain, and I ought to be in his place, exercising my hand. That is more than probably true, because, judging by the failure I have made here, he could have done better in my place, although I doubt whether I could have done better in his place.

How does this read?

With the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement and with like purpose substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce; and, upon conviction, any such person shall be punished by a fine not exceeding—

What? $500—the price of 500 dozen eggs at present.

Or by imprisonment not exceeding six months, or by both such fine and imprisonment: *Provided*, That nothing herein shall be taken to deny to any individual the right to quit his employment for any reason.

Good reason, bad reason, or any reason, or no reason. The thirteenth amendment takes care of that. Congress could not interfere with it if it wanted to.

Now, let us go a little bit further.

SEC. 31. Whoever knowingly and with like intent shall aid, abet, counsel, command, induce, or procure the commission or performance—

Aid, abet, counsel, command; that is the chief word in it—

induce, or procure the commission or performance of any act made unlawful in the last preceding section hereof shall be held guilty of a misdemeanor and upon conviction shall be punished—

And so forth.

Now, Mr. President, what does it all mean? What does it all mean? It means merely that I have no right to connive with you and conspire with you or with the Senator from Utah to cut off the coal that heats the bodies of the people of America, and to cut off the milk that feeds the babies of America in the large cities, to cut off the farmers' market in the cities and the consumers' purchase of the farmers' products, without first—now, mind you, it does not say that I shall not have a right to do it, but that I shall not have the right to do it without "first leaving it to fair arbitration."

The Senator from Iowa and I have a quarrel. In my opinion the anger is unextinguishable. In his it is equally so; but your laws force him and me to go to court. I can not go out and kill him because he is outraging my utmost sensibilities, nor can he kill me for the same reason. Mr. President, above all things in the world the world must come to this. Internationally, industrially, and in every other way we *must* come to the idea that industrial and international quarrels, like private quarrels, must be submitted to an arbitration of some sort or to a court.

Even after the Senator from Iowa and I have submitted our quarrel to a court, if outside of the court and afterwards he makes himself so personally disagreeable or dangerous to me, I may kill him, and I may be cleared by the verdict of a petit jury; but I must at least have done all that was to be done in order to comply with the dictates of the world's civilization.

Now, what is the world's civilization? Merely the accumulation of the knowledge of the past generations bunched together in this generation—schools, universities, colleges, churches, pavements, buildings, private character, public laws, international treaties, all the balance of it; the accumulations of men standing upon the shoulders of other men, looking farther than their forefathers could look, simply because they have the opportunity to stand upon shoulders. It is an old saying that a

dwarf on a giant's shoulders can see farther than the giant can see.

Mr. President, I do not agree a little bit with a good deal that the Senator from Colorado has said. I have nothing against labor unions, and I do not think labor unions are threatening the civilization of this world at this time. I think certain commotions within labor unions, trying to take possession of the labor unions, are threatening that civilization; but American labor unions are taking care of that internal commotion themselves. Men have a right to combine for the purpose of advancing their wages and shortening their hours and generally ameliorating their condition and the condition of their families, and if they had not had that right this world would have been in barbarism to-day. It was the trade-unions of Great Britain, of the Anglo-Saxon parent stock, operating along the old lines of English-speaking liberty and civilization, that worked out a possible condition for labor; and those unions are going to work out a better condition from day to day and from decade to decade and from century to century. But it will not do to denounce labor unions on this floor—not even though birds of foul nesting have found temporary location there, like this fellow Foster and a few more that in my opinion will be pitched out headlong in less than three months.

Mr. President, I am not afraid of labor unions. There are none of them in Mississippi to amount to anything. I have no political reason to curry favor with them. They count for naught with me, except in so far as they are right, except in so far as they are reaching for a higher level of civilization and of human happiness.

It was Thomas Jefferson who said that the sole purpose of government was the liberty and the happiness of the citizen. I believe that, and I should be ashamed of myself in every fiber of my being if, just because I have nothing to fear politically from some particular element, I was not willing to do that element justice. I am willing to do it justice all the time; but there are limits, Mr. President, and those limits are exactly the limits that you and I must prescribe for ourselves.

The Senator from Colorado [Mr. THOMAS] very well said this afternoon that I have the right to use the street and to use it with an automobile, but I must not use it so as to run over you. That is the limit of the labor union's right, and when you come down to spell it out it means this, that capital has a right to combine and to cooperate for higher profits; that labor has a right to combine and to cooperate for better wages, shorter hours, or whatever else they think is good for their members, but that back of both of them stand the other 75,000,000 or 80,000,000 of the American people who are neither capitalists nor labor-union men, and whose voice must be heard; and that voice must be heard and shall be heard in behalf of industrial peace in every industry that deals with the necessities of life or with transportation, which is a necessity of modern industrial life.

No capitalist has the right to close down his works in order that he may make a higher profit after a while while he freezes the American people for lack of fuel. No laborer has the right to go out and shut off the production of coal at the beginning of November, when winter is just beginning, in order that he may have a higher wage or shorter hours.

When that sort of thing occurs, then these 80,000,000 people have something to say; and, as far as I am concerned, and I represent them here—and through my voice, if through nobody else's—they shall be heard; and their voice is, "A plague upon both your houses." Obey the law. "Submit your differences to just arbitrament. Leave me and my wife and my children free of murder at your hands," whether by capitalists closing down the coal mines or by labor closing them down, or whether by capital or labor, either one or both, shutting off transportation. "This thing ye shall not do. By the Eternal God that made the 80,000,000 of us, this thing ye shall not do; and if it be necessary by law, or outside of law, to make you stop it, we will make you stop it. We have the numbers, and we have the power, and we have the money, and we have everything else. Right up to the limit of your rights you shall have free liberty, but beyond that line you shall have nothing. You shall consider the liberty and the happiness of mankind beyond that line. So far as America is concerned, we 80,000,000 constitute mankind here. You shall not starve our babies, you shall not freeze our wives, whether in the name of capital or labor or in the name of any other theory, whether it be Bolshevism at the one extreme or whether it be counter-reaction at the other. That thing of starvation and murder you shall not do. We stand here in our own right, as descendants of the people who settled this country, who made it great, and we are not going to have the accumulation which this generation possesses from all the past generations destroyed, either by the selfishness of capital or by the greed of labor; and when it comes to a transportation question"—and that is all that is involved here—"you must agree that the common carriers can carry freight and can carry on the work of civilization, can carry milk to the babies, can carry fuel to the adult, until at least after you have previously submitted your controversy to a fair and impartial arbitral tribunal." Arbitration must come first.

Is that asking much? Is that asking too much? Is that asking anything of a square man from another square man? Would not the other man, if he was square, grant it beforehand? It would not be even a sacrifice. He would say, "Of course, you are right about that. I am not a brute; I am not a barbarian; I am not a dog, that I should do this thing. I am willing to do what is fair and square, and this is fair and square."

Mr. President, I am a few months over 65 years old now; I have been in public life over a third of a century. If I have had any one great purpose in public life, outside of my determination to be individually honest and fair, it has been to gain peace for the world, internationally, industrially, and in every other way. I have never hesitated to say, with old Thomas Jefferson, that "my passion is peace." International peace is very important. I would give my left arm to accomplish it. Industrial peace is still more important. I would give my right arm to accomplish that. I do not want to make an ass of myself, Mr. President, but I would give my soul to fix some scheme whereby men in their personal and international and industrial relations would submit to reason rather than passion, to reason upon a religious basis of some sort, meaning by that merely a worship of God, a recognition of God's fatherhood and the brotherhood of man, with nothing sectarian about it. I would give my soul, my very soul, to accomplish that purpose. I would go down damned through all eternity, with God's blessing, I hope, to accomplish one-tenth part of that purpose.

Yet, Mr. President, when we meet and discuss things, how do we meet and how do we discuss them? One fellow discusses them as an antilabor-union man, another as a labor-union man, another as a Republican, another as a Democrat, another as a Christian Scientist, another as a Roman Catholic, another as an Irishman, another as a pro-German, another as an American, vaunting his Americanism before everybody else's Americanism; and yet nobody willing just to surrender it all for the sake of the brotherhood of mankind, industrially, internationally, and for peace; not peace at any price, but peace upon a righteous basis, after fair and arbitral adjudication.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills; in which it requested the concurrence of the Senate:

H. R. 484. An act to provide for the erection of a Federal office building on the site acquired for the Subtreasury in St. Louis, Mo.; and

H. R. 7656. An act to repeal the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, and to repeal all acts and parts of acts amendatory thereof, and to provide for the disposition of all property acquired under and by virtue of the same.

The message also announced that the House had agreed to Senate concurrent resolution No. 22 directing the Secretary of the Senate to enroll the bill (S. 2472) to amend the Federal reserve act, by making sundry changes in said bill.

ENROLLED JOINT RESOLUTION SIGNED.

The message further announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 213) continuing temporarily certain allowances to officers of the Navy and Marine Corps, and it was thereupon signed by the Vice President.

HOUSE BILLS REFERRED.

The following bills were each read twice by their titles and referred to the Committee on Public Buildings and Grounds:

H. R. 484. An act to provide for the erection of a Federal office building on the site acquired for the Subtreasury in St. Louis, Mo.; and

H. R. 7656. An act to repeal the act entitled "An act to authorize the President to provide housing for war needs," approved May 16, 1918, and to repeal all acts and parts of acts amendatory thereof, and to provide for the disposition of all property acquired under and by virtue of the same.

CABLEGRAM FROM ROUMANIAN CHAMBER OF DEPUTIES.

The VICE PRESIDENT laid before the Senate a cablegram from the Roumanian Chamber of Deputies, expressing the gratitude of the Parliament of Roumania for the support ac-

corded to the Roumanian people by the Congress of the United States; which was referred to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS.

Mr. CAPPER presented a memorial of the Marshall County Kansas Farmers' Educational and Cooperative Union, remonstrating against the adoption of compulsory military training, which was referred to the Committee on Military Affairs.

Mr. ELKINS presented a petition of Local Lodge No. 282, Benevolent and Protective Order of Elks, of Moundsville, W. Va., praying for the enactment of legislation providing for the suppression of bolshevism and the deportation of undesirable aliens, which was referred to the Committee on Immigration.

Mr. NEWBERRY presented a memorial of Mineral King Lodge, No. 129, Brotherhood of Locomotive Firemen and Enginemen, of Escanaba, Mich., remonstrating against the passage of the so-called Cummins railroad bill and favoring a two years' extension of Government control of railroads, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the faculty of Adrian College, Michigan, praying for the adoption of the league of nations covenant without reservations, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Scottsville, Mich., praying for the enactment of legislation granting increased pensions to veterans of the Civil War, which was referred to the Committee on Pensions.

CONSTRUCTION OF PUBLIC BUILDINGS.

Mr. FERNALD. I ask leave to submit a report (No. 336) from the subcommittee of the Committee on Public Buildings and Grounds, pursuant to Senate resolution 210 of October 11, 1919, on the cost of public buildings and operations of the United States Housing Corporation.

The VICE PRESIDENT. The report will be received and printed.

REPORTS OF COMMITTEE ON CLAIMS.

Mr. NEW, from the Committee on Claims, to which was referred the bill (H. R. 1761) for the relief of the Farmers National Bank of Wilkinson, Ind., reported it without amendment and submitted a report (No. 338) thereon.

He also, from the same committee, to which was referred the bill (S. 2554) for the relief of J. B. Waterman, reported it with an amendment and submitted a report (No. 337) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELKINS:

A bill (S. 3564) granting an increase of pension to William S. Wilmoth; to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 3565) to amend section 190 of the Revised Statutes of the United States; to the Committee on the Judiciary.

A bill (S. 3566) to amend section 3 of an act entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," approved February 5, 1917; to the Committee on Immigration.

A bill (S. 3567) granting an increase of pension to Mary E. Fuller; to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 3568) for the construction of a complete hospital plant in the city of Memphis, Tenn.; to the Committee on Public Buildings and Grounds.

By Mr. CAPPER:

A bill (S. 3569) granting a pension to Claude H. Johnson; and

A bill (S. 3570) granting an increase of pension to Augustus E. Dodds (with accompanying papers); to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 3571) to establish a national bulletin; to the Committee on Printing.

By Mr. TOWNSEND:

A bill (S. 3572) to provide for the establishment and maintenance of a national highway system, to create a Federal highway commission, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. NEWBERRY:

A bill (S. 3573) to provide for a memorial in commemoration of the death of Joseph W. Guyton, the first member of the United States Army killed on German soil (with accompanying papers); to the Committee on Military Affairs.

By Mr. SHERMAN:

A bill (S. 3574) to provide for the sale by the Commissioners of the District of Columbia of certain land in the District of Columbia acquired for a school site, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 3575) to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1919, and prior fiscal years, and for other purposes," approved July 11, 1919 (Public, No. 5, 66th Cong.); to the Committee on Public Buildings and Grounds.

THE EGYPTIAN QUESTION.

Mr. OWEN. Mr. President, I wish to call the attention of the Senate to a letter which I received from the Secretary of State and which I think it is worth while to have read. It is very short.

The VICE PRESIDENT. Is there any objection? The Chair hears none. The Secretary will read.

The Secretary read as follows:

DECEMBER 16, 1919.

Hon. ROBERT L. OWEN,
United States Senate.

SIR: I have the honor to acknowledge the receipt of your letter of November 29 last, in which you inquire as to the effect of this Government's recognition of the so-called protectorate proclaimed by Great Britain over Egypt on December 18, 1914.

In reply I beg to state that the department does not understand that Egypt was, prior to the British proclamation of December 18, 1914, in possession of full independent sovereign rights.

The effect of this Government's qualified recognition of April, 1919, was to acknowledge, with the reservation set forth at that time, only such control of Egyptian affairs as had been set forth in the notice of the British Government transmitted to the department on December 18, 1914, a copy of which is inclosed.

It is assumed that it is the purpose of Great Britain to carry out the assurances given by King George V of England to the late Sultan of Egypt, as published in the London Times of December 21, 1914.

I have the honor to be, sir,
Your obedient servant,

ROBERT LANSING.

WAR RISK BUREAU PAYMENTS.

Mr. SMOOT. Mr. President, I am just in receipt of a special-delivery letter from a soldier of the American Legion, inclosing a clipping from the evening Washington Times. I desire to take just a moment to read it, and then I want to give a notice. It reads as follows:

HARD SENATE FIGHT FACES SWEET BILL—SMOOT IS DETERMINED TO PREVENT ACTION ON MEASURE BEFORE CHRISTMAS HOLIDAYS.

Supporters of the Sweet bill, increasing the war-risk benefits for disabled service men, will find a lively fight on their hands if they try to get early action in the Senate.

Senator SMOOT, of Utah, who would disintegrate the War Risk Bureau in the interest of economy, stands ready to prevent any contemplated action before the Christmas holidays, despite the optimism of House Members that the Sweet bill is near final enactment.

It is not likely that there will be any action on the Sweet bill or any other war-risk measure in the Senate for a couple of months. Senator SMOOT is waiting for a chance to introduce his bill providing for the disintegration of the War Risk Bureau. Under the measure, he predicts that, with one fell swoop, between 8,000 and 9,000 employees of the War Risk Bureau would find themselves out of jobs.

In the meantime Senator SMOOT intends to hold up action on the Sweet bill or any other measure for the payment of additional compensation to disabled service men. He has made it clear that he does not disapprove liberal treatment of disabled soldiers, and is ready to go far in legislating in their behalf. The trouble lies with the War Risk Bureau, in the opinion of Senator SMOOT, which he believes should be cleaned out from top to bottom.

Mr. President, there is not a word of truth in this article wherein it refers to my position on the Sweet bill. I have on my desk the report on the Sweet bill with amendments agreed to by the Finance Committee, and if the Senator from Iowa [Mr. CUMMINS], having the pending bill in charge, will allow me tomorrow morning to make the report and ask unanimous consent for its consideration, providing it does not lead to unduly prolonged discussion, I am going to make that request.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. MOSES. Mr. President, I wish to give notice that I shall reserve for a separate vote in the Senate the amendment made as in Committee of the Whole whereby a new section was added to the bill known as section 44½.

Mr. UNDERWOOD. Mr. President, I noticed in several of the daily papers a day or two ago an advertisement signed by a number of gentlemen, and the signers are as follows:

Darwin P. Kingsley, who I understand is president of the New York Life Insurance Co.; Haley Fiske, who is, I understand, president of the Metropolitan Life Insurance Co.; John J. Pulleyn, president of the Emigrant-Industrial Savings Bank, of New York; George K. Johnson, president of the Penn Mutual Life Insurance Co., of Philadelphia; L. F. Butler, president of the Travelers Life Insurance Co., of Hartford, Conn.; and L. F. Van Dyke, president of the Northwestern Mutual Life Insurance Co., of Milwaukee.

The institutions represented by these gentlemen as their presidents own over one billion dollars railroad securities, upon the stability of which depends the investment securing millions of citizens throughout the country.

There are 46,000,000 life insurance policies outstanding, of which 33,000,000 are unduplicated. These are the regular form of policy. The Metropolitan Life Insurance Co., of which Mr. Fiske is president, also issues what is termed an industrial policy, of which there are approximately 15,000,000 policies outstanding and held by the working classes generally, including servant girls and young men of the serving class. The holders of this class of policy pay 10 cents a week on their policies.

So life insurance policies are held among all classes, and very largely among the laboring and serving classes of the country.

The Emigrant-Industrial Savings Bank, of which Mr. Pulleyn is president, is the largest savings bank in the country.

These banks, I think, give weight to the statement which follows. I shall not detain the Senate to have the statement in the paper read at this time, but I will ask to have it printed in the RECORD, as I think it is well worth preserving as a part of this debate.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

A STATEMENT TO THE PUBLIC.

DECEMBER 17, 1919.

The Senate Committee on Interstate Commerce held hearings on the railroad problem practically without intermission from January until October 23, 1919, when a bill (S. 3288) was reported favorably by that committee to the Senate.

Adequate and prompt legislation has been urged by the President. The result of the committee's effort is a bill which is nonpartisan and is responsive to that necessity for remedial legislation which is recognized by the President, by both political parties, and by the American public. This bill is known as the Cummins bill.

The House Committee on Interstate and Foreign Commerce also reported a bill dealing with certain features of railroad regulation, which passed the House with sundry amendments. This is known as the Esch bill. It does not deal with certain underlying problems such as definite instructions for rate making, without which private ownership and operation will be imperiled through the old warfare between the managers of the railroads and organizations of shippers, and as the result of distrust on the part of the general public and the unworkable basis of old laws.

Advocates of Government ownership oppose both bills and advocate substantial extensions of the period of Federal control, with that end in view.

DELAY ENDANGERS RESUMPTION OF PRIVATE OPERATION.

The railway properties and the traffic machinery are suffering from the delay in the return of these properties to those responsible directly and solely for the preservation and efficiency of individual systems. We do not suggest that this is the fault of the personnel of the Railroad Administration. It is the unavoidable consequence of consolidated operation by a temporary governmental agency, the first duty of which is to the Public Treasury and which is not and can not be organized from the standpoint of permanent ownership and conservation.

Extension of Federal control longer than necessary to secure the adoption of indispensable remedial legislation would further prejudice and demoralize the established agencies of transportation and make resumption of private operation on a sound basis increasingly difficult. The drive toward Government ownership, which would constitute a blight upon American politics, restrict development, and enormously increase the complexity and friction of Federal Government, can be effectively checked only through prompt and decisive action by Congress.

This action must be through legislation which will put an end to the attitude of suspicion entertained by the public or artificially stimulated toward the American railroads. It must also put an end to the profound apprehension on the part of the railroads and the investing public as to the attitude of the rate-making authorities toward these properties.

Such legislation must prevent the possibility of exploiting security issues and like possible causes of public distrust. It must put an end to the warfare between shipper and railroad management over rates by subjecting rate levels to a workable statutory test and adapting these rates, as suggested by the United States Supreme Court over 40 years ago, "to the circumstances of the different roads," so that necessary units in the competitive system will not be starved to death. This result is to be expected under the old laws, because of the disposition of the rate-making authority to depress the rate levels unduly in order to prevent what would be regarded as an excessive return upon the value of the property of individual roads in the several competitive groups on which unusual density of traffic might otherwise produce excessive results.

BOTH BILLS GREATLY EXTEND REGULATION.

Both Senate and House bills evidence the inflexible purpose to extend the system of Federal regulation of interstate carriers, begun in 1887, to the limit deemed consistent with private enterprise. We do not stop to oppose or commend that purpose. It is fixed and unavoidable, and is responsive to the weight of opinion expressed at the hearings before the two committees. Any bill which passes will undoubtedly control security issues, new construction, car supplies, facilities, and to some extent service and operation.

A business thus regulated must have public confidence and is entitled to reasonable statutory protection. To return these properties without adequate legislation is to destroy them.

If this protection is assured, the investors in railway securities can well afford to relinquish speculative or excessive returns. They are to-day no longer dealing with a speculative possibility, but they must be assured of a fair chance to receive a reasonable return if they produce the energy and efficiency to earn it under rates found to be adequate for the average condition in each group.

The House bill goes to the limit of regulation without any provision remotely tending to recognize the corresponding obligation of Congress for protection from its own elaborate machinery. The Senate bill (S. 3288) as reported contains fair recognition of that obligation in section 6. As new matter is not added in conference under the usual parliamentary procedure, it is plain that the Senate bill should be passed by the Senate and sent to conference with section 6 unimpaired.

PROVISIONS OF SECTION 6 INDISPENSABLE.

Section 6 is fundamental. It is so indispensable in the existing crisis that we trust that Senators and Representatives desirous of a sound system of competitive American transportation may not, upon the floor of the Senate or in conference or upon the question of concurrence, delay or endanger the passage of a bill containing its provisions.

This bill is not in all respects as the Association of Security Owners would desire, but we recognize that legislation is a practical process, the result of the action of many minds, and that this bill is the result of prolonged, patient, courageous, well-informed, and nonpartisan action on the part of the committee which reported it. As such, we trust that it will be substantially accepted by the Senate and sent to conference, where such differences as may arise as to other features of the bill will be reconciled.

The most elementary good faith repudiates the insistence being made in sundry quarters that the Government should consult primarily its own financial interest or should experiment, with a view to ultimate seizure, in respect to a property which it holds in trust for restoration to the owners in as good condition as when received and as soon after the termination of the emergency, ended November 11, 1918, as that can be done with due regard to the integrity of the property.

Section 6 reduces the rate problem to a simple matter of adjustment to maintain the proper relation of rates. This marked simplification is by the use of a statutory measure applied to the aggregate operating incomes of the railroads in each competitive group. The commission is to see that rates produce 5½—plus one-half of 1 per cent, optional with commission—on the aggregate value of all roads in the group, leaving each road in the group free to earn as much as it can under competitive conditions, but limiting the interest of each individual carrier in individual rates to a fair and responsible return upon the value of its property plus a stated proportion of any excess it may earn which is allowed as a stimulation to continued energy and efficiency.

RETURN IS ON PROPERTY VALUE, NOT ON SECURITIES.

The protest against this provision proceeds partly from those who, like the advocates of the Plumb theory, assert that the provision will vitalize watered securities. It has nothing whatever to do with stocks, bonds, or securities. The ratio of return is to be estimated on the value of the property as determined by public authority—the commission. Section 6 of the Cummins bill and the fifth amendment to the Constitution apply the same test—a reasonable return on the value of the property. The only difference is that section 6 defines the rate of return at 5½ per cent on value, with one-half of 1 per cent optional with the commission for unproductive improvements, such as grade crossings, whereas the Constitution left that figure open for legislative or judicial definition. Section 6 supplies the definition.

Other provisions of section 6 regulate excess earnings by requiring a portion of any excess over 6 per cent to be paid into a public fund for expenditure by the board of transportation in the public interest in railway transportation. Protest has been made against this provision as confiscating the earnings of those roads which, by reason of their strategic situation or dense traffic, are able to earn what may be termed excessive or unnecessarily large returns. The application of the provisions of section 6 to the roads which have made that protest discloses nothing to impair their sound future.

The only thing "confiscated" is the opportunity for what may fairly be termed excessive return on the value of the investment.

There is nothing novel or unexpected in applying a statutory limitation upon earnings to enterprises long since subject to rate regulation and now under strict governmental control in all of their functions.

ERRONEOUS STATEMENTS BY THE WALL STREET JOURNAL.

Among the most active spokesmen for those opposing section 6 is the Wall Street Journal, which has repeatedly asserted that the Cummins bill embraces a socialistic scheme for leveling profits of competently managed roads for the benefit of so-called weak roads.

The committees of the Association of Security Owners long since reached the conclusion that a definite rate of return on the aggregate railway investment was more desirable than a chance for speculative returns to a few railroads unlikely to be realized even by them under existing conditions.

It was also recognized that Congress would never concede a reasonably definite assurance unless accompanied by a limitation upon possible excessive earnings. The accuracy of this thought has been doubly demonstrated. The Esch bill provides for no limitation on earnings, and therefore gives no reasonable assurance, no definition, no instruction. The Cummins bill, on the other hand, proposes in section 6 a fairly definite assurance and regulates earnings to a fair return.

Section 6 permits carriers to retain 6 per cent upon the fair value of their property, if they can earn that much from competitive rates established for the group, plus a portion of any excess they may earn. What is discernible in the present outlook to justify hope for greater return? Certainly nothing to justify the wager of the whole transportation system on the chance.

EARNINGS OF ONE ROAD NOT GIVEN TO ANOTHER.

The Cummins bill creates a board of transportation, to which it gives absolute jurisdiction over the general railway fund to be "employed or invested or expended by the board in furtherance of the public interest in transportation by carriers subject to the act to regulate commerce in avoiding congestions, interruptions or hindrances to the railway service," etc.

The primary purpose of the fund, as shown by section 6, is the purchase of equipment or facilities to be used "wherever the public interest may require." While loans to carriers are permitted on terms to be fixed by the board, the fundamental consideration is the public interest, and there is no warrant whatever for the assertion that the Cummins bill provides for revenue to be taken from one road to be given to another.

The public will get the service, and the excess earnings paid into the fund will not be pyramided for the purposes of rate making or "given" to any road or employed on any favored class of roads.

The percentage return fixed by section 6 is not upon stocks or bonds or even upon the value of individual railway property, but upon the actual value of the entire transportation machine in each rate group, as determined by the commission; and the ratio of aggregate return on the value so ascertained is fixed at a figure at which no one can justly complain. Nor can any road attain that ratio of return upon its own value without earning it on a competitive basis. There is neither extortion nor stagnation in that process.

Desirous only of a sound and wholesome future for the railroads, based on deserved public confidence, we desire to emphasize the necessity for prompt and definite legislation.

DARWIN P. KINGSLEY, New York,
HALEY FISKE, New York,
JOHN J. PULLEYN, New York,
W. D. VAN DYKE, Milwaukee, Wis.,
LOUIS F. BUTLER, Hartford, Conn.,
GEORGE K. JOHNSON, Philadelphia, Pa.,
Subcommittee National Association of Owners of Railroad Securities.

Mr. McCORMICK. Mr. President, although I will say a word later in the course of the debate upon the amendments I have offered to the so-called labor sections of this bill, I wish to ask the attention of Senators for a moment to the amendment proposed by the Senator from Kentucky [Mr. STANLEY]. It would strike from the bill all the machinery of mediation and arbitration which the bill intends to create. It would restore the settlement of differences between the railroads and railroad employees to the status which has heretofore existed.

It is not necessary to consider the whole recent history of employment in the railroad industry, and disputes between the brotherhoods and the railroads, to conclude that it is necessary to take some steps to prevent the recurrence of a situation in which the Government cravenly yielded to the demands of the brotherhoods, and an alarmed Congress, following suit, wrote into law provisions, whatever their merits or demerits, which signalized the surrender of the Government to the demands of a single and special interest in this country.

As I have already indicated to Senators, I do not approve the whole plan contemplated by the bill, for reasons which I shall give very briefly a little later, I hope, in this debate. But in the same sense in which the extreme provision of the bill errs, so does the amendment of the Senator from Kentucky err. The amendment of the Senator from Kentucky would leave us liable to a recurrence of the industrial chaos from which happily we are emerging.

I ought to say, in justice to the Senator, that he has weighed with friendly tolerance the views which I, for one, hold. I think I may say that he finds something of merit in them. I have been ready to permit his amendment to go to a decision, unqualified by those which I have in hand, in order that the Senate may make clear its opinion on the policy which his amendment contemplates. The Senate thereafter may act upon the policy contemplated by the amendments which I have offered or which have been offered by the Senator from New Mexico [Mr. JONES].

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. McCORMICK. Certainly.

Mr. FLETCHER. I ask the Senator if he thinks it would not be well to state substantially the nature of his proposed amendment, and what it is expected to accomplish by it? That might possibly have a bearing on the vote upon the motion to amend now pending.

Mr. McCORMICK. I forbear to do that now because I have already done so, but I will say to the Senator from Florida that the amendments which I offered first fixed the time during which the committee of wages and working conditions or the adjustment board may have a dispute under consideration, in order that those boards might not interminably consider a matter in dispute. It leaves the board and the committee of wages and working conditions precisely as provided in the bill as reported by the committee, but it qualifies the prohibition to strike. It provides that no lockouts or strikes may be called until 60 days after the publication of the decision of the board, as elsewhere provided in the bill. It is the essence of the amendment, that the prohibition to strike is qualified instead of absolute.

Mr. FLETCHER. And after that time either side is at liberty to do as it pleases?

Mr. McCORMICK. Precisely; and it is in that sense, and that sense only, that it may be said that the principle of the Canadian act has been adopted.

Mr. WALSH of Massachusetts. Mr. President, I desire to address myself briefly to the question of how we may protect the public as far as possible against interference by strikes with the transportation service, which is so indispensable to the prosperity and welfare of all our people.

The bill before us seeks to accomplish this laudable end by mandatory provisions penalizing strikes. Such legislation, in my opinion, will neither accomplish its primary purpose of preventing strikes nor tend to secure that regularity and reliability of service which the public interest requires. My reason for this conviction is that the antistrike provisions of the bill are unfair and unjust, and such legislation rarely, if ever, accomplishes its purposes in a democracy.

I want to impress upon the Senate the wide difference between legislation which attempts to prohibit strikes and legislation which aims to remove as far as possible the incentives to striking. I can not agree that the important question of how to secure an uninterrupted transportation service is squarely and honestly met by the antistrike provisions of the bill. The railroad employees of the country believe, and are justified in believing, that this repressive legislation is aimed against their natural and inalienable rights, and a palpable evasion by the Senate of its duty to thoroughly study and impartially remove the real obstacles in the way of a steady and reliable transportation service. We are not going to promote harmony and efficiency in the service nor do justice to the railroad employees by a law that penalizes strikes but fails to remedy their causes.

Such measures may for the moment gratify the investor whose money is in railroad shares, but it is the right of the great public, of which employees of the capitalist class are but a small part, to have the problem settled on the basis of justice, for only such a settlement can be adequate and secure.

I desire to urge upon the Senate a full inquiry into the real causes of actual and threatened interruptions of service in the public utilities, and of the great loss and injury that these interruptions always cause. This will result not only in a realization that strikes in our transportation service are intolerable, but that they are due to causes that can and must be removed. The end sought will be not only the prevention of organized strikes but the removal of the conditions which create unorganized discontent, lowering the morale and crippling the efficiency of the service long before its ability to function is entirely suspended or destroyed.

Few, if any, will attempt to-day to claim that the right to strike is not and has not been on the whole a useful and beneficial instrument in social progress. The great progress which has been made in America during the last 50 years in improving the conditions of the great working population of our country and, I might add, in benefiting civilization the world over, has been directly or indirectly due to strikes and the right to strike. The enlightened laws that have gradually reduced the hours of labor, improved working and housing conditions, and raised the wages of women and minors have been brought about through pressure brought to bear upon legislative bodies by a public opinion aroused by the disclosures of unjust and oppressive conditions that strikes have revealed.

It is scarcely conceivable that anyone would contend that our present wage standards and the improved working conditions of to-day would have been achieved without the organizations of employees and—regrettable as it is to admit it—without strikes and the right to strike. With this history before us of the hard and long struggle by which these great labor reforms were brought about—our child-labor legislation was agitated for 50 years in some States before it was accomplished—we shall surely hesitate to abolish at one fell swoop the right to strike. There is quite as much reason to say "No more combinations of private capital for increasing profits," because in some instances combined capitalists have broken the fundamental laws of God and man by their unjust treatment of labor, as to say "No more strikes" because some strikes have been unjustifiable.

Strikes among certain classes of employees are, indeed, never justifiable, and among these classes are undeniably our transportation employees. But we can not, merely because we must have uninterrupted transportation, chain these men to their posts as the Romans chained their galley slaves to the oars. The duty of refraining to strike against the public, which in a democracy is rebellion against the Government itself, implies a corresponding obligation upon the public, through its representatives, to provide the employees in the public utilities with the best working conditions and the fairest wages.

The public has a responsibility, which it and we should not shirk, of seeing to it that, whether the railroads remain under public management or are returned to private operation, their employees, who in either case are really the servants of the public, are at least as well if not a little better treated than by private employers requiring the same qualifications and similar kinds of service. We can not very long claim to be a Government or a Nation that sets the highest standards of working conditions and wages and that treats its employees so justly that strikes can not be excused or allowed if we continue to allow our intelligent teachers, our skilled firemen and fearless policemen, the highly trained officers of our Army and Navy, and the high-standard civil-service employees of the Postal Service to be paid less than illiterate foreigners in the steel industry and other occupations under private control.

Is it fair—of course, we have the power—to say even to Government employees, "You shall not strike," unless we prevent their wages from slipping back on account of the rising cost of living until they, who should be the highest paid, are coming to be the lowest paid of all? Can we in justice to the public continue to permit strikes to occur even in the public utilities, which are not operated by the Government, and yet are just as indispensable to the public welfare? How, then, can we in either case say, "No strikes," unless we at least protect them both against the depreciation of the purchasing power of their wages that reduces them below the national standards and deprives them of a living wage?

We should seek, before passing antistrike legislation of the character proposed, to place capital and labor upon an equal footing and lay down the fundamental principle that the public is bound to pay for transportation service a living wage to labor at all times, as well as a just return to capital. Provision is made in the bill for a just return to capital, but no definite provision is made guaranteeing a living wage to labor.

We can not justify legislation which protects capital from the ordinary risks of business and assures to it a steady and liberal return, while at the same time it leaves to labor all the old uncertainty and the risk of failing to obtain even a living wage for its services, which are quite as essential as those of capital, in affording to the public a satisfactory and reliable system of transportation. If the one is to be protected by law, the other should be also.

The main cause of strikes has almost always of late years been the demand for wage increases to meet the increased cost of living. The strike or the threat of striking has been the employee's most effective, if not indeed his only effective, means of forcing his employer to offset by increased pay the increased cost of living which has diminished the purchasing power of his wages. We can not take this weapon from him without supplying a safe and sufficient substitute; and no substitute can be more safe and sufficient than the guaranty of a wage the purchasing power of which shall never be impaired by increases in the cost of living. He has a right to the assurance of a minimum living wage; he has a right to the assurance that in return for taking away from him the right to strike he shall always be given a living wage, a wage which will be so fixed as to fluctuate up and down as the cost of living rises and decreases. This is simple justice, and it is just to the public as well as to the employee, whose relief from anxiety as to the future will be no greater than the relief of the public from the danger and possible disasters of a general railroad strike. Therefore, since the committee bill provides no such guaranty as a compensation for the denial of the right to strike, I intend to vote to strike out the antistrike provision of the bill; and if the Senate by majority vote insists upon the strike provision remaining in the bill, I shall offer an amendment which will provide at least some justification for antistrike legislation.

The VICE PRESIDENT. The question is on the amendment of the Senator from Kentucky [Mr. STANLEY].

Mr. STANLEY. I note the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McCormick	Sherman
Ball	Gronna	McKellar	Smith, Md.
Bankhead	Hale	McLean	Smith, S. C.
Borah	Harris	McNary	Smoot
Brandegee	Harrison	Moses	Spencer
Capper	Henderson	Myers	Stanley
Chamberlain	Hitchcock	Nelson	Sterling
Cummins	Johnson, S. Dak.	New	Sutherland
Curtis	Jones, N. Mex.	Newberry	Thomas
Dial	Jones, Wash.	Norris	Townsend
Edge	Kellogg	Nugent	Trammell
Elkins	Keyes	Overman	Walsh, Mass.
Fernald	King	Phipps	Walsh, Mont.
Fletcher	Kirby	Poindexter	Warren
France	Knox	Pomerene	Watson
Frelinghuysen	La Follette	Ransdell	Williams
Gay	Lenroot	Sheppard	Wolcott

The VICE PRESIDENT. Sixty-eight Senators have answered to the roll call. There is a quorum present. The pending question is on the amendment of the Senator from Kentucky.

Mr. WALSH of Montana. Mr. President, I understood the Senator from Massachusetts [Mr. WALSH] to indicate that he had an amendment which he desired to offer, if the motion of the Senator from Kentucky should not prevail. I inquire whether the amendment would then be in order, or whether it must not be presented, in order to have consideration, before the motion to strike out is voted on?

The VICE PRESIDENT. The Chair has already ruled that the text is amendable if the motion be defeated. If it is stricken out, of course, it is not amendable. The question is on the amendment.

Mr. STANLEY. On that amendment I ask for the yeas and nays.

The VICE PRESIDENT. The yeas and nays have been ordered, the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. I am paired with him during that absence, and, therefore, must withhold my vote. If at liberty to vote, I should vote nay.

Mr. KENDRICK (when his name was called). On this vote I transfer my general pair with the Senator from New Mexico [Mr. FALL] to the Senator from Texas [Mr. CULBERSON] and vote "yea."

Mr. NEWBERRY (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. REED] and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. SUTHERLAND (when his name was called). I inquire if the senior Senator from Kentucky [Mr. BECKHAM] has voted.

The VICE PRESIDENT. He has not.

Mr. SUTHERLAND. I have ageneral pair with that Senator. He being absent from the Chamber, I am obliged to withhold my vote.

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. In his absence I transfer that pair to the senior Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. UNDERWOOD (when his name was called). I have a pair with the junior Senator from Ohio [Mr. HARDING]. He is absent on account of official business of the Senate; but, as he would vote on this question as I intend to vote, I feel privileged to vote, and vote "nay."

Mr. WILLIAMS (when his name was called). I have a standing pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I transfer that pair to the Senator from Arkansas [Mr. ROBINSON] and vote "nay."

The roll call was concluded.

Mr. BANKHEAD (after having voted in the negative). I have a pair with the junior Senator from Vermont [Mr. PAGE], but on this question I am authorized to vote and will permit my vote to stand.

Mr. KELLOGG (after having voted in the negative). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and allow my vote to stand.

Mr. SMITH of Georgia. I have a general pair with the senior Senator from Massachusetts [Mr. LODGE]. In his absence I withhold my vote.

Mr. MCKELLAR (after having voted in the affirmative). I inquire whether the junior Senator from Iowa [Mr. KENYON] has voted.

The VICE PRESIDENT. He has not.

Mr. MCKELLAR. I have a pair with that Senator. Not knowing how he would vote, I transfer the pair to the senior Senator from Nevada [Mr. PITTMAN] and allow my vote to stand.

Mr. EDGE (after having voted in the negative). I have a general pair with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the junior Senator from Ohio [Mr. HARDING] and allow my vote to stand. As I understand, the Senator from Ohio and the Senator from Alabama [Mr. UNDERWOOD] are on the same side of the question, which permits me to make the transfer.

Mr. UNDERWOOD. I am privileged to vote without transfer, so that the Senator is at liberty to make the transfer, if he so desires.

Mr. EDGE. I transfer my pair to the junior Senator from Ohio [Mr. HARDING] and let my vote stand.

Mr. WILLIAMS. Mr. President, under a misapprehension I transferred my pair. I understand now from his colleague that the senior Senator from Pennsylvania [Mr. PENROSE], if present, would have voted as I did. I therefore ask that my vote stand without any record of a transfer.

Mr. CURTIS. I have been requested to announce that the Senator from California [Mr. JOHNSON] is paired with the Senator from Oklahoma [Mr. GORE].

The result was announced—yeas 25, nays 46, as follows:

YEAS—25.

Ashurst	Harris	La Follette	Smith, S. C.
Borah	Harrison	McKellar	Stanley
Chamberlain	Henderson	McNary	Trammell
Fletcher	Jones, N. Mex.	Norris	Walsh, Mass.
Gay	Kendrick	Nugent	
Gerry	King	Overman	
Gronna	Kirby	Sheppard	

NAYS—46.

Ball	Fernald	Moses	Sterling
Bankhead	France	Myers	Thomas
Brandegee	Frelinghuysen	Nelson	Townsend
Calder	Hale	New	Underwood
Capper	Hitchcock	Phipps	Wadsworth
Colt	Johnson, S. Dak.	Poindexter	Walsh, Mont.
Cummins	Kellogg	Pomerene	Warren
Curtis	Keyes	Ransdell	Watson
Dial	Knox	Sherman	Williams
Dillingham	Lenroot	Smith, Md.	Wolcott
Edge	McCormick	Smoot	
Elkins	McLean	Spencer	

NOT VOTING—24.

Beckham	Gore	Jones, Wash.	McCumber
Culberson	Harding	Kenyon	Newberry
Fall	Johnson, Calif.	Lodge	Owen
Page	Pittman	Shields	Smith, Ga.
Penrose	Reed	Simmons	Sutherland
Phelan	Robinson	Smith, Ariz.	Swanson

So Mr. STANLEY's amendment was rejected.

Mr. STANLEY. Mr. President, I move to strike out simply the penal sections of this bill—29, 30, and 31—beginning with line 11 on page 70 and going down to line 22 on page 71; and on that motion I ask for the yeas and nays.

Mr. MCCORMICK. Mr. President, I offer as a substitute therefor the amendments which I send to the desk to sections 29, 30, and 31, which are covered by the motion of the Senator from Kentucky.

Mr. BRANDEGEE. Mr. President, a parliamentary inquiry. Is it not more in order—if that is a proper expression—to perfect the pending sections before a substitute for them is offered?

Mr. MCCORMICK. The Chair has so ruled. That is what this amendment does.

Mr. BRANDEGEE. I understood that the Senator from Kentucky had offered an amendment to strike out the penalty and that the Senator from Illinois had offered a more comprehensive amendment as to several sections.

Mr. LENROOT. It strikes out all the sections.

Mr. MCCORMICK. In view of the motion of the Senator from Kentucky, I offered at this moment so much of the printed amendments as covered the sections which the Senator from Kentucky had just moved to strike out—sections 29, 30, and 31.

Mr. CUMMINS. Mr. President, it seems to me that we are approaching the subject from rather a difficult angle; and I hoped that the motion made by the Senator from Kentucky could be first submitted and voted upon before the proposal of the Senator from Illinois should be presented to the Senate.

I am equally opposed to both the amendment suggested by the Senator from Illinois and the motion or amendment proposed by the Senator from Kentucky. I have already said all that I care to say on the merits of the committee proposal for the adjustment and settlement of industrial disputes. I shall not repeat my argument upon that subject, although there are many Senators here now who were not present when I gave my views with regard to the whole subject. I rise now simply for the purpose of indicating, from my point of view, what the effect of adopting the amendment proposed by the Senator from Illinois will be.

The Senator from Kentucky moves to strike out sections 29, 30, and 31. These are the sections which declare the offense. The previous sections relating to the adjustment or settlement of labor disputes would be practically meaningless if they were not followed by the sections which declare the offense; and I am rather assuming that if the Senate desires to take no action whatever upon the subject, it will accept the amendment proposed by the Senator from Kentucky.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. CUMMINS. I yield.

Mr. LENROOT. I should like to ask the Senator upon what ground he makes the statement that the other sections will be valueless without the penalty?

Mr. CUMMINS. So far as I am concerned, they will be worse than valueless, from my point of view.

Mr. LENROOT. I had understood the Senator from Iowa to take the position that these so-called penalizing sections would not prohibit the men from quitting their employment, either singly or collectively, but would only penalize a conspiracy to restrain commerce.

Mr. CUMMINS. There is nothing whatever in the sections preceding the penal sections which has anything to do with or puts any restraint whatever upon employees or carriers either. The preceding sections simply create tribunals for the adjustment or decision of disputes between employees and carriers. I am opposed to creating such tribunals if there is no one to give them respect. If we do not legislate in some way that will command respect for these decisions, I should myself move to eliminate them from the bill.

I believe in all kinds of mediation and conciliation. We have those tribunals now in the law, but the tribunals which we have created in this bill are not for mediation; they are not for conciliation; for, as I have just remarked, we have abundant machinery of that kind at the present time. These provisions are for adjudication, and I am not willing that the United States shall, through its tribunals, through officers appointed by the law, adjudicate a dispute between employers and employees unless some respect can be commanded for the adjudication.

If it shall be our policy to attempt mediation and conciliation, well and good. That has its advantages. We have been trying it for years, and we have very excellent tribunals of that sort now, and they are composed of very good men; and there is no necessity of adding anything to these boards or bodies if

we intend simply to mediate or conciliate. But I say again that it is the policy of this bill to create Government tribunals, made up, we hope, of impartial, intelligent, patriotic men who will have the authority to decide between the contending or disputing parties; and when the Government of the United States decides a controversy I for one want that decision to command the respect of law-abiding, peace-loving people; and I would not stand personally for these provisions as they are now constituted unless they can be followed by some penalty for disobedience. They are worthless, valueless—worse than worthless and worse than valueless—if some sanction is not attached to them that will lead the people of this country to respect and obey them.

Mr. LENROOT. Mr. President, will the Senator yield further?

Mr. CUMMINS. I yield.

Mr. LENROOT. Then, do I gather from the Senator that his construction of the penal provisions is that they compel the employees to accept the decisions of the board and remain at work?

Mr. CUMMINS. The Senator from Wisconsin has not drawn the proper conclusion.

Mr. LENROOT. It seems I have not.

Mr. CUMMINS. I know the Senator believes that he has drawn the proper conclusion, but he has not drawn it. These particular penal provisions of the bill provide that if two or more officers, employees, agents, or attorneys of common carriers enter into a combination or agreement, with the intent or for the purpose of preventing the operation of trains and the movement of commodities in interstate commerce in a substantial way, and for the further purpose of compelling the other side to the dispute to yield or accept the demand so made, whether it is on the part of the employer or on the part of the employee, then that combination or agreement becomes a conspiracy and those who enter into it become subject to the fine of $500 or imprisonment, as the case may be. That is the offense declared in this law; but all of it is preceded with this thought, that the Government has ascertained the justice of the matter and has rendered a decision which every law-abiding man ought to respect.

I do not intend to be misunderstood about it. I am not willing to prohibit in any form whatsoever the strike unless the Government will undertake to determine the justice of the dispute and to award either to the employer or to the employee the justice which either may properly demand. That is the prerequisite for interference with the right to strike or with the combination of which I have spoken.

Now I come to the amendment of the Senator from Illinois [Mr. MCCORMICK]. The amendment of the Senator from Illinois has some merit. It has been tried in Canada; not exactly his proposal, because Canada does not adjudicate the merits of the dispute. The Government itself does not become responsible for the adjudication of the dispute in Canada. But there is appointed a tribunal for the purpose of making an investigation, and until the investigation is concluded and a report or recommendation is made regarding the facts the men are prohibited from striking; and this applies to all industries in Canada. It is not limited to railroads. It is a provision which applies to every industrial enterprise and to all workmen.

Now, let us see how difficult it will be to vote discriminatingly upon the amendment offered by the Senator from Illinois. If the amendment is adopted—and I understand now that the Senator limits it to the penal provision——

Mr. MCCORMICK. Mr. President——

Mr. CUMMINS. Let us see how it would be.

Mr. MCCORMICK. I want to interrupt at this point for the information of the Senator from Iowa. I limit it to those sections which the Senator from Kentucky [Mr. STANLEY] more recently moved to strike out. I am minded to raise the point of order against his motion at present; but in any event we go back to sections 25 and ensuing, with the amendment which I originally offered.

Mr. CUMMINS. Mr. President, that would remove some of the difficulties I had in my mind. But I had hoped that we could have a direct vote upon the provisions of the bill as they are and the amendment offered by the Senator from Illinois. I wish the Senator would withdraw his amendment so that we could have a direct vote on striking out the penal provision of the bill. I think it would add to the clarity at least of the situation.

Mr. STANLEY. Mr. President, the Senator from Illinois offered an amendment to my last motion to strike out the last three provisions. The Chair has hitherto held that it is in the nature of an amendment to perfect the text. If the motion of the Senator should carry, it would apply to other provisions, and a vote on my motion to strike out, in the event it does pass, would be unnecessary, because you would have two penalties provided. I think, of the two amendments, the amendment offered by the Senator from Illinois is the least objectionable. For that reason I withdraw the amendment to strike out the last three sections.

The VICE PRESIDENT. The Senator from Kentucky did not understand the Chair. The Chair did not say that it was to perfect the text. The Chair inquired whether it was to perfect the text. The Chair does not think it is an amendment to perfect the text at all, but an amendment to strike out and insert. The Chair does not believe that the present motion of the Senator from Kentucky to amend is in order. There was pending before the Senate a question which contained several propositions on which the Senator has a right to have a separate vote of the Senate. He did not ask it, and the Senate voted on them all; and the Chair thinks it is too late now to split them up and take separate votes.

Mr. STANLEY. Mr. President, I think the Chair did not catch my motion. I stated that the Chair had previously—not the present occupant of the chair—held that a question of this character is in the nature of an amendment to perfect the text, and that in that event a motion on my motion, after we had voted upon the motion of the Senator from Illinois, would be unnecessary. For that reason, and in the light of that ruling, I wish to withdraw the last amendment offered.

Mr. MCCORMICK. Mr. President, I do not want to interrupt the Senator from Iowa——

Mr. CUMMINS. All I desire is to clear the way for a vote.

Mr. MCCORMICK. On all the amendments which I have offered?

Mr. CUMMINS. Upon the amendment offered by the Senator from Illinois.

The VICE PRESIDENT. It is clear now. The Senator from Kentucky has withdrawn his motion to amend.

Mr. CUMMINS. Mr. President, just a word. I hope that the amendment offered by the Senator from Illinois will not prevail. The proposal that the Government shall enter into, not an investigation, but into a judicial inquiry respecting the merits of a dispute between employees and an employer, and shall go forward, taking testimony, hearing arguments, and then adjudging the dispute, adjudicating the merits of the dispute, and that 30 days thereafter it shall be lawful for employees of a railway company to combine and agree amongst themselves, for the purpose of enforcing their demands against their employer, to prevent the movement of trains and the movement of commodities in interstate commerce without incurring some penalty, is to me most extraordinary. If they are to have the right to strike, in view of the assumption by the Government of the task and responsibility of adjudicating the controversy between them and their employer, they ought to have the right from the beginning, and the Government ought not to attempt to impose its will upon either employers or employees.

The Canadian statute, after which the amendment of the Senator from Illinois is fashioned, does not proceed with that want of logic. It does not proceed upon the theory that the Government will adjudicate the merits of the dispute or assume any responsibility for the adjudication of the dispute. The Canadian statute proceeds upon the theory that if all the facts are gathered together by a tribunal competent for that purpose, and the facts are published, then public opinion will correct the evil which may grow from a strike.

Sometimes that is true; sometimes it is not true. I only suggest that there have been more strikes upon the railways in Canada, notwithstanding the statute the substance of which the Senator from Illinois now offers, than there have been in the United States in the same length of time.

In the former hearings, when the committee was surveying the whole field, the representatives of labor were particularly critical of the Canadian statute. Mark you, I do not suggest that the representatives of railway labor are satisfied with the present bill. On the contrary, they oppose it as vigorously and as violently as it is possible for men to oppose anything. But they have represented to the committee many times that the efforts of the Canadian Government to suppress strikes through the investigating committee, and the publication of its reports, had been a total failure; and I rather accept their judgment with respect to that, in view of the instances which they furnish us of the number of strikes which had occurred under the statute.

The proposal of the bill advances one step beyond the Canadian law, beyond possibly any effort that has been made upon this subject, and is founded upon the broad idea that all men will come to believe that if the Government does undertake to ad-

judicate the disputes and render justice between men and their employers, the wageworker will come finally, if he has not now, to have confidence in his Government. I predict that if the proposal of the bill is enacted into law it will be but few years before its stanchest defenders will be found among the men to whom the Government has administered justice against the injustices, if you please, of their employers.

As I said when I opened this matter to the Senate, it is true that we are taking away from railway wageworkers in some instances the right to strike and suspend in that way the commerce of the country and subject the people of the land to those perils and hardships so graphically described by the Senator from Mississippi [Mr. WILLIAMS]. But we are not taking away the right to strike under these circumstances without giving to the wageworkers a right more enduring, more valuable, more likely to produce justice for them than the strike has ever done, and it will not be long, in my judgment, before the whole world, as the Senator from Mississippi has so eloquently said, will see tribunals rise everywhere, created by organized society and maintained by government, for the dispensation of justice not only to wageworkers but to those who represent capital as well.

I do hope that the amendment offered by the Senator from Illinois will not prevail.

Mr. WILLIAMS. Mr. President, I listened with very much interest to what the Senator from Iowa [Mr. CUMMINS] said. I am mainly in accord with what he said, but there is a part of his discourse that I think does not bear examination even from his own standpoint.

The tribunal erected is not a Government tribunal. It is not a bureaucratic tribunal. It is not a tribunal representing that part of the American people temporarily in political power at the time of its creation—any political power.

On page 57 of the bill, in section 25, I find this language:

> For the purpose of settling disputes and controversies not adjusted under existing provisions of law or otherwise adjusted between railway carriers subject to this act and their employees, there are hereby created a committee of wages and working conditions and three regional boards of adjustment.
>
> The committee of wages and working conditions shall be composed of eight members, four of whom shall represent labor and four of whom shall represent railway carriers.

That is not a Government board at all. A Government board would consist of eight members representing the public without any regard to the contestants. This is much less fair than a governmental board because when they finally arrive at their report concerning the controversy that may be before them they have to communicate it to the public. They may agree by majority vote to one report. The employees may agree to one report, the employers may agree to another, and in that event the question will be left to public consideration.

On page 58, line 23, of the bill, I find this provision:

> The committee of wages and working conditions shall have jurisdiction over controversies respecting wages and working conditions of employees upon railway carriers subject to this act. Said committee shall be also empowered to hear and determine cases on appeal from the regional boards where said boards are evenly divided and unable to reach a decision by majority vote.

It is unnecessary to go into any further explanation of that. Farther down, in line 16, on page 59, I find the following:

> If the committee of wages and working conditions is evenly divided upon any question, the matter in dispute, together with all record of proceedings pertaining thereto, shall be referred to the board, whose decisions shall be final.

Mr. President, that all comes down to this: You form a tribunal in which labor and ownership of railways are equally represented. You agree beforehand to abide by their decision. If they make no decision, there is no agreement about a decision which has been made, of course. But if they make a decision, then there is an appeal from that to a higher authority. If that higher authority makes a decision, that must be submitted to. If the higher authority makes no decision, then there is no decision to be submitted to.

My only objection is the lack of teeth in it. I am in favor of the bill as far as it goes, because it is the best thing I can get, but I would have put teeth in it somewhere, where somebody had to submit, somehow, nolens volens, on either side. I have no respect for any board of arbitration that can not enforce its arbitral opinion, no more than I have any respect for a court that can not call in a constable to see that the court's decrees prevail.

This is not a Government board at all, and I was astonished at the Senator from Iowa constantly mentioning it as such.

Mr. CUMMINS. It is a Government board, which is appointed regularly, which is paid regularly. It is a permanent tribunal. It is true that its members are drawn from nominations from one class and from another, but when drawn it becomes a permanent tribunal.

Mr. WILLIAMS. What the Senator from Iowa means is that this is a governmentally appointed board, but it is not a Government board. It does not in any respect represent the Government itself. It represents four members of employees and four members of employers, and they must, under the provisions of the bill, be selected in that way—the employees and employers. If they are honestly selected, and I presume they will be, that will be what they mean. Of course it is, in the sense of being governmentally appointed, a governmentally appointed board. There might be a provision that the President of the United States should appoint a bipartisan board of some description, three members of which should be of one party and three of another, but you could not call it a party board. You would have to call it a nonpartisan or bipartisan board appointed by the Government; nor would it be a governmental board.

This is a governmentally appointed board, but not a Government board, because in no part of it does it represent the Government or the public of the United States. Four members of it represent the operators and owners of the railroads and four members of it represent the employees of the railroads. Some day when we come to consider the matter a little bit further we are going to appoint four more members on that board to represent the public and to sit generally in solemn decision upon the questions between the owners and the employees of the railroads. We seem not to have arrived at that yet.

Those who are quarreling with the proposition are quarreling with it without any cause, because the real cause of the quarrel is that the Government is not represented, that the general public is not represented, and that nobody except the capital and the labor engaged in railroad operation is represented.

If I were going to offer an amendment to this particular provision, it would be that four members should be appointed by the President of the United States, subject to the assent of the Senate, to represent the general public and without any connection with either the ownership or the workingmen's interest in the railroad controversy.

The Senator from Illinois [Mr. MCCORMICK] offers an amendment which seems to me to indicate either a nonapprehension or a misapprehension of the meaning of the law. If I were going to offer an amendment from the standpoint he seems to occupy, but he does not occupy—from the standpoint from which he ought to occupy—I would offer an amendment to have four more members represent the general public, the public of consumers of transported products, who have more interest in the problem than either the men who capitalize the railroads or the men who practically as workingmen operate the railroads.

I find on page 65 another provision, from line 18, inclusive, on page 65, down to and including line 21 on page 66:

> SEC. 30. It shall be unlawful for two or more persons, being officers, directors, managers, agents, attorneys, or employees of any carrier or carriers subject to the act to regulate commerce, as amended, for the purpose of maintaining, adjusting, or settling any dispute, demand, or controversy which, under the provisions of this act, can be submitted for decision to the committee of wages and working conditions or to a regional board of adjustment, to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement and with like purpose substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce; and, upon conviction, any such person shall be punished by a fine not exceeding $500 or by imprisonment not exceeding six months, or by both such fine and imprisonment: *Provided*, That nothing herein shall be taken to deny to any individual the right to quit his employment for any reason.
>
> SEC. 31. Whoever knowingly and with like intent shall aid, abet, counsel, command, induce, or procure the commission or performance of any act made unlawful in the last preceding section hereof shall be held guilty of a misdemeanor and upon conviction shall be punished by a fine not exceeding $500 or by imprisonment not exceeding six months, or by both such fine and imprisonment.

It seems to me, Mr. President, that any man fairly and squarely and honestly a good citizen of the United States, whether his interests are capitalistic or operative, ought to be willing to leave any matter in controversy between him and any other citizen to some fair arbitration. There might have been some objection to this if it had been a pure Government board, as the Senator from Iowa [Mr. CUMMINS] seems to argue, without intending to argue that way. But this is only a bipartisan board, half of it the owners or the capital interested and half of it the operatives or laboring men interested.

My only doubt about the success of the provision is that from my knowledge of human nature I believe that in nine cases out of ten the four representatives of labor will vote one way and the four representatives of capital owning the railroads will vote the other way, and somebody has to bring them into line with one another. There ought to be somebody on the board to do it. There ought to be some ultimate authority on the board to

come together. There ought to be somebody somewhere prepared to say, "Confound both your houses. If you want to starve and freeze the public by quarrels amongst yourselves, you must quit it." There must be a board of some sort to settle their controversies, and they must both be made to agree and abide by its decisions, by force if necessary.

The only objection I have to the provision is that it has no teeth—that is, it has not teeth enough, at any rate, to bite—and the Senator from Illinois [Mr. McCORMICK] wants to extract the few teeth that it has.

Mr. McCORMICK. Mr. President, I wish to take a moment to repeat what I have already said, by way of explanation of the substance of these amendments. They fix a time during which the regional boards of adjustment or the committee of wages and working conditions may have matters in dispute under consideration. This time limit was introduced to meet the gravest objection, I believe, which has been raised in Canada against the system in vogue there, namely, that commissions or committees of conciliation have held wage disputes for interminable consideration.

The amendments also provide that parties to the dispute shall resort neither to lockout nor to strike until 60 days after the decision of the board as provided in the act. Here we have taken a ground in principle very different from that taken by the bill. I believe that, going as far as the amendments do, we take a long step in the direction of the settlement of industrial disputes. Indeed, I am happy to have heard the Senator from Iowa acknowledge that there is some merit in the plan. It preserves all the machinery for settlement, although it eliminates the absolute prohibition to strike or to lockout.

Senators know that the provision in the Senate bill can not become law, whereas the provisions contemplated by these amendments may become law. On that ground, if for no other reason, I should seek support of the amendment in this Chamber.

Mr. WOLCOTT. Mr. President, I desire to occupy merely a moment of the Senate's time for the purpose of explaining why I cast the last vote which I did upon the amendment offered by the Senator from Kentucky [Mr. STANLEY]. His amendment was to strike out a number of sections following each other consecutively. Those sections embraced what I might call the provisions of the bill erecting the controversy-adjusting machinery and the sections providing for the antistrike legislation. Therefore, as the question was put, Senators were invited to express their judgment upon whether or not all those sections should go out. I would gladly have voted to strike out the antistrike sections had the motion been confined to them, but I was opposed to striking out the sections which set up the dispute-adjusting machinery. Therefore I voted against the whole motion. Ultimately, I have hoped that the Senate would reach the position offered by the junior Senator from Illinois [Mr. McCORMICK], because that plan of handling disputes seems to me, in the light of experience supplied by the various nations of the earth up to date at least, to be about the best available. Therefore I shall vote for and support the amendment offered by the junior Senator from Illinois.

Mr. WALSH of Montana. In reference to the pending amendment, which has been tendered by the junior Senator from Illinois [Mr. McCORMICK], I desire to remark that that amendment serves to bring very forcibly before the Senate the proposition so frequently asserted by the Senator from Iowa [Mr. CUMMINS], that the provisions in respect to this subject in the bill do not forbid any man to quit work, either singly or in combination with any number of employees. The amendment offered by the Senator from Illinois, however, does so, and does so in express terms. I do not believe that anyone who has given very serious consideration to the subject can doubt that it is wholly beyond the power of the Congress of the United States to make penal the quitting of work by any man, individually or in combination with anyone else; that is to say, contemporaneously with anyone else. The bill goes no further, as I interpret it, than to penalize, not the man who quits work, either singly or contemporaneously with any number of men, but the man who endeavors to get others to quit work in order that the railway system of the country may be paralyzed and tied up.

The Senator from Illinois might possibly reframe his amendment to meet the objection, but I venture to say that as it stands it can not possibly be sustained as a constitutional enactment. I invite attention to its language.

Mr. McCORMICK. The Senator from Montana refers to the language at the bottom of page 3 and top of page 4 of the amendment?

Mr. WALSH of Montana. I do. That language reads:

> Any employee of a carrier subject to this act who ceases or quits work in combination with other employees thereof, prior to or within 60 days after the publication of such report, for the purpose of inducing or compelling such carrier to grant or continue to grant terms of employment, or for the purpose of helping other employees to induce or compel their employer to grant or continue to grant terms of employment, shall be guilty of a misdemeanor, and shall on conviction be punished by a fine of not more than $500 or by imprisonment for not more than six months, or by both.

I think that indisputably makes the quitting of work an offense; that is, to say that a man is obliged to continue in his employment under the penalty of the law. That is clearly involuntary servitude and nothing less than involuntary servitude. So I feel that to adopt this amendment in its present form—it might perhaps be amended to meet that situation—but in its present form I feel that it would be ineffective.

Mr. McCORMICK. Mr. President, I will ask the Senator from Montana, who has made the point, I think very aptly, to turn to page 66 of the pending bill, the print of October 22, which I presume he has before him.

Mr. BRANDEGEE. What section?

Mr. McCORMICK. Section 30, in the seventh line of the section, or thereabouts, which deals with this very subject matter. I ask the Senator from Montana to turn to that in order that he may suggest, if he will, language from the bill as reported which might be substituted for the language to which he raises the objection.

Mr. WALSH of Montana. I have section 30 before me, but it will take some time to prepare the proposed modification, and I dislike to undertake to propose a substitute expression for that of the Senator from Illinois at this time. I merely invite his attention to the difficulty in the amendment which he has tendered.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Connecticut?

Mr. McCORMICK. Certainly.

Mr. BRANDEGEE. I did not know the Senator had the floor; I do not desire to interrupt him. I know he is glad to yield, but I was unaware that he had the floor.

Mr. McCORMICK. Mr. President, I think that the point made by the Senator from Montana is very well taken, and if I may have the time I shall endeavor to modify my amendment and offer other language in lieu of that to which he objects.

Mr. BRANDEGEE obtained the floor.

Mr. CUMMINS. Mr. President——

Mr. BRANDEGEE. Does the Senator from Iowa desire me to yield to him?

Mr. CUMMINS. No; I do not.

Mr. BRANDEGEE. Mr. President, I shall detain the Senate only for a few moments. I do not think the statement of the Senator from Mississippi [Mr. WILLIAMS] that this is not a Government board ought to pass entirely without some comment. I do not pretend to be particularly familiar with this bill, as I am not a member of the committee which reported it; but I notice that section 7 provides:

> There is hereby created a transportation board, which shall be composed of five members, to be appointed by the President, by and with the advice and consent of the Senate.

That clearly provides for the appointment of a Government board. It is just as much a Government board as is the Interstate Commerce Commission a Government board.

I read from the print of December 15; and in that print, on pages 63 and 64, it will appear that there is provision for special boards to be appointed by the transportation board; and one part of the amendment adopted by the Senate, which is on the page to which I refer, to wit, page 64, provides:

> If the special board of adjustment is evenly divided upon any question, the matter in dispute, together with all records of proceedings pertaining thereto, shall be referred to the board, whose decisions shall be final. The board shall certify to the commission all decisions of the special board of adjustment when approved by said board and all decisions by said board in cases referred to it promptly upon deciding the same, and said certificate shall be conclusive evidence before the commission of the matters so determined and certified.

There is a decision arrived at by the special board, and when approved by the transportation board it is sent to the Interstate Commerce Commission, and the approval by the transportation board, of course, is its decision, and it is just as solemn and judicial a decision upon the findings and testimony and consideration of all the facts in the case as could be had upon a trial in court; and to say that the parties to a controversy, having submitted their case to a specially created tribunal created by the Congress of the United States for the consideration and decision of their disputes, after that decision had been solemnly rendered and the verdict pronounced could disobey it with impunity would be to haul down the American flag and to dissolve the Government.

Of course, I consider the Senator from Iowa, the chairman of the committee, entirely correct in saying that if that does not

constitute a decision by a tribunal of the United States which should be respected and whose decision should be enforced, then there can be no such thing as judicial authority or respect for it in this country.

Mr. LENROOT. Mr. President, like the Senator from Delaware [Mr. WOLCOTT], I voted against the motion of the Senator from Kentucky [Mr. STANLEY] to strike out because his motion included the striking out of all of the provisions with reference to wage-adjustment boards, of some of which I am very much in favor. I shall support the amendment of the Senator from Illinois as he proposes to modify it because I believe it to be much less objectionable than is the proposition contained in the bill itself.

Just a word with reference to what the original language, in my judgment, will accomplish.

The Senator from Iowa says that in his judgment all of the provisions of the bill with reference to the adjustment of wage disputes will be valueless unless there is this penalizing clause to compel and command respect to those decisions. If I misunderstood him, I hope he will correct me.

Mr. CUMMINS. Mr. President, I do not think the Senator from Wisconsin did misunderstand me, but I want one very clear distinction made, because I must not be drawn into a false position. I do not think the Canadian statute is valueless.

Mr. LENROOT. No.

Mr. CUMMINS. But what I said was that if we created Government tribunals for the adjudication of these disputes their work would be valueless unless their decisions were to be respected and obeyed.

Mr. LENROOT. Unless the law compelled respect for the decision.

Mr. CUMMINS. Yes; unless there was some sanction, some penalty for such a violation of the adjudication as is found in these sections of the present bill.

Mr. LENROOT. That is exactly as I understood the Senator.

Mr. CUMMINS. I did not want the Senator to imagine that I thought the conciliation law of Canada was entirely valueless.

Mr. LENROOT. Oh, I did not so state. I stated that, as I understood the Senator from Iowa, his contention was that if these penalizing sections of the committee bill were stricken out the provisions with reference to the adjustment of wage disputes would be valueless.

Mr. CUMMINS. That is my judgment.

Mr. LENROOT. Yes. Now, Mr. President, while I fully agree with the Senator from Iowa that there should be some provision made which would prevent coercive strikes against the decision of a fair tribunal, I can not agree with him that the decisions of a fair tribunal would be valueless, because when the Senator makes that statement he assumes that in these cases, unless it is made a criminal offense, the employees of the roads will not abide by the decision; and I can not assume any such thing if there is a fair tribunal making a fair decision.

To my mind, however, the chief objection to the committee proposition is this:

While in the language of the bill itself it refers only to a conspiracy in restraint of interstate commerce, what will be the construction given to that language when it comes to adjudication by the courts? In arguing that question, it is fair to recall the attention of the Senate to the construction given to this language by the committee itself, by the chairman thereof. Let me read from the report:

> A proposal to prohibit an agreement among workers to quit their employment at a given time—

It says nothing about interfering with interstate commerce or hindering it, but—

> a proposal to prohibit an agreement among workers to quit their employment at a given time without substituting some other instrumentality for securing justice would not receive at the hands of Congress a moment's consideration.

What is the conclusion from that language? That the committee, in its opinion, has furnished some other instrumentality, and that the committee's construction of this language is that it does contain a prohibition of an agreement collectively to quit work.

It goes on:

> In making the strike unlawful—

Not distinguishing between the purpose of the strike to restrain or interfere with interstate commerce or a quitting in a collective body because the employees are not satisfied to continue longer under the terms of employment, but, using the general language—

> In making the strike unlawful it is obvious that there must be something given to the workers in exchange for it. The thing substituted for the strike should be more certain in attaining justice and should do what the strike can not do, namely, protect the great masses of the people who are not directly involved in the controversy. The committee has substituted for the strike the justice which will be administered by the tribunals created in the bill for adjudging disputes which may hereafter arise.

Now, what will be the construction of the courts if this language should finally be enacted into law? I have no doubt that in a very large number if not in a large majority of the cases where there was a collective quitting of work, although there may have been no coercive purpose whatever in it, the courts will imply from the act of quitting a violation of the provisions of this section; and I think anyone who is familiar with the course of the decisions will agree, not perhaps as to the percentage of cases where that would occur, but that that would be a very frequent occurrence.

Mr. President, it would have been easy for the committee to prevent coercive strikes—which are the only ones that we have any right, under the Constitution, to attempt to prevent—by providing in this bill that the decisions of this tribunal should be final for a given length of time and that for that time there would be no power, either in the carrier or in the tribunal, to grant any demand for any greater compensation to the employees than was fixed in that decision. Remove the incentive to strike and you will prevent coercive strikes and you will not need to make a criminal offense not only for coercive strikes but punishing them for doing what they ought to have the lawful right to do.

Mr. President, if these sections shall be ultimately stricken out, I shall offer an amendment to the previous provisions of the bill providing that if any employee whose wages are affected by the final decision of this tribunal shall quit the service of the carrier by which he is employed, he shall not for a period of four months thereafter be employed by any carrier subject to the act at a greater rate of compensation than that fixed in such final decision. So far as we have any right to interfere with the employee, that will accomplish it; but it will not in the slightest degree interfere with the exercise of the lawful right of the employee, in the absence of a contractual relation, to quit work when and as he may choose.

Mr. President, in my judgment, we certainly have no right to compel men, either singly or collectively, to work for a railroad against their will; and, to repeat the illustration that I think I used the other day, suppose that when this bill passes and these railroads go back to their owners the wages are reduced 25 per cent, and this tribunal—which is the transportation board in this bill, a tribunal which in all probability will be made up of former railway executives—approves that cut of 25 per cent. Are you going to put 2,000,000 men in jail in this country because they collectively agree that they will not longer remain in the service of the carrier at that wage? Yet that is exactly the situation that may well arise if the pending provisions of the bill are enacted into law.

Mr. WOLCOTT. Mr. President, I wish to offer an amendment to the amendment offered by the Senator from Illinois [Mr. MCCORMICK].

On page 4 of the amendment offered by the Senator from Illinois, as printed, in line 1, I move to strike out the words "ceases or quits work in combination with other employees thereof," insert a comma after the word "who"; and on line 7, after the word "employment," insert the matter which I will not read, but send to the desk and ask the Secretary to read.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Secretary will state the amendment to the amendment proposed by the Senator from Delaware.

The SECRETARY. On page 4, lines 1 and 2, strike out the words "ceases or quits work in combination with other employees thereof"; and, in line 7, after the word "employment," insert "enters into any combination or agreement for the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement, and with like purpose, substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, shall be guilty," and so forth.

Mr. McCORMICK. I accept that amendment.

The PRESIDING OFFICER. The Senator from Illinois accepts the amendment, which he has a right to do. The question is on the amendment as modified.

Mr. CUMMINS. Mr. President, I see by a reference to this amendment that the Senator from Illinois has attempted to cover the objections which I had in my mind. It seemed to me rather doubtful whether we could take possession of an employee of a common carrier, simply because the carrier was engaged in interstate commerce, and penalize him for any-

thing that he might do. But I see now that the Senator from Illinois has incorporated into his amendment substantially the same language that is outlined in the bill itself upon that point.

Therefore the objection I have to urge, Mr. President, is just what I urged before, namely, that it seems to me that we are put in the intolerable position of creating Government instrumentalities, Government boards, to adjudicate the merits of a controversy between an employee or a number of employees and their employer, and after the adjudication is entered and the whole country advised that the Government has found that the employer is wrong, or that the employee is wrong, then the employer may disregard it entirely and lock out the employees and cease to operate its transportation system; and if the employees do not want to abide by the judgment of the Government, they may combine and conspire to interrupt, hinder, delay, and prevent commerce between the States, although the controversy has been submitted to the duly constituted agents of the Government and has been decided.

I do not believe, Mr. President, that a procedure of that kind will tend to prevent strikes nearly so effectively as the procedure we have proposed in this bill, nor do I believe that there would be the same sense of responsibility upon the part of the agencies of the Government which entered upon the investigation and which rendered the decision. If no one is obliged to obey or respect it, if the carrier the next moment can say, "I will not pay the men the wages which the Government has said I ought to pay them," and if the employee can say to his fellow employees, "Come, we need pay no regard to what has been done; we can combine and conspire to our hearts' content to secure and enforce the demands which we originally made," it seems to me that we will not have gone very far toward the settlement of disputes and securing industrial peace. All we want, of course, is industrial continuity and regularity. We want men to receive good wages and we want them to work under fair and proper conditions; but why submit that to the Government save through tribunals of investigation, such as congressional investigating tribunals? These boards would be of no greater value than an investigation by Congress, with a publication of the facts elicited in the investigation; probably less valuable.

If we adopt this amendment I can not think that we will have responded to the demands of this time. I am not speaking of the demands of capital, I am speaking of the demands of the great peace-loving and orderly hundred millions of people who believe that there ought to be some way of adjusting these disputes as they arise, a way that will secure the regularity and the continuity of commerce among the States.

I can only repeat my hope that the amendment will not be adopted.

Mr. JONES of Washington. Mr. President, I want to ask the Senator from Illinois a question. Section 29 of the bill as reported reads as follows:

> Any carrier or any officer of any carrier knowingly refusing to obey the decision of said committee after it has been approved by the board or of said regional boards of adjustment, or of the board in cases referred to it as hereinabove provided, shall be guilty, etc.

In other words, all that is necessary to make the carrier, or an officer of the carrier, guilty is to show that the decision has been rendered and approved and that the officer has knowingly refused to obey it. What does the Senator's amendment provide in that respect? Does it permit the carrier or officer of a carrier after 60 days to disregard the opinion or decision of the board?

Mr. McCORMICK. The Senator may learn as much if he will turn to the amendment.

Mr. JONES of Washington. I have not had an opportunity to do it. I had a copy of the amendment awhile ago, but lost it, and when I went to look for it could not find it. I thought the Senator could tell me.

Mr. McCORMICK. The same provision holds for one as for the other.

Mr. JONES of Washington. In other words, after 60 days a carrier or officer can refuse to obey the decision.

Mr. McCORMICK. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Dial	Harris	Lenroot
Ball	Dillingham	Harrison	McCormick
Bankhead	Edge	Henderson	McKellar
Borah	Elkins	Hitchcock	McNary
Brandegee	Fernald	Jones, N. Mex.	Moses
Calder	Fletcher	Jones, Wash.	Myers
Capper	France	Kellogg	New
Chamberlain	Frelinghuysen	Kendrick	Nugent
Colt	Gay	Keyes	Overman
Cummins	Gerry	King	Phipps
Curtis	Hale	Knox	Poindexter
Pomerene	Smith, Md.	Sterling	Walsh, Mass.
Ransdell	Smith, S. C.	Sutherland	Walsh, Mont.
Sheppard	Smoot	Thomas	Warren
Sherman	Spencer	Trammell	Williams
Smith, Ga.	Stanley	Underwood	Wolcott

Mr. CURTIS. I have been requested to announce that the Senator from Ohio [Mr. HARDING] is detained from the Senate on official business.

The PRESIDING OFFICER. Sixty-four Senators have answered to their names. A quorum of the Senate is present. The question is on the amendment as modified.

Mr. POINDEXTER. Mr. President, as I understand the purpose of the amendment of the Senator from Illinois [Mr. McCORMICK] it would prohibit employees of the railroads from conspiring to impede or interrupt interstate commerce while the question in dispute was under investigation, but would not prohibit them from doing so after the board which was investigating the matter had decided the dispute.

I am very much impressed with the idea that if any distinction is to be made as to whether they shall be prohibited from impeding or interrupting interstate commerce one time or the other with reference to the decision of an official tribunal which is investigating the case, it would be much more logical to do it after it had decided rather than before. After the decision then there is an official finding, a fixed point, so far as in the defects of human reason it is possible for the Government to arrive at a fact in a controverted question, something upon which action can be taken.

It would be perfectly reasonable, at least there might be advanced good reasons why, before that point had been arrived at, no inhibition should be imposed upon the men, and that after it had been arrived at they should be bound by the official finding of the Government.

So it seems to me that the amendment, instead of dealing reasonably with the problem to which this section relates, puts it upon a very illogical ground.

As to the bill itself, a great deal has been said before the committee and before the Senate about the great wrong of compelling men to work against their will, a form of slavery. Instead of doing anything of that kind, the bill expressly provides in language so clear that no possible doubt could be entertained that no man shall be interfered with in his right to quit work. What it prohibits is not the quitting of work. There is nothing even said about a strike in the bill. It prohibits the men from conspiring together to interfere with interstate commerce. It provides a means by which disputes between employers and employees in regard to wages and conditions of labor can be officially determined.

If two citizens have a dispute with each other about a piece of property, they are required to go into an official tribunal for the settlement of that dispute. One of them is not allowed to enforce his claim against another by violence. A dispute between one set of people in the country, we will say the employees, and another set, we will say the employers of the railroads, about wages, is a dispute really about values; it is a dispute about money, and if there is in the principle of our Government the necessity of requiring individual citizens to submit disputes about property to the courts in order that peace may be maintained and the security of person and property preserved by an orderly procedure under the Constitution, I fail to see why a dispute which is just as much a dispute about values and about property as the individual dispute about a piece of land or personal goods should not likewise be required by law to be submitted to an official tribunal in order that its decision might take the place of the violence of one party or other.

Before the Interstate Commerce Committee representatives of the employees appeared and objected not only to the so-called strike provision, but objected to the wage-adjustment board and all of the machinery that is provided for the settlement of disputes. They were asked what they would substitute for that official tribunal in the settlement of disputes. They said they would substitute for it the labor union.

There, Mr. President, seems, so far as the position taken by those particular representatives of organized railway employees is concerned, although stated in that comparatively mild form, the full extent of what is called direct action. That means the elimination of the Government in the settlement of disputes and the vesting by the employees in themselves of the sole power of determining the question. If it is to be left to the organized employees, then it will be left to one of the parties to the dispute to decide upon its own case. How would they decide it, and what is there that is to be viewed in the interest of the public as well as the employees and the railroad companies? The same thing that is involved when we prevent, if we can, with all the power of the Government, the coercion and intimidation of public officials. If men engaged in a dispute should surround Congress

with a cordon of bayonets and declare that the Members should not leave the building alive until this law should be passed or that law should be defeated, it would be no more the application of force and violence in the processes of Government than if they should suspend transportation or should cut off the supply of fuel or when they should say to the millions of our people that they shall not have food to sustain life until their demands as to dollars and cents are granted.

The purpose of the section of the bill at which the amendment is aimed is to substitute law for force in the settlement of disputes between citizens. The entire principle of orderly government is involved. It is only from the tolerant indifference of the American people, inculcated by the great fortune which we have enjoyed and the abounding riches of the land, that we have tolerated so long the violence, the intimidation, the suffering, and the death which have come from the common practice of the use of force in the form of the suppression of industries essential to life as a means of settling private disputes.

It seems to me that the time has now come in the increase of this evil in its extreme form, in recent months, to cast aside the indifference with which we have treated it in the past and to deal with it as a vital governmental problem, to apply to it the same principles of constitutional power that regulate the action of individuals. Why should men, because they are numerous or because they are organized, be put into a different class in their relations to the Government and to the law from individuals who are not organized, but whose property and whose lives and whose actions are just as important to them as are the desires of those who control great combinations, whether of labor or capital.

The only difference is that one has more power than the other; and so the question arises whether certain classes shall be allowed with perfect impunity merely because they have power, because they are numerous, because they are so situated that they can apply violence, can interfere with transportation, with the distribution of the necessities of life—because they have power, that we shall give them the special privilege of determining for themselves the industrial controversies in which they are engaged?

There is not anything in the Constitution of the United States which requires the Government to make such an exception, and there is nothing, in my opinion, in the mere fact that they are strong or numerous or organized that justifies the adoption of such a governmental policy. On the contrary, it seems to me that by reason of the very fact that they are powerful, that they attempt to intimidate the Government, that they can cause suffering to the entire Nation, they should be subjected to the power of the Government, acting through the laws of Congress and the administration of tribunals established thereunder in the settlement of disputes as other people are subject.

Mr. WILLIAMS. Mr. President, I should like to call the attention of the Senator to the point that the bill does not even go to the extent of subjecting them to governmental orders of any description. It goes only to the extent of making them submit their controversies to an arbitral board consisting of four of their own representatives and four of the representatives of the opposite interest. Although it is a governmentally appointed board, it is not a Government board.

Mr. POINDEXTER. Although it is true, as the Senator from Mississippi says, that the employees have 50 per cent of the membership of the board, yet it is a tribunal that is established by law and thus is a Government institution.

Mr. WILLIAMS. Why, Mr. President, of course, that is true. It is a governmentally appointed board, just like a bipartisan board of two Democrats and two Republicans might be governmentally appointed, but it would not represent the Democratic Party nor the Republican Party nor the Government; it would represent the conflicting interests.

Mr. POINDEXTER. But that is a mere academic question, Mr. President.

Mr. WILLIAMS. Oh, no; it is not academic, because it is very peculiarly intimate and essential.

Now, if the Senator will pardon for one moment longer, there is an essential difference between a bureaucratic board appointed by the Government outside of all the interests concerned and a mutually interested board appointed by both parties and both appointed by the Government. My objection to this scheme, if I had one to make——

Mr. POINDEXTER. Mr. President, I will have to decline further to yield just now because I am going to conclude in a moment, and then I will yield the floor to the Senator.

Mr. WILLIAMS. I wanted to say——

Mr. POINDEXTER. I decline to yield further at this moment.

The PRESIDING OFFICER. The Senator from Washington declines to yield.

Mr. POINDEXTER. This bill does not even require the employees, as the Senator from Mississippi has stated, to submit their disputes to the tribunal which is provided by the law. It establishes a tribunal and permits them to submit their disputes to it if they see fit. They do not have to do so; they need not remain in the employment in which they are engaged if they do not care to do so. What the law does provide is that they shall not use the instrumentality of interfering with or cutting off interstate commerce as a means of enforcing their will upon the Government and upon the people of this country in the settlement of their disputes.

In regard to the nature of the tribunal I fail to see that the fact that each side is represented changes its character in any way as a governmental tribunal. As just suggested by the Senator from Iowa [Mr. CUMMINS], the chairman of the committee, the findings of this board do not go into effect until they are approved by the transportation board.

Now, Mr. President, I want to say in justification of my vote against this amendment that at various times in the past I have engaged in efforts to break up what I have regarded as control of political parties in this country, and, through that, the control of the Government, by special interests. I regard the question that is now presented by this section and by the amendment as an identical question, although the special interest is a different one. There is no principle in our Government which should tolerate the control of the Government or of any of its functions by any special class, whether it is that of business or of capital or of organized labor. All should be treated with absolute fairness, but special exemption or special power should be given to none.

So far as the people of this country are concerned, organized labor need not fear to submit its just and reasonable claims to the sympathy and conscience of the American public. It will find a liberal consideration and generous action on the part of the people at the polls and through their governmental agencies in providing for labor adequate wages and reasonable conditions of work. For those things I have stood and continue to stand; but I stand also, Mr. President, for the principle that the Government is a government by the people, that it is superior to labor and it is superior to capital, and must be for all and supreme over all.

Mr. WILLIAMS. Mr. President, in the first place there never was a government by the people—there never has been and there never will be. There is a government by the representatives of the people, and the people are trusted to choose representatives. Outside of the remote Greek and Italian cities—the Greek cities in ancient times and the Italian cities in the Middle Ages—there never was any government that pretended to be a government by the people. There have been governments for the people and of the people by the representatives of the people, and that is the sort of Government we are. All the falderal talk about a government by the people—by Jim and Sam and Dick and Peter and John—is absolute foolishness. It never occurred outside of a little city, and it never will occur, even inside of an American State—not even in Delaware or Rhode Island, where you can cross the border in three jumps. So much for that.

Mr. President, I come to the immediate point under discussion; and if the Senator from Washington [Mr. POINDEXTER] had yielded to me a little longer I would have made it clear, and would not have had to have taken my feet to talk about it now. The difference between arbitration for the settlement of a controversy and settling a controversy by one's own power, perforce, is so immense that nobody needs draw the distinction. This bill merely fixes a method of appointing arbitrators. It does not even go to the extent that the Senator from Washington seems to think it goes. There is no Government board at all. It is a governmentally appointed board, but it consists of four representatives of the employees and four representatives of the employers. It is just as if the United States said to Great Britain in connection with some Canadian fishery question: "We will appoint two men and you will appoint two men, and, if necessary, they will appoint a fifth." This bill does not even go to the point in saying that, if necessary, they will appoint a fifth.

The trouble with the bill is that it leaves a certain degree of impotency in the very verbiage of it. There might come a time when the representatives of labor would say one thing and the representatives of ownership would say another thing, and then the public would be helpless. Of course, we are all hoping that

that will not happen, but there is no reason to object to the provisions of the bill on that account. There might be reason to object because the bill does not go further and appoint an arbitrator who would represent the public; there may be reason to object because the bill does not go further and appoint four more men who would represent the public. The weakness of the provision consists in the fact that you are left with four men on one side and four men on the other side, and perhaps they will vote as the Democratic and Republican Senators and judges did in the Hayes-Tilden election—strictly according to party lines. We all thought at that time that there could not be organized a tribunal consisting of five Senators, five Members of the House of Representatives, and five judges of the Supreme Court that would all vote according to party lines, but they did, and they voted strictly along party lines. You may find this thing to fail in that respect, but you will not find it to fail in the respect in which the Senator is questioning it.

The provision as it is ought to pass, not because I can not improve it, not because the Senator from Washington can not improve it, but because it is the best thing we can get right now. Let it go to some sort of conference, and let something come out, and let the American people be satisfied about it somehow.

Mr. President, if there is anything I despise it is the idea of compromising on a principle, but now and then I am brought up taut where I must compromise on a principle, and I am brought up in this bill with that situation. The Senator from Washington can not object to the bill upon the ground that it is a governmental agency, because it is not; I can not object to it upon that ground. I might object to it, if I wanted to, upon the ground that they had arranged the arbitral tribunal so that perhaps it might nullify itself and could not do any particular good; but after it goes into operation, then we will find out that we must settle that issue at some time, and we must appoint some other members of the board of arbitration.

The main thing, however, Mr. President, consists in this—and that is possibly where the Senator and I might take issue with one another—I say that there is no sort of controversy between man and man, no sort of controversy between capital and labor, no sort of controversy between one industry and another industry, and no sort of controversy between nation and nation that ought not to be settled by fair arbitration rather than to be settled by blood. Of course, when international controversy as now constituted comes, it is settled by the blood of armies and navies; when industrial controversy comes to be settled, it is by the blood of policemen's billies upon the heads of men who are striking or by strikers' billies upon the heads of "scabs," but, all the same, the eternal, everlasting rule still prevails that out of the fatherhood of God and the brotherhood of man, men ought never to confess, no matter how impotent, weak, and despicable they may be, that in any international or interindustrial or interclass war they can not settle it by fair arbitration. The only question is how shall you erect the arbitral board?

This bill erects an arbitral board that is half and half. It ought to be third and third—third labor, third capital, and third public—but, at any rate, if we erect it half and half—half capital and half labor—we have gone that far and that is further than we have ever gone before. That is better than for some men to kill other men who want to work because they say they are "scabs"; that is better than for Pennsylvania mounted guards to kill men because they are striking; that is better than arraigning the whole public animosity of one or the other class in the United States to be arraigned for one class against another without refuge. That is better than waiting for the millennium, when men will agree not to quarrel. Men will always quarrel, and the only thing left is to fix some sort of arbitral tribunal that can settle their controversies; and an honest man, a straight man, who confesses the fatherhood of God and the brotherhood of man, will always submit his controversies to a tribunal outside of himself and outside of his own interest and not in his own interest. He will do that industrially, internationally, interclassically, just as we do when man meets man before a court of justice in a civilized community.

In Turkey you can not find where man meets man before a judicial tribunal; you can not find it in Arabia; but you find it in America, you find it in England, you find it in all the Anglo-Saxon countries, you find it in all civilized countries.

Mr. President, the whole thing comes down to this, and it has got to come to that finally: Nations, classes, industrialism, everything, must agree to have controversies settled by a fair arbitral tribunal of some sort erected for the purpose of settling those controversies. In erecting the tribunal, of course, many mistakes will be made—at the beginning a great many, and later on, by evolution, they will be corrected—but the everlasting word of God is that you must not be the judge in your own quarrel. Whether a national quarrel or an industrial quarrel or an individual quarrel, you must not set yourself up to be the judge in your own quarrel. Neither the United States must do that, nor the labor organizations within the United States must do that, nor the capitalists within the United States must do that, nor must you do that.

There is a higher law than you or me. There is a higher law than capital and labor. There is a higher law than the United States. There is a higher law than any nation that ever existed, and that is the law of justice, and of seeking some tribunal that must administer justice, and must administer justice by preconsent, by consent granted beforehand, by free-will.

Mr. WALSH of Montana. Mr. President, in my opinion the only justification there is for legislating at all upon the subject with which we are now dealing is to avert, if possible, the unspeakable calamity, involving 110,000,000 people, which would result from a general tie-up of the railroad systems of the United States; and if we undertake that task at all it seems to me we ought to go to the logical conclusion in it and not deal with it in a halting, half-hearted way, stopping at a way station.

If, Mr. President, it is, as has been asserted, involuntary servitude to make it penal to foment, incite, engineer, or conduct a strike in violation of the final adjudication of an arbitral tribunal, it is no less involuntary servitude to make it penal in the same manner to do the same things prior to the final adjudication; and I made the suggestion that I did a short while ago to the Senator from Illinois, whose amendment is now before the Senate, in order to emphasize as well as I could the idea that it is entirely unsound to say that the provisions of the bill as it has been reported involve involuntary servitude at all.

But, Mr. President, I want to call attention to what I believe to be a fatal vice in the plan represented by the amendment proposed by the Senator from Illinois, namely, that that arbitral tribunal, called upon to determine in the final analysis what is a just or fair wage, recognizing that, notwithstanding the adjudication it may make, a strike may nevertheless be fomented, incited, engineered, and carried on, will be acting under the greatest possible compulsion to render a decision which inclines beyond what justice would require toward the demands of those who might thus precipitate the strike.

Mr. President, we are legislating upon this subject because the Congress of the United States heretofore has been called upon to legislate in the very face of an impending strike, and in order to avert the catastrophe that would follow by reason of it. Whatever may be said about the Adamson Act that was passed in 1916, I believe that the Congress of the United States was entirely justified in the legislation at that time. It was enacted at that time not because the principles it involved or the remedy it provided were deemed to be entirely just and right. There can be no doubt that many yielded their judgment, if they had any, about the matter simply to avert that kind of a catastrophe. Under the plan proposed by the Senator from Illinois that arbitral tribunal will be under exactly the same kind of compulsion. It should be relieved from any influence of that character. It should be relieved from any dread that such a result might ensue by reason of the judgment which it renders.

Mr. President, whenever you take away from the laboring men of this country, or any part of them, the right to strike—that is to say, to engineer and carry on a strike, and precipitate a universal cessation of labor in their particular employment for any purpose whatever which may be lawful in its character—you must thereupon give to them a tribunal before which they may go and be heard concerning the just and fair wage which they ought to receive, or the change in conditions which they demand. When you do that, Mr. President, they, as law-abiding citizens, ought to yield cheerful obedience to the adjudication thus rendered, just the same as every man in this country is obliged to submit his controversies with his neighbor to a court, and to abide by the decision. But, Mr. President, that tribunal ought to be fairly constituted. It ought to be so constituted as that there can be no doubt that justice will be done in the determination as to what is the fair wage or the proper conditions.

It is suggested in this connection that this particular tribunal, the transportation board, to which the matter may ultimately come, is not a fair tribunal. If so, Mr. President, it ought to be displaced, and the power ought to be reposed in some other body, constituted in some other way, so that the disposition to decide against the laboring man, if any such disposition could be deemed to exist, would be entirely removed.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Tennessee?

Mr. WALSH of Montana. If the Senator will pardon me a moment, it is suggested that this board will be composed of railroad men, with prejudices against the operatives. I see nothing in the bill which leads me to believe that that board will be composed of men skilled in the operation of railroads and in the management of railroads. They are not charged in any way with the operation of these railroads. They are not charged, as is the present Railroad Administration, with the financing and the general operation of railroads.

All those tasks are returned to the owners of the roads and to their representatives, the officers of the corporations that own them. Supervisory powers of a large and wide character are given to the transportation board; but there is no reason for assuming, so far as I can see, that they are to be selected from men trained in railroad work or from railroad managers. But if that is the case, Mr. President, it simply affords a justification for a remodeling of those sections which repose the adjudicatory powers in that transportation board, and some other board ought to be constituted. That is no reason, as it seems to me, why we should hesitate to make it penal to disregard the final adjudication of the arbitral board.

I now yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, it seems to me that this matter of final arbitrament ought not to be put in this transportation board, because the board, under the terms of this bill, will have general supervision of the management and control of the railroads themselves. If they are not trained railroad men they ought to be trained railroad men, and they will be obliged to be trained railroad men before they have been there very long. Under those circumstances, it seems to me that in order to be absolutely fair and just to both sides of the controversy we ought to have a fair tribunal of which no one can complain.

I agree with the Senator about the necessity of having some tribunal, but to my mind it ought not to be in the slightest degree capable of being charged that the final arbiter will be biased in any way whatsoever. For my part, I do not know how they can be selected. I am rather inclined to think that the Interstate Commerce Commission, which has shown itself fair toward all persons, toward the public and toward the railroads, and toward the employees of the railroads, would be a better arbiter than this untried board that is to be, by the terms of the bill, composed of three members from one political party and two from the other, and liable to be changed by the incoming administrations. It does not seem to me that that is the fair and just tribunal of arbitration to which the Senator gives his approval.

Mr. WALSH of Montana. Mr. President, the Senator will not understand me at all as having given my unqualified approval to reposing these powers in this particular board. I am not discussing that matter now, and, indeed, Mr. President, I should like very much, indeed, to have some one tender an amendment which would contemplate reposing these final arbitral powers in some other board constituted in some other way, so that we could have an enlightened discussion concerning the wisdom of reposing those powers in this particular board. That is not the proposition I am talking about. That is no reason whatever why the determination of the arbitral board should not be final and its adjudications enforced by penal provisions.

I insist, Mr. President, that that argument is an argument which merely goes to the necessity of a revision of the other provisions of the bill under which these powers are thus reposed in the transportation board. If there is no valid objection, Mr. President, to the discharge of these duties by that board, rather than by some other board constituted in some other way, there seems to me no reason for objecting upon that ground to these provisions making penal a disregard of the final adjudications of the transportation board.

Mr. McKELLAR. Mr. President, before the Senator takes his seat I should like to ask him to state his view on one point. I have very great respect for the views of the Senator from Montana on any question to which he devotes his attention, and before he takes his seat I would like to have his views on the value of the Canadian system, such as the Senator from Illinois has proposed here. What are the reasonable objections to that? If the Senator discussed it while I was temporarily out of the Chamber he need not repeat the discussion.

Mr. WALSH of Montana. I spoke about it only briefly. My study of the Canadian system leads me to believe that it is substantially the same in principle as that of the amendment tendered by the Senator from Illinois [Mr. McCORMICK], and I am urging that we ought to go to whatever length we can, and not leave open, if we can avoid it at all, the possibility of the unspeakable calamity upon 110,000,000 of people of the tying up of the entire transportation system of this country, with all the misery that that condition necessarily entails.

In the second place, I urge that there is a fatal vice in that system, because the transportation board, finally dealing with the problem upon which the other adjustment board was divided in opinion, will be always acting under the dread and fear that there will be a strike, regardless of the decision which they may make in the case, and that, therefore, they will be operating under a compulsion and a coercion to which we ought not to subject them.

That is why we are legislating about the matter now. We are legislating upon the subject now in order to escape such a calamity. We are legislating upon the subject so that the Congress of the United States will not be, as it has been in the past, legislating in the face of an impending strike, with all of the misery that that entails.

The Senator from Tennessee will agree that that situation of affairs is not conducive to the very best kind of legislation, and equally it is not a condition to which judges ought to be subjected in the determination of a great controversy.

Mr. McKELLAR. I will say to the Senator that I am very much in favor of arbitration, but I can not give my consent to any kind of arbitration that I do not believe gives both sides an absolutely fair and square deal; and I do not think this provision of the bill does give both sides that kind of a deal.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Illinois.

Mr. SMOOT. Mr. President——

Mr. McCORMICK. I understand the Senator from Utah wishes recognition in order to submit a report. I can not agree to that pending a vote on this amendment. I make the point of no quorum now.

Mr. WALSH of Montana. Mr. President, I make the point of order against that. My understanding is that no business has been transacted since the last quorum call. I think we can get a vote on it.

Mr. McCORMICK. If the Chair holds that debate constitutes no business, of course the point is well taken.

The PRESIDING OFFICER. Debate is not business.

WAR RISK BUREAU PAYMENTS.

Mr. CUMMINS. I understand the suggestion of the Senator from Utah [Mr. SMOOT] is that he has a bill he wishes to report, in which all Senators are very much interested, and about which there is no difference of opinion, it being for the benefit of those who suffered in the war. I am perfectly willing to allow that bill to be passed. I am assuming that it will lead to no discussion.

Mr. SMOOT. From the Committee on Finance I report back favorably with amendments the bill (H. R. 8778) to amend and modify the war risk insurance act. I ask for its present consideration. I feel certain that it will lead to no debate. If it does, I will withdraw it immediately.

Mr. McCORMICK. I have no objection.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent for the immediate consideration of the bill.

Mr. POINDEXTER. Mr. President, may I ask the Senator from Utah whether this is the so-called Sweet bill?

Mr. SMOOT. It is the Sweet bill, I will say to the Senator.

Mr. POINDEXTER. My attention has been called to a large number of proposed amendments to the bill, suggested in the interests of the soldiers.

Mr. SMOOT. I will say to the Senator that the commander in chief of the American Legion spent nearly two hours with me yesterday afternoon upon the amendments agreed to, and I will say that he and other members of the American Legion desire to have the bill passed as I have reported it at the earliest moment possible. If the Senator wants any information on it I will be glad to give it to him.

Mr. POINDEXTER. It is a House bill?

Mr. SMOOT. It is a House bill—the so-called Sweet bill—which I was directed to report from the Finance Committee.

Mr. POINDEXTER. With amendments?

Mr. SMOOT. With amendments.

Mr. POINDEXTER. With amendments to the House bill?

Mr. SMOOT. Yes; to the House bill.

Mr. KIRBY. I suggest that the bill be read.

The PRESIDING OFFICER. The Secretary will read the bill.

The Secretary proceeded to read the bill.

Mr. POINDEXTER. I will ask the Senator from Utah if the bill deals with the establishment of the War Risk Insurance Bureau?

Mr. SMOOT. Not at all. That is provided for in another bill. This deals with the compensation for the disabled soldiers.

Mr. POINDEXTER. It does not in any way change the administration of the act?

Mr. SMOOT. Not at all.

Mr. WALSH of Montana. I desire to inquire of the Senator from Utah whether this is a unanimous report of the committee?

Mr. SMOOT. It is a unanimous report of the committee.

Mr. WALSH of Montana. On the House bill or the Senate bill?

Mr. SMOOT. It is a House bill with amendments.

Mr. FLETCHER. It is known as the Sweet bill?

Mr. SMOOT. Yes; the Sweet bill.

Mr. KIRBY. Has it been considered in the Senate before at all?

Mr. SMOOT. No; I am just reporting it from the committee.

Mr. KIRBY. I myself have never seen the bill before.

Mr. SMOOT. I want to say that the Director of the Bureau of War Risk Insurance expects that this bill is going to be enacted into law before the end of this month and has already directed that checks for the present month be made out for the disabled soldiers on the basis of this bill. This bill ought to be passed this evening. It may have to go to conference.

Mr. CUMMINS. If the matter develops into debate, I shall ask the Senator to withdraw it.

Mr. FLETCHER. I think it is a very important measure and ought to have been passed long ago.

The PRESIDING OFFICER. The Secretary will proceed with the reading of the bill. Debate is out of order.

Mr. WARREN. I ask that if the bill is to be read we may have order so that we may hear it.

Mr. BORAH. Mr. President, may I say a word in regard to this matter? I understand this bill carries about $80,000,000, and is, aside from the amount, of great importance. I have had a great deal of correspondence with regard to this matter. I have now some 15 or 16 amendments on my desk which were presented to me yesterday by a member of the legion, asking that they be inserted or be submitted to this bill. I do not know that I should be able to answer the gentlemen who asked me to offer these amendments, if I should find out afterwards that they were not on the bill, as to why I did not see to it. It does seem to me, Mr. President, that however important this measure may be, and however just and wise it may be, we have some duty to perform in regard to it, and that is to see that it corresponds with what we think it ought to have in it. We ought to be permitted to read it and know its terms. It may be just what we want, but it may be defective in some respects. Let us at least know what we are doing.

Mr. SMOOT. I do not know whether the Senator from Idaho was in the Chamber when I made the statement that I spent nearly two hours yesterday with the commander in chief of the American Legion and other soldiers in discussing the amendments to the House bill, and all want this bill passed.

Mr. POINDEXTER. Mr. President——

Mr. BORAH. I assume that the bill will be passed, and I assume that it ought to be passed. But may we not have at least 12 hours in which to read it and look into it——

Mr. SMOOT. Mr. President, I will withdraw the bill.

Mr. BORAH. And to know that these things which are to be incorporated in it are in it? I think it is an extraordinary procedure to pass a bill carrying eighty millions of dollars which the Senate of the United States does not know a thing about.

Mr. SMOOT. It is an extraordinary request, Mr. President, but we must remember it is for an extraordinary set of men.

Mr. BORAH. Precisely so, and for an extraordinary set of men, and for that reason it is extremely important that every man in this Senate Chamber should know that he has done his duty when it shall have passed. Let us do what we ought to do for these men, but be sure that we are doing the right and proper thing.

The PRESIDING OFFICER. The Senator from Utah has withdrawn the bill.

Mr. KIRBY. I would suggest that the Senator from Utah ask that the bill be printed, so that we can know what is in it. He need not withdraw it.

Mr. SMOOT. I promised not to take the time of the Senate if the bill should lead to discussion.

Mr. KIRBY. It will not take any time to have it printed.

Mr. McKELLAR. It is already printed.

Mr. SMOOT. Is it desired that it shall be printed in the RECORD?

Mr. POINDEXTER. I think it ought to be printed in bill form, showing the amendments, and I ask that that be done.

The PRESIDING OFFICER. The bill will go to the calendar, and be printed in the usual form.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Illinois [Mr. McCORMICK].

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McCormick	Smith, S. C.
Ball	Frelinghuysen	McKellar	Smoot
Bankhead	Gay	McLean	Spencer
Borah	Gerry	McNary	Stanley
Calder	Hale	Moses	Sterling
Capper	Harris	New	Sutherland
Chamberlain	Henderson	Newberry	Thomas
Colt	Hitchcock	Nugent	Trammell
Cummins	Jones, N. Mex.	Overman	Underwood
Curtis	Jones, Wash.	Phipps	Walsh, Mass.
Dial	Kellogg	Poindexter	Walsh, Mont.
Dillingham	Kenyon	Ransdell	Warren
Edge	Keyes	Sheppard	Williams
Elkins	King	Sherman	Wolcott
Fernald	Kirby	Smith, Md.	

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. There is a quorum present. The question is upon the amendment proposed by the Senator from Illinois [Mr. McCORMICK].

Mr. CUMMINS. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CUMMINS (when his name was called). Upon this vote I am paired with the senior Senator from Wisconsin [Mr. LA FOLLETTE]. If he were present, he would vote "yea," and if I were at liberty to vote I would vote "nay."

Mr. EDGE (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. OWENS]. I transfer that pair to the junior Senator from Ohio [Mr. HARDING] and vote "nay."

Mr. FERNALD (when his name was called). I have a general pair with the junior Senator from South Dakota [Mr. JOHNSON]. In his absence I withhold my vote. If permitted to vote I would vote "nay."

Mr. JONES of Washington (when his name was called). I have a general pair with the Senator from Virginia [Mr. SWANSON], who is necessarily absent on account of illness in his family. I am paired with him during his absence, and therefore withhold my vote. If at liberty to vote, I would vote "nay."

Mr. KELLOGG (when his name was called). I am paired with the senior Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. CURTIS (when Mr. NELSON'S name was called). The senior Senator from Minnesota [Mr. NELSON] is paired with the Senator from Nebraska [Mr. NORRIS]. If present, the Senator from Nebraska would vote "yea" and the Senator from Minnesota would vote "nay."

Mr. NEWBERRY (when his name was called). I am paired with the senior Senator from Missouri [Mr. REED] and withhold my vote. If permitted to vote, I would vote "nay."

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. In his absence from the Chamber I am obliged to withhold my vote.

Mr. THOMAS (when his name was called). In making the same announcement of my pair and its transfer as heretofore, I vote "nay."

Mr. CURTIS (when Mr. TOWNSEND'S name was called). The Senator from Michigan [Mr. TOWNSEND] is detained on account of the illness of his wife. If present, he would vote "yea."

Mr. UNDERWOOD (when his name was called). Making the same announcement in reference to my pair that I did heretofore, I vote "nay."

Mr. WILLIAMS (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I am informed by the Senator from Minnesota [Mr. KELLOGG] that if the senior Senator from Pennsylvania were present he would vote as I am about to vote. I therefore feel at liberty to vote. I vote "nay."

Mr. WOLCOTT (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. I transfer that pair to the Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. KENDRICK. I make the same announcement as heretofore of my pair with the Senator from New Mexico [Mr. FALL]. I transfer my pair to the Senator from Texas [Mr. CULBERSON] and vote "nay." I ask that this announcement may stand for the day.

Mr. NEWBERRY. I transfer my pair with the Senator from Missouri [Mr. REED] to the Senator from Pennsylvania [Mr. PENROSE] and vote "nay."

Mr. FERNALD. I transfer my pair with the junior Senator from South Dakota [Mr. JOHNSON] to the Senator from Connecticut [Mr. BRANDEGEE] and vote. I vote "nay."

Mr. CURTIS. I have been requested to announce that the Senator from Massachusetts [Mr. LODGE] is paired with the Senator from Georgia [Mr. SMITH].

Mr. CALDER. I announce the absence of my colleague [Mr. WADSWORTH]. He is paired with the senior Senator from Michigan [Mr. TOWNSEND], and if present would vote "nay."

The result was announced—yeas 31, nays 31, as follows:

YEAS—31.

Ashurst	France	Lenroot	Sheppard
Borah	Gay	McCormick	Sherman
Capper	Gerry	McKellar	Smith, S. C.
Chamberlain	Harris	McNary	Stanley
Colt	Henderson	Moses	Trammell
Curtis	Jones, N. Mex.	New	Walsh, Mass.
Dial	Kenyon	Nugent	Wolcott
Fletcher	Keyes	Overman	

NAYS—31.

Ball	Hale	Myers	Spencer
Bankhead	Hitchcock	Newberry	Sterling
Calder	Kellogg	Phipps	Thomas
Dillingham	Kendrick	Poindexter	Underwood
Edge	King	Pomerene	Walsh, Mont.
Elkins	Kirby	Ransdell	Warren
Fernald	Knox	Smith, Md.	Williams
Frelinghuysen	McLean	Smoot	

NOT VOTING—33.

Beckham	Johnson, Calif.	Page	Smith, Ga.
Brandegee	Johnson, S. Dak.	Penrose	Sutherland
Culberson	Jones, Wash.	Phelan	Swanson
Cummins	La Follette	Pittman	Townsend
Fall	Lodge	Reed	Wadsworth
Gore	McCumber	Robinson	Watson
Gronna	Nelson	Shields	
Harding	Norris	Simmons	
Harrison	Owen	Smith, Ariz.	

So Mr. MCCORMICK's amendment was rejected.

Mr. MCCORMICK. Mr. President, I desire to give notice that I shall offer the amendment in the Senate.

Mr. POMERENE. Mr. President, I offer the following amendment.

The PRESIDING OFFICER. The Secretary will read the amendment proposed by the Senator from Ohio.

The SECRETARY. On page 71, after line 2, insert the following:

That the term "transportation" as used in the act entitled "An act to regulate commerce," approved February 4, 1887, as amended, shall be deemed to include refrigerator cars of efficient type or types approved by the board for the transportation of fresh meat. It shall be the duty of every carrier by rail subject to the provisions of said act to provide such cars in number sufficient from time to time to accommodate the reasonable need therefor on its lines, and to furnish the same with due promptness upon reasonable request therefor and without unjust discrimination; and such carriers otherwise with respect to said cars shall be governed by the provisions of said act relating to transportation.

No carrier by rail subject to the provisions of said act shall, after the expiration of six months from the date of passage of this act, employ in commerce any refrigerator cars for the transportation of fresh meat, which are not owned or controlled by such carrier, except upon the condition that they may be furnished by the carrier to any person making reasonable request for refrigerator cars in accordance with the provisions of this section, under such arrangements as to just compensation and otherwise as may be made between the carrier and such person owning or controlling the same, with the approval of the board. The agreement embodying such arrangements shall be submitted in writing to the board for approval, and if not disapproved by it within 30 days after such submission, shall be deemed to have been approved by it.

The failure by any such carrier to perform any duty or to comply with any requirement prescribed by this section shall be deemed to be an unjust practice within the meaning of said act of February 4, 1887, as amended, and said carrier shall be subject to all the liabilities, prosecutions, and penalties provided therein for unjust practices by carriers, except that the amount of penalty for knowingly failing or neglecting to obey an order of the board in reference thereto shall be $100 for each offense instead of $5,000 as provided in section 16 of said act; and any distinct violation shall be a separate offense, and in case of a continuing violation each day shall be considered a separate offense.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Ohio [Mr. POMERENE].

Mr. CUMMINS. Mr. President, I have not critically examined the phraseology of this amendment, but its spirit is entirely in harmony with the remainder of the bill and I hope it will be accepted, in order that it may go into conference.

Mr. SMOOT. Mr. President, there was so much confusion in the Chamber when the amendment was read that half of the amendment was read before it was possible to understand its provisions. I do not know what is in the amendment; I do not know how far-reaching it is; and really do not know what it means.

The PRESIDING OFFICER. The Senator from Utah will suspend a moment. The Chair is to blame for permitting the confusion in the Chamber and accepts the responsibility. Will Senators kindly cease audible conversation?

Mr. SMOOT. Now, Mr. President, I should like to have the amendment again read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The Secretary again read the amendment proposed by Mr. POMERENE.

Mr. SMOOT. Mr. President, I desire to ask the Senator from Ohio if this amendment provides that the railroad operators shall have the right to take the refrigerator cars of a corporation or an individual and assign such cars anywhere upon their lines, to be shipped anywhere in the United States?

Mr. POMERENE. Mr. President, one of the serious difficulties we have had in transportation relates to the meat-packing industry. Many of those companies have such cars, and often they are not in use; they can be used and they are used on roads belonging to private companies. These cars have been used in such a way as to bring about a discrimination against certain other people. It is the duty of the railway companies to furnish suitable cars for the traffic; and the purpose of this amendment is to authorize the transportation board, so denominated in the bill, to require the companies to supply themselves with the necessary cars.

It is also one of the objects of this legislation that there shall be an equitable distribution of cars, to the end that all shippers may receive an equitable service. To that end it is provided that the cars which they have may be counted in the matter of the allotment. I am not quoting with entire exactness, but that is the purpose. I think the purpose is entirely clear, as set out in the proposed amendment.

Mr. SMOOT. That is, the cars that are owned by private corporations are to be counted in connection with the cars which the transportation company may furnish, and are then to be assigned as the board may decide?

Mr. POMERENE. They are entitled to certain rentals, and so forth, which may be prescribed.

Mr. SMOOT. I see no objection to the amendment if the railroad furnishes the requisite number of refrigerator cars; but supposing the road should say, "We have no cars."

Mr. POMERENE. I think the Senator will find that the amendment gives the transportation board plenary power, so that they can require the company to furnish the cars. Of course, it is conceivable that one large concern might have a number of cars which it was not needing, or that there was not an equitable distribution, and that the supply of cars was being used for monopolistic purposes, and so forth.

Mr. SMOOT. I do not think that the meat packers who are referred to by the Senator from Ohio would in any way object to having the refrigerator cars operated by the railroads and letting the railroad money go into those cars if they could get the cars when they needed them.

Mr. POMERENE. I have not any doubt that they would be served equitably and properly in that matter.

Mr. SMOOT. But, of course, no great packing industry could operate successfully unless it had the cars when it was absolutely necessary to have them in order to move their products.

Mr. POMERENE. The Senator from Utah, perhaps, does not have in mind the special provisions of law which are known as the car-service act, which were amplified in a bill which was passed by the Congress several years ago. The provisions of the so-called car-service act have been broadened in this bill so that the transportation board will have entire control of that subject, and it is going to prevent having a lot of empties in one section of the country when there is a great demand for cars in other sections. The amendment simply carries out the spirit of that act.

Mr. TRAMMELL. Mr. President, I offer an amendment to the amendment by inserting after the words "fresh meat" the words "vegetables and fruits."

The PRESIDING OFFICER. The amendment suggested by the Senator from Florida to the amendment offered by the Senator from Ohio will be stated.

The SECRETARY. In the amendment offered by Mr. POMERENE, on page 1, line 5, after the words "fresh meat," it is proposed to insert the words "vegetables and fruits."

Mr. POMERENE. Mr. President, I offer this as a suggestion: The Senator's amendment adds "vegetables and fruits." Why not add the words "or other perishable articles"?

Mr. TRAMMELL. Does the Senator mean, instead of saying "vegetables and fruits," to say "vegetables and other perishable articles"?

Mr. POMERENE. No; use the words "vegetables and fruits," if that is desired, and add "or other perishable articles."

Mr. TRAMMELL. So that it would read: "Vegetables, fruits, and other perishable articles"?

Mr. POMERENE. That is the suggestion I make.

The PRESIDING OFFICER. Does the Senator from Florida modify his amendment to that effect?

Mr. TRAMMELL. Yes, sir; I offer that as the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment as modified.

Mr. JONES of Washington. Mr. President, I understand the amendment proposed by the Senator from Ohio relates to the distribution of cars and provides for a fair distribution with reference to certain commodities. The Senator from Florida makes the same provision apply to fruits and vegetables.

Mr. POMERENE. Yes; and my amendment goes a little further than suggested by the Senator from Washington. It requires the companies to provide the cars and to provide for the method of distribution.

Mr. JONES of Washington. That is all right.

Mr. SMITH of Maryland. Mr. President, I understand the suggestion of the Senator from Florida includes the words "and other perishable articles."

Mr. TRAMMELL. It does.

Mr. SMITH of Maryland. I am glad that is so, for the reason that fish and similar commodities should also be included.

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER. Let the Secretary state the amendment as modified to the amendment, and then the Senator from Alabama will be recognized.

The SECRETARY. On page 1, line 5, of the amendment offered by Mr. POMERENE, after the words "fresh meat," it is proposed to insert the words "vegetables, fruits, and other perishable products."

Mr. TRAMMELL. Mr. President, I offer that amendment to the amendment. I am very much in sympathy with the object and purpose of the original amendment proposed by the Senator from Ohio. I believed that refrigerator car lines should be controlled and the cars should be furnished by the railroads instead of by independent car companies. I think there is no question that the shippers of produce who require refrigerator cars will get better service and more reasonable rates. Therefore I am most heartily in sympathy with the amendment proposed by the Senator from Ohio, with the amendment offered by myself.

Mr. BANKHEAD. Mr. President, I should like to ask the Senator from Ohio where the refrigerator cars which the railroads are to own and operate are to come from? If the roads that now can not build freight cars and can not live without coming to the Government for large donations are expected to build and operate refrigerator cars, we will never have any refrigerator cars.

I am not going to detain the Senate in discussing this question; but I wish to make the prediction that if this amendment is adopted and it becomes the law of the land, one-half of the towns and much of the territory in this country will not have any refrigerator-car service; it will be impossible for them to have it. I think it is unfortunate to put the country in that situation. I do not mean to defend the present system of refrigerator-car service, but I do mean to say that, if this amendment is adopted and becomes a law, it will be found that at least one-half of the towns and much of the territory in this country will never have any refrigerator-car service.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Florida to the amendment of the Senator from Ohio.

Mr. SHERMAN. Mr. President, I wish to add an amendment to the amendment offered by the Senator from Florida. After the last word of his amendment I move to insert "exhibitions, shows, theatrical troupes, or private cars."

That is not, as it may appear, for the purpose of diminishing the force of this amendment. Ringling Bros., during their separate exhibitions and shows, at one time—I do not know what their cars may number now—had more than 200 cars of private, special manufacture, that were offered to the common carriers of the country. These have been greatly increased. It gave to those in the show business special advantages over the new exhibition or show that sought—and there are several of them in the United States—to obtain a profitable business. There are certain theatrical troupes that make an entire circuit of the United States, when they begin along the Atlantic coast, that travel in special cars. There are a number of private cars, used by gentlemen of means and leisure, offering themselves for transportation, and it is a considerable burden. Very often regular passenger trains are delayed, waiting at connections or terminal points for the special car of somebody who is late in making that connection. Now, if we are to equalize the service, I believe in equalizing all the service.

Ringling Bros. have lately consolidated with Barnum & Bailey's show. It now, instead of having probably 200 cars, may have 400 cars. It is the largest combination of public entertainment there is in the world. There is no small, single-tent, one-ring circus that can compete with it, or ever get on its feet, unless the lines of the United States offer similar accommodations to every young and struggling exhibition that is attempting to earn a place in the world of entertainment.

I offer this amendment in good faith, Mr. President. It is just as important that the people have entertainment, and that they see strange animals from foreign countries, and exhibitions of acrobatic and muscular skill from all parts of the world, as it is that they have fresh oranges and bananas. We can live without the latter; they are luxuries; but some form of entertainment is a necessity, as much as the daily food, meat, and bread.

Another thing: There is a limitation here, and let me say to those who are supporting this amendment that you will wreck the refrigerator-car business in the United States with the six-months' limit. On the 1st day of July last there were more than 45,000 refrigerator cars in the United States used by the carrier systems of the country. The greater part of those were owned by private concerns. The larger part of them were owned by the so-called "Big Five" packers.

Another thing: The packing houses were forced into the refrigerator-car business. Mr. Hammond or Nelson Morris years ago built the first refrigerator car. Nobody knows who was the original patentee of it, but along about the same time the refrigerator car came into use. Of the seven or eight large trunk lines leading out of Chicago, the fathers of the present owners of the principal packing houses in Chicago went to the traffic managers of the railways with their plans and asked them to build refrigerator cars. This is a matter of local history at that time; it is now national history and the development of the carrier system. There was not a railroad manager or board of directors in all the trunk lines leading out of Chicago in any direction that would build a refrigerator car. They said they had made enough experiments that lost the money of their stockholders, and they declined to invest a dollar in it. It was regarded as a chimerical enterprise. The packers of that pay, for the purpose of widening their market for fresh meats, decided to take the chance. They built the present refrigerator car, or its early type, and out of it came the refrigerator-car system of to-day. There was not a single railway found in New York City whose owners would put up a half million dollars to build the refrigerator cars that were needed at that time. These interests therefore were literally forced, if they took the benefit of the invention and spread the zone of fresh-meat distribution from the slaughterhouse, to build refrigerator cars. They did so. They proved to be a success not only for the transportation of fresh meats, but for the transportation of certain fruits.

There probably is not any one of the so-called tropical fruits, or those raised in warm countries going to northern markets, that to-day is not transported in what is in substance a refrigerator car. These cars are in every instance not like a meat car, because there is very little use that can be made of the empty return space in a refrigerator car for fruit.

The carrying of certain vegetables or fruits taints the car, and ordinarily a fresh-meat car can be devoted to no other purpose, unless it is something in sealed packages or cans, so that the odors can not permeate it. Now, with that condition it is proposed in this amendment within six months to prohibit a common carrier from transporting any form of refrigerator car that it does not itself own. That is an utter impossibility. Under present conditions there are not enough car-manufacturing plants in the United States to build the refrigerator cars necessary for the service. It can not be done unless you confiscate some 35,000 or 40,000 refrigerator cars now in the hands of

private owners and belonging to them, built for their special service, and no more to be confiscated by the Government in peace times, if we ever declare peace, than it is possible to come and take my team of horses off the farm; no more to be taken, unless packers and owners agree to it, than you can take any other species of private property; and instead of promoting the interests of the public, it will stop the shipping of fruits from Florida, because in six months the private refrigerator cars can not be taken, and new ones can not be manufactured. It will stop the transportation of bananas, of oranges, of pineapples, and of all the lines of United Fruit Co. steamers that land at southern ports and send up their cargoes on the Illinois Central to all the great northern and northwestern markets. That requires a fruit car specially constructed and devised for the transportation of fruit in cold weather, and this provision will stop the transportation of all the tropical fruits from Central and South America unless some provision is made more than this six months' period.

The Government can not go out, except in war times, and confiscate property. It has no more right to come into my yard, if I am a packer, and take my refrigerator cars, except under the war powers that do not now exist, than it has to come upon a farm in South Dakota and take the team of horses that I use in the transportation of my produce to the market. That power does not exist, Mr. President; but still, in six months, unless the President or some other authority in this country can take 40,000 or more refrigerator cars away from their owners and devote them to the transportation of these particular kinds of merchandise, it will utterly stop the transportation.

I have no objection, under proper arrangements, to some provision of this kind being made when the transition can be effected without literally killing the fresh-meat trade and the trade in all the southern fruits that are brought into the market.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Tennessee?

Mr. SHERMAN. Yes; I yield.

Mr. McKELLAR. I just want to ask the Senator a question. I agree with the Senator that the Government can not take away these refrigerator cars from the packing houses and others without paying for them. The Senator will recall, however, that so far we have only appropriated in this bill $500,000,000; and that is such an insignificant sum, and the people of the United States are so anxious to have us appropriate larger sums, that I will ask the Senator whether he does not think that a little, simple amendment by which, say, five hundred millions or a thousand millions may be added to the bill, so that we can buy from the packers these refrigerator cars, could be put through?

Mr. SHERMAN. Oh, certainly. A man who never had a million dollars or a hundred thousand dollars can trip it lightly on his tongue. We have been talking of billions here until a mere paltry half billion dollars appears to be a bagatelle that would make a kindergarten smile. Why, certainly. Let me ask my beloved friend, however, how in time of peace you will take away from private property owners their refrigerator cars even if you have a half billion dollars?

Mr. McKELLAR. Mr. President, I agree with the Senator from Illinois entirely; but we have, as it appears to me, been so profligate with the people's money—we just appropriated in this bill last night, by amendment, $500,000,000 for a revolving fund for general purposes—that it seems to me, with a good case such as the Senator has, that it would be a fine time to offer another amendment and have us appropriate another half billion dollars in this bill to buy refrigerator cars that belong to somebody else, because they ought to be paid for—we all recognize that—if we take them.

Mr. SHERMAN. The $500,000,000 revolving fund is no creation of mine. I did not vote for it.

Mr. McKELLAR. Neither did I, Mr. President. The Senator can not "shake his gory locks" at me.

Mr. SHERMAN. It is not a revolving fund; it is a vanishing fund. [Laughter].

Mr. McKELLAR. I accept the Senator's statement about it, and agree with him entirely. It is vanishing, and will be very rapidly vanishing as soon as we appropriate it.

Mr. SHERMAN. Why, certainly. It will go the way of all other revolving funds.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Colorado?

Mr. SHERMAN. Yes, sir.

Mr. THOMAS. Will the Senator please tell the Senate the difference between a revolving fund and a vanishing fund?

Mr. SHERMAN. It is a mere difference in nomenclature. In substance, there is no difference whatever. It is like loans to friends; not one dollar ever sees the original owner. To quote from Shakespeare—

> Neither a borrower nor a lender be:
> For loan oft loses both itself and friend,
> And borrowing dulls the edge of husbandry.

We have been loaning prodigally of the taxpayers' money, if you will permit the hackneyed expression, until we have lost sight of the fact that we may some time reach some limit. This $500,000,000 revolving fund may not revolve with sufficient rapidity to exhaust itself before refrigerator cars could be furnished; but if it goes the way of its predecessors, it will not be seen in time to supply a line of refrigerator cars adequate to the service.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Ohio?

Mr. SHERMAN. I yield.

Mr. POMERENE. I offered this amendment not feeling for a minute that it was going to arouse such intense opposition. The chairman of the committee is very anxious to go on with the consideration of the bill, and if the amendment is going to excite much further discussion I think I will withdraw it.

Mr. SHERMAN. I will say to the Senator from Ohio that I will support an amendment in this body along the lines of the amendment offered under adequate safeguards that will not disturb the fruit trade both within our own limits and the imported fruit coming by the United Fruit Co.'s boats, or disturb the distribution of fresh meats by the proper and gradual acquisition under proper powers of all the refrigerator car lines now in private hands.

Mr. POMERENE. Mr. President, the Senator from Illinois has been talking very interestingly upon this subject. I have some slight knowledge of it but not the detailed knowledge that the Senator from Illinois has. I realized very fully that there is not a sufficient supply of refrigerator cars, at least during a portion of the year, and my thought was that the railroad companies should aim to furnish cars for the accommodation of the public. It is a perfectly legitimate proposition.

Mr. SHERMAN. I quite agree with the Senator.

Mr. POMERENE. I felt that by offering the amendment I was helping out the situation.

Mr. SHERMAN. I think the Senator has not properly appreciated the scope of the amendment applied to actual conditions. I have lived through this for more than 25 years.

Mr. POMERENE. Mr. President, for the time being, if the Senator will permit me, I will withdraw the amendment.

Mr. SHERMAN. I will be very glad to yield the floor.

The PRESIDING OFFICER. There being no objection, the amendment is withdrawn.

Mr. McKELLAR. Mr. President, I object. I think it ought to be voted on. I have letters from Tennessee saying it is very necessary that there should be a provision in this bill providing that the railroads should control refrigerator cars. I think they should. If they have turned this business over to other corporations, I think it should be recovered in their interest. Of course, I was joking entirely when I suggested to the Senator a while ago that we appropriate money for it at this time. I do not think that is necessary. But I do not see any reason why it can not be worked out under the very excellent amendment offered by the Senator from Ohio [Mr. POMERENE], and I do not think he ought to withdraw that amendment after having offered it. I ask for a vote on it. I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Florida [Mr. TRAMMELL] to the amendment of the Senator from Ohio [Mr. POMERENE].

Mr. TRAMMELL. Mr. President, I offered the amendment to the amendment, and expressed myself as in hearty accord with the purpose and object of the amendment offered by the Senator from Ohio [Mr. POMERENE]. At that time I only had an opportunity of gathering, in a very hurried way, the purpose and object of the amendment. But I have read over the amendment carefully, and I am a little apprehensive, Mr. President, that the amendment does not accomplish the object and purpose for which it was introduced. For that reason I hope that the Senator from Tennessee will not object to the withdrawal in order that it may be perfected.

Mr. McKELLAR. I want to have it perfected. I have no objection to the suggestion of the Senator from Florida.

Mr. POMERENE. I stated a moment ago that I would withdraw the amendment now, and the Senator from Illinois [Mr. SHERMAN] so understood me.

The PRESIDING OFFICER. The Chair thinks the Senator from Ohio has that right.

Mr. POMERENE. I think I have that right.

The PRESIDING OFFICER. But inasmuch as an amendment to the amendment was offered, the Chair felt that unanimous consent was required.

Mr. TRAMMELL. I withdraw the amendment to the amendment.

The PRESIDING OFFICER. That being withdrawn, the amendment is withdrawn.

Mr. SMITH of South Carolina. Mr. President, I offered an amendment to section 34, to strike out those paragraphs of section 34 referring the power proposed to be given to the board of transportation to determine wherein new railroads shall be built.

As I stated yesterday, we have given the transportation board the right to supervise the capital invested, the securities that may from time to time be issued on the investment, and to guarantee the public against any of the evil practices that heretofore have been in vogue, and I maintain that the condition of the country is not yet sufficiently standardized, nor is there a sufficient appreciation of the needs of the different communities by the public at large, to warrant us in lodging in a Federal transportation board the destiny of this country as to its enlarged transportation facilities.

I had a conversation with a member of this body from the West, who informed me that this was on a parallel with laws that we have now in reference to the development of the mining interests in the West. He informed me that previous to the passage of those laws great productive mines had been discovered and opened, but since the passage of the laws, which gave a Federal board the right to determine where and when prospectors should enter the field and locate a mine, there had been an absolute arrest of anything like the mineral development of this country.

Mr. CURTIS. Mr. President, I have not heard the Senator's amendment. Is it in reference to building lines in communities where a road may be needed, or where the community may think it is needed?

Mr. SMITH of South Carolina. Yes. I am taking the position, Mr. President, that the people in the communities, especially in the undeveloped sections of our country, are better judges of the necessities for facilities of transportation than a Federal political board, composed, as it is proposed to create this board, of three from one political party and two from another, into whose hands shall be placed the future railroad development of this country.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator yield?

Mr. SMITH of South Carolina. I yield to the Senator from Tennessee.

Mr. McKELLAR. I wanted to ask the Senator, as he is a member of the committee, if the bill does not put it exclusively in the hands of this board; and is it not, in effect at least, a prohibition against any State corporation building a railroad in any State of the Union, whether for interstate commerce or intrastate commerce?

Mr. SMITH of South Carolina. I do not know that the bill refers specifically to it, but I think it is included under the general legislation, that all laws of the States to the contrary notwithstanding, the findings of this board shall be final.

Mr. McKELLAR. Mr. President, in other words, as I understand the Senator, however much it might be desired to build a railroad through, for instance, the northern tier of counties in my State, where there is no railroad, and where one is so greatly desired, a corporation can not be formed in Tennessee for the building of that railroad at all. Although the citizens of those several counties might desire to raise the money and build a railroad they can not do it, and the only way in which it can be done would be to get this board to agree to some other company building a railroad there. Is that correct or not?

Mr. SMITH of South Carolina. The bill provides that before that company can build a road, or the citizens can build a road, they must appear before this board and state the reasons for building the road, the necessity for it; and they must get a permit from this board; and after the board has canvassed it and found that, in its judgment, it is for the general public interest, then it may or may not grant the permit.

Mr. McKELLAR. If there are 35 corporations already organized under the act, is it not an absolute impossibility, under the act, to organize a separate corporation; and must it not necessarily be one of the 35 already organized, because the act confines the organization of railroad companies in this country to 35 giant corporations?

Mr. SMITH of South Carolina. I think the Senator is correct in the inference. The bill provides that after the termination of seven years the country shall be divided into not less then 20 nor more than 35 corporations for the railway transportation business of this country. I do not know whether such a thing as is contemplated in this bill will ever be possible; I have my serious doubts as to whether they can by any process whatever compel the corporations of this country to unite in that number of corporations, or in any that is contrary to the voluntary desires of the parties in interest. But be that as it may, the contemplation of this bill is that the country shall be divided into the maximum and minimum indicated in the bill. Suppose that could be achieved. Then the country would be divided up into not more than 35 nor less than 20 monopolies, so far as the territory contiguous to their consolidations was concerned.

Mr. McKELLAR. And all under the control of this political body of five, three of one party and two of the other party, and of course changeable whenever parties changed in this country. Is not that true?

Mr. CUMMINS. No, Mr. President; the Senator from Tennessee knows that is not in this bill. He knows very well, in the first place, that the bill contains a provision that new construction, not included in one of these systems, can be undertaken, and he knows very well that the board of transportation is appointed for a term of years, not removable at the pleasure of the President or any political administration. It is no more a political board than the Interstate Commerce Commission is a political board. I am quite content, of course, with legitimate criticism, but I have grown rather weary of criticisms for which there is no foundation whatever.

Mr. SMITH of South Carolina. I will state that the board provided for in the bill is similar to the Interstate Commerce Commission and other commissions whose personnel have rotation in their appointments, so that a majority is always on the board. They are to be appointed at specified times, like the Interstate Commerce Commission. But no matter what their tenure of office may be, there are excellent purposes prescribed in this bill which they are to fulfill.

Mr. CUMMINS. Mr. President, I hope the Senator from South Carolina will not think that what I have just said refers to anything that he mentioned as being in the bill.

Mr. SMITH of South Carolina. I understand, Mr. President.

Mr. CUMMINS. The Senator from South Carolina is presenting a perfectly legitimate proposition. There is a difference of opinion as to whether the building of railways should be subject to public control or not, and I am very happy to hear the position of the Senator from South Carolina. I was referring to what I regard as the utterly baseless assertions made with regard to the bill by the Senator from Tennessee [Mr. McKELLAR].

Mr. McKELLAR. Mr. President, will the Senator from South Carolina yield to me just to reply to the Senator from Iowa?

Mr. SMITH of South Carolina. Certainly.

Mr. McKELLAR. I made the statement that this was a political board and I intend to prove it by the Senator's own bill, on page 22, where it says:

> Not more than three members of the board shall be appointed from the same political party.

It makes it a political board. Of course it is a political board and when the parties change it is going to be subject to change. The appointments are made on political lines because the bill provides that they shall be made on political lines. More than that, it prohibits the members of the board from being appointed on any other lines than political lines.

Mr. KELLOGG. Mr. President——

Mr. McKELLAR. It is idle to talk about it not being a political board when the very terms of the bill provide that it shall be that, and it can not be anything else.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Minnesota?

Mr. SMITH of South Carolina. I am very glad to yield to the Senator.

Mr. KELLOGG. I should like to ask the Senator from Tennessee if the Interstate Commerce Commission is a political board? It is appointed in the same way.

Mr. McKELLAR. In a sense it is.

Mr. KELLOGG. What kind of a sense?

Mr. McKELLAR. In this sense only——

Mr. KELLOGG. The same sense the Senator has been talking about.

Mr. McKELLAR. Oh, no; it is not at all. It is an entirely different situation with the Interstate Commerce Commission. I do not remember exactly the terms of the Interstate Commerce act, but they are not of this kind.

Mr. KELLOGG. I suggest that the Senator read it before he talks about it.

Mr. McKELLAR. I am talking about the pending bill. I say that this bill, the Senator from Iowa to the contrary not-

withstanding, so provides, and it is absolutely true under the terms of his own bill, and a 5-year-old child that had good sense could see it. I am quoting from the bill—

> Not more than three members of the board shall be appointed from the same political party.

It is a political board.

Mr. SMITH of South Carolina. Mr. President, I do not care to have a discussion as to this particular feature of the bill. What I am intending to impress upon the Senate is whether in their judgment we have arrived at that degree of standardization in our railroad facilities and in the tonnage in the different parts of the country that we can pick and choose as to the very best method of reaching an already produced tonnage and carrying it to the market, or whether we are not still in that stage of development where the railroad proposed to be built will be a developer which for a period of years perhaps will have to help develop the territory. The territory through which it goes will be dependent upon the presence of that modern means of transportation.

I think, as the chairman of the committee has very well said, that it is a question for us to decide now. I do not doubt that the time will come in the history of the country when our development shall have reached that stage where it perhaps will be an imperative necessity to have some official board that will regulate the building of lines of railroads, because the temptation will always be present to try to get that form of investment for the purpose of making the public pay the toll.

But the question before us now is which do we believe will give us that which we all desire—more railroad facilities, a distribution of the means of transportation that will open up country now that is not contributing to the general wealth of the public? There are vast sections in the West, there are sections of the South, whose wealth is waiting on adequate means of transportation.

It does two things. It not only grants a means of transportation for that which is already in a form to be transported, but it becomes the promoter of the things to be transported. I think the history of governmental boards will show that we have not had sufficient development to justify them in controlling the output. I am convinced that the community on the ground, who understand intimately, who realize—not know, for there is a vast difference between a realization and a mere knowledge—who realize the necessities of the community, are the better judges of where the lines of transportation should be located than a mere official board who have nothing but a general knowledge of the general situation.

I hope we will realize that this is but an experiment if we do not make provision in the bill, for, as I understand it, if this is retained in the bill there is no chance of any modification thereof in conference, because, as I understand—I do not just now recall—there is a similar provision in the House bill.

I have discussed the question dispassionately upon the economic view that I take of it that we should allow the communities the right to determine where the roads should be put, where to build their roads, because at this stage, as I said a moment ago, in the provisions of the bill that take care of the investment and provide a Federal board to see that the money is used for the purpose for which the charter or franchise is issued, that there shall be no watered stock, that there shall be no inflation of value beyond the actual value, and restrict the new road to legitimate purposes for which it was incorporated, we have gone just as far in the stage of our development as is justifiable.

I hope that the Senate will strike the provision from the bill. I offer as an amendment to strike out that portion of section 34.

The PRESIDING OFFICER. The Secretary will state the proposed amendment.

The SECRETARY. On page 73, beginning with line 14, strike out all down to and including the word "court," in line 12, on page 75.

Mr. CUMMINS. Upon the proposed amendment I ask for the yeas and nays.

The yeas and nays were ordered.

The Secretary proceeded to call the roll, and Mr. ASHURST responded to his name.

Mr. LENROOT. Mr. President, I have just a word to say. If this scheme or plan of——

Mr. BANKHEAD. Mr. President, I rise to a point of order. The calling of the roll was started, and the first name was called and responded to.

The PRESIDING OFFICER. The point of order is overruled at this time.

Mr. BANKHEAD. Does the Chair overrule the point of order? Is not that a positive rule of the Senate?

The PRESIDING OFFICER. The present occupant of the chair——

Mr. BANKHEAD. The present occupant of the chair voted when his name was called.

The PRESIDING OFFICER. That is true.

Mr. BANKHEAD. It is true. Under the rules the Chair is bound to enforce that rule.

Mr. KING and Mr. LENROOT addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. LENROOT. Mr. President, I desire to know, when a Senator is on his feet asking for recognition, whether the Presiding Officer, who happens to be the first on the roll call, can defeat recognition by answering to his name in that way?

The PRESIDING OFFICER. The Presiding Officer has not sought to do that, but the rule has been invoked——

Mr. KING. Mr. President, may I make an observation?

The PRESIDING OFFICER. Certainly.

Mr. KING. I was looking at the Senator from Wisconsin and know he rose and addressed the Chair before the Secretary started to call the roll.

The PRESIDING OFFICER. Is there objection to the roll call being suspended? There being none the Senator from Wisconsin is recognized.

Mr. LENROOT. Mr. President, if this scheme is sought to be retained in the bill, it is absolutely necessary that the section which is sought to be stricken out shall be retained.

It will be remembered that under this scheme of group rates there must be rates permitted or imposed that will pay 6 per cent return, or 5½ and possibly 6 per cent, upon the entire value of the property within the group. A new railroad in 99 cases out of 100 during the first years of its operation will not pay interest return, and unless the board of transportation is to have the power to say where new roads shall be built or extensions made, and if railroads are to be permitted without that permission to be constructed and the board is compelled in fixing the group rates to allow 6 per cent upon the value of the railroad property within the group, does not every Senator see that every new railroad constructed will increase the rates for every shipper upon every line of railroad within that group?

It is very plain that unless there is this restriction, there will be an increase of rates upon all the railroads within the group. Without this provision, of course, the railroad would take its chances.

Mr. SMITH of South Carolina. May I ask the Senator a question?

Mr. LENROOT. Certainly.

Mr. SMITH of South Carolina. That means, according to the Senator's argument—and I overlooked the point he is making, because I wanted to make some remarks about it myself—that no new railroads will be built after this grouping feature has gone into effect, except they are built where the tonnage on them will relieve the country of any additional taxation for new transportation?

Mr. LENROOT. Either that or in a case where, in the opinion of the transportation board, there will be sufficient business developed in the immediate future to make it a paying proposition.

Mr. SMITH of South Carolina. The Senator has sustained exactly the argument that I was making, that in some undeveloped territory, of which there is still an abundance in the country, there will be no further railroad construction unless the conditions in the community are such as to warrant at least the 5½ per cent.

It was in my mind to say that if this provision were stricken out there could be an amendment to the bill providing for the taking care of the new railroads and not include them in the 5½ per cent rate. I think communities would be willing for a term of years to absorb the overhead charges and the incidental construction expenses incurred in the process of their development. Every railroad built in this country through undeveloped territory has been built not so much with the hope of return in the form of dividends and earnings of the road as from the enhanced value of the property through which the road runs and because of the facilities afforded the people.

Mr. LENROOT. I can not quite agree with the Senator from South Carolina in that statement. I think, as a matter of fact, the great bulk of the railroads have been built in this country for the reason that those who were responsible for their construction and who constructed them were able to make a very large amount of money out of the construction.

Mr. SMITH of South Carolina. If the Senator will allow me, there may have been some such cases; but he knows that the construction of the great transcontinental lines which connect the East and the West, which built up that trackless

prairie wilderness, certainly did not offer any hope of reward, but the construction of those roads did offer the hope of the development of this magnificent continent, and that hope was realized.

Mr. LENROOT. That is true; but the fact remains that under this plan those who receive no benefit from the new construction will be compelled to pay such rates as will, including the value of the new construction, afford at least a 5½ per cent return.

Mr. SMITH of South Carolina. I want to ask the Senator a question. I said a moment ago that I hoped that a provision might be made at least whereby a community desiring to secure railroad facilities might be compelled to sustain a part at least of the rate, sufficient, at all events, to justify their desire for it. However, does not the Senator believe that the development of the resources of this country is a matter of concern to the whole people? Does he not believe that furnishing the undeveloped sections of this country with adequate transportation facilities to bring about such development is certainly a matter of sufficient concern for us to waive the mere fact that the general public may pay some of the expense? They would not pay all of it, for there would certainly be some return from the beginning; but in case there was not, could we not provide in the bill that, where such construction is undertaken and completed, for a period of years freight originating on that line shall pay a certain rate in excess of the rate paid on freight which does not originate on the line and let the community absorb the exeess because of the benefit derived by them? That would seem to me to be a comparatively simple matter.

Mr. LENROOT. Mr. President, that is true in so far as new construction is built which is in no sense competitive with any existing construction; but in a case where the new line is competitive the suggestion which the Senator makes is an impossibility.

Mr. SMITH of South Carolina. But the Senator from Wisconsin seems to overlook the fact that we have no further competition in rates; it is restricted to competition in service; and the Senator wants competition in service. But there is no competition in rates.

Mr. LENROOT. But the Senator from South Carolina just suggested that upon the new line higher rates might be imposed than were imposed on the old competitive line; and that, I say, is an impossibility.

Mr. SMITH of South Carolina. No; I said to the Senator, as he was claiming that we would have to provide for a return of five and a half per cent on the investment value, if we had to provide for that why not put a charge upon the road, increase the rate on the freight where the freight originated, so that road would pay five and a half per cent?

Mr. LENROOT. If it was competitive, and if the rates were higher than upon the old competing road, that road would not carry any freight.

Mr. SMITH of South Carolina. If it was built through an undeveloped country, it would have no competition; and those are the very places where we need railroad construction above all things.

Mr. LENROOT. I said in the beginning that the Senator's theory would be correct if there were no competition upon the newly constructed road.

But, Mr. President, just a word further upon the merits of the proposition of control over railroad construction. In so far as new competitive roads are concerned, it is the wisest economy to have control over such construction, because if there is a line of road that can do the business for an entire territory and another line is put into competition with it, the freight charges for everybody in that region will have been increased because two lines of railroad divide the business that would naturally go to one; and the two, therefore, can not make the same net earnings that one line of road would make. As the Senator from Iowa has said, a very large number of States in the Union have passed laws providing that before a new railroad can be constructed a certificate of necessity must be secured from their State utility boards. That is in the interest of the public.

So far as new construction is concerned, I do not believe, to be frank with the Senator, that we are going to have any great amount of new construction, even though there were no restrictions in this bill, because the day of new construction when the promoters issued a dollar's worth of stock with a dollar's worth of bonds and then sold the bonds for 90 cents has gone by; such a thing is not going to be permitted any more. I believe that we will have to come to this proposition as to new construction of railroads; that the Government itself will have in some way to lend its own credit for the new construction, taking the securities and trusting to the future, after the region has been built up and the traffic developed, to secure its return.

Mr. SMITH of South Carolina. Mr. President, I am quite sure that the majority of the Senators on this floor hope that the day will never come when the necessities of the case, the inordinate greed of men, will force the Government to assume Government ownership to protect the people from themselves.

Mr. LENROOT. I did not suggest Government ownership.

Mr. SMITH of South Carolina. Well, the Senator said the Government would have to provide the means for railroad construction, and whenever the time shall come that the Government of the United States has got to furnish the money to secure these railroads, that day the Government will own the railroads.

Mr. LENROOT. Does the Senator know that $500,000,000 is provided in this bill now for that very purpose?

Mr. SMITH of South Carolina. And the Senator from Wisconsin knows that the Senator from South Carolina voted against that amendment.

Mr. LENROOT. So did the Senator from Wisconsin.

Mr. SMITH of South Carolina. Precisely. Now, Mr. President, we are coming back at last to the question of whether the necessity of which the Senator from Wisconsin spoke a moment ago as to the construction of new lines shall be left to the various communities, to the States, or to the Federal Government. The Senator said there were laws in some States now providing that the public-service commission shall pass upon the necessity of a proposed road. That is all right so far as a sovereign State is concerned which is in intimate relation with its own people. That is one of the relics of the genius of this Government, as expressed in its dual form.

I know that, so far as State rights are concerned and State lines are concerned, under modern conditions they have all gone; so far as any constitutional limitation between the power of the one and the power of the other is concerned, as rapidly as we have been able to do so we have taken them out and centralized them here in Washington. We are doing it every day. In order to cure one evil we are embracing the other evil of a centralized form of government, so that the Senator's State of Wisconsin will be at the will and behest of a majority of the people who may not know the local conditions and have no way of justly controlling and governing the situation. The pride of our country has been the fact that, stretching from the Arctic regions clear to the Tropics, differing geographically, as the products of our forest, field, and mine differ, our own local affairs can be taken care of by the people living in the respective communities; but we have repudiated that doctrine now and come to the point where we run to Washington to find out what is a panacea for a sore foot. We have gone so far as to say that the Federal Government shall take the place of mother and father and determine whether a child of a certain age shall go to school or shall stay at home; we have invaded the sacred precincts of nearly every relation of life merely in order to bring to Washington the centralized and paternalistic tendencies of the age. God knows, if there is to be left any relic of our Government in its splendid dual form, local self-government, spelling democracy, as it does, it is time some of us should now stand in the breach and, if possible, stem the tide that has set to the destruction of our form of government.

This is but one of the symptoms of the disease that is sapping the very foundation of our democracy and making the very thing that the chairman of the committee has labored in the committee room to protect—to protect what? The American people from the American people.

Look where we have arrived with our splendid liberty, with the sovereignty of the individual, with the doctrine preached that each man has the right to pursue life, liberty, and happiness! We are now here solemnly attempting to enact a law by which American business can be saved from organized American workingmen, and we solemnly endeavor to put upon the statute books a law that will make them criminals because of an exaggerated exercise of what they consider to be their sovereign right. We have invaded every precinct of local self-government and placed the desecrating hand of a centralized form of government upon it until we no longer live in the America that our fathers fought for and established. We have been driven from one position to another not by the cold philosophy that laid the foundations of our form of Government, but by political expediency.

The country was so new, so undeveloped, that men busy in making wealth for themselves considered that the Government could run itself. They were not face to face with the crises that are now confronting us. Had we been forced to pass through the crucible that molded the Washingtons and the Jeffersons and the Madisons the evils that now are upon us

would not be here. When men love right, when men love their Government better than they love to warm these leather seats, this country will be safe; but so long as the citadel of our democracy and our form of Government are left in the hands of those who quake at the threat of those who they are afraid will tip the balance and remove them from this arena, the country is not safe. I want to stand here and now in these closing hours, perhaps, before the Christmas holidays, and register my protest against any further encroachment upon the sovereign right of States and communities to control their own affairs.

The Senate must not forget that railroad transportation is net yet owned by the public. Private capital is still furnishing the sinews of war to carry it on. Until it shall have passed from out of the realm of being partial private and partial public, I declare that the local communities are best able to determine what is best for their local conditions, and should be allowed the privilege of furnishing themselves with this indispensable means of transportation, and not relegate it, as we are relegating everything on the face of God's earth, from the fireside to the counting room, to Washington for adjudication, control, and determination.

There is precious little left now. I do not know whether anything is left or not. A man who used to feel safe under the police powers of his State does not know now whether he is under the Federal Government in a particular case or whether he is under his own State. Whenever it shall transpire that the power of the State is dissipated forever and we are centralized in Washington, this country is doomed. The spirit that made this a dual form of Government is not dead. It has faith in us. Though it may not understand what we do, it trusts us; but when it awakens to the fact that we have sold its birthright for a miserable seat in this body it will send men here who will restore the right of local self-government under the terms of our Constitution.

Mr. President, every time anything is mentioned about the development of any part of the country we immediately ask the question, "What will Washington—Congress—say about it?" No more liberty of action; no more local judgment. I think we may pause. I think now is the time for us to accept the simple proposition that I make, yielding to you to the extent of saying: "Have Federal control over the securities and guarantee the people that their money shall not be dissipated in watered stock and overcapitalization and speculation, but leave to the people who are to be benefited or not by the presence or absence of this means of transportation the decision as to whether they shall have it or whether they shall not have it."

It is a little task. It is a lot to grant that you shall have supervision of our securities. If it were not for the fact that in interstate commerce the tariffs must be more or less uniform it would not be justifiable to interfere at all.

Mr. President, I sincerely hope that on this proposed amendment the little modicum left to develop the undeveloped territory of the United States shall not be shackled, hindered, and restricted by having to pay men's expenses to come all the way to Washington, take off their hats, and bow their knees to a board of five to know whether or not a rich and a productive section shall be opened up by this means of transportation; and if the board are so minded they say "yes"; if they are not, they say "no."

Mr. McKELLAR. Mr. President, a few moments ago I was severely taken to task by the chairman of the committee, who walks out of the Chamber as I rise to reply, about some statements I made about this bill. I think the chairman ought to study his own bill before he makes statements of that kind about another Senator who has asked a question about it.

I made the statement, Mr. President, that there was no provision in this bill for new construction; that it was not adequately taken care of; that there was a prohibition against the organization of corporations in any State to build new lines of railroad, however necessary they may be. I want to read from the bill to show that my statement was absolutely accurate.

SEC. 10. Immediately after its organization as aforesaid, the board shall prepare and adopt a plan for the consolidation of the railway properties of the United States into not less than 20 nor more than 35 systems, according to the policy declared in the last preceding section.

It provides that if they are not so organized within seven years they shall be consolidated by the Government, by the transportation board; and here are the provisions for new construction. This is in the original bill. Now, listen to this. This is on page 25 of the reprint:

The said board shall carefully and continuously make inquiry respecting the transportation needs and facilities of the whole country, and of each transportation situation as it may arise, the adequacy and efficiency of such transportation facilities and service, and when and how they should be enlarged or improved.

It shall inquire into the state of the credit of all such common carriers subject to the said act to regulate commerce, as amended, and inform itself of the relation between the operating revenues, the operating income, and the net operating income of such carriers.

It shall inquire as to the new capital which the public interest may require the carriers or any carrier to secure in order that adequate and efficient transportation service and facilities may at all times be provided, and into the conditions under which said new capital may be secured. From time to time it shall certify to the commission its findings in these respects, and the commission shall accept such certificate or certificates as prima facie evidence in any hearing upon the matters to which such certificate or certificates respectively relate.

Is there any provision there for new construction? Does "inquiry" mean a provision for new construction? Remember that the provisions of this bill prohibit any other than 35 corporations, at the most, from being organized. After that prohibition, of course, State corporations can not be organized; and I want to call the attention of the Senate to the conditions in a part of my State where railroad facilities should be furnished in the future. They can not be furnished under this bill, nor, indeed, can they be furnished under the very mild amendment offered by the Senator from Montana and adopted—not in the original bill, but adopted afterwards, on page 19 of the bill. It is impossible for such a situation as I shall speak of now to be taken care of.

There are millions of tons of coal yet in middle Tennessee, near the Kentucky line, all along the Kentucky border in northern Tennessee. There is no railroad line in that part of our State. In order that the Nation may have the advantage of those immense coal beds, it is absolutely necessary that railroad lines shall be built. They can not be built by local enterprise. They can not be built by the States. They can not be built by the counties. They can not be built by private enterprise at all. They can not even get an organization for it under this bill. They may have the money, they may have the coal, they may have the other necessaries, but under this bill they are absolutely prohibited from organizing a corporation; and, as the Senator from Wisconsin well said, it can not be done under this system, because if you organize a new railroad, or if you permit one of the existing organizations to build an addition to its lines, it can not possibly pay for it. It has to be aided in some way.

Now, how is it going to be aided? How is it going to add to its line? This bill contemplates leaving the present lines there. It does not provide for new construction. It does not contemplate new construction, except such incidental construction as may be necessary in connection with those lines. It is an embargo on new construction, and for that reason if for no other the amendment of the Senator from South Carolina [Mr. SMITH] should be adopted. It is not a right thing, it is not a patriotic thing to do, to bottle up and put a fence around the resources of this country, because we all know that without railroad transportation the resources in our mountains can not be brought to the public and put in commerce.

Mr. President, it may be said that under the mild amendment of the Senator from Montana, found on page 19, this might be done. Look at the state of that situation. His amendment is as follows:

Provided, however, That any railroad corporation proposing to undertake any work of new construction—

That is, one of the 35—

may apply to the Interstate Commerce Commission for permission to retain for a period not to exceed 10 years all or any part of its earnings from such new construction in excess of the amount heretofore in this section provided for such disposition as it may care to make of the same; and the said commission may, in its discretion, grant such permission, conditioned, however, upon the completion of the work of construction within a period to be designated by the commission in its order granting such permission.

That will not provide for the situation to which I have referred. It will not provide for the situation that we know exists in at least three-fourths of the States. Talk about railroad construction being stopped in this country! Of course, it has not stopped. It has hardly begun. When we talk about railroad construction being stopped in this country, it is like Mr. Webster, some 70 or 80 years ago, saying that all of that part of our country west of Mississippi was a barren waste, not fit for civilization, and that he would not vote for an appropriation for any purpose to be expended west of the Mississippi River. Why, railroad construction is certainly not stopped, but only fairly begun. We may stop it for a while by a bill like this, but the American people are not going to permit this bill or any other law to stop railroad construction, because it will be repealed. If we are foolish enough to enact this provision into law, a subsequent Congress will unquestionably change the law so that the resources of this country may not be bottled up by lack of new construction.

One other matter, Mr. President: As I said before, not only are State corporations prevented from entering upon new construction, but there can not be any opposition at all. The

Federal Government assumes it all. It is contrary to every policy of government that we have in this country. We will have to come to Washington, with our hats in our hands, asking this political board to grant the right to construct a railway in some part of Nebraska or Montana. You can not get it constructed in any other way. Your people in Nebraska or Montana, which I use by way of illustration, may be the most enterprising people in the world, and yet they can not organize a railroad corporation and build a railroad, because it is prohibited under this bill. I do not believe it is defensible for a moment, and I insist that the amendment of the Senator from South Carolina should be agreed to.

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Carolina [Mr. SMITH]. The yeas and nays have been ordered.

Mr. UNDERWOOD. Mr. President, on behalf of the senior Senator from Connecticut [Mr. BRANDEGEE], who is unavoidably detained from the Senate this evening, I desire to offer an amendment, and I ask that it may be printed and lie on the table so that it may be called up to-morrow.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. HENDERSON. I offer an amendment to the pending bill, which I ask to have printed in the RECORD and lie on the table.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

Amendment intended to be proposed by Mr. HENDERSON to the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, viz: On page 77, line 11, strike out all of lines 11 to and including line 17, page 78, and insert the following:

"SEC. 4. That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided, however*, That upon application to the Interstate Commerce Commission such common carrier may in special cases, not due to or arising out of conditions of water competition, actual or potential, direct or indirect, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided further*, That no authorization for a change of existing rates under the proviso of this section shall be granted within six months from the approval of this act, nor in any case where application shall have been filed before the commission, in accordance with the provisions of this section, until a determination of such application by the commission; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not fairly compensatory for the service performed."

Mr. HARRISON. I offer an amendment to the pending bill, which I ask to have printed and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WATSON. I offer an amendment to the pending railroad bill, which I ask may be printed and lie on the table.

The PRESIDING OFFICER. The amendment will lie on the table and be printed.

EXECUTIVE SESSION.

Mr. CUMMINS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

RECESS.

Mr. CUMMINS. Mr. President, I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 9 o'clock and 55 minutes p. m.) the Senate took a recess until to-morrow, Friday, December 19, 1919, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate December 18 (legislative day of Tuesday, December 16), 1919.

COMMISSIONER OF THE DISTRICT OF COLUMBIA.

John Van Schaick, jr., of the District of Columbia, to be a Commissioner of the District of Columbia.

NAVAL OFFICER OF CUSTOMS.

W. Mitchell Diggs, of Baltimore, Md., to be naval officer of customs in customs collection district No. 13, with headquarters at Baltimore, Md. (Reappointment.)

SURVEYOR OF CUSTOMS.

Guy W. Steele, of Baltimore, Md., to be surveyor of customs in customs collection district No. 13, with headquarters at Baltimore, Md. (Reappointment.)

COLLECTOR OF INTERNAL REVENUE.

Alfred Franklin, of Phoenix, Ariz., to be collector of internal revenue for the district of Arizona. (New office.)

UNITED STATES ATTORNEY.

Edward L. Smith, of Hartford, Conn., to be United States attorney, district of Connecticut, vice John F. Crosby, resigned.

PROMOTIONS IN THE REGULAR ARMY.

QUARTERMASTER CORPS.

Lieut. Col. Frank H. Lawton to be colonel with rank from November 2, 1919.

SIGNAL CORPS.

Maj. Arthur S. Cowan, Signal Corps, to be lieutenant colonel from December 11, 1919.

PROVISIONAL APPOINTMENT IN THE REGULAR ARMY.

CAVALRY ARM.

Second Lieut. Ross Ernest Larson, Infantry, Officers' Reserve Corps, to be second lieutenant with rank from October 26, 1917.

Second Lieut. Ross E. Larson, Cavalry, to be first lieutenant with rank from September 8, 1919.

TEMPORARY PROMOTION IN THE REGULAR ARMY.

CAVALRY ARM.

Second Lieut. Ross E. Larson, Cavalry, vice First Lieut. Martin R. Rice, promoted, to be first lieutenant, with rank from December 28, 1917.

PROMOTIONS IN THE NAVY.

Surg. Allen D. McLean to be a medical inspector in the Navy with the rank of commander from the 8th day of January, 1918.

The following-named surgeons to be medical inspectors in the Navy with the rank of commander from the 1st day of July, 1919:

Robert E. Stoops,
Frederick E. Porter,
William A. Angwin, and
Paul T. Dessez.

Asst. Surg. Ruskin M. Lhamon to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 22d day of April, 1918.

Asst. Dental Surg. John W. Crandall to be a passed assistant dental surgeon in the Navy with the rank of lieutenant from the 4th day of February, 1916.

Asst. Dental Surg. Cornelius H. Mack to be a passed assistant dental surgeon in the Navy with the rank of lieutenant from the 29th day of August, 1916.

Asst. Dental Surg. Edward E. Harris to be a passed assistant dental surgeon in the Navy with the rank of lieutenant from the 5th day of June, 1917.

Asst. Dental Surg. Alexander G. Lyle to be a passed assistant dental surgeon in the Navy with the rank of lieutenant from the 7th day of March, 1918.

Dental Surg. Sidney M. Akerstrom to be an assistant dental surgeon in the Navy with the rank of lieutenant (junior grade) from the 3d day of July, 1917.

Dental Surg. Harold A. Badger to be an assistant dental surgeon in the Navy with the rank of lieutenant (junior grade) from the 16th day of October, 1917.

The following-named assistant civil engineers for temporary service to be assistant civil engineers in the Navy with the rank of lieutenant (junior grade) from the 1st day of July, 1918:

Andrew G. Bissett, and
Herbert S. Bear.

Lieut. (J. G.) Thomas M. Dick to be a lieutenant on the retired list of the Navy from the 6th day of September, 1919.

Lieut. (J. G.) George S. Dale to be a lieutenant on the retired list of the Navy from the 24th day of September, 1919.

Machinist Jesse E. Jones (retired) to be a chief machinist on the retired list of the Navy from the 26th day of August, 1918.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 18 (legislative day of Tuesday, December 16), 1919.

CONSULS.

John P. Hurley to be consul of class 7.
Lee R. Blohm to be consul of class 7.

FEDERAL TRADE COMMISSIONER.

Nelson B. Gaskill to be a member of the Federal Trade Commission.

INTERSTATE COMMERCE COMMISSIONER.

Edgar E. Clark to be a member of the Interstate Commerce Commission for the term expiring December 31, 1926.

COLLECTOR OF CUSTOMS.

John Pallace to be collector of customs for customs collection district No. 8, Rochester, N. Y.

UNITED STATES ATTORNEY.

Isaac Blair Evans to be United States attorney, district of Utah.

UNITED STATES COAST GUARD.

Capt. Commandant William Edward Reynolds, United States Coast Guard, to have the temporary rank of commodore in the Navy and brigadier general in the Army.

Capt. Byron L. Reed, to be senior captain.

Denis Francis Xavier Bowen, to be senior captain.

Francis Marion Dunwoody, to be captain in the Navy and colonel in the Army.

John J. Hutson, to be first lieutenant.

Norvin Cliffe Smith, to be second lieutenant.

STEAMBOAT-INSPECTION SERVICE.

Cecil N. Bean, to be supervising inspector, tenth district.

COAST AND GEODETIC SURVEY.

Harrison Rae Bartlett, to be hydrographic and geodetic engineer.

Edward Clinton Bennett, to be junior hydrographic and geodetic engineer.

Elbert Francis Lewis, to be junior hydrographic and geodetic engineer.

Augustus Peter Ratti, to be junior hydrographic and geodetic engineer.

WITHDRAWAL.

Executive nomination withdrawn from the Senate December 18 (legislative day of Tuesday, December 16), 1919.

EMERGENCY PROMOTION IN THE ARMY.

MEDICAL CORPS.

I withdraw the nomination of Maj. Harold Inman Gosline, Medical Corps, United States Army (emergency), to be first lieutenant, Medical Corps, Regular Army, with rank from September 11, 1919, which was submitted to the Senate December 5, 1919.

HOUSE OF REPRESENTATIVES.

THURSDAY, *December 18, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou Great Jehovah, Father of all souls, infinite in all Thine attributes, impart unto us plenteously of these inestimable gifts, that we may know Thee better, conform our ways to Thy ways, and walk humbly with Thee.

Speak to us, we beseech Thee, through the still, small voice, that we may live our convictions, privately and publicly, and thus hallow Thy name after the similitude of Him who spake as man never spake and lived supremely glorious in Thee. Amen.

The Journal of the proceedings of yesterday was read and approved.

REREFERENCE OF A BILL.

Mr. MONTAGUE. Mr. Speaker, the bill (H. R. 11125) increasing the salary of the United States marshal of the eastern district of Virginia was referred to the Committee on Expenditures in the Department of Justice. Evidently that was an inadvertent reference, and I ask that it may be referred to the Committee on the Judiciary.

The SPEAKER. The gentleman from Virginia asks unanimous consent that the bill indicated be rereferred to the Committee on the Judiciary. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE PRESIDENT—EXPENSES OF THE SECOND INDUSTRIAL CONFERENCE.

The SPEAKER laid before the House the following message from the President of the United States.

The Clerk read as follows:

To the Senate and House of Representatives:

I transmit herewith a communication from the Secretary of Labor making an estimate of appropriation of $25,000 for the purpose of defraying the salaries and expenses of the second industrial conference called to meet in Washington December 1, 1919. I heartily approve this estimate and urgently request that the appropriation be made at the earliest possible moment.

WOODROW WILSON.

THE WHITE HOUSE, *December, 1919.*

The SPEAKER. Ordered printed and referred to the Committee on Appropriations.

WAR INDUSTRIES BOARD (H. DOC. NO. 533).

The SPEAKER also laid before the House the following message from the President of the United States.

The Clerk read as follows:

To the Senate and House of Representatives:

I transmit herewith for the information and consideration of the Congress a report from Bernard M. Baruch, chairman of the United States War Industries Board, of the activities of said board during the war.

WOODROW WILSON.

THE WHITE HOUSE, *December, 1919.*

The SPEAKER. Ordered printed and referred to the Committee on Military Affairs.

RESIGNATION.

The SPEAKER laid before the House the following communication.

The Clerk read as follows:

DECEMBER 17, 1919.

Hon. FREDERICK H. GILLETT,
The Speaker House of Representatives, Washington, D. C.

SIR: I have this day transmitted to the secretary of state of New York my resignation as a Representative in Congress of the United States from the tenth district of New York, to take effect December 31, 1919.

Faithfully yours, REUBEN L. HASKELL,
Tenth District, New York.

PERMISSION TO ADDRESS THE HOUSE.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent for permission to address the House on January 8 next for 20 minutes. The battle field upon which the Battle of New Orleans is located is in my district immediately below where I was born, and I would like to have 20 minutes on January 8, after the reading of the Journal and the disposition of business on the Speaker's desk, in which to address the House on that subject.

The SPEAKER. The gentleman from Louisiana asks unanimous consent that on January 8, the anniversary of the Battle of New Orleans, he be allowed to address the House for 20 minutes on that subject. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a copy of the resolutions adopted at the First National Convention of the American Legion, held at Minneapolis, Minn., November 10, 11, and 12, 1919.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD by printing therein resolutions adopted at the meeting of the American Legion. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, what is the subject of the resolutions?

Mr. JOHNSON of South Dakota. I will say to the gentleman from Ohio they are simply resolutions concerning legislation adopted by the legion.

Mr. GARNER. Mr. Speaker, the trouble about that is this, that the legions in various States are passing resolutions concerning legislation. If the RECORD is going to be used for the purpose of printing resolutions adopted by the various State legions or their subordinate bodies, why the RECORD is going to be encumbered considerably with such resolutions, and therefore some policy of Congress in reference to the matter——

Mr. JOHNSON of South Dakota. I will say to the gentleman I do not believe the RECORD ought to be encumbered by resolutions of the different States, but these are purely resolutions from the national convention, and I know of no——

Mr. GARNER. Oh, I understood this was from Ohio. I understand now these are resolutions of the national convention.

Mr. JOHNSON of South Dakota. These are resolutions adopted by the national convention.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses

on the amendments of the House to the bill (S. 2472) to amend the act approved December 23, 1913, known as the Federal reserve act.

The message also announced that the Senate had passed the following concurrent resolutions, in which the concurrence of the House of Representatives was requested:

Senate concurrent resolution 14.

Resolved by the Senate (the House of Representatives concurring), That a joint committee be, and is hereby, created, consisting of three Members of the United States Senate and three Members of the House of Representatives, to be appointed by the President of the Senate and the Speaker of the House, respectively, to make a survey of and report on those activities of the several departments, divisions, bureaus, offices, and agencies of the Government of the United States which relate to the protection and promotion of the public health, sanitation, care of the sick and injured, and the collection and dissemination of information relating thereto.

SEC. 2. That such committee is directed and empowered to report to the Congress not later than March 1, 1920—

(a) The statutory powers and duties conferred by the Congress on any department, division, bureau, office, or agency of the United States Government to carry on any work pertaining to the conservation and improvement of the public health, together with any rules and regulations authorized or promulgated thereunder;

(b) The organizations now existing in the Federal Government for the purpose of carrying out these powers and duties, together with the personnel of, appropriations for, and expenditures by each department, division, bureau, office, and agency during the fiscal year ending June 30, 1919;

(c) The coordination now existing between said departments, divisions, bureaus, offices, and agencies, together with any conflicts, overlapping, or duplication of powers, duties, functions, organizations, and activities;

(d) The cooperation and coordination now existing between the Government of the United States and the government of the several States or extragovernmental agencies for the conservation or improvement of the public health;

(e) Such further information as such committee may deem proper;

(f) Such recommendations as such committee may deem advisable to offer for the improvement of the public health work of the United States Government.

SEC. 3. That such committee be, and hereby is, authorized during the Sixty-sixth Congress to send for persons, books, and papers, to administer oaths, and to employ experts, deemed necessary by such committee, a clerk and a stenographer to report such hearings as may be had in connection with any subject which may be before such committee, such stenographer's service to be rendered at a cost not exceeding $1 per printed page; the expenses involved in carrying out the provisions of this resolution, one half to be paid out of the contingent fund of the Senate, and the other half out of the contingent fund of the House; and that such committee may sit during the sessions or recesses of the Congress.

Senate concurrent resolution 22.

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed to enroll the bill (S. 2472) to amend an act approved December 23, 1913, known as the Federal reserve act, as follows:

Insert the matter proposed by the House amendment No. 15, and after "herein," on page 5, line 8, of the engrossed bill, insert "nothing contained in this section shall be construed to prohibit the Federal Reserve Board, under its power to prescribe rules and regulations, from limiting the aggregate amount of liabilities of any or all classes incurred by the corporation and outstanding at any one time."

On page 5, line 24, of the engrossed bill, strike out the word "not."

On page 5, line 25, of the engrossed bill, after "transacting," insert the word "any."

On page 5, line 25, of the engrossed bill, after "United States," strike out the comma.

On page 6, line 5, of the engrossed bill, restore the matter proposed to be stricken out by amendment No. 21 and insert the matter proposed by said amendment.

SENATE CONCURRENT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, the following resolution was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

Senate concurrent resolution 14.

Resolved by the Senate (the House of Representatives concurring), That a joint committee be, and is hereby, created, consisting of three Members of the United States Senate and three Members of the House of Representatives, to be appointed by the President of the Senate and the Speaker of the House, respectively, to make a survey of and report on those activities of the several departments, divisions, bureaus, offices, and agencies of the Government of the United States which relate to the protection and promotion of the public health, sanitation, care of the sick and injured, and the collection and dissemination of information relating thereto.

SEC. 2. That such committee is directed and empowered to report to the Congress not later than March 1, 1920—

(a) The statutory powers and duties conferred by the Congress on any department, division, bureau, office, or agency of the United States Government to carry on any work pertaining to the conservation and improvement of the public health, together with any rules and regulations authorized or promulgated thereunder;

(b) The organizations now existing in the Federal Government for the purpose of carrying out these powers and duties, together with the personnel of, appropriations for, and expenditures by each department, division, bureau, office, and agency during the fiscal year ending June 30, 1919;

(c) The coordination now existing between said departments, divisions, bureaus, offices, and agencies, together with any conflicts, overlapping, or duplication of powers, duties, functions, organizations, and activities;

(d) The cooperation and coordination now existing between the Government of the United States and the government of the several States or extragovernmental agencies for the conservation or improvement of the public health;

(e) Such further information as such committee may deem proper;

(f) Such recommendations as such committee may deem advisable to offer for the improvement of the public-health work of the United States Government.

SEC. 3. That such committee be, and hereby is, authorized during the Sixty-sixth Congress to send for persons, books, and papers, to administer oaths, and to employ experts, deemed necessary by such committee, a clerk and a stenographer to report such hearings as may be had in connection with any subject which may be before such committee, such stenographer's service to be rendered at a cost not exceeding $1 per printed page; the expenses involved in carrying out the provisions of this resolution, one half to be paid out of the contingent fund of the Senate and the other half out of the contingent fund of the House; and that such committee may sit during the sessions or recesses of the Congress—

to the Committee on Interstate and Foreign Commerce.

PERMISSION TO ADDRESS THE HOUSE.

Mr. SHERWOOD. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes on Monday, January 5.

The SPEAKER. The gentleman from Ohio asks unanimous consent to address the House on January 5. Is there objection?

Mr. HICKS. Mr. Speaker, reserving the right to object, on what subject does the general propose to address the House?

Mr. SHERWOOD. On the Irish question. [Applause.]

The SPEAKER. The gentleman from Ohio asks unanimous consent to address the House on the Irish question for 20 minutes on Monday, January 5. Is there objection? [After a pause.] The Chair hears none.

DIRECTING THE ATTORNEY GENERAL TO SUBMIT CERTAIN INFORMATION TO THE HOUSE.

Mr. TINKHAM. Mr. Speaker, I call up House resolution 394.

The SPEAKER. The gentleman from Massachusetts calls up the resolution which the Clerk will report.

The Clerk read as follows:

House resolution 394.

Resolved, That the Attorney General is hereby requested to report to the House of Representatives forthwith—

(1) Upon what authority of law he has fixed the price of Louisiana sugar on the plantation at the price of 17 cents per pound for yellow clarified and 18 cents per pound for plantation granulated.

(2) Whether it is usual for the office of the Attorney General to interpret in advance of legal action the United States criminal statutes, and notify possible violators of the criminal statutes whom he will prosecute and whom he will not prosecute.

(3) The facts upon which he fixed the maximum price of 17 cents per pound for yellow clarified and 18 cents per pound for plantation granulated.

(4) How sugar at retail can be identified either by the seller or the buyer as Louisiana sugar so as to prevent a general rise of the retail price of sugar well in advance of a 17 and 18 cent production base.

The committee amendments were read as follows:

On page 1, line 1, strike out the word "requested" and insert in lieu thereof the word "directed."

On page 1, after line 3, insert a new paragraph, as follows:

"(1) Whether he made, assented to, or approved in any way a price for Louisiana sugar on the plantation of 17 cents per pound for yellow clarified and 18 cents per pound for plantation granulated."

Page 1, line 8, strike out the figure "1" and insert in lieu thereof the figure "2."

Page 1, line 8, after the word "fixed," insert the words "or agreed that."

Page 1, line 9, after the word "plantation," strike out the words "at the price of" and insert in lieu thereof the words "should be."

Strike out lines 12 and 13, on page 1, and lines 1, 2, and 3, on page 2, and insert a new paragraph, as follows:

"(3) Whether it has been usual for the office of the Attorney General in advance of legal action to render an official opinion in relation to the United States criminal statutes and notify possible violators of his interpretation of them, and whether he notified Louisiana sugar producers that under laws against profiteering they would not be prosecuted if they sold yellow clarified at 17 cents per pound and plantation granulated at 18 cents per pound.

Page 2, line 12, strike out the figure "3" and insert in lieu thereof the figure "4."

In the same line, after the word "fixed," insert the words "or agreed upon."

Page 2, line 14, after the word "granulated," insert the words "and how these facts were obtained."

Page 2, line 16, strike out all of lines 16, 17, 18, and 19.

Mr. GARRETT. Mr. Speaker, I reserve a point of order on the resolution, and I suggest to the gentleman from Massachusetts that I think there will be no objection if he asks unanimous consent for the present consideration of the resolution, but I am not willing that it should be considered as a privileged resolution, because I do not think it is a privileged resolution.

Mr. TINKHAM. I will ask the honorable Representative from Tennessee why it is not a privileged resolution, in his opinion?

Mr. GARRETT. I will be very glad to give the opinion to the gentleman. On page 1, in the second paragraph, it asks upon what authority of law he has fixed or agreed that, and so forth. Of course, that calls for a legal opinion from the Attorney General of the United States. It does not call for any facts, and under the well-settled practice of the House any resolution calling for an opinion is not privileged. I will say to the gentleman there is no objection to it, so far as I am advised, and all I am asking is that he ask unanimous consent, so that this may not go through as a privileged resolution.

Mr. TINKHAM. Mr. Speaker, in order to avoid discussion, I ask that.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent for the present consideration of the resolution. Is there objection? [After a pause.] The Chair hears none. The gentleman from Massachusetts [Mr. TINKHAM] is recognized.

Mr. TINKHAM. The answers to these interrogatories by the Attorney General will disclose whether he has the legal authority to fix or agree to the fixing of a price for Louisiana sugar, as he has done, and upon what facts he has based his judgment, and whether laws recently given the Attorney General at his request to reduce the cost of living and to prosecute profiteers have been effectively and discreetly administered.

The report of the Committee on the Judiciary, in the last paragraph, says:

It has been represented to the committee and it is currently reported that the Attorney General has assented to and approved an agreement with the Louisiana sugar producers fixing a price of 17 cents a pound for yellow clarified and 18 cents per pound for plantation granulated sugar; that this agreement was made while sugar was usually sold upon the market from 11 to 12 cents per pound; and that sugar since then has risen rapidly in price. In view of this it seems important that Congress should know the facts called for in this resolution.

In part proof of this agreement and assent I offer to the House an Associated Press dispatch, published in all the Washington newspapers, as follows:

NEW ORLEANS, LA., *November 8.*

Seventeen cents for prime yellow clarified sugar and 18 cents for choice plantation granulated, the price set by Louisiana planters, was acceptable to Attorney General Palmer, according to a telegram received here late to-day by United States Attorney Henry Mooney.

I now desire to bring to the attention of the House a telegram which is purported to have been sent by the Attorney General to the United States attorney in New Orleans, which, in my view, is an extraordinary telegram:

Your wire 8th received detailing result of a conference. Consider agreed price rather high, but hereby concur in maximum price fixed of 17 cents for Louisiana plantation clarified and 18 cents for Louisiana clear granulated, understanding that all contracts for higher figure to be abrogated. Further suggest that, if possible, you secure agreement in writing by authorized committee of Louisiana producers and refiners, to be used as prima facie evidence. Where prices are charged in excess of agreement you are hereby instructed to immediately prosecute any violation of this agreed price.

Mr. LONGWORTH. Who signed that telegram?

Mr. TINKHAM. It purports to have been signed by the Attorney General and is addressed to the United States attorney, in accordance with my best information. I desire to have the House carefully note the following words:

Consider agreed price rather high.

And the words:

Further suggest that, if possible, you secure agreement in writing by authorized committee of Louisiana producers and refiners, to be used as prima facie evidence.

And the last words of the telegram:

You are hereby instructed to immediately prosecute any violation of this agreed price.

Mr. MADDEN. Any violation of the agreed price?

Mr. TINKHAM. Any violation of the agreed price.

Mr. LONGWORTH. Can the gentleman state what was the price of Cuban sugar at that time?

Mr. TINKHAM. It was somewhere between 6 and 7 cents, according to my best information.

To return to the last words of the telegram, "agreed price." With whom was the agreement made? If between the producers and the United States attorney as agent for the Attorney General, then the price was fixed by the Attorney General. If the agreement was made among the producers and then approved by the Attorney General to the United States attorney at New Orleans, it is only subterfuge to say that the price was not fixed by the Attorney General, and the Attorney General, as I shall show subsequently, had absolutely no authority or power to fix the price of any commodity, which includes sugar.

But the words in relation to the preparation of prima facie evidence are what made this telegram most extraordinary, because it is a suggestion by the Attorney General in relation to possible cases of profiteering that evidence in advance shall be arranged and prepared.

If 17 and 18 cents would allow a profit to the smaller plantations, the same price for the larger and richer plantations would allow much larger profits, and the suggestion that prima facie evidence be prepared would be a suggestion to prepare evidence so that the owners of the larger and richer plantations might be protected from prosecution. I am not saying at all that this was the intention, but it would be the effect.

If the price of 17 and 18 cents was only the average price which would let average producers make a profit but compel the small and less well managing producer to sell at a loss then the Attorney General's policy has deprived these producers of their rights to a reasonable profit.

There is no authority except under the food-control act to fix prices.

The only right to fix prices under this act is found in section 11, which gave authority to the Government to buy necessaries and of course to sell them at any fixed price.

Section 14 gave the President the right to guarantee the price of wheat and to buy wheat and sell it at a fixed price.

Section 25 gave the President the right to fix, under certain conditions, the price of coal and coke.

Section 27 gave the President the power to purchase nitrate of soda and to fix the price of same.

Section 5, which has been used to control the price of food, only gives the President power to license manufacturers and distributors of necessaries. This power was to be used only after issuance of a proclamation as to what was to be licensed and then no person could engage in the business except under Federal license. The President in this section was given power to prevent any unfair profit, so that in this way prices were or could be legally controlled. The amendment passed by this session of Congress to the food-control act gave no additional price-fixing power.

Therefore there is no power for the Attorney General to fix prices of sugar or to assent to any price for sugar which has any legal force.

Mr. Figg, Assistant Attorney General, has stated before a committee of the Senate that the Department of Justice has no right to fix prices or any other right over profiteers except to prosecute profiteers in individual cases.

Evidence will be found in the testimony, subcommittee of the Committee on Agriculture of the Senate, given October 3, page 72, and is as follows:

Mr. MARTIN. In event of the Sugar Equalization Board not continuing in existence and continuing to control sugar, does the Department of Justice contemplate taking action under the food-control-act amendment now pending?

Mr. FIGG. The Department of Justice could not take action under that only in so far as individual cases of profiteering are concerned.

Mr. MARTIN. But in doing that you would have to fix a fair price?

Mr. FIGG. That would be purely a matter for the court. There would be no one in the Department of Justice to say what would be considered a fair profit.

Mr. SANFORD. Mr. Speaker, will the gentleman yield?

Mr. TINKHAM. Certainly.

Mr. SANFORD. And in this case it would be exclusively a question of fact in each case, would it not?

Mr. TINKHAM. It would be a question of fact, purely and simply, for the jury; and my contention is that the authority of the Attorney General does not go beyond the right to prosecute individuals for profiteering. It seems to me that in fixing the price of sugar or assenting to a price for sugar he is exceeding his legal authority and is superseding both the court and the authority of the jury.

Under an arbitrarily fixed price it well might be that large and very well managed plantations or businesses might make what would be extortionate profits—would be, in fact, profiteering; but under a ruling such as the Attorney General has made in Louisiana there would be immunity against any prosecution for thus profiteering—in other words, protecting the profiteer and not prosecuting him.

Under the third interrogatory I asked whether it had been usual for the office of the Attorney General in advance of legal action to render an official opinion in relation to United States criminal statutes and notify possible violators of his interpretation of them, and whether he notified the Louisiana sugar producers, and so forth. Under the Revised Statutes, Title VIII, sections 346 to 387, there are created and defined the duties of the Attorney General. Neither by this law nor any amendment to it is there given any authority to the Attorney General to give any advice or opinion except to the President and to the heads of departments and bureaus and their officers in the discharge of their respective duties. The Attorney General if asked for an opinion, even by a Member of Congress, replies with a formal and set answer. I will read that formal and set answer to you, because I happen to have received one within a month. I will read the letter which I received from the Attorney General. I think it will explain itself:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ASSISTANT TO THE ATTORNEY GENERAL
Washington, November 15, 1919.

Hon. GEORGE HOLDEN TINKHAM,
House of Representatives, Washington, D. C.

DEAR SIR: The department has received your letter of the 13th instant asking for advice as to whether this department is prevented by the exemption of labor unions and growers' organizations contained in the Clayton Act and appropriation laws from taking action in the proposed movement by the American Cotton Association, a growers'

organization, to retire 2,000,000 bales of cotton from the market in an effort to force a rise in prices.

I am precluded, for the reasons set forth in the inclosed statement, from giving advice except to the President and heads of the executive departments. It may be said, however, that the following provisions in the Clayton Act and sundry civil bill (the provisions to which you refer) speak for themselves:

"Nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor, agricultural, or horticultural organizations, instituted for the purposes of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof; nor shall such organizations, or the members thereof, be held or construed to be illegal combinations or conspiracies in restraint of trade, under the antitrust laws." (Sec. 6.)

"No part of this appropriation shall be expended for the prosecution of producers of farm products and associations of farmers who cooperate and organize in an effort to and for the purpose to obtain and maintain a fair and reasonable price for their products." (Appropriation for the enforcement of the antitrust laws, 1920.)

Respectfully,

C. B. AMES,
Assistant to the Attorney General.

The inclosure reads as follows, and I assume it is sent to anyone who asks a question similar to the one which I propounded, namely, in relation to any interpretation of any law. I read:

The law prescribing the duties of the Attorney General does not permit him to give advice or official opinions to others than the President and the heads of the several executive departments of the United States. This principle, repeatedly declared by my predecessors, was, in 1878, well expressed by former Attorney General Devens, as follows:

"The authority of the Attorney General to render his official opinion is limited by the laws which create and define his office and does not permit him to give advice at the call of either House of Congress or of Congress itself, but only to the President or the head of an executive department of the Government. The absence of authority to respond to calls for legal opinions coming from sources other than those prescribed by law was early in the history of the Government suggested * * * by the then Attorney General, Mr. Wirt, * * * and no change in this respect has been made by the law creating the Department of Justice. The view thus taken has been invariably observed by my predecessors, including Attorneys General Taney, Crittenden, Bates, Evarts, and Williams." (15 Ops. A. G., 475, 476.)

The rule thus stated, as a rule of law, may also be regarded as a rule of necessity. So many are the requests coming to the department for advice on difficult legal questions that, were all to be properly examined into and answered, the efficiency of the department in the performance of its regular legal duties would be seriously affected.

I regret that for these reasons I can not comply with your request.

Mr. MONTAGUE. Mr. Speaker, will the gentleman yield?

Mr. TINKHAM. I will.

Mr. MONTAGUE. Has it not been the uniform practice of the Attorney General to give opinions to United States attorneys throughout the country?

Mr. TINKHAM. I should not question his right to give his opinions and his directions to his agents and subordinates.

Mr. MONTAGUE. Has not that been uniform practice since the foundation of the Government?

Mr. TINKHAM. I do not question the right of the Attorney General to give his opinion to his United States attorneys or agents, but in this case the Attorney General gave to his agent in Louisiana his interpretation of the criminal statutes before legal action had been taken of any kind to be transmitted to possible violators. It was as if a certain set of men had come to the Attorney General and asked him his opinion if certain acts were legal or not and his advising these men what was legal and what was not. This, I understand, before legal action, has never been done, and is at least in spirit forbidden by statutes or opinions which his assistant has quoted to me in his communication.

Mr. MONTAGUE. I did not mean to divert the gentleman from his argument in that respect, but I did not wish it to go out unchallenged that the Attorney General of the United States had not uniformly given advice and directions to attorneys of the United States throughout the country.

Mr. TINKHAM. The Attorney General in this case was not merely giving instructions to his agent in Louisiana, the United States attorney, but was interpreting through him to a class of people affected by the criminal statutes his advice and opinion, as I have stated.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. TINKHAM. I will.

Mr. MANN of Illinois. Does the gentleman contend that the Attorney General, who has direction of prosecutions under the statutes, is not permitted to say to the district attorneys or others when he will or when he will not prosecute under a certain state of facts?

Mr. TINKHAM. I do not.

Mr. MANN of Illinois. Has it not been the custom, for instance, under the Sherman antitrust law, for the Attorney General to state that under certain conditions he will not prosecute or under certain conditions he will prosecute?

Mr. TINKHAM. I believe in those cases always actions had been brought. Here no action has been brought under the criminal statutes.

Mr. MANN of Illinois. Does the gentleman consider it to be entirely improper for the Attorney General, having charge of prosecutions, to inform the public when he will not prosecute, thinking there is no violation of the law, and when he will prosecute, thinking there is a violation of the law, in order that the public may know probably whether they are violating or not violating a law by doing a certain thing?

Mr. TINKHAM. I know that the Attorney General has refused to give that advice upon my request in a formal letter, and I know that he inclosed this statement of the duties, obligations, and laws respecting his office.

Mr. MANN of Illinois. I do not think that is quite the question. The question of giving advice to somebody is one thing. The question of announcing a determination on the part of the Attorney General on a certain state of facts is an entirely different thing.

Mr. TINKHAM. I would say to the honorable Representative from Illinois that when the Attorney General undertook to fix a price where he has no authority to fix that price under the law he is giving advice of a most detailed character and most exact character of the interpretation of criminal statutes, and in accordance with the communication from which I now may read he has no right to do that. If that is not an interpretation, an arbitrary interpretation, of a criminal statute as to profiteering, I do not know what is; and no action, I will state to the honorable Representative from Illinois, had been taken.

Mr. MANN of Illinois. Well, if the gentleman will permit me further, the gentleman from Massachusetts and I think no one else would think it the duty of the Attorney General to prosecute everybody in the United States who made a sale of property—to prosecute for profiteering. Is not the Attorney General requiring some district attorneys to determine in the first instance as a question of fact whether in their opinion a certain thing is profiteering, and is there any harm, if the Attorney General reaches a conclusion, in announcing it to the public?

Mr. TINKHAM. In reply to the honorable Representative from Illinois I would say that it has not been usual, as I understand, heretofore, before legal action has been taken, for an interpretation to be made. If the United States attorney in the district considers a violation of law has occurred, then he takes his case to the jury, and the jury establishes the rule of reason in relation to that class of cases.

In fact, under the antitrust laws many organizations, as I understand it, have applied to the Attorney General's office for interpretations of the law and been refused. In this particular case we are discussing the Attorney General and his unequivocally advising a class of men, namely, Louisiana sugar producers, exactly what his interpretation of the profiteering statutes is. He has given his opinion to them through his agent. This, I believe, is without precedent and, so far as my studies go, irregular.

If the course followed by the Attorney General in this case were pursued, then he, sitting in his office, with all his plenary powers and the great prestige which belongs to it, could arbitrarily fix prices, and threaten all classes in the community and arbitrarily interpret the laws, thus in practical effect ousting both the court and the jury from their jurisdiction, except where individuals or classes of individuals were bold enough to contest this great power and come to grips with the Government.

I think that the Attorney General in cases of this character, as in all cases where the settlement in its finality must be a settlement of fact by a jury, should establish by a series of decisions what is fair and right in accordance with the law, and not act arbitrarily and coercively.

Mr. CANDLER. Will the gentleman yield for a suggestion?

Mr. TINKHAM. I have not much more time.

Mr. CANDLER. For a suggestion only.

Mr. TINKHAM. I yield to the gentleman.

Mr. CANDLER. Suppose it should develop in this case that the Attorney General of the United States has not fixed any price at all, but that the investigation made by him and the directions given by him were to the United States district attorney in this district with a view to determining whether or not above a certain price would be profiteering, and instructing him, if that was violating the antiprofiteering law, to prosecute for profitering. Suppose that is the fact in this case. Would there be anything wrong in that?

Mr. TINKHAM. In my view, the Attorney General, having made an examination into the facts, might have instructed his agent, the district attorney, that in all cases of this character he should prosecute, but that the final determination whether his opinion was correct or not under the law should be left to a jury. If he had given that advice to the United States district attorney, the right should have followed to have his district attorney prosecute and then go to the only tribunal which under

the law could settle the fact, namely, a jury; but in this case, as I understand, he has in effect said that he would not prosecute, and made an agreement or arrangement with producers, some of whom perhaps make no profits and others very large profits, on the same basis; and that determination to prosecute no one who sells sugar for 17 or 18 cents, it seems to me, is arbitrary and improper and unauthorized.

Mr. LAZARO. Will the gentleman yield?

Mr. TINKHAM. I can not yield further.

Mr. LAZARO. Just for one brief question.

Mr. TINKHAM. I can not yield further, because I have only a very short time.

The SPEAKER. The gentleman from Massachusetts declines to yield.

Mr. TINKHAM. The opinion of Attorney General Devens says:

> The authority of the Attorney General to render his official opinion is limited by the laws which create and define his office and does not permit him to give advice at the call of either House of Congress or of Congress itself, but only to the President or the head of an executive department of the Government. The absence of authority to respond to calls for legal opinions coming from sources other than those prescribed by law was early in the history of the Government suggested * * * by the then Attorney General, Mr. Wirt, * * * and no change in this respect has been made by the law creating the Department of Justice. The view thus taken has been invariably observed by my predecessors, including Attorneys General Taney, Crittenden, Bates, Evarts, and Williams. (15 Ops. A. G., 475, 476.)

This interpretation of the duties of the Attorney General's office and the limitations upon him was sent me by his assistant. It seems to me that in the particular case we are discussing an opinion has been rendered by the Attorney General rather than instructions issued to his agent in New Orleans. It seems to me upon the whole presentation of the facts in this case he has either fixed a price or approved of a fixed price for sugar, which is the same thing, which legally he has no right to do, or he has given his advice and opinion in advance of legal action.

Saying what in a certain class of cases will be considered profiteering and what will not is expressing legal opinion and giving advice in a very essential and detailed way. By his action of arbitrarily fixing the price of sugar he, in fact, gives immunity to those who at that price might be profiteers.

Mr. SNELL. Will the gentleman yield for a question?

Mr. TINKHAM. Yes.

Mr. SNELL. In discussing this price-fixing proposition I should like to ask the gentleman by what authority or right or reason would the Attorney General fix the price of Louisiana sugar at 17–18 cents and the price of Michigan sugar at 10–11 cents.

Mr. TINKHAM. Simply by the arbitrary use of what I think is illegal and unwarranted action under the profiteering statute.

Mr. SNELL. There has been some claim that he made this price on account of an alleged short crop in Louisiana. Are there any other instances where price-fixing boards have paid more to the producers of one locality than to the producers of another locality simply because there was a short crop in one part of the country? For instance, did the wheat price-fixing board allow more to the States of the Northwest where they had a short crop of wheat than they allowed to some of the central western States where they had a large crop? Is there any other instance of that kind on record?

Mr. TINKHAM. There has been none. I understand, although I do not assert this positively, that the reason for the high price set for Louisiana sugar was because there was a short crop. But this is the first instance anywhere of the Government helping the producers of a short crop. In relation to wheat and other price fixing, the object has been to stimulate production. I think this is the first instance in the United States, even during the war, of an apparent intention to assist people who have short crops. If that were the policy of the Government, there is no reason why short crops of potatoes and apples and all foodstuffs should not be guaranteed, or the producers helped by the Government, and, of course, that would be utterly unsound economics.

Mr. SNELL. This is absolutely the only case of this kind?

Mr. TINKHAM. It is the only case that I know of.

The Attorney General came to Congress in the interest of the American people and declared that he desired to have Congress assist him in reducing the cost of living and requested certain laws against profiteering. One of his first acts has been to fix or approve of the increased price of Louisiana sugar to nearly double the former price, thereby having a tendency to raise the entire market to that level, as sugars from various sources at retail can not be distinguished.

I ask what effect it is going to have upon the disturbed condition of the American people to have the price of a staple such as sugar, more than a year after the war, increased in price by at least 100 per cent?

As the cost to the American people of a 2-cent increase in price is $180,000,000 per annum, and as undoubtedly the price of sugar will rise from 10 and 12 cents to 20 cents and 22 cents, if not higher, there may be added to the cost of living to the American people $940,000,000 per annum, and this inevitably follows in part from the action of the Attorney General by his recent action in relation to Louisiana sugar.

I believe the interrogatories should be passed and be immediately answered by the Attorney General, first for the benefit and information of the American people, and, second, for the settlement of the question whether he has the legal right to arbitrarily, in effect, fix prices, and, third, whether he can give immunity from prosecution to those who may make great profits under his rulings and otherwise could be convicted of profiteering before a jury.

I believe these interrogatories should pass. [Applause.]

If anyone desires time, I will yield to him. If not, I will move the previous question.

Mr. GARD. I desire some time. What is the parliamentary status, Mr. Speaker?

The SPEAKER. The gentleman from Massachusetts, of course, had an hour. He has used 28 minutes. He has 32 minutes remaining.

Mr. GARD. I desire not to exceed 10 minutes.

Mr. TINKHAM. I am pleased to yield to the Representative from Ohio 10 minutes.

Mr. GARD. Mr. Speaker and gentlemen of the House, I have been, and I think nearly all Members of the House have been, in accord with any real, bona fide proposition which has for its purpose an honest investigation of the sugar question, since it is a question which comes right to the family of nearly every American householder. But, unfortunately, House resolution 394 seemed to me to be couched in language which either intentionally or unintentionally is offensive.

When sought to be presented as a privileged resolution there was a suggestion that the Chair should not make a precedent of this as a privileged resolution, but there would be no objection to its being considered by unanimous consent. Therefore from this side and the other side there was no objection to the consideration by unanimous consent.

The resolution carries some remarkable phraseology. In the first place, in the third subdivision, it is asked from the Attorney General whether it has been usual for the office of the Attorney General, in advance of legal action, to render an official opinion in relation to the United States criminal statutes and notify possible violators of his interpretation of them.

That means nothing in the interest of the investigation of the price of sugar. It is simply an attack on the Attorney General. As has been very well stated by the gentleman from Illinois, there can be no question but what the Attorney General, under the limit prescribed, has the right to take up with his subordinates, who are district attorneys, questions of the administration of the law. The Attorney General is an executive officer. He is charged with the conduct of the legal officers of the United States of America, and as such he has supervision, in a sense, of the district attorneys throughout the United States. It is not only legal but eminently proper; in fact, you could do no other way than to have cooperation between the Attorney General of the United States and those who represent him in the different districts.

So I take it that this inquiry in the language in which it is couched is not an inquiry which would tend to throw light on the investigation of the price of sugar, but is intended to be a criticism on the action of the Attorney General.

Mr. STEVENSON. Will the gentleman yield?

Mr. GARD. I will, but I have but a short time.

Mr. STEVENSON. Is it not the practice, and is it not the proper practice, for the district attorneys to be directed absolutely by the Attorney General to discontinue a prosecution or to start a prosecution, and, therefore, has he not the right to direct him not to or to start a prosecution?

Mr. TINKHAM. Will the honorable Representative yield for a question?

Mr. GARD. Yes.

Mr. TINKHAM. Does the honorable Representative consider the statement made by Mr. Figg was correct when he said:

> That the Department of Justice has no right to fix the price or any other right except to prosecute profiteers in individual cases.

Mr. GARD. I do not know what Mr. Figg said, and I do not know who Mr. Figg is. This is my position: I have not objected to the consideration of this resolution, couched in offensive language though it may be. Nobody on this side has objected to

it. My position is that I am willing to have that matter go to the Attorney General for his full and complete answer, because I feel that the Attorney General can and will answer it thoroughly and in the interest of entire justice to all the American people.

Mr. TINKHAM. May I state that there was no intention of using offensive language in the resolution, and I am sorry the gentleman has used that word?

Mr. GARD. It may be that the gentleman had no such intention, but the language nevertheless is subject to the construction I have placed upon it. If the gentleman has any such idea——

Mr. TINKHAM. In what particular does the gentleman think it is offensive?

Mr. GARD. I have tried to explain as best I may that I thought that it was not proper language of inquiry.

Mr. WELLING. Will the gentlemna yield?

Mr. GARD. Yes.

Mr. WELLING. The offensive language read by the gentleman from Ohio is the language of the Judiciary Committee and not the original language of the resolution by the gentleman from Massachusetts.

Mr. GARD. This is what occurred in the Judiciary Committee. I was not present, but I so understand from the gentleman from Massachusetts, and therefore I am violating no confidence. The gentleman from Massachusetts took these amendments to the Committee on the Judiciary and asked that they be adopted, and the Committee on the Judiciary adopted each and every one of the amendments which the gentleman from Massachusetts presented to them.

Continuing the argument that I was making, I will say that there should be little or no question about the facts in this case. Had the gentleman from Massachusetts read, or had the Members had sufficient interest to read, the CONGRESSIONAL RECORD of December 16, 1919—only two days ago—at page 712, they would have found a very succinct statement from the gentleman from Louisiana [Mr. MARTIN] as to just what did occur. There are two paragraphs in which Mr. MARTIN, in answer to a question by the gentleman from Michigan [Mr. SMITH], states what did occur in the matter of such action as the Attorney General took on the sugar question. I shall not burden the House by reading it, because I do not desire to consume the time, and I do not desire to impede in the slightest the passage of this resolution.

I am willing to have it go to the Attorney General for his complete answer, notwithstanding the language in which it is framed, but the statement by the gentleman from Louisiana, the complete statement of what he understood, and the gentleman from Louisiana probably knows more about the sugar investigation than any man on the floor of the House—this matter of what he understood was done by the Attorney General or the Attorney General's department concerning the crop of Louisiana sugar is there fully stated.

There are many things in the framing of this resolution which are not facts. There are many requests or directions—because the word "request" is stricken out and "direction" put in—there are many directions for the expression of opinion, many directions for an answer as to law or authority, none of which is properly covered by a privileged resolution of the House seeking facts upon a certain matter.

As I have stated, I have not the slightest idea of impeding in any degree the passage of this resolution. I shall not move to strike out a single word. I am willing to have it go to the Attorney General, in the full knowledge that there is nothing to conceal, and that the Attorney General can make answer to the complete satisfaction of the American people.

Mr. BYRNES of South Carolina. Mr. Speaker, will the gentleman from Massachusetts yield me five minutes?

Mr. TINKHAM. I yield the gentleman from South Carolina five minutes.

Mr. BYRNES of South Carolina. Mr. Speaker, I join the gentleman from Ohio [Mr. GARD] in expressing the hope that the House will unanimously adopt this resolution. I rise for the purpose, however, of calling attention to some of the facts in connection with the matter which seemingly are unknown to some Members of the House. The history of it is this: The Sugar Equalization Board is a private corporation. The entire stock in it is owned by the President of the United States. Its existence does not expire for a year or two. It bought the Cuban crop for this year, and its contracts expire December 31. In August last it called to the attention of the President the fact that these contracts would expire, and two letters were written by Mr. Zabriskie, one of the letters inclosing a memorandum. In this memorandum the statement was made that the board suggested to the President that the next year's crop be purchased, provided it was determined as the policy of the Government that next year's crop should be purchased and controlled by the Government. At that time the board faced this situation. While that corporation could exist during the next year and they could buy that crop, they could not control the sale and distribution of the sugar purchased unless the Congress extended the provisions of the Lever Act, because gentlemen know that no State could give to the Sugar Equalization Board in a charter the power to control the sale and distribution of sugar throughout the Nation. That power was given by the Lever Act.

With the proclamation of peace the Lever Act would expire, and if the President and that board purchased the next year's Cuban crop they would find themselves in possession of that crop but unable to control the sale or the distribution of sugar after the proclamation of peace. In August and September all men had a right to anticipate that by this time we would have had a proclamation of peace. The Sugar Equalization Board went before the Senate Agricultural Committee. Mr. Glasgow and Mr. Zabriskie appeared there and Mr. Glasgow urged then upon the Senate committee that they did not want the power to purchase the next year's Cuban crop unless they were given at the same time the power to control the sale and distribution of the crop. The reason is apparent. If they bought that crop and sold it to the jobber, then there would be no power that could curb the jobber or the retailer or the speculator, and either one could charge any price that he wanted to, and there would be no way in which he could be stopped. It is said that the Department of Justice could prosecute a retailer for profiteering, but that is not true, because the authority to prosecute for profiteering was an amendment to the Lever Act and expires when the Lever Act expires, when the proclamation of peace is issued.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman permit an interruption for a moment?

Mr. BYRNES of South Carolina. Will the gentleman from Massachusetts give me five minutes more?

Mr. TINKHAM. Mr. Speaker, how much time have I?

The SPEAKER. The gentleman has 17 minutes remaining after the gentleman from South Carolina is through.

Mr. BYRNES of South Carolina. I yield to the gentleman from Virginia.

Mr. MOORE of Virginia. Mr. Speaker, I would like the gentleman to confirm this statement, if I am correct. Did not Mr. Glasgow, a member of the Sugar Equalization Board and its counsel, bring to the attention of Congress on the 3d of October the fact that it was absolutely necessary to have congressional action in order to bring about the purchase of the Cuban crop?

Mr. BYRNES of South Carolina. He did that, and he said this, that he did not want the powers of that board extended for the purpose of purchasing the sugar unless they also had the power to control the sale and distribution of it. That power was not given by the Congress. There is no reason here for charges and countercharges of responsibility in this matter. The fact is that we know that we did not give the power to control the sale and distribution which the Sugar Equalization Board wanted and that without that power they did not want to purchase. They may have been wrong; we may have been wrong. Those are the facts.

Mr. MOORE of Virginia. Mr. Speaker, may I interrupt the gentleman again?

Mr. BYRNES of South Carolina. If the gentleman will pardon me, I can not yield at this time. This House a day or two ago recognized the righteousness of the position of the Sugar Equalization Board, and by the Morgan resolution it does continue the power to control the sale and distribution.

In the few minutes I have left, I want to say a few words with reference to the Louisiana situation. Gentlemen ask why there should be this difference in price, a very fair question. The facts have been reiterated again and again by the gentleman from Louisiana [Mr. MARTIN]. The South experienced the worst season in years. The rains made the cotton crop short, and the same rains made the sugar crop short. Instead of producing 300,000 tons Louisiana poduced 100,000 tons. What happened? From all sections of the country there came to Louisiana men to buy the sugar of Louisiana. They offered 25 cents and 27 cents a pound for that sugar. Then the Louisiana producers were confronted with the decision as to whether they would sell. To whom could they go? To no one but the district attorney, the representative of the Department of Justice. The gentleman from Massachusetts [Mr. TINKHAM] says that a business man has not that right. Mr. Speaker, I have served as a prosecuting attorney, and I never failed to tell a man the law. I care not what precedent has been established heretofore, under the legislation that we have enacted during the war business men have

been confronted every day of the year with the question, "Am I violating the law? Will my act violate the law?" How could a producer in Louisiana determine whether his action in selling for 25 cents or 27 cents would be a violation of the law?

Mr. SANFORD. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of South Carolina. I can not yield.

Mr. SANFORD. The gentleman has had his time extended.

Mr. BYRNES of South Carolina. My time is about gone.

The SPEAKER. The Chair understood the gentleman from Massachusetts to yield five minutes more to the gentleman from South Carolina.

Mr. TINKHAM. I intended to do so, though I do not know whether I did. I do so yield it.

Mr. BYRNES of South Carolina. Then I yield to the gentleman.

Mr. SANFORD. I want to say that I recently asked the Attorney General through Mr. Figg directly, and the Attorney General stated to me through Mr. Figg, who has entire charge of the sugar matter, that they had not fixed any price as a fair price for sugar, that they would not, and that they could not, under his definition of his duty.

Mr. BYRNES of South Carolina. He stated the fact. Now, there is no doubt about that. There must be intelligence enough in America to understand that the Department of Justice did not fix any price. The Department of Justice declared the policy of the department. It was declaring a policy and ought to have declared a policy. Here is the business man of this country, the Louisiana producer, in possession of the sugar. He does not know what the Department of Justice will call profiteering. Shall he sell at 25 cents and run the risk of being hauled into court? No sane business man in America wants to be hauled into a court charged with a violation of the law of the land. He goes to the Department of Justice. The Department of Justice rightfully determined what they were going to call profiteering, after investigating the cost of producing sugar. After investigating the cost of producing that Louisiana crop they determined that, inasmuch as the Louisiana producers had produced only 100,000 tons as against 300,000 tons at practically the same expense, the cost of producing it was such that they would not prosecute a man for profiteering if he sold for less than 17 cents. But they did not fix the price at 17 cents. The gentleman from Louisiana [Mr. MARTIN] has declared on the floor that he sold his own sugar for 15 cents. The Department of Justice simply said that they would not prosecute for profiteering a man who sold for less than 17 cents, and the gentleman from Louisiana has declared his opinion, and it is worth something to the country, that within the next week or 10 days he looks for a further decrease in the price of sugar. If we have upon the statute books a law specifically declaring what the law is, then the citizen may follow it; but when you simply say that a man will be prosecuted for profiteering you and I know that honest, law-abiding men were left in doubt. Now, we know that fair-price committees have been established throughout this country. They fixed prices at which certain commodities should be sold, and business men were driven nearly crazy in their endeavor to find out what that price was to be. These Louisiana people came, as the gentleman from Illinois has said, to the only man who could tell them, and he simply said he would not prosecute any man who sold for less than 17 cents. He did right. I agree with what they have said heretofore as to not giving an opinion to individuals, but I consider it to be the duty of the Department of Justice under any administration to declare its policy under an act containing such broad language, in so far as that act applies to a commodity of such universal use.

Mr. REAVIS. Will the gentleman yield?

Mr. BYRNES of South Carolina. I will yield.

Mr. REAVIS. I recognize the gentleman has asserted a proper policy on the part of the Department of Justice when an inquiry is made as to the construction of a law to say what the law means, but does the gentleman contend that the Department of Justice in construing a law has authority or right or power to promise immunity for certain acts?

Mr. BYRNES of South Carolina. I believe the Department of Justice not only has the power under the law but, as I have just concluded saying, it is its duty to inform the country; and if the gentleman from Nebraska were in the Department of Justice as Attorney General, and I hope he may be some day in the distant future—and it will be distant—but, if he was, I would have an abiding faith that he would never refuse to tell them whether he would prosecute them for profiteering for selling sugar at 25 cents, 20 cents, 18, or 15 cents. His good common sense and sense of justice would not permit him to leave the honest business men of this country in doubt as to whether or not a transaction conducted in the usual manner would subject them to prosecution under any statute as indefinite as this one. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. TINKHAM. Mr. Speaker, I will yield one more minute to the honorable gentleman from South Carolina in order to answer a question. Will the gentleman tell me the difference between fixing the price and concurring in a maximum price, as stated by the Attorney General in his telegram?

Mr. BYRNES of South Carolina. Of course I will tell the gentleman. If the Attorney General had said that the price of sugar should be 17 cents a pound the gentleman from Louisiana [Mr. MARTIN] would not have sold his sugar at 15 cents a pound. That is not fixing the price. If the price had been fixed at 17 cents a pound, the gentleman from Louisiana would have gotten 2 cents a pound more. The Attorney General simply said he would not prosecute as profiteering a sale if the price was less than 17 cents a pound. They were offered 25 cents a pound, and the action of the Attorney General meant a saving of 8 cents a pound. He therefore saved $16,000,000 to the people who purchased that sugar. [Applause.]

Mr. TINKHAM. I yield three minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, the gentleman who has just spoken is a good lawyer, fair minded, and ordinarily a logical man. But it is surprising the argument that he has just made. The Department of Justice has taken upon itself the responsibility of regulating and equalizing the price of sugar in the United States, and in the performance of that duty has said to the man in Louisiana, "You are not profiteering though you sell at 17 cents a pound the very same article that another man is profiteering in if he sells for 11 cents a pound in another part of the country." Well, some one suggests if that is equalizing it is a curious sort of equalizing. I know of a beet-sugar factory in the Northwest that will lose money on its output produced this year unless it can secure about 18 cents a pound for its sugar, but the managers of that factory did not have the nerve to come before the Department of Justice and ask that they be singled out and assured that they be protected against prosecution if they charge 50 per cent more for their product than other factories charge for the same product. Of all the things that have occurred in the last couple of years that are not defendable from any standpoint of reason or logic or law, the action of the Department of Justice in this matter stands out as a bright, shining example.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. MONDELL. Gentlemen have undertaken a very hard task when they attempt to defend the action of the department whose business it is to enforce the law and prevent profiteering, and which places one interpretation on the law as applied to one citizen in one part of the country and another interpretation on the law as applied to another citizen in another part of the country.

Mr. PADGETT. Will the gentleman yield for a question just there?

Mr. MONDELL. My time is very brief.

Mr. PADGETT. I will make it short. Say, for instance, flour sells in the State of Minnesota at a reasonable price of $12 a barrel, and that that same flour sells in Alaska for $25 a barrel, would that be considered profiteering in Alaska?

Mr. MONDELL. The cases are not parallel at all, as the gentleman knows. They are in no wise similar.

Mr. PADGETT. They are confronted with different circumstances.

Mr. MONDELL. The Department of Justice has assured them that they could charge a certain price for an article, and other producers of exactly the same article in another part of the country are given to understand that their maximum price must be nearly 50 per cent less. And that is said to be in the interest of fixing and equalizing the price of sugar in America.

Mr. LONGWORTH. There is no question of transportation in this price at all?

Mr. MONDELL. No question of transportation.

Mr. BYRNES of South Carolina. Will the gentleman yield for a question? The gentleman from Wyoming said the Department of Justice has told producers in one section of the country they could sell at a certain price and other producers in another section that they had to sell for less than half that. Does he mean to say that the Department of Justice told those people to whom he refers, in Michigan or elsewhere, that selling for more than half of their cost would be considered profiteering? If so, when and where did they do it?

Mr. MONDELL. The Department of Justice did give them to understand that if they charged more than a certain price they would be liable to prosecution for profiteering.

Mr. BYRNES of South Carolina. What price?

Mr. MONDELL. About 10 cents a pound for sugar in Michigan, Colorado, and elsewhere in the West as against 17½ cents a pound for Louisiana sugar.

Mr. BYRNES of South Carolina. Will the gentleman state when he did it, and to whom? Can he name anybody?

Mr. MONDELL. The gentleman knows perfectly well he is begging the question.

Mr. BYRNES of South Carolina. I do not.

Mr. MONDELL. The very basis of all this discussion is the fact, unchallenged and unquestioned, that, so far as the beet-sugar production of the country is concerned, the Department of Justice let it be known that a producer who charged more than 10½ cents at wholesale was a profiteer and that a producer who charged 17½ cents in Louisiana would not be considered a profiteer.

Mr. TINKHAM. Mr. Speaker, I move the previous question on the resolution and amendments to final passage.

The previous question was ordered.

The SPEAKER. The Clerk will report the first committee amendment.

The following committee amendments were severally read and agreed to:

Page 1, line 1, after the word "hereby," strike out the word "requested" and insert in lieu thereof the word "directed."

Page 1, line 3, after the end of the line insert:

"(1) Whether he made, assented to, or approved in any way of a price for Louisiana sugar on the plantation of 17 cents per pound for yellow clarified and 18 cents per pound for plantation granulated."

Page 1, line 8, strike out the figure "1" and insert the figure "2."

In the same line, after the word "fixed," insert "or agreed that."

Page 1, line 10, strike out the words "at price of" and insert in lieu thereof the words "should be."

Page 1, line 12, strike out all of lines 12 and 13 and all of lines 1, 2, and 3 on page 2.

Page 2, after line 3, insert:

"(3) Whether it has been usual for the office of the Attorney General in advance of legal action to render an official opinion in relation to the United States criminal statutes and notify possible violators of his interpretation of them; and whether he notified Louisiana sugar producers that under laws against profiteering they would not be prosecuted if they sold yellow clarified at 17 cents per pound and plantation."

Page 2, line 12, strike out the figure "3" and insert in lieu thereof the figure "4"; and in the same line, after the word "fixed," insert "or agreed to."

Page 2, line 14, after the word "granulated," insert "and how these facts were obtained."

Page 2, line 16, strike out all of lines 16, 17, 18, and 19.

The SPEAKER. The question is on the third reading of the resolution.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BARKLEY. Mr. Speaker, I make the point that there is no quorum present.

Mr. WINGO. I ask for a division.

The SPEAKER. The gentleman from Kentucky makes the point that there is no quorum present.

Mr. BARKLEY. I will withdraw it until the division has been completed.

Mr. WINGO. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Arkansas asks for a division.

The House divided; and there were—ayes 134, noes 2.

Mr. BARKLEY. Mr. Speaker, I make the point that a quorum is not present.

The SPEAKER. The gentleman from Kentucky makes the point that a quorum is not present. The Chair thinks a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. Those in favor of the resolution will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—ayes 293, nays 7, not voting 131, as follows:

YEAS—293.

Almon	Brooks, Pa.	Classon	Drane
Anderson	Browne	Cleary	Dunbar
Andrews, Md.	Browning	Cole	Dupré
Andrews, Nebr.	Brumbaugh	Collier	Dyer
Anthony	Buchanan	Copley	Echols
Babka	Burdick	Costello	Edmonds
Bacharach	Burroughs	Crago	Elliott
Baer	Butler	Cramton	Elston
Bankhead	Byrnes, S. C.	Crisp	Emerson
Barbour	Byrns, Tenn.	Crowther	Esch
Barkley	Caldwell	Cullen	Evans, Mont.
Bee	Campbell, Kans.	Curry, Calif.	Evans, Nebr.
Begg	Campbell, Pa.	Dale	Evans, Nev.
Black	Candler	Dallinger	Fields
Blackmon	Cannon	Darrow	Fisher
Boies	Cantrill	Davey	Flood
Bowers	Caraway	Davis, Tenn.	Focht
Box	Carew	Dent	Fordney
Brand	Carss	Dickinson, Mo.	Freeman
Briggs	Chindblom	Dickinson, Iowa	French
Brinson	Christopherson	Dominick	Fuller, Ill.
Brooks, Ill.	Clark, Fla.	Dowell	Fuller, Mass.
Gallagher	Kraus	Nelson, Wis.	Small
Gandy	LaGuardia	Newton, Minn.	Smith, Idaho
Ganly	Langley	Newton, Mo.	Smith, Ill.
Gard	Lanham	Nichols, Mich.	Smith, Mich.
Garland	Lankford	O'Connell	Smithwick
Garrett	Larsen	O'Connor	Snell
Good	Layton	Ogden	Snyder
Goodykoontz	Lazaro	Oldfield	Steagall
Gould	Lea, Calif.	Olney	Stedman
Graham, Pa.	Lehlbach	Overstreet	Steenerson
Green, Iowa	Lesher	Padgett	Stephens, Miss.
Greene, Mass.	Little	Paige	Stephens, Ohio
Greene, Vt.	Lonergan	Park	Stevenson
Griest	Longworth	Parker	Stiness
Griffin	Luce	Parrish	Stoll
Hadley	Lufkin	Pell	Strong, Pa.
Hardy, Colo.	Luhring	Peters	Sullivan
Hardy, Tex.	McAndrews	Phelan	Summers, Wash.
Harrison	McClintic	Platt	Sweet
Haugen	McFadden	Porter	Swope
Hawley	McGlennon	Purnell	Taylor, Tenn.
Hays	McKenzie	Quin	Temple
Heflin	McKinley	Radcliffe	Thomas
Hernandez	McKinley	Rainey, Ala.	Tillman
Hersey	McLaughlin, Mich.	Rainey, J. W.	Tilson
Hersman	McLaughlin, Nebr.	Raker	Timberlake
Hickey	McPherson	Ramseyer	Tincher
Hicks	MacGregor	Randall, Wis.	Tinkham
Hill	Madden	Rayburn	Towner
Hoch	Magee	Reavis	Treadway
Holland	Maher	Reber	Upshaw
Houghton	Major	Reed, N. Y.	Valle
Hulings	Mann, S. C.	Reed, W. Va.	Vestal
Hull, Iowa	Mansfield	Ricketts	Vinson
Husted	Mapes	Riddick	Voigt
Hutchinson	Martin	Robsion, Ky.	Walters
Ireland	Mays	Rodenberg	Watkins
Jacoway	Mead	Rogers	Watson, Pa.
James	Merritt	Rose	Weaver
Jefferis	Michener	Rouse	Welling
Johnson, Miss.	Minahan, N. J.	Rowe	Welty
Johnson, Wash.	Monahan, Wis.	Rubey	Wilson, Pa.
Jones, Pa.	Mondell	Rucker	Wingo
Juul	Montague	Sanders, N. Y.	Winslow
Keller	Moore, Va.	Sanford	Wood, Ind.
Kelly, Pa.	Morgan	Scott	Woods, Va.
Kendall	Morin	Sells	Woodyard
Kennedy, Iowa	Mott	Sherwood	Wright
Kinkaid	Mudd	Shreve	Young, N. Dak.
Kitchin	Murphy	Siegel	
Kleczka	Neely	Sinnott	
Knutson	Nelson, Mo.	Slemp	

NAYS—7.

Doughton	Hull, Tenn.	Pou	Sisson
Garner	Mann, Ill.	Sims	

NOT VOTING—131.

Ackerman	Ferris	King	Saunders, Va.
Ashbrook	Fess	Kreider	Schall
Aswell	Foster	Lampert	Scully
Ayres	Frear	Lee, Ga.	Sears
Bell	Gallivan	Linthicum	Sinclair
Benham	Glynn	McArthur	Smith, N. Y.
Benson	Godwin, N. C.	McCulloch	Steele
Bland, Ind.	Goldfogle	McDuffie	Strong, Kans.
Bland, Mo.	Goodall	McKeown	Sumners, Tex.
Bland, Va.	Goodwin, Ark.	McLane	Tague
Blanton	Graham, Ill.	MacCrate	Taylor, Ark.
Booher	Hamill	Mason	Taylor, Colo.
Britten	Hamilton	Miller	Thompson
Burke	Harreld	Moon	Vare
Carter	Haskell	Mooney	Venable
Casey	Hastings	Moore, Ohio	Volstead
Clark, Mo.	Hayden	Moore, Pa.	Walsh
Coady	Howard	Moores, Ind.	Ward
Connally	Huddleston	Nicholls, S. C.	Wason
Cooper	Hudspeth	Nolan	Watson, Va.
Currie, Mich.	Humphreys	Oliver	Webster
Davis, Minn.	Igoe	Osborne	Whaley
Dempsey	Johnson, Ky.	Rainey, H. T.	Wheeler
Denison	Johnson, S. Dak.	Ramsey	White, Kans.
Dewalt	Johnston, N. Y.	Randall, Calif.	White, Me.
Donovan	Jones, Tex.	Rhodes	Williams
Dooling	Kahn	Riordan	Wilson, Ill.
Doremus	Kearns	Robinson, N. C.	Wilson, La.
Dunn	Kelley, Mich.	Romjue	Wise
Eagan	Kennedy, R. I.	Rowan	Yates
Eagle	Kettner	Sabath	Young, Tex.
Ellsworth	Kiess	Sanders, Ind.	Zihlman
Fairfield	Kincheloe	Sanders, La.	

So the resolution was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. OSBORNE with Mr. GALLIVAN.

Mr. STRONG of Kansas with Mr. AYRES.

Mr. MILLER with Mr. WATSON of Virginia.

Mr. WALSH with Mr. MOON.

Mr. RHODES with Mr. MOONEY.

Mr. HARRELD with Mr. DOOLING.

Mr. SANDERS of Indiana with Mr. IGOE.

Mr. KAHN with Mr. OLIVER.

Mr. CURRIE of Michigan with Mr. TAGUE.

Mr. DAVIS of Minnesota with Mr. SUMNERS of Texas.

Mr. DEMPSEY with Mr. STEELE.

Mr. DENISON with Mr. CARTER.

Mr. VOLSTEAD with Mr. GODWIN of North Carolina.

Mr. WARD with Mr. FERRIS.

Mr. WASON with Mr. EAGLE.
Mr. DUNN with Mr. SMITH of New York.
Mr. MCKINLEY with Mr. BOOHER.
Mr. MCCULLOCH with Mr. KETTNER.
Mr. SINCLAIR with Mr. HAMILL.
Mr. SMITH of Illinois with Mr. GOODWIN of Arkansas.
Mr. GOODALL with Mr. ROMJUE.
Mr. GRAHAM of Illinois with Mr. ROBINSON of North Carolina.
Mr. HAMILTON with Mr. RIORDAN.
Mr. MACCRATE with Mr. JONES of Texas.
Mr. MASON with Mr. JOHNSTON of New York.
Mr. THOMPSON with Mr. GOLDFOGLE.
Mr. HASKELL with Mr. HENRY T. RAINEY.
Mr. ACKERMAN with Mr. YOUNG of Texas.
Mr. BENHAM with Mr. WISE.
Mr. JOHNSON of South Dakota with Mr. NICHOLLS of South Carolina.
Mr. KELLEY of Michigan with Mr. MCKEOWN.
Mr. ELLSWORTH with Mr. SEARS.
Mr. MOORE of Ohio with Mr. JOHNSON of Kentucky.
Mr. FAIRFIELD with Mr. SCULLY.
Mr. MOORE of Pennsylvania with Mr. HUMPHREYS.
Mr. FESS with Mr. SAUNDERS of Virginia.
Mr. WEBSTER with Mr. EAGAN.
Mr. MOORES of Indiana with Mr. HUDSPETH.
Mr. BLAND of Indiana with Mr. WILSON of Louisiana.
Mr. BRITTEN with Mr. WHALEY.
Mr. VARE with Mr. BLAND of Virginia.
Mr. KING with Mr. BENSON.
Mr. KREIDER with Mr. BELL.
Mr. KENNEDY of Rhode Island with Mr. MCDUFFIE.
Mr. LAMPERT with Mr. ASWELL.
Mr. WILSON of Illinois with Mr. COADY.
Mr. FOSTER with Mr. SANDERS of Louisiana.
Mr. FREAR with Mr. SABATH.
Mr. GLYNN with Mr. ROWAN.
Mr. KEARNS with Mr. ASHBROOK.
Mr. BURKE with Mr. VENABLE.
Mr. YATES with Mr. CLARK of Missouri.
Mr. KIESS with Mr. LINTHICUM.
Mr. MCARTHUR with Mr. LEE of Georgia.
Mr. NOLAN with Mr. HOWARD.
Mr. RAMSEY with Mr. HAYDEN.
Mr. SCHALL with Mr. HASTINGS.
Mr. WHEELER with Mr. DOREMUS.
Mr. WHITE of Kansas with Mr. DONOVAN.
Mr. COOPER with Mr. TAYLOR of Colorado.
Mr. ZIHLMAN with Mr. CASEY.
Mr. WHITE of Maine with Mr. DEWALT.
Mr. WILLIAMS with Mr. CONNALLY.

The result of the vote was announced as above recorded.

FEDERAL RESERVE ACT—FOREIGN-TRADE AGENCIES.

Mr. PLATT. Mr. Speaker, I ask unanimous consent for the present consideration of Senate concurrent resolution 22, which has just been messaged over to the House.

The SPEAKER. The gentleman asks unanimous consent for the present consideration of a concurrent resolution, which the Clerk will report.

The Clerk read as follows:

Senate concurrent resolution 22.

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed to enroll the bill (S. 2472) to amend an act approved December 23, 1913, known as the Federal reserve act, as follows:

Insert the matter proposed by the House amendment No. 15, and after "herein," on page 5, line 8, of the engrossed bill insert "Nothing contained in this section shall be construed to prohibit the Federal Reserve Board under its power to prescribe rules and regulations from limiting the aggregate amount of liabilities of any or all classes incurred by the corporation and outstanding at any one time."

On page 5, line 24, of the engrossed bill strike out the word "not."

On page 5, line 25, of the engrossed bill, after "transacting," insert the word "any."

On page 5, line 25, of the engrossed bill, after "United States," strike out the comma.

On page 6, line 5, of the engrossed bill restore the matter proposed to be stricken out by amendment No. 21 and insert the matter proposed by said amendment.

The SPEAKER. Is there objection to the present consideration of this concurrent resolution?

There was no objection.

Mr. PLATT. Mr. Speaker, these are simply corrections.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ENTRY OF ALIENS INTO THE UNITED STATES.

Mr. GOOD. I ask unanimous consent to take from the Speaker's table Senate joint resolution 131, making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States, and that the same be immediately considered.

The SPEAKER. The gentleman asks unanimous consent to take from the Speaker's table joint resolution 131 and consider it. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, I always ask for the reading of a resolution which has never been acted upon or read in the House.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read as follows:

Resolved, etc., That so much of the sum of $600,000 appropriated by section 4 of the act of October 29, 1919, entitled "An act to regulate further the entry of aliens into the United States," as may be necessary, is hereby made immediately available for expenses of regulating entry into the United States in accordance with the provisions of the act approved May 22, 1918.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. MANN of Illinois. Reserving the right to object, I would like to have the gentleman make a statement about this. I have examined House resolution 261, a similar resolution, with the report upon it, but, of course, the report is properly short and does not give very much information.

Mr. GOOD. Mr. Speaker, the act of May 22, 1918, among other things, provided for the regulation of further entry of aliens into the United States. Under that act quite a force was employed in the various United States consulates abroad, engaged in making an examination of every application of an alien for a passport to the United States. The thought was that by exercising some jurisdiction and some care before an alien departed from some foreign port to the United States, if he was an undesirable person from a political standpoint, that is, if he was a bolshevist, an anarchist, or something of that kind, his application could be denied when presented to the American consul for visé. That act is still in force, but the department is without funds to carry out its provisions. On October 29 there was sent to the President an act that became a law without his signature, and the joint resolution will have to be amended as to the description of it because of that fact. That act provided that it should become effective upon the expiration of the act of May 22, and it seeks to accomplish the same purposes that the act of May 22 accomplishes. The act of May 22 by its terms ceases when the President shall issue a proclamation of peace.

There is no more money available for use under the act of May 22, 1918. The State Department informs us that the money that was appropriated for this purpose has been exhausted for some little time, and this joint resolution simply makes available the appropriation contained in act known as public act No. 79 of the Sixty-sixth Congress.

Mr. MANN of Illinois. As it is now, as I understand the gentleman, the Government of the United States maintains a large force abroad under the State Department to determine whether a man shall have the right to come to this country, and then maintains a large force in the United States under the Immigration Service to determine whether an alien who has come may enter the United States or whether he shall be deported, and also maintains another large force under the Department of Justice to ascertain whether he shall be deported. How many more forces is it necessary to maintain instead of correlating these forces in one body? The gentleman said, as I understood him, that the State Department determine whether a man seeking a passport to come into the United States is a Bolshevist. I do not understand that the State Department confine themselves to any such activities. If in their whim they think a man ought not to come here, they do not grant him a passport, and if I am correctly informed, they have frequently refused to grant passports for some reason or other, because they thought a man ought to stay at home, not because he was undesirable to become a citizen here.

Mr. GOOD. The duplication that the gentleman speaks of does not exist in one department. The facts, as I understand them, are that when an application for a passport is presented to an American consulate abroad for visé, that is acted upon through the State Department. Now, if the application is granted and the person who applies for the passport comes to the United States and presents himself to the immigration authorities, he comes under the Department of Labor.

Mr. MANN of Illinois. They have to reexamine the matter.

Mr. GOOD. Yes. They reexamine the person with regard to his health and his finances——

Mr. MANN of Illinois. And with regard to a long list of things which no one can remember unless he has the book before him.

Mr. GOOD. It is confined in large measure to his health, his finances, and his education.

Mr. MANN of Illinois. And everything about him.

Mr. GOOD. They do not take into consideration the question that the State Department has investigated over on the other side as to his political desirability or undesirability.

Mr. MANN of Illinois. I think they do take that same question into consideration.

Mr. GOOD. The gentleman will understand that so far as the Committee on Appropriations were concerned, they did not go into the subject that the gentleman's question leads to, because Congress had just acted upon this matter, and sent to the President on October 29 a bill continuing this service and appropriating $600,000 for its administration.

Mr. MANN of Illinois. To be available when?

Mr. GOOD. To be available at the expiration of the act of May 22.

Mr. MANN of Illinois. This Congress had the right to suppose that it was not appropriating money for the present.

Mr. GOOD. They did suppose this: They supposed that peace would be declared——

Mr. MANN of Illinois. Who?

Mr. GOOD. Congress.

Mr. MANN of Illinois. Oh, no.

Mr. GOOD. The committee that reported out the resolution, and the State Department that urged the resolution, did it because they thought that a proclamation of peace would be made early in November.

Mr. MANN of Illinois. Any department that could not guess better than that ought not to have the control of much money.

Mr. GOOD. I am stating to the gentleman what the facts are. I agree that this was an awkward way of putting it. In passing the act known as public act 79 of the Sixty-sixth Congress, the Congress should have repealed the act of May 22, 1918, and then there would have been no mix-up of this kind. But, assuming that there would be a proclamation of peace, as they did assume—there is no question in my mind about that—the committee reported out and Congress adopted a provision that public act No. 79 should be effective upon the expiration of the act of May 22, 1918.

Mr. MANN of Illinois. After all, here is the situation: Here is a proposition to spend $600,000 between now and the 1st of July next. That is at the rate of $1,200,000 a year practically. That is a pretty expensive service to maintain abroad in reference to immigrants coming to this country and then maintain another expensive service here. Is there no place where the Government can reduce its expenses after the war is over? Instead every bureau and department increases the expenses. Here is an increase of expense and not a reduction. Nobody expects that the State Department will ever voluntarily reduce a dollar in expenses. It has never been inculcated with the idea of economy; it has never cared about economy under any administration. It is not likely to commence now unless we commence it for them.

Mr. ROGERS. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. ROGERS. As far as the element of expense of administration of the law is concerned, I think it ought to be said that every would-be immigrant who presents himself to our consulate abroad for a visé of his passport is obliged to pay $2 for the expense of the administration and the visé.

In the month of October 53,000 immigrants came from various ports of the world to the ports of the United States. Every one of these 53,000 had to pay $2 for a visé of the passport. In other words, the receipts on the visés alone were something like $600,000, and the total administration of the law, even when immigration is larger, has not exceeded $75,000 a month.

Mr. MANN of Illinois. Of course, every department of the Government that has a right to impose fees thinks that the money belongs to them, and that they should employ somebody to use it.

Mr. ROGERS. The fact remains that this does not involve the United States Government in expending money. We absolutely make money as far as the visés go.

Mr. MANN of Illinois. I do not know about that; we could keep it in the Treasury.

Mr. SNELL. What becomes of the money?

Mr. ROGERS. The money is covered into the Treasury as miscellaneous receipts.

Mr. MANN of Illinois. In my judgment, every branch of the service of the Government has got to reduce its expenditure; every branch of the Government service, and there is not a branch that will do it voluntarily. The only way to reduce expenses is for Congress to reduce its appropriations, and if we do not reduce them the people will get somebody else to do it.

Mr. GOOD. I am in entire sympathy with the gentleman, and I will go as far as he will.

Mr. MANN of Illinois. I doubt that, but he can trail along the same path. [Laughter.]

Mr. GOOD. Let me say that I propose to offer an amendment which will provide that not more than $450,000 shall be used for the fiscal year.

Mr. MANN of Illinois. That amount was reported by the committee on the House bill, which is a similar bill. I do not want to be offensive to the gentleman, but these amendments are sometimes offered in the House, applying to economy, and still not very seriously insisted upon when they get into conference. The gentleman knows that the State Department will spend every dollar it can get, whether it needs it or not.

Mr. GOOD. I will say that if this resolution is agreed to and is agreed to in the House and the Senate, the State Department need not come back to the Committee on Appropriations for additional appropriations for the purpose this year. They must cut their cloth according to this appropriation as amended.

Mr. MANN of Illinois. Mr. Speaker, I withdraw the reservation of the point of order.

Mr. SNELL. Upon what basis was this $450,000 arrived at?

Mr. GOOD. On the basis of $75,000 a month.

The SPEAKER. Is there objection?

Mr. McCLINTIC. Mr. Speaker, reserving the right to object, I want to ask the chairman of the committee if I can be allowed 10 minutes to address the House on my late trip to Berlin.

Mr. GOOD. I want to say to the gentleman from Oklahoma that we are soon to take up a deficiency bill and that there will be some general debate on that, and if he will see the gentleman from South Carolina I think he can get the time.

The SPEAKER. Is there objection to the consideration of the joint resolution?

There was no objection.

Mr. GOOD. Mr. Speaker, I ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 131) making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States.

Resolved, etc., That so much of the sum of $600,000 appropriated by section 4 of the act of October 29, 1919, entitled "An act to regulate further the entry of aliens into the United States," as may be necessary is hereby made immediately available for expenses of regulating entry into the United States, in accordance with the provisions of the act approved May 22, 1918.

Mr. GOOD. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Line 4, strike out the words "the act of October 29, 1919," and insert in lieu thereof the following: "Public act No. 79 of the Sixty-sixth."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GOOD. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

After "1918," in line 9, insert: "*Provided*, That not more than $450,000 of said sum shall be used during the remainder of the fiscal year 1920."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROGERS. Mr. Speaker, I think there was a verbal mistake in the first amendment which was offered.

Mr. GOOD. No; the Clerk did not read the word "Congress."

Mr. ROGERS. The Clerk read all there was on the paper which the gentleman sent up. The word "Congress" was omitted inadvertently.

Mr. GOOD. The copy I have before me has the word "Congress."

Mr. ROGERS. The copy before the Clerk did not have that word.

Mr. GOOD. Then I ask unanimous consent to modify the first amendment by adding the word "Congress" after the word "Sixty-sixth," so that it will read: "Public act No. 79 of the Sixty-sixth Congress."

The SPEAKER. The gentleman from Iowa asks unanimous consent to modify the first amendment he offered in manner indicated, which the Clerk will report.

The Clerk read as follows:

Modified amendment: Line 4, strike out the words "the act of October 29, 1919," and insert in lieu thereof the following: "Public act No. 79 of the Sixty-sixth Congress."

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. GOOD, a motion to reconsider the vote by which the resolution was passed was laid on the table.

Mr. GOOD. Mr. Speaker, I ask unanimous consent that House joint resolution 261, which is similar to the resolution just passed, do lie on the table.

The SPEAKER. The gentleman from Iowa asks unanimous consent that House joint resolution 261 do lie on the table. Is there objection?

There was no objection.

LEAVE TO EXTEND REMARKS.

Mr. FOCHT. Mr. Speaker, I ask unanimous consent to extend my remarks on the sugar question.

The SPEAKER. Is there objection?

There was no objection.

APPROPRIATION FOR EMPLOYEES' COMPENSATION COMMISSION, ETC.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920. Pending that I desire to see if we can not arrange for a division of the time of general debate.

Mr. BYRNES of South Carolina. What time does the gentleman suggest?

Mr. GOOD. Mr. Speaker, reserving 15 minutes for an explanation of the bill, I have applications for 70 minutes. I would suggest, if the gentleman from South Carolina can get along with a similar amount, that we limit the debate to two hours and a half.

Mr. BYRNES of South Carolina. That is agreeable to me.

Mr. GOOD. Then I ask unanimous consent to have the general debate limited to two hours and a half, one-half to be controlled by the gentleman from South Carolina [Mr. BYRNES] and one-half by myself.

The SPEAKER. The gentleman from Iowa asks unanimous consent that general debate be limited to two hours and a half, one-half to be controlled by himself and one-half by the gentleman from South Carolina. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Iowa that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11223.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11223, with Mr. TOWNER in the chair.

The Clerk reported the title of the bill.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, I yield 40 minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. More than a year has passed since the cessation of hostilities in the main theaters of the World War, and more than a year and a half will have elapsed from the date of the signing of the armistice before the beginning of the fiscal year 1921, for which the Secretary of the Treasury has just submitted estimates of public expenditures in the Book of Estimates and estimates of anticipated receipts in his annual report.

No doubt those who have not given the matter careful thought have assumed that the financing of the fiscal year 1921 would, except for the large item of interest on the greatly increased public debt, be relatively free from the burden of war-created and war-induced debts and expenditures. Such, however, is not the case. On the contrary, the coming fiscal year will witness the culmination of the growing burdens of the war's aftermath. It presents financial problems as serious in their way as any we met during the period of war. We can not increase taxes; we should not issue bonds; we have no alternative but to economize to the limit.

The patriotic enthusiasm which carried us over the period of direct war expenditures has passed, and the public attitude toward the financial operations of the Government is a curiously conflicting mixture of demand for relief from the burdens of taxation on one hand and of insistence upon the increase of Federal expenditures for a variety of purposes on the other.

The chairmen of the Committees on Appropriations in the two bodies, Senator WARREN in the Senate and Mr. GOOD in the House, have each made statements relative to the estimates of appropriations for the fiscal year 1921 and the estimated revenues for the same period. Having in mind both of these statements, I feel it my duty to further call attention to the situation relative to national receipts and expenditures, and to emphasize the absolute necessity of the practice of the most rigid economy in public expenditures the next fiscal year.

On my first examination of the estimates of appropriations and expenditures, I stated that in my opinion the watchword of this Congress must be economy—economy without parsimony—but after a further examination of the financial situation I feel that not only must the watchword of the Congress be economy but economy even to the point of parsimony.

VIEWS OF THE SECRETARY OF THE TREASURY.

The Secretary of the Treasury, in his annual report issued a few days ago, sounded a note of warning, "in view of the innumerable requests that are constantly being pressed upon Congress," against a "riot of public expenditure after the war, the consequence of which could only be disastrous." The Secretary advises us that his "optimistic outlook of the future of the Government's finances * * * is based upon the practice of the most rigid economy, and any other policy means a calamitous upsetting of the entire program."

The Secretary is entirely sound in his view of the matter, and it is to be regretted that in the absence of legislation which makes the Secretary responsible for the estimates presented to him for transmittal he had presented to him by the heads of the various departments and agencies of the Government and transmitted to Congress estimates of appropriations of the stupendous total of nearly $5,000,000,000.

Enormous as these figures are, they do not include certain sums totaling hundreds of millions to cover appropriations heretofore made; for necessary operations in connection with the public debt; to pay bonus and added compensation carried in current appropriation bills and likely to be continued; and to provide for certain additional expenditures arising out of existing obligations or pending legislation.

THE WAR HANG-OVER.

Let us for a moment consider the financial situation in some detail. The Secretary of the Treasury estimates the deficit in the general fund of the Treasury on June 30, 1920, at the beginning of the fiscal year for which we must now provide, at more than three billions of dollars. This huge sum, three times the amount of the public debt at the beginning of the war, is being carried at the present time in a variety of forms of short-time Government obligations.

Such a sum as the immediate hang-over of war expenditures at a time when increased taxation was at least debatable, when increased bond issues were contemplated, or a considerable excess of receipts over liabilities anticipated, would not, to a country as rich as ours, be a matter that need occasion serious alarm. But a floating unbonded debt of that size at a time when there is a widespread demand for the reduction of taxes, when further bond issues are inadvisable, and when estimates of expenditure, without taking into consideration any of the many special demands that are being made, are equal to or in excess of the probable revenues, presents a situation in which the practice of economy of the severest type becomes absolutely essential if we hope to place our fiscal operations on a sound basis and avoid dangerous financial situations.

THE ESTIMATES.

The estimates of appropriations for the ordinary expenditures of the Government, and printed in the Book of Estimates, total $4,865,410,031.62. The chairman of the Appropriations Committee of the House has called attention to the fact that these estimates do not include a number of large items, aggregating over $228,000,000, which may be expended by the Secretary of the Treasury without action by Congress, and which, in the main, will probably be expended. To this sum Mr. GOOD further adds the sum of $40,000,000 to cover increased pay heretofore granted to postal employees and over $30,000,000 to cover the bonus of $240 to certain civil employees of the Government. To this he adds estimates of probable deficiencies

and supplemental estimates amounting to $85,000,000, making a total of over $384,000,000 which he adds to the estimates.

To these sums of probable expenditure, not carried in the Book of Estimates, must be added the sum of $68,000,000, the estimated expenditure for the first year under bills increasing the pensions of the veterans of the Civil and Spanish Wars, which are now on the calendar and likely to become law before the beginning of the fiscal year.

THE RETURN OF THE RAILWAYS.

Then we come to the question of the railways. They have cost the National Treasury on an average more than $50,000,000 per month since they were taken under Federal control, a total of expenditures and appropriations of $1,250,000,000.

With the return of the roads to private management we shall see the beginning of the end of that burden on the Treasury and the taxpayer, and eventually the return of a part of our expenditure; but manifestly that relief can not come at once.

In answer to the request of Senator CUMMINS, Swagar Sherley, Director of the Division of Finance of the Railway Administration, in a letter dated November 10 last, gave estimates of the amounts that in his opinion would be required in the way of appropriations in connection with the enactment of legislation turning the railways of the country back to private management.

In presenting his figures the director took pains to emphasize the fact that they were only estimates, and as such liable to change. The amounts thus estimated were in excess of $415,000,000, if the terms of the Senate Cummins bill are followed, and in excess of $363,000,000 if the provisions of the House Esch bill are adopted. In a note accompanying these estimates the director stated that, owing to the difficulty of immediately converting into cash certain assets of the Railway Administration, the Congress should appropriate at least $200,000,000 in excess of the sums above stated to meet this situation.

The Esch bill as it passed the House carried an appropriation of $250,000,000 as a loan fund, which must be provided if this provision of the House bill should be enacted into law. Adding to the estimate of the director, based on the Senate bill, his further estimate of $200,000,000 to tide over the period of asset liquidation, we have the total of $615,000,000, and adding to his estimate under the House bill the loan of $250,000,000 carried in that bill on the theory that one of these items takes the place of the other, we have in one case, in round figures, $613,000,000 and in the other $615,000,000. I shall take the smaller of these figures as the estimate of the sum of the appropriations necessary in connection with the turning back of the railroads to private management.

Large as this sum is, it is about $400,000,000 less than the average cost to the Treasury for a like period under public management, for we are in this matter dealing with a period of 18 months, and for the purposes of this estimate it matters not whether these sums are appropriated in the latter part of this or the first part of the next fiscal year. In the former case they would increase the item of deficit at the end of the present fiscal year instead of swelling the amount of appropriations for 1921.

THE STUPENDOUS TOTAL.

Summing up these various items, we have as the total of the deficit at the end of the present fiscal year and of estimates of appropriations carried in the Book of Estimates, and of further estimates of expenditures which seem almost inevitable, the stupendous sum of $9,086,358,574.62 as the amount of continuing obligations and estimated expenditures we are called upon to reckon with in our financial operations for the fiscal year which begins the 1st of next July.

In tabulated form these items are as follows:

Estimated deficit in general fund, June 30, 1920, report of the Secretary of the Treasury	$3,155,888,543.00
Estimate of expenditures for fiscal year ending June 30, 1921, as submitted in Book of Estimates	4,865,410,031.62
Expenditures enumerated by chairman of Appropriations Committee not included in the Book of Estimates	384,060,000.00
Estimated expenditures under Civil War and Spanish War pension bills, now reported	68,000,000.00
Estimated expenditures on account of railroads	613,000,000.00
Grand total	9,086,358,574.62

Let us turn now to the estimates of receipts. As presented by the Secretary of the Treasury in his annual report they are as follows:

Customs	$325,000,000.00
Internal revenue:	
Income and excess profits	3,000,000,000.00
Miscellaneous internal revenue	1,190,000,000.00
Public-land sales	1,000,000.00
Miscellaneous sources (including estimated return of $500,000,000 of capital stock of grain corporation)	896,000,000.00
Panama Canal tolls, etc	$8,000,000.00
War-savings certificates	175,000,000.00
Deposits to retire Federal reserve and national-bank notes	25,000,000.00
Postal savings bonds	350,000.00
Postal revenues	415,500,000.00
Total estimated receipts	6,035,850,000.00
Balance of estimated liabilities over estimated receipts	3,050,508,574.62

Mr. DUNBAR. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. DUNBAR. Has any estimate been made by the Secretary of the Treasury for the payment of interest due on money advanced to foreign countries?

Mr. MONDELL. I am coming to that.

These estimates of receipts are, in my opinion, liberal. I am of the opinion that we are likely to be disappointed in almost every item, and particularly in the miscellaneous items under the head of internal revenue and the miscellaneous item of $896,000,000, which includes an estimated return of $500,000,000 from the capital stock of the grain corporation and large sums from war-salvage sales and other like sources. At any rate, we may be quite certain that this sum of receipts will be diminished rather than increased, and possibly by a very considerable sum.

These official estimates of receipts are notable, however, in that they carry no estimate of receipts on account of interest on our loans of nearly $10,000,000,000 to foreign Governments. The interest on these loans, if paid, would increase our receipts and lighten our burdens for the year by nearly $500,000,000.

In his annual report the Secretary of the Treasury gave notice of his purpose not to require cash payment of interest on these foreign obligations for the next two or three years and to fund the same. A few days since the newspapers carried a statement that agreements to that effect had been entered into with our foreign creditors. I express no opinion as to the authority of the Secretary of the Treasury to make this arrangement, which will increase our loans to foreign Governments a billion or two above the fixed limit of ten billions. The fact that such action was taken reduces our income or increases our outlay, whichever way you care to put it, half a billion annually.

THE BALANCE OF LIABILITIES.

Subtracting the grand total of receipts, as above estimated by the Secretary of the Treasury, from the total of estimated liabilities and appropriations, we have a balance of estimated liabilities over estimated receipts of $3,050,508,574.62.

Mr. EMERSON. How does the Secretary of the Treasury claim authority to extend the payment of this interest without authority from Congress?

Mr. MONDELL. I do not know. Those who seek to minimize the significance of these stupendous figures will insist that the estimates of expenditure are excessive. That is true so far as some of the regular estimates of appropriations carried in the Book of Estimates are concerned. At least we must make that true when we come to write our appropriation bills—make it true by reductions of hundreds of millions.

Let us examine for a moment these regular estimates in which we must find the stupendous reductions that must be made if we shall avoid a disastrous outcome and compare them with the appropriations for the same purposes for the present fiscal year. They are as follows:

Table comparing by bills estimates of regular annual appropriations for the fiscal year 1921 with the appropriations made for the fiscal year 1920, during the third session of the Sixty-fifth Congress and the first session of the Sixty-sixth Congress.

(Prepared by the clerks to the Committees on Appropriations of the Senate and House Dec. 3, 1919.)

The column of 1920 appropriations does not include the sums carried for that fiscal year in deficiency and miscellaneous appropriation acts for similar purposes.

The estimated appropriations for 1921 will be found in detail in the annual Book of Estimates, House Document No. 411, transmitted to Congress on December 1, 1919, and the estimated revenues for 1921 in the Annual Report of the Secretary of the Treasury for the fiscal year 1919.

	Estimates, 1921.	Appropriations, 1920.	Increase, estimates 1921 over appropriations for 1920.	Decrease, estimates 1921 under appropriations 1920.
Agriculture	$37,528,102.00	$33,899,761.00	$3,628,341.00	
Army	982,800,020.00	772,324,877.50	210,475,142.50	
Diplomatic and Consular	11,243,250.91	9,843,661.67	1,399,589.24	
District of Columbia	19,179,716.03	15,364,421.00	3,815,295.03	
Fortification	117,793,330.00	11,214,291.00	106,579,039.00	
Indian	12,994,494.27	11,131,397.03	1,863,097.24	
Legislative, etc	122,242,849.02	97,963,831.77	24,279,017.25	
Military Academy	6,778,637.20	2,277,932.20	4,500,705.00	
Navy	573,131,254.80	616,096,838.88		$42,965,584.08

Table comparing by bills estimates of regular annual appropriations—Con.

	Estimates, 1921.	Appropriations, 1920.	Increase, estimates 1921 over appropriations for 1920.	Decrease, estimates 1921 under appropriations 1920.
Pensions	$215,030,000.00	$215,030,000.00		
Post Office	391,713,673.00	609,466,149.00		$217,752,476.00
River and harbor	42,841,565.00	33,378,364.00	$9,463,201.00	
Sundry civil	906,725,387.10	607,160,207.95	299,565,179.15	
Total, regular appropriations	3,440,002,279.33	3,065,151,733.00	665,568,606.41	260,718,060.08
Permanent annual appropriations	1,425,407,752.29	1,968,997,780.00		543,590,027.71
Total, regular and permanent annual appropriations	[1]4,865,410,031.62	5,004,149,513.00	665,568,606.41	804,308,087.79
Deficiencies		1,141,931,269.96		
Miscellaneous		1,126,478,632.41		
Grand total		7,272,559,415.37		

[1] This sum does not include any amount for increased compensation to Government employees.

Of course, these tremendously extravagant estimates of the Government departments and bureaus must and will be greatly trimmed. With two possible exceptions, the Post Office and pension bills, every appropriation bill which will be reported at this session will show a substantial reduction below the estimates—and in the aggregate I anticipate a reduction below the regular estimates well in excess of a billion dollars.

Mr. BYRNS of Tennessee. Will the gentleman yield for a short question?

Mr. MONDELL. I will yield.

Mr. BYRNS of Tennessee. In the course of the long and distinguished service of the gentleman from Wyoming here in the House, does the gentleman recall many instances where estimates submitted were not always larger than the appropriations carried for the current fiscal year?

Mr. MONDELL. Oh, yes; I remember many cases where the estimates submitted were not greatly in excess of the amounts which were appropriated. We had a conspicuous example of that under the last Republican administration, when estimates were presented which had been carefully examined and were presented to Congress in sums which entitled them to the favorable consideration of the Congress and its committees and which approximately measured the real needs of the public service. But here are estimates following a great war, when we have an enormous bonded indebtedness of the Government, costing over a billion dollars per annum in interest, and a floating indebtedness of $3,000,000,000 and more, and yet the estimates for the Army alone equal and exceed, when we add the estimate for fortifications, the entire expenses of the Government for all purposes for the year prior to the late war. These estimates are so extravagant that it is difficult to characterize them in parliamentary and inoffensive language. [Applause on the Republican side.]

WHERE CUTS CAN BE MADE.

The estimates for the Army, of nearly a billion dollars, will, with the exception of the fortifications bill, stand the heaviest cut. They should be reduced at least by half. The estimates for sundry civil expenditures will stand a very heavy reduction. The estimates for fortifications will stand the heaviest cut of all. The naval estimates may be largely reduced without impairing the efficiency of our Naval Establishment. River and harbor estimates are not large, but they will stand a substantial reduction. And so all along the line heavy reductions must be made or we face disaster.

And I am pleased to know that the first appropriation bill which will be reported this session—the Indian appropriation bill—will carry a sum very much below the estimates and very considerably below the expenditures for the current year.

Mr. MOORE of Virginia. Will the gentleman yield for one question?

Mr. MONDELL. Yes.

Mr. MOORE of Virginia. It is simply this: Does the gentleman care to state whether he approved the postponement of interest on the foreign loans?

Mr. MONDELL. I do not want to embarrass the Secretary or the Treasury Department. If there is any necessity for it, if there is an actual necessity for it, if it must be done, then I very greatly regret that necessity. I am not certain that the Secretary has authority in law to do what he suggested in his report he proposed to do and what the papers say he has done in this matter.

Mr. MACGREGOR. Will the gentleman yield?

Mr MONDELL. I will.

Mr. MACGREGOR. I just want to ask if the gentleman did not believe that these estimates for the War Department could be greatly reduced if the War Department would exercise a greater diligence in disposing of the immense quantity of materials which they have on hand?

Mr. MONDELL. I do; and yet I think that the estimate of the receipts from salvage sales for the next fiscal year is probably too high. It is certainly more than they would receive if the War Department continued its past policy in that regard. We shall continue to prod them to dispose of the surplus. We have compelled the department to sell vast quantities of foodstuffs, automobiles, and so forth, and hope the good work along this line will be continued.

But even these great reductions will not suffice if we are to embark upon a program involving large appropriations in new fields or largely increased expenditures for pay and compensation. We should, by all means, effect some considerable reduction in the volume of the floating debt. We must not, except for reasons that are absolutely imperative, take any chances on increasing it, and therefore the savings that I have suggested, vast as they are, must, to be effective, be accompanied with the most stringent economies along other lines.

Mr. MADDEN. Will the gentleman yield for a single question?

Mr. MONDELL. I will yield.

Mr. MADDEN. I assume the gentleman's suggestion would include the reduction of the force in the offices here in Washington?

Mr. MONDELL. If the estimates are reduced, as I suggest, there must be a great reduction in the force in the offices here in Washington and in the number of Federal employees all over the country.

As to the estimates which have been added to those carried in the Book of Estimates, they are not only not excessive, they are, on the contrary, very conservative as to the items which they cover, and still more conservative when we think of the almost limitless variety of demands for increased expenditures for which no estimate whatever is made. And yet these estimates, outside the Book of Estimates, total more than $965,000,000.

NONE OF THE ESTIMATES CARRY ANY SUMS FOR NEW PROJECTS OR INCREASED PAY.

Let it be borne in mind that none of the estimates carry a single penny of estimated expenditure on account of a perfectly bewildering variety of new and unusual requests and demands which are being made on the Treasury. They do not carry, for instance, any sums whatever for increased pay or allowances for men or officers of the Army or Navy. They do not carry a single penny for increased pay above what they are now receiving for officials, clerks, and other employees of the civil establishment. They carry no estimates for loans, bonuses, or development projects for the benefit of ex-service men. They do, however, carry liberal items for insurance, compensation, and vocational training for those discharged from the military and naval services, who are entitled to the same under the law.

Other than the reductions we can make in the regular estimates, which must, and I believe will, be very heavy, the statement which I have presented of estimated outlay is, in view of the very great demands which have been made and which are likely to continue to be made, very conservative. Certain suggestions of increased pay for the officers and men of the Army and Navy which have been earnestly urged would run into the hundreds of millions. Nobody knows how many millions of increased pay to civil employees may be recommended by the Joint Commission on Reclassification of Salaries. We do know, however, that the appropriating committees are constantly besieged with requests for increased pay, which if allowed even in part would increase the totals of expenditure many millions.

And, of course, if there is any increased pay in the Military Establishment, that increased pay must be reflected all through all the civil establishments, for up to this time we have not increased the pay of a single officer of the Government receiving more than $2,500.

Proposals and suggestions of appropriations on behalf of the men recently composing our great armies run all the way from a plan that would involve the expenditure of perhaps $100,000,000 per annum for some years to plans that would involve the expenditure of several billions and one plan at least that would involve obligations of tens of billions of dollars.

It is for the Congress to determine what is to be done in all these matters; but in arriving at that determination let us remember that we have passed the period when, under the stimulus of war enthusiasm, the instinct of self-preservation, and the determination to finish a great job gloriously, we could spend billions without a thought as to where the money was to come from, who was to pay it, or when it was to be paid.

THE GRAY DAWN OF THE MORNING AFTER.

We have reached the time when in a period comparable with the gray dawn of the morning after we must soberly and possibly somewhat painfully set about the uninspiring but essential work of restoring things to normal conditions. We can only do this by courageously meeting the obligations incurred in the period of war and stress and enthusiasm, and by setting our faces like flint against unnecessary expenditures.

I close, as I began, by quoting the Secretary of the Treasury, who, calling attention to the fact that "Government expenditures inevitably increase the cost of living," says "it is earnestly urged that Congress deny every proposal for expenditures in new fields or the continuance or expansion of old, unless they represent imperative and essential need."

I am sorry that the various departments of the Government did not follow the good advice of the Secretary of the Treasury and keep their estimates within the bounds he suggests; but our duty is plain—we must not only cut the estimates in excess of a billion, but we must turn a deaf ear to every new demand or request which is not imperative.

In no other way can we perform our duty to our country—the duty of restoring public expenditure to a sound and safe basis, of reducing as soon as possible the burden of taxation, and of moving forward on sound constructive lines of public policy. [Applause.]

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. MONDELL. I will.

Mr. BANKHEAD. Reverting to the proposition of the payment or nonpayment of the interest on our foreign obligations, the gentleman stated that he did not know upon what authority of law the Secretary of the Treasury was proceeding in making that kind of an agreement deferring the payment of interest.

In view of its importance, involving a difference of $500,000,000 or more in the amount to meet our current obligations, does not the gentleman think it is the duty of the Committee on Appropriations, or some other appropriate committee having jurisdiction of that matter, to make an investigation of that question and to ascertain whether or not there is an authority of law for such agreement, and, if not, to pass such legislation as will carry out the will of Congress upon that proposition?

Mr. MONDELL. In the first instance, the duty devolves on the Secretary of the Treasury. The Secretary, so far as I know, has not addressed Congress on the subject or asked our advice, has expressed no opinion publicly in regard to it except that contained in his annual report. The matter is a tremendously important one. But if the Secretary proceeds, under what he conceives to be his authority, to make these arrangements deferring interest payments and funding these unpaid obligations, I do not know just what we can do about it.

Mr. LONGWORTH. Will the gentleman yield?

Mr. MONDELL. I yield.

Mr. LONGWORTH. The gentleman will recall that the President in his last message flatly declared that this administration would view with serious alarm the payment of any gold on the loans to European countries.

Mr. MONDELL. I think the gentleman correctly quotes the President. There have been curiously contradictory statements relative to the payment of interest on the foreign debts. The Secretary in his report states that the interest up to date has been paid in cash, except in some cases involving comparatively small sums and which I understand to be the Russian debt.

A few days after the Secretary's report came out a newspaper article appeared, signed by a well-known writer, stating that no penny of the interest on the foreign loans had ever been paid. Now, curiously enough, those two statements, apparently as contradictory as statements could be, were both in a way correct. When the Secretary spoke of cash, it might have been, and I think was, cash that we loaned to our foreign creditors, which, of course, they could use to pay the interest on former loans. My opinion is that so far none of our foreign creditors have drawn upon their home assets to pay the interest on the debt they owe us.

Mr. LONGWORTH. Will the gentleman yield for a moment?

Mr. MONDELL. I will.

Mr. LONGWORTH. I do not know myself when this new policy was undertaken in not receiving any of the interest on our foreign loans, but I do recall very distinctly that the former Secretary of the Treasury, Mr. McAdoo, stated to the Ways and Means Committee that interest was being drawn at 5 per cent on the full amounts of our foreign loans at that time.

Mr. MONDELL. I think that in every case, except, perhaps, the Russian loan, where interest has become due up to very recently, we have been continuing to make loans to the Governments that owed us interest, and, of course, so long as you are loaning generously to a creditor he has no difficulty in paying you the interest on his former loan.

Mr. CRAGO. Will the gentleman yield for a question there?

Mr. MONDELL. If I have the time.

Mr. CRAGO. I noticed the gentleman made a statement there that more than $100,000,000 was being asked for the increase of pay of the Army and Navy and Marine Corps, and so forth.

Mr. MONDELL. Some of the bills that have been introduced would amount to considerably more than a hundred millions.

Mr. CRAGO. I simply wanted to call the gentleman's attention to the fact that the only bill which has been seriously considered by the Senate or the House would not amount to more than half of that amount.

Mr. MONDELL. That might be true at the start, but nobody knows what it might amount to when it was enacted into law, and no one knows how many millions more would have to be paid to the civil employees of the Government to match those increases in the pay of those in the Military Establishments.

Mr. CRAGO. That may be true.

The CHAIRMAN. The Chair will recognize the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Chairman and gentlemen of the committee, there has never been a time in the history of this Congress when the estimates furnished by the departments have not been greatly in excess of the amounts appropriated by the Congress. That that is true is inevitable. Every employee of a department who is worthy of employment is enthusiastic about his own occupation. He believes that the activity he has immediate control of is more essential to the existence of this Nation than any other activity, and he therefore seeks to extend it and to ask for larger appropriations in order to make it a more important activity. Those estimates are sent to the head of a department, who in turn submits them to the Secretary of the Treasury, who has no power to cut them down, but who, acting merely as an intermediary, submits them to Congress. And the only serious effort to correct this is now being made by the Congress, supported by Republicans and Democrats alike, in the effort to establish a budget system.

And that brings me to the consideration of an article that was printed in the RECORD on Tuesday morning, introduced by Senator FERNALD, an article written by Senator MCCORMICK, of Illinois, which appeared in the Annalist, and about which I desire to make a few comments. I think the gentleman from Pennsylvania [Mr. TEMPLE] said that in discussing the budget system men preferred to make strong statements rather than accurate ones. And yet we certainly would not expect that to be true of the distinguished Senator from Illinois [Mr. MCCORMICK], who is posing as an authority on the subject of the budget.

I read now not from the RECORD but from the Annalist, in which this interesting and enlightening article first appeared. The Annalist is a magazine of finance, commerce, and economics. The leading article appearing on the first page of the issue of December 1, 1919, is by MEDILL MCCORMICK, United States Senator from Illinois.

Now, business men take this magazine, and they look to it for facts about the fiscal affairs of the Government and for information as to the budget system. And do you know, I feel sorry for them to-day. I am sorry for them, because if ever a people were misled they have been misled. They have a right to expect the Annalist to publish articles by men familiar with the subjects on which they assume to write and they have a right to expect accurate statements from a United States Senator. In this article Senator MCCORMICK states:

During my last term in the legislature I had written, and persuaded a colleague to introduce, a budget bill.

Do you know when I read that I thought that, after writing the bill, he had persuaded a colleague to introduce it because of his excessive modesty. But no. I was mistaken. He did that for this reason; this is what he says about it—

Lest if I fathered it some people might regard it as a measure of impolitic reform.

You know those benighted members of the Illinois Legislature, hopelessly involved in ignorance about the budget system, if they read that bill written by Mr. McCormick would say that it was "a piece of impolitic reform." [Laughter.] They would know that here was a progressive measure by a great reformer and that as he never stooped to politics, of course it would be impolitic. So he persuaded another to introduce his bill; but he hastens to say:

I was not able long to conceal the actual paternity of the bill.

Of course not! So replete with wisdom, so stocked with statesmanship, he could not hide it even from those hopelessly

benighted members of the Illinois Legislature. [Laughter.] As an old countryman says down my way, "It got out on him." It got out on him that he was the father of the bill [laughter], and as a result he says he "enjoyed for the balance of the legislative session the affectionate derision of some of my colleagues." He enjoyed derision because he had introduced a budget bill. [Laughter.]

Now, that is a terrible reflection upon that legislative body. But, do you know, I cherish sometimes the opinion that it was simply a mistake on the part of Representative McCormick that there was affectionate derision. He did not understand it. He supposed the derision was due to their hopeless ignorance, but I fear their derision was due to the fact that the statements he made in connection with it were as inaccurate as those he makes in this article. I say that because he says in this article:

When we began the agitation for budget reform in Illinois I startled the taxpayers by pointing out that the cost of the State government was increasing then at the rate of 200 per cent every 10 years.

He "startled" them. [Laughter.] That is the gentleman's affliction. He prefers to "startle" people rather than to inform them. [Laughter.] That I wish to prove. This paper here is the Annalist—and I am going to analyze this statement for a few minutes, with your permission, because the business men of the country ought to know how enlightening this article is. He says:

The business men of the country are crying out for a national budget. The American taxpayer for the first time in our history is acutely conscious of the cost of the Federal administration. His purse tells him there is a Government situate on the Potomac. He has reason to believe that not only has his Government become costly, but that it is inefficient and wasteful. He is uncertain as to the exact increase in the cost of the Federal enterprise, and he is not precise about the details of the reform to which he is entitled, and which has "budget" and "administrative efficiency" current in the political vernacular. But he is very certain that there has got to be a grand housecleaning.

The third and last session of the last Congress appropriated for one year about $7,000,000,000, or ten times the aggregate appropriations of both sessions of the Fifty-sixth Congress, 20 years ago. For the next several years government will cost about ten times as much annually as it did five years ago.

Now, think of that! Just after the majority leader has finished a speech earnestly pleading for economy, just when the junior Senator from Illinois is predicting a Republican administration and a return of his party to power, he tells you that your expenditures for the next several years are going to be ten times what they were five years ago.

Now, what were they five years ago? Five years ago the expenditures were $1,116,000,000. He says:

For the next several years government will cost about ten times as much annually as it did five years ago.

Therefore you are going to appropriate $11,160,000,000 for the next several years. And yet the majority leader stands here and complains about estimates for $4,000,000,000—a mere paltry sum of $4,000,000,000—when this authority on budget reform tells you that it is going to amount to over $11,000,000,000 for the next several years.

But now I want to be fair to him. He did not mean that. I am going to save you some money. He says that on one page, and when I turn over the page I find this:

As far back as Col. Roosevelt's time, under the most energetic and vigorous Executive of our day, the annual cost of government amounted to one-tenth of what it will be during the next several years.

During the Roosevelt administration the average expenditure was just a little under $800,000,000, and as he says it was only one-tenth of what it is going to be for the next several years, it follows that for the next few years it will be $8,000,000,000. So by turning over this page I have saved $3,000,000,000 a year for the American people for the next several years. [Laughter.]

Mr. FOCHT. Keep on turning. [Laughter.]

Mr. BYRNES of South Carolina. One could keep on turning in this article with no hope of finding any more accuracy than is displayed in the part of the article that I have read. But the lowest estimate he will let you out on is $8,000,000,000, when the estimates about which all of us to-day are complaining amount to $4,000,000,000. But we should not take it seriously. The gentleman is an impolitic reformer; therefore we have to look at it in that light. [Laughter.]

Let us read further. He has a remedy for the situation. I will give it to you. He has given it to the world in this article. Here it is, under the heading of "Placing responsibility." Here is what he would do.

Mr. BANKHEAD. He admits the paternity of this scheme? [Laughter.]

Mr. BYRNES of South Carolina. Oh, no. That could not be. My friend could not expect him to. He was discovered in the Illinois Legislature, but he acted with like modesty when it came to the introduction of this scheme. I sent for a copy of the bill introduced by the Senator from Illinois, and I found that "Mr. KEYES (for Mr. MCCORMICK) introduced the following bill." [Laughter.] The Senator from Illinois, remembering in what affectionate derision he was held in the Illinois Legislature, when he came to introduce this bill hesitated, and then prevailed upon Mr. KEYES, whoever he is, to introduce this bill. [Laughter.]

But the magazine article would indicate that he is now willing to admit the paternity of it. It has "got out on him," as in the former case. Having got out on him, let us see what he says. I was about to discuss the remedy. He says:

I would reduce the appropriating committees from 14 in the House and 14 in the Senate to 1 in each Chamber.

The distinguished Senator whose name appears at the head of this article served in this House for two years. I withdraw that statement—he was a Member of this House for two years and visited us now and again, but never long enough to learn that there are only eight appropriating committees in this House. And this distinguished authority on budget reform tells the business men of the country that the remedy is to cut down the appropriating committees from 14 to 1.

Now, you know a man grows or it is hoped that he grows in wisdom, and we would have thought that, having graduated to the Senate, he would learn how many committees in the Senate were appropriating committees. He says there are 14 appropriating committees in the Senate. Therefore I send to him a message through the CONGRESSIONAL RECORD that there are only 9 appropriating committees in the Senate, and that his remedy therefore is not so difficult, because instead of cutting out 13 he has to cut out only 7 here and has to cut out only 8 over there.

But I want you to see what the gentleman informed the business men of the country about other matters. He says:

There has been a tremendous acceleration in the rate of increase in taxation and public expenditure. Roughly speaking, government cost 30 per cent more at the end of the 10 years 1901–1911 than it did at the beginning of that decade. Then a convention at Baltimore denounced Republican waste and extravagance, nominated Woodrow Wilson, and rode into office. The increase for the five years 1913–1917 was 60 per cent, or twice what it was during the 10 years which preceded the assembling of the denunciatory convention at Baltimore.

Now, let us see. If the Senator had taken the trouble to look at the figures which were available to every Member of Congress, he would have found that, instead of that being true, the appropriations for the four years of Democratic administration average $1,062,930,372.76 and that the average of the 10 years given by him was $879,125,192.54, a difference between the average for the four years of Democratic administration and the average for the 10 years preceding of $183,805,180.22.

Now, the Senator from Illinois says that it was 60 per cent greater, which he says means only twice as great, and the figures which were available to him, as they are available to us all, show that there was a difference of only $183,000,000 per year. It is a mistake of only 40 per cent, which is not a material matter to the Senator from Illinois.

But business men want facts, and even had he told the truth, that the increase was 20 per cent, why should he not call attention to some of the facts? During the 10 years that he cited, and to which I have referred, the average amount appropriated for the Army was about $80,000,000, and during the Democratic administration from 1913 to 1917 that amount increased so that it averaged $100,000,000, an increase of $20,000,000. The Navy jumped from an appropriation of $78,000,000 in 1903 to $149,000,000 in 1916 and $144,000,000 in 1915. The Senator from Illinois when a Member of the House was a strong advocate of preparedness, and now he criticizes the Democratic administration for increasing appropriations for the Army and Navy. In 1913, 1914, 1915, and 1916, the years cited by him, it was wise that increased amounts should have been appropriated for these purposes, and we would have saved money had we made even larger investments for Army and Navy purposes.

Mr. SMITH of Illinois. Will the gentleman yield for a question?

Mr. BYRNES of South Carolina. Yes.

Mr. SMITH of Illinois. Is it the purpose of the gentleman to discredit the Senator from Illinois or to expound a proposition beneficial to his side of the question?

Mr. BYRNES of South Carolina. Oh, my good friend, my purpose is simply to prevent the Senator from Illinois from misleading business men who read the Annalist, this magazine of finance and commerce, into believing all of the inaccurate statements he has made in this magazine article, so that the record may be kept straight, and so that the readers of that magazine may not be kept awake at night wondering what is going to

become of a country so badly governed as Mr. McCORMICK leads them to believe this country is.

Mr. SMITH of Illinois. As a member of the Illinois delegation it seems to me that it is quite unfair to the distinguished Senator from my State to attack him and his position upon legislation of this character without his having an opportunity to be heard in reply.

Mr. BYRNES of South Carolina. I would not attack the Senator from Illinois. Why, I am simply referring to the statements in his magazine article. Instead of attacking the distinguished Senator, I said that he was for preparedness, that he approved of it, that he was a strong advocate of preparedness, always urging it, and I would go further and say that I am satisfied the Senator from Illinois did not read this article carefully when it was submitted to him for his signature, and that I believe he did not have time to do so, and that some of the publicity men associated with him are chargeable with its inaccuracies, and that they should be censured by him for having put him in a very embarrassing position; because we all know—the gentleman who is addressing me knows—that there are not 14 appropriating committees in this House. The gentleman knows that, does he not?

Mr. SMITH of Illinois. Quite so.

Mr. BYRNES of South Carolina. I thought the gentleman did, and the gentleman knows there are not 14 appropriating committees in the Senate.

Mr. SMITH of Illinois. The gentleman's approval of the distinguished Senator from Illinois is quite democratic.

Mr. BYRNES of South Carolina. That is right. I love to be democratic, and I am very fond of the distinguished Senator, but I want to keep the business men of the country straight in this matter of budget reform, which so vitally concerns our prosperity, and is a matter of so great interest to all of us.

But returning to the Senator's article, I have stated that the appropriations for the Army and the Navy increased during those years. The pensions increased from $139,000,000, in 1903, to $195,000,000, in 1914. I know the Senator from Illinois was in favor of that. He was in favor of these increased appropriations for the payment of pensions to the old soldiers. When in the House he always voted for these increased appropriations, and now has published this article quoting him as criticizing these increases as alarming. Why did he not become alarmed when he was voting for them?

And yet he would refer to these increases as being almost criminal, leading the business men of the country to believe that somebody down here was frittering away the money of the taxpayers. Here is the post-office appropriation. In 1903 the amount was $138,000,000, and in 1915 $313,000,000. The gentleman from Illinois ought to know what caused a part of that increase. I have heard gentlemen on the floor of the House say that it was due in part to the subsidy to the newspapers in the rate on second-class matter. I know the gentlemen who read the Annalist will know that increased appropriations are due to the fact that the business of the country has grown. It is not surprising in this great country that there should be an increase of $183,000,000 a year, during 1914, 1915, 1916, and 1917, over and above the average expenditures of 1903 to 1913. Even prior to our entering the war, the war in Europe necessitated unusual expenditures, and notwithstanding this the increase was only $183,000,000.

I regret that the gentleman from Illinois [Mr. SMITH] seems to think that I would criticize or attack the Senator. I know he is in thorough accord with every statement of fact I have made, and I am expressing no opinion at all except that I trust the Senator will find time to read the RECORD and that he does not rely upon others reading it for him, or, if he does, that he have a competent man to do so. I trust that he will read the few comments I have made on the magazine article so that the next time the Annalist carries a story by him it will give to the business men of the country some real facts about the fiscal affairs of this country and about budget reform. The necessity for budget legislation is so apparent that it is unnecessary to make such ridiculously inaccurate statements to startle the people of the Nation as he says startled the people of Illinois. The people have a right to expect a Senator to inform himself before he embarks upon the writing of magazine articles on the subject of budgetary legislation. [Applause.]

Mr. GOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. NEWTON of Minnesota. Mr. Chairman, we have up for consideration to-day a deficiency measure, and while I shall not speak on the bill in question, yet in view of the fact that we are considering a deficiency measure it seemed to me to be an appropriate occasion to call attention to what is not only a deficiency but something far greater than a deficiency in one of the departments of the Government.

One year has now passed since the Great War closed. The consequences will be felt for decades. The destruction of hundreds of billions of treasure and the loss of millions of human lives call for increased production. This demand arises not only out of economic but moral and patriotic grounds. This call for increased production is the call not only of America but of the human race. During the war, when the Central Powers were seeking the destruction of our country, there were those in our midst enjoying the rights and privileges of this country who in one way or another sought our destruction. While 2,000,000 were fighting abroad they were plotting at home.

In too many instances they were dealt with too leniently. As a result we still have to put up with those who, failing to accomplish their purpose during the war, seek to accomplish it now by inciting others in more or less clever ways to sabotage and acts of violence.

The demand is that Congress do something. Congress has done not only "something" but a great deal, and should do more, but while Congress can enact laws it can not enforce them. That, under our Constitution, is a function of the Executive.

There are two classes of radicals or revolutionary agitators—the alien and the citizen. They should be dealt with separately.

For some years there has been strong Federal legislation providing for the deportation of alien anarchists and forcible revolutionists. The trouble is that the Department of Labor, acting through the Bureau of Immigration, will not enforce existing laws. During the time from July 1, 1916, until October 23, 1919, only 122 alien anarchists have been ordered deported, and of these 122 up to November 1, 1919, only 51 have been deported. Where are the rest? They are either being fed at Government expense at Ellis Island, or are out on bail, or were released on their own recognizance. Some can not even now be found.

My own community, the city of Minneapolis, has had to put up with a Russian by the name of Alexius Georgian. He has now lived in America for about 18 years and is not a citizen. During the fore part of the war he ran a bookstore, where he held open house for the I. W. W., and so forth. He refused to buy bonds or to contribute to the various war funds. In June, 1917, the Department of Justice, in a raid, found and seized circulars which he had for distribution entitled "It is unlawful to request anyone to register," and "Will you act as a man on June 5?" To him, as he expressed it, "citizenship in America was a disgrace."

Finally, after two years had passed, in March of 1919, the Department of Labor acted and he was held to await deportation proceedings. The evidence disclosed the above and his advocacy of the overthrow by force of our Government.

In a meeting on May 12, 1919, he said in an address entitled, "Terrorism versus Bolshevism," after a brief reference to the efforts of Minneapolis citizens to have him deported, that "he would rather be living in Russia under the conditions existing there now than he would in the United States and that there were many others who felt as he did." He then compared the action of our Government in deporting alien anarchists to the action of the Russian Government alleged to have been taken in 1860, when certain peasants, workers, and students were, as he said, deported, and resulting eventually in the revolution in Russia of 1917. He then went on to advocate a revolution and the application of Bolshevist principles in this country, saying that "there was greater need of a revolution and the enactment of Bolshevist principles in this country than there was in Russia preceding the revolution."

This speech was made after his hearing upon deportation and while he was out on bail awaiting the decision of the Secretary of Labor.

The following is a sample of some of the publications seized and offered in evidence at the deportation hearings:

The Rebel Worker.
I. W. W. Song Book.
The Revolutionary Age.
The Class Struggle.
Russia and the League of Nations.
On Behalf of Russia.
An Open Letter to American Liberals.
The Individual and the State.
"U," by Charles W. Ervin.
What Happens in Military Prisons.
The Bolsheviks and the Soviets.
Soviet Russia.
The Russian Constitution.
The Revolutionary I. W. W.

At one of the farewell meetings to Georgian to protest against his deportation he made the statement that "he expected to return to America and that when he did so he would come back under the red flag of Bolshevism."

On June 14, 1919, it was announced by the Department of Labor that he would be deported. Notwithstanding this he continued at large until September, when he was again taken into custody for deportation and sent to New York, where, instead of deporting him, he was released on bail, or upon his own recognizance, and is now editing the Novi Mir, a radical paper in New York City that is engaged in spreading the principles of Bolshevism in America.

Whether or not he ever will be deported, I do not know and can not find out. Two weeks ago the Department of Labor informed me that they were writing me that day regarding it. I am still waiting for the letter.

In any event, with a law providing for deportation and an order of deportation, the Commissioner General of Immigration and the Secretary of Labor continue to permit Georgian to remain at large here with full opportunity to continue his Bolshevistic propaganda.

The excuse: After much labor this department of the Government has finally brought forth the idea that this Government is powerless to deport dangerous Russian agitators, because we have not recognized the present Russian Bolshevist government. Nothing but a bureaucracy could ever bring forth a more nonsensical proposition. To merely state it is sufficient to demonstrate its absurdity. If this theory of bureaucracy is to stand, any government not enjoying recognition by our Government would be free to dump its undesirables here and we as a sovereign power would be helpless to send them back again.

This same Secretary of Labor has refused to deport alien members of the I. W. W. notwithstanding the fact that that organization teaches and advocates sabotage and criminal syndicalism, which is in direct violation of the present deportation statutes providing for the deportation of all aliens. The Federal law provides that aliens—

Who are members of or affiliated with any organization that entertains a belief in, teaches, or advocates the overthrow by force or violence of the Government of the United States or of all forms of law; or that teaches or advocates the unlawful destruction of property.

Here is another instance of special solicitude and tenderness toward an I. W. W., who has also been instrumental in preaching strife, revolution, and violence. He was quite prominent in various meetings to protest against the deportation of the anarchist, Georgian. I said he was given special care and consideration by a high official in this administration. My proof:

Allan S. Broms, companion of Georgian, resided in Minnesota in June, 1917. He was in apparent accord with Georgian's views as to the draft, and although an American citizen, refused to register. Discovered by local officials he was jailed and finally forced into the Army and sent to Camp Dodge, Iowa, where he was assigned to Company M, Three hundred and fifty-first Infantry. He there commenced his duties as a soldier by refusing to sign the muster roll or don the uniform. He was thereupon tried by general court-martial and sentenced to be dishonorably discharged, forfeiture of pay, and to serve 20 years in Leavenworth. His case was reviewed. In his opinion sustaining conviction, Gen. Crowder, Judge Advocate General, said:

Short of armed mutiny, nothing more inimical to military discipline can be imagined than conduct such as displayed by the accused in this case. From the transcript of his statement contained in the record it is plain that he is not only an educated man but possessed of an energetic and forceful power of presentation and endowed with faculties calculated to give him more than an ordinary influence over his hearers and render him conspicuously successful in the work of proselyting, in which it is not unreasonable to infer he has been engaged. A man such as this allowed at large is incalculably more dangerous than an enemy spy. His seditious doctrines are of a character which, if permitted dissemination, would sap the very foundations of our Government.

What was done with him, then? The records show that Dr. Keppel, Third Assistant Secretary of War, the special friend of Roger Baldwin, of the National Civil Liberties Bureau, and now serving in a Federal prison for obstructing the draft—the same Dr. Keppel who was such a friend of the conscientious objector—appeared and interceded for him, whereupon the sentence was reduced from 20 to 3 years. One would naturally suppose that this man, who, in the opinion of the Judge Advocate General, was "incalculably more dangerous than an enemy spy," would be kept where other dangerous men are kept. He was for a short time only, when by what appears to have been a mistake he was released from Leavenworth in March, 1919, with more than two years to serve.

The commandant immediately asked the Judge Advocate General if he could not pick him up. Gen. Kreger, Acting Judge Advocate General, said:

It is the opinion of this office that Broms can be legally taken into custody and returned to the barracks to serve the unexpired portion of confinement.

That sounds like good law and good sense. Was he picked up? No. The War Department has permitted this man Broms to remain at large from that day until this, while he has been making full use of the opportunity to continue his revolutionary work. What is he doing?

In August of this year he was placed in charge of the Communist Party headquarters, at 1217 Hennepin Avenue, relieving one Charles Dirba, the national secretary, who was to stand trial for evading the draft. He there associated himself with another official and organizer of the Communist Party, C. E. Ruthenberg, who, while in Minneapolis in August of this year, in referring to the Communist Party, said:

That the Communist Party was in sympathy with the I. W. W. and opposed to any effort to change conditions by the ballot. That his party would participate in elections only for the purpose of educating the masses on communist principles.

He has been attending meetings with Georgian, Louis Frania, editor of The Revolutionary Age, and other similar types. In one of the meetings in Minneapolis Frania referred to the coal miners as "very valuable revolutionary material" and "that the breaking up of the American Federation of Labor was the most important task before them." He then advocated an uprising of the workers and the instituting of a soviet form of government. At a meeting of November 1 of this year in Minneapolis Broms referred to certain events in American history in the following language:

It was not the American people who revolted against England in the Revolutionary War, but it was "Big Business."

* * * * * * *

George Washington led the American forces of the Revolutionary War because he feared he would lose 30,000 acres of land.

* * * * * * *

That American school children are not given "the inside information" about our history and our Government.

It was with this knowledge of Broms's activities and his previous conviction that I looked up his record last September and made inquiry of The Adjutant General as to why Broms was being given this special consideration. This is what I found:

Fortified with the opinion of the Judge Advocate General that Broms could and should be rearrested, on May 14 of this year The Adjutant General wrote the Secretary of War of the mistake made in releasing the prisoner, and requesting that authority be given to the commandant to send guards to Minnesota and there to take Broms into custody. Every military official, from the lowest to the highest, saw the rank injustice to the prisoners at Leavenworth—many of them fighting men who had committed breaches against military law and discipline—in permitting Broms to retain his liberty. They also recognized the danger in permitting such a man to continue his revolutionary propaganda. But under the law and regulations Broms could not be rearrested without the approval of the Secretary of War.

The matter was then presented to the Secretary of War by The Adjutant General. Thereupon the Secretary of War overruled the commandant at Leavenworth.

I insert a verbatim copy of the request of The Adjutant General in reference to Allan S. Broms, with an indorsement thereon disapproving the same:

A. G. 201 (Broms, Allan S.).
Miscl. Div.

MAY 14, 1919.

Memorandum for the Third Assistant Secretary of War.

Subject: Return to confinement of a general prisoner released by mistake from the U. S. D. B.

1. The accompanying correspondence shows that Allan S. Broms, late private, Company M, 351st Infantry, N. A., who was tried at Camp Dodge, Iowa, and whose case was published in G. C. M. O. #21, Headquarters 88th Division, Camp Dodge, Iowa, March 7, 1918, and who was sentenced to be dishonorably discharged from the service, to forfeit all pay due or to become due, and to be confined for twenty years, was under date of March 11, 1919, granted a remission of seventeen years of his sentence of confinement. On March 18, 1919, Broms was, thru a mistake at the U. S. Disciplinary Barracks, given his dishonorable discharge certificate and was released from confinement.

2. Under date of April 11, 1919, the commandant U. S. D. B. reports that Broms is in Minneapolis, Minnesota.

3. The release of this man was without authority. The commandant desires him returned to custody.

4. The Judge Advocate General is of opinion that Broms can be legally taken into custody and returned to the United States Disciplinary Barracks, Fort Leavenworth, Kansas, to serve the unexpired portion of his sentence to confinement as remitted.

5. The clemency board is of opinion that the maximum remission justified by a careful review of the proceedings of the G. C. M. was given in this case. In justice to other prisoners serving similar sentences, I am of opinion that Broms should be returned to the U. S. D. B. to complete his sentence of confinement as remitted.

6. It is proposed to direct the commandant U. S. D. B. to send an officer and one man to Minneapolis, Minnesota, to rearrest Broms and take him to the U. S. D. B. at Fort Leavenworth, Kansas.

7. It is recommended that you give your approval to this action.

(Signed) J. T. KERR,
Adjutant General,
In Charge of Office.

(1st Ind.)

Third Assistant Secretary of War, May 17, 1919. To The Adjutant General.

1. By personal direction of the Secretary of War, disapproved, in view of the fact that the prisoner is in legal possession of a discharge certficate and has been released from confinement.

(Signed) F. P. KEPPEL,
Third Assistant Secretary.

A true copy:
H. C. WILLIAMS,
Col., A. G.

In final reply to my various inquiries regarding this case The Adjutant General, under date of September 25, 1919, wrote me as follows:

With reference to your letter of September 22, relative to the case of Allan S. Broms, Company M, Three hundred and fifty-first Infantry, who was tried and sentenced to a term of confinement at Fort Leavenworth, and who was erroneously released from confinement prior to the expiration of his sentence, I beg to say that at the time it was discovered that this prisoner had been erroneously released the case was brought to the personal attention of the Secretary of War, who decided that no steps would be taken looking to the prisoner's apprehension to serve out the balance of his sentence, in view of the fact that the prisoner was in legal possession of a discharge certificate and had been released from confinement. No further action by the War Department is therefore deemed advisable in the case.

(Signed) P. C. HARRIS,
Adjutant General.

Here is the opinion of the United States district attorney of Minnesota in reference to Broms:

Broms was one of the most flagrant offenders we had to deal with during the war.

Upon being asked to have Broms rearrested, so as to serve out the remainder of his sentence, the district attorney said:

I can do nothing. This office was never consulted in reference to the release of Broms and would not have favored it.

Here, then, is the situation: Broms, a draft obstructor and evader, then a fake "conscientious objector," was released by mistake from a Federal prison. The commandant at Leavenworth; the judge advocate stationed there; Acting Judge Advocate Gen. Kreger; Maj. Gen. P. C. Harris, The Adjutant General; and the Department of Justice—all anxious to have Broms serve the remainder of his well-deserved sentence—are stopped and thwarted in their efforts by the "personal orders" of Newton D. Baker, the Secretary of War.

In the meantime some of his comrades, or rather those who would have been his comrades if he had served in his division—the Eighty-eighth—were lying beneath the soil of France, while the remainder were, long after this proceeding of the Secretary of War, being held over in France as a part of the American Expeditionary Forces.

Responsibility, then, for releasing and permitting to remain at large Allan S. Broms, whom the Judge Advocate General characterized as "more dangerous than an enemy spy," and who is now engaged in going about this country preaching revolution and slandering the memory of George Washington and other Revolutionary heroes, rests upon Newton D. Baker, our Secretary of War, and no one else.

Mr. SHERWOOD. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. SHERWOOD. What were the observations made by the Secretary of War at the time? What comment did he make upon it?

Mr. NEWTON of Minnesota. So far as I know, he made no comment whatever, except that by his personal direction the man, having been released by mistake, should be permitted to remain at large. I have not talked personally with the Secretary of War in connection with the matter, but the Secretary of War had before him all of the papers in the case.

There is still another radical agitator, also an American citizen, who was shown marked favors and consideration by the War Department. I refer to Robert Minor, a well-known and recognized radical, and an associate of Thomas J. Mooney, Emma Goldman, Alexander Berkman, and others. Previous to the war he busied himself making speeches against a program of preparedness and recommending to his hearers the use of "direct action" in preventing its adoption. His name was associated with papers like the Masses, Solidarity, and others. In every way he was known as an extreme radical agitator and syndicalist.

Notwithstanding this, in July of 1918, he was given by our Government a passport to proceed to Russia, where he became an associate and intimate of Lenin and Trotski. He is now engaged in going about this country posing as a former representative of the United States Government in investigating the Lenin and Trotski government in Soviet Russia. He then proceeds to say that he is not a radical but a neutral, and therefore in a position to give an impartial account of the workings of the new Russian government and the benefits of the soviet government. He thereupon gives his eulogistic speech upon Bolshevism and the soviet republic.

This man belongs in jail, and would be in a Federal prison to-day if some one in high authority in this Government had not intervened to prevent it.

After completing his mission in Soviet Russia he proceeded to implant seeds of Bolshevism in the American Army of occupation in Germany. It was not fertile soil, however. We had in that Army a good military intelligence department. It has learned that certain German Bolshevists were planning to spread Bolshevist propaganda among our troops.

Sergt. Siegfried, in that service, disguised as a deserter, gained the confidence of this group, and ascertained that a movement was on foot to spread Bolshevism in our Army. He met various people in Germany in that connection. Among them this same Robert Minor. At one of these meetings Minor volunteered to prepare a pamphlet to be used in this propaganda. He prepared such a pamphlet and about 60,000 copies were turned over to the sergeant for distribution.

He (Minor) was later discovered doing similar work among French and British troops. The French arrested him and turned him over to the American Army for trial before a military commission. The charges were substantially as follows:

1. As an American and private citizen he engaged in a campaign of propaganda for the purpose of weakening the military power of the United States Army and the armies of the Allies, and prepared documents with the object of weakening the morale and fighting efficiency of said forces.

2. At or near Dusseldorf, Germany, in February, 1919, he composed a certain document and caused 60,000 copies thereof, in the form of a handbill, to be printed and turned over to a member of the Army of the United States for distribution among the soldiers of said Army, then within the territory of the German Empire.

Could anything be more serious? Was he tried? No; released.

Col. House at that time was in Paris, and Col. House in some manner or other interested himself in Robert Minor.

The order for Minor's trial by military commission bears date of June 20, 1919. Within 15 days after the issuance of the order Robert Minor was ordered released. I quote from the memoranda of the judge advocate in that connection:

The case against Minor at present amounts to this: He is charged with as serious an offense as a man can commit, but there is only one witness against him—Siegfried. Every effort is being made by the Third Army authorities and by the British at Cologne to obtain corroborating witnesses. There are three persons in the hands of the British and American authorities who, it is believed, can corroborate more or less the testimony of Siegfried as to the activities of Minor at Dusseldorf, though it has been impossible as yet to get them to do so. One of them is among the seven undergoing trial by military commission at Cologne, and efforts will be made to get him to tell what he knows as soon as his trial is finished, which will be this week. * * * I have interviewed Siegfried, the officers of G–2, and the judge advocate's department at the headquarters of the Third Army, and have, with Col. Mayes, visited the military commission sitting at Cologne, etc. I thoroughly believe Minor to be guilty, but if I were sitting on a court I would not vote guilty on the evidence now available—the testimony of one man only, and that man acting in the character of a detective and informer. If his testimony were substantially corroborated by other witnesses, I believe a conviction would be justified. It is desirable, of course, if a man is to be convicted, that the case against him be as strong as possible. An offense that is so serious should, in order to justify conviction by a court and approval by the confirming and reviewing authority, be supported by the strongest proof, and since this is a case in which a dangerous element in the United States has the greatest interest it had better not be tried at all unless there is proof which fully warrants conviction. An acquittal, a disapproved conviction, or an approved conviction on anything short of conclusive evidence would be injurious to the cause of good government. It should be known within a week or 10 days at the furthest, I think, whether substantial corroboration of Siegfried's testimony can be had, and if it can I think Minor should be tried. If corroboration can not be had, I think it would be better to dismiss the case.

In other words, Minor was released because there was only the word of the American fighting man, an officer of the Military Intelligence Department, Sergt. Siegfried, against that of Robert Minor, the associate of Mooney, Berkman, and Goldman, and, of course, they could not take and rely upon the word of the fighting man.

But one would have thought that they would have, at least, waited until such time as corroborating evidence could have been obtained. To have done so, however, would have meant the keeping of Robert Minor in jail. That was unthinkable. It is true that many a fighting man who had overstepped the

bounds of discipline had to wait in prison sometimes weeks before he was brought to trial, but they could not think of having Minor wait more than 15 days. Was there corroborating evidence? Yes! The very day following Minor's release the authorities located Meta Filip, one of the women whom the intelligence officer had met with Minor at the time of the discussion of the pamphlets. In addition to this, another officer of the Intelligence Service was told by the head of the concern which printed the pamphlets that Minor was the very man who brought the copy to him and ordered them to do the printing. This statement was corroborated by a German employee in the establishment. In further addition, it appears that the Intelligence Service in March of 1919 had an agent in Berlin posing as a Bolshevist, who was there told by Minor that the time was ripe for the spreading of Bolshevist propaganda among the American soldiers.

It will be noted that at the time of the release of Minor they not only had the statement of Sergt. Siegfried, but that other officers in the Intelligence Service then had similar knowledge of Minor's activities. Yet, notwithstanding all of this and the very serious nature of his offense, some one with, certainly, power and influence interceded in Minor's behalf and he was released; otherwise no military official would have shown him any consideration. In any event we know that with the publicity that was given this at the time, and with the President himself in France at the time and personally cognizant of Minor's imprisonment, nothing whatever was done to rearrest Minor immediately after the obtaining of this additional evidence.

Congress should, in my judgment, provide for the deportation of any alien seeking to change our form of government by peaceable means or otherwise. An alien is here by courtesy, and if he does not like our form of government he should get out. I have introduced a bill, which is now before the Immigration Committee of the House, to this effect; but while we give attention to the alien revolutionist let us not forget that we have American citizens, so called, who are preaching revolution, syndicalism, and the overthrow of our Government by forcible, violent means. The man who does so preach or act commits an offense against both State and Nation. The State legislatures should act accordingly. The Federal law should be amended so as to properly take care of this class of citizens. But let us continually bear in mind that it is of no use or consequence to have good laws upon our statute books unless we have men in the executive departments of the Government, from the very highest to the very lowest positions, who, appreciating their oath of office, will see to it that the laws are enforced. They will not be enforced if Bolshevik sympathizers are permitted to remain in the Government.

In view of these facts some publicity has been given to the conduct of the Secretary of War. In that connection I received the other day from a Mr. John Edwin, late of Company A, Twenty-seventh Engineers, and who saw service overseas, a letter, in which Edwin expressed himself in no uncertain terms. In closing I can do no better than to use a portion of his remarks, which were as follows:

> Reading accounts such as that of Broms makes me see red. Not the red of anarchy, but the red blood of 50,000 Americans resting in the cemetery at Romainge, with their lives apparently wasted to purchase immunity and safety for such as he.

How much longer are the affairs of government to be administered by those who give aid and comfort to draft objectors and evaders and Bolshevik sympathizers? [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. McCLINTIC].

Mr. McCLINTIC. Mr. Chairman and gentlemen of the House, I desire to make some observations relative to a trip I made to Europe last June, at which time I visited a number of places, including Berlin, Germany, and Amerongen, Holland, the place where the Kaiser is interned. I brought with me from Berlin a series of German medals which represent a form of propaganda that was used among the German people for the purpose of teaching them that the people of the United States were not interested in the war, that they were not standing behind their Government, and in their unprepared condition they were not capable of rendering any service to the Allies in the event the United States became a participant. If I secure sufficient time I shall be glad to explain their meaning, as each one of them relates to some particular incident during the war and many directly refer to the President of the United States.

CONDITIONS IN HOLLAND.

Holland as a nation does not appear to have suffered very much during the war. Her people were well clothed and seemed to be properly nourished. In fact, there was apparent every sign of prosperity. I never saw in any country so many cattle, and if there had been a severe shortage of food, as was reported to the people of the United States, it is very evident to my mind that some of these herds of cattle would have been used to feed the people. According to the information given me, Holland is 50 per cent German, and I was informed by persons I talked to, and this included soldiers in the Holland Army, that in the event it had been necessary to take sides in this war that the forces of Holland would have been allied with Germany. I was also informed by what I considered to be reliable authority that thousands of the citizens of Holland were enriched during the war by being engaged in smuggling merchandise and food into the German lines. The laws of Holland against violations of this kind were so slack that the penalties in comparison with the profit to be made seemingly were an indirect invitation to many to engage in this occupation.

VISIT TO THE KAISER.

After visiting the cities of Amsterdam, Rotterdam, The Hague, and Utrecht, in company with Congressman LOUIS B. GOODALL, we arrived at the little village of Amerongen, the place where Count Bentinct extended the hospitality of his castle to William Hohenzollern, the former Emperor of Germany. We were cordially received by a representative of the Associated Press and informed that we were the first Members of Congress to visit that little village. Being interested in seeing the castle, the representative of the Associated Press volunteered to accompany us on an inspection tour. Leaving the little hotel, we walked to the front gate of the palace, where we met Count Bentinct, who exchanged courtesies with our attendant by bowing very low. We were taken around to the side of the palace where it was possible to see the place where the Kaiser saws wood each day for exercise. Some very good photographs were taken, and then we returned to the hotel for a meal. While sitting at the table we saw approaching a person who, we were informed, was the Kaiser's doctor, and it was suggested that probably the Kaiser was sending him over to ascertain who we were and find out what was our business. This deduction was correct, for presently the door opened and he came into the room. Realizing he might be considered an intruder, he bowed, apologized, and went out. As we came out of the dining room the correspondent of the London Daily Mail called me to one side and said: "Mr. McCLINTIC, you will doubtless be interested in knowing that I have just received a telephone message from the castle asking who you were, what you were doing here, and what is your business." Continuing, he said: "I informed him an American officer, an American soldier in an American Army car, with two Members of the United States Congress, were making an official inspection trip. He asked for the names, but I did not feel warranted in giving this information." The fact that the Kaiser was apparently worried over the sudden appearance of an American delegation did not disturb any of our party. In reality, had it been possible to have had an interview with him, I am sure we could have imparted some very interesting information as to how the average American citizen regarded him.

Soon thereafter we started for Belgium. About a half mile from this village two Holland officers came out on the road and held up their hands. Our car came to a stop, and they immediately opened the side doors for the purpose of making an inspection. We had a large can of gasoline covered with a blanket, and it amused us very much to see them lift this blanket for the purpose of seeing if we were concealing anything or taking out of Holland something we should not. After being satisfied, they closed the doors and allowed us to continue our trip.

The next city of importance was Nyjmigen. This is a very important city in Holland, because several famous treaties have been entered into at this place. After being ferried across the river, we drove up the main street of Nyjmigen. Suddenly an officer came out and stopped our car. We tried to converse with him in German, French, and English, but apparently he could only speak and understand the language of his country. In a very few moments a large crowd had gathered around our car. I realized it was going to be necessary to secure the aid of an interpreter, and standing on the dashboard of the car I said, "Is there anyone here who speaks English?" A person in the rear of the crowd put up his hand, and I invited him to come up and ask the policeman what he wanted. He complied with my request, and after a few words of conversation he said, "He thinks that you have stolen an automobile." [Laughter.]

I said to him, "Tell him he has another think coming. This is an American car and the number on it corresponds with the number on our papers, which give us permission to visit this country." He gave him this information, but evidently the offi-

cer had heard of the ingenuity of the average American citizen, for he replied, "American paint out numbers and put new ones on." Realizing the officer was determined to gain his purpose, I requested the interpreter to find out what he wanted us to do. He replied by saying he wished us to accompany him to that place which corresponds with our American jail. Being certain it was useless to make any further objections, I said, "Tell him to get up in the front seat with the driver, as we are ready to go with him." I wish you could have seen that cop as he drove up the main street with Congressman GOODALL and myself under arrest. Sitting on the front seat proud and erect, he would bow to his friends on each side as if to say, "Look what I have captured to-day." Practically all of the people who saw our American car being accompanied by the policeman followed us to the great walled inclosure which was used by the city authorities to take care of those who violated the laws of the land. While on the inside looking out I took a very interesting photograph of the street full of people, who apparently were waiting to see what the verdict would be. After our papers were examined by the chief magistrate and our names taken down we were exonerated from the charge made by the policeman and allowed to continue on our way. The only deduction I can make was that the Kaiser wanted to know who those two Members of the United States Congress were that visited him, and this method was used for that purpose.

TRIP TO BERLIN.

The entire congressional delegation was interested in making a trip to Germany. We had no difficulty in getting to Coblenz, and while there we were given permission to go up and down the Rhine in order that we might view that most wonderful scenery. One of the most interesting points visited was the Kaiser's palace on the Rhine. Being admitted through the walls into the inclosure immediately adjacent to this famous old building, I happened to turn and look back toward the wall, where I saw a German inscription which related to the fatherland and in substance said, "God and the fatherland shall prevail forever." I could also see the great German Fort Erenbrinstine which, it is said, commands the finest view of any fort in all of Germany. At the top of the flagstaff could be seen the American flag—"Old Glory"—proudly waving its folds to the world. I said to the American officer in charge, "Surely the Kaiser, when he associated himself with God, overlooked the fact that this nation might some day become involved with the United States, for if he had he would never have allowed this inscription to become the slogan of Germany." Entering the castle, we were told by the caretaker that visitors put on cloth overshoes in order to keep from scratching the Kaiser's hardwood floors. We did not give a continental about the Kaiser's wishes at that time, but desiring to be courteous, we put them on. Then we learned that if we raised our feet the cloth shoes would come off, and so as we slided back and forth over the splendid hardwood floors, instead of scratching them up we were giving them a first-class polish. So much for "German efficiency." After examining the antique furniture, the old paintings, and the other elaborate furnishings we were taken to what was said to be the Kaiser's favorite room. In that room was to be found practically every kind of fighting apparatus that had been invented for a thousand years or more. The walls were covered with armor, shields, guns, swords, pistols, knives, and so forth, showing that the uppermost thought in his mind was the destruction of mankind and the conquering of the other nations of the earth.

Returning to Coblenz, we informed the officers of the Third Army, who were indeed very courteous to us, that it was our desire to visit Berlin. The next morning the general in charge of the interallied food commission at Berlin sent for us. He informed us that he had learned that it was our intention to visit Berlin, and as a representative of the American Army he felt it was his duty to give us the following information. He said: "There is at present a street car strike in Berlin and over 3,000 people have been killed in street fighting. Practically all of the public buildings have been shot up; food is very scarce; and inasmuch as the American Government very much desires that nothing happen that might in any way embarrass our country, I doubt the advisability of you gentlemen making this trip." I have always had a great deal of curiosity, and being anxious to have the opportunity of observing the conditions in Berlin prior to the time the food embargo would be raised, I said to him, "I am very anxious to make this trip, and if I go unaccompanied and on my own responsibility, after being duly warned by you, would it in any way embarrass our country?" He replied, "I think not." The headquarters of the Third Army telegraphed to Berlin and asked permission for me to make the trip. I have here the first German military pass issued to a Member of the United States Congress since the war:

GERMAN MILITARY PASS.

DEUTSCHE MILITÄR-KOMMISSION
(GERMAN MILITARY COMMISSION),
CASTORPFAFFENSTR. 21,
COBLENZ, *den 10. Juli, 1919.*

[Abt. Passamt, Br B. Nr. 987, 19/E. Bei Beantwortung bitte Datum und Nr. dieses Briefes angeben (replying please quote Nr. and date of this letter). Fernsprecher 498 u. 3069. St.]

AUSWEIS.

Herr J. V. MCCLINTIC, Mitglied des Kongresses der Vereinigten Staaten von Amerika, hat die Erlaubnis per Eisenbahn dienstlich nach Berlin zu fahren und zurück nach Coblenz.

Alle Behörden werden gebeten ihn ungehindert reisen zu lassen und ihn nötigenfalls Schutz und Hilfe zu gewähren.

Gültig von 10. bis 20. Juli, 1919.

[SEAL.] KÜHLENTHAL,
Major in Generalstabe und Chef der Deutschen Militär-Kommission.

[SEAL.] STOLZ.

CERTIFICATE.

Valid from July 10th to 20th, 1919.

The Hon. J. V. MCCLINTIC, Member of the Congress of the United States, has permission to proceed by rail to Berlin on official business, and will return upon completion to Coblenz.

All authorities and sentinels are requested to let him pass unmolestedly, and in case of need to help and assist him.

[SEAL.] KÜHLENTHAL,
Major in the General Staff and Chief of the German Military Commission.

[SEAL.] STOLZ.

This pass must be returned to our office upon its expiration. If not returned further passes into unoccupied Germany will not be granted.

The other members of the congressional delegation decided they did not care to make the trip under such circumstances, and 16 hours thereafter I arrived in the city of Berlin. The railroads of Germany have a different system of collecting tickets from ours. Instead of taking the tickets up on the train they are collected from a person after he arrives at his destination in going out of the depot. I do not speak any German, and thinking I was riding on a German military pass, when I got off the train I came out of the depot without paying any attention to anything that might have been said to me by the person who looks after the collection of fares. Upon reaching the main street outside the depot I saw hundreds of German soldiers walking idly back and forth. The only way they were armed was that each one of them carried a short knife attached to a belt. No street cars were running and every kind of a vehicle was pressed into service in order to accommodate those who wished to travel from one place to the other. The supply of rubber in Germany has been exhausted and the automobiles had coil-spring wheels, which apparently made a very good substitute, except they produced a lot of noise. Instead of burning gasoline they were using a chemical solution prepared for use in the German submarines. It gave off a very offensive odor. In fact, you could smell one of these cars some time before you could hear or see it. As I stood on the street corner that day waiting to secure some kind of a vehicle to take me to the Adalon Hotel an officer walked up and took me by the arm. I asked him in English what he wanted. He said something to me in German. The results of the conversation were 50-50, because I do not understand a word of German and apparently he did not understand a word of English. I presented him with my German military pass, but apparently that did not seem to satisfy him. A crowd soon began to collect around me and in a few moments I was the center of attraction, as it seemed every person in that section of the city was trying to read the statements contained in my military pass. The position was uncomfortable and I became very uneasy, fearing that the statement that I was a Member of the United States Congress might embitter the crowd and cause me a lot of trouble. In a few minutes I happened to see an American soldier. I called on him for assistance. He immediately interpreted for me and informed me that I had not paid my railroad fare, and for this reason I was being held. I was very glad to pay the amount called for by the officer, and in a few minutes I was on my way to the Adalon Hotel. I do not remember the name of the American soldier that rendered me this assistance, but should he read this statement I shall be very glad to have him communicate with me.

Arriving at the American headquarters in Berlin, I was informed that I was the first Representative of the American Congress to visit that city since the war. I am especially indebted to Col. Parker and Lieut. Sonfield, of Texas, for the many courtesies extended to me while I was in that city. Through their kindness an arrangement was made for a German officer, who commanded the artillery at Verdun against the Allies, to accompany me on an inspection trip. I saw the public buildings showing huge scars, the result of street fighting. These buildings were guarded with machine guns and many of them had barbed-wire entanglements surrounding the entrances so they could not be suddenly rushed. We inspected the famous street where the

statues of the ancestors of the Kaiser are to be seen. It is said the school children of this city were required once each week to march up and down this street and give these statues a salute of honor. At the head of this street is to be seen the famous wooden statue of Hindenburg. This was used by the German Government during the war to inspire loyalty and patriotism in the selling of German bonds. Instead of pinning a button on the lapel of the coat of a purchaser, as we did in the United States, they would allow each purchaser of a German bond to walk up to this statue and with a hammer drive a nail in the same. To me this is a very queer idea, and the only solution that I can make of it is that Germany has always ruled with the mailed fist—iron and steel—and the purpose of this procedure was to harden the hearts of her citizens and make them more determined to stand by Germany until she had won the war.

Passing under the famous Brandenburg gates could be seen a soldier with machine gun standing on top watching for the appearance of any trouble with the Sparticans. At the front door of the Adalon Hotel was another German soldier, standing with his helmet on waiting to give the alarm in case there should be any appearance of trouble.

Some have said in this country that these outbreaks and disturbances in the streets of Berlin have been under the control of the present Government, and they could be brought about any time they might so desire. I can not concur in this opinion, as, to my mind, it would be practically impossible to bring this about when it is taken into consideration that thousands of innocent people had to lose their lives. That night at the Adalon Hotel I was introduced to about 15 American officers, all of whom wore civilian clothes. The Army authorities recognized the fact that any Americans who appeared in uniform on the streets of Berlin were liable to have difficulty, and for this reason, and I think wisely so, permission of this kind was given to those who had charge of the American affairs. During the night an occasional shot could be heard, and the next morning I learned that a mob had killed a French officer. This murder caused a wave of indignation to spread through France, and when the body was returned for interment, accompanied by wreaths of flowers put on by the Germans, the French people were very indignant, because they considered these tokens in the way of flowers as mockery. Afterwards Gen. Foch assessed a heavy fine against the German Nation, which will probably be paid to the heirs of the deceased.

Walking down the main street of Berlin, accompanied by the German officer, my attention was attracted to a number of posters displayed in prominent places throughout the city, and on inquiring as to what they said I was informed they were patriotic appeals to the soldiers of the recent army to reenlist in the national guard so their services would be available in case they were needed by Germany. I then remembered that according to the terms of the peace treaty Germany would only be allowed a small army, and my deduction was that in case the peace treaty should fail or the Government was overthrown, or if Germany should enter another war, the national guard units could be immediately federalized, making available immediately a splendid organized army.

The people in the streets had the appearance of being underfed. The food blockade had not been lifted. The same conditions existed then as during the war. The clothes of the men hung loosely from their shoulders. The faces of the women and children were pinched because of undernourishment, and during the drive of five hours through that city of over 3,000,000 population I never saw a single fat person. The officer accompanying me told me that every adult person in the interior of Germany had lost on an average 20 pounds, and I am informed that statisticians make the statement that 800,000 people died in the interior of Germany because of undernourishment. This, in part, is the price that the Kaiser caused his people to pay when he set out to conquer the world. Many of the German people at that time were wearing paper clothes. These seemed to act as very good substitutes for woolen clothes except when it rained. The people on the streets at different places were lined up in single file in long rows waiting for the opportunity of purchasing some necessity. Many of the shelves in various stores were empty, because it was impossible to secure supplies of certain kinds of merchandise. I did not see any meat, butter, or fats in any of the markets I visited. On the other hand, there seemed to be an abundance of vegetables and black bread. The street agitator in Berlin was getting in his work, and as you visited the various sections of the city you could see him standing on the corner addressing the crowds which were gathered around him. Everything seemed to be in a turmoil. You could see in the people's faces a look of dissatisfaction, and the first appearance of happiness I saw while there was on the day that the bulletin boards carried the news that the food embargo had been lifted.

"GERMAN MEDALS."

The German authorities since the treaty of 1812 have controlled the religion, the press, and have not allowed the people to participate in a representative form of government. One of their forms of propaganda was the issuing of medals upon the happening of any great event, and the medals I have with me were distributed to the various societies and organizations under the control of the Government during the war for the purpose of keeping the minds of the people properly informed.

German medal No. 1: Shows on this side the American people sitting with their backs to the wall. In other words, this medal was used to carry the thought to the German people that the Americans were not interested in the war. On the other side is a picture of President Wilson sucking his thumb and about to be bitten by a German serpent, which was to indicate to the German people that if America entered the war she, as a nation, would be attacked or destroyed by this German serpent.

German medal No. 2: This medal shows a picture of a sailboat, with Uncle Sam sitting astride the bow operating it by himself. This was for the purpose of conveying the idea that America had no ships or sailors to man the same, and for this reason she could not render very much service to the Allies. On the other side is the picture of our President, Mr. Wilson, submarined in the ocean, clinging to a life belt and yelling for help, which conveyed to the German people that the ships would be sunk and those on them destroyed.

German medal No. 3: On one side of this medal is the picture of Uncle Sam sitting on a pile of cannon balls, holding in one hand a cannon and in the other a ship. This medal conveyed the idea to the German people that the United States was not neutral prior to the time it entered the war, and was selling munitions of war to the Allies and none to Germany, when, in truth, we were selling munitions of war to anyone who had the money to buy the same. On the other side is a picture of our President, Mr. Wilson, crowned as king and around his neck is a royal scroll.

German medal No. 4: On one side of this medal is a picture of President Wilson, dressed in armor, with his fists clenched. This represented the time when President Wilson sent the message to Germany stating "Unless you stop sinking our ships it will be necessary that the United States sever diplomatic relations and declare war." On the other side of the medal is to be seen the Kaiser's mailed fists holding a message in German, which in substance says, "Every ship entering the restricted zone will be sent to the bottom of the sea."

German medal No. 5: Shows a picture of President Wilson in contrast with that of Moses, the lawgiver, holding in his hands a tablet with 14 spots on it, which represents his message of 14 points. On the other side are the four points which were claimed would result in proper regulation of the world.

German medal No. 6: When the Argonne Forest was captured our newspapers paid the American soldiers a great tribute and justly so. So this medal shows a rooster standing on an American flag crowing, representing the eulogy paid our Army. On the other side they show in derision what we were crowing for, as they pictured the nations we were fighting for, as the Chinese, Indians, Hindus, and the Negroes.

German medal No. 7: This is the famous *Lusitania* medal, which was made several days before the *Lusitania* was sunk. On one side it pictures a scene in New York City, showing a great crowd of people standing before the Cunard Line window for the purpose of buying tickets. The warning given by the German ambassador not to sail on that ship is represented by a skeleton standing in the ticket window. On the other side is the *Lusitania* submarined, half sunk, and the German inscription stating it was sent to the bottom of the sea on the 7th of May, 1915.

Mr. EMERSON. Will the gentleman yield?

Mr. McCLINTIC. I will be glad to.

Mr. EMERSON. How did you find industrial conditions in Germany?

Mr. McCLINTIC. I wish I had more time to tell of the conditions as I saw them in Berlin. The citizens of Germany do not feel that they have been defeated in the same degree as an army that has made an unconditional surrender. They have to a certain extent always been denied the freedom of thought, speech, and action, and for this reason they have depended largely upon the Government for accurate information relative to every matter. I am constrained to believe that the majority of them have been very patriotic in supporting their Government and that practically all of them would prefer to live under a monarchy rather than a republican form of government. Hindenburg is by far the strongest man in Germany to-day. Former Ambassador Bernstorff is a close second in popularity. Both of these characters are adherents of the Kaiser. In the event the

present form of government survives, Hindenburg, if he is a candidate, will surely be elected as the next President. Inasmuch as it is necessary to keep armed guards around the public buildings and at the strategical points of vantage throughout the city, it is very evident to my mind that many of the citizens of Berlin have but little faith in their present form of government. I believe if it were possible for the Kaiser to return to Germany that the present butterfly form of government would not last 30 days. Those who were affiliated with him prior to the time he left for Holland are now held high in the estimation of the people, and this being the case it would be a very easy matter for the Kaiser to be restored to his throne.

LONG-SHOOTING GUNS.

In making a trip from Chateau-Thierry to Soissons I saw the place where the Germans had installed one of their long-shooting guns at a distance of some 45 miles from Paris for the purpose of bombarding that city and destroying the morale of the French. When the Americans took Belleau Wood, and then Chateau-Thierry, the German authorities realized they were up against a different kind of foe and that unless they could be stopped this gun would be captured by the American soldiers. It was hastily dismounted, loaded on cars, and carried back into the interior of Germany. The Germans left the foundation and the carriage intact. It is about the size of a railroad turntable supported by steel ball bearings about the size of bowling-alley balls. Charges of dynamite were exploded on each side, rendering the machinery useless, but leaving it in such a state as to make hasty repairs possible in the event it was necessary to use the gun again. In a conversation with a German officer I requested that if it were permissible he give me some information relative to this great invention in the way of a gun that would shoot a distance of approximately 100 miles. He replied that this gun was operated by a special crew of engineers sent by the Krupp Manufacturing Co., and that screens were placed all around it so it was impossible for anyone to gain any information relative to its operation. He stated he was not in a position to give me any further information or tell me where the gun was at that time. He volunteered the statement that the first time this gun was used was when the Germans were shelling Amiens, on the coast of the English Channel. He said the German officers and the Government authorities considered it a great joke when the English made a report which in substance was that they were attacked from the sea, stating they were shelled from long distances, and that they turned their batteries around and fired a number of volleys which were successful in dispersing the enemy. Continuing, he said the truth of this matter was that they were testing their long-shooting guns at a distance of some 70 miles for the first time on the English, and no newspaper has ever given out a correct report relative to this matter.

This German officer volunteered the information that their army would have been successful in capturing Verdun in 1914 had it not been for the wonderful advances made by the Russian Army in the Carpathian Mountains in Austria. He said the morale of the Austrian Army was breaking very fast, and, the Germans realizing that something must be done to bolster them up, he and his men were immediately taken away from Verdun and carried into Austria, and in four days from that time were firing shells into the Russian Army.

WHO WON THE WAR.

France as a nation is entitled to wonderful praise for the sacrifices she made in this war. The blockade and other assistance by England entitles her to special consideration for the part she played. The early resistance of Belgium, which made it possible for the English and French to mobilize, will always be a bright spot in her history. The armies of Italy in the early days of the war were undermined by German propaganda, but later on she recovered and made a most remarkable record. The United States went into this struggle when the battle lines for supremacy were taut from the Alps to the sea, and it was an American division that first met and stopped the German advance on Paris, causing the German armies to go on the defense and remain there until an armistice was asked for and the war brought to an end. I asked the German officer who, in his opinion, was responsible for the success of the Allies. In substance, he replied as follows:

"Germany never did believe that the United States would enter the war. She always looked upon that country as a commercial nation, a money-mad citizenship, one who was only interested in their own welfare. We believed we could take our submarines and destroy the other fleets of the world. We felt we could keep supplies from getting to England and France and in a short time those nations would be forced to their knees. We never dreamed that the United States would become a participant, and for this reason decided to continue our submarine warfare regardless of the wishes of America. When diplomatic relations were severed the United States immediately began to pour billions of dollars into the money tills of England, thereby making it possible for those countries to purchase such amounts of food and supplies as were needed for the armies. Then in a little while troops began to come over by the thousands, and it was impossible to intercept them with our submarines. A little later a million men from the United States of America were ready for use in the front lines. This bolstered up the morale of the English, French, and Italians and furnished a sufficient amount of men so that a united attack could be made from the Alps to the sea, and when this attack was made it was impossible for the German Army to furnish a sufficient amount of men to make the necessary resistance. Our food supplies were low. In my own regiment I only had an allowance of one loaf of bread to the man for three days. I have seen young soldiers sit and cry because of hunger, and, of course, our army in this condition could not compete very long with the army made possible by the addition of the American units. We would have won the war had it not been for the United States. America did it."

EUROPEAN CONDITIONS.

The European nations have always been more or less suspicious of each other. For a thousand years or more wars have been continuously raging in various sections of Europe. The Governments have always viewed each other with more or less suspicion, and for this reason it has been necessary to keep intact large standing armies and large numbers of reserves. At present 20 or more European nations are engaged in various kinds of difficulties. Some of them are fighting over boundary lines, political questions, and other kinds of internal troubles.

I am constrained to believe that unless some kind of authority is created which will have sufficient jurisdiction and power to adjudicate matters between the different nations, these wars will continue. If the 20 or more nations are allowed to continue to struggle for supremacy it means that in 20, 30, or 50 years one nation will be successful in conquering all of the others, and when this condition is brought about, then that nation will become sufficiently intoxicated with the belief that it can go out and conquer other nations of the world, and then the United States may be confronted with the same kind of a condition that existed in 1914. On the other hand, if there is created an international court which will have sufficient jurisdiction to adjudicate and settle conditions like those that exist at the present time, then the contending countries will be asked to bring their difficulties in for settlement. A decision will be made, and if the countries interested do not abide by the verdict, embargoes, military protectorates, and such other regulations as are necessary can be put into effect to guarantee the people the rights and protection they are entitled to. No nation is going to stand out against the combined armies of the world or a section of the world, and if I had been against the creation of an international court, a league of nations, or a plan embodying these principles, prior to going to Europe, I would have had to change my mind as the conditions existing in these countries are indeed very appalling. Germany has severely complained because of the terms of the proposed league of nations. As a nation she has secretly hoped this plan would fail, realizing if it was carried into effect her country would be forever shorn of its military powers. The section in the league of nations which makes it impossible for the Kaiser to return to Germany is, of course, very obnoxious to the citizenship of that country, who would like to see the old monarchial form of government restored. The section that limits the size of her standing army is very unsatisfactory to the military geniuses who have always striven to make that country the greatest military nation on earth. The section that makes it possible for those who are responsible for the war to be tried by a military court is very obnoxious to the loyal adherents of the Kaiser. The other sections which curtail many of the industries are likewise unsatisfactory to many who are directly interested. I do not believe there is any person who will read the proposed restrictions placed on that nation but will say when they are put into effect Germany must change from a military nation to a commercial nation.

The citizens of Germany in the past have been misled. They have relied to a certain extent on every piece of information given to them by the Government authorities as being true. At this time they are deeply concerned over Germany's future. Their cities and towns are intact. Their manufacturing plants are well equipped. They are ready to supply manufactured products to the world in the event sufficient amounts of raw material can be obtained. The indemnity levied against Germany is large. Some say it will be impossible for her to meet the obligations; however, I am of the opinion if rates of ex-

change can be equalized and supplies of raw material furnished that nation will be able to meet all of the obligations imposed.

CONDITIONS IN BELGIUM AND FRANCE.

In Belgium it was my privilege to visit many cities, including Antwerp and Brussels. That country, while overrun by the Germans, has not witnessed the destruction that has been brought about in certain sections of France. It is true, the people were compelled to abandon their homes and seek shelter at other places. When I was there it was a pitiful sight to see them returning on foot and in various kinds of vehicles for the purpose of going to their former homes.

In France I visited a great many places, including Ypres, Armentieres, Lille, Chateau-Thierry, Soissons, Fismes, Rheims, Apremont, Romagne, St. Juvin, Montfaucon, Verdun, Commercy, Chalons, Hatton Chatel, and many other places in the St. Mihiel and the Argonne Forest. The scenes of destruction, as witnessed in this section, are beyond description. The English language is inadequate to describe the terrible conditions that were encountered by our brave soldiers. The American Army has lived up to the traditions of our Nation, and on every occasion conducted itself in such a way as to entitle it to receive the highest praise. Of course, some will criticize the action of our Government in dealing with the various situations. However, when it is taken into consideration that we only had an Army of 200,000 at the beginning of hostilities, and that we created an Army totaling over 4,000,000 men in a very few months, it can be readily seen that this is an accomplishment almost beyond imagination. Countless warehouses, thousands of miles of railroad, and hundreds of other kinds of facilities were necessary to make this great body of men function properly.

NEGRO SOLDIERS TAKE WHITE BRIDES.

If I have been correctly informed, no soldier in the American Expeditionary Forces was allowed to marry until he obtained permission from his commanding officer. At St. Nazairre I was informed by the general in charge that there were approximately 100 negro soldiers married to French girls who were very desirous of taking their wives back to the United States. I offered a most solemn protest against allowing this to be done, stating that the people of the United States would not look with favor upon the amalgamation of the white and black races. I called attention to the fact that the white girl who accompanied the negro soldier home as his wife would be looked upon with disfavor by the colored woman; would be ostracized by the white women, and it was only a matter of time until she would be an object of charity. I also stated that the liberties given to colored soldiers in France in being allowed to associate with the white girls on an equality would cause many of them, when they returned to the United States, to seek this same privilege, and this, in my opinion, would cause riots and disturbances which would be serious to many of our communities. In less than five days after I had issued this warning the clash between the whites and blacks occurred in our National Capital. The sacrifice of lives of white citizens in Washington corroborated the statements I had made when I protested to the general against allowing negro soldiers to bring their white wives back to the United States. In my opinion this was responsible for new orders which prohibited negro soldiers from bringing their white wives back to the United States. Similar riots broke out in Chicago, Omaha, and other places, and, if I have been correctly informed, in many cases the colored soldiers who participated in the Army were directly or indirectly responsible for same.

It is true that the American Expeditionary Forces officers would not allow American soldiers to marry white German girls, notwithstanding the fact that Negroes were allowed to marry white French girls whenever they so desired. A white officer who is in favor of the mixing of white and black blood in France is in favor of the same condition in the United States. He may be splendidly qualified to exercise and perform other duties in connection with the Army, but when it comes to dealing with domestic problems he would be the most dangerous public servant that could be trusted with responsibilities of this kind.

LESSONS OF THE WAR.

Mr. Chairman, Gen. Pershing has said it would have been wise for every Member of Congress to visit the battle scenes and the various countries of Europe in order that they might have a more comprehensive view of what took place in this great struggle. I feel that I have been greatly benefited by having had the privilege of viewing many of the scenes at first hand. I am especially proud of the splendid accomplishments of those who carried the flag, and I know I express the sentiment of every loyal citizen of this Nation. The one sad part of my trip was the realization that thousands of our brave boys had to give up their lives in fighting for the ideals of democracy and for the protection of our citizenship. I visited the various American cemeteries where thousands of our brave boys are resting in their last sleep. I stood between the rows of neatly painted crosses in the silent cities of the dead, and as I read the inscriptions painted on those crosses I could think of the prayer prayed by the mother for the husband who never returned when she said:

I only pray that while he is away You guard and guide him night and day, and give me strength to tend his little ones until he comes. O'er land or sea, wherever he may be, God bless my man for me.

The price in part the world has paid for protection from the "human octopus" who had stretched out his long, lean, bloody tentacles in an insane desire to control the nations of the earth has reached gigantic proportions. Over 7,000,000 men were killed and 30,000,000 or more will carry their battle scars with them the rest of their natural lives. The loss in ship tonnage, the destruction of cities and towns and the natural waste that comes with war reaches a figure in money so high that it is practically inconceivable to the human mind. The people of our country have contributed their pro rata part in this great holocaust, and the question that should now be uppermost in the mind of every citizen of the United States is, Will our Nation allow the supreme sacrifices made by our soldiers who gave up their lives fall by the wayside without taking such steps as will be necessary to protect our people in the future? God knows we do not ever want to engage in another war. We do not ever want to be placed in a position where it will be necessary to send another soldier across the seas. We have the opportunity of joining with the other nations of the world in a program which will have supervision over all matters pertaining to war. The United States is the promoter of the original idea. It was through the influence of the representatives of our country that a plan of this kind was finally worked out. If we are to abandon the idea and withdraw our support from the other nations who are willing to join together for mutual protection, in my opinion, the proposed league of nations will be abandoned in less than 10 years. Action of this kind would restore barbaric conditions to Europe. Nations would again engage in the making of secret treaties. Unjust rulers would foist wars on the weak nations, and our posterity sooner or later would become participants in order to keep some tyrant military nation from enslaving the world. The mettle of the American soldier has been tested and found to be pure gold. The patriotism of the American citizen has been tried and found to be equal to every occasion. To-day no nation stands higher in the estimation of the world than the United States. We have always followed the golden rule, and as long as we continue the United States will remain the "land of the free and the home of the brave." [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. McCLINTIC. Mr. Chairman, I wish to thank the House for its kind indulgence and to ask unanimous consent that I may revise and extend my remarks. [Applause.]

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, I will ask the gentleman from South Carolina to use some of his time.

Mr. BYRNES of South Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr HUDDLESTON].

The CHAIRMAN. The gentleman from Alabama is recognized for 10 minutes.

Mr. HUDDLESTON. Mr. Chairman, in August last Mr. Glenn E. Plumb, as the attorney for the railroad brotherhoods and other railroad workers, wrote a letter to Mr. ESCH, chairman of the House Committee on Interstate and Foreign Commerce, in which he made sensational charges of fraudulent capitalization of the railroads of the country. Among other things Mr. Plumb charged generally that of the total of about $18,500,000,000 of the capitalization of the railroads somewhere in the neighborhood of $8,000,000,000 was water and did not represent any real assets that passed to the railroads.

In view of the fact that we were then considering railroad legislation upon which this matter of capitalization had a direct and important bearing, I felt that Congress and the country ought to know as to the truth of those charges; that if they were true we ought to know it, and if they were false we ought to know it, so that we might deal with the subject intelligently.

To that end I introduced a resolution, House resolution No. 243, which provided for the investigation of those charges and of the capitalization of the railroads. The resolution was referred to the House Committee on Rules. It attracted consid-

erable attention, particularly from the railroad employees, and I received many requests and letters concerning it, all urging that the inquiry be pushed and that the facts be given to the public.

I took much pains to look into the matter and to get up the facts. I had the help of the railroad brotherhoods and of their allied organizations, and with their help I was able to collect a great mass of highly interesting information upon the subject. After considerable efforts, the Committee on Rules gave me, on two occasions, about one hour in which to present the case. I had experts present to testify at those hearings. I had with me an expert statistician, who perhaps knows more upon the subject than any other man in this country, Dr. Warne, who has given much of his life to a study of railroad capitalization. At no hearing were we ever able to get over three members of the committee present. I do not criticize the members of the committee for that. They are very busy men. I do not question their good faith nor their desire to be present when this important subject was being considered. But suffice it to say we did not get them there; we never had a quorum; the members of the committee were not there, and they did not hear the evidence given. I did not get one-tenth of the time I wanted to devote to the subject. I brought suitcases full of material that I wanted to submit to the committee. I brought tables showing interlocking directorates—tables prepared with great care and toil, hundreds of pages of tables and other valuable data. It was of no avail. I could not even get this material looked at. Dr. Warne himself prepared a typewritten statement of over 300 pages, giving the financial history of railroad after railroad and exposing the huge frauds in capitalization. He could not get leave even to extend his remarks so as to give this matter to the public. He could not get leave to state the facts. It was a vast and intricate subject, and about all he or the other witnesses could do in the little time given them was merely to speak of the subject in a general way.

I am satisfied that with the information which we had before the Committee on Rules, and which we could produce to-day if we had an opportunity, a great deal of light could be thrown upon the subject of the fraudulent capitalization of the railroads; information would be given that the people are entitled to have; information given to the Members of Congress, without which they can not hope to deal intelligently with this greatest of all domestic questions, the railroad question.

Well, the members of the committee were not at the hearings. Our side, which already knew a good deal about the facts, were all who were there, and I had hoped that the committee would at least see proper to print the hearings, so that they might be able to read them themselves if they were so busy they could not find time to listen to them. At least I hoped that the facts might be made available, so that somebody who does feel an interest in the matter might take it up. Therefore I made formal application to the chairman of the Committee on Rules, the gentleman from Kansas [Mr. CAMPBELL], and to several other members of the committee that the hearings might be printed. They were not long. It would have been a matter of small expense and the information given would have been of inestimable value in dealing with the railroad question.

Now, I understand it to be a rule of the committee that no hearings are printed except by committee action, and the chairman of the committee informs me to-day that he has consulted with members of the committee, that he has had no requests for these hearings from Members of Congress, and that the members of the committee and himself agree that the hearings should not be printed, and they have not been and will not be printed. The valuable information laid before the Committee on Rules has been put in a pigeonhole and the resolution for an investigation of these railroad frauds has been pocketed. The effort which was made to present the facts upon watered railroad stocks to the public has been absolutely wasted. I do not question the wisdom of the Committee on Rules or the propriety of their decision. "They are wise and honorable men and will no doubt with reasons answer you."

Mr. Chairman, I took occasion to go into the subject of fraudulent railroad capitalization on November 15 last and my remarks then made are found on page 8600 of the RECORD. I then showed that the Interstate Commerce Commission in carrying on its investigation of railroad valuations has placed tentative valuations upon 52 different railroads—in the main the smaller railroads, of course—and that upon those 52 railroads the valuations placed were $304,439,491 for cost of reproduction new, $251,965,179 for cost of reproduction less depreciation, and that they found their book value, their investment account the value as given on the carriers' books, to amount to $512,333,636. So that if that same ratio is carried out in the capitalization of all the rest of the railroads, without any question there is something like $6,000,000,000 to $8,000,000,000 of water in these stocks of the railroads of the United States. This vast inflation I interpret the Esch bill, the Cummins bill, and other bills that are being advocated by the railroad owners and managers to give validity to and place a tax upon the American people to pay dividends upon.

I made these points during the consideration of the Esch bill by the House. The gentleman from Iowa [Mr. GREEN] then thought that the original water which was in the stocks was not important, that all the water had been "squeezed out," and on page 8385 of the RECORD of November 12 last, in referring to the matter of the investigation being carried on by the Interstate Commerce Commission, Mr. GREEN is recorded as having said:

> It fell to me to institute the investigation against the Rock Island Railway Co. and, in a numble way, to assist its being carried out by the Interstate Commerce Commission. That investigation showed that the Rock Island Railway had been robbed of millions of dollars, but that robbery did not cost the public at large one cent. The consequence of it, as well as the results of robbery of such railroads as the New Haven, the Frisco, and others, fell upon the unfortunate stockholders and bondholders who had invested their hard-earned money in the securities of these railways. Those were the people who had to make up the difference or suffer the loss. In the case of the Rock Island a heavy cash assessment was levied upon the stockholders in order that the railroad might go on with its proper functions. In other cases, such as have been mentioned in debate by the distinguished chairman of the committee presenting the bill, the stockholders, instead of receiving dividends, have gone for years without a penny of return. Whether they will ever see any returns upon their money is another question.

It just so happened that the gentleman from Iowa [Mr. GREEN], usually accurate and always sincere, was mistaken in that statement. The watered capitalization of the various railroads has been carried forward in practically all of the reorganizations The original water injected at the beginning is, in nearly every case, represented in some form or other in the present capitalization. That is the actual fact.

In partial support of this statement I refer Members of the House to the Commercial and Financial Chronicle for January, 1918, volume 106, pages 230 and 231, where it is shown that in the year 1917 $525,000,000 of railroad stocks were issued, and that the roads received only $220,000,000 in cash, or its equivalent, for those stocks. So that in that year alone there was over $300,000,000 in water carried forward or added to railroad capitalization. It goes on and on. It has come down to us now.

No wonder these great interests are concerned with riveting their systems upon the American people now before they learn the facts. No wonder they are fighting the fight of their lives to insure that in the future this water can not be squeezed out, and that we will have to go on carrying this burden of watered stock, go on paying freight rates and passenger fares so as to provide "a reasonable return" upon all this flood of water put into the railroads at the beginning and constantly injected into them with every reorganization down to this very hour.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNES of South Carolina. I yield to the gentleman two minutes more.

Mr. HUDDLESTON. That man is lucky who has a sense of humor. I try to cultivate mine; and so I am able to grin at certain aspects of the present railroad situation. The railroad owners have carried on a nation-wide and expensive propaganda against Government control and against Government ownership of the railroads. They spent money like water to convince the people of the United States that Government control has been a rank and dismal failure and that we must get rid of the railroads and get rid of them now, and the average man has been by these means brought to think that Government control is a failure. There is nothing further from the actual facts. But the funny thing about it is that now that the railroads have got the people and Congress thoroughly in the mind of turning the railroads back to private control and turning them back now, the railroad owners suddenly discover that they are unable to accept them back. They say, in affright, "We can not take them; we do not want them back; we can not afford to take them back," and they are saying it will bankrupt the country if we do turn them back without giving the owners financial help to hold them. They say, "We can not finance them; in order for us to accept the railroads back you must help us to finance them. You must give us money to run them with and you must wait indefinitely on us to repay the public money spent to rehabilitate them. You must guarantee dividends; you must help us to further increase rates."

They are insisting on all these things as the price of taking them back. They have created and fostered the desire of the people to turn the railroads back to private control, and now, when we are ready to do so they refuse to receive them back. The roads are too hot a proposition for their owners to handle. The situation which the owners have created is laughable.

The only solution of the present railroad problem is to take a little more time to consider it and to work out a solution. Let us keep the railroads for another two years during peace times and run them with an eye single to the public interest, to the interest of economy and businesslike operation. Let us carry forward these principles in Government control, and at the end of that time let us see whether Government control is such a rank failure. If it is a failure, then we can turn the roads back. Even if it is not a failure and if we want to turn them back we can still do so. The owners will then be in the still water of peace times, and if they can ever finance and run the railroads without a subsidy from the Public Treasury they will be able to do it then. They can not do it now. If we turn the roads back now without giving them financial help and without giving them a large increase in rates, half of them will be in bankruptcy within 60 days and a general financial collapse may result. On the other hand, if Congress should turn back the roads upon the terms that the owners demand such a reversal of public opinion will follow that the rebound will land them permanently in Government ownership. The people of this country are not going to stand for another big increase in rates and for what amounts practically to a subsidy being paid railroad owners out of the public funds.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, I will not detain the committee with any extended statement about this bill.

There are two principal items in this bill, one for deficiencies in the Employees' Compensation Commission and the other to supply a deficiency in the Public Health Service. The last deficiency bill was approved by the President on the 4th of November. It was the hope and anticipation that it would not be necessary to report out a deficiency bill before the holiday recess, the other deficiency bill having passed so recently. Quite a number of deficiency estimates are pending before the committee, but after considering them, and in consideration of the desire of the other branch of Congress that they might not have their time encroached upon by the consideration of appropriation bills when they desired to pass the railroad bill and other legislation, it seemed to us that perhaps the entire matter could be deferred until after the 1st of January.

It was discovered, however, a very few days ago, that so far as the Public Health Service was concerned, on the 15th of December they had about $400,000 remaining of the $4,000,000 appropriation, with quite a number of outstanding obligated bills, bills that would consume practically all of the remaining balance to their credit.

The committee, therefore, taking the letter and statement of the Secretary of the Treasury with regard to this estimate, has reported out $2,000,000 of the $6,000,000 that was requested, on the theory that this will at least be sufficient to carry the Public Health Service comfortably until the committee can have the opportunity to investigate the Public Health Service and the estimates for the additional funds as well as the other estimates for the deficiency bill. There can not and will not be monthly deficiency bills.

There was appropriated for this service, as I have stated before, $4,000,000. The expenditures at this time, as stated by the Secretary of the Treasury, are on the basis of a million dollars per month. It is the belief of many that have given some thought to the matter that the Public Health Service is carrying on its rolls a great many physicians and doctors whose services should be dispensed with. We intend to conduct hearings on the estimates, and in reporting this amount it ought to be fully understood that it is not the opinion of the committee which reports the bill that this will be sufficient for the end of the year, because the committee has no information on that subject. We have not investigated the matter and accept the letter of the Secretary of the Treasury as the basis of this action. We know they have used up the funds at the present time; that the number of war-risk patients in the hospitals are increasing; and that these patients require an expenditure necessary to take proper care of them, and that must be provided for before the fund is entirely exhausted.

In regard to the appropriation of $1,100,000 for the employees' compensation fund, the committee held hearings upon these estimates. The estimate was slightly more than the amount appropriated. It is a matter over which the committee can have but little control. The expenditures are paid practically automatically upon the commission's findings that the Government employee is entitled to compensation. In case of the death of a Government employee, the law fixes absolutely how much the widow shall receive during her widowhood or, if there be no widow but children, how much the children shall receive.

The law has not been on the statute book very long; and it can be well understood that where the law provides that payment shall be continued for the time the person injured is unable to work, and as the injuries are increasing, the amount of the expenditure under that law will necessarily increase for some time to come.

The compensation commission had on hand on the 1st day of December a net balance of $138,003.33. Its expenditures by the month amounted to $166,177. It was estimated that on the 24th day of this month the entire appropriation would be exhausted and there would be a deficit at the end of the month of $28,173.67.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GOOD. Certainly.

Mr. MANN of Illinois. I did not catch the average monthly expenditure.

Mr. GOOD. One hundred and sixty-six thousand one hundred and seventy-seven dollars. That was for December. The amount has been increasing in recent months.

Mr. MANN of Illinois. Then that is not the average.

Mr. GOOD. That is for December. The amount has been increasing right along. It was anticipated that because quite a number of employees in the navy yards and arsenals would be discharged—they being under the provisions of this law—there would be a falling off, but the commissioner explained that their anticipation in that respect had not been realized, and that there was an increase both in death claims and compensations for injuries.

Mr. MANN of Illinois. The gentleman stated that the appropriation now available would be expended on the 24th of this month.

Mr. GOOD. That is the estimate.

Mr. MANN of Illinois. How much was the appropriation?

Mr. GOOD. For the fiscal year, $1,000,000.

Mr. MANN of Illinois. That is more than the rate named by the gentleman for December.

Mr. GOOD. Slightly more.

Mr. MANN of Illinois. Slightly more!

Mr. GOOD. But, so far as compensation is concerned, the $1,100,000 was the exact amount estimated. If it continues at the rate which the commissioners believe, the $1,100,000 will hardly be enough to carry them for the rest of the year.

Mr. MANN of Illinois. That would not seem to indicate an increase by months if the month of December was less than the average for the last six months.

Mr. GOOD. No; the month of December was more than the average.

Mr. MANN of Illinois. The gentleman stated the month of December was how much?

Mr. GOOD. One hundred and sixty-six thousand one hundred and seventy-seven dollars.

Mr. MANN of Illinois. That would not amount to any more than a million dollars for six months.

Mr. GOOD. No; it amounts to just about that.

Mr. MANN of Illinois. That would not indicate any special increase. Of course I can understand that it naturally is an increase, because every time anyone is put on the rolls for life, of course that is an increase, unless some one is dropped at the same time; and they are put on faster than they are dropped off, necessarily, at the beginning.

Mr. GOOD. Yes.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. TILSON. Does the gentleman figure that the Public Health Service will increase in expenses now or decrease?

Mr. GOOD. It is very difficult to say. I understand there are several estimates for increased facilities, to build new hospitals, and if that is done it is going to take a much larger sum to conduct all of these hospitals, all over the country, than if they only have a few.

Mr. TILSON. If the bill amending the war-risk insurance act recently passed through this House, now pending in the Senate, which makes more liberal provision for discharged soldiers, goes into effect, will it not mean that many men who have remained in military hospitals will then take their discharges and go into the Public Health Service hospitals as discharged men? And if so, will it not necessarily mean a considerable increase in the expense of the Public Health Service?

Mr. GOOD. That may be; I have not given any thought to that phase of the question. There is one particular matter in regard to the compensation commission that the House should understand. It was the intention of the commission to assume jurisdiction of all injuries sustained by employees in the shipbuilding yards employed by the United States Shipping Board. This commission has always assumed jurisdiction and has paid the claims to the clerks and the officers of these organizations. It has also paid the claims for damages to persons employed by

the Division of Operations of the Fleet Corporation, but the claims for injuries to persons in shipyards have always been paid by the Shipping Board according to the laws of the State where the plant was located and where the injury occurred. Recently a ruling from the Comptroller of the Treasury intimated that these employees were employees of the United States, and therefore were entitled to the provisions of this law, and it was the intention of the commission to take jurisdiction of such injuries and to pay the claims.

An estimate was made for that purpose, but attention was called to the fact that the House had already passed a bill which provided that we should go out of the business of building ships, and it would not be wise to turn over this organization that the Shipping Board has and create a new bureau and pay these claims. Finally the commission agreed that that would be the businesslike thing to do, and so they withdrew from the consideration of the committee the estimate for claims on account of injuries sustained in these shipbuilding yards. That is the explanation of the difference in the amount estimated for compensation and the amount carried in the bill. I think that is all I care to say with regard to the bill.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. MANN of Illinois. Are the operating expenses of the Shipping Board paid out of the appropriation made by Congress or do they have a revolving fund of some sort?

Mr. GOOD. The operating expenses are paid under the order of the President out of the operating revenues of the ships. I suppose that is what the gentleman has in mind.

Mr. BYRNES of South Carolina. The gentleman means the Emergency Fleet Corporation or the Shipping Board? We have put it in for the Shipping Board and not for the Emergency Fleet Corporation.

Mr. MANN of Illinois. And that is the distinction. Do I understand that the comptroller holds that the operating force is entitled under the compensation act to be paid out of the Federal Treasury, where the other operating expenses are paid out of the operating income?

Mr. GOOD. I have not seen the decision. When my attention was called to the matter I immediately took it up with the compensation commission, and they said that they had always paid the employees of the Emergency Fleet Corporation because there was no State law governing the compensation for injuries sustained while at sea. They had also paid, as I recall now, compensation for injuries to clerks in the offices, and had done the same thing with regard to clerks in the Shipping Board, but had never paid, with the exception of one or two cases, the claims for injuries to persons employed by the Shipping Board in the building of ships.

Mr. MANN of Illinois. It is very difficult to get at the cost of operation of anything which is supposed to pay its operating expenses out of its operating income if you find that a proportion of the operating expenses is paid out of another fund entirely with which the board has nothing to do.

Mr. GOOD. Mr. Hurley, I understood, took the position, and I can see the reason for it, that inasmuch as the plants were located in the various States, and the compensation laws of the States applied to those plants, then when an injury occurred in a plant, say, in Pennsylvania, he would pay the claim in accordance with the compensation laws of the State of Pennsylvania.

Mr. MANN of Illinois. As if it were a private plant.

Mr. GOOD. As if it were a private plant. If the injury occurred in California, he paid the claim as though it were a private plant operated under the laws of California. When it came to the operation of ships at sea, if an injury occurred there was no State law that controlled him at all, and so this compensation commission assumed jurisdiction of those employees and has always paid the claims of such employees.

Mr. MANN of Illinois. And that operating expense is not charged against the operating expense of the Fleet Corporation?

Mr. GOOD. It would not be; no.

Mr. MANN of Illinois. They escape that charge. So in the end if they made a profit they made that profit—a good deal like some of the other juggleries that go on with different systems of expenditures of the Government where the persons interested seek to hide the real facts.

The CHAIRMAN. The time of the gentleman has expired; all time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Employees' compensation fund: For the payment of compensation provided by "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, including medical, surgical, and hospital services, and supplies provided by section 9, and the transportation and burial expenses provided by sections 9 and 11, $1,100,000, to remain available until expended.

Mr. GOOD. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GOOD: On page 2, after the word "expended," in line 21, insert the following: "*Provided*, That the compensation heretofore or hereafter paid by the United States by the Shipping Board Emergency Fleet Corporation to or on account of employees for disability or death resulting from personal injuries sustained while in the performance of their duties shall be in full satisfaction of the claim of such employees or their legal representatives against the United States."

Mr. MANN of Illinois. Will the gentleman yield? What is the purpose of that?

Mr. GOOD. The purpose of that provision is to prevent in the future any person who was paid by the Emergency Fleet Corporation or the Shipping Board for injuries received subsequently making a claim against the United States under the provisions of the employees' compensation act and claiming that he was entitled to the provisions of that act. Unless the matter is absolutely understood and provided for in some such way, we stand a fair show of paying for those injuries twice, once by the Shipping Board Emergency Fleet Corporation and another time by the compensation commission.

Mr. MANN of Illinois. That is, the Shipping Board could make a voluntary contribution in the way of compensation, and then, after receiving that, the person injured might apply for the legal compensation authorized by law.

Mr. GOOD. The gentleman has stated it correctly, and this amendment provides that if they receive compensation from the Shipping Board or the Emergency Fleet Corporation for their injuries it shall be in full of all compensation for such injuries under the provisions of the compensation act.

Mr. MANN of Illinois. Well, does the gentleman think that that would give a person the right to choose between the two, or is he required now to take the compensation from the Shipping Board?

Mr. GOOD. I particularly inquired as to whether there was any dissatisfaction among these employees in the various plants, and Judge Payne advised me that there is absolutely no dissatisfaction, that they are all satisfied with the compensation which he has been able to pay and which his predecessor paid, and while the compensation paid in most instances will be a little less than the compensation provided for under the compensation act, yet they are entirely satisfied with it and accept it in that spirit.

Mr. SNELL. Mr. Chairman, I move to strike out the last word to ask the chairman of the committee some questions. I notice in nearly all of these deficiency appropriations that are brought in that they are for the real essential features of the service. Now, what I am wondering is that if the large lump sums that are appropriated in each appropriation bill can be used at the discretion of the head of a department are not used to a larger degree for matters that Congress would not appropriate money for directly and the essential parts of the service are left unprovided for, and then later in the year they bring in a deficiency bill and Congress gives it to them, knowing that Congress must provide for these things. Now, in the next place, we have several times, and this is said with due respect to the chairman, cut the estimates of the department and say we are going to run the department on less money for this year, but before the end of the session there is a deficiency bill brought in that provides for a great many things that should have been provided for at the time the bill was passed. I would like to ask the chairman if there is any way this matter can be handled whereby there will not be so many deficiencies and these deficiencies always authorize essential matters that must be provided for in the bill?

Mr. GOOD. With regard to these lump-sum appropriations, these appropriations can not be used for any purpose except to pay for compensation for injuries or death claims——

Mr. SNELL. I did not have reference distinctly to this; but as a general proposition they are brought before us in the way of deficiencies.

Mr. GOOD. When estimates for deficiencies come to the Committee on Appropriations they are usually taken up with the chairman of the committee that would naturally have to do with the matter if the estimate was for a regular appropriation bill; that is, if it was a military matter we take up the matter with the chairman of the Committee on Military Affairs and get his attitude.

The purpose of the Committee on Appropriations in reporting out a deficiency bill is to eliminate wherever we can without injury to the service and reduce them as much as it is possible

to do. If the deficiency is to supply a deficiency in a lump-sum appropriation, we have no alternative but to report an item in that form.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNELL. I ask unanimous consent that my time may be extended two minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SNELL. The point I have in mind is whether or not the large lump sums carried in appropriation bills are not very largely left to the discretionary powers of the chief of the bureau or the man in charge?

Mr. GOOD. That is true now, and I believe it has always been true. Take the next item, hospital service. There is an appropriation for this year of $4,000,000. There is a deficiency estimate——

Mr. BYRNES of South Carolina. Will the gentleman tell us what the bill is where we appropriate large lump sums at the discretion of bureau chiefs to expend as they wish, because I do not know?

Mr. SNELL. Are there not large sums carried in nearly every one of these bills?

Mr. BYRNES of South Carolina. I do not think the gentleman should say that. We are not appropriating blank sums generally.

Mr. MANN of Illinois. We are doing it right here in this bill.

Mr. SNELL. Right in this bill.

Mr. BYRNES of South Carolina. What the gentleman from New York [Mr. SNELL] asks is, if there are blank sums appropriated to any department, to be shifted to any fund in order to be used, whether Congress directs it or not.

Mr. SNELL. That is not it exactly. It is whether there are not sums that can be shifted to various things, in the discretion of the heads of the departments.

Mr. GOOD. What I had in mind was appropriations like this for the Public Health Service. We do appropriate a lump sum for that, but, of course, that must be all expended, in the discretion of the Surgeon General, for the public health, and he has wide discretion in the expenditure of it. Some of those services have grown rapidly, as the Bureau of War Risk Insurance has. I do not know whether there is any abuse to an extent with regard to the expenditures or not. I only know that, of course, Congress would like to have all lump-sum appropriations eliminated wherever it is possible, and I think that is right. But whether or not lump-sum appropriations can be entirely done away with I have some doubts.

Mr. SNELL. It seems to me that we ought to do something so as not to have so many in the deficiency appropriations.

Mr. GOOD. I think, as far as clerks are concerned, it ought to be done away with, and wherever the appropriation of a lump sum can be divided and the appropriation made for a particular part of the service, I agree with the gentleman it ought to be done.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. Mr. Chairman, I renew the motion to strike out the last two words.

As I understand this paragraph now under consideration, the employees' compensation fund, this appropriation can not be used for clerical help?

Mr. GOOD. No.

Mr. MANN of Illinois. Clerical help is provided for elsewhere?

Mr. GOOD. It is provided for elsewhere in the bill.

Mr. MANN of Illinois. In the next item it could be used for clerical help or anything, in the discretion of the Surgeon General?

Mr. GOOD. That is true.

Mr. MANN of Illinois. Mr. Chairman, the cross conversation, or debate, between the gentleman from New York [Mr. SNELL] and the gentleman from Iowa [Mr. GOOD] in reference to lump-sum appropriations recalls to me that I have seen in the papers several times lately that the Commission on Reclassification has proposed, or intends to propose, an abolition of the specific appropriations for clerical help in the Government departments and provide for lump-sum appropriations. I have always been very much, in the past, in favor of Congress making specific appropriations, but I am willing to admit that I am ready to reconsider the subject. I am not entirely sure that it would be wiser for us to make a lump-sum appropriation for the clerks in the War Department and clerks in other various departments or bureaus of the Government, and especially if we can cut them in two, and then let the head of the department feel the responsibility upon him to get some work done by those who remain in the department. As long as we maintain the system of adding annually to the number of clerks specifically we will keep increasing the number without much concern; I will not say that, because they do have a good deal of concern, but without too great concern, about the amount of useless work that is done or the amount of no work that is done by the various clerks in the departments. We have got in some way to reduce the expenses of the Government. I do not know just how it will be done. I think if we could cut all of the appropriations until the men who had charge of spending them felt they had to make every dollar go its furthest, we would get a reduction in expenses without any injury to the public service.

The CHAIRMAN. The question is on the amendment of the gentleman from Iowa [Mr. GOOD].

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. TILSON. Mr. Chairman, I move to strike out the last word.

The last item in this bill illustrates very clearly one of the evil ways of legislating into which Congress has fallen. It is not confined to the Appropriations Committee, but it is in the Military Committee, of which I was a member so long, and in other committees of this House. Take the last item in this bill. It enumerates some 20 or 25 different things for which the entire sum of $2,000,000, mentioned in the item, may be freely and legally expended. The language gives no definite information as to how the money is going to be spent, except that it may be spent for any or all of the purposes stated. It might all be spent for medical, surgical, or hospital service, all spent for supplies, or for clerical help, or for equipment, and there are a dozen other things that it might be spent for.

So far as the bill is concerned, Congress has no detailed information whatever as to how the money is to be expended. I say the fault is not confined to any one committee. It is general throughout our legislation. Such an item of appropriation does not furnish Congress any more control over the matter than if we made lump-sum appropriations outright, and permitted the head of each department to spend the money as he sees fit, within the legal limits of the authority of his department.

It seems to me that we might devise some means of stating how much we are going to expend for one thing and how much for another; and if we can not do that we might as well go all the way to lump-sum appropriations, and let the heads of departments be responsible for it. An item like this is a sort of combination makeshift, which is neither one thing nor the other.

Mr. GOOD. This is a lump sum.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. BYRNS of Tennessee. Of course, this bill carries a deficiency appropriation, as the gentleman from Iowa [Mr. GOOD] has stated, pending a hearing as to the amount of money really needed by the Public Health Service.

Mr. TILSON. It is, however, stated in general language, and it does not appear here what it is going to be expended for. Now, probably one or two of these items in this large number of items will consume most of this money. Is not that true?

Mr. BYRNS of Tennessee. Probably that is true, but I will say this to the gentleman, that in the majority of bills, the regular annual appropriation bills, there is an attempt made on the part of the committee to set out with some degree of particularity the amount of money that may be expended for certain specific purposes. Of course, when it comes to contingent expenses of the departments, consisting of various items, including the laundering of towels and things of that sort, it is impossible to go into minute details. But I think the gentleman will find that in the regular appropriation bills coming from the Committee on Appropriations there is always an attempt to set out the items with as great an amount of particularity as possible.

Mr. TILSON. I am not contending for great particularity, because if you use a great amount of particularity there will be an effort on the part of the officials of the spending bureau to make sure that they expend everything under each one of the items, so that it will be sure to be appropriated for the next year.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. HICKS. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from New York moves to strike out the last two words.

Mr. HICKS. Mr. Chairman, I was very much impressed with the remarks of the gentleman from Illinois [Mr. MANN] in reference to the matter he referred to in regard to lump-sum appropriations. I favor, whenever possible, definite amounts for definite items, but it does not seem to me that it is possible for

the chairman of the Committee on Appropriations or for this Committee of the Whole to specify in that last item any definite amount for the purpose for which some of these sums should be expended. The number of patients, for instance, and the number of people to be buried at public expense, and the amount of surgical supplies needed, it seems to me, are absolutely beyond the ken of the human mind. It can not be known in advance what those amounts should be, and from my experience on the Committee on Naval Affairs I am a good deal inclined to believe that sometimes a lump-sum appropriation is better than a specific appropriation, provided we will hold the heads of the departments strictly responsible for the amount intrusted to their care. Too often, when specific sums are named, the departments, for fear of having their next estimates cut if they do not use all the money, will expend it when it is not necessary.

Mr. SNELL. Mr. Chairman, will my colleague yield?

Mr. HICKS. Yes.

Mr. SNELL. There is nothing in this to prevent the officials of the department, if they saw fit, to employ clerks to a number sufficient to use this entire $2,000,000, and then come back here in an emergency appropriation bill to get appropriations for fuel, light, water, and other absolutely essential things for the operation of the department.

Mr. HICKS. I will say to my colleague that it may be possible in that item to specify the amount needed for clerical help, and I think it should be done; but how would it be possible to specify in advance the number of people to be buried at public expense, say, six months from now, or the amount of medicinal material to be purchased, when all this depends on conditions that can not be foreseen?

Mr. SNELL. You can not do it, but in some way a method should be devised to prevent these departments from employing additional clerical help without specific authorization.

Mr. HICKS. I also believe that you should cut them down, but in every provision you can not specify the amount that may be needed in the future when that future is based on fluctuations.

Mr. SNELL. That is true, but a lot of the principal ones should be specified, it seems to me, so that they would not be coming back here for additional appropriations.

Mr. HICKS. I agree with my colleague. I am not disputing what he says on that point.

Mr. CANNON. Mr. Chairman, will the gentleman yield along that line?

Mr. HICKS. Yes; gladly.

Mr. CANNON. If you want to see examples where the salaries and the rates of pay are increased under the operation of the lump-sum system, go out and look at the hearings and make some little inquiry and note the delightful salaries and increases of salaries that can be found in the Bureau of Labor and the Public Health Service and the Housing Corporation. Great Heavens! You can not control those expenditures when the appropriations are made in that form. A vast proportion of the aggregate amount is wasted, and it will be so until the condition gets so bad that the people will rise up and turn them out.

Mr. HICKS. I condemn those practices to the utmost. It shows the necessity of holding the heads of departments strictly accountable. Then you will have a chance to hit them and, if necessary, impeach them.

Mr. CANNON. But they are accountable now.

The Clerk read as follows:

PUBLIC HEALTH SERVICE.

For medical, surgical, and hospital services and supplies for war-risk insurance patients and other beneficiaries of the Public Health Service, including necessary personnel, regular and reserve commissioned officers of the Public Health Service, clerical help in the District of Columbia and elsewhere, maintenance, equipment, leases, fuel, lights, water, printing, freight, transportation and travel, maintenance and operation of passenger motor vehicles, and reasonable burial expenses (not exceeding $100 for any patient dying in hospital), $2,000,000.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word. In reference to the last paragraph, is there any limitation now in the law as to salaries of the clerks?

Mr. GOOD. Does the gentleman refer to clerks in the District of Columbia?

Mr. GREEN of Iowa. The paragraph just read may be expended for clerical help.

Mr. GOOD. In the District of Columbia and elsewhere. So far as the force provided for in the legislative bill for the Public Health Service, of course, the salaries of those clerks could not be increased. I think there is no deficiency so far as that organization is concerned; it is only the Public Health fund of $4,000,000 where there is a deficiency.

Mr. GREEN of Iowa. What is the most of the $2,000,000 for?

Mr. GOOD. We have over 40 hospitals in the United States under the Public Health Service with a total, approximately, of 6,000 patients. Most of those are war-risk patients. These hospitals are costing the Government about a million dollars a month on the present method of operation. There was an appropriation of $4,000,000 and they are asking for $6,000,000. Now, of course, the expenditures necessary to carry on these great establishments take a rather wide range. If we appropriated for every individual item it would take weeks to prepare and put such a bill through Congress.

The urgency of this matter did not appear until recently. As I stated in the opening, this appropriation is made now to tide the Public Health Service over until the time of the regular deficiency bill.

Mr. GREEN of Iowa. Mr. Chairman, with reference to what was said by the gentleman from New York [Mr. HICKS] in regard to the burial expenses, the committee will notice that it is strictly limited to $100 for each patient; so there could be no complaint about that.

Mr. HICKS. The grand total is not limited, of course.

Mr. GREEN of Iowa. The gentleman was referring to a matter about which nobody had made a complaint. Here is an appropriation for officers—commissioned officers and clerical help—as to which I do not yet understand whether the money could be expended within the discretion of the bureau——

Mr. GOOD. The gentleman knows that the Secretary of the Treasury would not be empowered to increase the pay of a commissioned officer or a noncommissioned officer; his pay is fixed by law. The Secretary could not increase his pay as long as he holds a position under a given commission.

Mr. GREEN of Iowa. These things are manipulated so fast by transfers and assignments and varying conditions.

Mr. GOOD. There is no limit to the clerical help, and neither is there any limit in the appropriation of $4,000,000 made to the War Department for clerical help in the District of Columbia.

Mr. SNELL. Does the gentleman know how many additional clerks they want to put on?

Mr. GOOD. No; I do not.

Mr. GREEN of Iowa. It seems to me that the amount to be spent for clerical help might have been limited.

Mr. GOOD. I do not believe out of this appropriation there is expended anything of a considerable sum for clerical help. I should say that the clerical help in the District of Columbia charged to this appropriation does not amount to $10,000. Most of their help was provided for in the legislative bill. If they have drawn on this fund for that purpose, it must be on account of the growth of the service.

Mr. MANN of Illinois. Mr. Chairman, it is pretty hard to tell just what extravagant expenditures the Public Health Service will enter upon. Members of the House are somewhat familiar with the legislation relating to what is sometimes called, I believe, the Speedway Hospital in Chicago, which Congress attempted to direct the Secretary of the Treasury to acquire, and which would be under the Public Health Service. I am told that the Public Health Service has now informed Congress, directly or indirectly, that if it takes the hospital at Chicago it ought to have half a million dollars to build fine dwellings for hospital surgeons. All the rest of the numerous hospitals in Chicago not government owned, and some of them government owned but not by the United States Government, have no difficulty in taking care of the surgeons within the hospital buildings and permitting the surgeons to obtain quarters outside of the hospital. But this grossly extravagant Public Health Service insists that it shall be provided with a large number of new, fine dwelling houses for the surgeons in the Public Health Service to live in without rent, as an additional perquisite.

Years ago the Public Health Service, so far as its legislation was concerned, was largely under the jurisdiction of the committee of which I was for many years a member and at one time the chairman. I had the honor to procure the enactment of the legislation giving it its title, the Public Health Service, which I think is a very good title. That was one of many pieces of legislation relating to it. I have the most kindly feeling toward the Public Health Service and toward many individual men connected with that service whom I know personally. They have gone crazy with the idea of expending public money, it may be profitably in many directions, but they have gone crazy with the idea of expending money out of the National Treasury for almost every conceivable object. They think it is their business only to find some method of spending money. I wish they had a jurisdiction where they had to raise some of it.

The CHAIRMAN. The pro forma amendment is withdrawn. The Chair recognizes the gentleman from Iowa [Mr. GOOD].

Mr. GOOD. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amend-

ments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, had directed him to report the same back to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. GOOD, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS GREAT PEE DEE RIVER NEAR CHERAW, S. C.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9947) to authorize J. L. Anderson and H. M. Duvall to construct a bridge across Great Pee Dee River near the town of Cheraw, S. C.

The SPEAKER. The gentleman from South Carolina asks unanimous consent for the present consideration of a bill, which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Let the bill be reported.

The SPEAKER. The Clerk will report the bill.

The bill was read as follows:

Be it enacted, etc., That J. L. Anderson and H. M. Duvall, their successors and assigns, be, and they are hereby, authorized and empowered to construct, maintain, and operate a bridge and approaches thereto across Great Pee Dee River at a point suitable to the interests of navigation between the towns of Cheraw, Chesterfield County, S. C., and Society Hill, Darlington County, S. C., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The following committee amendments were read, considered, and agreed to:

Page 1, line 7, strike out the words "between the towns" and insert "and at or near the."

Page 1, lines 8 and 9, strike out the words "and Society Hill, Darlington County, S. C."

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

By unanimous consent the title of the bill was amended so as to read:

A bill to authorize J. L. Anderson and H. M. Duvall to construct a bridge across Great Pee Dee River at or near the town of Cheraw, S. C.

On motion of Mr. STEVENSON, a motion to reconsider the vote by which the bill was passed was laid on the table.

SEWERS AT LITTLE CHUTE, WIS.

Mr. CLASSON. I ask unanimous consent for the present consideration of the bill (H. R. 10402) authorizing the Secretary of War to grant permission to the municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent for the present consideration of the bill, which the Clerk will report.

The bill was read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to grant permission to the municipal authorities of the village of Little Chute, in the county of Outagamie, in the State of Wisconsin, and their successors and assigns, to construct, maintain, and operate sewers and appurtenant works on United States property and under the United States canal at said village: *Provided*, That such permission shall be subject to such conditions, restrictions, rules, and regulations as the Secretary of War may from time to time prescribe, and that the construction of such sewers and works shall not be commenced until plans therefor prepared by the said authorities shall have been submitted by them to the Chief of Engineers and shall have received his written approval: *Provided further*, That the Secretary of War may terminate the said permission whenever and at such time as in his judgment the public interests require.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, I notice that this bill was reported by the Committee on Interstate and Foreign Commerce. I do not know why, and I do not know what character of Government land we have there.

Mr. ESCH. This is merely a right of way along the Fox River Canal, and the municipal authorities of Little Chute desire to lay a sewer under the canal, to connect with the Fox River. They desire to do that in the winter time, so that it will not by any possibility interfere with navigation.

Mr. MANN of Illinois. Then I take it that the bill was properly referred to the committee of which the gentleman is chairman.

Mr. ESCH. Yes. The bill was practically drafted by the War Department. It safeguards the Government, and this is really a revocable permit, with the plans to be approved by the War Department.

Mr. WINGO. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Wyoming what the program for Friday and Saturday is?

Mr. MONDELL. Mr. Speaker, we expect to take up the Private Calendar to-morrow, and on Saturday the Committee on Rules, I understand, intends to present a rule for the consideration of the bill (H. R. 11224) to amend an act entitled an act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes.

Mr. WINGO. What about the recess proposition?

Mr. MONDELL. The situation is very uncertain, I regret to say, with regard to recess. We still hope that the Senate may pass the railroad bill before Saturday evening. If the railroad bill is passed before that time, and it is sent to conference, I hope that we may secure an adjournment until the 5th of January. If it does not, it would seem to me that it is impossible to secure an adjournment. I do not apprehend, however, that in any event we could do very much of any business in the House after Saturday for a few days.

Mr. WINGO. What is the gentleman's objection to taking up right away the bill that has passed the Senate, and has been reported by the House committee unanimously, to give legal-tender qualities to gold certificates?

Mr. MONDELL. I have no objection at all to doing it.

Mr. WINGO. I think the House could do it in five minutes. Why not do it to-night?

Mr. MONDELL. If the House desires to do that, I have no objection.

Mr. MADDEN. Why not do it to-morrow?

Mr. WINGO. This bill ought to be passed right away. It will take only 5 or 10 minutes. In fact, I think if the gentleman from New York [Mr. PLATT] would make a statement of five minutes, the House would pass it immediately.

Mr. QUIN. What time is it intended to meet to-morrow?

Mr. MONDELL. I shall not ask that we meet at any other than the regular time.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GREEN of Iowa. I would say that the Committee on Ways and Means has authorized the chairman to ask unanimous consent to-morrow of the House to consider a minor bill with reference to the pay of a few laborers in the Treasury Department.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. WINGO. Mr. Speaker, further reserving the right to object, I would state to the gentleman from Wyoming that I agree with him on the question of adjournment; that I do not think we ought to recess unless the railroad bill should pass, and even if that were possible I could not agree to a recess until the bill I refer to has been passed and been presented to the President.

Mr. MONDELL. I think it ought to be passed. While it is a minor matter, I think it is important.

Mr. WINGO. It is minor, in one sense.

Mr. MANN of Illinois. Does not the gentleman from Arkansas think, after all, that where a committee brings in a bill one day, it ought to be willing to let the House wait a little while before its consideration, inasmuch as the committee has been waiting months before it has given it consideration?

Mr. WINGO. Oh, the committee has not waited months. We took it up the next day after it left the Senate.

Mr. MANN of Illinois. They waited months before they introduced the bill.

Mr. WINGO. I am not responsible for that.

Mr. MANN of Illinois. Oh, the gentleman might have introduced it. Anybody might have done that.

Mr. WINGO. I am not in the habit of introducing bills unless I think there is some chance to put them through.

Mr. MANN of Illinois. Oh, I think the gentleman has introduced many bills that he knew he had no chance to put through. So have I and so has every active Member of the House.

Mr. WINGO. No; I have not. I have usually gotten my bills through, although some of them may not have passed when the Republicans were in power; but generally, with the Democrats in power, I have gotten my legislation and have been satisfied.

Mr. MANN of Illinois. No committee has the right to suppose that because they report a bill one day to Congress we are going to stop and take up that one bill——

Mr. WINGO. I had not thought so; but I think the gentleman, if he knew the facts underlying the question——

Mr. MANN of Illinois. I have examined the bill and know the facts underlying the bill. There is nothing special about it——

Mr. WINGO. There is something new as to conditions existing.

Mr. MONDELL. I think we can pass the bill in less time than it takes to discuss the question.

Mr. MADDEN. I object to it, if it is for to-night.

The SPEAKER. Is there objection to the consideration of the bill which the gentleman from Wisconsin presents?

Mr. MADDEN. I object.

Mr. CANNON. Why not ask unanimous consent that the bill be considered as read the third time and passed?

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CLASSON. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? The Chair hears none.

Mr. CLARK of Missouri. What went with the objection of the gentleman from Illinois?

SEVERAL MEMBERS. He withdrew it.

Mr. CANNON. I did not make objection.

Mr. CLARK of Missouri. I am not referring to the gentleman, Mr. CANNON, but the gentleman from Chicago, Mr. MADDEN.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to grant permission to the municipal authorities of the village of Little Chute, in the county of Outagamie, in the State of Wisconsin, and their successors and assigns, to construct, maintain, and operate sewers and appurtenant works on United States property and under the United States canal at said village: *Provided*, That such permission shall be subject to such conditions, restrictions, rules, and regulations as the Secretary of War may from time to time prescribe, and that the construction of such sewers and works shall not be commenced until plans therefor prepared by the said authorities shall have been submitted by them to the Chief of Engineers and shall have received his written approval: *Provided further*, That the Secretary of War may terminate the said permission whenever and at such time as in his judgment the public interests require.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. CLASSON, a motion to reconsider the vote by which the bill was passed was laid on the table.

REREFERENCE OF JOINT RESOLUTION 46.

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent that Senate joint resolution 46 may be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on the Judiciary.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that Senate joint resolution No. 46 be rereferred as requested. The Clerk will report it by title.

The Clerk read as follows:

Senate joint resolution 46, extending until July 1, 1920, the effective date of section 10 of the act entitled "An act to supplement the existing laws against unlawful restraint and monopolies, and for other purposes," approved October 15, 1914.

The SPEAKER. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, I think this makes about the twelfth time since I have been a Member of Congress that we have had this performance gone through of sending it to one committee and then having it rereferred——

Mr. VOLSTEAD. This is, I think, the third time.

Mr. WINGO. I may be mistaken. I thought it was about twelve times. It seems to me in every case it is wrongfully referred and then has to be rereferred. When is the committee going to make a report?

Mr. VOLSTEAD. It does not necessarily mean that it will be passed. It belongs to the Committee on the Judiciary, and I think it ought to go there so we can consider it.

Mr. WINGO. Does the Committee on the Judiciary intend to consider the main subject and make the necessary amendments that would be permanent law?

Mr. VOLSTEAD. Well, that matter is under consideration. No definite action has been taken so far, but we have consulted the Attorney General——

Mr. WINGO. I have received that same answer——

Mr. MANN of Illinois. That is all anybody can say.

Mr. WINGO. They keep on promising consideration, but we never get it.

Mr. DUPRÉ. What is the subject matter of the bill, will the gentleman state?

Mr. VOLSTEAD. Section 10 of the Clayton Act has been suspended once or twice before, and, of course, during the war it has been suspended——

Mr. DUPRÉ. It is an old friend.

Mr. VOLSTEAD. The proposition now is to have it extended until the 20th of July of next year.

Mr. CLARK of Missouri. Reserving the right to object, what is this bill?

Mr. VOLSTEAD. This is a resolution.

Mr. CLARK of Missouri. What is it?

Mr. VOLSTEAD. It is a resolution extending or suspending the operation of section 10 of the Federal Trade Commission act——

Mr. CLARK of Missouri. What is the effect of it?

Mr. VOLSTEAD. Well, the provisions of section 10 prohibit certain trustees from being on corporations that deal with each other. And pending the process of turning the railroads back to the private owners it has been claimed—I do not know whether it was before that—that for the time being at least it was not put in force. The Interstate Commerce Commission has repeatedly recommended it.

Mr. CLARK of Missouri. I object.

Mr. MANN of Illinois. This is not to pass the bill but to make a change of reference.

Mr. CLARK of Missouri. Why did it not go to the right place?

Mr. MANN of Illinois. The present Speaker, like the last Speaker, sometimes sends a bill to the wrong committee, and the committees between them know that, and both ask to have this changed. [Laughter.]

Mr. CLARK of Missouri. Are both committees asking for the change?

Mr. MANN of Illinois. Yes.

Mr. CLARK of Missouri. I withdraw the objection. [Laughter.]

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CALDWELL. Mr. Speaker, I would like to have the attention of the majority leader just a minute. I would like to ask the gentleman from Wyoming if it would be possible for us to get through a resolution making Pershing's report a House document? We have had such an enormous amount of demands for it, and perhaps every Member of the House has, that it ought to be made a House document.

Mr. MANN of Illinois. Why not introduce a resolution?

Mr. CALDWELL. When I do so it is always canned.

Mr. MONDELL. I think the matter is worthy of consideration, and I promise to give it consideration.

The SPEAKER. The Chair will state that the Committee on Printing has that under consideration already.

LEAVE OF ABSENCE.

Mr. LINTHICUM, by unanimous consent, was granted leave of absence for an indefinite period, on account of important business.

ANGELINE MEDBURY.

Mr. IRELAND. Mr. Speaker, I ask for the consideration of the following privileged resolution, which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 361.

Resolved, That there shall be paid, out of the contingent fund of the House, to Angeline Medbury, widow of David W. Medbury, late an employee of the House of Representatives, a sum equal to six months of his compensation as such employee, and an additional amount, not exceeding $250, to defray the expenses of the funeral of said David W. Medbury.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

MATTIE LONG.

Mr. IRELAND. Mr. Speaker, I have another resolution for which I would like to ask consideration.

The SPEAKER. The gentleman from Illinois presents a privileged resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 391.

Resolved, That there shall be paid out of the contingent fund of the House to Miss Mattie Long, daughter of Capt. William Max Long, late an employee of the House of Representatives, being a doorkeeper on the "old soldiers' roll," a sum equal to six months of his compensation as such employee, and an additional amount, not exceeding $250, to defray the expenses of the funeral of said Capt. William Max Long.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

BENJAMIN F. JONES.

Mr. IRELAND. Mr. Speaker, I have another similar resolution, and I ask that it be read.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 390.

Resolved, That there shall be paid out of the contingent fund of the House to Benjamin F. Jones, brother of Henry T. Jones, late an employee of the House of Representatives, a sum equal to six months of his compensation as such employee, and an additional amount, not exceeding $250, to defray the expenses of the funeral of said Henry T. Jones.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

WILLIAM J. DONALDSON, JR.

Mr. IRELAND. Mr. Speaker, I have another resolution from the Committee on Accounts.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 353.

Resolved, That there shall be paid out of the contingent fund of the House, until otherwise provided by law, increased compensation at the rate of $400 per annum for the services of the superintendent of the press gallery in lieu of the compensation now being paid to him.

Mr. SNELL. Mr. Speaker, reserving the right to object, I would like to ask a question. What is the reason for this increase?

Mr. IRELAND. The gentleman has been an employee of the House for a good many years, and is now drawing $1,600 a year. He has entire supervision of the press gallery. His duties are similar to the duties of the superintendent of the press gallery in the Senate. However, the Senate employee draws $2,500 a year and has two assistants, while the superintendent of the press gallery in the House does all of the work himself. In the opinion of the committee it is a very meritorious resolution, and they believe that he is entitled to it. It was passed by the committee in my absence, but I am in thorough accord with the decision of the committee and the report.

Mr. MANN of Illinois. What is his present salary?

Mr. IRELAND. Sixteen hundred dollars.

Mr. MANN of Illinois. And he gets in addition to that the $240 bonus?

Mr. IRELAND. Yes, sir.

Mr. SNELL. Which will make it $2,240 a year.

Mr. CALDWELL. Will the gentleman from Illinois yield?

Mr. IRELAND. Yes.

Mr. CALDWELL. Is the incumbent of that position now an organization Republican? If so, I am for it.

Mr. IRELAND. I believe he is a Democrat.

Mr. CALDWELL. Then I am for it all the more.

Mr. IRELAND. I am not sure about that. I really do not know positively what his politics may be.

Mr. STEVENSON. Is this a unanimous report from the Committee on Accounts?

Mr. IRELAND. I do not know. I was not present at the time it was passed by the committee.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 20 minutes p. m.) the House adjourned until Friday, December 19, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury transmitting supplemental estimate of appropriation required by the Bureau of the Census for additional expenses of the Fourteenth Decennial Census (H. Doc. No. 530); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury transmitting supplemental estimate of appropriation required by the Department of Agriculture for preventing the spread of the European corn borer, fiscal year 1920 (H. Doc. No. 531); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury transmitting supplemental estimate of appropriation required by the Navy Department and Naval Establishment for the service of the current fiscal year (H. Doc. No. 532); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. DENT, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 137) authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes, reported the same with an amendment, accompanied by a report (No. 510), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho, from the Committee on Irrigation of Arid Lands, to which was referred the bill (H. R. 8864) to encourage the reclamation of certain arid lands in the State of California, and for other purposes, reported the same with amendments, accompanied by a report (No. 511), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FULLER of Illinois, from the Committee on Invalid Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 11310) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, accompanied by a report (No. 509), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5202) granting a pension to Ewell V. Osborn; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11125) to increase the salary of the United States marshal for the eastern district of Virginia; Committee on Expenditures in the Department of Justice discharged, and referred to the Committee on the Judiciary.

A joint resolution (S. J. Res. 46) extending to July 1, 1920, the effective date of section 10 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914; Committee on Interstate and Foreign Commerce discharged, and referred to the Committee on the Judiciary.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. STOLL: A bill (H. R. 11299) for the purchase of a post-office site at Timmonsville, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11300) for the purchase of a post-office site at Conway, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11301) for the purchase of a post-office site at Lake City, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11302) for the purchase of a post-office site at Kingstree, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11303) to authorize the acquisition of a site and the erection of a Federal building at Hartsville, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11304) to authorize the acquisition of a site and the erection of a Federal building at Dillon, S. C.; to the Committee on Public Buildings and Grounds.

By Mr. HARDY of Colorado: A bill (H. R. 11305) authorizing the San Luis Valley irrigation district, Colorado, to purchase certain public lands; to the Committee on the Public Lands.

By Mr. ANDERSON: A bill (H. R. 11306) to create a bureau of agricultural engineering in the Department of Agriculture to provide for the testing and certification of farm tractors, and for other purposes; to the Committee on Agriculture.

By Mr. RODENBERG: A bill (H. R. 11307) to amend section 5146 of the Revised Statutes of the United States, in relation to the qualifications of directors of the National Banking Association; to the Committee on Banking and Currency.

By Mr. HUSTED: A bill (H. R. 11308) to amend section 190 of the Revised States of the United States; to the Committee on the Judiciary.

By Mr. FORDNEY: A bill (H. R. 11309) to authorize the Secretary of the Treasury to fix compensation of certain laborers in the customs service; to the Committee on Ways and Means.

By Mr. FULLER of Illinois: A bill (H. R. 11310) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; to the Committee of the Whole House.

By Mr. EDMONDS: A bill (H. R. 11311) providing for the classification of vessels of the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. RIDDICK: A bill (H. R. 11312) to appropriate $4,000,000 for loans to farmers in drought-stricken sections of the United States for the purchase of seed for 1920 spring planting; to the Committee on Agriculture.

By Mr. GREENE of Massachusetts: A bill (H. R. 11313) to permit transportation of a limited number of passengers on cargo vessels; to the Committee on the Merchant Marine and Fisheries.

By Mr. JOHNSON of Washington: A bill (H. R. 11314) authorizing the United States Shipping Board to adjust equitable claims of wooden-ship builders arising out of the prosecution of the war; to the Committee on the Merchant Marine and Fisheries.

By Mr. STEENERSON: Resolution (H. Res. 422) requesting information of the heads of departments concerning print-paper consumption; to the Committee on Printing.

By Mr. CAMPBELL of Kansas: Resolution (H. Res. 423) for the immediate consideration of House bill 11224; to the Committee on Rules.

By Mr. GOODYKOONTZ: Joint resolution (H. J. Res. 265) thanking the American coal miner for distinguished services rendered the Government in time of war; to the Committee on Military Affairs.

By Mr. GALLIVAN: Memorial from the Legislature of the State of Massachusetts, opposing discontinuance of certain lines of work at the Boston Navy Yard; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introdueed and severally referred as follows:

By Mr. ANDERSON: A bill (H. R. 11315) granting an increase of pension to Henry H. Rowe; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 11316) granting an increase of pension to Caroline St. Denis; to the Committee on Invalid Pensions.

By Mr. BEGG: A bill (H. R. 11317) granting a pension to Angeline W. Kelley; to the Committee on Invalid Pensions.

By Mr. BLAND of Indiana: A bill (H. R. 11318) granting an increase of pension to Josiah C. Hancock; to the Committee on Invalid Pensions.

By Mr. FESS: A bill (H. R. 11319) granting a pension to Fred Stoops; to the Committee on Pensions.

By Mr. FOSTER: A bill (H. R. 11320) granting an increase of pension to Lucy M. Bougher; to the Committee on Invalid Pensions.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 11321) for the relief of William Gordon Corporation; to the Committee on Claims.

By Mr. HAUGEN: A bill (H. R. 11322) granting an increase of pension to John Wroten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11323) for the relief of James Kernan; to the Committee on Military Affairs.

By Mr. HICKEY: A bill (H. R. 11324) granting a pension to Martha Jane Duddleson; to the Committee on Invalid Pensions.

By Mr. HULINGS: A bill (H. R. 11325) granting a pension to Tinnie A. Gary; to the Committee on Pensions.

By Mr. McKENZIE: A bill (H. R. 11326) granting an increase of pension to Charles M. Taylor; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 11327) granting an increase of pension to Julia Ruth Bartlett; to the Committee on Invalid Pensions.

By Mr. SINNOTT: A bill (H. R. 11328) granting an increase of pension to Jesse W. Rigby; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

489. By the SPEAKER (by request): Petition of Mr. S. Pettingill and 138 other citizens of Chicago, Ill., protesting against the treatment received by miners by the officers of the United States Government; to the Committee on the Judiciary.

490. Also (by request), petition of 100 citizens from different sections of the State of Pennsylvania, protesting against the treatment received by the mine workers by the officers of the United States Government; to the Committee on the Judiciary.

491. By Mr. BABKA: Petition of Lima Lodge No. 54, Benevolent Protective Order of Elks, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

492. By Mr. CARSS: Petition of Commercial Club of Hibbing, Minn., for establishment of a hydroaeroplane station at Duluth, Minn.; to the Committee on Military Affairs.

493. By Mr. CULLEN: Petition of sundry citizens of Brooklyn, N. Y., favoring Sterling-Lehlbach bill; to the Committee on Reform in the Civil Service.

494. Also, petition of Brooklyn Coal Exchange favoring House bill 10650; to the Committee on the Judiciary.

495. By Mr. DYER: Petition of Thomas McDonough Branch, Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

496. Also, petition of Associated Industries of Missouri, concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

497. By Mr. ELSTON: Petition of City Council of Oakland, Calif., requesting additional appropriation for improvement of Oakland Harbor; to the Committee on Rivers and Harbors.

498. Also, petition of Plumb Plan League, of Alameda County, Calif., urging extension of Government control of railroads; to the Committee on Interstate and Foreign Commerce.

499. By Mr. EMERSON: Petition of Lima Lodge, No. 54, Lima, Ohio, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

500. By Mr. FULLER of Illinois: Petition of Denton and Anderson, of Chicago, Ill., favoring the Madden bill for 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

501. By Mr. KINKAID: Petition of sundry citizens of Rock County, Nebr., favoring bonus for soldiers, sailors, and marines; to the Committee on Military Affairs.

502. By Mr. GRAHAM of Illinois: Petition of the Hancock County (Ill.) Farm Bureau, concerning the present industrial situation; to the Committee on Agriculture.

503. By Mr. LINTHICUM: Petition of Joseph A. Bull and others, of Baltimore, Md., favoring Johnson bill for bonus for soldiers; to the Committee on Military Affairs.

504. Also, petition of Carrollton Lodge, No. 2601, Fraternal Aid Union, favoring Sterling-Lehlbach retirement bill; to the Committee on Reform in the Civil Service.

505. Also, petition of United Railways & Electric Co., Baltimore, Md., Post No. 61, American Legion, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

506. Also, petition of John F. Reily, favoring approval and passage of appropriation for salaries of Lighthouse Service; to the Committee on Appropriations.

507. Also, petition of Frank J. Uhlenberg regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

508. Also, petition of Baltimore & Ohio and Allied Lines Local Federation, Riverside Local, favoring House bill 10367; to the Committee on Interstate and Foreign Commerce.

509. By Mr. McGLENNON: Petition of New Jersey State Organization for Public Health Nursing, favoring the granting of rank to Army Nurse Corps; to the Committee on Military Affairs.

510. By Mr. MacGREGOR: Petition of Friends of Irish Freedom, Buffalo, N. Y., favoring Mason bill; to the Committee on Foreign Affairs.

511. Also, petition of Builders' Exchange of Buffalo, N. Y., favoring House bill 10650; to the Committee on the Judiciary.

512. Also, petition of John Mitchell Branch, Friends of Irish Freedom, favoring House bill 3404; to the Committee on Foreign Affairs.

513. Also, petition of Ot-Yok-Wa Club, of Buffalo, N. Y., favoring legislation to subdue radical elements in this country; to the Committee on the Judiciary.

514. By Mr. MAHER: Petition of Brooklyn Coal Exchange, favoring House bill 10650; to the Committee on the Judiciary.

515. Also, petition of sundry citizens of Brooklyn, N. Y., favoring Sterling-Lehlbach bill; to the Committee on Reform in the Civil Service.

516. By Mr. NICHOLS of Michigan: Petition of League of Compulsory Education, Philadelphia, asking increase in salary of attendant officers in the District of Columbia; to the Committee on the District of Columbia.

517. By Mr. O'CONNELL: Petition of sundry citizens of Brooklyn, N. Y., favoring Sterling-Lehlbach bill; to the Committee on Reform in the Civil Service.

518. By Mr. THOMPSON: Petition of Lima (Ohio) Lodge, No. 54, Benevolent and Protective Order of Elks, favoring deportation and punishment of undesirable aliens; to the Committee on the Judiciary.

519. Also, petition of Hiram Loudon Post, No. 155, Grand Army of the Republic, Montpelier, Ohio., favoring Fuller pension bill; to the Committee on Invalid Pensions.

SENATE.

FRIDAY, *December 19, 1919.*

(*Legislative day of Tuesday, December 16, 1919*).

The Senate met at 11 o'clock a. m., on the expiration of the recess.

JOSEPH T. ROBINSON, a Senator from the State of Arkansas, appeared in his seat to-day.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Harris	McKellar	Smith, Ga.
Ball	Harrison	McLean	Smith, Md.
Bankhead	Henderson	McNary	Smith, S. C.
Calder	Hitchcock	Moses	Smoot
Capper	Johnson, S. Dak.	Nelson	Spencer
Colt	Jones, N. Mex.	New	Sterling
Culberson	Jones, Wash.	Newberry	Sutherland
Cummins	Kellogg	Norris	Thomas
Curtis	Kendrick	Nugent	Townsend
Dial	Kenyon	Overman	Trammell
Dillingham	Keyes	Page	Wadsworth
Edge	King	Phipps	Walsh, Mass.
Fletcher	Kirby	Poindexter	Walsh, Mont.
France	Knox	Pomerene	Warren
Frelinghuysen	La Follette	Ransdell	Williams
Gay	Lenroot	Robinson	Wolcott
Gronna	Lodge	Sheppard	
Hale	McCormick	Sherman	

Mr. McKELLAR. The Senator from Rhode Island [Mr. GERRY], the Senator from North Carolina [Mr. SIMMONS], the Senator from Kentucky [Mr. STANLEY], the Senator from Alabama [Mr. UNDERWOOD], and the Senator from Montana [Mr. MYERS] are detained on official business.

Mr. WALSH of Montana. I wish to announce that the Senator from Nevada [Mr. PITTMAN] is detained from the Senate by death in his family.

Mr. SHEPPARD. I have been requested to announce that the Senator from Virginia [Mr. SWANSON] is detained from the Senate by illness in his family.

I wish also to announce that the Senator from Oregon [Mr. CHAMBERLAIN] is absent on official business.

The VICE PRESIDENT. Seventy Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the joint resolution (S. J. Res. 131) making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 9947. An act to authorize J. L. Anderson and H. M. Duvall to construct a bridge across Great Pee Dee River, at or near the town of Cheraw, S. C.;

H. R. 10402. An act authorizing the Secretary of War to grant permission to municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.;

H. R. 11223. An act making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920; and

H. J. Res. 266. Joint resolution authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States.

The message further announced that the House had agreed to a concurrent resolution of the Senate providing for the printing, without accompanying maps and charts, of the final report of Gen. John J. Pershing, commander in chief American Expeditionary Forces, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution providing for the printing of 1,500 copies of the Journal of the Fifty-fourth National Encampment of the Grand Army of the Republic for the year 1920, etc., in which it requested the concurrence of the Senate.

REGULATION OF PASSPORTS.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 131) making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States, which were: In line 4, to strike out "the act of October 29, 1919," and insert "public act No. 79 of the Sixty-sixth Congress," and in line 9, after "1918," to insert ": *Provided*, That not more than $450,000 of said sum shall be used during the remainder of the fiscal year 1920."

Mr. POMERENE. Mr. President, will the Senator from Massachusetts explain the House amendments?

Mr. LODGE. This is the bill which was reported unanimously from the Foreign Relations Committee, making the appropriation of $600,000 immediately available for the use of the State Department in regard to passports.

Mr. POMERENE. I remembered that fact; but does this simply reduce the amount?

Mr. LODGE. No; it does not reduce the amount. It makes only $450,000 of the $600,000 available during the year 1920, which I think will be entirely sufficient.

Mr. POMERENE. It is the only change that has been made?

Mr. LODGE. Yes; that is the only change. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

HOUSE BILLS REFERRED.

The following bills of the House of Representatives were severally read twice by their titles and referred to the Committee on Commerce:

H. R. 9947. An act to authorize J. L. Anderson and H. M. Duvall to construct a bridge across Great Pee Dee River at or near the town of Cheraw, S. C.; and

H. R. 10402. An act authorizing the Secretary of War to grant permission to the municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.

H. R. 11223. An act making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, was read twice by its title and referred to the Committee on Appropriations.

NATIONAL ENCAMPMENT, GRAND ARMY OF THE REPUBLIC.

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the House of Representatives, which was read and referred to the Committee on Printing:

Resolved, etc., That there shall be printed as a House document 1,500 copies of the Journal of the Fifty-fourth National Encampment of the Grand Army of the Republic for the year 1920, not to exceed $1,700 in cost, with illustrations, 1,000 copies of which shall be for the use of the House and 500 copies for the use of the Senate.

FINAL REPORT OF GEN. JOHN J. PERSHING.

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the House of Representatives, which was read and referred to the Committee on Printing:

Resolved, etc., That the Final Report of Gen. John J. Pershing, commander in chief of the American Expeditionary Forces, be printed as a House document, without the accompanying maps and charts, and that 100,000 additional copies be printed, of which 30,000 copies shall be for the use of the Senate and 70,000 copies for the use of the House of Representatives.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

The VICE PRESIDENT. The pending question is on the amendment of the Senator from South Carolina [Mr. SMITH], on page 73, to strike out from line 14 to the word "court" in line 12, on page 75.

Mr. ROBINSON. Mr. President, I ask the attention of the Senate to the pending amendment. It is proposed to strike out the language in the bill designed to prevent the construction of new lines of railroad, the extension of existing lines, or the abandonment of such lines until public authority has determined the necessity for such action.

Much as I regret to disagree with my friend the Senator from South Carolina, I feel it to be my duty to urge the Senate to reject his amendment and to retain the provision in the bill. It is in harmony with some of the general and important features of the bill, particularly those relating to the consolidation of railway lines and systems. It recognizes the public right as controlling in the construction of new lines of railroad and in the abandonment of existing lines of railroad. It provides that no new lines shall be constructed, no old lines shall be extended, until a certificate has been issued by a board representing the public—

That the present or future public interest requires or will require the construction or operation or construction and operation of such line of railroad or extension thereof, and no carrier by railroad subject to this act shall abandon any portion or all of its line of railroad or the operation thereof unless and until it shall first have obtained from the board a certificate that the present or future public interest permits such abandonment.

Mr. CURTIS. May I ask the Senator a question?

Mr. ROBINSON. I yield with pleasure to the Senator from Kansas.

Mr. CURTIS. I wish to ask the Senator if his construction of that provision is to the effect that if parties in a State desire to build a line from one place to another in the State and the State utilities commission or railroad board favor such construction, under those circumstances they would still have to get a permit from this board?

Mr. ROBINSON. If the road is to engage in interstate commerce, I feel sure that that is the case; and I think it should be the case. The power of Congress, as the Senator well understands, is limited to the regulation of interstate commerce.

Mr. CURTIS. I understand that; but the question I ask is with reference to a road wholly within a State. Although the road might be connected with a line that would take freight outside of the State, by agreement probably with other roads, the road would be wholly within the State. In my judgment, where a road is wholly within the State the railroad board of the State or the utilities commission should have authority to pass upon the necessity of constructing such a road.

Mr. SMITH of South Carolina. Will the Senator from Arkansas permit me?

Mr. ROBINSON. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. That is one of the main features that I was hoping to eliminate from the bill. The Senator recognizes that the railroads are still partially under private control and we still must depend upon private capital for the construction of the roads. A local community gets sufficient capital to develop its resources. In place of leaving with the Interstate Commerce Commission the regulation of the commerce and the regulation of the securities that might construct the instrumentalities of commerce, you propose to go to the extent of saying that every community under all conditions, when a road is to be constructed that will engage ultimately in interstate commerce, must come to a board in Washington, not for the purpose of knowing whether the securities are properly invested or properly used, but for the purpose of knowing whether the instrumentalities shall be permitted which are for the benefit of the community, and incidentally later on for the benefit of the general community.

Mr. ROBINSON. Of course, there is no power under the Federal Government to prevent the construction of an intrastate road and its operation in purely intrastate business. The power of Congress, as I started to say a moment ago, is limited to the regulation of interstate traffic. If, however, a road that is wholly within a State is engaged in interstate commerce, it becomes subject to the power of Congress to regulate interstate commerce.

Mr. SMITH of South Carolina. The Senator from Arkansas recognizes the fact that in the great interchange of business in this country there is no such thing, outside of the physical property of the road, as a purely intrastate road.

Mr. ROBINSON. Yes; and that is exactly the reason why I think the power of Congress to regulate and control in these matters should be extended as it is sought to be extended in this bill. Commerce, as is implied in the suggestion of the Senator from South Carolina, has become largely interstate. There is, of course, considerable local traffic that may be carried—intrastate commerce—but there are few roads that are engaged in intrastate commerce that do not also engage in interstate commerce.

Mr. SMITH of South Carolina. I desire the Senator from Arkansas to get this point: The Senator recognizes that railroad development is still in progress and that there are communities in this country where roads must be built in order to develop the community, where there will not be a sufficient tonnage in order to meet the 5½ per cent or whatever rate may be fixed by the commission as a just return. My suggestion last night was that in those circumstances it is perfectly feasible that freight originating on the new line and being delivered locally on the new line should bear a rate sufficiently high to remunerate those who constructed the road until such time as the tonnage shall have increased by the development of the community to a point where the road would be self-sustaining. Otherwise the Senator knows that the board, having regard to general conditions and perhaps conceiving that an additional burden would be imposed on the general public, might decline to accept the fact that the benefit of increased development more than offsets the expense incurred in the additional burden on the traffic for opening up a particular community.

The Senator knows that when this provision shall have been adopted all construction of railroads will cease, other than those which pass through communities which are sufficiently developed at least to warrant the assumption that the freight under the rate established will take care of the road.

Mr. ROBINSON. Mr. President, with reference to the last statement made by the Senator from South Carolina, I desire to say that there have been during the last 10 years very few miles of railroad constructed in the United States; but the construction——

Mr. SMITH of South Carolina. Mr. President——

Mr. ROBINSON. Will the Senator permit me to proceed now for just a moment?

Mr. SMITH of South Carolina. That was one of the arguments which I used—and I think it is a good one—to show that it is because of the restrictive Federal laws which have been thrown around the construction of railroads that we have not had any further railroad construction.

Mr. ROBINSON. Mr. President, with reference to the first argument presented by the Senator from South Carolina, that the provision of this bill will prevent the construction of railroads which are necessary for the development of localities, I desire to point out to him that, on the contrary, the provision is designed to accomplish that purpose and to accomplish it in a legitimate way. The bill provides that no new line shall be built or extension be made "until there shall first have been obtained from the board a certificate that the present or future public interest requires or will require the construction." The use of the language, "the present or future public interest requires or will require the construction" of the road embraces every possible case where it can be shown that existing conditions in a locality or conditions likely to arise in the future justify or make necessary the building of the line or the extension of the line.

Every Senator knows that one of the great difficulties which we now find in the regulation of interstate commerce and in the proper control of our railroads grows out of the fact that in the past there has been no control over the improvident construction of railway lines or the improvident extension of railroads. We know that throughout the United States there are many lines of railroad that ought never to have been built, that never would have been built, if there had been some intelligent and properly constituted authority to determine the feasibility of the projects.

Some of these improvident constructions proceeded through the influence of promoters who desired to make profits, others in a spirit of competition, and others for reasons that can not be explained or understood; but the fact remains that one of the difficulties that we now experience in properly regulating rates of traffic grows out of the fact that some of the roads were so unwisely constructed or located that to provide for them compensation which will secure their maintenance will give to other railroads wisely located and properly constructed too great a return, excessive compensation.

One of the fundamental principles and purposes of this bill is to so organize the railroads of the United States and to so consolidate them into a number of competing systems that hereafter the rates may be so adjusted that all railroads may be maintained. If you strike out this provision you weaken the consolidation features of this bill. It is true that in all probability in the future there will not be so many miles of railroad constructed the construction of which the public interest does not justify as in the past; but if we are to reorganize the railroads and put them on a sound financial basis we ought not to leave it to the power of anyone in any locality to undo the very thing we are trying to do; and that is exactly what, in my opinion, would result if the amendment of the Senator from South Carolina prevails.

The purpose of this provision in the bill is to recognize as the controlling consideration the right and interest of the public to have reasonable and adequate transportation facilities and to escape payment for transportation facilities that are not needed and are mere duplications of existing facilities.

Mr. JONES of New Mexico. Mr. President——

Mr. ROBINSON. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I should like to inquire of the Senator if, after the consolidation contemplated by this bill has been consummated, there will be any opportunity for any railroad building by any concern other than a consolidated system?

Mr. ROBINSON. Oh, yes. As to what the practical aspect of the subject will be, that will depend, of course, upon the circumstances of a given case; but so far as the law is concerned new systems can be constructed and operated and old systems extended or new lines built whenever the public authority, termed in this bill the board, finds that the public interest, present or future, justifies and requires such construction.

Mr. JONES of New Mexico. Mr. President, I should like to ask the Senator if he thinks that the board would ever conclude that an independent road would be in the public interest? In view of the fact that this bill for the first seven years contemplates voluntary consolidation and thereafter compulsory consolidation, does the Senator believe that the board would ever consent to any independent concern building another railroad which would compete with an existing consolidated system?

Mr. ROBINSON. Oh, certainly, if the public interest justified or required it. As the law charges it with the duty of acting in the public interest, I think the board would authorize the construction of a new railroad if it found that the conditions justified it. I hope it would not do so unless it found such conditions to exist. That is the purpose of the provision.

Mr. JONES of New Mexico. The point that I had in mind was that, inasmuch as this bill contemplates the forcible consolidation of all of the railroads of the country into a limited number of systems, the board would construe it as the fixed policy of the Congress not to permit other systems to be created and would, therefore, object to any such company being organized for the building of an independent road.

Mr. ROBINSON. If the Senator were familiar with the language of the bill as a whole, I do not think he would justify himself in any such conclusion. The bill expressly authorizes the construction of new systems and expressly authorizes the construction of new lines and the extension of old lines. The sole limitation on that power and on the right to construct is that the public interest in the present or future shall require the construction.

Mr. JONES of New Mexico. In order to give the Senator a concrete case—and of course in using the word "system" I did not mean a system of the magnitude contemplated by this bill—but in the State of New Mexico, I will say to the Senator, as an illustration, at about the time the war began a corporation had been organized for the purpose of constructing a road about 200 miles in length connecting with the Santa Fe Railroad and intended to develop a new section. That road would only be, I repeat, about 200 miles long. In view of the fact that this bill contemplates, perhaps, the consolidation of the Santa Fe Railroad with other roads into a system, does the Senator believe, taking this bill as a whole, that, according to its spirit, the board would be authorized to consent to the formation of a separate corporation to build the piece of road to which I have just referred?

Mr. ROBINSON. In answer to the Senator's question, I will say that as to whether a separate corporation should build the road or an existing corporation, the only consideration that should determine that would be the public interest. If the board found that competition was probable or possible and desirable it would probably authorize the construction by a new and independent corporation, if it could be done. I want to say further, in answer to the question of the Senator from New Mexico, that in my opinion there will be more new railroads built and more old lines extended, and probably fewer existing lines abandoned, if this provision remains in the bill than if it is stricken out; and I want to tell the Senator and other Senators who are interested why I think so.

As already stated, for some reason railroad construction in the United States has been almost completely suspended; and, Senators, it will not be resumed until the railroads are placed upon a reasonably secure financial basis. There is no probability of the construction of any great number of miles of railroad in the future unless some evidence can be presented to those who must furnish the money with which the construction may be carried forward that the project is necessary and feasible. Whenever the certificate called for in the provision which the Senator from South Carolina moves to strike out is issued, that will be almost conclusive evidence of the desirability and the wisdom of the project. It will aid very materially in securing the funds necessary for construction, and it is not likely that the old system of construction will be resorted to in the future. The era of speculation is past. The people are not willing and they will never again be willing, in my opinion, to make large grants of public lands, to give enormous donations, to secure the construction of railroads. The country as a whole has reached a state of development where sanity and sound business judgment, where present and reasonably certain future conditions should and will control in the construction of railroads; and if this conclusion be correct, then the provision which the Senator from South Carolina moves to strike out ought to stay in the bill, because it recognizes the power and authority of the General Government to pass upon the question. It recognizes the controlling interest as the public interest. It does not deny development, because it contemplates that the board shall take into consideration not only present conditions but future conditions which are reasonably likely to arise; and, of course, if any authority is to pass upon that question, the rulings and action ought to be uniform. It ought to be a Federal authority rather than tribunals of the 48 States, for if you relegate the matter to the States you will have just as many different standards as there are States, and there will creep into this new system which we are seeking to establish—a system which is designed to stabilize the roads and their securities—one of the worst features of the old system.

I do not know that there is anything further that I can say upon the subject.

Mr. SMITH of South Carolina. Mr. President, the Senator from Arkansas [Mr. ROBINSON] stated that the public had now arrived at that stage of education in reference to railroad construction where it would not tolerate the excesses that heretofore have existed, such as duplication of railroads, building competitive lines where there was not sufficient tonnage to take care of two or more lines, and so forth. I concur in that statement, and the public has arrived at that point. No board of transportation that you might create could change or add to the public's keen appreciation of the condition that has brought about the very deplorable state of affairs in reference to railroads. We were speaking about certain roads not having sufficient tonnage to support them; and therefore, when we made a rate that would support the weak road, it gave the strong road an extraordinary advantage or an unwarranted return on the capital invested.

Mr. President, any student of this subject who has gone into the question of why these inequalities exist knows that one of the reasons why we have so many so-called weak roads is because the strong lines of this country, upon reaching their termini, have the power and the right to send their freight to a friend, and to freeze out another line that is absolutely essential to the development of the community.

What transpired when this war broke out? When it came to the mobilization of our transportation systems in order to meet the vast demands upon them, we found that this diversion of freight and the establishment of the movement of our commerce had been carried on through certain lines of railroad to certain ports to such an extent that when the movement began these ports that had been favored by the great trunk lines and

the lines leading to these ports were so congested that you could not get your loaded cars in nor your empty cars out. Why? Because the facilities that were afforded by other ports and other lines had been ignored by these different companies in transferring or sending their freight in their joint and through rates to those that they favored, leaving the other roads to get what tonnage they might. Every one of us knows that every railroad in America to-day, generally speaking, is needed for the transportation of the commerce of this country; and I maintain that when you have perfected the consolidation provided for in this bill, when you shall have taken from private interests the initiative in constructing railroads and turned it over to a Federal board, the development of any further railroading in this country will have been stopped.

Why should a railroad running into a certain community, with its equipment, invite or favor any other construction, when those who are contiguous to the road, 10, 15, 20, or 30 miles away, in order to get to market, must haul their commerce to this road?

It will have the business, anyhow, if no other road is constructed for the development and convenience of the community. It has a monopoly of that community; and to appear before the board would mean that those who seek to establish the new road must prove that there is sufficient tonnage in the community asking for the railroad to justify its construction. If there is not, if there has been a lack of development because of the lack of the railroad, then under the very terms of this bill it would not be built, because they would claim that it was putting upon the community a burden that the tonnage adjacent thereto did not justify. For that reason, I say, railroad development after the passage of this bill will be a thing of the past, and those communities that have not got them now will have to do the best they can in order to get their commerce to the railroads.

Mr. JONES of New Mexico. Mr. President, I suppose this is as good a time as any for me to express some views which I entertain regarding one or two features of this bill, and explain some amendments which I have prepared and had printed, and which I propose to call to the attention of the Senate.

The remarks of the Senator from Arkansas [Mr. ROBINSON] in regard to the lack of railroad building in the past are in entire accord with my own observations. We all realize that for a number of years there has been little, if any, new railroad building in this country. I am sure the cause of that has been the lack of inducement for the investment of private capital in such an enterprise. Just what has brought that about it is immaterial for me to comment upon at this time.

But the thing about which I am concerned now is that, according to my information, there is nothing in this bill which will remedy the situation. The only inducement offered by this bill for the investment of capital in new railroad building is an earning of 5½ per cent, with a possible increase by mere fractions. I want to lay it down as a proposition which I believe can not be controverted that you can not get new capital to be invested in the building of a new railroad through a new country with the only inducement a possible 5½ or 6 per cent in the way of dividend return.

My judgment is that the reason why there has been no railroad building in the last 10 or 15 years comes from the fact that the earnings of the railroads have been limited. They have been regulated by the Interstate Commerce Commission, and regulated upon the basis of what the old-established railroads of the country should earn. It involves a principle of economics to which I have on former occasions referred in connection with the revenue bill.

At the present time that bill puts a flat rate of 8 per cent as an earning which shall not be considered excessive. It applies that rate to every industry of the country, whether an old established national bank or a new industrial enterprise. Whether established in an old, settled community or whether it is a pioneer industry of the West, the same measure is established. I have inveighed against that principle in connection with the revenue bill, and this bill proposes to extend the same principle to the building of railroads.

The railroad system in the East, running through a thickly settled community, where investors are upon every hand, is to have the same rates fixed for it with reference to the invested capital as the pioneer railroads, running through new sections of country and where the return is in no manner guaranteed by economic conditions where the roads exist.

The railroads of this country have all been built by reason of the prospective returns commensurate with the risks involved in the building of the railroads. Five and one-half per cent is a fair return upon the old, settled lines of railroads, in my judgment. I think the committee has perhaps been very wise, and used a figure which will come as near meeting the judgment of the country as any other, when you apply it to the old, established systems of the country. But what I want to say is that, in my judgment, there is no inducement in this 5½ per cent for the building of a new railroad.

The speculative profits which have caused the building of railroads in the past will not be held out under this bill, and to get a meager 5½ per cent, and to have rates for a district fixed so that the value of the new railroad shall be taken into consideration for the purpose of establishing only a return of 5½ per cent upon the investment, will result, in my judgment, in your never getting another dollar put into a new railroad.

Mr. CUMMINS. Mr. President——

Mr. JONES of New Mexico. I am glad to yield to the chairman of the committee.

Mr. CUMMINS. It happens that the western railroads are more prosperous than the eastern railroads. Their returns are larger, taking them all together, than the returns of the eastern railroads. An amendment has already been adopted which gives to the new railroads in any part of the country the opportunity to earn more and retain more than the 6 per cent or the 6½ per cent provided for in the bill.

Mr. JONES of New Mexico. I have before me the amendment to which the Senator has just referred, and my judgment is that the amendment, while very generously intentioned, will not have the effect of bringing about the inducement which I at least would like to have held out. The amendment which has been adopted provides—

> That any railroad corporation proposing to undertake any work of new construction may apply to the transportation board for permission to retain for a period not to exceed 10 years all or any part of its earnings from such new construction in excess of the amount heretofore in this section provided, for such disposition as it may care to make of the same; and the said board may, in its discretion, grant such permission, conditioned, however, upon the completion of the work of construction within a period to be designated by the board in its order granting such permission.

Mr. WILLIAMS. Mr. President——

Mr. JONES of New Mexico. Just a moment, if the Senator will permit me.

That amendment provides that the road may retain such earnings in excess of the 5½ per cent as it may earn; but the Senator must recognize the fact that when the commission proceeds to fix rates for the district in which the new railroad is built, including the new railroad itself, under this bill the commission is required to fix rates on the basis of 5½ per cent. So I would like to ask the Senator how the new railroad could expect more than 5½ per cent, if the commission does the duty which is required of it under the terms of this bill? I yield to the Senator from Mississippi.

Mr. WILLIAMS. I want to see if I understood the Senator. If I do understand him his fear that there might not be any construction of new roads to exploit new territory grows out of the limitation in the bill of the dividend and not out of a fear of the operation of a board. Is that correct?

Mr. JONES of New Mexico. That is the view which I entertain, I will state to the Senator, and which I shall elaborate somewhat later on.

Mr. WILLIAMS. I share that view to this extent: I think that in a new country there should be held out to those who are adventurous enough to build railroads a hope, at any rate, of a large profit. In the past that hope has been generally shattered, but the hope existed, and the roads were built. At the same time, I want to prevent construction of venomously built roads—and by that I mean roads that were built by one road more with a view to cutting another road's throat than with a view of exploiting or benefiting the territory. So I think the provision in the bill which the Senator from South Carolina seeks to strike out ought to be kept in it. But I should be very much in favor of lifting this bar of profit, and leaving the railroads in new country with the hope, at any rate, of earning 10 per cent. They generally will not do it, but the hope may build the road.

Mr. JONES of New Mexico. I am certainly glad to know that the views of the Senator from Mississippi coincide with my own, and in the amendment which I have offered I have retained the provision that the project shall have the indorsement of the railroad board created by this bill.

I can see the dangers against which the Senator from South Carolina [Mr. SMITH] has inveighed. I can see that it is possible that the railroad board contemplated by this bill might decline to approve a railroad venture which would be thought locally very desirable.

Mr. SMITH of South Carolina. Mr. President, will the Senator allow me?

Mr. JONES of New Mexico. Certainly.

Mr. SMITH of South Carolina. I want again to call his attention to a fact stated to me by a very distinguished Member of this body, that up until the time of the appointment of a commission under a Federal law to govern prospecting and opening of mines in the West, the prospecting and development of mines went on, to the benefit of the country at large. He cited one particular case where, in his own State, the great Hercules lead mine was opened after certain geologists said that there was no mineral in that community. He said that after this law was passed and the commission was appointed—and I have had it corroborated by other Senators as to their sections—the development of mines was stopped when those who wanted to take the initiative and spend their money to find the wealth that is contained in our mineral resources had to come to Washington and get a permit and have the commission here pass upon the conditions and circumstances surrounding it. Prospectors would not take a venture under such circumstances, and any further mineral development has been arrested and stopped; so that the great wealth of the West is now lying unavailable simply because of Federal restrictions.

Mr. JONES of New Mexico. The Senator is quite right regarding the results growing out of the fact which he has stated. But it is evident that no geologist can look into the ground and tell what is there. Geologists may have some theoretical information, but for any geologist to undertake to look over a given piece of ground and say whether it is mineral ground or not I think is an idle effort.

That, to my judgment, is quite different from the matter of the building of a railroad. The facts regarding the building of a railroad can be as well known to the board as to the promoters of an enterprise, and while in a way it may be said that no board should pass upon the advisability of these various contemplated constructions or enterprises which are sought to be promoted, yet the Senator from South Carolina must bear this in mind, that whenever anybody undertakes to build a railroad it is necessary that there shall be capital borrowed somewhere. Only in a very few instances in this country have the railroads built by private capital been owned by the parties who were doing the work of construction. We have one or two instances, but only one or two.

When the promoter of the enterprise seeks to get capital with which to carry on the work, if his enterprise has the approval of such a board as is contemplated by this bill, it will be much easier for him to get the capital, and to get it upon very much more favorable terms, than he could if the matter were not approved by such a board.

I remember very well a number of people with irrigation enterprises, who sought in every conceivable way to induce the Interior Department and the Government to put the stamp of approval upon a private irrigation enterprise, for the express purpose of giving confidence to people who would likely invest their money in the enterprise. Thus far the Government has declined to do that, for the reason that it did not want to assume the responsibility of saying to investors that the project was a feasible one. But if the Government could be induced to say that, it would enable the party to obtain money on very much more reasonable terms.

So, with regard to the building of a new railroad, if you can get the approval of the board, the promoters of the enterprise will have a very much easier time in raising the money than if they did not have it. So in the amendment which I have offered I have recognized that provision of the bill which requires that before the road is built it shall meet with the approval of the board established by this bill.

I must say that I have very grave doubts whether the amendments which I have proposed will accomplish the result which I seek, but I am sure that if they will not aid in that direction there is absolutely no hope for new enterprises under the bill as it now exists.

The amendments were prepared with reference to the first print of the bill as reported by the Senator from Iowa [Mr. CUMMINS]. On page 14 of that print of the bill——

Mr. CUMMINS. Will the Senator from New Mexico permit a vote to be taken upon the amendment offered by the Senator from South Carolina before he offers his amendment?

Mr. JONES of New Mexico. I am not offering it now; I am just explaining it. I have no objection, if it suits the convenience of the chairman of the committee to take a vote now, to presenting the matter later on. I thought this would be a good time to call attention to it, and then to present the amendment later for action.

Mr. CUMMINS. I have, of course, no right even to suggest the matter, probably——

Mr. JONES of New Mexico. I am willing to suit the convenience of the Senator.

Mr. CUMMINS. But it would tend to clearness of understanding of the amendments which are to be proposed by the Senator from New Mexico if we could have a vote upon the amendment offered by the Senator from South Carolina.

Mr. JONES of New Mexico. Very well. If that suits the wishes of the chairman, I will withhold my further remarks.

Mr. SMITH of South Carolina. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	McKellar	Simmons
Bankhead	Harris	McLean	Smith, Ga.
Calder	Harrison	McNary	Smith, Md.
Capper	Henderson	Moses	Smith, S. C.
Cummins	Jones, N. Mex.	New	Smoot
Curtis	Jones, Wash.	Norris	Spencer
Dial	Kellogg	Nugent	Sterling
Dillingham	Kendrick	Overman	Sutherland
Edge	Kenyon	Page	Townsend
Elkins	Keyes	Phipps	Trammell
Fernald	King	Poindexter	Underwood
Fletcher	Kirby	Pomerene	Wadsworth
Frelinghuysen	La Follette	Ransdell	Walsh, Mont.
Gay	Lenroot	Robinson	Williams
Gerry	Lodge	Sheppard	Wolcott
Gronna	McCormick	Sherman	

The VICE PRESIDENT. Sixty-three Senators have answered to their names. There is a quorum present. The pending amendment is the amendment offered by the Senator from South Carolina [Mr. SMITH]. The yeas and nays have been ordered, and the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. I agreed to pair with him during his absence, and I therefore withhold my vote.

Mr. KENDRICK (when his name was called). I have a general pair with the Senator from New Mexico [Mr. FALL]. I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING]. He is absent on official business, and I have the privilege of voting on this bill, notwithstanding my pair. I vote "nay." I ask that the announcement as to my pair may stand for the day.

Mr. WILLIAMS (when his name was called). Notwithstanding my pair with the senior Senator from Pennsylvania [Mr. PENROSE], I shall vote, as I understand he would vote as I am about to vote. I vote "nay."

Mr. WOLCOTT (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. THOMAS. I have a general pair with the Senator from North Dakota [Mr. MCCUMBER], which I transfer to the Senator from California [Mr. PHELAN] and vote "nay."

Mr. EDGE (after having voted in the negative). I transfer my pair with the Senator from Oklahoma [Mr. OWEN] to the Senator from Ohio [Mr. HARDING] and permit my vote to stand.

Mr. OVERMAN (after having voted in the affirmative). I voted, but in the absence of my pair, the Senator from Wyoming [Mr. WARREN], I withdraw my vote.

Mr. WALSH of Massachusetts (after having voted in the affirmative). I find that the senior Senator from Connecticut [Mr. BRANDEGEE] is absent. Last night, when the bill was under discussion, I agreed to pair with him. I therefore announce my pair with the Senator from Connecticut [Mr. BRANDEGEE] and withdraw my vote.

Mr. WALSH of Montana. I wish to announce that the Senator from Nevada [Mr. PITTMAN] is detained from the Senate by death in his family.

Mr. SHEPPARD. I have been requested to announce that the Senator from Virginia [Mr. SWANSON] is detained from the Senate by illness in his family.

I wish also to announce that the Senator from Oregon [Mr. CHAMBERLAIN] is absent on official business, and that the Senator from Nebraska [Mr. HITCHCOCK] is detained on official business.

Mr. SUTHERLAND. I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. As that Senator is absent I am obliged to withhold my vote.

The result was announced—yeas 23, nays 44, as follows:

YEAS—23.

Ashurst	Gay	King	Smith, Ga.
Borah	Gronna	La Follette	Smith, S. C.
Capper	Harris	McKellar	Stanley
Curtis	Harrison	Nugent	Trammell
Dial	Henderson	Sheppard	Wolcott
Fletcher	Kendrick	Simmons	

NAYS—44.

Ball	Jones, N. Mex.	Moses	Sherman
Calder	Kellogg	Myers	Smith, Md.
Cummins	Kenyon	Nelson	Smoot
Dillingham	Keyes	New	Spencer
Edge	Kirby	Norris	Sterling
Elkins	Knox	Page	Thomas
Fernald	Lenroot	Phipps	Townsend
France	Lodge	Poindexter	Underwood
Frelinghuysen	McCormick	Pomerene	Wadsworth
Gerry	McLean	Ransdell	Walsh, Mont.
Hale	McNary	Robinson	Williams

NOT VOTING—28.

Bankhead	Gore	Newberry	Shields
Beckham	Harding	Overman	Smith, Ariz.
Brandegee	Hitchcock	Owen	Sutherland
Chamberlain	Johnson, Calif.	Penrose	Swanson
Colt	Johnson, S. Dak.	Phelan	Walsh, Mass.
Culberson	Jones, Wash.	Pittman	Warren
Fall	McCumber	Reed	Watson

So the amendment of Mr. SMITH of South Carolina was rejected.

Mr. JONES of New Mexico. Mr. President, I had assumed in the preparation of these amendments that the provision which has just been acted upon by the Senate would not be stricken out, and I do not know that I have very much to add to what I have already said. There are, however, a number of Senators now in the Chamber who were not here when I first called this matter to the attention of the Senate.

The purpose of the amendments which I propose is to put it within the power of the Interstate Commerce Commission to grant inducements to the new railroad concerns for the building of new railroads. There is not a provision in the amendments which is still not brought within the discretion of the Interstate Commerce Commission. The purpose of the amendments, however, is to give latitude to the Interstate Commerce Commission in the fixing of rates and to provide some inducement whereby capital may be obtained for the building of new railroads.

In some sections of the country I suppose it may be said that there are a sufficient number of railroads now; but this country has been developed by the building of railroads, and yet no railroad has been built with the expectation of getting a return of only 5½ per cent, as provided in this bill. The appeal which I make to the Senate is that the Interstate Commerce Commission may be granted some latitude, may have the power in its discretion to offer some inducement for the building of new railroads, for putting money into new enterprises, and to further develop this country of ours. That is the only purpose of the amendments.

I am not prepared to assure the Senate that even if my amendments are adopted they will be adequate to provide the money for the building of new railroads; I am not sure that even with these amendments further railroad building will go on; but, clearly, the amendments proposed will tend in that direction and may bring about that result.

It is still left within the power of the board to say whether or not a railroad shall be built at all. In various States of the Union public-utilities commissions have been created for the purpose of passing upon the advisability of building new railroads, new street railways, and new public utilities of various kinds, and with that spirit I agree. In the amendments which I have offered it is intended that there shall be supervision over contemplated new enterprises. All that the amendments provide, as I have said, is that the discretion of the Interstate Commerce Commission may be broadened so that it may permit to the new railroads increased fares and rates for the carriage of freight beyond the amount which would provide a return of only 5½ per cent. It is left in the discretion of the Interstate Commerce Commission.

I should like very much if the chairman of the committee having the bill in charge would offer no objection to the amendments, so that they shall at least go into the bill and be considered by the conferees. I realize that the bill which is ultimately to become a law will be written in conference, and I know that the conferees will consider the various matters which are put into the bill by the Senate.

Senators have not had an opportunity to study the bill and the various amendments which have been offered. I must confess that the votes which I have cast upon the bill have been cast with less decision than upon any bill which has been presented to the Senate since I came here. Many members of the Committee on Interstate Commerce have been engaged in this work for years; they are familiar with the various problems; all of the members of the committee for months have been engaged in framing the bill; they have studied its provisions; but the remainder of us, who have had our attention specifically directed to other matters, have not had that opportunity.

This bill is of tremendous importance, in my judgment. I do not know of a measure which has come here, save the treaty of peace with Germany, which will so vitally affect the interests of this country as will this bill. I only regret that I have not had an opportunity to give to it more consideration than I have; but, according to the light which I have, if the bill is passed in its present form there will, I think, be no more railroad building in the West; there will be no more development of enterprises in that great section of the country. I appeal to Senators at least to give the discretion to the Interstate Commerce Commission to hold out some inducement for the building of new railroads.

Mr. CUMMINS. Mr. President, in my opinion—and I think it is the opinion of all the members of the committee, or nearly all of them—this bill if passed will do more to encourage and promote the building of railroads into undeveloped parts of the United States than anything that has been suggested for years and years. I can only put my judgment upon that question against the judgment of the Senator from New Mexico. I have no doubt he entertains his view sincerely, but it is the opinion of those who have studied longest upon the matter that the chief merit of this bill is that it will have a tendency at least to secure the honest construction of railroads into territories that are not supplied with transportation facilities.

I can not accept the amendment of the Senator from New Mexico; but I say to him that the whole subject will be in conference. It will be just as much within the jurisdiction of the conference committee to present the plan that he has outlined in his amendment as though the amendment were adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President, if the amendments are to be voted upon at this time, I should like to say that in order to carry out the purpose which I have in mind I have thought it necessary to amend the bill in three or four particulars. The first amendment which I offer is on page 14, line 25, of the original print. That part of the bill, being section 6, deals with the right of the Interstate Commerce Commission to adjust rates with certain objects in mind; it mentions various objects which should be considered by the commission in the fixing of rates. Beginning in line 17, on page 14, it provides:

> In so changing or modifying rates, fares, charges, and classifications from time to time in the manner provided in the act to regulate commerce, as amended, the commission shall take into consideration the interests of the public, the shippers, the wages of labor, the cost of maintenance and operation, including taxes, the requirements for additional capital in order to enable the carriers to adequately perform their duties to the public, and the conditions under which the same can be secured.

The first amendment which I propose is simply one extending the things which shall be considered by the commission in fixing rates. After the word "secured" on that line I propose to add:

> Also, the requirements for additional capital in order to encourage the construction of railroads in parts of the United States lacking adequate transportation facilities, and the conditions under which the same can be secured.

This amendment simply authorizes the commission, in adjusting its rates and fares, to take that factor into consideration along with the others mentioned in the bill. I do not see how any serious objection can be raised to inserting that additional provision, especially in view of the fact that the chairman of the committee has just stated that it is necessary that something should be done to encourage the building of new railroads.

It is claimed by him that the bill as already framed is better than the conditions which exist at the present time. I agree with him about that; but I honestly believe that the bill as framed does not furnish sufficient encouragement to warrant the building of other and additional railroads, and this amendment only enables the Interstate Commerce Commission to take into consideration one other element when it goes to adjust rates and fares.

I offer the amendment, Mr. President.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 14, line 25, after the word "secured," it is proposed to insert the following words:

> Also, the requirements for additional capital in order to encourage the construction of railroads in parts of the United States lacking adequate transportation facilities, and the conditions under which the same can be secured.

[Mr. SIMMONS addressed the Senate. See Appendix.]

The PRESIDING OFFICER (Mr. OVERMAN in the chair). The question is upon the amendment offered by the Senator from New Mexico [Mr. JONES].

Mr. HARRISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gronna	McNary	Sherman
Bankhead	Harris	Moses	Smith, Md.
Brandegee	Harrison	Myers	Smith, S. C.
Calder	Henderson	Nelson	Smoot
Capper	Hitchcock	New	Spencer
Chamberlain	Johnson, S. Dak.	Norris	Sutherland
Colt	Jones, N. Mex.	Nugent	Townsend
Cummins	Jones, Wash.	Overman	Trammell
Curtis	Kellogg	Page	Walsh, Mass.
Dial	Keyes	Phipps	Warren
Dillingham	La Follette	Poindexter	Williams
Elkins	Lenroot	Pomerene	Wolcott
Fletcher	McCormick	Ransdell	
France	McKellar	Robinson	
Gay	McLean	Sheppard	

Mr. WOLCOTT. I desire to announce the absence on official business of the junior Senator from Utah [Mr. KING].

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, a quorum is present. The question is upon the amendment offered by the Senator from New Mexico [Mr. JONES]. [Putting the question.] The noes seem to have it.

Mr. JONES of New Mexico. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. JONES of New Mexico. I ask for a division.

On a division the amendment was rejected.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. JONES] has sent to the desk another amendment, which will be read.

The SECRETARY. On page 18, after line 8, insert the following new section:

SEC. 6a. The commission may, in its discretion, exempt any corporation organized after the passage of this act which shall construct, maintain, and operate any new line of railroad in any part of the United States lacking adequate transportation facilities from any or all of the provisions of this act relating to the adjustment of rates, fares, and charges to yield the designated return in the various rate districts, the disposition of excess railway-operating income, or the consolidation or Federal incorporation of carriers, but only with respect to such new line or lines of railroad, in so far as such corporation shall request such exemption, and in so far as the commission shall, after hearing and under such procedure as it may prescribe, determine that such exemption is consistent with the public welfare, but not for a period exceeding 10 years after the building of the railroad. The property, rates, and railway-operating income of any such carrier, in so far as it is so exempted, shall not be taken into consideration during the continuation of such exemption in determining the aggregate value of the railroad property in any rate district, the rates, fares, and charges to be exacted by the other carriers therein to yield the designated return, or the disposition of the excess railway-operating income of such other carriers, under the provisions of this act.

The commission may, in its discretion, so adjust the rates, fares, and charges of such an exempted carrier, and may, by order promulgated in advance, after notice and hearing and under such procedure as it may prescribe, adjust the rates, fares, and charges of such carrier with respect to any line of railroad under construction or to be constructed by it that such rates, fares, and charges will yield a net railway-operating income for such carrier with respect to such new line or lines of railroad not exceeding 10 per cent of the actual value of its property used for transportation purposes, if and in so far as the commission shall determine that such rates, fares, and charges are necessary in order to encourage the construction of any new line of railroad in any part of the United States lacking adequate transportation facilities: *Provided*, That every rate, fare, or charge of any such exempted carrier shall at all times be fair and reasonable as compared with those charged for similar services under like conditions by other railroads in the same rate district; and that such carrier, its directors, officers, agents, and employees, shall, except as herein otherwise provided, be subject in all respects to the provisions of the act to regulate commerce and of this act. The commission may at any time alter or amend any order, regulation, rate, fare, or charge prescribed or permitted under the provisions of this section, and may exempt any such carrier or continue such exemption under such conditions as it may by order prescribe.

Mr. JONES of New Mexico. Mr. President, I just want to add a word. This amendment is in harmony with two or three other amendments which I have offered for the purpose of enabling the Interstate Commerce Commission to liberalize its rulings with respect to new construction. I think this provision is a wholesome one. If new railroads are to be built the Interstate Commerce Commission should be allowed at least sufficient latitude to consider the necessities of the new railroads.

My judgment is that under the bill as framed there will be no more building of railroads in the country. I am not so sure that the amendments which I offer will bring about that result, but they will certainly tend in that direction. They will give the Interstate Commerce Commission power to use some judgment and discretion with respect to a particular road. On this amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. JONES] has sent to the desk another amendment, which will be read.

The SECRETARY. On page 74, after line 4, insert the following new paragraph:

It shall be the duty of the board, in exercising this authority, to encourage the construction, by corporations organized after the passage of this act, of new lines of railroad in parts of the United States lacking adequate transportation facilities.

The amendment was rejected.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. JONES] also offers the following amendment.

The SECRETARY. On page 17, after the word "carriers," in line 9, insert the following words:

including loans to corporations organized for the purpose of constructing, maintaining, and operating railroads in parts of the United States lacking adequate transportation facilities.

The amendment was rejected.

Mr. JONES of New Mexico. Mr. President, I give notice that I shall ask for the yeas and nays upon these amendments in the Senate.

Mr. SMITH of Georgia. Mr. President, I offer the following amendment, to go at the bottom of page 96; and I ask the attention of the chairman of the committee to it. I hope that he can agree to it, so far as he can control the matter.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. At the bottom of page 96, insert the following:

Provided further, That no increased rate, fare, charge, or classification shall be filed except after approval thereof has been secured from the commission. Such approval may, in the discretion of the commission, be given without formal hearing, and in such case shall not affect any subsequent proceeding relative to such rate, fare, charge, or classification.

Mr. SMITH of Georgia. That has been the law for two years past under a provision that limited it to January 1 next, and this amendment would simply continue it.

Mr. CUMMINS. The amendment offered by the Senator from Georgia is an amendment to the present law, not to this bill especially. It simply strikes out the numerals "1920," I understand. I have no objection to the amendment.

The amendment was agreed to.

Mr. MYERS. I offer the following amendment.

The PRESIDING OFFICER. The Secretary will read it.

The SECRETARY. Amend by striking out of line 14, page 15, the word "one-half" and substituting therefor the word "two-thirds"; also by striking out of line 16, page 15, the word "one-half" and substituting therefor the word "one-third."

Mr. MYERS. Mr. President, I will say briefly that this relates to the disposition of any surplus acquired by the railroads over the rate of 6 per cent per annum on the value of the roads. The bill provides that of any such excess between 6 and 7 per cent, one-half thereof shall be placed in a reserve fund established and maintained by the carrier, and the remaining one-half shall "be paid to and recoverable by the board for the purpose of establishing and maintaining a general railroad contingent fund." This would change it so that the road earning an excess could retain two-thirds of the excess between 6 and 7 per cent, and one-third, instead of one-half, would go into the contingent fund.

I believe in the principle of the bill in fixing a rate above which roads shall not be allowed to retain earnings and that any excess shall go into a contingent fund for other purposes. I am in sympathy with that principle, but I believe that the plan of equalization goes a little too far. I believe that the road ought to be allowed to retain two-thirds instead of one-half of what it earns above 6 per cent and below 7 per cent. I believe that taking away one-half of that excess earning is a little too much discouragement to efficiency of management and careful business methods. It is just a matter of what would be right and best for all concerned, and I believe the division I have suggested is fairer than the one the bill proposes.

Mr. CUMMINS. Mr. President, this was the subject of very prolonged discussion in the committee. It was finally agreed by the major part of the committee that the division should be between 6 and 7 per cent, one-half to the railway company and one-half to the general contingent fund. I very much hope that the action of the committee and its judgment in that respect will not be disturbed.

The amendment was rejected.

Mr. POMERENE. Mr. President, on page 71, after line 2, I move to have inserted the following amendment. I may say that this is the same subject matter embraced in the amendment which I offered last night and which after some discussion I withdrew. In its present form it was drawn by the senior Senator from Illinois [Mr. SHERMAN] except the proviso, which has

been added by the Senator from Florida [Mr. TRAMMELL]. I think there will be no objection to it in its present form.

The PRESIDING OFFICER. The Secretary will state the proposed amendment.

The SECRETARY. On page 71, after line 2, insert the following:

The transportation board shall have power to require any carrier subject to its jurisdiction to furnish refrigerator cars for the transportation of vegetables, fruits, and fresh meats, and such other perishable commodities as require a refrigerator service, and may in its discretion expend, if the revenue of the carrier is inadequate for the purpose, a portion of said revolving fund therefor: *Provided*, That this provision shall not in any wise relieve common carriers from their duty to furnish such refrigerator cars as are required for the transportation of vegetables, fruits, fresh meats, and other perishable commodities.

Mr. SHERMAN. The amendment offered by the Senator from Ohio, I think, serves a useful purpose, and I would be very glad to see it adopted.

Mr. JONES of Washington. I desire to ask the Senator from Ohio whether there is anything in the bill that would require the board to make a survey of the transportation needs of any section of the country with reference to refrigerator cars and then giving the board authority to require of the railroad, in advance of the need, preparation to take care of it?

Mr. POMERENE. The transportation board is required to make a careful study of all the transportation needs of the country. The duties which are imposed upon the board in that behalf are very comprehensive and, I think, would cover the specific question which the Senator has in mind.

Mr. CUMMINS. It not only gives the board the duty of making a continuous study of the transportation needs of the country, but gives the board the authority to require carriers to furnish the facilities that are needed.

Mr. JONES of Washington. I am very glad to know that, because I have in mind a particular situation in the Northwest, for instance, in the Yakima and Wenatchee Valleys, in my State. The production of apples in my State last year was about 20,000 carloads. Those apples must be handled in a very few months. I know that at one time in the fall our people were very much disturbed over the outlook for refrigerator cars to take care of the fruit. I am glad to be assured that the board has power and is really directed to look into a situation like that and prepare to meet it.

The amendment was agreed to.

Mr. CUMMINS. I have been informed that the Senator from Alabama [Mr. UNDERWOOD] has an amendment which he desires to offer. He is not present. I do not know of any other amendment to be offered as in Committee of the Whole.

Mr. WALSH of Massachusetts. Mr. President, I move the adoption of the following amendment to section 26 of the bill.

The PRESIDING OFFICER. The Secretary will state the proposed amendment.

The SECRETARY. On page 1, line 7, after the word "repealed," insert the following:

So far as it affects railway corporations, common carriers, or systems of transportation accepting the terms and provisions of this act, but otherwise shall continue in full force and effect until the end of the calendar year 1924: *Provided, however*, That the regulation of intrastate rates shall, after the repeal, both with respect to carriers electing to remain under the provisions of the Federal control act and with respect to all other carriers, be revested in the several States and the agencies established by law therein.

Also, on page 2, line 1, after the word "any," insert "such," and in line 10 strike out "all" and insert "such."

Also, on page 60, strike out the entire section 26 and insert in lieu thereof the following:

"SEC. 26. The wages and salaries paid to classified employees, including sleeping-car employees, by common carriers accepting the terms and conditions of this act, and the wages and salaries paid to such classified employees of transportation systems remaining under Federal control, together with the hours of labor and all other conditions of employment of such classified employees, shall be at least as favorable to such employees as those paid and accorded for similar services rendered under similar conditions in other industries, taking into account the hardships, hazards, and responsibilities of the employment, the training and skill required, the steadiness and tenure of service, and any provisions for participation in pensions or other benefits. The purchasing power of such wages and salaries shall be stabilized as follows: The scales of such wages and salaries in force on July 1, 1915, shall be considered the basic scales of such salaries and wages. The Bureau of Labor Statistics shall compile and publish on the first days of February, May, August, and November of each year tables showing the current average cost at retail, in the principal industrial and commercial centers, of such supplies of food, clothing, housing facilities, fuel and lights, furniture, and other necessaries in the proportionate amounts reasonably sufficient for the support of a family of two adults and three minor children therein, together with the cost of the same group of necessaries in December, 1914; and the wage or salary paid at each pay day to each such classified employee whose basic rate is less than $3,000 a year shall be at such basic rate for the corresponding service performed in July, 1915, plus the percentage by which the cost of the group of necessaries before mentioned at the industrial or commercial center nearest his place of residence, as shown by the tables of the bureau last published, exceeds the cost of the same group of necessaries in December, 1914: *Provided, however*, That nothing in this section shall operate to reduce the amount of wages or salary of any employees below the amount to which such employee was entitled in December, 1919: *And provided further*, That the board shall have power, upon the petition of the representatives of any group of such employees, to readjust the basic scale of wages and salaries whenever it shall determine, after such notice and hearing as it shall prescribe, that the actual compensation received by any such employee or employees is less than that paid in other industries for similar services rendered under similar conditions or is inadequate for any other reason."

Mr. WALSH of Massachusetts. Mr. President, yesterday I undertook to point out to the Senate that the bill, while it properly and justly seeks to guarantee a reasonable return to the capital invested in transportation lines, gives no corresponding protection to the invested labor. I contend that we as representatives of the people of the United States have no right to guarantee that security to invested capital without guaranteeing an equal security to the employees of transportation lines who contribute toward the success of transportation.

I am as strongly in favor of legislation which will give us uninterrupted transportation service as any man in the Senate. But we can justify antistrike legislation only if at the same time we put into the bill a sufficient guaranty to labor that it shall have at least a living wage. There is in the bill absolutely no such provision and no guaranty that wages may not even be reduced.

The theory of the committee bill is that the public must be prepared to pay enough for transportation to afford reasonable dividends to present investors and to attract fresh capital for extensions and improvements. If this be true—and few will venture to deny it—it is equally true that the public must also pay enough to afford railroad employees a reasonable living wage at all times, a wage sufficient to command and reward efficient service and to attract a high grade of new employees as the demands of the service increase. This indispensable requirement the committee bill, as it stands, in my judgment, entirely fails to meet. This would be a grave fault even if the bill made no attempt to restrict collective bargaining, the only means by which in ordinay competitive industries labor has been able to assert its rights; but the antistrike provisions of the bill make the omission more serious still. Strikes in connection with public-utility enterprises and in the industries that supply the fundamental necessaries on which industry in general and the very subsistence of the people depend are indeed intolerable; but before we attempt forcibly to curtail the right to strike we must at least, as a matter of sound business as well as of common justice, remove the reasonable causes of complaint from which justifiable strikes arise. This is what my amendment attempts to do.

Mr. President, the justifiable causes of strikes may be divided into two general classes: First, that the wages and conditions of employment are unfair, either because less favorable than in comparable employments or because yielding to the laborer less than a just share in the products of his toil; and, secondly, that wages originally just have been made inadequate by the rise in the cost of living, or, in other words, by the shrinkage in the purchasing value of the nominal wages received.

The first cause I attempt to remove by providing, as the present language of the bill fails to do, that the fundamental rule by which the awards of the wage-adjusting board are to be governed shall be that the wages and terms of employment must be at least as favorable as those in other industries. I think myself that the public would be willing, and certainly ought to be willing, to have them kept a little more favorable than in competitive industries in consideration of relief from the danger of railroad strikes. The second cause of complaint is unquestionably met and automatically removed by the simple expedient, already adopted by a few forward-looking employers, of keeping the purchasing power of the wages paid practically constant by varying the money wages as the cost of supporting a typical family increases or decreases. I hardly think anyone will seriously contend that the wages of railroad employees in 1915 were too high. If not, then they are certainly too low whenever they fail to procure the same amount of necessaries that they procured at that time.

This automatic method of adjustment requires no new governmental machinery and in all likelihood no net additional expense of administration. The Bureau of Labor Statistics already exists, and it already issues from time to time such tables of comparative costs as my amendment calls for. If it be urged that the regular quarterly compilation of the tables would increase the expenses of the bureau, it is fair to offset the equally strong probability that the removal of one main cause of dissatisfaction from the jurisdiction of the wage-adjustment boards proposed by the bill would cut down the number of complaints to be passed upon by them, and would reduce their expenses quite as much as the expenses of the Bureau of Labor Statistics would be increased.

The plan I propose is not open to the "vicious-circle" objection, for as the costs of living are gradually reduced by larger crops, a lessened foreign demand for our food products and raw materials, and by better methods of distribution, together with the checking of profiteering which we hope to see increasingly effective in the near future, the cost of transportation would automatically be lowered also, changing the vicious circle into a benevolent acceleration of the cost-reducing process.

Mr. President, the amendments which I offer to section 1, making the return of the railroads to private control contingent on the acceptance of the conditions of the act, are necessary to make the other amendment constitutionally possible, for Congress can not, in my judgment, compel a private corporation to pay wages that may make the payment of reasonable dividends impossible, unless the corporation, for a valuable consideration has agreed to permit it to be done. The return of the roads by the Government to their owners would be such a consideration, but in the absence of such an agreement the railroad employees, I am confident, would find the wage-adjusting provisions of the committee bill inoperative just where they are most needed, for an award obliging a railroad earning less than 5 per cent, as a considerable part of them under the rate-fixing arrangement proposed in the bill would necessarily do, to increase the pay of its employees would almost certainly be set aside as confiscatory.

The adoption of these amendments would, in my judgment, make the bill not less fair to investors in railroad securities, but much fairer to labor and perhaps as just on the whole to the public as any arrangement short of public ownership can be.

Mr. President, the difference between section 26 of the committee bill and the amendment offered by me as a substitute for section 26 is as follows:

The committee bill merely makes a general declaration that the wages and salaries paid shall be fair, just, and reasonable, and that the transportation board which is established, in determining what is fair, just, and reasonable, shall consider certain relevant circumstances, such as wages paid for similar kinds of work, relationship between the wage and cost of living, and so forth.

The amendment proposed by me goes much further in that it fixes wages for the present and also lays down a fundamental principle which the board will be obliged to follow in readjusting wages in the future, namely, that the wages of railroad employees shall always be "at least as favorable to the employee as the wages paid under comparable conditions in other industries."

In other words, it lays down the fundamental principle that in order to avoid strikes in public utilities the employees must be given at least as fair treatment as organized employees in private industry secure by strikes or the right to strike.

The language of the committee bill is directory only, and still leaves it within the power of the board to fix wages for railroad employees lower than those awarded for similar services elsewhere, and if this happens the employees have no further appeal or means of redress. Under my amendment they would have the right to apply to the court for a mandamus or other order of review, on the ground that the board had failed to perform the duty imposed upon it by the act.

In other words, this language in my amendment puts teeth in section 26 of the committee bill.

My amendment, moreover, takes a long step forward toward insuring the public against strikes. If adopted, it will stabilize for the employees the purchasing power of their wages without obliging them to have recourse to the committee on wages or to the transportation board.

Section 26 of the committee bill specifies that one of the relevant circumstances, by consideration of which the committee and board are to determine wages and salaries, is to be the relation between wages and the cost of living. My amendment removes all responsibility from the board in this respect, and it insures to the employee a wage which shall at all times be based upon the actual cost of living. To accomplish this it provides an automatic method which secures to the wages a constant purchasing power, whatever the fluctuations in the cost of living may be. This portion of the amendment confers upon the railroad employees the legal right to a wage to be determined as follows:

First, he shall have as a basic wage or salary the wage or salary awarded for similar work on July 1, 1915, before the great increase in the cost of living began. I have heard no one contend that the wages paid to railroad employees on July 1, 1915, were excessive, and that rate is to be the basic wage in determining what shall be the wage of these employees in the future.

To this basic wage there shall be added a percentage which shall be equal to the percentage of increase in the cost of living of an average family in the circumstances of the average railroad employee. In order to determine this percentage the Bureau of Labor Statistics is charged with the duty of compiling and publishing on the first days of February, May, August, and November of each year, as it has been doing at intervals for some time past, comparative tables showing the average cost at retail in the principal industrial and commercial centers of food, clothing, housing facilities, and other necessaries in the proportions in which they are required for the support of an ordinary family, and showing also the percentage of increase in that cost since 1914.

To illustrate: This arrangement would give at the present time to every railroad employee the wage which he was receiving in 1915 plus an increase of about 80 per cent. This increase, of course, would vary in the different industrial centers, but 80 per cent would be near the average. Hereafter this percentage of increase over the basic wage would be raised or lessened according to the tables of the bureau showing the current changes in the cost of living.

In taking away from the employee the right to strike, as is done by the committee bill, we would thus be giving him in return a fixed basic wage plus a varying increase to enable him to meet the increased cost of living. In other words, we would be insuring him that the purchasing power of his wage would never be diminished, just as we are insuring the man who invests in railroad securities that his dividends shall never be diminished.

As the purpose of my amendment is to reach only the poorer paid employees, those amongst whom strikes are likely to arise, the limit is fixed to cover employees who are receiving under $3,000 a year.

Mr. President, one would think from what has been said in this Chamber that the wages paid railroad employees are excessive; figures are given us from time to time as to what an engineer or a conductor receives; but is it not true that statistics show that over a million railroad employees, until recently, were receiving less than $75 per month? Who can claim that that sum constitutes an excessive wage?

The determination of the wages of higher paid employees is left to the board as in the original bill.

The basic cost of living is taken to be the cost in December, 1914, which is the base assumed by the Bureau of Labor Statistics in the table of comparative costs found in volume 9, No. 3, of the Monthly Labor Review.

The amendment I offer further provides that the minimum wage of railroad employees shall be the wage that they are now receiving, even though in some instances that wage may already have been increased since 1915 more than the actual rise in the cost of living. The reason why this provision is inserted is that there are a number of cases where employees were grossly underpaid in July, 1915, but have since had their wages increased more than 80 per cent, although their pay is still by no means too high.

For illustration, some men who in July, 1915, received only $9 a week have had their wages increased to $20 or more. If the principle of the amendment were made applicable to these cases, the wage of a man who had been raised from $9 to $20, assuming that the increased cost of living over that in December, 1914, has been 80 per cent, would be reduced to $16.20, or $3.80 less than he is now receiving.

My amendment, though fixing definitely the wages to be paid when the act takes effect, and stipulating that these wages shall not be reduced unless the cost of living shall decline, establishes no maximum rate but only a minimum wage scale. It does not limit in any way the power of the regional board of adjustment to increase wages above that minimum. On the contrary, it obliges this board to keep the wages and conditions of employment at least as favorable to the employee as those in comparable industries, and accordingly to raise the basic rates whenever, upon complaint and investigation, they are found to be too low to fulfill this condition.

The committee bill leaves the railroad employees in uncertainty whether even their present wages are to be maintained or whether they may not in the near future be actually reduced. They have in fact grave reason to apprehend such a downward revision of wages, for the organs of the forces behind this bill are already criticizing the Railroad Administration for having raised wages as much as they have been raised, and are intimating to shippers that coming wage reductions may reduce the necessity of raising rates in order to provide the returns to invested capital which are guaranteed by the bill.

Mr. President, the committee bill distinctly places the rights of capital above the rights of labor. That accusation can not be answered—security and protection for capital; insecurity for labor at every turn. It guarantees to capital a fair return, indeed I might say a most liberal return, while it is taking

from labor its only effective weapon for collective bargaining without providing any sufficient substitute. It gives to labor no assurance that it will receive a fair return, and no means of securing it except by pursuing an uncertain, long, and costly process of litigation through a succession of tribunals which are certain to delay and may altogether deny redress.

My amendment places capital and labor upon an equal footing, and lays down the fundamental principle that the public is as much bound to pay for transportation service a living wage to labor at all times as it is bound to guarantee a fair return to capital.

Will you tell me what argument can be made against giving the same security to labor? Labor does not ask dividends, but it asks a guarantee of a living wage; that is all. You say to the Government and to the officials who fix rates, "When you undertake to charge rates to the consumers of the country and to those who use the carriers, you shall keep in mind that those rates must be sufficient to give capital 5 per cent or more return." I say if we are an impartial tribunal, if we are a government of all the people, we are bound to say to these rate-fixing boards, "See that capital gets its return; yes; but also see that labor gets a constant, steady, living wage."

What is the answer to this? The answer the committee makes is: "We will establish boards that will take into consideration certain factors in fixing wages when disputes arise between capital and labor." My amendment, while it eliminates from any special consideration or protection all those railroad employees who earn over $3,000 per year, and provides that this class of employees may go to these boards to have their labor conditions and wages fixed, says to all those paid under $3,000 per year, "You shall have a living wage fixed and guaranteed, and that wage shall be determined, not by a board but by law, so that if the board refuses to give that wage an application can be made to the courts, which will order it to be paid as the law provides.

By adopting this amendment we say to the employees, "You shall not strike, but you shall not suffer. You shall never be in a position where you will not be able to meet the cost of living, no matter how high it climbs, for the public agrees that it will always pay a transportation rate sufficient to give you a living wage."

Mr. President, I agree that this is a difficult problem to solve; that there are many difficulties involved. I would willingly go further than I have done, and include in my amendment the right for the railroad companies to go before these boards and say: "Conditions have so changed that the basic rate in 1915 is too high." The amendment as it stands gives the right to the railroad employees to petition to raise the basic rate, and I have no objection to the railroads themselves having the right to ask that it be lowered.

This amendment, if adopted, will be a convincing answer to every railroad employee who cries out against antistrike legislation. He has been given his protection. He may get better wages if he can, but he never will have cause to strike on the theory that he is not getting enough money to live. Here is the solution of this question—no uncertainty for labor; a fixed, definite wage; a living wage always. Let us give to capital protection, let us give to labor a guaranty of a living wage, and then ask the public to assume the cost of transportation. What can be fairer? What can be more just?

Mr. President, there is in this country to-day an apparent lack of sympathy for the workingman. Foolish and unjustifiable strikes are responsible in great part for this feeling; but who dares to say that this feeling is to go on? Who will dare in a few years, when the atmosphere is clarified, to face a constituency in America and say, "I voted to deny railroad employees the right to strike, and made no provision to give them the guaranty that I gave to capital"?

The employees all over this country—every laborer, every man who works, even the clerks in our stores, men and women—can and will denounce this antistrike provision of the bill as the beginning of a move to pass the same provisions along into every activity of life.

Mr. President, we must prevent strikes, and to be able to prevent them we must guarantee to the employee always—always, no matter how high or how low the standards go—a living wage.

That is the purpose of my amendment. I have tried to study the problem impartially and find a solution which would give absolutely fair treatment to labor, to the men who help to make possible the prosperity and security of our transportation service. Dividends to capital alone will not make it either prosperous or secure. We want contented employees upon our transportation lines. We want satisfied employees. We want employees who know that they as well as capital have the ear of the Government; that they have the same protection as capital. Here is a solution of this long-vexed problem, and the only solution, in my judgment, that will really accomplish the object which the committee bill seeks.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Massachusetts yield to the Senator from Utah?

Mr. WALSH of Massachusetts. Yes.

Mr. KING. I have just heard the last few sentences of the Senator's speech. It seems to me, as I understand him and as I understand this amendment, which has just been called to my attention, that if wages were fixed for the coming year upon the basis of this amendment the amount would exceed all the earnings of all the roads for the year 1915, which, as I understand, is the basic year. The earnings of the employees would be so great in amount—I do not say they would be too great—as to exceed for the coming year the aggregate earnings of all the roads for 1915.

Mr. WALSH of Massachusetts. First of all, this only applies to employees who earn under $3,000 per year; and, secondly—well, it depends. If the claim is true that many make, that certain employees have had their wages so increased that they are beyond all that they deserve or are entitled to, then the increase will be very little. If their increase has been very small—a fraction of the increase in the cost of living—then the amount will be substantially reduced.

Mr. KING. Would not the wage be doubled and more than doubled in the aggregate over the aggregate amount paid in 1915?

Mr. WALSH of Massachusetts. No, sir. It would be at least 75 per cent larger—the basic wage of 1915 plus 80 per cent, which is the increased cost of living, as fixed recently by the Department of Labor. It would be 75 per cent larger. But the statement has been made that the wages have already been increased 50, 60, and 70 per cent over the basic wage of 1915, so that in that event there would be a very meager increase. If in some instances the wage has been made more than 100 per cent over that of 1915, then that class of employees would get no increase whatever under the provisions of this amendment.

There is nothing further that I care to say.

Mr. CHAMBERLAIN. Mr. President, I really had not intended to say anything on this bill. It has been discussed at such great length by the distinguished members of the committee who prepared it, and who so thoroughly understand its provisions, that it seemed to me the part of temerity on my part to undertake to say anything that would inform anybody about its provisions; yet, in justice to myself, in view of the fact that I intend to vote against it, I desire to occupy a little of the time of the Senate in giving at least a few of my reasons for opposing the measure.

Mr. President, we have been hearing from time to time of the hardships of the railroads, of the impossibility of their living under present conditions, and I think the suggestion was made more than two years ago that the railroads were likely to be forced into bankruptcy. It was pretty generally understood, and yet I do not know that it can be proved, that the railroads themselves had a good deal to do with their taking over by the Federal Government at the time they were taken over. I voted to take over the roads, Mr. President, because it was impossible to tell what the emergencies of the war might require at the hands of the transportation companies, and it seemed, whatever was required, that the Government was in a better position to operate them than the individual railroad companies under the conditions that then existed.

But it is not only the cry of distress, Mr. President, that comes up to us from the country, it may be, but certainly from the railroad companies themselves. It has come up to us in the past, and is going to continue to come up for the consideration of the Senate whenever these companies want something. It is the cry of "Wolf" in an effort to compel the American people, under the stress and storm of conditions, to come to the relief of the railroad companies, whether it is wise to continue assistance or not.

I propose to show, Mr. President, that if we are going to be called upon year in and year out to go to the relief of railroad companies, as we have been compelled to go to their relief in the days gone by, we might just as well hold and continue to operate them for all time as a governmental agency. But I am not going to discuss that particular question. I am going to show, Mr. President, that this is not a new cry.

We have been going to the relief of railroad companies, in the way of land grants and financial assistance, since the first grant for railroad construction was made, away back in 1825. That was the beginning of governmental aid to railroad com-

panies, and from that time up to 1850 from time to time the Federal Government and local State governments made contributions to railroad construction.

But the wild era of extravagance on the part of Congress to railroad companies began in 1850 and ended in 1871, and in that time empires were given to railroads to aid in their construction, and I am going to call attention to that very briefly.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Oregon yield to the Senator from Utah?

Mr. CHAMBERLAIN. Certainly.

Mr. KING. I know an interruption may be rather disturbing, and I apologize for interfering with the Senator's speech. As I interpret the observations of the Senator I think his criticisms of the railroads to which he refers are not quite just. He refers to numerous grants of lands by the Government, and contributions made by States, counties, and so on, to railroads. Let me say to the Senator that most of the railroads to which he refers were solicited—that is, their construction was urged by the people themselves for the purpose of developing virgin territories and reaching the outposts of civilization. The people had to have the railroads, and the people who would be benefited organized the companies, in some instances. They appealed to Congress, to State legislatures, or to counties for bonuses and for grants, and the people themselves received the benefit of the construction of the railroads. The corporations as such in many instances derived no important financial benefits; it was the people, and the construction of those roads developed our country, made the development of the West possible, made the great State of Oregon, which the Senator represents so ably, one of the great States of the Union.

In conclusion, I want to say to the Senator that it seems to me it would be unjust to lay at the door of railroad corporations all fault and obloquy or opprobrium for those activities many years ago and for the grants which were made of lands which at that time were worthless, or almost worthless, and which made it possible for the building up of those arid and semiarid wastes.

Mr. CHAMBERLAIN. I am not prepared to disagree entirely with the observations of the distinguished Senator from Utah as to the benefits which the whole country derived from those grants. But admitting that the country was developed, and admitting that many of the great States of the West were carved out of the western undeveloped wilderness, yet those grants were gifts to the railroad companies just the same.

Not only were those grants made to the railroad companies in the West, but they were made in practically all of the States that had any public land, either by legislative grant of the State or by congressional grants where the Federal Government still owned land.

Mr. President, in support of what I have to say about that, I call attention to State grants that were made from 1850 to June 30, 1919, and I am referring now to the report of the Commissioner of the General Land Office to the Secretary of the Interior for the fiscal year ended June 30, 1919, so it is a recent report. The report gives the figures as follows:

	Acres.
Illinois:	
Illinois Central	2,595,133.00
Mississippi:	
Mobile & Ohio River	737,130.29
Vicksburg & Meridian	199,101.51
Gulf & Ship Island	139,113.22
	1,075,345.02
Alabama:	
Mobile & Ohio	419,528.44
Alabama & Florida	399,022.84
Selma, Rome & Dalton	458,555.82
Coosa & Tennessee	67,784.96
Mobile & Girard	302,181.16
Alabama & Chattanooga	654,009.12
South & North Alabama	445,478.47
	2,746,560.81
Florida:	
Florida Central & Peninsular	741,668.27
Florida & Alabama	166,691.08
Pensacola & Georgia	1,279,236.70
Florida, Atlantic & Gulf Central	29,384.18
	2,216,980.23
Louisiana:	
Vicksburg, Shreveport & Pacific	372,092.34
Arkansas:	
St. Louis, Iron Mountain & Southern	1,325,355.46
Little Rock & Fort Smith	1,052,082.51
Memphis & Little Rock	184,657.33
	2,562,095.30
Missouri:	
Southwest branch of the Pacific road	1,161,284.51
Hannibal & St. Joseph	611,323.35
St. Louis, Iron Mountain & Southern	65,360.31
	1,837,968.17
Iowa:	
Burlington & Missouri River	389,990.11
Chicago, Rock Island & Pacific	483,214.36
Cedar Rapids & Missouri River	161,532.81 922,824.85 244,022.96
Dubuque & Sioux Sity	556,406.74
Iowa Falls & Sioux City	683,057.34
Des Moines Valley (river-improvement grant)	840,171.36
Chicago, Milwaukee & St. Paul	326,216.10
McGregor & Missouri River Sioux City & St. Paul	322,412.81
	4,929,849.44
Michigan:	
Port Huron & Lake Michigan	37,467.44
Jackson, Lansing & Saginaw	743,787.58
Grand Rapids & Indiana	852,521.70
Flint & Pere Marquette	512,932.38
Marquette, Houghton & Ontonagon	305,929.59
Ontonagon & Brule River	34,227.08
Bay de Noquet & Marquette	128,301.05
Chicago & North Western	518,065.36
	3,133,231.58
Wisconsin:	
Chicago, St. Paul, Minneapolis & Omaha (formerly West Wisconsin)	813,706.71
Wisconsin Railroad Farm Mortgage Land Co	163,159.65
Chicago, St. Paul, Minneapolis & Omaha (formerly St. Croix & Lake Superior)	816,487.76
Branch to Bayfield	471,721.14
Chicago & North Western	546,446.20
Wisconsin Central	838,227.69
	3,649,749.15
Minnesota:	
St. Paul, Minneapolis & Manitoba (formerly first division St. Paul & Pacific) Western R. R. (succeeded by St. Paul & Northern Pacific R. R. Co.) St. Paul, Minneapolis & Manitoba (formerly St. Vincent extension of the St. Paul & Pacific)	3,259,263.84
Minnesota Central	179,734.29
Winona & St. Peter	1,680,974.92
St. Paul & Sioux City	1,126,618.55
St. Paul & Duluth	860,973.62
Southern Minnesota, from a point on the Mississippi River to Houston Southern Minnesota extension (now Chicago, Milwaukee & St. Paul)	546,745.44
Hastings & Dakota	377,776.15
	8,032,086.81
Kansas:	
Leavenworth, Lawrence & Galveston	249,446.13
Missouri, Kansas & Texas	976,593.22
Atchison, Topeka & Santa Fe	2,944,788.14
St. Joseph & Denver City	462,933.24
	4,633,760.73
Grand total	37,784,852.58

I also submit the following table showing the grants to corporations:

Corporation grants.	Acres.
Union Pacific	11,934,047.39
Central Pacific	6,446,635.07
Central Pacific (successor by consolidation with Western Pacific)	458,786.66
Central Branch Union Pacific	223,080.50
Union Pacific (Kansas Division)	6,175,660.63
Union Pacific (successor to Denver Pacific Ry. Co.)	807,564.76
Burlington & Missouri River in Nebraska	2,374,090.77
Sioux City & Pacific (now Missouri Valley Land Co.)	42,610.95
Northern Pacific	38,075,479.30
Oregon Branch of the Central Pacific (California & Oregon)	3,161,465.34
Oregon & California	2,776,170.55
Atlantic & Pacific (now Sante Fe Pacific)	7,321,137.81
Southern Pacific (main line)	4,048,811.96
Southern Pacific (branch line)	1,583,304.81
Oregon Central	128,618.13
New Orleans Pacific	1,001,943.40
Grand total	86,559,408.03

Many of those grants were probably disposed of by the railroad companies for amounts insufficient to have constructed the roads, but if they had been husbanded as carefully as they ought to have been, these grants ought to have built the roads, and I doubt not but that in some instances they did build the roads.

For instance, there were grants made to the Oregon & California and the California & Oregon companies of some 6,000,000 acres of land. It was intended that the land should be sold in tracts of 160 acres to each settler at not to exceed $2.50 per acre. The terms of the grant were absolutely ignored. The managers of the companies and of their successors in interest

led them to feel that the grant could be entirely defied, so that they sold in larger quantities than 160 acres to each settler, and at prices in excess of $2.50 an acre, and finally got to a point where they refused to sell at all. As a result of that, some of us out in Oregon undertook to make the companies either comply with the terms of the grants and sell to actual settlers in amounts of 160 acres to the individual settler at $2.50 per acre or else forfeit the grants. We met with resistance all along the line, and finally, by a proceeding had in Congress, we procured investigations to be had, suits to be instituted, and finally the grants were forfeited by act of Congress, and 3,000,000 acres of this magnificent grant, covered with the finest timber in the world, were restored to the people of the country because the railroad companies had refused to carry out the terms of the grant.

I am induced to mention this because it has been suggested here that we must carry out our contract with the railroad companies at this time. They ignored the terms of their contract, and notwithstanding the fact that they ignored the terms of their contract they were allowed by the courts $2.50 per acre for every acre of land which was forfeited to the people whom they had undertaken to defraud.

I do not know, Mr. President, how much money was received from that grant or from the other grants made to the railroad companies, but if the grants had been administered properly there is not any question but what those lands would in many instances have constructed the roads for whose benefit the grants were made.

We did not stop there. We went even further than that. Many of those grants were given for, we will say, odd and even sections for 6 miles on either side of the track. In some instances the grants were even greater than that, and wherever for any reason the sections which had been granted had been taken by some bona fide settler, they had the right to go on the public domain and make selections beyond the limits of the grants in lieu of those which had been lost.

I am mentioning this fact, Mr. President, to show that the National Government has been most generous to railroad companies.

Mr. President, I am going to ask to have inserted an extract from the Encyclopedia of American Government, volume 3, page 145, on the subject of Federal aid to railroad companies.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

"Railroads, public aid to: The need for domestic markets and for political coherence early caused a demand for aid to railways in the United States. The eagerness of States and cities for trade connections, coupled with a jealousy of the power of the Federal Government and a relatively unimportant interstate commerce, explains why a large part of the aid given came from State and local governments.

"Periods and amounts of State aid: The aid granted by States falls into well-defined periods.

"(1) Beginning in 1815, the development of the West and the spread of cotton culture brought great pressure upon legislatures to subsidize or construct transportation facilites—soon including railways—a pressure which reached its climax just before the crisis of 1837. At first, canals rivaled railways and retarded aid to them, but the rapid improvement of rail transportation and the realization of the limitations of canals overcame this resistance about 1835. In 1827 came the first considerable State aid to railways, when Maryland subscribed $500,000 to the Baltimore & Ohio. Between that year and 1841 this State issued bonds to railways to an amount over $6,800,000. At about the same time (1827) Massachusetts appropriated $10,000 to ascertain the best route westward through the State to the Hudson. The real beginning of aid in Massachusetts, however, came in 1836, when $1,000,000 was subscribed to the Western Railroad (Worcester to Albany); and, by 1841, at least $5,050,000 of the State's credit had been extended to railways. Pennsylvania made her first appropriation of $800,000 for the Pennsylvania Railroad & Canal Co. in 1828; and New York took up the policy with a grant of $3,000,000 to the Erie Railway. By 1840 New York had aided railways to the extent of $4,450,000. The great rush, however, came between 1836 and 1841; then Ohio, Michigan, Indiana, Illinois, Georgia, Tennessee, Virginia, South Carolina, and Louisiana all granted aid to railways. The speculative activity preceding the crisis and the distribution of the surplus Federal revenue may be mentioned as factors.

"(2) In 1841 a period of little aid began. The crisis was followed by a long depression, lasting till about 1850. The period is marked by the constitutional prohibition of aid to improvements in several Northern States.

"(3) 1851–1861: With the renewal of prosperity, about 1850, a new period of State aid began. It was most marked in the South, where such States as Kentucky, North Carolina, and Missouri virtually began the public-aid policy.

"(4) 1865–1870: After the Civil War Alabama, Florida, Arkansas, and Texas had their fling; and several other Southern States resumed the aid policy. By far the largest grants of State aid were made in the South.

"With the early seventies the aid policy may be said to end. By 1907 all but five States had in some way forbidden State participation in internal improvements.

"Altogether, it has been estimated that over $228,000,000 was appropriated or expended by States for the purpose of aiding railways. This does not include land grants made by States, which were of considerable importance in the cases of Texas—a State which retained possession of the public lands within its bounds—Florida, and Minnesota. Nor does it include the item of exemption from taxation or free surveys.

"Forms and restrictions: The chief forms in which aid was granted by States were land, stock subscriptions, and loans of public credit; and under the last head either the bonds of the State might be granted, or the bonds of the railways or of municipalities for railways might be guaranteed. Stock subscriptions were more common in the South.

"The provisions made in the grants of aid, by way of limitations, safeguards, and means of repayment differed greatly. Thus some States, such as Ohio, provided that aid should be given only when two-thirds of the capital stock or of the estimated cost had been subscribed; others—North Carolina, for example (1848–49)—specified $1 of public funds for every dollar of private expenditure; still others, like Georgia, merely provided a maximum amount for each case. Often a maximum per mile allowance was set, as in Tennessee. As to provisions for repayment, sometimes there were none; in other cases the State provided for a lien on the road or parts thereof; and in several instances, sinking funds were prescribed (as in Tennessee, 1852). Too often bonds were turned over to the railways before any real work was begun (e. g., North Carolina); but sometimes it was enacted that aid could only be given as sections of varying length were completed. It is generally recognized that the usual grants inadequately guarded the interests of the State; and, where safeguards were attempted, they were not always enforced. Ohio and Massachusetts were among the more successful States in this regard.

"Federal aid: The Federal Government also gave much aid to railways. Two great periods may be distinguished—that between 1825 and 1850 and one extending from 1850 through 1870. Prior to 1850, aid was given in the shape of surveys made by Federal engineers, remission of duties on railway iron, rights of way over public land, and proceeds of land sales turned over to the States for railway purposes. The first aid was a survey made between the Kanawha and James Rivers in the years 1825–26. In 1832 iron for railways was placed on the free list, where it remained until 1842. The first grant of a right of way came in 1835, the Tallahassee Railroad Co., of Florida, being the recipient. In 1850 began the epoch of great land grants, when 3,751,711 acres were granted for the Illinois Central, Mobile & Chicago, and Mobile & Ohio Railways. After this hardly a session of Congress passed without some grant till 1871, when the last one was made. The largest donations were made to the Pacific railways. Altogether some 155,504,000 acres were given, though the amount actually received by railways has been somewhat less on account of forfeitures. Land-grant acts generally provided that troops, mails, etc., should be transported free of toll or other charge, but such indirect return was decided against by the Supreme Court in 1876, and the Government merely receives reduced rates of 50 per cent.

"In the case of the Union Pacific and Central Pacific group Congress granted the national credit, loaning 30-year 6 per cent bonds of the United States to the amount of $16,000 per mile through level country and as much as $48,000 per mile in the mountains. This meant a total grant of $64,623,512. After much litigation Congress by 1899 was able to secure or arrange for the repayment of the principal and most of the interest on these loans.

"Difficulties of the aid system: It is a difficult matter to pass judgment upon the expediency of the policies indicated in this brief account. Some grants appear to have been wise; others were obviously foolish. Looking from the long-time standpoint at the vast mass of aid as a whole, one can not but doubt whether any net gain accrues. Aside from political exigency, the urgency and extent of which can hardly be measured, it is doubtful if the Nation would not be as well supplied with railways to-day if no aid had been given, and in the long run it can

make little difference whether any particular town or State or region is settled now or 10 years hence. When to these negative considerations are added the clear debits of waste and corruption, judgment must be rather unfavorable, for even granting that it has been essential that the land be settled with a rush and taxable values raised at once the clear losses have been tremendous. Construction has been poorly planned and executed; railways have been built where no economic conditions warranted and two lines where one would do; hasty, cheap construction has been general, necessitating reconstruction almost immediately. Great areas of land, including forest and mineral resources, have been squandered. Lax charters have been granted. Finally, the policy has been the occasion for the most disgusting political corruption.

"Provisions for sinking funds, reductions on Government transportation, etc., generally proved a disappointment to the Government; and at the same time railway stockholders found that the lands rarely equaled their estimated value and were often misapplied."

Mr. CHAMBERLAIN. It appears from this in a general way that altogether some 155,504,000 acres of land were given to railroad companies by the Federal Government. The amount actually received by railway companies, however, has been somewhat less on account of forfeitures. I may say that forfeitures were very small in proportion to the amounts granted.

Note this, Mr. President, that in the case of the Union Pacific and Central Pacific group Congress granted the national credit, loaning 30-year 6 per cent bonds of the United States to the amount of $16,000 per mile through level country and as much as $48,000 per mile in the mountains. This made a total grant of $64,623,512 granted by the Government by way of credit for the building of a road, some of it over lands where it was necessary merely to have the track laid, and therefore at a minimum of cost, while for mountains $48,000 per mile was given, and that ought to have been sufficient to have constructed much of the mileage through the mountains.

Mr. KING. Will the Senator yield?

Mr. CHAMBERLAIN. I yield.

Mr. KING. I want to assure the Senator that I am not an apologist for the railroads. I never have been their representative or their attorney, yet I feel that everyone and every corporation should have its day.

It must be said with respect to the Union Pacific and Central Pacific that they were built really as a result of the war. The Government felt the necessity of having a transcontinental road for military purposes and as post roads. The Government was deeply interested in the construction of the transcontinental roads.

The two roads referred to by the Senator were built at a time when greenbacks were worth perhaps 35 to 60 cents on the dollar; that is to say, it took $2 or $3 in greenbacks to buy $1 in gold. The railroads were built out on the frontiers beyond civilization, and to get to the men who were constructing the roads cost, perhaps, 20 to 40 cents a pound freight for the things which they ate and for the clothes which they wore. Everything was high. It cost enormously, as the Senator knows, for the construction of those roads, because of the era of high prices incident to that time.

Mr. CHAMBERLAIN. May I suggest to the Senator that it is largely true that the Government thought it was getting the transportation of troops and supplies and munitions and other impedimenta of war and the land grants provided that the roads should carry those things for nothing; but the railroad companies did not carry out their agreement with the Government, but repudiated the contracts solemnly entered into, with the result that after long litigation the Supreme Court in 1876 simply allowed the Government to receive reduced rates of 50 per cent for the carrying of troops over those railroads.

I want the Senator, whom I admire so much, to understand that I am not inimical to railroad companies or any other aggregations of wealth. I am friendly to them, but they are here crying "Wolf, wolf" when there is no wolf. They have been crying much of the time in the same old way, and it is but fair that what has been accorded to them by the Federal Government in the past should at least have the attention of the public called to it.

Let us take local aid to railroad companies. The same work to which I have called attention says:

"Local aid: Probably the aid given by the States and Nation has been exceeded by the donations of counties and municipalities. No complete information exists, but the census of 1870 showed that these local units had outstanding bonds issued in aid of railways to the amount of $185,000,000, and many had been retired. The 1871 report of the Massachusetts Railway Commission exhibited 171 local bond issues made between 1830 and 1870, which aggregated $2,351,000. An investigation in Illinois in 1873 showed that the bonds and money aid voted and issued to railways in 86 counties out of 102 approximated $16,087,000. In Nebraska, between 1869 and 1892, 43 counties voted subsidy bonds to the amount of $4,918,000. Texas local units began to issue bonds in order to subscribe to railways in 1850; between that time and 1876 Texas municipalities voted $347,000 and the counties over $1,000,000; but in 1875 a clause was inserted in the constitution which prohibited local units from lending to or becoming stockholders in such associations or corporations. Baltimore subscribed $3,500,000 to the Baltimore & Ohio. All this leaves unmentioned the almost innumerable grants of rights of way, terminal facilities, etc. Relatively few counties and towns exist which have not aided a railway."

I might cite other instances of relief granted the railway companies, but I do not want to take up too much time of the Senate. Individuals subscribed. I know of cases in my own State where employees of the railroad companies, attorneys and others, went through the counties and took individual subscriptions for enough to build the road through particular sections of the county without cost to the company. There is no account taken of these things. With these magnificent and munificent grants made to railroad companies in the past, there is no reason except inefficiency of management for the condition in which they have found themselves.

I have sometimes thought that if the water was squeezed out of the stock of the railroad companies and they were compelled only to pay a dividend upon the actual value of the stock there would not be so much talk about the actual needs of the railroad companies. That subject has been gone into by other Senators who have given it great consideration, and I am not going to discuss it; but if a period of bankruptcy comes, there will be a period of reorganization, and if people do have to suffer a while, eventually there will come some form of relief under a reorganized railroad system that will be based probably upon actual value rather than upon fictitious valuation.

But aside from the particular questions which I have been discussing about the liberality of the Nation and of the States to the railroad companies, I am opposed to the bill, because I do not think it is a good time to undertake to put a bill through under whip and spur.

Mr. HENDERSON. Mr. President, will the Senator yield?

Mr. CHAMBERLAIN. I yield.

Mr. HENDERSON. Do I understand that the Senator favors continued Government control until a measure could be passed that would take care of the needs of the railroad companies?

Mr. CHAMBERLAIN. Absolutely—at least there is no hurry about it. We are going into consideration of a great railway bill to which the Committee on Interstate Commerce has given its undivided attention for months. I do not criticize them for a moment, but there are other Members of the Senate who have to vote on it, and who have to assume responsibility, and who ought to be fully advised not only from reading the reports here upon the particular bill but from studying the intricacies of the questions involved and arriving at a conclusion which will be best not only for the people of the country, who ought to be the first consideration, but for those who invested their money, so that some safe and sane legislation for the future might be enacted by Congress.

May I call the attention of the Senate to an article in the December issue of the Atlantic Monthly, which is one of the ablest discussions of the whole subject that I have seen anywhere? It discusses the things that possibly ought to be done and some of the things that ought to be left undone. The article is to be found on page 847. It is entitled "Our railroad problem," and is written by Mr. George W. Anderson.

Mr. KING. If the Senator will pardon me, I will state that I think he is a former member of the Interstate Commerce Commission and now a member of the circuit court of appeals at Boston.

Mr. CHAMBERLAIN. Then, what he says is entitled to all the more consideration.

After discussing this at great length—and I am fully in accord with him; I think what he says is absolutely unanswerable—he says:

"The year preceding a presidential election is rarely a time for strong and constructive statesmanship. Rather is it a time for maneuvering for political position—a time when men in office are afraid to deal boldly and radically with great problems of which any attempted solution is sure to offend some influential political interest. The temper of the times does not seem constructive.

"Haste makes waste. It would be a calamity to the Nation and to railroad-security holders to have the roads turned back to corporations under any plan now under apparently serious consideration. Moreover, out of the present urgent desire to 'do something, even if crude and merely tentative,' arises another danger too serious to be passed unmentioned. That danger is that the Interstate Commerce Commission will be ruined by being overburdened, not only with an intolerable mass of work, but by imposing upon it functions which it is not, by training, tradition, organization, or personnel, fit to perform. That commission has done work of great value to the country. It commands and deserves public confidence. It is our only present national transportation instrumentality. But, like other human institutions, its capacity is limited. It can not successfully run the railroads or solve problems of organization which require bold and far-reaching legislative enactments. It must be kept to its quasi judicial and administrative tasks, under statutes capable of intelligent and coherent construction and covering all essential principles for rate making, security approving, and other properly delegated regulatory provisions, else it will break under the burden."

Mr. POMERENE. Mr. President, will the Senator yield?

Mr. CHAMBERLAIN. Certainly.

Mr. POMERENE. Is Judge Anderson discussing the pending bill in that article?

Mr. CHAMBERLAIN. He is discussing the several propositions before Congress.

Mr. POMERENE. I was attracted by the statement which was just read by the Senator that this is imposing additional duties upon the Interstate Commerce Commission. As a matter of fact, the pending bill relieves them of a large part of the administrative functions and limits their jurisdiction very largely to the rate-making proposition.

Mr. CHAMBERLAIN. I think the Senator is correct in that. It is a discussion of the whole subject of pending measures for relief.

Mr. President, there could not be a stronger statement made than the statement of Judge Anderson about undertaking to deal with a subject of such vast moment not only to the security holders but to the railroad companies themselves and to the people of the United States at a time when the minds of some of the Senate at least—if we have any minds at all after six or eight months of almost incessant work—are on the Christmas season. It is absolutely impossible. It could not be expected that Congress at this time could do its full duty or work out a solution of this great problem which would be satisfactory to the conscience of any man.

Mr. POMERENE. May I ask the Senator another question?

Mr. CHAMBERLAIN. Yes.

Mr. POMERENE. Does the Senator realize that Judge Anderson has a plan of his own that he desires to have adopted?

Mr. CHAMBERLAIN. That does not make any difference, Mr. President; even a faddist, even a man who has a plan of his own, can make suggestions which are valuable.

Mr. POMERENE. There is not any doubt about that; but I desire to observe that the Interstate Commerce Committee have been studying this problem for years; and in its later stages it was taken up very early in the history of the present administration.

The difficulty with some men is that when a new administration takes up a subject and deals with it, it is charged that it has never had opportunity to familiarize itself with the subject, even though certain branches of the Government may have been studying it for a long time. Of course, I realize that in the minds of some of those gentlemen all of that experience should be cast aside and that the question should wait until there is another election and another Congress. I think it is our duty to take up such responsibilities as present themselves and not to wait for some one else to solve them. We may be wrong; perhaps we are; I have no doubt we are in many of these instances.

Mr. CHAMBERLAIN. Mr. President, the argument that the Senator makes against Judge Anderson would eliminate his suggestions from consideration. There is not any man in the Senate whose suggestions I value more highly than I do those of the Senator from Ohio; but he also has a plan of his own, or he had a plan of his own; he may have yielded in whole or in part, but he had a plan just the same; and, notwithstanding the fact that he had a plan, notwithstanding the fact that Judge Anderson had a plan, I am glad to consider both.

Mr. POMERENE. Mr. President, I am not objecting to the fact that men may have plans, but I want to impress upon the Senator from Oregon, if I can, the necessity of dealing with this question now with such light as we have to guide us. If we are going to wait until we have a plan for railroad administration and railroad control which is going to be satisfactory to everybody, we shall never have any such legislation.

Mr. CHAMBERLAIN. I agree with the Senator from Ohio that it would be physically impossible to get a bill through the Senate that would suit everybody. What I am claiming, however, Mr. President, is that under the act by which these railroads were taken over by the Government they can be retained 21 months after the proclamation of peace has been issued. Why be in such a hurry about legislating, therefore? I am not afraid of the President doing anything radical or dangerous to this country; I am not afraid of his turning the railroad companies over to their owners on the 1st day of January. He may do it; I have no authority to speak for the President; but I have no fear that he will do it, for he realizes, as every man in America realizes, that the situation is a critical one and that cool heads and steady judgment ought to be brought into requisition in the proper adjustment of conditions as they are with respect to the railroad problem.

Mr. KING. Mr. President, will the Senator from Oregon yield to me?

Mr. CHAMBERLAIN. Yes, sir.

Mr. KING. I share some of the views expressed by the Senator from Oregon with reference to the pending bill. It is very objectionable to me in many of its particulars; I do not like the theory upon which it is drawn or the fundamental principles upon which it rests; but I disagree with the Senator, if I interpret him correctly, in advocating a postponement of the consideration of the bill. I think that the Senate and the House of Representatives are in better condition to consider this important domestic problem now than they will be in the future. We have the experience of the past before us; members of the Interstate Commerce Committee, both of the House and of the Senate, for months, if not for years, have considered the railway problem. The distinguished chairman of the committee, the Senator from Iowa [Mr. CUMMINS], I regard as an authority upon these questions. I do not follow him in this bill; and yet I believe that if we should postpone this measure for a year we would be in no better condition to consider the question than we are now. I would regard it as a very unfortunate thing—unfortunate for the country, unfortunate for Congress—if there were any postponement of the legislation upon this important question. I think it would be a concession of the impotency of Congress to make up its mind upon domestic problems, upon a question that has been pressing for months at our doors for solution.

The armistice was signed a year ago; we have had a year to consider this question; and I know that many Senators have given it a great deal of consideration. I think in a year from now we would be just as much divided as we are now; compromises would still be necessary; and, while I may vote against the bill, I propose to stay here with the chairman of the committee as long as he pleases, fight it out, pass a bill, and pass it as soon as we can.

Mr. CHAMBERLAIN. I expect to do that, too. I am not going to indulge in any obstructive tactics here.

Mr. POMERENE. I know the Senator is not.

Mr. CHAMBERLAIN. I never have done so and never will do so. What I am undertaking to impress upon Congress is that the demand of the railroads for relief—and this is a demand of the railroads for relief; I do not care where the demand comes from, it is such a demand—will be constantly made, and we ought to find some solution that will relieve the situation which comes up to us every year. I do not believe we can find the solution in a hurry. It is one of the largest problems America ever had to deal with, and, next to the war, one of the most important, and I think we ought to move with great caution.

Judge Anderson said in his article to which I have referred:

> It is broadly true that we have our present railroad chaos because the National Legislature has failed to meet and deal with problems that only it can deal with. If now, in haste and confusion, the burden of solving the insolvable is thrown in indefinite, incoherent fashion upon the Interstate Commerce Commission, a bad situation will be made worse. Congress will destroy the only effective national transportation institution that the country now has.

As the Senator from Ohio has said, the Interstate Commerce Commission will not have much of anything to do with this bill, but a great deal of responsibility is thrown on other commissions.

Mr. President, I promised not to undertake to discuss the features of this bill, but there is one matter which I should like to mention for a moment or two. It will be remembered when the Adamson bill passed that it was passed under the emergency of war, under whip and spur, and I remember that the changes were rung all through the country, in the political campaign that followed, that Congress had been compelled to yield to the railroad brotherhoods at the point of a gun; that the leaders of those brotherhoods sat in the gallery and looked down upon Congress and kept tab on what every Senator and Representative was

doing. I never thought that charge was just at all. The brotherhoods were doing what they had a right to do; they were threatening to strike, and they had a right to come to Congress and let their grievances be known; but I did not hear any of them make any threat against Congress as to what they would do if relief were not granted. They took advantage of an opportunity to secure an increase in their pay, which was perfectly legal and proper. If Senators and Representatives proved themselves to be cowardly in the premises, they are responsible for that and not the railway employees. If a gun was pointed at them, they ought to have had the manhood and the courage to have faced it and fought it out to a finish.

Now, what is going to be said about Congress being compelled, under whip and spur in times of peace and at the point of a gun held in the hands not of the employees but of the railroad owners and the security holders, to pass a bill at once and in a hurry, because they insist that it shall be passed? That is the insistence, that if we do not pass this bill the railroad companies will go into insolvency, into bankruptcy. In other words, the situation has been changed, and instead of the laboring men holding the gun and sitting in the galleries looking down upon Congress, the railroad presidents, managers, and their representatives are sitting in the galleries looking down upon Congress and insisting—what? Not only that their rates shall be increased, but that we shall grant them large sums of money out of the Treasury of the United States and out of the pockets of the taxpayers. Whose ox has been gored this time, Mr. President, and who will ring the changes now or in the coming campaign?

Mr. KING. Mr. President, will the Senator yield?

Mr. CHAMBERLAIN. Yes, sir.

Mr. KING. Mr. President, aside from those that have come from those favoring the Plumb plan, the only communications I have received within the last few days opposed to this legislation were from those who own railroad securities. I believe that many of the holders of railroad stocks and of bonds would be very glad to continue the status quo; they would be glad to have the Government guarantee the railroad earnings for an indefinite period and then take over the railroads of the United States at a value that shall be fixed by the Government; in other words, I believe that many of the bondholders and stockholders would be very glad for the Government to operate the railroads and then buy them. I believe that it is the public that are insisting upon the railroads being taken out of the hands of the Government and turned back to the private owners. I believe that the public feel dissatisfied with Government operation and believe that their interests would best be served by the railroads being operated by the owners.

Mr. CHAMBERLAIN. Mr. President, I am not prepared to say that I favor governmental ownership and control at this time; I may later, but I am not prepared to admit it now or to say it now. What I say is that Government operation and control have not had a chance to make good or to have a fair test.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER (Mr. NUGENT in the chair). Does the Senator from Oregon yield to the Senator from Iowa?

Mr. CHAMBERLAIN. I yield.

Mr. CUMMINS. I do not know of a railroad president in the United States who is in favor of this bill and I do not believe that the Senator from Oregon does.

Mr. CHAMBERLAIN. I have not taken the trouble to inquire.

Mr. CUMMINS. On the contrary, so far as I know, they all protest against its provisions. It has been asserted here a great many times, I know, that this is a bill made up by the railroad companies; but if any Senator knows of a single railway executive who is favoring this bill I should like to hear him named.

Mr. CHAMBERLAIN. I think some of them are too good business men to want this bill to prevail, and I will tell the Senator why. Take the situation out in our western country there——

Mr. CUMMINS. That is all right; I do not care to enter into a discussion with the Senator now about the merits of the bill. He is opposed to it and I am for it; but it has been asserted here all the while—and the Senator from Oregon has just asserted—that railroad presidents were looking down upon the Senate, insisting upon the passage of this bill. Now, that is not accurate, whatever else may be true. It is true that an association of bondholders, or some part of it, believes that this bill ought to be passed.

Mr. CHAMBERLAIN. That was probably only a figure of speech, just as it was a figure of speech to say that the railroad employees sat here with a gun when the Adamson bill was passed.

Mr. CUMMINS. I agree with the Senator from Oregon about that. They did not present any gun to Congress.

Mr. CHAMBERLAIN. Certainly not.

Mr. CUMMINS. And, so far as I know, they never did anything that they did not have a perfect right to do.

Mr. CHAMBERLAIN. It was charged on the stump all over the country, however, that they did—the Senator knows that—and I was just replying to the charge which was made at that time against the employees and comparing their action then to the action of the companies now, for I know that whether the railroad presidents are here or not the relief which is asked for goes to the railroad companies and will be administered by the railroad presidents and others.

Mr. CUMMINS. Only so far as necessary to give the people of the country the transportation facilities which the business of the country imperatively demands; that is all.

Mr. CHAMBERLAIN. Mr. President, I am not prepared to agree with the Senator that the business of the country demands it. This country has been in worse positions in the past than it is in to-day, and it has always, by the help of Providence, pulled through in some way. We were in a very much worse condition when we got into this war. A more terrible condition could not have existed, and yet America pulled through in a way that astonished the world, and America will pull through the condition which confronts it now, whether this legislation passes or not—and I want to see legislation on this subject passed in due course but not in haste.

I started to speak of the western roads. I think the presidents and managers of some of the roads in my section of the country would oppose this bill with all the power possible, because they are presidents and managers of dividend earners, and I doubt if there has been a time, even during the war, when they lost any money. Under the terms of this bill you are going to destroy the initiative of those men who have successfully operated roads by simply saying, "You shall turn over some of the earnings of your successfully operated institutions to roads that are incapacitated, through inefficiency, from earning a dividend." Those men who are the heads of the roads that are paying institutions, of course, are opposed to this bill. Probably those men who are operating inefficient systems and failing to make returns on their stock would like to see the bill passed.

Referring again to the railroad employees, I voted to strike out from this bill the antistrike provisions of it. It has been suggested in some quarters that those of us who did that were afraid of the labor vote. I am not afraid of the labor vote, but I am opposed to picking out one set of employees who have pursued only peaceful means of bettering their conditions and of securing increases of wages, while men who have been engaged in riot and bloodshed are not controlled or attempted to be controlled in their methods of procedure by this or any other bill.

It is generally conceded that the employees of the railroad companies all over this country are of the most intelligent of the laboring people, and I believe I can safely say that there are a larger percentage of thoroughgoing, patriotic American citizens among them than in any other class of employees. I think I may justly and safely say that every man who is employed by the railroads of this country is an American citizen, loyal to his country, and professing allegiance to only one flag. If there has ever been a lodge of these railway employees that has hoisted the red flag I do not know it. Now, why single out this splendid body of men and prevent them from using the strike while you let red-handed anarchists in some other organizations go unwhipped of justice and without doing anything to undertake to control them?

Mr. President, whenever there is presented here a general bill, not to prevent a strike—because I believe in the right of peaceful strike—but to control and keep within reasonable bounds those who use the strike as a method of benefiting their condition, then I am ready to talk about embarking upon such legislation as that; but I am heartily opposed to singling out one group of employees in this country and saying, "You shall not use the strike as a weapon," leaving every other laborer in the country, no matter to what organization he may belong, the right to go ahead and use it ad libitum, under the American flag or under the red flag, as he may see fit to use it. That is the reason why I voted against the strike provisions of the bill. I think, too, the provisions on the subject contained in the bill are impracticable.

If 2,000,000 of the railway employees of this country see fit to strike, notwithstanding the provisions of this bill, what are you going to do about it? Are you going to incarcerate them in the jails of the country, scattered as they are—as was said here the other day by the Senator from Kentucky—from the Great Lakes to the Gulf of Mexico and from the Atlantic to the Pacific? It is an impracticable proposition. I shall not at any

time vote for any antistrike legislation that affects only one class of employees in this country, leaving to others the right to indulge in strikes ad libitum.

Mr. President, I have taken more of the time of the Senate than I had any idea of taking. I felt, however, that I owed it to myself and the position I intend to take on the passage of this bill to say what I thought about it, and to give a very few of the reasons that will influence me in the vote I shall cast.

The PRESIDING OFFICER (Mr. MOSES in the chair). The question is on the adoption of the amendment offered by the Senator from Massachusetts [Mr. WALSH].

Mr. GAY. I suggest the absence of a quorum.

Mr. SMOOT. Mr. President, will the Senator withhold that suggestion for just a moment, in order that I may ask that the bill to amend and modify the war-risk insurance act be taken up? I am quite sure there will not be any opposition to it.

Mr. KING. I join my colleague in that request.

Mr. GAY. Very well; I withhold the suggestion. I am very much in favor of that measure.

WAR RISK BUREAU PAYMENTS.

Mr. SMOOT. I ask unanimous consent that the Senate proceed to the consideration of H. R. 8778, a bill to amend and modify the war-risk insurance act.

Mr. CUMMINS. Mr. President, it is understood that the railroad bill is temporarily laid aside for the consideration of this measure alone.

Mr. HENDERSON. Mr. President, I should like to ask the Senator whether this is the bill known as the Sweet bill?

Mr. SMOOT. This is the Sweet bill.

Mr. GAY. I am sure there can be no objection to it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8778) to amend and modify the war-risk insurance act, which had been reported from the Committee on Finance with amendments.

Mr. JONES of Washington. Mr. President, I should like to ask the Senator from Utah if these amendments that the Senator recommends take care substantially of the suggestions made by the representatives of the service men a few days ago—whether these amendments make the bill satisfactory to those representatives?

Mr. SMOOT. I will say to the Senator that day before yesterday the commander of the organization spent two hours with me, and this bill is perfectly satisfactory to him.

Mr. KING. Mr. President, I should like to say to the Senator that as far as I have been able to observe, and speaking for this side, the bill is entirely satisfactory, and I shall be very glad to see it passed as soon as possible.

Mr. JONES of Washington. Mr. President, I wish to ask the Senator a question applying to a particular case, and see whether or not the provisions of the bill take care of it. I think they do, but I should like to be sure about it.

One of the boys in my office was taken in the draft. He had been living for years with an aunt, his mother being dead. He was taking care of her, and she took care of him. He named no particular person in his insurance policy, but it was paid up. He died, and she was told that she would get it. Will this bill take care of that?

Mr. SMOOT. That is taken care of in the bill, and I will say to the Senator that there are a number of such cases.

Mr. JONES of Washington. Very well. I supposed that was so, but I had that particular case in mind.

Mr. GRONNA. Mr. President, while the Senator has yielded I want to ask him if the question of dependents has been changed in any particular?

Mr. SMOOT. I will say to the Senator that it is extended to aunts, cousins, and nieces.

Mr. GRONNA. It is not limited?

Mr. SMOOT. Oh, no; it has been extended.

Mr. GRONNA. While I am on my feet, may I ask the Senator if it was satisfactory to the person whom the Senator mentioned a moment ago, the commander of this organization, to have the salary of the director reduced from $10,000 to $7,500?

Mr. SMOOT. We did not discuss the question of the reduction of the salary of the director; but I have talked to the director a good many times, and he has never objected.

The PRESIDING OFFICER. The Secretary will state the amendments of the committee.

The first amendment of the Committee on Finance was, on page 1, line 9, before the words "per annum," to strike out "$10,000" and insert "$7,500," so as to read:

That the office of the Commissioner of Military and Naval Insurance and the office of the Commissioner of Marine and Seamen's Insurance created by the war-risk insurance act are hereby abolished, and the powers and duties pertaining to such offices are hereby transferred to the Director of the Bureau of War Risk Insurance, who shall hereafter receive a salary at the rate of $7,500 per annum.

The amendment was agreed to.

The next amendment was, on page 2, line 17, after the word "therein," to strike out the letter "a" and insert "immediately following subdivisions (4) and (5), respectively, two"; in line 18, after the word "new," to strike out "subdivision" and insert "subdivisions"; and in line 20, before the word "and," to insert "and subdivision (5a)," so as to make the clause read:

SEC. 4. That section 22 of the war-risk insurance act is hereby amended by inserting therein immediately following subdivisions (4) and (5), respectively, two new subdivisions, to be known as subdivision (4a) and subdivision (5a), and to read as follows:

The amendment was agreed to.

The next amendment was, on page 3, after line 2, to insert:

(5a) The terms "brother" and "sister" include the children of a person who, for a period of not less than one year, stood in loco parentis to a member of the military or naval forces of the United States at any time prior to his enlistment or induction, or another member of the same household as to whom such person during such period likewise stood in loco parentis: *Provided*, That this subdivision shall be deemed to be in effect as of October 6, 1917.

The amendment was agreed to.

The next amendment was, on page 4, after line 22, to strike out:

SEC. 7. That the provisions of section 29 of the war-risk insurance act shall not be operative with respect to insurance converted under Article IV of such act.

The amendment was agreed to.

The next amendment was, on page 5, line 1, to change the number of the section from "8" to "7."

The amendment was agreed to.

The next amendment was, on page 5, line 17, to change the number of the section from "9" to "8."

The amendment was agreed to.

The next amendment was, on page 6, line 3, to change the number of the section from 10 to 9.

The amendment was agreed to.

The next amendment was, on page 6, line 15 to change the number of the section from 10½ to 10.

The amendment was agreed to.

The next amendment was, on page 7, after line 5, to strike out:

SEC. 10a. That a new section is hereby added to Article II of the war-risk insurance act, to be known as section 212, and to read as follows:

"SEC. 212. That whenever an application for family allowance has been, or shall hereafter be, presented to the Bureau of War Risk Insurance by or on behalf of any person within class A, and it shall after due investigation be determined that the necessary relationship existed between such person and an enlisted man in the active military or naval service at the time when the application was made, and that compulsory allotment has not been waived or exemption therefrom granted, a family allowance shall be awarded and paid for the full period defined in section 204 hereof or for such part of said period as it shall be shown that the relationship existed, notwithstanding the fact that no deductions from the pay of the enlisted man for compulsory allotment in favor of such person have been made, and notwithstanding the further fact that the enlisted man has been discharged from the military or naval forces of the United States. Any awards heretofore made which are inconsistent with the provisions of this section may upon application be reopened and made to conform herewith."

The amendment was agreed to.

The next amendment was, on page 8, line 3, to change the number of the section from 10b to 10a; in line 13, after the word "misconduct," to strike out "involving moral turpitude"; and in line 19, after the word "of," to strike out "October" and insert "April," so as to make the section read:

SEC. 10a. That section 300 of the war-risk insurance act is hereby amended to read as follows:

"SEC. 300. That for death or disability resulting from personal injury suffered or disease contracted in the line of duty, by any commissioned officer or enlisted man, or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) when employed in the active service under the War Department or Navy Department, the United States shall pay compensation as hereinafter provided; but no compensation shall be paid if the injury or disease has been caused by his own willful misconduct: *Provided*, That for the purposes of this section said officer, enlisted man, or other member shall be held and taken to have been in sound condition when examined, accepted, and enrolled for service: *Provided further*, That this section, as amended, shall be deemed to become effective as of April 6, 1917."

The amendment was agreed to.

The next amendment was, on page 12, line 4, after the word "furnish," to insert "transportation, also," so as to read:

(9) That the Bureau of War Risk Insurance is hereby authorized to furnish transportation, also the medical, surgical, and hospital services and the supplies and appliances provided by subdivision (6) hereof, to discharged members of the military or naval forces of those Governments which have been associated in war with the United States since April 6, 1917, and come within the provisions of laws of such Governments similar to the war-risk insurance act, at such rates and under such regulations as the Director of the Bureau of War Risk Insurance may prescribe.

The amendment was agreed to.

The next amendment was, on page 15, line 21, after the words "war-risk insurance act," to strike out "unless from

the records of the Navy Department or War Risk Insurance Bureau it appears that he has applied for insurance in a less sum," so as to read:

Provided further, That each officer and enlisted man attached to the U. S. S. *Cyclops* on the 4th day of March, 1918, and every officer and enlisted man who on said date was a passenger on said vessel shall be deemed to have been granted insurance in the sum of $5,000 permitted under the war-risk insurance act.

The amendment was agreed to.

The next amendment was, on page 16, line 7, before the word "herein," to strike out "This section shall be deemed to be in effect as of October 6, 1917: *Provided*, That nothing," and insert "Nothing," so as to make the section read:

SEC. 13. That the permitted class of beneficiaries for insurance as specified in section 402 of the war-risk insurance act is hereby enlarged so as to include, in addition to the persons therein enumerated, uncles, aunts, nephews, nieces, brothers-in-law, and sisters-in-law of the insured. Nothing herein shall be construed to interfere with the payment of the monthly installments authorized to be made under the provisions of said war-risk insurance act, as originally enacted and subsequently amended, up to and including the second calendar month after the passage of this act: *Provided further*, That all awards of insurance under the provisions of the said war-risk insurance act, as originally enacted and subsequently amended, shall be revised as of the first day of the third calendar month after the passage of this act, in accordance with the provisions of the said war-risk insurance act as modified by this amendatory act.

The amendment was agreed to.

The next amendment was, on page 16, line 21, after the word "insured," to strike out "an amount equal to the commuted value of"; in line 22, after the word "installments," to strike out "of yearly renewable term insurance granted" and insert "payable and applicable"; in line 24, after the word "act," to strike out "payable and applicable, calculated on the basis of interest at the rate of 3½ per cent per annum," so as to make the section read:

SEC. 14. That if no person within the permitted class of beneficiaries survive the insured, then there shall be paid to the estate of the insured the monthly installments payable and applicable under the provisions of article 4 of the war-risk insurance act.

The amendment was agreed to.

The next amendment was, on page 17, line 15, after the word "class," to strike out "an amount equal to the commuted value of"; in line 16, after the word "remaining," to insert "unpaid"; and in the same line, after the word "installments," to insert "calculated on the basis of interest at the rate of 3½ per cent per annum," so as to make the section read:

SEC. 15. That if any person to whom such yearly renewable term insurance has been awarded dies, or his rights are otherwise terminated after the death of the insured, but before all of the 240 monthly installments have been paid, then the monthly installments payable and applicable shall be payable to such person or persons within the permitted class of beneficiaries as would, under the laws of the State of residence of the insured, be entitled to his personal property in case of intestacy; and if the permitted class of beneficiaries be exhausted before all of the 240 monthly installments have been paid, then there shall be paid to the estate of the last surviving person within the permitted class the remaining unpaid monthly installments.

The amendment was agreed to.

The next amendment was, on page 17, line 25, after the word "insured," to strike out "an amount equal to the commuted value of"; on page 18, line 1, before the word "monthly," to insert "remaining unpaid"; in the same line, after the word "installments," to strike out "payable and applicable, calculated on the basis of interest at the rate of 3½ per cent per annum"; in line 6, after the word "beneficiary," to strike out "an amount equal to the commuted value of"; in line 8, before the word "monthly," to insert "remaining unpaid"; and in the same line, after the word "installments," to strike out "so payable and applicable, calculated on the basis of interest at 3½ per cent per annum," so as to make the section read:

SEC. 16. That if no beneficiary within the permitted class be designated by the insured as beneficiary for converted insurance, granted under the provisions of article 4 of the war-risk insurance act, either in his lifetime or by his last will and testament, or if the designated beneficiary does not survive the insured, then there shall be paid to the estate of the insured the remaining unpaid monthly installments; or if the designated beneficiary survives the insured and dies before receiving all of the installments of converted insurance payable and applicable, then there shall be paid to the estate of such beneficiary the remaining unpaid monthly installments.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate, as in Committee of the Whole, and open to amendment.

Mr. SIMMONS. Mr. President, I want to say, as a member of the Committee on Finance, for the minority members of that committee, that the committee, in the adoption of these amendments to the present law, acted with absolute unanimity. I do not think there was a member of the committee who did not think that these deserving objects of the consideration of the Government are entitled to the increased benefits that these amendments bestow upon them. I do not think there ought to be any hesitation upon the part of the Senate in passing this measure without discussion, and passing it unanimously.

Mr. JONES of New Mexico. Mr. President, I simply want to add a word to that which has just been spoken by the Senator from North Carolina [Mr. SIMMONS]. I, too, am a member of the Committee on Finance, which had charge of the original bill providing for the relief of the disabled whom we had reason to expect would be deserving of the consideration of the country at the conclusion of the war.

I do not believe, Mr. President, that this country can do too much or, within reason, be too generous toward those who have suffered by reason of their participation in the war, and I am glad to state that in the committee that thought was unanimous. We all wanted to do everything that could be done within reason to alleviate suffering and make the legislation which has been enacted by the Congress as favorable to those who deserve the benefits of this legislation as could be done.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SMOOT. I desire to have printed in the RECORD the report upon this bill. I will not take the time to have it read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report submitted by Mr. SMOOT is as follows:

[Senate Report No. 339, Sixty-sixth Congress, second session.]

WAR-RISK INSURANCE ACT.

December 16 (calendar day, December 19), 1919.—Ordered to be printed.

Mr. SMOOT, from the Committee on Finance, submitted the following report to accompany H. R. 8778:

The Committee on Finance of the Senate, to whom was referred the bill (H. R. 8778) to amend and modify the war-risk insurance act, having considered the same report favorably thereon with the recommendation that the bill do pass with amendments.

Page 1, line 9, insert $7,500 in lieu of $10,000.

Sections 2 and 3 eliminate certain restrictions as to the child being included within the definition of "child" under the war-risk insurance act, viz, the requirement that it must have been adopted before the soldier entered the service, or, if illegitimate, that it shall have been born in the United States or its insular possessions after a given date.

Section 4, page 2, amend to read as follows: "That section 22 of the war-risk insurance act is hereby amended by inserting therein immediately following subdivisions (4) and (5), respectively, two new subdivisions, to be known as subdivision (4a) and subdivision (5a), and to read as follows:"

Page 2, line 23, add subdivision 5a, to read as follows: "(5a) The terms 'brother' and 'sister' include the children of a person who, for a period of not less than one year, stood in loco parentis to a member of the military or naval forces of the United States at any time prior to his enlistment or induction, or another member of the same household as to whom such person during such period likewise stood in loco parentis: *Provided*, That this subdivision shall be deemed to be in effect as of October 6, 1917."

Section 4 adds to the other definitions in the war-risk insurance act a definition of the terms "father," "mother," "brother," and "sister."

The terms "father" and "mother" include stepfather, stepmother, fathers and mothers through adoption, and persons who have stood in loco parentis to a member of the military or naval forces for a period of not less than one year.

The terms "brother" and "sister" include the children of a person who, for a period of not less than one year, stood in loco parentis to a member of the military or naval forces of the United States at any time prior to his enlistment or induction.

These provisions are made retroactive from and after October 6, 1917.

Section 5 relates to persons who may be confined in an asylum or hospital for the insane maintained by the United States, where no guardian or curator of their property has been duly appointed. The director, after due investigation, may order all moneys payable to him to be held in the Treasury of the United States to the credit of such person. It also provides that funds so held may be disbursed by the director at his discretion, to the chief executive officer of the asylum or hospital in which such person is an inmate, to be used by such officer for the maintenance and comfort of such inmate, and account to the Bureau of War Risk Insurance.

Section 6 provides that section 29 of the war-risk insurance act (which declares that a discharge on certain grounds will forfeit the insurance carried by the soldier) shall not be applicable to converted insurance. It does not interfere with the application of that section to the present war-time term insurance.

Page 4, lines 10, 11, and 12, strike out all of section 7.

Page 4, line 13, change 8 to 7.

Section 7 as amended adds a new section to the war-risk insurance act which is designed to dispose of the so-called "inducted" man problem. The section declares that a person is not in active service within the meaning of the war-risk insurance act until he has been examined at the camp or other place of mobilization and "accepted and enrolled for active service." The first proviso covers the case of men who are injured in line of duty, etc., after induction and prior to final acceptance, and the second proviso covers cases where an inducted man makes an application for insurance prior to being finally accepted.

Page 5, line 4, change "Sec. 9" to "Sec. 8."

Page 5, line 15, change "Sec. 10" to "Sec. 9."

Sections 8 and 9 provide that family allotments and allowances shall be discontinued at the end of the fourth calendar month after the termination of the present war emergency, as declared by proclamation of the President of the United States, and thereafter all allotments of pay shall be voluntary and shall be made under such regulations as may be prescribed by the Secretary of War and the Secretary of the Navy, respectively.

Page 6, line 3, change "Sec. 10½" to "Sec. 10."
Pages 6 and 7, strike out all of section 10a from line 19, page 6, to line 15, page 7, inclusive.
Page 7, line 16, change "Sec. 10b" to "Sec. 10a."
Page 8, lines 1 and 2, strike out the words "involving moral turpitude."
Page 8, line 7, strike out the word "October" and insert in lieu thereof the word "April."
Section 11 relates to the compensation to be paid disabled persons and the members of their families. The rate of compensation has been increased, and, in order that a comparison may be made with the present law, the provisions of the present law are hereby inserted, followed by the provisions of the proposed bill:

PRESENT LAW.

(1) If and while the disability is total, the monthly compensation shall be the following amounts:
(a) If the disabled person has neither wife nor child living, $30.
(b) If he has a wife but no child living, $45.
(c) If he has a wife and one child living, $55.
(d) If he has a wife and two children living, $65.
(e) If he has a wife and three or more children living, $75.
(f) If he has no wife but one child living, $40, with $10 for each additional child up to two.
(g) If he has a mother or father, either or both dependent on him for support, then, in addition to the above amounts, $10 for each.

PROPOSED BILL.

(1) If and while the disability is rated as total and temporary, the monthly compensation shall be the following amounts:
(a) If the disabled person has neither wife nor child living, $80.
(b) If he has a wife but no child living, $90.
(c) If he has a wife and one child living, $95.
(d) If he has a wife and two or more children living, $100.
(e) If he has no wife but one child living, $90, with $5 for each additional child up to two.
(f) If he has a mother or father, either or both dependent on him for support, then, in addition to the above amounts, $10 for each parent so dependent.

Disabilities shall be rated by the department as total and temporary, partial and temporary, total and permanent, and partial and permanent, and the monthly compensation shall be a percentage of the degree of reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated as less than 10 per cent, except in case of total permanent disability, in which case the compensation shall be $100 per month. Ratings shall be based, as far as practicable, upon the average impairments of earning capacity resulting from such injuries in civil occupations, and not upon impairment in earning capacity, in each individual case, so that there shall be no reduction in the rate of compensation for individual success in overcoming the handicap of a permanent injury. The bureau shall from time to time readjust the schedule of ratings in accordance with actual experience.

The director shall allow an additional $20 per month to a disabled person who is so helpless as to be constantly in need of a nurse or attendant.

In connection with section 11 of this bill, a tentative schedule of ratings for partial permanent disability is herewith submitted. This tentative schedule was arrived at by the advisory board with surgeons in New York who went to the hospitals and prepared it after due investigation.

The injured person shall also be furnished by the United States Government such reasonable governmental medical and hospital services and such supplies, including artificial limbs, trusses, and similar appliances, as the director may determine.

The Bureau of War Risk Insurance shall also furnish transportation, governmental medical and hospital services and supplies and appliances to discharged members of the military and naval forces of the Governments which have been associated in war with the United States at such rates and under such regulations as the Bureau of War Risk Insurance may prescribe. The Director of the Bureau of War Risk Insurance is authorized to reimburse said Governments or their agencies for services, supplies, and appliances furnished to members of the military and naval forces of the United States who live within the territorial limits of such Governments. This provision is for the purpose of establishing reciprocal relations between the Governments which have been associated in war with the United States since April 6, 1917, relative to furnishing medical and hospital services and supplies and appliances to discharged soldiers who may be living within the respective territories of the Governments associated with us in the war. The Director of the Bureau of War Risk insurance is authorized to prescribe necessary regulations to carry out this provision of the proposed bill.

Section 302 of this act as amended shall be deemed to be in force and effect as of April 6, 1917.

(The schedule referred to follows:)

DEAR SIR: In accordance with instructions from Assistant Secretary Love we now submit the following additions to the schedule of ratings for partial permanent disability:

Ratings for permanent injuries to hearing.

REMAINING HEARING—OTHER EAR.

Remaining hearing—1 ear.	0	25 per cent.	50 per cent.	75 per cent.	100 per cent.
0	50	43	35	26	15
25 per cent	43	38	31	21	9
50 per cent	35	31	25	16	5
75 per cent	26	21	16	9	2
100 per cent	15	9	5	2	0

For example, if the remaining hearing in one ear were 50 per cent and in the other ear 75 per cent, i. e., 25 per cent impairment, the rating would be 16 per cent.

	Per cent.
Mental deterioration	10–80
Hernia, ventral, where hernia can not be kept in place effectively by an orthopedic appliance	50
Where hernia can be kept in place by an orthopedic appliance	20
4. Epilepsy:	
Fits occurring daily	100
Fits occurring periodically at intervals of from 2 to 4 days	80
Fits occurring periodically at intervals of from 5 to 10 days	60
Fits occurring periodically at intervals of from 11 to 30 days	40
Fits occurring periodically at intervals exceeding 30 days	20

Ratings for permanent injuries to vision.

REMAINING VISION—OTHER EYE.

Remaining vision—other eye.	0	20/200	20/100	20/70	20/50	20/40	20/30	20/20
0	100	100	95	75	65	60	50	30
20/200	100	100	95	70	60	55	45	27.5
20/100	95	95	70	65	55	50	40	22.5
20/70	75	70	65	60	50	45	35	17.5
20/50	65	60	55	50	45	40	30	12.5
20/40	60	55	50	45	40	35	27.5	10
20/30	50	45	40	35	30	25	20	5
20/20	30	27.5	22.5	17.5	12.5	10	5	0

The foregoing ratings measure the disability after the best possible adjustment of lenses has been applied to the eyes.

The international system of noting visual values has been used in the foregoing table. The numerator indicates the distance in feet of the object from the eyes of the observer, and the denominator the distance (also in feet) at which the object should have been seen. For example, 20/70 means that the individual is seated 20 feet from the object, but sees only that sized object which should be seen at 200 feet. We are assured by authorities in ophthalmics that these fractions serve all practical purposes and that it would be inadvisable to adopt any other than the accepted standard for estimating visual power.

In the following table appear the ratings for paralysis of extrinsic muscles:

Permanent injuries to the eyes—Paralysis of the extrinsic muscles.

All extrinsic muscles of one eye paralyzed:	Per cent.
0 muscle of other eye paralyzed	15
1 muscle of other eye paralyzed	18
2 muscles of other eye paralyzed	20
3 muscles of other eye paralyzed	25
4 muscles of other eye paralyzed	30
5 muscles of other eye paralyzed	60
All muscles of other eye paralyzed	100

It is assumed that the foregoing disability remains after the best possible adjustment of prisms has been applied to the eyes.

The following schedule would apply to permanent injuries to the eye which impaired the visual fields:

Permanent injuries to the eyes—Impairment of visual fields.

	Per cent.
Loss of nasal halves of both fields	0
Loss of nasal half of one field	0
Partial defects of one field	10
Loss of temporal half of one eye	10
Loss of full field of one eye	10
Concentric contraction of one eye	10
Loss of temporal half of both eyes	15
Small concentric contraction of both eyes to 60°	15
Homonymour hennanopsia right or left, superior or inferior	20
Concentric contraction of both fields to 30°	30
Concentric contraction of both fields to 5°	100

Yours, very truly,

ARTHUR HUNTER,
_____,
_____,
Advisory Board.

A. Subjective conditions.

	Per cent.
Insanity, total	100
Epilepsy, fits occurring several times a day	100

B. Objective conditions.

I. The head:	
(1) The skull—Aperture in cranium, unfilled with new bone, no functional results	10
(2) The face—	
Marked paralysis of facial nerve, nonsyphilitic	20
Such injuries to the nasal, cheek bones, or jaws as interfere in a positive degree with the performance of the normal functions of the nose (not elsewhere specified)	10–40
Such injuries to the nasal, cheek bones, or jaws as interfere in a positive degree with the performance of the normal functions of the mouth (not elsewhere specified)	10–40
Loss of tongue, including unintelligible vocalization	70
Such irreparable injury to or loss of teeth as produces malnutrition through deficient mastication of food	25
(3) The eye—Complete loss of sight, both eyes	100
(4) The ear—Deafness, complete in both ears	50
(5) The neck—	
Complete loss of speech, due to injury of larynx	50
Indistinct articulation, due to trauma	10
Chronic bronchitis	0–10
II. The upper extremities:	
(1) The shoulder and arm—Loss of both hands at or above the wrist joints	100
a. The shoulder—	
Disarticulation arm, at shoulder joint (major)	75
Disarticulation arm, at shoulder joint (minor)	70
Flail joint at shoulder (major)	25
Flail joint at shoulder (minor)	20
Ankylosis shoulder joint, resulting in decided limitation of motion of arm (major)	25

	Per cent.
II. The upper extremities—Continued.	
(1) The shoulder and arm—Continued.	
a. The shoulder—Continued.	
Ankylosis shoulder joint, resulting in decided limitation of motion of arm (minor)	20
Ankylosis shoulder joint, not permitting arm to be raised above a level with the shoulder (major)	20
Ankylosis shoulder joint, not permitting arm to be raised above a level with the shoulder (minor)	15
b. The elbow—	
Loss arm, at or above elbow joint and below shoulder joint (major)	70
Loss arm, at or above elbow joint and below shoulder joint (minor)	65
Complete ankylosis elbow joint, in bad position (major)	55
Complete ankylosis elbow joint, in bad position (minor)	50
Complete ankylosis elbow joint, in good position (major)	30
Complete ankylosis elbow joint, in good position (minor)	25
False joint at elbow (major)	25
False joint at elbow (minor)	20
c. The wrist—	
Loss arm, between elbow and wrist joints (major)	65
Loss arm, between elbow and wrist joints (minor)	60
Ankylosis wrist joint, severely involving fingers (major)	30
Ankylosis wrist joint, severely involving fingers (minor)	25
Ankylosis wrist joint, very limited motion (major)	15
Ankylosis wrist joint, very limited motion (minor)	10
(2) The hand—	
Loss hand, at wrist joint (major)	60
Loss hand, at wrist joint (minor)	55
a. The fingers and thumb—	
Loss 5 fingers 1 hand, at proximal joints (major)	50
Loss 5 fingers 1 hand, at proximal joints (minor)	45
b. The fingers—	
Loss all fingers except thumb, 1 hand, at proximal joints (major)	40
Loss all fingers except thumb, 1 hand, at proximal joints (minor)	35
c. The thumb, index, and middle fingers—	
Loss thumb, index and middle fingers, 1 hand, at proximal joints (major)	35
Loss thumb, index and middle fingers, 1 hand, at proximal joints (minor)	30
d. The thumb and index finger—	
Loss thumb and index finger, 1 hand, at proximal joints (major)	25
Loss thumb and index finger, 1 hand, at proximal joints (minor)	20
e. The thumb—	
Loss thumb, involving the metacarpal bone (major)	17.5
Loss thumb, involving the metacarpal bone (minor)	12.5
Loss thumb, at proximal joint (major)	12.5
Loss thumb, at proximal joint (minor)	10
f. The index finger—	
Loss index finger, at proximal joint (major)	10
Loss index finger, at proximal joint (minor)	7.5
g. The middle finger—	
Loss middle finger, at proximal joint (major)	10
Loss middle finger, at proximal joint (minor)	7.5
h. The ring finger—	
Loss ring finger, at proximal joint (major)	7.5
Loss ring finger, at proximal joint (minor)	5
i. The little finger—	
Loss little finger, at proximal joint (major)	7.5
Loss little finger, at proximal joint (minor)	5
III. The trunk:	
(1) The chest—pulmonary tuberculosis	10–100
(2) The abdomen—	
Chronic cystitis	0–50
Hernia, inguinal (irreparable)	15
Hernia, inguinal	5
(3) The back.	
IV. The pelvis.	
V. The lower etremities (bone and joint tuberculosis will automatically fall in the regional disabilities, and the rating in each case will not exceed the percentage for the loss of the limb at the level of the tuberculosis):	
(1) The thigh and leg—	
Loss of both feet at or above the ankle joints	100
Irregular union of fracture in 1 thigh or leg with considerable shortening of limb	15
Irregular union of fracture in 1 thigh or leg with slight shortening of limb, causing sufficient limitation of motion as to produce permanent lameness	10

	Per cent.
V. The lower extremities—Continued.	
(1) The thigh and leg—Continued.	
a. The hip—	
Disarticulation 1 leg, at hip joint	65
Complete immobility, 1 hip joint	55
Complete immobility, 1 hip joint, in extension of thigh	55
b. The knee—	
Loss 1 leg, at or above knee joint and below hip joint	5
Complete ankylosis, 1 knee joint, in bad position	30
Complete ankylosis, 1 knee joint, in good position	10
c. The ankle—	
Loss 1 leg, between ankle and knee joints	40
Complete ankylosis, 1 ankle joint, in bad position	15
Complete ankylosis, 1 ankle joint, in good position	10
(2) The foot—	
Loss 1 foot, at ankle joint	35
Loss 1 foot, in tarsus	30
Loss 1 foot, in metatarsus	25
a. The toes—	
Loss 1 big toe at proximal joint	10
Loss 3 toes (other than big toe), on 1 foot, at proximal joints	10

Page 11, line 17, after the word "furnish," insert "transportation, also."

Section 12 amends the automatic insurance provisions in section 401 of the act by extending the automatic insurance provisions so as to cover all men (except those who actually refuse to apply for insurance) who were finally accepted for service and were in service between April 6, 1917, and November 11, 1918.

Under the present law only those who were in the service between October 15, 1917, and February 12, 1918, and died or were totally disabled during that period, and did not apply for insurance, were entitled to automatic insurance.

Page 15, line 9, add a period after the word "act" and strike out the rest of the paragraph.

Page 15, line 17, strike out all of line 17 and down to and including the word "that" on line 18, and commence the word "nothing" with a capital "N."

Page 16, amend section 14 to read as follows: "Sec. 14. That if no person within the permitted class of beneficiaries survive the insured, then there shall be paid to the estate of the insured the monthly installments payable and applicable under the provisions of article 4 of the war-risk insurance act."

Section 14 provides that in case, at the death of the insured, there is no one living within the permitted class of beneficiaries, the insurance shall be paid to the personal representatives of the insured; and the Senate amendment provides that the payments shall be made in the same way as to the original beneficiary—that is, in monthly installments.

Page 16, line 25, beginning with line 25, section 15 is amended to read as follows: "persons within the permitted class the remaining unpaid monthly installments."

Page 17, section 16, is amended to read as follows: "Sec. 16. That if no beneficiary within the permitted class be designated by the insured as beneficiary for converted insurance, granted under the provisions of article 4 of the war-risk insurance act, either in his lifetime or by his last will and testament, or if the designated beneficiary does not survive the insured, then there shall be paid to the estate of the insured the remaining unpaid monthly installments; or if the designated beneficiary survives the insured and dies before receiving all of the installments of converted insurance payable and applicable, then there shall be paid to the estate of such beneficiary the remaining unpaid monthly installments."

FINAL REPORT OF GEN. PERSHING.

Mr. WADSWORTH. Mr. President, I ask unanimous consent to present at this time the final report of Gen. John J. Pershing, the commander in chief of the American Expeditionary Forces, and to say very briefly to the Senate something with respect to it. I present it in a private capacity, of course.

The War Department has been able to print something like 2,500 of the report, and a tremendous demand has arisen for it, to such an extent that it was quite impossible for the War Department to meet that demand. The demand very largely arises from Members of Congress, who are anxious to secure additional copies of it.

Needless to say, it is exceedingly interesting. It contains not only a description of the operations of the American Army in France and this country, covering nearly the period of hostilities, but also a very excellent set of maps, showing the operations in the different countries.

I ask that it be referred to the Committee on Printing, and let me urge at this time, if I may be so impertinent, that that committee be as generous as possible in the treatment of the report, because it is highly important.

The PRESIDING OFFICER. It will be so referred.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. GAY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gronna	Lodge	Sherman
Bankhead	Hale	McCormick	Simmons
Brandegee	Harris	McKellar	Smith, S. C.
Calder	Harrison	McLean	Smoot
Capper	Henderson	McNary	Spencer
Chamberlain	Hitchcock	Moses	Sterling
Colt	Johnson, S. Dak.	Nelson	Sutherland
Cummins	Jones, N. Mex.	New	Thomas
Curtis	Jones, Wash.	Norris	Trammell
Dial	Kellogg	Nugent	Underwood
Edge	Keyes	Overman	Wadsworth
Elkins	King	Phipps	Walsh, Mass.
Fletcher	Kirby	Poindexter	Williams
France	Knox	Pomerene	Wolcott
Frelinghuysen	La Follette	Ransdell	
Gay	Lenroot	Sheppard	

The PRESIDING OFFICER. Sixty-two Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. WALSH].

The amendment was rejected.

Mr. RANSDELL. Mr. President, I ask the attention of the chairman of the committee to an amendment which I wish to offer.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. On page 82, lines 7, 8, 9, and 10, strike out the words "substituting for the words 'maximum joint rates' in the paragraph designated (b) the words 'joint rates, or maximum or minimum, or maximum and minimum joint rates'; also."

Mr. CUMMINS. Mr. President, the words sought to be stricken out by amendment are in the House bill, and the subject will be in conference. I do not make any objection to the amendment.

The amendment was agreed to.

Mr. RANSDELL. I ask leave to submit a further amendment, to which I ask the attention of the chairman of the committee. On page 82, following line 13, I move to insert the following:

The commission shall have no authority to establish any route, classification, rate, fare, or charge when the transportation is wholly by water.

Mr. CUMMINS. I have no objection to the amendment. I do not think the commission has the power now to establish such a rate.

The PRESIDING OFFICER. The Secretary will read the amendment offered by the Senator from Louisiana.

The SECRETARY. On page 82, section 41, after line 13, add:

The commission shall have no authority to establish any route, classification, rate, fare, or charge when the transportation is wholly by water.

The amendment was agreed to.

Mr. HENDERSON. Mr. President, I ask that the amendment which I sent to the desk last evening be read and placed before the Senate.

The PRESIDING OFFICER. The Senator from Nevada offers the following amendment. The Secretary will read.

The SECRETARY. On page 77, line 11, strike out all of lines 11 to and including line 17, page 78, and insert the following:

SEC. 4. That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided, however*, That upon application to the Interstate Commerce Commission such common carrier may in special cases, not due to or arising out of conditions of water competition, actual or potential, direct or indirect, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided further*, That no authorization for a change of existing rates under the proviso of this section shall be granted within six months from the approval of this act, nor in any case where application shall have been filed before the commission, in accordance with the provisions of this section, until a determination of such application by the commission; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not fairly compensatory for the service performed.

Mr. HENDERSON. Mr. President, this amendment is not proposed with any hostility to the railroads. Its purpose is to place the present law in such language that it can not be misunderstood or misinterpreted.

It was the intention of the Congress in 1910, when it adopted the amendment now sought to be amended, to afford relief to the Intermountain and Southern States relative to the discriminatory rates which had been charged them by the railroads. The provisos and exceptions in that section became the rule, and the unjust practices were continued. Very little relief, if any, was afforded the inland States which had suffered so long from these discriminatory rates.

I believe it was Burke who said that if the Government of Great Britain was going to command and have the respect of all the people of that Empire the laws should be enforced with equal justice and fairness to the Hindoo who lived on the Ganges as well as to the Englishman who lived on the Thames. The same principle is true in this country. The laws should be administered with the same equal fairness to the people of the Intermountain and Southern States as they are to the people along the coast.

I understand that as a matter of fact the railroads are not opposing an amendment of this kind so much as the coast jobbers. The coast jobbers wish to control distribution, and therefore they are paying little, if any, attention to the development, growth, and prosperity of the Intermountain States, which are so seriously affected by the present act.

I have a telegram which I received this morning from the president and secretary of the Reno Chamber of Commerce, which I desire to read, as follows:

RENO, NEV., *December 18, 1919.*

Hon. CHARLES B. HENDERSON,
United States Senate, Washington, D. C.:

The Chamber of Commerce of Reno, which has a membership of more than 1,200 business men, by action of its direction board and traffic committee, submits the following in regard to pending railroad legislation:

First. We favor the unconditional prohibition of a higher charge for a short than for a long haul. This we consider the most important point involved.

Second. We favor the complete regulation of water transportation and rates between American ports by the Interstate Commerce Commission.

Third. We do not believe that necessary capital for railroad development can be attracted or that efficient and economical operation of railroads can be encouraged if the earnings allowed to be kept by any road are limited to a 5 percentage of a valuation as yet undetermined, and surplus earnings above this percentage are diverted to other uses, as provided now in Cummins bill. Railroads should be allowed to earn and keep a fair return on value of investments, and we favor the principle of the rate-fixing plan originally contained in Esch bill when introduced in the House but later cut by amendment.

Fourth. We favor legislation permitting voluntary consolidation of railroads into competing systems under appropriate regulation and supervision, but do not favor compulsory or arbitrary consolidation of strong with weak roads until time shall have determined its necessity or advantage.

RENO CHAMBER OF COMMERCE,
By CHAS. S. KNIGHT, *President.*
HARLIE R. NORRIS, *Secretary.*

The most essential thing to the Intermountain States is the matter to which they refer under number one, and that is the amendment which I have offered and which is different in some respects from the amendment that was offered the other day by the Senator from Washington [Mr. POINDEXTER]. The amendment contains practically the language of the present act, the only change being with reference to water competition.

Every Senator understands the nature of these unjust rates. The Senator from Washington [Mr. POINDEXTER] very fully explained to the Senate on Wednesday how these rates operated and how seriously they retard the progress of the Intermountain States in their industrial development. I shall not, therefore, take up the further time of the Senate in discussing this matter. The importance of the adoption of the amendment can not be overstated.

Mr. THOMAS. Mr. President, if I understand the purpose of the Senator's amendment, it is to secure relief from that practice hitherto prevailing in his section of the country and mine, and which probably still prevails, of charging the shipper living at Reno or Denver a greater rate than is charged the shipper living at San Francisco or Portland on a shipment from the East, and which generally consists of the through rate to the Pacific coast plus the local rate from the Pacific coast back to the interior point of shipment. Am I correct?

Mr. HENDERSON. That is correct.

Mr. THOMAS. Any scheme of legislative relief for the railroads which does not prohibit that practice is unjust, indefensible, and outrageous. The effort made by the Senator from Washington [Mr. POINDEXTER] to secure some relief from the intolerable evil commanded very small support in the Senate, I am sorry to say. I could not help wishing when the vote was announced that those who voted against his proposition might suffer from the same situation for a few weeks that they might understand how oppressive and how utterly indefensible such a condition is.

It was my good fortune to spend several months in the State of Nevada some years ago, when the mining camps of Tonopah and Goldfield were in the heyday of their activities. The demand made for materials of all kinds by those two growing communities was abnormal and apparently unlimited. I know that on several occasions shipments of needed machinery were hurried into Goldfield in 1906 at freight rates in excess of those charged on the same machinery from New York by way of San Francisco to South Africa. The discrepancy consisted very largely in the addition to the shipment of the freight rate from San Francisco back to Goldfield. It should be borne in mind that the freight did not go to San Francisco at all, but went direct from New York or Chicago to Goldfield, but the charge to the shipper was the rate from New York to San Francisco plus the rate back from San Francisco to Goldfield. The remarkable fact was that the addition of the two amounts exceeded the established rate, as I said, from New York by way of San Francisco to South Africa.

The only possible excuse given for that outrage, because outrage it is, is what the railroad authorities call the fear of potential ocean competition, which was about as dangerous to the railroad companies as the toy cannon of a 2-year-old baby to the German Empire. In the first place, all possible competition was controlled by the railroads. They controlled the Pacific Mail Steamship Co. and all competing lines of the Pacific Mail Steamship Co. At that time, in order to prevent any haulage at all, they were paying the owners of the Panama Railroad Co. every year an annual sum in excess of what they could earn if they hauled freight across the Isthmus. Of course, the freighters and shippers of the Rocky Mountain West paid the bill. Yet the railroads had and still have the audacity to defend that levy of contributions upon the helpless people of the West by pretending that ocean competition justified it. No man ever contemplated any act deliberately without finding some sort of excuse for it.

We suffer relatively from the same evil, and always have. I frequently refer to the Rocky Mountain region as the stepchild of the country. It is treated as such not only by those who control the transportation of the continent, but by the Government itself in many instances. I had hoped that some relief might come from that intolerable situation through the action of the Congress in placing conditions upon the restoration of the railroad systems to their owners.

The fact is that wherever there is no possibility of water competition the railroads have hitherto acted practically without any limitation except what the traffic would bear, and unfortunately all efforts to obtain relief at the hands of the Interstate Commerce Commission have so far proven abortive. We got three or four decisions, but they have been so interpreted and so applied as to leave the evil practically undetermined.

I have had occasion several times to emphasize the fact that the people of the State of Colorado, who live in one of the greatest sugar-producing States in the country, can buy Colorado sugar at Omaha and Kansas City and ship it back to Denver and other common points cheaper than they can buy it from those who manufacture the sugar at the very doors of that city.

We are, perhaps, about a thousand miles from Galveston; it is downhill from Denver all the way to the Gulf coast; but freight rates are so arranged that it costs more to ship freight downhill from Denver to Galveston than it does to haul it uphill from Galveston to Denver. I might mention other similar instances.

The fact is, Mr. President, that this is an intolerable burden, an unjust burden, a most oppressive practice of discrimination against a vast section of country occupied by citizens of the United States who pay their taxes and who deserve equal treatment at the hands of the transportation companies; yet the very commendable effort of the Senator from Washington [Mr. POINDEXTER] to obtain relief from it finds the support of about a third of the Senators from the other States. If this bill is enacted into law without regulating that difficulty, it will be an imperfect bill and one which we can not justify to our constituents. For my part I do not propose to justify it as to that particular feature.

Mr. President, notwithstanding the fact that comparatively few Senators are here, I certainly hope that heed will be given to this amendment. To what extent the same discrimination has obtained during Government control I do not know; we have all been too busy to pay much attention to that feature of it. To what extent discriminations exist in other parts of the country I am not fully advised, but I certainly hope they are treated better than our section of the country has been. They can not be treated any worse. I am sure of that.

Mr. President, I know that time is precious; we want to get through with the pending bill as soon as possible; and I am sure I can not add anything to what was so well said on yesterday in the consideration of a similar amendment and to-day by the Senator from Nevada [Mr. HENDERSON].

Mr. HENDERSON. Mr. President, everything that the Senator from Colorado [Mr. THOMAS] has just said is true, and more. I could take the time of the Senate for hours in citing specific cases of discrimination in rates in the intermountain region, but I shall not, as it is apparent to every Senator that these discriminatory rates are unjust and unfair, and that the Intermountain and Southern States should not be called upon to bear them any longer. I believe that the amendment is thoroughly understood.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Nevada [Mr. HENDERSON]. [Putting the question.] The Chair can not decide the vote.

Mr. HENDERSON and Mr. KELLOGG called for a division.

The question being put, on a division the vote was declared to be a tie.

The VICE PRESIDENT. The amendment is lost. The Senator from Nevada can reoffer it in the Senate, where a vote may be taken on it.

Mr. THOMAS. I hope the Senator from Nevada will reserve the right to reintroduce the amendment in the Senate.

Mr. HENDERSON. Yes; I was just going to give notice that I would bring the matter up again. I understood I had the right to do so, anyway.

The VICE PRESIDENT. The Senator from Nevada will have that right. The Chair has not read the amendment and will not vote on an amendment he has not read.

Mr. BRANDEGEE obtained the floor.

Mr. THOMAS rose.

Mr. BRANDEGEE. Does the Senator from Colorado desire to speak on the question just under discussion?

Mr. THOMAS. No; I desire to present an amendment, but I can do so later.

Mr. BRANDEGEE. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment proposed by the Senator from Connecticut will be stated.

The SECRETARY. After line 23, on page 95, it is proposed to insert a new section, to be known as section 47½, as follows:

A board is hereby created and established, to be known as the railroad control adjustment board, which shall be composed of five members, who shall be appointed by the President, by and with the advice and consent of the Senate. The President, by and with the advice and consent of the Senate, shall likewise fill by appointment all vacancies which may occur in said board.

The duty of said board shall be, and it shall have jurisdiction to receive, examine, and adjudicate all disputes between the United States or the Director General of Railroads and the several carrier corporations growing out of any contract entered into under the Federal control act between the Director General of Railroads and such carriers, or out of any provision of said act, or out of the possession and use by the United States, under the acts hereinbefore referred to approved August 29, 1916, and March 21, 1918, of the property of said companies, respectively. The said board shall adjudicate said claims according to the merits thereof and the principles of equity, and is empowered to make all necessary and convenient rules and regulations of practice and procedure for the transaction of its business. It may appoint a clerk, a messenger, and one or more stenographers and typewriters. The annual salary of each member of the said board shall be $10,000, payable in equal monthly installments, and the annual salaries of the several employees of the said board shall be the same as the salaries of persons holding similar positions with the Interstate Commerce Commission. Any amount awarded by the said board to any carrier shall be paid out of any funds in the United States Treasury not otherwise appropriated upon the presentation of a certified copy of the judgment. Either party shall have the right to a review, in the district court of the United States for the district in which the principal office of the carrier is located, of any question of law that may arise, with appeal from the said district court direct to the Supreme Court of the United States.

The powers and jurisdiction hereby granted to the said board shall be in force and continue for the period of five years from the date of the approval of this act: *Provided*, That the President may from time to time extend said period not exceeding six months in each instance when, in his judgment, such extension is necessary, to enable the board to complete its work: *Provided further*, That in case the board shall have completed its work before the expiration of said period of five years, the President may, by order, dissolve the said board.

The Department of Justice is hereby directed to provide the said board with all necessary and suitable rooms and offices for holding its sessions and transacting its business.

Nothing contained in this section shall be construed to affect or interfere in any way with any authority conferred upon the Interstate Commerce Commission in any contract hereinbefore referred to as to the adjustment or determination of matters of controversy between the parties to such contract.

Mr. BRANDEGEE. Mr. President, that is a mere skeleton draft, intended to bring before the conference committee the idea proposed by the amendment. The Government has had control of the railroads of the country now for two years, or whatever the time may be. It has made contracts with various rail-

roads; there are many questions arising under those contracts; there are many unadjusted claims by the railroads. The amendment seeks to provide an adjustment board of five members, to be appointed by the President and confirmed by the Senate, which shall primarily adjust differences between the roads and the Railroad Administration. A review is provided upon any question of law presented under any contract or claim of which the proposed board may have jurisdiction to the district court of the United States and an appeal from the court to the Supreme Court of the United States.

I have no desire to enter into the details of the proposal. As I have stated, it is intended to be simply a suggestion to bring the subject before the conference committee and to be disposed of in their wisdom.

I am informed that a suggestion was made to the committee about this matter and the hope expressed that such a provision might be included in the bill. I do not find it in the bill, and it seems to me at least worthy of the consideration of the conference committee. I do not express a final opinion in favor of it, and I do not ask that the Senate may go on record as favoring it as a finality; but if this amendment is not introduced, the subject can not be considered by the conference committee.

I have submitted it to the chairman of the committee. I do not understand that he is ready to advocate it, and I understand from him that he did not feel like actively opposing it, but he is here and will state his own attitude. I submit the amendment for the consideration of the Senate.

Mr. CUMMINS. Mr. President, I assume that this amendment has come in some way from a suggestion made on the floor when I made the opening statement with regard to this bill. As Senators will remember, I remarked that, in my opinion, the litigation growing out of the relations between the railroads and the Government would not be finished in 25 years.

I think some Senator rose at that time and suggested that it might be well to have a board established, something like the Army boards which have been created for the purpose of settling differences between the Government and various contractors in connection with supplies, munitions, and the like.

I express no opinion with regard to the wisdom of doing the work that must be done in this way or doing it in some other way. I am perfectly willing that the amendment shall be adopted and carried into conference, although I do not pledge myself to do anything to retain it in the law.

Mr. KING. Mr. President, will the Senator yield?

Mr. CUMMINS. I yield.

Mr. KING. I think there is no question that some board will have to be created, unless there is some organization now which would adequately perform this important work. I was about to ask the Senator if there was not some board or agency of the Government now that could properly, in consonance with its organization and duties, discharge the obligations which would be required in settling controversies between the Government and the railroads?

Mr. CUMMINS. Is there any such board now?

Mr. KING. Yes; does the Senator have any in mind?

Mr. CUMMINS. I have not, but I think the President has the power to retain from the employees of the Railroad Administration a sufficient number of men to settle these controversies—that is, to represent the Government in the disputes.

About the only thing, as I heard it read hastily, that the amendment would do would be to require the persons so selected to be confirmed by the Senate.

Mr. LENROOT. Mr. President——

Mr. BRANDEGEE. Mr. President, will the Senator allow me to make just a suggestion?

Mr. LENROOT. Certainly.

Mr. BRANDEGEE. I have been told that this subject has been called to the attention of the Director General of Railroads, Mr. Walker D. Hines, and that in case this amendment is sent to conference he expects to advise the conference committee of his views upon the question, of course retaining full liberty of opinion to express any views that he may at that time entertain. I do think, however, that this should be considered by the conference committee.

We have frequently appointed boards and commissions to adjust claims after all great events where questions of damage were presented—the Spanish Claims Commission, the Alabama Claims Commission, any large subject where from congressional action or from war it was perfectly manifest that there was a novel situation, and that some special tribunal, appointed in a way by the Government, which would command the confidence and respect of the parties to the dispute, and especially where the claims are to be against the Government, should be created temporarily to take jurisdiction of that class of cases. As I say, it is simply a suggestion that I desire to bring to the conference committee, and then it is for the wisdom of the conferees to adopt it or reject it or modify it, and afterwards it will be for the Senate and House to approve of it or for the President to do so.

Mr. KING. Mr. President, will the Senator accept an amendment to strike out "five" in two places and insert "three," so that it will be made up of three members and last for three years?

Mr. BRANDEGEE. Yes. As I say, it is a mere skeleton. I care nothing about the terms or the details. I would just as soon make it three or two or seven. I will modify my amendment and make the board three instead of five. I will say to the Senator also that I had to put in some suggestion for their salaries, and I inserted $10,000 because I think men of this class, who would have to be men of legal minds and capable of being judges of high courts, would be worth that; but the conference committee can reduce it to $5,000 if they want to. I had to put in something. It is a mere suggested experiment; that is all.

Mr. KING. The Senator has acceded to the suggestion that the board shall be three in number?

Mr. BRANDEGEE. Three instead of five; yes.

Mr. KING. And will the Senator limit the duration of the board to three years instead of five?

Mr. BRANDEGEE. Yes. It provides now that they shall be abolished inside of five years if they finish their duties.

Mr. KING. If we should say 25 years, they would not finish their duties in that time.

Mr. BRANDEGEE. Well, I would be willing to make it one; but let us say three years.

Mr. KING. I think it ought to be three years, because it is clear that they can not finish in less than three years the vast amount of work which will have to be performed.

Mr. BRANDEGEE. Of course, the Senator will realize that when I modify my proposed amendment to this effect it is of no account, because the conference committee will do as they please about it.

If those modifications have been made, I will ask for a vote, unless there is further discussion.

Mr. LENROOT. Mr. President, it seems to me very clear that this amendment ought not to be adopted. We ought not to throw into conference a matter of this magnitude without the Senate having any opportunity to consider the details of it.

Let me just call the attention of the Senate to two things that are found in this amendment:

> Any amount awarded by the said board to any carrier shall be paid out of any funds in the United States Treasury not otherwise appropriated upon the presentation of a certified copy of the judgment.

It appropriates no one knows how many millions of dollars, or possibly hundreds of millions of dollars, although at the very time of this award the carrier may be indebted to the United States Government for amounts much greater than the award, and the award may be upon capital expenditures; and yet this provision would compel the payment out of the Treasury of no one knows how much, when if there was any award it ought to be offset against amounts owing by the carriers to the Government.

Then immediately following we find this provision:

> Either party shall have the right to a review, in the district court of the United States for the district in which the principal office of the carrier is located, of any question of law that may arise.

Will anyone tell me how we can create such a board as this, upon a matter that is wholly judicial in its nature, and make the finding of fact by this board absolutely conclusive upon the courts? No one ever heard of such a proposition. Of course, if the Senate could have an opportunity, when this conference report comes in, to consider this matter and offer amendments, it would be a very different proposition, but when the conference committee agrees we all know that the exigencies of the situation will be such that in all probability we will not vote to reject the report of the conference committee, and the Senate never will have an opportunity to consider the details of this proposition. This is a matter of such magnitude that it ought to be a separate bill, and the Senate ought to consider it and the House ought to consider it in the ordinary way.

Mr. BRANDEGEE. Mr. President, I simply want to suggest to the Senator that if the Government has a claim against a road I assume, of course, that it will be set off against the claim of the road.

Mr. LENROOT. Not under the provisions of the bill, unless it arose in that dispute.

Mr. BRANDEGEE. Well, it certainly should be, of course.

Mr. LENROOT. But the claim might not be a matter of dispute at all.

Mr. BRANDEGEE. I assume that the conference committee, in the consideration of the matter, will insert such a provision.

Mr. LENROOT. The Senator assumes that, and that is just what I object to, and it is no reflection upon the members of the conference committee, of course, in the slightest degree. The conferees are going to have enough work imposed upon them in the consideration of the parts of the bill that necessarily do belong in this scheme without taking up these tremendously important matters that can be and should be considered separately.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Connecticut.

The amendment was rejected.

Mr. THOMAS. Mr. President, I have no doubt that the purpose of this bill includes the intention of giving all the courts of the country jurisdiction of disputes and controversies which may arise under its operations. When the Senator from Iowa was presenting the bill for the consideration of the Senate, immediately after he concluded I asked him whether that was the case. He replied that it certainly was, and that if the bill was ambiguous upon the subject it should be corrected. Since that time I have not had much opportunity to examine the text of the measure, but I have gone over it superficially once or twice, and I think that the question is at least a matter of doubt. For the purpose of removing that doubt, if my apprehension is well founded, I want to suggest to the chairman of the committee the propriety of two amendments, the first occurring on page 45, line 16.

The clause there found reads as follows:

First. To adopt a corporate name, and to sue and to be sued in any court having jurisdiction over corporations organized under an act of Congress and of the subject matter and parties to the controversy.

Very few corporations outside of banking corporations have been organized under Federal laws, except those in the District of Columbia; but national banking corporations, by the recitals of the national banking act, are made subject to the jurisdiction of the State courts where located. My suggestion, therefore, is, first, to insert, between the words "over" and "corporations," on line 16, the words "national banking," so that the clause will read:

To adopt a corporate name, and to sue and be sued in any court having jurisdiction over national banking corporations organized under an act of Congress—

And so forth.

Mr. CUMMINS. Mr. President, so far as I am authorized to do so, I accept that amendment. I have not had an opportunity to discuss it with the other members of the committee.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

Mr. THOMAS. Now, on page 51, line 15, as a supplement to the amendment just accepted, I suggest the addition of the following:

The board of directors of any such incorporation shall also designate an agent or agents resident in each and every State in which any part of its system of railroads may be situated upon whom service of all judicial process may be made.

I think that is also essential to clarify the ambiguity.

Mr. CUMMINS. That is quite satisfactory to me. The committee assumed that the corporation would be compelled to do that under the laws of the States without any express direction, but I am quite willing to accept the amendment.

Mr. THOMAS. Whether or not the State law upon the subject would apply to an incorporation of the United States, I am not certain. Of course it applies to corporations of other States and to foreign corporations. Doubtless it might include the other, but the recital would certainly remove any question about it.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 51, after line 15, as a separate paragraph, it is proposed to insert the following:

The board of directors of any such incorporation shall also designate an agent or agents resident in each and every State in which any part of its system of railroads may be situated upon whom service of all judicial process may be made.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

Mr. THOMAS. Now, Mr. President, I offer as an additional section of the bill the matter which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add to the bill a new section, as follows:

SEC. —. Tickets for transportation of passengers, except tickets at special rates for excursions, conventions, or other specific occasions, shall not be limited, and shall be honored when presented in payment for passage by any lawful owner thereof.

Mr. CUMMINS. I have no objection whatever to that amendment. I think it is a very good provision.

Mr. THOMAS. I may say that I discussed the matter with the Senator from Iowa before preparing it and found that he was agreeable to it.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

Mr. HENDERSON. Mr. President, I send to the desk an amendment proposed by the Senator from California [Mr. JOHNSON], which I ask may be read and laid before the Senate.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 88, line 17, it is proposed to strike out the sentence beginning "And in establishing such through route," and ending on page 89, line 6, in the following words:

And in establishing such through route the commission shall not, except as provided in section 3, require any carrier by railroad, without its consent, to embrace in such route substantially less than the entire length of its railroad and of any intermediate railroad operated in conjunction and under a common management or control therewith which lies between the termini of such proposed through routes, unless such inclusion of lines would make the through route unreasonably long as compared with another practicable through route which could otherwise be established: *Provided*, That in time of shortage of equipment, congestion of traffic, or other emergency declared by the commission it may establish temporarily such through routes as in its opinion are necessary or desirable in the public interest.

Mr. CUMMINS. Mr. President, I can not accept that amendment, for, whatever may be its merit, there is a great difference of opinion with respect to the subject, and the members of the committee, I am sure, are in a great majority, at least, against a change of the law in that respect.

Mr. LENROOT. Mr. President, I would like to ask whether that has not already been amended? Was not an amendment adopted with reference to water routes?

Mr. CUMMINS. On motion of the Senator from Missouri [Mr. SPENCER] there was a provision inserted with reference to joint routes, partly by rail and partly by water.

Mr. LENROOT. Was that in connection with this paragraph?

Mr. CUMMINS. It would modify to some extent this provision, but not to the extent that the amendment proposed by the Senator from Nevada would modify it.

Mr. LENROOT. I understand that; but my question is whether it has already been amended.

Mr. CUMMINS. It has been partly amended. I did not think of making the point of order.

Mr. LENROOT. I was not intending to make a point of order.

Mr. CUMMINS. I have taken it for granted that the Senate was not ready to change the law in that respect more than it had been changed by the amendment of the Senator from Missouri.

Mr. HENDERSON. I would like to know in what respect the amendment of the Senator from Missouri changes the language of that portion of the section I have sought to have stricken out. In what way does the amendment that was offered by the Senator from Missouri change that section?

Mr. CUMMINS. I will turn to it and read it.

Mr. KELLOGG. If the Senator will permit me, I will state the effect of the amendment. It permits the commission to make joint water and rail hauls so as to give every community the benefit of a water haul.

The VICE PRESIDENT. The Secretary will read the amendment.

The SECRETARY. On page 89, line 3, strike out the word "provided" and insert the following:

Provided, however, That this restriction shall not operate to hinder or prevent the commission establishing or maintaining a through route where one of the carriers is a water line.

The VICE PRESIDENT. Now, which do you want—a vote or for the Chair to sustain the point of order?

Mr. HENDERSON. I do not see that that makes any change in the amendment offered by the Senator from California.

Mr. KELLOGG. Mr. President, I make the point of order against the amendment.

The VICE PRESIDENT. The point of order is sustained. The bill is still in Committee of the Whole and open to further amendment.

Mr. RANSDELL. Mr. President, I would like to ask the chairman of the committee a question. I have prepared an amendment to be introduced, on page 88 of the bill, after the word "therein," line 9, which reads as follows:

Strike out the period, insert a colon, and the following:
"*Provided*, That nothing herein applicable to joint rates shall authorize a water carrier to receive as a proportion or division of a joint rate an amount in excess of its port-to-port rate, or to authorize the commission to prescribe the minimum rate to be charged for transportation by a water carrier."

I ask the chairman whether section 44, in which the matter referred to appears, relates at all to water carriers. If it does not, I do not wish to take up time by trying to get this amendment put in.

Mr. CUMMINS. My understanding is that it does not.

Mr. RANSDELL. Then the matter I have in mind would, I take it, be the subject of conference, inasmuch as the House bill has already included a provision which does include water carriers.

Mr. CUMMINS. The Senator is correct in regard to that.

Mr. RANSDELL. Then I shall not press the amendment.

The VICE PRESIDENT. The bill is in Committee of the Whole and open to further amendment.

Mr. CUMMINS. At this point——

Mr. BRANDEGEE. Mr. President, I want to say to the Senator that I agreed with the Senator from North Dakota [Mr. GRONNA] that at this point in the procedure I would suggest the absence of a quorum. The Senator from Iowa is about to ask unanimous consent to substitute one bill for the other, and I want to save time by not requiring him to repeat the statement he is about to make.

Mr. WALSH of Massachusetts. I desire to give notice that I may choose to call up in the Senate my amendment which was defeated.

The VICE PRESIDENT. You have that right.

Mr. BRANDEGEE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Frelinghuysen	Kirby	Sherman
Bankhead	Gay	Lenroot	Smith, Md.
Borah	Gerry	Lodge	Smith, S. C.
Brandegee	Gronna	McCormick	Smoot
Calder	Hale	McLean	Spencer
Capper	Harris	Moses	Sterling
Colt	Harrison	Myers	Sutherland
Cummins	Henderson	Nelson	Thomas
Curtis	Johnson, S. Dak.	Norris	Trammell
Dial	Jones, N. Mex.	Nugent	Underwood
Dillingham	Jones, Wash.	Overman	Wadsworth
Edge	Kellogg	Phipps	Walsh, Mass.
Elkins	Kendrick	Poindexter	Warren
Fernald	Kenyon	Pomerene	Williams
Fletcher	Keyes	Ransdell	Wolcott
France	King	Sheppard	

The VICE PRESIDENT. Sixty-three Senators have answered to the roll call. There is a quorum present.

Mr. CUMMINS. Mr. President, in order that the Senate may know precisely the meaning of what I ask, I desire to suggest that at this point I intend to request unanimous consent to take up House bill 10453.

Following that I shall ask unanimous consent, or make a motion, as the case may be, that in lieu of the amendment proposed to be inserted in said bill—the same being the portion printed in italics—there shall be substituted the Senate bill, which we have been considering, and as amended up to this time.

In connection with that I desire to ask unanimous consent that when the said House bill reaches the Senate those Senators who have reserved amendments made to the Senate bill in the Committee of the Whole for separate votes in the Senate shall have the same rights as respects those amendments incorporated in the House bill, or the same as they would have possessed had the Senate bill continued on its passage.

With that explanation, Mr. President, I ask unanimous consent to proceed to the consideration of House bill 10453, Calendar No. 280.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 10453) to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment, to strike out all after the enacting clause and insert a substitute.

Mr. CUMMINS. Now, Mr. President, I ask unanimous consent that in lieu of the matter proposed to be inserted in the House bill, H. R. 10453, there shall be inserted the text of the Senate bill, S. 3288, as amended up to the present time, and that reservations concerning amendments can be made in the Senate upon House bill 10453 in the same way and to the same extent as though Senate bill 3288 had continued on its way to final passage.

Mr. TRAMMELL. Mr. President, a parliamentary inquiry. If the Senate unanimously agrees to take up the House bill, as requested by the Senator from Iowa, will we then be excluded from voting in favor of the House bill as against the Senate bill, or will that settle the question as between the House bill and the Senate bill?

Mr. CUMMINS. Is the Senator from Florida propounding that question to the Chair or to the Senator from Iowa?

Mr. TRAMMELL. I propounded it to the Chair.

The VICE PRESIDENT. The Chair will not make an answer to the question when a unanimous consent request is pending. The Chair will state what he understands the unanimous consent request to be.

The Senate has now by unanimous consent proceeded to the consideration of House bill 10453. The Senator from Iowa asks unanimous consent to insert in lieu of the text of the House bill the Senate bill as now amended, with the understanding that the same may be further amended in Committee of the Whole, with the understanding that votes taken in the Committee of the Whole may be reserved for a separate vote when the bill passes finally to the Senate, and with the further reservation that the bill when it comes into the Senate may be amended.

Mr. TRAMMELL. Mr. President, I do not desire to object to unanimous consent to take up the House bill, but I do object to the latter part of the request for unanimous consent—to substitute the House bill for the Senate bill, striking out all after the enacting clause in the House bill and inserting in lieu thereof the Senate bill as amended.

Mr. LENROOT. I should like to suggest to the Senator from Florida that this can be done by motion, but if done by motion it would cut out the separate vote in the Senate upon the amendments that have been made. As I understand the proposition of the Senator from Iowa, when we get into the Senate there will then be an opportunity for a vote upon the Senate bill as amended as against the House bill.

Mr. CUMMINS. The purpose of asking unanimous consent rather than making the motion is to open the door to the reservations to which I referred. It is evident that we must in some way act upon the House bill if the subject is to go to conference.

Mr. KING. Will the Senator permit a suggestion?

Mr. CUMMINS. Certainly.

Mr. KING. The point is whether or not at some stage in the parliamentary procedure we may express our preference for the House bill over the Senate bill, and the Senator from Florida is only interested in having an opportunity to express his vote upon the House bill as against the Senate bill.

Mr. TRAMMELL. That is really my position, I will state to the Senator from Iowa. I desire to have an opportunity to express my preference between the House bill and the Senate bill. If we take up the House bill and substitute the Senate bill by unanimous consent, the question arises with me whether I would have that opportunity in subsequent proceedings.

Mr. McKELLAR. May I ask the Senator from Iowa whether it would be possible to offer the House bill as a substitute for the Senate bill after the unanimous consent has been granted?

Mr. CUMMINS. I am not a good enough parliamentarian to answer the question.

The VICE PRESIDENT. The Chair supposed that the Senator from Iowa was trying to help out on the matter. If a motion be made to insert in lieu of the House bill the Senate bill as now amended, and if it be not amended further and comes into the Senate and is agreed to, that is the end of the discussion, because it is simply a motion to strike out and insert. But the Chair understands that the Senator from Iowa is trying to reserve separate votes for Senators on amendments that have been agreed to and also to reserve the right to introduce amendments in the Senate.

Mr. LENROOT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LENROOT. After the amendments have been acted upon separately, will not the question then be on the adoption of the amendment in the form of a substitute in the Senate?

The VICE PRESIDENT. Ordinarily the question would be on concurring to the amendment as made in Committee of the Whole——

Mr. LENROOT. So that will give the opportunity which the Senator seeks?

The VICE PRESIDENT. Which if agreed upon would preclude a separate vote on the amendments that have been made to the Senate bill. The Senator from Iowa is trying to make it easy for Senators, as he ought to do.

Mr. CUMMINS. I want to give the fullest opportunity for expression, not only on the part of the Senate as a whole, but on the part of every Senator. I assumed that the proposal I made would give every opportunity of that sort.

Mr. SMITH of South Carolina. Mr. President, I want to get the matter clear in my mind. What difficulty is in the way of going on and perfecting the Senate bill up to its completion in the Senate and then substituting it for the House bill?

Mr. CUMMINS. The difficulty is that it can not be done under our rules. The House bill, which must be finally acted upon in order to go into conference, must be taken up in Committee of the Whole.

Mr. SMITH of South Carolina. It must go through the same procedure as the Senate bill?

Mr. CUMMINS. Yes. It is the understanding that the Senator from Florida objects?

Mr. TRAMMELL. I wish to make an inquiry of the Senator from Iowa. If we agree to take it up by unanimous consent in the way suggested by the Senator, will we then have a right when we get the substitute into the Senate to have a vote in the Senate on the entire substitute?

Mr. CUMMINS. I shall be very glad to add that to the unanimous-consent request. I do not want to prevent that vote by any arrangement that is made.

Mr. TRAMMELL. I withdraw any objection with the understanding that we can have a vote on the entire substitute in the Senate.

The VICE PRESIDENT. Is there any objection?

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. At the proper time I wish to offer an amendment striking out all after the enacting clause of the bill and providing for a continuance of Government operation for a period named in my amendment. I do not want to be precluded from an opportunity to offer that amendment, and I inquire whether I should offer it now before the unanimous consent is given or whether I may offer it afterwards, either in Committee of the Whole or after the bill has reached its last stage of amendment in the Senate?

The VICE PRESIDENT. The Chair assumes it is simply an amendment proposing to amend what, for my purposes, I call the Cummins bill. The Senator can offer it in Committee of the Whole or in the Senate. He can offer it in Committee of the Whole, in the opinion of the Chair.

Mr. LA FOLLETTE. If I can offer it in the Senate, I shall defer offering it until all amendments to the bill have been passed upon. Then I would move to strike out all of the bill, as amended, after the enacting clause and propose the amendment or the substitute, or whatever it may be.

The VICE PRESIDENT. The Chair is not certain how far the unanimous-consent agreement of the Senator from Iowa goes. Ordinarily, if the amendment made in the Committee of the Whole is concurred in, the Senator from Wisconsin can not do that in the Senate; it would be too late.

Mr. LODGE. Mr. President, I desire to ask if the right to offer a substitute is not a right that exists in the Senate and does not require any unanimous consent? Can not a substitute be offered for the entire bill? That has been the practice, I think.

Mr. BRANDEGEE. Mr. President, I wish to make a parliamentary inquiry.

Mr. LODGE. That is what I was doing.

Mr. BRANDEGEE. I did not know the Senator was making a parliamentary inquiry.

Mr. LODGE. I tried to.

Mr. BRANDEGEE. I thought the Senator made a statement.

Mr. LODGE. No; I tried to make a parliamentary inquiry.

The VICE PRESIDENT. It has been the invariable practice since I have been here, and I think it is correct. We are getting into a parliamentary situation where without unanimous consent there would be only one question, and that would be to concur in the amendment as made in Committee of the Whole. Right there the Senator from Wisconsin can offer his amendment. If he fails to offer it then without the unanimous consent, and the Senate concurs in the amendment made in Committee of the Whole, it is an end of the controversy.

Mr. LA FOLLETTE. I desire to offer my amendment, I call it; perhaps it might more properly be called a substitute. It is to strike out all after the enacting clause and provide that the roads shall continue under Government operation for a period of time fixed in the amendment. I prefer to offer that after all the amendments have been made to the bill, whether it be the House bill or the Senate bill.

The VICE PRESIDENT. That will be in order.

Mr. LA FOLLETTE. As well in the Committee of the Whole as in the Senate, and to preserve that right I am going to object to unanimous consent to anything, for I know I have that right in the Senate.

Mr. LENROOT. Mr. President, I should like to suggest to my colleague that the right would not be preserved by this arrangement. The motion would be to substitute the Senate bill for the House bill, and the question then would be in the Senate on concurring in the substitute. I think the ruling of the Chair would be the same in either case.

Mr. NORRIS. I should like to suggest to the Senator from Iowa that he include the matter in his unanimous-consent agreement, so as to obviate any doubt that when we get into the Senate a substitute may be offered striking out all after the enacting clause, and so forth.

Mr. CUMMINS. That is entirely agreeable to me. I do not want to preclude any parliamentary right which any Member of the Senate has.

Mr. LA FOLLETTE. I do not desire to be captious, but I want to offer my proposition after the Senate has gotten through with the legislative consideration of either the House bill or the Senate bill.

The VICE PRESIDENT. Is there any objection? The Chair hears none. It is agreed to.

The bill was reported to the Senate as amended.

The VICE PRESIDENT. In accordance with the unanimous-consent agreement, does any Senator desire a separate vote?

Mr. MOSES. In Committee of the Whole I reserved a separate vote upon the proposition whereby the amendment offered by the Senator from Washington [Mr. JONES] to add a new section to the bill to be known as section 44½, was rejected. I ask for a separate vote upon that amendment. Prior to that vote I ask that the amendment be read.

The VICE PRESIDENT. The Secretary will state the proposed amendment.

The SECRETARY. The amendment in the bill would be section 50, at the end of the bill, just preceding the last section, and reads as follows:

SEC. 50—

In the printed copy it is section 44½—

It shall be unlawful for any United States carrier or carriers by rail or water to participate in the continuous or interrupted transportation of passengers or property from any place in the United States through a foreign country to any other place in the United States, or from or to any place in the United States to or from a foreign country, where the through rate or through charge by combination of rates for such transportation, whether by rebate, by absorption of storage charges, wharfage charges, or any other charge or charges, or in any manner whatsoever is less than the through rate or through charge by combination of rates between such points on file with the Interstate Commerce Commission or the Shipping Board or the Interstate Commerce Commission and the Shipping Board, applying at such time for like transportation by United States carriers by rail or water or by rail and water.

Mr. MOSES. Mr. President, this amendment was adopted when the attendance in the Chamber was very thin, and upon studying the RECORD to ascertain the reasons actuating the Senator from Washington [Mr. JONES] in offering the amendment, I find a reference to the hearings held before the House committee on which certain unfair or secret practices, rebates, or other discriminatory form of rates were alleged to have been made use of to the detriment, as the Senator believed, of the interests of certain shippers in his section of the country. Upon reference to that portion of the hearings which the Senator cited, I discover that the complaining witness before the committee did not point out an amendment to this bill in this form as a remedy for the evil of which he complained. He said that the foreign carriers against whom he made the complaint would continue the methods of which he complained "until Congress shall have again restored the status quo of American coastwise protection." So, in offering the amendment as a remedy for the conditions complained of a general proposal has been made which probably would take care of the difficulty which the Senator from Washington has in mind, but which, in addition, would most certainly work incalculable harm to a very great section of the country.

It is inevitable, Mr. President, possibly unhappy, that discussion of this question must be approached from the angle of the section of the country which a Senator happens to represent; certainly the complaint which the Senator from Washington has presented has been made from that angle; and in opposing the amendment which has been agreed to, I shall necessarily have to approach the subject from a similar angle, namely, that of the New England interests which are affected by the amendment.

New England, Mr. President, has a peculiar geographical situation, being located in the extreme northeastern portion of the country, and it has also a peculiar economic situation. It has no great natural resources except a diminishing supply of lumber. It is far removed from all of the sources of supply for raw material for manufacturing purposes; and yet, in spite of those handicaps, the enterprise and the initiative and energy of the people of New England have been such that there has been built up there a great manufacturing community with a more

highly diversified industry than can be found within similar territorial limits anywhere in the United States.

That development has been made possible, as I have said, by the enterprise, the ingenuity, and the energy of the people. With those attributes has gone a thrift from which have resulted great savings, which have flowed out from New England into all sections of the country to help in the promotion of industrial and other enterprises.

This development, Mr. President, has been made possible in another sense by reason of certain conditions affecting transportation. So long as New England has to bring cotton from Alabama, hides from Texas, wool from Wyoming, and coal and iron and steel from Pennsylvania into New England and there transform them into the shoes and textiles and fine machine tools and other products and then ship them back throughout all the country, and at the same time is compelled to bring the larger portion of its food materials from other portions of the country, it is evident that no such development as has taken place in New England could have been possible except by taking advantage of every avenue of transportation.

It so happens, Mr. President, that in the development of the New England industries what are known as the Canadian differentials have grown up and have been made use of. Those Canadian differentials consist in a lower rate for the combined charge of transit on the route from the Northwest to the eastern seaboard. The route is longer, since it runs, in no small measure, over Canadian territory; there is more delay; the service is not so valuable; and necessarily its cost has been made lower. Because of that New England and the eastern seaboard generally, by making use of the Canadian differentials, have brought into that section of the country grain, flour, beef, and many of the articles entering into the manufacturing enterprises of the section. In return it has shipped to other sections of the country, over the same route and by use of the same differential rates, its finished products, to the benefit both of New England and of sections far removed.

Mr. President, there is a physical as well as an economic and financial reason for this. New England has but one railroad outlet or inlet for its western business; the Hoosac Tunnel is the neck of the bottle through which everything will have to come into New England and through which everything will have to pass out of New England. If we are not permitted to make use of the Canadian roads all freight will have to be brought into Rotterdam Junction, which is now a sink hole of freight cars. It will there have to be sorted out, because the bore of the Hoosac Tunnel is such that large cars can not pass through it, which will necessitate a still longer and more expensive detour. Further than that, Mr. President, hardly a standard road in the country can now take care of the freight committed to it, and if the Canadian roads are shut out from the carriage of freight either coming into the East or going from the East to the West there will be a still further clogging of transportation over the American lines.

I am well aware that the object sought by the Senator from Washington is to do away with secret and unfair methods in railroad competition; but the amendment as it is drawn does far more than that.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from New Hampshire yield to the Senator from Washington?

Mr. MOSES. Certainly.

Mr. JONES of Washington. The Senator knows that I have suggested some amendments which, in my judgment, confine the operation of the amendment to those things and, while the Senator has not stated to me that that was entirely satisfactory, I should like to know what serious objection the Senator has to the amendments which I have suggested?

As I told the Senator, all that I want to do is to get at—not the open, public, and regular rates of the Canadian roads, be they low or high—if they are lower, very well; but what I am trying to get at are secret rebates and unfair methods. So I suggest——

Mr. MOSES. I was just on the verge of touching that very question.

Mr. JONES of Washington. The Senator just said that the amendment as drawn went further than that.

Mr. MOSES. I think it does.

Mr. JONES of Washington. I wish to suggest to the Senate in this connection that the amendments I have suggested to the Senator from New Hampshire take care of that situation.

Mr. MOSES. The Senator undoubtedly will have plenty of time to do that.

Mr. JONES of Washington. I was making the suggestion in the interest of saving time. If the Senator will not agree to the amendment as I propose to amend it, of course that is his perfect right, but I thought I might save some of the time of the Senate.

Mr. MOSES. I thought that I had made it clear to the Senator in the course of our conversation that the amendments he suggested did not remove the objections which I had to the amendment as it has been drawn. I further understood that the amendment which I had suggested to him did not meet with his approval. Therefore, Mr. President, we had come to an impasse, and necessarily it was up to somebody to explain the situation to the Senate.

As I was about to say, the Senator's chief objection, as I discovered in conversation with him, was not that the practice of using the Canadian differentials had been of benefit to somebody that he wished to deprive of that benefit, but that somewhere, along entirely different lines from those which I have been describing and with which I am most familiar, there had grown up some unfair secret practices with which he wished to do away.

The amendment which we have adopted seems to me to go much further than that and to imply a detrimental result to many sections of the country, for it is not only New England that will be affected by the loss of these differentials; it is not only the port of Boston and the port of Portland; but it is the port of New York, the port of Philadelphia, and the port of Baltimore to which the Canadian differentials equally apply.

Mr. JONES of Washington. Will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield further to the Senator from Washington?

Mr. MOSES. Yes.

Mr. JONES of Washington. I merely wish to make a suggestion to the Senator, in the interest of saving time and of getting the bill passed and in the hope of having this proposition go to conference, in order that it may be considered by the conferees and there either framed in the way they think is proper and adopted or finally rejected. I frankly told the Senator yesterday afternoon that I was not familiar enough with the technical phrases and details of the interstate-commerce acts to appreciate fully what his amendment really provided.

Mr. MOSES. And, Mr. President, I made an equal confession of ignorance to the Senator.

Mr. JONES of Washington. Yes. I think that the language I used in the amendment is perfectly plain, but I wish to say to the Senator that I am willing to accept his amendment, if that will end the discussion, and let the matter go to conference and be considered by the conferees.

Mr. MOSES. That is absolutely satisfactory to me.

Mr. JONES of Washington. Very well.

Mr. MOSES. And, if in order, I offer the amendment as a substitute.

Mr. JONES of Washington. The Senator did not propose it as a substitute when he spoke to me.

Mr. MOSES. It merely puts a single phrase into the amendment of the Senator from Washington.

Mr. JONES of Washington. Is that the phrase the Senator showed to me yesterday afternoon?

Mr. MOSES. Yes.

Mr. JONES of Washington. Very well.

Mr. MOSES. I ask that it be read.

Mr. JONES of Washington. I am perfectly willing to allow it to go in that way.

Mr. MOSES. I will say to the Senator that in order to simplify the drawing of the amendment I prepared it in the form of an amendment to strike out and insert, because it would require much more copious language to do it otherwise.

Mr. JONES of Washington. Very well, if it accomplishes the same purpose.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In the amendment offered by the Senator from Washington it is proposed to strike out the words "to participate in" in the second line of the amendment as printed, and to insert "except as may be provided by tariffs lawfully published and filed."

Mr. MOSES. No; nothing is stricken out, but after the word "water" a comma is inserted and the words written in are then to be inserted. The amendment is to strike out and insert. I did that in order to save verbiage in drawing the amendment; but the only change that is made is the insertion of one phase, as will be shown by following the text.

The PRESIDING OFFICER. The Chair thinks the Secretary understands the situation, although the amendment did strike out the words indicated.

The SECRETARY. After the word "water," it is proposed to insert the words "except as may be provided by tariffs lawfully published and filed."

Mr. MOSES. That is the only change made in the amendment.

Mr. LENROOT. Mr. President, will the Senator from New Hampshire yield?

Mr. MOSES. I yield the floor.

Mr. LENROOT. I should like to ask the Senator a question. The amendment which he proposed to insert—"except as may be provided by tariffs lawfully published and filed"—I take it will apply only to tariffs that are required to be filed by the Interstate Commerce Commission and therefore will apply only to tariffs filed by United States railroads. If that is true, I think that the amendment, so far as New England is concerned, makes it very much worse for that section of the country than it was before.

Mr. MOSES. Mr. President, I certainly had no intention of producing that result for New England, and I hope I have been well advised in the framing of the amendment. I will add that I have taken counsel with former members of the public-service commissions of New Hampshire and of Massachusetts and with a present member of the Interstate Commerce Commission who was once a member of the Massachusetts Public Service Commission, and with traffic men in New England, whose opinions are unanimous that the amendment which I propose brings out into the open every tariff under which shipments will be made, does away with the secret and unfair practices which are complained of, but still enables the differentials as I have described them to be made use of.

Mr. KELLOGG. Mr. President, if the amendment is coming to a vote, I should like to explain to the Senate what it means.

Mr. LODGE. Mr. President, before the Senator begins, may I ask him a question? Does the proposed amendment meet the wishes of the Senator from Washington without producing the result suggested by the Senator from Wisconsin?

Mr. KELLOGG. I should not like to say without giving it careful examination, which I have not done; but I can state in a moment just what these rates are.

There exist from all the eastern country certain differential rates to the western country. When I say "differential rates," I mean rates which are less than the standard direct railroad rate. For instance, the Pennsylvania and the New York Central have a direct railroad rate to the West. There is a differential by way of the railroads and the Great Lakes. There is a differential by way of the ocean and Norfolk and Newport News and Charleston, going to the West. There is a differential by way of the Lakes and the Canadian railroads and back into the United States, and there is a differential by way of the Canadian roads into the West. Those differentials have been in existence for years, and have been arranged by the authority of the Interstate Commerce Commission, in their judgment, to equalize the difference in the length of haul, the slowness of the operation, and so forth.

All through the West, clear to the Pacific coast, those differentials operate; and it is not alone New England that is concerned but it is all the northern part of the country, and, in fact, the traffic coming up from the southern ports having those same differentials. This would cut out all Canadian roads participating in that either by rail alone or by rail and water.

Now, I say, the Interstate Commerce Commission has power over that whole subject. These differentials have been continued by the Railroad Administration and by the Interstate Commerce Commission. There have been many hearings as to the reasonableness of those differentials, and they have been fixed by the commission. Years ago they deprived the Canadian roads of their differentials on passenger business, but on freight which may go by a slower route, a water route, they permitted those differentials, and the people have had the benefit of them, not alone of New England but clear to the Pacific coast. It seems to me that the commission has full power to prevent a Canadian road which ships with an American road from getting a differential, either by rebate or in any other way, and I think this is an extremely dangerous thing. Why not legislate out the differentials by lake and rail in the United States?

Mr. McCORMICK. Mr. President, a parliamentary inquiry. What is the status of the bill? Is it before the Senate or before the Committee of the Whole? Are we in the Committee of the Whole or in the Senate?

Mr. KELLOGG. In the Senate.

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). The present occupant of the chair was under the impression that the bill was in the Senate, but, on consulting with the officers at the desk, there seems to be some doubt about it.

Mr. McCORMICK. There seems to be some confusion at the desk.

Mr. LODGE. The Chair certainly announced that we were in the Senate, and this amendment was reserved.

Mr. McCORMICK. I asked just to get a ruling. The bill is in the Senate, Mr. President?

The PRESIDING OFFICER. The Chair is disposed to rule that the bill is in the Senate, although the record seems to be incomplete in that regard.

Mr. LODGE. It is a rather important matter. I think we had better find out. I sat here and heard the Vice President say, as I thought, that we were in the Senate, and he made some statement about agreeing to amendments and took up a reserved amendment. This amendment could not have been taken up unless we were in the Senate.

Mr. SUTHERLAND. Mr. President, the Secretary undoubtedly read the title of the bill as presented to the Senate, reporting it from the Committee of the Whole.

Mr. CUMMINS. Mr. President, I asked for a unanimous-consent agreement, and part of that agreement was that there should be a right of reservation as though the Senate bill had gone on into the Senate for passage, and this amendment had been reserved under the Senate bill.

Mr. LODGE. But the fact is we are in the Senate.

Mr. CUMMINS. We are in the Senate, and this amendment has a right to a separate vote.

The PRESIDING OFFICER. The present occupant of the chair rules that the bill is now in the Senate. The only doubt that was in the mind of the present occupant of the chair is that the records do not seem to show that the Vice President formally announced that the bill is now in the Senate.

Mr. LODGE. He announced the unanimous-consent agreement which took it into the Senate.

The PRESIDING OFFICER. Very well.

Mr. JONES of Washington. Mr. President, I want to suggest to the Senator from Minnesota that it is not the purpose of this amendment to strike at these open, regular, and generally recognized rates, whether differentials or otherwise. It is the purpose of this amendment to strike at secret practices by which they arrange with shippers ostensibly to ship by the regular rate, but, in order to get the shipments, there is an understanding that they will remit to the shipper a part of the rate, or that they will absorb wharfage charges that he otherwise would have to pay; that they will take care of these and charges like them. That is what the amendment is intended to strike at.

Mr. MOSES. Mr. President, will the Senator yield?

Mr. JONES of Washington. Certainly.

Mr. MOSES. On the very point the Senator speaks of, this absorption of wharfage and lighterage charges, if the proposal of the Senator is to obtain with reference to rates in this country, a thousand rates will be affected by it, because the absorption of wharfage and lighterage and storage charges is one of the most common practices in rate making in this country. Every pound of freight going into the city of New York, for instance, has to be lightered, and the lighterage charge is included in the published tariffs. It can not be separated out. It is absorbed. It is there, just like these other absorptions.

Mr. JONES of Washington. The Senator is not getting at the point. He is leading the Senate off, not intentionally, but as a matter of fact he is.

Mr. KELLOGG. Mr. President, I think I understand the point of the Senator from Washington. The trouble about it, however, is that the amendment as drawn, in my opinion, is not confined to differentials produced by secret rebates or absorption of charges at all.

Mr. JONES of Washington. Let me read to the Senator the provision that I suggested to the Senator yesterday, which I thought was better than the language that he suggested.

Mr. KELLOGG. I am familiar with that provision, and I still do not think that provision removes the objection to this amendment, because this amendment prohibits any such differential by combination of rates for transportation, whether it be by secret rebates, by wharfage charges, or other charges absorbed in any manner whatever, and striking out——

Mr. JONES of Washington. If the Senator will permit me——

Mr. KELLOGG. Wait a moment; I am coming to that—and striking out the words "in any manner whatsoever" still leaves the combination of rates by tariff.

Mr. JONES of Washington. Well, wait, now; let me make a suggestion to the Senator. I not only strike out the words "in any manner whatsoever," but I insert "or by any other secret or unfair means or methods." Those are the words that I suggested to the Senator from New Hampshire that we insert in place of the words stricken out.

Now, I am not sufficiently acquainted with the technicalities of the law in this matter to argue with the Senator from Min-

nesota. He is far better able to determine what the language should be than I am. I am assured by those who do know that this language simply covers what I desire to get at. The Senator expresses doubt. The suggestion of the Senator may be right; but, if that is correct, it seems to me that it can be taken care of in conference, because the conferees will know what we are trying to get at, and they will put in the language to cover it. I have accepted the language of the Senator from New Hampshire, and he knew what my position was, and the expert to whom he has referred this matter evidently was informed as to what I wanted to get at, and that expert suggests no other language except this. Now, it seems to me that that ought to warrant the Senate, at any rate, in order to meet the practices that we all condemn, in letting this matter go to conference in that shape, so that it can be worked out.

That is the way it seems to me.

Mr. KELLOGG. Mr. President, I will say to the Senator that if the Canadian roads in connection with American rail lines or American water lines establish tariffs and then secretly make rebates to shippers in order to get a greater differential than the tariffs provide for it should be prohibited by the Interstate Commerce Commission, and I have no objection to legislation which will prohibit it; but I am not a tariff expert by any manner of means.

Mr. JONES of Washington. Neither am I.

Mr. NELSON. Mr. President, will the Senator yield to me?

Mr. JONES of Washington. I yield.

Mr. NELSON. Has not the Interstate Commerce Commission the power now to do that?

Mr. KELLOGG. I think it has absolute power.

Mr. NELSON. It has absolute power to do what the Senator from Washington proposes to do.

Mr. KELLOGG. I think my colleague is correct.

Mr. JONES of Washington. Mr. President, they claim themselves that they have not the power. They have no jurisdiction over foreign lines.

Mr. MOSES. Mr. President, in view of the evident confusion about the situation and the mixed deductions which are being drawn from the various forms of language employed in seeking to remedy this evil, I want to simplify the matter in one degree, at any rate, by withdrawing my substitute and leaving the vote to be taken separately in the Senate upon the amendment offered by the Senator from Washington. Following that vote we may then possibly know how to proceed, and possibly obtain a form of language which is suitable, if it is still open to that procedure.

The PRESIDING OFFICER. Without objection, the amendment suggested by the Senator from New Hampshire will be withdrawn.

Mr. LODGE. Mr. President, I merely desire to say a single word about this amendment. It is very vital to New England, but it is by no means a local question. These differentials affect Chicago, they affect Minnesota, they affect Wisconsin, they affect the port of New York, the port of Baltimore, and the port of Philadelphia. It is a very, very important matter, and I do not think that we ought to take the risk of putting in any such sweeping legislation with an amendment about which there is so much difference of opinion as we have already heard. I trust that the amendment will not be adopted.

Mr. McLEAN. Mr. President, I agree with the Senator from Massachusetts that this is a very important matter. If the doctors such as we have—and we know they are of the best—disagree as to what is going to happen to the patient, I think we had better go slowly. If the Senator from New Hampshire expects that after the Jones amendment is adopted he can then amend it, I think he will find himself mistaken. The only thing to do is to vote down the amendment of the Senator from Washington [Mr. JONES].

Mr. MOSES. Oh, no, Mr. President; my motion was that the amendment in its present form on a vote would not be agreed to, and then it might be possible, before the thing ended, to get some form of amendment adopted, if Senators desire it.

Mr. WALSH of Massachusetts. Mr. President, I want to state that if this amendment remains in the railroad bill, it will upset the differential rate for New York and New England that has been in existence for 40 years. Not only that, but it means that there will be a call from every commercial interest in New England to defeat this bill.

Mr. JONES of Washington. Mr. President, as the Senator from New Hampshire [Mr. MOSES] has withdrawn his amendment, I want to offer an amendment to the amendment so as to make my position perfectly clear as to what it is desired to meet. I think the amendment that I have proposed will take away any basis for the fears of New England. I do not want to injure New England, but I do want to protect American interests from the fraudulent, deceitful, secret, and unfair methods of foreign competitors. I want to protect American interests, and when I say that I mean protect New England interests. I do not think that New England wants to ask upon the floor of the Senate that the Senate shall vote down a proposition to protect the American people, New England as well as other sections of the country, from secret and unfair methods that are condemned and denounced by legislation in this country. Surely the prosperity of New England does not depend upon the secret, unfair methods of foreign carriers. I do not believe that New England desires, by our legislation, to favor Canadian railroads and Canadian interests in preference to American railroads and American interests, and all in the world that this amendment seeks to do is to prevent the secret and unfair methods of the Canadian railroads. It will not, in my judgment, affect injuriously the industries and interests of New England.

So I want to offer an amendment that will make my intention perfectly clear, and that is, by inserting, in line 10 of the printed amendment, after the word "other," the word "such," so that it will read "or any other such charge," and so forth; and after the word "or," in the same line, strike out the words "in any manner whatsoever" and insert the words "by any other secret or unfair means or methods"; and after the word "is," in line 11, insert the word "made." I think that ought to go in there, and I think that will make clear what the Senator from Minnesota [Mr. KELLOGG] had in mind.

Mr. LENROOT. Mr. President, what through rate or through charge does the Senator think would be referred to, then, the through charge of the foreign railroad and the domestic railroad or the through charge of the all-American railroad?

Mr. JONES of Washington. Of the foreign and the American.

Mr. LENROOT. The language is:

> Through charge by combination of rates between such points on file with or approved by the Interstate Commerce Commission.

Mr. JONES of Washington. Let the Senator read the first part, "on file with or approved by." The first part of it reads:

> It shall be unlawful for any United States carrier or carriers by rail or water to participate in the continuous or interrupted transportation of passengers or property.

This is from one place in the United States through a foreign country.

Mr. LENROOT. Yes.

Mr. JONES of Washington. "To any other place in the United States." That must be by both American and foreign railroad or carrier. It can not be otherwise. It continues:

> Or from or to any place in the United States to or from a foreign country.

That can be only over American and foreign railroads. So the only rates that are affected are rates over American and foreign carriers.

Mr. LENROOT. No; they are rates between two points in the United States.

Mr. JONES of Washington. Over foreign and American carriers.

Mr. LENROOT. No.

Mr. JONES of Washington. It could not be any other sort of a rate under the language.

Mr. LENROOT. That is my point, less than the through rate.

Mr. JONES of Washington. No; "where the through rate or through charge by combination of rates for such transportation," which must be over different carriers, American and foreign, "whether by rebate, by absorption of storage charges, wharfage charges, or any other charge or charges," reading it as I propose to amend it, "or by any other secret or unfair means or methods, is made less than the through rate or through charge by combination of rates between such points on file with or approved by the Interstate Commerce Commission."

Mr. LENROOT. Now, let us see. Here are two points in the United States connected by an American railroad. They are also connected by a railroad going through foreign territory, and there are rates on file with the Interstate Commerce Commission upon American railroads connecting those two points, and under the language of the amendment, if the rate is less than the through rate or charge, by reason of these means, on the all-American railroad, it becomes unlawful.

Mr. JONES of Washington. Mr. President, I am informed, although I do not know whether it is true or not, that there are through rates filed with the Interstate Commerce Commission by, for instance, the Canadian Pacific Road.

Mr. LENROOT. There is no doubt of it.

Mr. JONES of Washington. Those are the combination rates that are referred to, and those are the only charges that are referred to here, and the only thing that is made unlawful, the

combination of charges over the foreign line and the American line between the two American points. We are having nothing to do with the through rates on American lines between American points.

Mr. LENROOT. The Senator assumes, then, that there can be no shipment from a point in the United States through Canadian territory and back into the United States, unless the rate is filed with the Interstate Commerce Commission, and I do not think that is true.

Mr. JONES of Washington. I do not know whether it is true or not. But there is the purpose that I want to meet. Of course, we all differ, and we have experts differing about these things. I take it the conference committee will work it out, or try to work it out, to meet what we want to meet. It is simply a question as to whether we want American roads and American interests to be protected against the secret and unfair methods of other countries. No section of this great country should make its prosperity depend upon the unfair methods of foreign roads and which are prohibited on our own roads. I offer the amendment which I propose, and I am willing to come to a vote and let the Senate pass upon it.

Mr. NELSON. Mr. President, if the Senator will allow me a question, I do not understand that there is any complaint that these differentials that are spoken of have been secret.

Mr. JONES of Washington. No.

Mr. NELSON. They have been open and above board?

Mr. JONES of Washington. Without doubt.

Mr. NELSON. And there has not been any practice such as you referred to——

Mr. JONES of Washington. The Senator is mistaken.

Mr. NELSON. About secret rates on these Canadian differentials.

Mr. JONES of Washington. Mr. President, if there are no secret practices, then this amendment will not hurt anybody. But there are secret methods and secret practices with reference to shipments to our country. Whether that is true up in New England or not, there is not any question about it in our part of the country.

Mr. NELSON. Mr. President, I want to say just a few words about this question. We in the northwest, in the great grain States, the great dairy States, have derived great benefits and great advantages from this system of transportation. The shipments of our products have been over American lines connecting with Canadian lines, and through them entering into American lines in New England and the East. That has been of immense value to our producers.

The way I look at it is that these through roads, that is, the transcontinental roads, want to wipe out this differential, and deprive us of what we have been working for and earned in one way or another. I think it is entirely unjust both to the great northwest and to New England.

Mr. JONES of Washington. Mr. President, if we sought to do what the Senator says, I would agree with him; but we do not seek anything of the kind.

Mr. CHAMBERLAIN. Mr. President, may I ask the Senator a question?

Mr. JONES of Washington. Certainly.

Mr. CHAMBERLAIN. I will ask the Senator from Washington if it is not a fact that by some arrangement made by the Canadian Pacific for through shipments, the tonnage between Alaskan ports and Seattle was not entirely destroyed because they could not compete with the secret rate that was made over the Canadian Pacific?

Mr. JONES of Washington. That is true.

Mr. CHAMBERLAIN. I know that they had to take steamers off. I looked up the question a year or two ago, and there was a very serious condition which existed. They were building up ports on the British side of the line by these secret differentials and rates. I do not know just what they were.

Mr. JONES of Washington. For instance, there is one rate of $7.50 a ton for transportation, and then a rebate of $3 down to $4.

Mr. MOSES. Mr. President, those are exactly the conditions which were brought out in the testimony before the committee by the complaining witness whom the Senator from Washington adduced, and his remedy, as stated in his testimony before the committee, was the restoration of the status quo of American coastwise protection, not to strike down differentials.

Mr. JONES of Washington. Mr. President, that is a suggestion with reference to the particular shipping, the water transportation. The Senator has not read all of the testimony.

Mr. WALSH of Massachusetts. I should like to read, for the benefit of the Senator from Washington, an extract from a letter sent me by one familiar with the interstate-commerce law and connected with that department, in which he points out that not only are existing rights of interstate commerce observed but they are extended by the Cummins bill, so called, to meet the situation which the Senator from Washington describes. This letter gives the history of these differential rates, and proves conclusively how injurious the amendment presented by the Senator from Washington [Mr. JONES] will be to the northeastern part of this country.

A part of the language of the letter referred to is as follows:

"For more than 40 years a somewhat lower scale of rates has prevailed from New England to so-called 'differential territory' in the West via the Grand Trunk and Canadian Pacific routes. The traffic is hauled from a point of origin in this country through Canada to a point of destination which is also in this country. These lower rates apply only on westbound business, and they are in effect, I believe, from New York City as well as from New England territory. They resulted from the rate wars which took place many years ago, and the Grand Trunk Railroad, I believe, was the responsible party. Having a long and circuitous route, it could only share in the western traffic by offering lower rates, and this it persisted in doing. Finally, the trunk lines agreed that it should have a fixed differential below the standard trunk-line rates."

"The whole situation is described and explained on pages 2 to 4 of the memorial which the six New England commissions sent to Director General McAdoo on August 1, 1918, and in Appendix B of this memorial, which I am sending you herewith, you will also find an account of the origin of these differential rates.

"The companies like the New York Central and the Pennsylvania, controlling the standard trunk-line routes to the West, have, of course, always disliked these differentials and have persistently tried to get rid of them. The New England shippers, however, and, I think, the New England railroad lines also, have with equal persistence endeavored to preserve them, and so far they have been successful. Early in the period of Federal control, as you will see from the memorial, an effort was made to take out these differentials, but the vigorous protest which it aroused led the Railroad Administration to abandon the idea. It is now apparently proposed to accomplish the same object through the medium of the United States Senate.

"These differential routes have been valuable to New England shippers, not only because they afforded somewhat lower rates on western traffic but also because they have provided a means of competition in service with the standard trunk lines. In times of heavy traffic the standard lines have frequently been congested, and the opportunity to ship over the more circuitous routes has been of great value to New England. I am confident that no move could possibly be made which would be more unpopular with the commercial interests of that section than the amendment which Senator JONES proposes.

"I may also say that the provisions of the act to regulate commerce in its present form (see sec. 1) apply to the transportation of persons or property, and so forth, 'from any place in the United States through a foreign country to any other place in the United States,' and I do not understand that these words are changed by the Cummins bill. Furthermore, the Cummins bill, in sections 43 and 44, gives the commission the power to fix minimum as well as maximum rates. At present we have power only to fix maximum rates. These provisions, if enacted, would, I assume, give us power upon proper complaint to raise minimum rates applying from a point in the United States through Canada to another point in the United States, if it should be found that the existing rates were unreasonably low or prejudicial. There would, therefore, seem to be no occasion for Senator JONES's amendment if any such rates exist which can not now be justified."

Mr. JONES of Washington. Will the Senator permit me to ask a question?

Mr. WALSH of Massachusetts. Certainly.

Mr. JONES of Washington. Suppose the Interstate Commerce Commission had brought to their attention that there are these secret rebates, an absorption of wharfage, and so on. How will they prevent the Canadian roads from doing it? What jurisdiction have they over the Canadian roads?

Mr. WALSH of Massachusetts. I do not suppose they have any.

Mr. JONES of Washington. None at all.

Mr. WALSH of Massachusetts. They have jurisdiction over rates.

Mr. JONES of Washington. That is exactly what this amendment is intended to meet.

Mr. WALSH of Massachusetts. At the same time that you attempt to remove the secret rates of Canadian roads you do away with the preferential rates that the New England section of the country has had for 40 years.

Mr. JONES of Washington. If they persist, of course, in going on with these secret rates.

Mr. WALSH of Massachusetts. You do not say these preferential rates are secret?

Mr. JONES of Washington. No; the preferential rates are not secret.

Mr. WALSH of Massachusetts. You are not seeking to wipe out the present preferential rates?

Mr. JONES of Washington. No; not at all. It is these secret practices I am trying to prevent, and I believe that is an effective way to do it.

Mr. WALSH of Massachusetts. At the same time your amendment would exclude the present preferential rates, which have been in existence for 40 years.

Mr. JONES of Washington. I think it does not.

Mr. CHAMBERLAIN. Mr. President, I am sorry I did not have occasion to look this up; but a year or two ago I addressed myself to the subject with reference to the northwest halibut fisheries.

As I recall the situation, there was an American fleet engaged up there in the halibut-fishing industry. The product, which was dried, was shipped by the American fleet to Seattle, Wash., and thence across the continent by the Northern Pacific on their transcontinental trains. By decrees in council of some kind—and we have not the power to enact legislation overnight like they have there—they granted to vessels which were registered under Canadian or British registry at Prince Rupert rights and privileges which the American steamers could not have. The result was that many American steamers gave up their American registry and went over and registered at Prince Rupert to take advantage of the arrangements there, terminal facilities as well as rates, which were given to them to land and unload their products at Prince Rupert that American steamers going by way of Seattle could not get. The result was that our ships left us and our freight went over the Canadian railroads instead of our American roads.

Mr. JONES of Washington. The Senator is correct. All we ask is to be given a chance to correct this. I do not wish to take any further time of the Senate on the matter.

The PRESIDING OFFICER. The Chair wishes to remind the Senators, and particularly the Senator from New Hampshire [Mr. MOSES], that the Senator from New Hampshire is exercising his right under the unanimous-consent agreement to call for a separate vote upon the amendment or that portion of the bill which constitutes the amendment originally proposed by the Senator from Washington. The Senator from Washington now proposes, as the Chair understands it, to amend the text of his original amendment by way of offering, perhaps, what might be called a perfecting amendment. The Chair understands that would require unanimous consent, as it will change the question as to which the reservation was made.

Mr. MOSES. I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Is there objection to the Senator from Washington perfecting the text of the bill to that effect? The Chair hears none. It is agreed to. Does the Senator from New Hampshire [Mr. MOSES] desire a separate vote?

Mr. JONES of Washington. I understand the Senator from New Hampshire withdrew his perfecting amendment?

Mr. MOSES. Yes.

Mr. LODGE. The perfecting amendment has been adopted. The vote is on concurring in the amendment made as in Committee of the Whole.

Mr. JONES of Washington. Does the Senator from Massachusetts oppose the perfecting amendment which I proposed?

Mr. LODGE. I do not care about that. I propose to vote against it, anyhow.

Mr. JONES of Washington. I understand that.

The PRESIDING OFFICER. The present occupant of the chair endeavored to make it clear that by unanimous consent the perfecting amendments suggested by the Senator from Washington were agreed to. The question recurs upon the amendment as perfected, for which a separate vote was requested.

Mr. JONES of Washington. On that I request the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. I am paired with him during his absence. I transfer my pair with that Senator to the junior Senator from Utah [Mr. KING] and vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. I see he is not in the Chamber at this time and therefore I withhold my vote.

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM], who is absent from the Chamber at this time. I therefore withhold my vote.

Mr. THOMAS (when his name was called). Making the same announcement concerning my pair and its transfer as heretofore, I vote "yea."

Mr. WILLIAMS (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I am informed by his colleague that if he were present he would vote "nay." As a consequence I feel at liberty to vote the same way. I vote "nay."

Mr. WOLCOTT (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. I transfer that pair to the Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. KING. On this vote I have a pair with the Senator from Virginia [Mr. SWANSON]. Not knowing how he would vote, I withhold my vote.

Mr. STERLING (after having voted in the negative). I have a general pair with the Senator from South Carolina [Mr. SMITH]. I transfer that pair to the Senator from Pennsylvania [Mr. PENROSE] and let my vote stand.

Mr. DIAL (after having voted in the negative). I am paired on this vote with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Texas [Mr. CULBERSON] and let my vote stand.

Mr. CURTIS. I have been requested to report the following pairs:

The Senator from New Mexico [Mr. FALL] with the Senator from Wyoming [Mr. KENDRICK];

The Senator from California [Mr. JOHNSON] with the Senator from Oklahoma [Mr. GORE]; and

The Senator from Michigan [Mr. NEWBERRY] with the Senator from Missouri [Mr. REED].

The result was announced—yeas 11, nays 52, as follows:

YEAS—11.

Chamberlain	Hitchcock	La Follette	Ransdell
Fletcher	Jones, Wash.	Norris	Thomas
Gronna	Kirby	Poindexter	

NAYS—52.

Ball	France	Lenroot	Sheppard
Bankhead	Frelinghuysen	Lodge	Simmons
Brandegee	Gay	McCormick	Smith, Ga.
Calder	Gerry	McKellar	Smoot
Capper	Hale	McLean	Spencer
Colt	Harris	Moses	Sterling
Cummins	Harrison	Myers	Townsend
Curtis	Henderson	Nelson	Trammell
Dial	Johnson, S. Dak.	New	Wadsworth
Dillingham	Kellogg	Nugent	Walsh, Mass.
Edge	Kenyon	Phipps	Walsh, Mont.
Elkins	Keyes	Pomerene	Williams
Fernald	Knox	Robinson	Wolcott

NOT VOTING—32.

Ashurst	Jones, N. Mex.	Page	Smith, Md.
Beckham	Kendrick	Penrose	Smith, S. C.
Borah	King	Phelan	Stanley
Culberson	McCumber	Pittman	Sutherland
Fall	McNary	Reed	Swanson
Gore	Newberry	Sherman	Underwood
Harding	Overman	Shields	Warren
Johnson, Calif.	Owen	Smith, Ariz.	Watson

So the amendment of Mr. JONES of Washington was not concurred in.

Mr. STERLING. Mr. President, the other day I offered an amendment which had the approval of the chairman of the committee and was agreed to in Committee of the Whole. The amendment related to the nomination of directors by the employees in the event of the reincorporation of a company. In addition to the reincorporation of companies under the act, companies which have consolidated their lines, the act also provides for the incorporation of new companies under the provisions of the act, and the same language in regard to the nomination of directors by the classified employees of the company is used as in the case of reincorporated companies. In order that the bill may be consistent throughout in this particular the amendment should be made to apply to cases of that kind as well as cases of reincorporated companies. So I offer the following amendment.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. On page 44, in line 13, after the word "offices" insert the following:

Provided, That all classified employees, without other distinction, shall have the right and opportunity, through proper notice, to participate in such nominations.

Mr. CUMMINS. Mr. President, I have no objection whatever to the amendment on its merits, but I do not want by acquiescence to appear to waive the order which we have made.

If this is in order, I have no objection to it; but I doubt whether an amendment of that kind can be offered at this time. I had hoped the Senator would offer it in Committee of the Whole.

Mr. STERLING. I had supposed, Mr. President, that the bill, being in the Senate, was open to amendment. I made the discovery later that I had omitted offering the amendment in Committee of the Whole.

The PRESIDING OFFICER. It is the opinion of the Chair that amendments are now in order under the terms of the unanimous-consent agreement.

Mr. CUMMINS. All I desire is that the amendment shall observe the unanimous-consent agreement which we have made. I have no objection to the amendment of the Senator from South Dakota.

Mr. STERLING. I thought that ordinarily it was proper to offer such an amendment in the Senate, and surely under the agreement made by the Senator from Iowa the amendment is in order.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 44, line 13, after the word "offices," and before the period, it is proposed to insert a comma and the following proviso:

Provided, That all classified employees, without other distinction, shall have the right and opportunity, through proper notice, to participate in such nominations.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Dakota.

The amendment was agreed to.

Mr. McCORMICK. Mr. President, I desire to call up the amendment which I offered in Committee of the Whole and which I reserved for a separate vote in the Senate. The amendment has already been discussed and I have nothing to add to the comment I have already made on it. I ask that the yeas and nays may be had after the amendment shall have been read.

Mr. ROBINSON. Mr. President, very briefly I desire to present some reasons which address themselves to my mind why the Senate should not agree to the amendment proposed by the Senator from Illinois [Mr. McCORMICK].

The pending bill, in so far as it affects labor controversies, creates Government tribunals—a committee of wages and working conditions and three regional boards of adjustment—and empowers those Government agencies to determine all disputes between railroads and their employees which are not adjusted under existing provisions of law or otherwise adjusted. Under present conditions no tribunal exists with authority to determine controversies of this nature. It would therefore be manifestly improper, according to my view, to deprive the railroad employees of the right to strike for the purpose of enforcing their demands as to wages and working conditions. It is of very great importance that just tribunals be created to determine these questions.

Notwithstanding the criticisms that have been made in the Senate respecting the provisions of the bill touching this subject, I believe that we have provided for tribunals which can and will fairly determine such questions. It is the duty of the Government in exercise of its power to regulate commerce to provide for a settlement of such disputes. In view of the state of affairs that now exists, the importance of commerce to the life and the property of the Nation, it is unthinkable that a general railroad strike should occur, but before that can be prevented it is necessary that the Government provide for the fair and just settlement of controversies likely to result in strikes.

No one more than I is anxious to see labor fairly and liberally treated. I would be unwilling to restrict the right to strike unless the Government assumed and exercised the power to do justice to the employees. The provisions of the bill require that the wages paid railroad employees shall be just, fair, and reasonable; and in determining the justness, fairness, and reasonableness of the wages paid to the employees, the tribunals authorized to determine the controversies are required to take into consideration the scales of wages paid for similar kinds of work in other industries, the relation between wages and the cost of living, the hazards of the employment, the training and skill required, the degree of responsibility imposed, and the character and regularity of the employment. It may with propriety be observed that these directions to the Government tribunals created in the bill for the settlement of labor disputes are not exclusive of the consideration of other facts and circumstances relevant to the proper determination of the controversy.

It is not my purpose at this time to enter upon a prolonged discussion of the subject or to review in detail the composition of the boards for the settlement of these questions. It is sufficient to state the matter very briefly.

The committee of wages and working conditions is authorized to determine all disputes between railroads and their employees respecting wages and working conditions.

The regional boards of adjustment—there are three of them—are authorized to determine all complaints, grievances, disputes, and matters in controversy between the railroads and their employees arising out of ordinary railway operations, including personal grievances and matters of that character; so that we contemplate Government agencies, with powers defined by law, required by law to give consideration to all fair elements properly to be taken into consideration in determinng these matters. Having done that there can be no excuse or justification for the continuance of the preservation of the right to strike for the purpose of enforcing the demands which are to be determined by the tribunals provided in the bill. Once we recognize the right and power of the Government representing the public to determine these questions, we of necessity, unless we wish to belittle the Government and its agencies, must deny the right to strike for the purpose of enforcing the demands.

Some of the objections which I urge to the amendment proposed by the Senator from Illinois may be stated very briefly. It is difficult for me to understand why the right to strike should be denied for a period of 60 days and recognized for all time thereafter. The principle of the amendment proposed by the Senator from Illinois is analogous to some of the provisions of the Canadian law, but this distinction must not be forgotten: The Canadian law contemplates arbitration; it does not contemplate a quasi-judicial determination of the disputes between railroads and their employees; it does not contemplate decisions which are to be binding and enforceable against the parties to such controversies. The Senate bill, on the other hand, as I have already attempted to explain, does contemplate the creation of Government tribunals with power and authority to determine these questions under the rules and limitations provided in the law.

Another objection to the amendment of the Senator from Illinois is found in the fact that the preservation of the right to strike at the expiration of 60 days is necessarily an intimidation or a powerful influence upon the Government tribunal created for the purpose of settling the controversy. If controversies of this character are susceptible of determination by a tribunal—and in my opinion they are—then these decisions ought to be final, and there is no reason justifying the maintenance of the right to strike at the expiration of 60 days for the enforcement of the demands.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Kentucky?

Mr. ROBINSON. I yield to the Senator from Kentucky.

Mr. STANLEY. I deeply regret that I did not know earlier the Senator from Arkansas was addressing himself to this subject. After nearly 20 years of service with the Senator from Arkansas I have learned to regard with the gravest consideration any proposition that he may seriously make. I served with him in the other House of Congress; it is my pleasure to serve with him in the Senate; and I know of few men in whose judgment I am inclined to place more implicit reliance.

I apprehend, however, that in this legislation the Senator from Arkansas has not differentiated with his characteristic analytical powers the difference between the right of man individually or collectively to exercise the privilege of working or abstaining from work which is guaranteed by the decision submitted to him, rendered by Justice Harlan in the case to which reference has been repeatedly made here, and overt acts designed to prevent the free and untrammeled movement of commerce.

I am with the Senator from Arkansas in any drastic legislation that shall prevent, that shall punish, any overt act upon the part of any employee of a railroad, or anybody else who attempts to prevent the freest and most untrammeled movement of commerce, and I am in favor of legislation that shall punish the individual who injures or impedes, hampers, embarrasses, or prevents in any way—that is, by any overt act—the movement of interstate commerce otherwise than by refusing to continue in the employment and the personal service of any individual or corporation. Provide in your bill that employees individually or collectively may refuse to continue in the employment of a master, whether that master may be an individual or a corporation, other than the Government, and then inflict upon the individual, whether employee or not, who by any affirmative act impedes or embarrasses the movement of commerce, any character of penalty, and go further than that, and provide that if this affirmative interference with the movement of interstate commerce is the result of a conspiracy

additional penalties may be imposed, and I will heartily join with the Senator from Arkansas. But you must not fail to discriminate between the right of men, individually or collectively, to select other employers or to leave the employment of a master, and those indefensible and lawless acts, whether committed individually or collectively, by persons who attempt to prevent others from taking their places, or attempt to prevent the movement of interstate commerce by injury or violence to persons or property. My objection to this provision is that it has failed to make that simple and obvious distinction.

Mr. ROBINSON. Mr. President, I thank my friend the Senator from Kentucky for his allusions to my ineffectual services in this body and in another body related to it.

Addressing myself briefly to his statement that I have failed to make the distinction which the courts make between willful interference with the physical operation of the facilities of interstate commerce and the right of employees of railroads to strike, I desire to say that the distinction is very clear in my own mind. There is no confusion concerning the subject. I was stating, just before the Senator from Kentucky entered the Chamber, that in my humble opinion Congress would not be justified in denying to railroad employees the right to strike until it had created a Government tribunal authorized and empowered and required to do justice to them in all their demands respecting wages and working conditions.

Mr. STANLEY. Mr. President, I do not like to interrupt the Senator at that point; but I wish, in order to make the difference between us clear, knowing that the Senator from Arkansas is an old-line, orthodox Democrat, to make this inquiry: Does the Senator from Arkansas believe that any board, however fair and just, can offer to any citizen an equivalent for the loss of an inalienable right, whether that right be exercised individually or collectively? And is there any difference, or can the Senator draw any difference, between the right of men to work or to cease from work because that right is asserted as an organization rather than as an individual?

Mr. ROBINSON. Yes. The Senator asks me one question, and then, while I am trying in perfect good faith to answer it, he diverts me and asks me another.

Mr. STANLEY. I beg the Senator's pardon.

Mr. ROBINSON. If I am permitted to do so, I should like to try to answer both of his questions.

I have said that the denial of the right of employees to interfere with or suspend interstate commerce through the medium of a strike for the purpose of enforcing their demands can only be justified by the creation of a Government tribunal with authority properly to determine their demands, but that, having created such a tribunal, there is nothing in the Constitution of the United States and nothing in the decision of any court with which I am familiar which denies to Congress the power to continue commerce, to keep open the channels by which commerce is maintained. This is absolutely indispensable to the life of the Nation.

The Senator from Kentucky, in his first statement and question addressed to me, referred to an opinion by Mr. Justice Harlan, and impliedly stated that that opinion justified him in the assertion that such a provision as is carried in this bill relating to labor controversies is unconstitutional. That was the plain inference of his statement. I presume the Senator from Kentucky referred to the case of Arthur against Oakes, reported in Sixty-third Federal Reporter.

Mr. STANLEY. That is true.

Mr. ROBINSON. The Senator from Kentucky states that is the case which he has in mind. In my opinion, Mr. President, the conclusion which he reaches and which he bases on that opinion is not justified. The opinion to which he referred related to existing law. It did not relate to such a measure as is under consideration. It did not deny the power of Congress to pass the pending provisions. It was based solely on the law as it then existed, the common law; and in proof of the correctness of my assertion I refer to a portion of the opinion which was read yesterday by the Senator from Colorado [Mr. THOMAS].

Mr. STANLEY. Mr. President, I know it is embarrassing to the Senator to be interrupted at this point, because I see that the Senator from Arkansas is drawing a conclusion that is strictly legitimate. To save time, however, and in order to reach the crux of this proposition, I am prepared to admit all that the Senator says. It was a statement of existing law. I am not questioning the constitutionality of this measure. I am questioning its propriety.

My position is this, and I interrupt the Senator at this time for the reason that he did not hear my argument on this question. My position is not that it is unconstitutional, but that it is unwise; that it is not practical; that it is foolish to attempt to give, by virtue of the concessions in this act, equivalent rights, or something just as good, to the employee for the thing which Justice Harlan says, under existing law, was his right, guaranteed by existing law and by the Constitution of the United States.

I make this interruption at this time to show the Senator from Arkansas my position on the matter.

Mr. ROBINSON. Mr. President, I made the statement because the Senator referred to this court decision—to the opinion of Mr. Justice Harlan. The Senator is a lawyer of great experience, and he knows that an expression of opinion by a justice of a court as to the wisdom of a policy or of a law is not law. It is no more binding or compelling than the expression of an opinion by anyone else. So let me pursue my thought just a little bit further, because I think Senators who heard the first statement of the Senator from Kentucky will agree with me that the plain implication of his language was that the court had held that such a law as this was unconstitutional. The Senator disclaims that and I accept his disclaimer, but I want to read just a part of the opinion to emphasize my conclusion.

Mr. STANLEY rose.

Mr. ROBINSON. Just a moment, please. I am reading now from the opinion which the Senator quoted in the beginning as rendering this measure obnoxious.

The learned justice, Mr. Harlan, said:

> In the absence of legislation to the contrary, the right of one in the service of a quasi-public corporation to withdraw therefrom at such time as he sees fit, and the right of the managers of such a corporation to discharge an employee from service whenever they see fit must be deemed so far absolute that no court of equity will compel him, against his will, to remain in such service.

So it is apparent that the sole effect of the opinion to which the Senator has referred—and the last statement of the Senator from Kentucky is that he concurs in my conclusion—is that under the law as it then existed, in the absence of legislation to the contrary, the right to strike existed.

Why, who questions that? I have just said that so long as Congress fails to provide for a fair and just settlement of these controversies we must preserve that right; but when Congress, in the exercise of its power to regulate commerce, provides for the settlement of those disputes, then it is not only constitutional, but in my opinion it is wise and just, aye, necessary, to protect the people of the United States against the menace of a universal railroad strike.

This bill is a great advance, and in my humble judgment those who oppose any effort to exercise the power of the Government to settle in a quasi-judicial way differences of this character are making a great mistake, and, however sincere may be their intentions, they are not rendering a service to the millions of men who toil in the various industries in this Nation, the men who stand in the glow and gleam of forge and furnace, the men who go down into the bowels of the earth and work in the mines, the men who toil in the various spheres of activity, and all the millions who are dependent upon them. Can not the public be trusted to settle controversies between the railroads and their employees? Must the people of the United States live forever under the menace of having commerce destroyed and having thousands, aye, millions, made to suffer by reason of the failure of the Government to exercise its power and fairly settle these disputes? Those who want to serve labor, who want to do something for this generation and the generations to come, in my judgment had better address their efforts to securing a fair and just means which will not only protect the men who work as employees of railroads, but also protect the far larger number of people whose lives and whose comforts are dependent upon the operation of railroads. That is the duty of government.

With all the earnestness of my soul I assert that if this bill contains nothing else if it guarantees to these railroad employees fair, just, and reasonable wages and working conditions, and requires that in determining their demands there shall be taken into consideration the scales of wages paid in similar industries, the relation of wages to the cost of living, the hazards of the employment, the training and skill required, the degree of responsibility exercised, labor will be greatly benefited and in no way imperiled. The real enemy of labor is not the man who advocates the determination of his rights by public authority according to legal standards. It is he who urges the maintenance of arbitrary, antiquated, and unreasonable remedies, remedies which if applied would injure or destroy the public.

The trouble with the amendment of the Senator from Illinois [Mr. MCCORMICK] is that it accomplishes little. It recognizes the right and power of the Government to decide labor controversies. Then it imposes an obligation to respect those

decisions for a short time. It is not analogous, as I have shown, to the Canadian law. The Canadian law is arbitration. This is quasi-judicial determination.

Mr. POMERENE. Mr. President, will the Senator yield to me to make a suggestion?

Mr. ROBINSON. I yield with pleasure.

Mr. POMERENE. The Senator from Kentucky has referred to the impropriety of legislation of this kind, but the very amendment of the Senator from Illinois recognizes its impropriety. But it is subject to this criticism, in addition to those which have been so forcefully given by the Senator from Arkansas: It recognizes the Government's right to say to these men, "You shall not strike" when the merits of their dispute are undetermined, and then in effect says that after they are determined, and if they are decided against the men, they can go on a strike.

Mr. ROBINSON. Certainly. That is a clear statement of one of the differences which I was trying to express. It recognizes the power, the right, and the duty of the Government to act in the matter, but imposes a half-hearted and inadequate remedy.

I have been studying this question for years and realize the very great difficulties with which it is associated. The amendment of the Senator from Illinois is not acceptable to any portion of organized labor in the United States. The Canadian law has not been successful.

Mr. McCORMICK. May I interrupt the Senator?

Mr. ROBINSON. With pleasure I yield to the Senator.

Mr. McCORMICK. I wanted to ask the Senator if it were not true that one of the principal objections to the Canadian law is that under it the arbitral tribunals hold the disputes under review for an unconscionably long time?

Mr. STANLEY. Mr. President, the Senator from Arkansas is making a very able address, although I do not agree with it in all points. But it has been many years, in my humble opinion, since a more vital and far-reaching question has been presented to the arbitration of the American Congress or the American people, and I am somewhat surprised that a question so vital in its immediate consequences, so far-reaching in its ultimate effects, has not received greater attention. I believe that this question should be determined by the sober and actual consideration of the representatives of the people elected to this body. For that reason I make the point of no quorum.

The PRESIDING OFFICER. The Senator from Kentucky suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gerry	McKellar	Smith, S. C.
Bankhead	Gronna	McLean	Smoot
Brandegee	Hale	McNary	Spencer
Calder	Harris	Moses	Stanley
Capper	Harrison	Norris	Sterling
Colt	Henderson	Nugent	Sutherland
Cummins	Jones, N. Mex.	Overman	Thomas
Curtis	Jones, Wash.	Phipps	Townsend
Dial	Kellogg	Poindexter	Trammell
Dillingham	Kendrick	Pomerene	Wadsworth
Edge	Kenyon	Ransdell	Walsh, Mass.
Elkins	Keyes	Robinson	Walsh, Mont.
Fernald	King	Sheppard	Warren
France	Lenroot	Simmons	Williams
Frelinghuysen	Lodge	Smith, Ga.	Wolcott
Gay	McCormick	Smith, Md.	

The PRESIDING OFFICER. Sixty-three Senators have answered to the roll call. There is a quorum present.

Mr. ROBINSON. Mr. President, when interrupted by the call the Senator from Illinois [Mr. McCORMICK] had asked me if it is not true that long delays occur in the determination of cases by arbitral tribunals. I do not know just what was the import of his question or what conclusion he desired to reach from an answer to it, but I can answer him in the affirmative—that my observation has been that frequently cases submitted to arbitration are long drawn out.

However, I point out to him the fact that there is no more likelihood of a delay in decision under the provisions of the committee bill than there is in the provision which he has submitted. Indeed, I know that in his amendment there is a requirement that a decision shall be made within a certain time; but it has been frequently held that there is no power to compel a court to decide a case within a limited time, and it may be doubtful whether such a provision would be effective.

With respect to the amendment which the Senator offers, the fact that no strike can occur until 60 days after decision might prompt delay in the decision, so that under the plan which he proposes there is, in my judgment, nothing which would make certain a speedy determination of matters submitted to the respective boards provided for in the bill.

I have about concluded all that I care to say on this subject. Senators who have studied it know that it presents very great difficulties. They realize that for many years some of the best minds of the country have directed their thought to the creation of a plan which will relieve the public in some degree from the menace of ever-recurring strikes.

The primary objection to the provision presented by the Senator from Illinois is that it will probably not accomplish the purpose of settling labor disputes. In proof of that assertion I refer him to the operation of the Canadian law, which his amendment follows. In the hearings before our committee it was asserted, and not denied, that there have been more strikes in Canada since that law was passed than had occurred before its passage.

Mr. CURTIS. Mr. President——

Mr. ROBINSON. I yield to the Senator from Kansas.

Mr. CURTIS. Was not that brought about by the fact that there was no provision in the Canadian law requiring a decision within a specific time? I am informed that in some cases decisions were held up several years, and of course under circumstances of that kind there would be a strike.

Mr. ROBINSON. Undoubtedly some of the strikes occurred because of delay, but the evidence showed that more strikes occurred after the reports were made than had occurred previous to the passage of the law. I think the Senator from Michigan will bear me out in that statement.

Mr. STANLEY. Mr. President——

Mr. ROBINSON. I yield to the Senator from Kentucky.

Mr. STANLEY. I am surprised that the Senator from Iowa [Mr. CUMMINS] and the Senator from Arkansas [Mr. ROBINSON] should in this body assert as a conclusive argument against the amendment of the Senator from Illinois, which was the lesser of two evils, and that it should be rejected by the Senate for the simple reason that after the passage there were more strikes in Canada than before its passage. That, as I understand, is the argument of the Senator from Arkansas.

I wish to ask the Senator from Arkansas if he believes that that test is a fair test, that if more strikes occurred after an act was passed than before it was passed is it conclusive evidence that it is not an efficient preventive of strikes? Is that the position of the Senator from Arkansas?

Mr. ROBINSON. I never asserted that it was conclusive.

Mr. STANLEY. Is it indicative?

Mr. ROBINSON. Yes.

Mr. STANLEY. All right. Now, Mr. President——

Mr. ROBINSON. The Senator will please take his own time to make his argument.

Mr. STANLEY. I do not want to make an argument. If the Senator will bear with me——

Mr. ROBINSON. I have borne with the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. STANLEY. I yield, of course.

Mr. ROBINSON. I do not object to yielding to the Senator to make an inquiry or to make a statement, but he has a right to take the floor and make his own argument. However, I yield at this time.

Mr. STANLEY. I do not wish to interrupt the Senator.

Mr. ROBINSON. The Senator will proceed.

Mr. STANLEY. I wish simply to call the Senator's attention to the fact that if that be indicative, then this identical method has been followed with the identical result. A law like this produced in New South Wales a dislocation which involved more than half the working days of the entire country, nearly 200 separate strikes, and was immediately followed by a complete repeal of all the enactments, on the admitted ground that it was provocative of the trouble that it was intended to prevent. The same identical result followed in New Zealand, where the almost identical act was passed, and it was repudiated after actual experience both by employer and employee.

Mr. ROBINSON. The Senator is mistaken in that particular. The act to which he refers in New Zealand was not even closely analogous to the provisions of this bill in relation to the manner of settling disputes.

I thought it was legitimate and I still think so, in criticism of the amendment offered by the Senator from Illinois, to say that the country in which it was first tried had not found it successful. I have not asserted that that declaration was a conclusive argument against his amendment, and I am amazed that the Senator from Kentucky should have placed such a construction upon my statement.

Mr. President, in dealing with the subject we ought either to provide a remedy or leave the subject untouched. We ought

not to deal with it half-heartedly. The Senator need not imagine that the amendment proposed by the Senator from Illinois will prove conciliatory to those who oppose antistrike legislation. Does the Senator imagine that?

Mr. STANLEY. No. I concede that the Canadian law is just as offensive to organized labor as the provisions proposed by the Senator from Iowa [Mr. CUMMINS].

Mr. ROBINSON. Then as I understand it the Senator from Kentucky does not favor the amendment of the Senator from Illinois?

Mr. STANLEY. I believe the amendment of the Senator from Illinois is the lesser of the two evils.

Mr. ROBINSON. Now I understand the Senator from Kentucky. That was exactly the point to which I was addressing myself when he interrupted me. The amendment of the Senator from Illinois will not prove conciliatory. It is a half-hearted, ineffectual provision. We are invoking the power of the Government to settle these questions. We are creating tribunals and defining their jurisdiction and the rules of law which shall govern them. When they decide the case it ought to settle it. We do not seek to interfere with the right of an individual to quit his employment, but we realize that the Nation can not live in the event of a prolonged universal railroad strike. We realize that the awakened conscience, the intelligence of the Nation, must devote itself to working out, however great the difficulties, the problem of doing justice to labor, and having done that, to protect the public against the perils of universal railroad strikes.

Mr. McCORMICK. Mr. President, I wish to ask the Senator, in view of his last statement, if he will analyze the disparity between the number of miners who returned to work after the issuance of the injunction of the court and the number who returned following the agreement between the Attorney General and Mr. Lewis?

Mr. ROBINSON. I have no intention whatever of entering at this time into a discussion of the coal strike or of the settlement which was made in connection with it.

Mr. KENYON. Mr. President, I have taken no time in the debate on this question and I shall only take a moment or two now to explain the vote which I shall cast on this bill.

If this bill were to be enacted into law in its present form I should not hesitate to vote against it. I do not like many features in this bill. I realize, however, that all legislation is more or less the result of compromise, and am willing to vote to give the bill another chance in conference.

I have thought that the interviews we have read from railroad officials and others as to the dangerous financial situation of the railroads in this country were rather exaggerated; but my colleague, the senior Senator from Iowa [Mr. CUMMINS], stated on the floor a few days ago that if some legislation shall not pass to remedy this situation, two-thirds, I think he said, of all the railroads of the country will be in the hands of receivers inside of 30 days. I think there is no man in public life who has studied this question as has my colleague, and a statement of that kind from him challenges attention. I am influenced somewhat by that in voting for the bill in order that it may go to conference, believing that many features in it will be changed.

I do not like the guaranty provision or labor provisions of the bill. I think we must reach a point, and shall do so at this session of Congress, where some general legislation will be enacted providing industrial courts of conciliation and mediation and compulsory investigation for the solution of labor problems. I do not like to see the railroad employees, who are as patriotic a body of men as we have in this country, have a law especially made for them. I think the law should be general in its scope and cover all industrial questions. However, I am not going into that question at any length.

Mr. CURTIS. Mr. President, I desire to ask the Senator from Iowa if there is not a bill of that character now pending before one of the committees of the Senate?

Mr. KENYON. I am not certain as to that, but I do know that committees are working along that line.

Mr. CURTIS. That is what I meant.

Mr. KENYON. As chairman of the Committee on Education and Labor, I have myself given a great deal of attention to that question. An industrial conference called by the President, I know, is working on the question, and I think no confidence is violated in saying that there will be some report, in all probability, from that conference along those lines. That is a question we must work out; for the people of this country are tired of strikes and do not propose that the business of the country shall be held up by strikes; but until we do provide such tribunals, where the case of the man who toils can be heard and his rights can be protected, it is rather difficult to adjust his problems by taking away from him the only weapon which he has. However, I am not going into that question to-night. It is a tremendously important and difficult question.

I rose merely to say that I shall vote for this bill because it is not the final enactment of the measure and in order to give the conferees a chance to rewrite the bill and at least obviate some of the objections which many of us find to it.

If those objections are not substantially obviated when the bill comes from the conference, I shall have no hesitation in voting against the conference report. My vote now is merely to send it to conference so there can be further consideration and some bill reported to meet the apparently chaotic conditions that will confront us if no legislation is enacted.

Mr. McLEAN. Mr. President, I shall delay action upon the pending amendment but a few moments. I fully realize and appreciate the great ability and thorough knowledge of railroad matters possessed by the chairman of the Committee on Interstate Commerce and his associates of the subcommittee who are largely responsible for this bill. They deserve every consideration for the conscientious services rendered in their endeavor to solve the most difficult problem, in many respects, that has ever been presented to an American Congress.

There is, however, one important provision in this bill to which I can not subscribe, and that is the provision in section 6, which takes a large portion of the earnings of the strong and self-supporting roads, above a certain percentage, and appropriates it for the benefit of the nonpaying or weaker roads.

It is quite probable that some such experiment as the one to which I object is unavoidable for causes beyond the control of the committee, and if I vote for this bill it will be because, and only because, there is a bare possibility that a few years of experiment under its provisions will stop the Government-ownership procession this side the dead line.

With me it is not a question of the power of Congress to do what section 6 proposes to do. It is the effect of this plan upon the cost of transportation that interests me. What the American people want is safe and adequate transportation at constantly decreasing cost, as far as this is humanly possible. It is not a question of the power of the State to exploit the individual. It is a question of utility—the greatest good to the greatest number, an all-important consideration which those who question the right of private property generally ignore.

When the State fixes a price which an individual may charge for his wares and the wages he must pay his employees and then takes all profits above a certain percentage and turns them over to the man who is doing business at a loss, the State has administered about all the deadly anodynes known to paternalistic allopathy.

It is my opinion that cheap, safe, and adequate transportation is more likely to be produced by those who have an incentive to do it than by those who are told by the State that some other railroad or the public will be compelled by law to pay a sum sufficient to maintain their properties and give them a small margin of profit, however extravagant and nonprogressive their management may be.

In other words, the provision in this bill to which I object substantially ignores the forces which, in my opinion, lie at the foundations of all social and industrial progress, namely, the spur of competition, driven by the promise of unusual rewards.

The opportunity to make legitimate profits in railroads gave to this country the best and cheapest railroad service in the world. Remove that opportunity because somebody has made an illegitimate profit and in due course of time the result will be the worst and most expensive transportation service in the world.

The law of self-preservation is as stable and inexorable as gravity, and it will not become inoperative at the fiat of Congress or constitution makers. Men must have food and raiment and shelter if they want to live, and when society said to the individual, "If you produce a surplus of the necessities of life, the law will protect you in the possession and enjoyment of that surplus" civilization began.

When we deny to an American the opportunity to make unusual profits in the production of any one of the things needed to sustain and maintain life, including transportation, provided he reduces the initial cost of that thing, you destroy the most effective if not the only instrumentality that will abolish poverty and want.

Society may and must regulate and punish extortion and greed, but when you deny legitimate profits in any industry to the expert, the man who knows more about that industry than anyone else, he will take no further interest in it. When the railroads lose the leadership of the expert, the ingenious mechanic and chemist, the genius in organization and finance,

when you abandon superior knowledge and its rewards for the tyranny of the State, you will not reduce the cost of transportation or the cost of anything else, in my opinion.

I realize that what I say is trite and lacks variety and mode. When furs are fashionable in August, women will wear them, and when unnatural and suffocating politico-economic principles are fashionable on election day, women and men both will wear them. But, Mr. President, as a member of the Committee on Interstate Commerce, I can not let this bill pass without recording the prophecy that it will not work as anticipated. And I repeat, my earnest hope is that the experiment will satisfy the lust for variety now so prevalent and controlling in political circles, and convince the American people that it is the part of wisdom to seek the safest, least expensive, and the most efficient and best railroad service where it can be found.

There is no economic distinction between the public character of the service rendered by the railroads and the service rendered by shoemakers and bakers. All three meet vital public needs. The railroads in a large measure are monopolies, and for that reason their rates and securities must be under strict governmental regulation; and the nature of their service is such that due regard must be had for the safety and comfort of employees and the public. But when the Government fixes a reasonable and just rate and then proceeds to confiscate more than half of the profits received, the effect will be destructive to competition in service and the incentive to lower the out-of-pocket cost of transportation will be entirely removed.

It is easy to see that this would be the result if similar methods were adopted in an effort to lower prices of commodities. If the Government should fix the price of shoes and bread and then confiscate a goodly portion of the profits of the factory or bakery that is economically and efficiently handled and give those profits to the baker or shoemaker whose business is not self-sustaining, the direct effect would be to encourage shiftlessness and extravagance, which of course would mean unnecessarily high prices for footwear and food.

It may be urged that some roads are nonremunerative because of their unfavorable location, and that this fact ought not to be permitted to deprive the patrons of such roads of the benefits of transportation by rail. It is a well-recognized principle that any carrier that can not distribute the commodities within the area of its operation for a sum less than that which will be added to the value of any commodity by reason of its transportation from one place to another is an economic loss to the community which it serves. Individuals build railroads in undeveloped countries in the belief and expectation that the time will come when such roads will pay large profits. They take their chances, and they are willing to. They know current expenses must be cut to the lowest figure, and they are ever on the alert for cost-saving devices.

It is said that the railroads have not returned 2 per cent on the total amount invested in them, and yet if the property value of the United States is three hundred billions, the railroads must be credited with the creation of a large portion of this immense total. If the railroads now existing were removed from the United States, I doubt if property anywhere would be worth 10 per cent of its market value prior to such removal. The railroads are indispensable. The suspension of their activities for a week would mean starvation and chaos. Yet, the cost of transportation still remains a heavy and most unwelcome burden, and it is believed by many that this cost can be cut in two. I repeat, the only instrumentality that will do this is the expert, and he must be paid for his services.

I am very firmly convinced that the railroad credits which have been destroyed by the Government should be restored by the Government. The proposal to collect the required funds from competing roads that have been able to survive the manhandling of the Government is, to my mind, indefensible, and I shall be greatly surprised if the expected funds are forthcoming. Managers of roads that make more than 6 per cent will easily find a way to escape what they will probably and properly denounce as legalized robbery of their patrons or stockholders, or both. The provision in this bill to which I object will not only fail to reduce the cost of transportation but will also fail to raise the money that must be had if justice is to be done to the roads whose organizations have been demoralized and whose incomes have been checked by direct governmental restrictions and inhibitions.

Mr. McCORMICK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Illinois suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	France	Lenroot	Smith, Md.
Bankhead	Frelinghuysen	McCormick	Smith, S. C.
Brandegee	Gay	McKellar	Smoot
Calder	Gerry	McLean	Spencer
Capper	Hale	McNary	Sterling
Chamberlain	Harris	Moses	Sutherland
Colt	Harrison	Norris	Thomas
Cummins	Henderson	Nugent	Trammell
Curtis	Jones, Wash.	Phipps	Wadsworth
Dial	Kellogg	Poindexter	Walsh, Mass.
Dillingham	Kendrick	Pomerene	Walsh, Mont.
Edge	Kenyon	Ransdell	Warren
Elkins	Keyes	Sheppard	Wolcott
Fernald	King	Sherman	
Fletcher	Kirby	Smith, Ga.	

Mr. CURTIS. I desire to announce the absence on official business of the junior Senator from Ohio [Mr. HARDING]. I will let this announcement stand for the day.

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. There is a quorum present. The question is on the amendment of the Senator from Illinois [Mr. McCORMICK].

Mr. CUMMINS. On that I ask for the yeas and nays.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). I am paired with the Senator from Virginia [Mr. SWANSON] during his absence on account of the illness of his wife, and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. KENDRICK (when his name was called). I have a general pair with the Senator from New Mexico [Mr. FALL]. I transfer that pair to the Senator from Nevada [Mr. PITTMAN], and will ask that the announcement of this transfer may stand for the day. I vote "nay."

Mr. KING (when his name was called). On this question I am paired with the junior Senator from Indiana [Mr. NEW]. If I were at liberty to vote, I should vote "nay."

Mr. KELLOGG (when Mr. LODGE's name was called). The senior Senator from Massachusetts [Mr. LODGE] is paired with the senior Senator from Georgia [Mr. SMITH]. I am authorized to say that if the senior Senator from Massachusetts were present he would vote "nay."

Mr. SMITH of Georgia (when his name was called). I have a pair with the senior Senator from Massachusetts [Mr. LODGE], and therefore withhold my vote. If he were present he would vote "nay" and I would vote "yea."

Mr. STANLEY (when his name was called). In casting my vote I take this occasion to explain my attitude toward this character of legislation.

The PRESIDING OFFICER. It is not in order on the roll call to make any statement.

Mr. STANLEY. Very well. I vote "yea."

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. As he is absent, I withhold my vote.

Mr. THOMAS (when his name was called). Making the same announcement regarding my pair and its transfer, I vote "nay."

Mr. WILLIAMS (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. PENROSE], but I understand from the pair clerks that if he were present he would vote "nay," and I desire to vote the same way. I vote "nay."

Mr. WOLCOTT (when his name was called). I transfer my general pair with the Senator from Indiana [Mr. WATSON] to the Senator from Tennessee [Mr. SHIELDS], and vote "yea."

The roll call was concluded.

Mr. KING. I transfer my pair with the junior Senator from Indiana [Mr. NEW] to the senior Senator from Arizona [Mr. ASHURST], and vote "nay."

Mr. McKELLAR (after having voted in the affirmative). I observe that the senior Senator from Michigan [Mr. TOWNSEND], with whom I have a general pair, has not voted. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON], and will allow my vote to stand.

Mr. DIAL. I am paired with the junior Senator from Alabama [Mr. UNDERWOOD], who is unavoidably detained at present, but I understand that if he were here he would vote "nay." I will therefore vote. I vote "nay."

Mr. FERNALD. I have a pair with the junior Senator from South Dakota [Mr. JOHNSON]. I observe that he has not voted. I transfer that pair to the senior Senator from Pennsylvania [Mr. PENROSE], and vote "nay."

Mr. JONES of Washington. I find that I can transfer my pair with the Senator from Virginia [Mr. SWANSON] to the Senator from Ohio [Mr. HARDING]; so I do so, and vote "nay."

Mr. CURTIS. I have been requested to announce the absence of the Senator from Michigan [Mr. TOWNSEND] on account of illness in his family. If present, he would vote "yea."

Mr. EDGE (after having voted in the negative). I have a general pair with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the Senator from Vermont [Mr. PAGE] and will allow my vote to stand.

Mr. KELLOGG. I have been asked to announce that my colleague, the senior Senator from Minnesota [Mr. NELSON], is paired with the senior Senator from Idaho [Mr. BORAH], and that if present and at liberty to vote my colleague would vote "nay."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Idaho [Mr. BORAH] with the Senator from Minnesota [Mr. NELSON];

The Senator from California [Mr. JOHNSON] with the Senator from Oklahoma [Mr. GORE];

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN];

The Senator from Michigan [Mr. NEWBERRY] with the Senator from Missouri [Mr. REED]; and

The Senator from West Virginia [Mr. SUTHERLAND] with the Senator from Kentucky [Mr. BECKHAM].

The result was announced—yeas 30, nays 33, as follows:

YEAS—30.

Capper	Harris	McCormick	Sherman
Chamberlain	Harrison	McKellar	Smith, S. C.
Colt	Henderson	McNary	Stanley
Curtis	Jones, N. Mex.	Moses	Trammell
Fletcher	Kenyon	Norris	Walsh, Mass.
France	Keyes	Nugent	Wolcott
Gay	La Follette	Overman	
Gerry	Lenroot	Sheppard	

NAYS—33.

Ball	Fernald	Myers	Sterling
Bankhead	Frelinghuysen	Phipps	Thomas
Brandegee	Hale	Poindexter	Wadsworth
Calder	Jones, Wash.	Pomerene	Walsh, Mont.
Cummins	Kellogg	Ransdell	Warren
Dial	Kendrick	Robinson	Williams
Dillingham	King	Smith, Md.	
Edge	Kirby	Smoot	
Elkins	McLean	Spencer	

NOT VOTING—32.

Ashurst	Hitchcock	Newberry	Simmons
Beckham	Johnson, Calif.	Owen	Smith, Ariz.
Borah	Johnson, S. Dak.	Page	Smith, Ga.
Culberson	Knox	Penrose	Sutherland
Fall	Lodge	Phelan	Swanson
Gore	McCumber	Pittman	Townsend
Gronna	Nelson	Reed	Underwood
Harding	New	Shields	Watson

So Mr. MCCORMICK's amendment was rejected.

Mr. STANLEY. Mr. President, I wish to call the attention of the Senate to the fact that this bill provides, and it is an ominous and a tremendous provision, that if two or more employees of an individual or a private corporation conclude that they can better their condition by entering the service of any other employer, and pursuant to that conclusion and that concurrence they leave the employ of a common carrier, they are guilty of an offense akin to a felony.

If a man and his wife, employed as clerks in the offices of a general traffic manager, or a freight office, are offered better employment anywhere else in the United States, and for that reason they agree to seek that better employment, and their leaving the service of the common carrier impedes, hinders, or inconveniences that common carrier, they are jailbirds.

This bill provides that 2,000,000 men who enter the service of the common carriers of the United States, and who afterwards agree to leave that service otherwise than subtly, singly, and surreptitiously, are guilty of a misdemeanor.

This bill provides—amazing as it may be, astounding as it may be to those who have preconceived opinions of personal liberty—that they who leave the service of common carriers and do not sneak individually out of that service, who dare to mention to their fellow employees that they are leaving that service for any good or sufficient reason, are to be condemned, are to be subjected to infamous punishment.

Remember, Mr. President, that in this country he who wears the stripes of a felon, he who is locked behind prison bars, is guilty of a crime; and this bill places the indelible brand of a criminal upon the free American who dares to quit the service of a private corporation without convincing a court that he never mentioned his intention to quit to anybody else.

This bill involves involuntary servitude. This bill is the most flagrant, the most unwarranted, the most unjustifiable affront to the dignity of labor ever offered in the American House or the American Senate. As the spokesman, not of labor, not of capital, but of naked American manhood, I here and now protest against the indignity of this legislation.

Tell me that a private corporation, whether it be engaged in the business of conducting interstate commerce or in the business of plowing the soil, manufacturing some textile fabric, reducing the crude ores to the multitudinous uses of mankind—tell me that any private corporation, whether authorized by this Government to operate a public utility or a private industry, has the right to say to free Americans: "If you quit my employment in greater numbers than one at a time you are jailbirds!"

It is monstrous. I say more than that, and I say it with due reverence for the majesty of the law, such legislation is impotent and ineffective. For that reason I propose an amendment to this bill to strike from the bill sections 29, 30, and 31.

Sections 29, 30, and 31, in short, provide that if two or more employees of a private corporation agree to quit for any reason they shall go to jail. Sections 29, 30, and 31 provide that if two or more persons, being dissatisfied with their employment, quit that employment, they shall be subjected to infamy and imprisonment, notwithstanding the fact that they leave the cab or the engine or the coach to retire to the bosom of their families; that they offer no character of resistance, direct, constructive, or imaginative, to any man who chooses to take their places.

Imagine, Mr. President, what this means. If more than 2 out of the 2,000,000 men who are engaged in the transportation of passengers and freight in the United States get together, discuss their remuneration and the working conditions of their employment, and John says to William, "It will pay us better to plow corn or to raise wheat or cotton, or to spilt rails, or to do any other thing that an American citizen has a right to do, and we will go to work on the farm or in the mill or in the factory or the mine," if the railroads conclude that they are embarrassed by that action, those free American citizens can be sent to jail.

This is a system of involuntary servitude. It is the midsummer madness of socialism. What is socialism, in the last analysis? It is the right of one more than a majority of all the people in the United States to assert title to the property of this country. What is property? What deprivation is it to me if you take from me the little I have accumulated? Men have fought and men have died in ages past not for property; they have fought and have died for freedom.

It was the custom, Mr. President, in the day when chattel slavery was the result of surrender, for the Roman soldier to fall upon his own sword when surrender was disgrace. Men, free men, for 3,000 years have died upon the field of battle rather than surrender to any man or to any government the right to say that they should work against their will or under conditions not voluntarily imposed.

It has been in the life of nations but a few short years since the patron saint of the majority in the Senate, since the patron saint of Republicanism, asserted that hecatombs of the slain, that rivers of blood, that all the multitudinous horrors of war were cheap, were not a sufficient price for the liberation of a few millions of aborigines from the right of any man to tell those negro slaves that they should work against their will.

I am surprised, I am amazed, that to-day a great leader on the other side should go back to the days of chattel slavery in the South, should dig up the manacles that once bound the black limbs of a Senegambian slave, and should attempt to fasten them upon the white and sinewy arms of a Saxon freeman; that any man on the other side of this Chamber should propose in the Senate a naked system of human slavery.

When you do it, dismantle every monument and every memorial ever erected to the memory of Abraham Lincoln, forget forever, abandon, desert, the graves of 300,000 men from the North who died in battle to maintain forever the right of every man, black or white, to determine whether he should work or whether he should quit work.

What is a slave? How does a man become a slave? Whenever any power, corporate or individual, can say to me under pain of disgrace and imprisonment, "You shall work for a certain time in a certain way for a certain emolument," I am a slave if I do it.

Ah, they say, we have offered you something better. We have offered you Government tribunals. We have sugar-coated your servitude. Is a man less a slave because his manacles are silken, because his fetters are not of steel and cut his bleeding flesh? "We will give you something better"—something better than what? Something better than liberty?

I remember when I was a schoolboy I read the story of the wolf that chatted with the dog. The dog was fat and sleek, and the wolf was mangy and naked, and his ribs protruded from his undernourished body. The dog said to the wolf, "Come with me and you shall have all that you wish to eat, and you shall sleep with comfort." That was 3,000 years ago, Mr. President. The wolf said, "I will go. Eat all you want?" "Yes." "Sleep all you want?" "Yes." "Never know hunger or pain or privation?" "Yes."

Then the wolf looked at the neck of the dog and saw the hair rubbed from his neck, and said, "What is that?" "Oh," he said, "at home my master places a thong about my neck, and a chain to the thong, and a weight to the chain, and I can not go beyond certain bounds. But he gives me all that I can eat and lets me sleep as much as I please, provided I do not protest against the chain and the thong and the weight." The wolf out of his gray eyes looked at him and said, "I prefer to be hungry and to be free."

Ah, go back to Washington and those who incarnadined the snows with their bleeding feet. Go back to all who have suffered hunger and privation and death. Go back to all those who incarnadined the stripes and who have rendered eterminably brilliant the stars of the flag. There are those who would rather be naked and hungry and starving than not to be free. Yet the amendment of the Senator from Iowa offers to the workmen of America a substitute for freedom.

I glory in the fact that there is not a track walker, there is not a laborer who lays ties or rails, there is not one so poor or one so humble, not one so forgotten or despised, who is an American citizen, who is the heir to all for which our fathers fought and died, who does not rise indignantly now and spew, yes, spew this infamous and humiliating proposition out of his mouth.

Oh, I stand here to-day—I started to say as a Democrat—but that word "democrat" has become so abused, so applied to the crazy aspirations of Lenin and Trotski, that I hesitate to use it.

So the word "democrat" has been within late years utterly confused with the crazy demand of Socialists and Bolshevists, with the right of a crazy majority to plunder, rob, and murder any less than 51 per cent of the community. Mr. Lenin, Mr. Trotski, Mr. Karl Marx say that if the majority wishes to appropriate the property of the minority, they can do it; and the chairman of the committee and his colleagues say that if a majority wish to appropriate the right of a man to work or to quit work, they can do it. Between the two the logic is with Lenin and Trotski, because my body is more sacred than my purse.

In the name of that immortal and almost forgotten patriot who sleeps to-night yonder at Mount Vernon, within a few miles of this city, George Washington; in the name of him whose prophetic vision equaled—no, I will not say that, because it would be profane, but almost rivaled—the anointed insight of those whom God permitted to look beyond the veil of the future; in all the tides of time since learned Grecians about the marble columns of Acropolis discussed the fundamentals of human liberty, until this hour, the wisest, brightest, greatest of all the sons of men was Thomas Jefferson; and now I appeal to the shade of the sage of Monticello and of Washington—if they beyond the vale see aught that happens here—to appeal to recalcitrant Democrats to awaken and arise to the fact that now, at this time, at this hour, Democracy is about to stab—pitilessly stab—the last poor, pitiful vestige of that thing which we once called personal liberty.

If a man no longer has the right, whether he takes his fellow into his confidence or not, to say whether he will work or quit work, you have gone to the limit of madness in the rule of a majority; you have gone to the extreme which McCauley and every student of our institutions has declared is the limit, the edge of the abyss of chaos and ruin. In the name of all that is left of Democracy, in the name of the preachments of Washington and Jefferson and Madison, in the name of human right and human liberty, I solemnly protest against the enactment into law of these pernicious provisions.

I protest against the welding of these chains upon the limbs of freemen, whether they be organized or unorganized. I protest in the name of democracy and of common sense and of common decency against the enactment of sections 29, 30, and 31 of the bill and move that sections 29, 30, and 31, namely, from line 10 on page 70, line 22 on page 71, inclusive, be stricken from the bill.

Mr. CUMMINS. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CUMMINS. In Committee of the Whole the Senator from Kentucky offered an amendment striking out the three sections to which he now refers, as well as other sections of the bill. That amendment was divisible. A division was not asked. It was voted upon and defeated. It was not reserved for the Senate. I make the point of order that it is not now in order.

Mr. WOLCOTT. Mr. President, I rise to a parliamentary inquiry. Is not the bill now in the Senate?

The PRESIDING OFFICER. The bill is in the Senate.

Mr. WOLCOTT. I wish to call attention of the Chair to the fact that the amendment offered in Committee of the Whole was to the original text of the bill. The motion was to strike out the language of some five or six sections. The bill now comes into the Senate, and I think it is the well-established rule that it is in order to offer a motion in the Senate to strike out. When the bill came into the Senate all the amendments made in Committee of the Whole were agreed to. There is nothing behind that motion to prevent the motion being offered in the Senate. I suggest, in order to emphasize it, that this is not the amendment offered in Committee of the Whole. It is a motion to strike out original language, and I think it is in order.

Mr. STANLEY. Just presume that in Committee of the Whole I had moved to strike out everything except the enacting clause——

Mr. THOMAS. Mr. President, a parliamentary inquiry. Is a point of order debatable?

The PRESIDING OFFICER. Not under the rules of the Senate, as the Chair understands it, although it has been the custom lately. The Chair is ready to rule.

Mr. THOMAS. I make the point of order that the point of order is not debatable.

The PRESIDING OFFICER. The Chair believes that the motion made by the Senator from Kentucky is in order in the Senate.

Mr. McKELLAR. On the adoption of the motion I ask for the yeas and nays.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Arkansas suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	Norris	Stanley
Brandegee	Harris	Nugent	Sterling
Capper	Harrison	Phipps	Sutherland
Chamberlain	Jones, Wash.	Poindexter	Thomas
Colt	Kellogg	Pomerene	Trammell
Cummins	Kendrick	Ransdell	Underwood
Curtis	King	Robinson	Wadsworth
Dial	Kirby	Sheppard	Walsh, Mass.
Dillingham	McKellar	Sherman	Walsh, Mont.
Elkins	McLean	Smith, Md.	Warren
Fernald	McNary	Smith, S. C.	Williams
Fletcher	Myers	Smoot	Wolcott
Gay	New	Spencer	

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Fifty-one Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Kentucky.

Mr. McKELLAR and Mr. WOLCOTT demanded the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. KELLOGG (when Mr. NELSON'S name was called). I am authorized to say that my colleague, the senior Senator from Minnesota [Mr. NELSON], is paired on this question with the senior Senator from Idaho [Mr. BORAH]. If permitted to vote, my colleague would vote "nay."

I also wish to announce that the senior Senator from Massachusetts [Mr. LODGE] has a pair with the senior Senator from Georgia [Mr. SMITH]. If the Senator from Massachusetts were permitted to vote on this question, he would vote "nay."

Mr. THOMAS (when his name was called). Making the same announcement as heretofore concerning my pair and its transfer, I vote "nay."

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING], who is absent on account of the official business of the Senate. I am, however, at liberty to vote, and vote "nay."

I also wish to announce that my colleague [Mr. BANKHEAD] is unavoidably detained from the Senate. He is paired. If he were present, he would vote "nay."

Mr. WARREN (when his name was called). I have a general pair with the junior Senator from North Carolina [Mr. OVERMAN], and therefore withhold my vote.

Mr. WILLIAMS (when his name was called). Notwithstanding my pair with the senior Senator from Pennsylvania [Mr.

PENROSE], I feel at liberty, from what I have heard, to vote upon this particular proposition. I vote "nay."

Mr. WOLCOTT (when his name was called). I transfer my general pair with the Senator from Indiana [Mr. WATSON] to the senior Senator from Tennessee [Mr. SHIELDS] and vote "yea."

The roll call was concluded.

Mr. McKELLAR (after having voted in the affirmative). I have a pair for to-night with the senior Senator from Michigan [Mr. TOWNSEND], who is absent on account of illness in his family. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON] and allow my vote to stand.

Mr. FERNALD (after having voted in the negative). Making the same announcement as to my pair and its transfer as heretofore, I allow my vote to stand.

Mr. EDGE. I transfer my pair with the Senator from Oklahoma [Mr. OWEN] to the Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. JONES of Washington. I find that I can transfer the pair which I have announced from time to time with the Senator from Virginia [Mr. SWANSON] to the Senator from Ohio [Mr. HARDING]. Therefore I am at liberty to vote, and vote "nay."

Mr. WARREN. I transfer my pair with the Senator from North Carolina [Mr. OVERMAN] so that he may stand paired with the Senator from Alabama [Mr. BANKHEAD], and I vote "nay."

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). The present occupant of the chair is paired with the senior Senator from Kentucky [Mr. BECKHAM] and therefore withholds his vote.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from California [Mr. JOHNSON] with the Senator from Oklahoma [Mr. GORE]; and

The Senator from Michigan [Mr. NEWBERRY] with the Senator from Missouri [Mr. REED].

The result was announced—yeas 24, nays 39, as follows:

YEAS—24.

Chamberlain	Henderson	Lenroot	Smith, S. C.
Fletcher	Jones, N. Mex.	McKellar	Spencer
Gay	Kendrick	McNary	Stanley
Gerry	King	Norris	Trammell
Harris	Kirby	Nugent	Walsh, Mass.
Harrison	La Follette	Sheppard	Wolcott

NAYS—39.

Ball	Elkins	McLean	Smith, Md.
Brandegee	Fernald	Moses	Smoot
Calder	France	Myers	Sterling
Capper	Frelinghuysen	New	Thomas
Colt	Hale	Phipps	Underwood
Cummins	Jones, Wash.	Poindexter	Wadsworth
Curtis	Kellogg	Pomerene	Walsh, Mont.
Dial	Keyes	Ransdell	Warren
Dillingham	Knox	Robinson	Williams
Edge	McCormick	Sherman	

NOT VOTING—32.

Ashurst	Harding	Newberry	Shields
Bankhead	Hitchcock	Overman	Simmons
Beckham	Johnson, Calif.	Owen	Smith, Ariz.
Borah	Johnson, S. Dak.	Page	Smith, Ga.
Culberson	Kenyon	Penrose	Sutherland
Fall	Lodge	Phelan	Swanson
Gore	McCumber	Pittman	Townsend
Gronna	Nelson	Reed	Watson

So Mr. STANLEY's amendment was rejected.

The PRESIDING OFFICER. The bill is in the Senate and open to amendment. If there be no further amendments, the question is, Shall the amendment made as in Committee of the Whole be concurred in?

Mr. KING. Mr. President, is it too late to offer an amendment?

The PRESIDING OFFICER. No.

Mr. KING. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In section 6, on page 12, line 21, after the word "reasonable," it is proposed to strike out the remainder of the section and insert in lieu thereof the following:

The level of rates, fares, and charges in any rate-making group shall from time to time be adjusted by the Interstate Commerce Commission so as to provide revenue sufficient to pay the wages of labor and all other expenses of operation, including taxes, to earn proper current capital charges, to maintain necessary funds for repairs, replacements, and working operations and establish credit sufficient to attract the new capital required to meet the public need for present and reasonably prospective transportation facilities and service. In applying the foregoing rule a comprehensive view of the conditions of each rate-making group shall be taken, and the level of rates, fares, and charges shall be determined with reasonable reference to railroads fairly representative of average conditions therein.

Mr. KING. Mr. President, there are many features of the pending measure which are objectionable to me. Upon the theory adopted by the committee the bill is logically and symmetrically drafted, and indeed it might be stated that it is a model of legislative draftsmanship.

It is such a radical departure from the policies, and indeed principles, which have guided the American people that I can not look upon the passage of this bill except with the gravest apprehensions. It is autocratic in the highest degree and establishes a paternalism that will be deadly and destructive. It is but slightly removed from governmental ownership, and perpetuates a tyrannous system of governmental control. It entirely revolutionizes the railroad policies of the American people. The record of railroad construction in our country is not free from many blemishes, and no one can justify the misconduct of many who have engaged in the promotion of railroad enterprises within the United States. For many years our country witnessed speculations and promotions in most fields of business life and activity and among all classes of people, and there are many pages that chronicle indefensible policies and accomplishments. I believe that there has been a quickening of the public conscience, and that what the past either approved or condoned would now arouse general condemnation. This much must be said, however, that American genius and enterprise built the finest railroad systems to be found in the world. Not even the small countries of Europe, with their compact and congested populations, afforded as efficient and economical railroad service as that prevailing in the United States.

In my opinion this bill makes further railroad building development difficult if not impossible. American enterprise and genius along lines of railroad activities will be deadened and destroyed. A bureaucracy is established, and the railroads of our country will be placed under its control. Energy, thrift, and efficiency in railroad service are penalized, and those who possess valuable properties are, in effect, stripped of their possessions and thrown into a formless and colloidal mass with the weak and inefficient railroad properties in the country.

There are constitutional objections to this bill that, in my opinion, should cause us to hesitate in giving it support, and lead Senators to a reexamination of the theory upon which it is drafted. I had intended to present at some length my objections to this bill, but the lateness of the hour and the evident purpose of a majority of the Senators to support it, regardless of any arguments that might be submitted in opposition, lead me to abandon my purpose, and to content myself with the submission of the motion which I am about to make, and with the statement that I feel constrained, after as full an examination as opportunity has afforded, to vote against the pending measure.

Mr. President, Senators will perceive that the tendered amendment relates to section 6 of the bill. Section 6 has provoked sharp controversy, and has been the subject of severe criticism. In my opinion the objections urged against it by eminent lawyers and by those who discussed in a public way the provisions of the bill are valid and invulnerable. It is inconceivable to me that we should legislate against the efficient railroads of our country and deprive them of earnings to which they are entitled under the reasonable rates fixed by instrumentalities provided by the Government. The policy of section 6, as I interpret it, is in contravention of all sound economic principles, and is in contravention of morals and of common sense as well as the protections and safeguards provided by the organic act of this Republic.

I have just seen a statement prepared by Judge Lovett under date of December 10, this year, which discusses the provisions of section 6 of the pending measure. Judge Lovett stands high in the confidence of the business world and also enjoys the confidence of the American people. Moreover he is a lawyer of ability. Notwithstanding he has been connected with the railroads of our country for many years, he has always been recognized as a man whose policies were guided by fine ethical standards and a desire for the public welfare. He has stated so clearly some of the objections to this provision of the bill that I shall ask leave to print in the RECORD as a part of my remarks a few pages of Judge Lovett's statement.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

The bill proposes that for the first time in the history of this country Congress shall declare that railroad owners shall not be entitled to the earnings they may be able to save out of rates which the Government itself prescribes. Hitherto it was supposed that the duty and power of the Government were to determine the rates which the carrier should be entitled to charge and the shipper required to pay. With the rates once fixed by the Government, it was supposed that all carriers in the district could seek the business and each would be entitled to all that it could make and save through ability, enterprise, efficiency, economy, and otherwise. But the Cummins bill makes a novel and radical departure by providing that no railroad company

shall retain out of the earnings it may save under rates which the Government itself authorizes or approves in the manner provided in the act more than "a reasonable return on its property investment." It then proceeds to declare in effect that 5½ per cent on the "value" of the property as determined by the commission is a "reasonable" return, and confiscates all in excess of 6 per cent upon such value. But it allows the company to retain one-half of its savings between 6 and 7 per cent and one-fourth of its savings in excess of 7 per cent, to be put in a "reserve fund" until the reserve fund amounts to 5 per cent of the value of the property, the reserve fund to be drawn upon for dividends or interest in years when the savings amount to less than 6 per cent. After such reserve fund amounts to 5 per cent of the value of the property, the carrier is allowed one-third of its earnings in excess of 6 per cent.

Except these fractions, all earnings and savings of the company in excess of 6 per cent on the value of its property as fixed by the commission are to be paid over by the company to the Government within four months after the end of each year, to be used by the Government—

"in furtherance of the public interest in railway transportaion by carriers subject to the act to regulate commerce, and avoiding congestions, interruptions, or hindrances to railway service * * * or in furthering the public service rendered by them, either by way of purchase, lease, or rental of transportation equipment and facilities * * * or by way of loans to such carriers," etc.,

whatever such clause may mean.

Whether the "value" referred to in such limitation of return is the "book value" or the value which the commission is already engaged in making is not clear. In one paragraph the provision is that no carrier shall retain more than a reasonable return upon its "property investment," which undoubtedly means the investment, whether good or bad, wise or foolish, and regardless of real, intrinsic, or earning value. In another paragraph the provision is that the "commission shall from time to time determine the value of the property in each district and rate-making group." A literal construction of these two paragraphs means that for rate-making purposes by groups the commission should determine the value, but that for limitation of earnings of individual roads the "book value" should be the guide.

But the most extraordinary provision is that commanding that the Interstate Commerce Commission—

"shall, so far as practicable, adjust rates, fares, charges, and classifications that the net operating income of the several carriers shall bear the same relation to the value of their respective properties."

That is to say, that the commission shall disregard earnings, efficiency, ability of management, economy, wise expenditures in development, location of line, volume of business, and every other consideration entering into and ordinarily controlling relative values of properties in the everyday, common-sense transactions of men, and shall instead observe a rule which is never observed by anybody. To the extent of "property investment" or to the extent of "value" as determined by the commission (which, according to the tentative valuations thus far filed by the commission, means "junk" value—as so many secondhand ties, rails, bridges, structures, engines, cars, etc.—and not a going railroad) it shall be the lawful duty of the commission under this provision to manipulate "rates, fares, charges, and classifications" so that the value of a low-grade, highly efficient, first located line and the value of another line in the same group but located well up toward the top of the Rocky Mountains, with steep grades and high costs, shall be equalized, and that the value of every modern and highly efficient railroad shall be equalized with the most inefficient and unprofitable railroad in the same territory! Obviously this equalization can be accomplished only in one of two ways—either by raising the value of the inefficient or reducing the value of the efficient lines. The value of the inefficient can be raised only by raising the rates to a point where sufficient net is realized or by giving them in some form a share of the savings of the efficient lines. In any case the inevitable effect of such provision, if it be possible for the courts to regard it seriously, will be to ruin the credit of the railroads by which the great bulk of the business of the country is and must be transported. I am as confident as one can be of a legal proposition that the courts will annul the provision as confiscation, prohibited by the fifth amendment of the Federal Constitution. But the damage to railroad credit from the willingness of Congress to enact such legislation will be irreparable.

But that is not all. The same section provides that in 1925 and in every fifth year thereafter the commission shall determine what, under conditions then existing, constitutes a fair return, and that it may "increase or decrease the 5½ per cent basis herein prescribed or the basis for the determination of excess income." So that the commission at such periods hereafter is at liberty under the bill to determine that 6 per cent upon the value is too high a rate, and that 5 per cent or 4 per cent or a lower rate is enough for a railroad investor, and that all net earnings in excess of such lower rate should be forfeited to the Government.

Is it conceivable that the money necessary to provide the railroad facilities which this growing country needs—generally estimated at not less than $1,000,000,000 per annum—will be obtainable from investors under legislation of this sort? The whole world is borrowing—governments, municipalities, railroads, steamships, industries, mines, and enterprises of every kind. The rest of the world realizes as never before that credit—fidelity to financial obligations—is something that every people must sacredly guard at all times in order to obtain means in emergencies. Opportunities for safe and profitable investments are almost unlimited and are bound to continue so for many years. Profits on industrial, commercial, financial, mining, and other enterprises in our own country are unrestricted and most attractive to our investors. It is with such competition as this that railroad executives must contend for the money necessary to maintain and increase our transportation facilities. The best railroads, under the legislation proposed, could offer a return of only 6 per cent on the value of their property, and even that return only in case it is earned, for, mind you, the bill does not propose that the Government shall guarantee the return.

As a matter of fact, money everywhere is to-day worth more than 6 per cent, and the strongest railroad companies can not sell their securities now on a 6 per cent basis. It is in the face of these facts that the bill proposes to confiscate all the company earns in excess of 6 per cent. Thus a measure designed to reassure investors and attract new capital to railroad enterprises defeats itself by discriminating against investments in the railroad busines by confiscating all the rewards of wisdom in investing and efficiency in operations.

As part of the plan the same section 6 of the bill provides that—

"The commission shall initiate, modify, or adjust rates, fares, charges, and classifications, as nearly as may be, so that the railway carriers as a whole allocated to each district and subject to this act shall earn an aggregate annual net railway operating income equal, as nearly as may be, to 5½ per cent upon the aggregate value, as determined in accordance with the provisions hereof, of the railway property of such carriers in the district held for and used in the service of transportation."

Of course, this includes the railroad that operates at a loss as well as the railroad that earns a surplus, the road that should never have been built as well as the most useful line, the badly managed as well as the best managed railroad, for all in the district or group must be included and rates made sufficient to yield the specified return on the "aggregate value" in the rate group. I have already pointed out that the "property investment" in one sentence of the bill is taken as the basis for limiting the return, and that in another sentence in the same section, the commission is empowered—without any guide—to determine the "value" of the railroad property. As indicated by the tentative valuation reports thus far filed by the commission, that body takes the estimated reproduction cost of the elements entering into the railroad, such as rails, ties, bridges, buildings, and other structures, cuts, fills, etc., less depreciation—or what I have called a "junk" value, rather than the value as a going railroad—as its guide of value; and according to that method an unwisely built and improperly located railroad operating at a perpetual loss might be valued even higher than a wisely built and profitably operated line. But if "property investment" is to be taken as the guide, the more overcapitalized a railroad has been, the greater would be its value, for, until the bookkeeping rule was changed by the commission in very recent years, all securities issued were carried in the property investment account by most companies at par, regardless of the price received for them. It certainly will be a number of years before the commission can complete the valuation work upon which it is already engaged; and advocates of this scheme outside of Congress urge property investment as the basis of such value.

The promoters of this scheme, before it was incorporated in the Senate bill, recognized that it would involve a very substantial increase in rates, and in order to lull the people into submission, they devised the plan of confiscating, in the manner and to the extent above described, the net earnings of the wisely built and developed and well managed railroads in excess of 6 per cent. They assumed apparently that the controlling objection on the part of the people to an increase in rates was that some roads would be able to save more from such rates than others and more than a moderate profit. But what will it profit the shippers for the Government to confiscate the earning in excess of 6 per cent, as proposed by this bill?

The amount is not returned to the shippers. It in no wise reduces the rates they pay. It goes into a fund for the very vague railroad purposes indicated by the provision hereinbefore quoted from the bill. The leading advocate vehemently denies that the amount is for the benefit of the weak lines. The shippers are to go on paying the high freight rates in order that the so-called "weak" lines, however inefficiently managed or improperly built, may get increased revenue in that way, but are expected to be lulled into acquiescence by the delightful reflection that the inherently valuable and efficient railroads shall not be allowed to retain the benefit they get from the increased charges.

This assumption involves two fundamental mistakes: The first is that the people are willing to pay more than a reasonable rate in order to reward improvidence or mistakes or misfortune in locating and building railroads, or possible inefficiency in management and operation (for all the risk of these is put upon the public by the bill in dealing with net earnings); and the second is that the people of this country are unwilling to reward wisdom in construction and development and efficiency in management and operation of railroads—the property in the success of which the public at large is more interested than in any other class of property existing.

I deny that our people are in favor of confiscating the net earnings of a railroad company saved by it out of reasonable rates established or approved by the Government itself. The people are interested in the rates they pay—not in what the carrier by economy, efficiency, wise foresight, or otherwise is able to save out of such rates. Our people view with complacency, and indeed approval, large earnings by well-managed banks, manufacturing industries, commercial institutions, and enterprises of various kinds, out of prices and rates fixed by themselves—free from regulation by the Government. How preposterous then that the people should object because some railroad companies by wise foresight and good management in competition with others should be able to make out of rates made—not by themselves but prescribed by the Government itself—a profit much less than that commonly made in other lines of business. That, too, when the people are enormously interested in the maintenance and development and increased efficiency of railroad transportation, which is a necessity for all, whereas the success or failure of the other enterprises are not matters of such vital public concern. The cloud of fiction and prejudice which has so long befogged this aspect of the railroad question is vanishing, and the people are learning that, if private capital is to supply railroad facilities, it must receive as fair treatment as that employed in other and much less necessary enterprises.

It is not the weak roads that transport the country's commerce. It is not the weak roads on which the traffic becomes congested. Many of the "weak" roads are weak because they serve territories which, for various reasons, afford little traffic. But they are giving the service which the traffic justifies and requires. Some are weak because they are in competitive territory and their rivals, through more fortunate location, or accessibility to industries, or for other good reasons, are more convenient and satisfactory to shippers and therefore able to get the business. Others are weak as a result of mistakes in policy, unsound financing, or bad management; and others are weak because building in the first instance never was justified by the traffic obtainable and was merely a speculative effort.

It has seemed almost impossible to attract sufficient attention in this connection to the supremely important fact that the country's transportation service is performed by the "strong" lines and not by the "weak."

The industries are located on the strong lines, and such lines, by location and otherwise, are best adapted to the business. Their growth and development have been more in conformity with the needs of the traffic. They serve better the convenience and requirements of the people. It is the strong lines to which traffic inevitably flows and upon which congestions occur. The congestion of traffic in 1917–18 did not occur on the weak roads, but on the strong. Very few of the weak lines were taxed except with the overflow of traffic in excess of what the strong lines could handle. This was because the bulk of the traffic is normally on the strong lines, and this tends to make them strong. The most prominent exceptions to this are certain of the New England lines and certain large bituminous coal carriers.

Without speaking definitely from statistics, I feel safe in asserting that not less than 80 per cent of the railroad traffic of the United States is transported by railroad companies which regularly pay dividends.

Their credit depends upon the continuance of such dividends. Their stocks are held by hundreds of thousands of individuals—many representing the savings of almost a lifetime. Unless such dividends are continued—and, indeed, practically assured—it will be impossible for these companies, so situated as to be called upon to handle the great bulk of the commerce of the country, to obtain the money for improvements and development required to meet the needs of our growing commerce. It was the commission's policy of stationary and inflexible rates in the face of increasing wages and other operating costs, and the conflicting regulations of the various States, that made investors anxious about the stability and continuance of dividends and deterred many of the strong railroads from making improvements, additions, and extensions which all now know to be necessary. The fact undoubtedly is that it is the strong roads, upon which the bulk of the business naturally falls, that need the additional facilities, and it is the strong roads whose credit must be conserved if such facilities are to be provided.

Hence, I protest against the confiscatory provisions of section 6 of the Senate bill as not only failing to provide for the transportation emergency confronting the country, but as making it infinitely worse by attacking for the first time in the history of this Government not the transportation rates to be charged the shipper—which the Government may and ought to prescribe—but the net saved out of such rates, which is as much the private property of the stockholders as the money and assets in the treasury, and by seeking to bring the valuable and the worthless, the important and the unimportant, and the efficient and inefficient railroads to a dead level.

To base rates upon "property investment," as advocated by representatives of some of the "weak" lines, or upon the separate appraisement of the different elements entering into the construction and making up the physical structure, as seems to be the method thus far adopted by the commission in its valuation work, undoubtedly will require radical changes in the rate structure and the rate relations now existing, which represent growth and commercial needs for generations and to which commerce is adjusted. And it is a false and wholly arbitrary basis.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah [Mr. KING].

The amendment was rejected.

Mr. CUMMINS. Mr. President, as I understand, the question now is whether the substitution made in the Committee of the Whole shall be concurred in by the Senate; and this is the opportunity which the Senator from Florida [Mr. TRAMMELL] desired for a vote between the Senate bill and the House bill.

Mr. HENDERSON. Mr. President, I desire to lay before the Senate now the amendment that I offered in the Committee of the Whole, on which there was a tie vote.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 77, beginning on line 11, it is proposed to strike out all down to and including line 17 on page 78, and in lieu thereof to insert the following:

SEC. 4. That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided, however*, That upon application to the Interstate Commerce Commission such common carrier may in special cases not due to or arising out of conditions of water competition, actual or potential, direct or indirect, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided further*, That no authorization for a change of existing rates under the proviso of this section shall be granted within six months from the approval of this act, nor in any case where application shall have been filed before the commission, in accordance with the provisions of this section, until a determination of such application by the commission; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not fairly compensatory for the service performed.

Mr. HENDERSON. Mr. President, I can not too strongly urge upon the Senators the adoption of this amendment. It is right and fair and just.

I am not going to take up any of the time of the Senate, but I should like to have a vote on the amendment. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). I am paired with the Senator from Virginia [Mr. SWANSON], and therefore withhold my vote.

Mr. McKELLAR (when his name was called). I have a pair with the senior Senator from Michigan [Mr. TOWNSEND], as heretofore explained, and withhold my vote.

Mr. THOMAS (when his name was called). Making the same announcement as to my pair and its transfer, I vote "yea."

The PRESIDING OFFICER (when Mr. SUTHERLAND's name was called). The present occupant of the chair has a pair with the Senator from Kentucky [Mr. BECKHAM], and therefore withholds his vote.

Mr. WILLIAMS (when his name was called). Upon this proposition I transfer my pair with the Senator from Pennsylvania [Mr. PENROSE] to the Senator from Arizona [Mr. SMITH], and vote "yea."

Mr. WOLCOTT (when his name was called). Making the same announcement as on the last roll call as to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. KELLOGG (after having voted in the negative). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the junior Senator from Ohio [Mr. HARDING], and will let my vote stand.

Mr. FERNALD (after having voted in the negative). Making the same announcement as before, I transfer my pair to the senior Senator from Alabama [Mr. BANKHEAD], and will permit my vote to stand.

Mr. KELLOGG. I wish to announce that the senior Senator from Massachusetts [Mr. LODGE] has a pair with the senior Senator from Georgia [Mr. SMITH]. If at liberty to vote, the senior Senator from Massachusetts would vote "nay."

I also wish to announce that my colleague, the senior Senator from Minnesota [Mr. NELSON], is paired with the senior Senator from Idaho [Mr. BORAH].

The result was announced—yeas 22, nays 38, as follows:

YEAS—22.

Capper	Kendrick	Overman	Thomas
Curtis	King	Poindexter	Walsh, Mass.
Gay	Kirby	Ransdell	Walsh, Mont.
Harrison	La Follette	Sheppard	Williams
Henderson	Norris	Smoot	
Jones, N. Mex.	Nugent	Sterling	

NAYS—38.

Ball	Fletcher	McCormick	Smith, S. C.
Brandegee	France	McLean	Spencer
Calder	Frelinghuysen	McNary	Stanley
Chamberlain	Gerry	Moses	Trammell
Colt	Hale	New	Underwood
Dial	Harris	Phipps	Wadsworth
Dillingham	Kellogg	Pomerene	Warren
Edge	Keyes	Robinson	Wolcott
Elkins	Knox	Sherman	
Fernald	Lenroot	Smith, Md.	

NOT VOTING—35.

Ashurst	Harding	Myers	Shields
Bankhead	Hitchcock	Nelson	Simmons
Beckham	Johnson, Cal.	Newberry	Smith, Ariz.
Borah	Johnson, S. Dak.	Owen	Smith, Ga.
Culberson	Jones, Wash.	Page	Sutherland
Cummins	Kenyon	Penrose	Swanson
Fall	Lodge	Phelan	Townsend
Gore	McCumber	Pittman	Watson
Gronna	McKellar	Reed	

So Mr. HENDERSON's amendment was rejected.

Mr. POINDEXTER. Mr. President, on page 77, line 22, I move to strike out the proviso, beginning with the word "*Provided*," and from that down to and including line 17 on page 78.

The effect of this amendment would be to deprive the Interstate Commerce Commission of the authority to allow the charging of a greater sum for hauling freight a short distance than for hauling it a longer distance over the same line in the same direction. The effect of it would be to make absolute the rule against this discrimination by which the people of the interior portions of the country, the most productive sections of the country, are required to pay a tribute of from $11,000,000 to $25,000,000 a year as a subsidy to the railroads, on the pretense that it is to enable them to compete with the water lines, with the result that that great area of the country is retarded in its growth, and that the maritime commerce of the country has been destroyed.

There is just one other word that I want to say.

A great deal of argument has been made to the effect that the system which has grown up, making the rule out of the exception in the discretion that was vested in the Interstate Commerce Commission, was to enable the railroad companies to compete with the ship lines. The fact of the case is, as shown by the hearings before the Interstate Commerce Committee, that the real interest and the real motive which has been back of this discrimination and imposition upon the majority of the people of this country has been the interest of the Southern Pacific Railroad Co. to enable it to maintain a ship line of its own from New York City to Galveston, in competition with rival ship lines, by which it has been enabled to monopolize the water transportation, making a combined rail-and-water system.

The eastern terminus of the Southern Pacific Railroad, so far as its rail lines are concerned, is in the same longitude practically with Omaha, Nebr. One-half of its transcontinental system is by water. The other transcontinental lines have practically abandoned this contention. There was very little resistance on the part of the northern lines to the adoption of this rule by the committee. The Southern Pacific Railroad Co., which is dependent upon its ship line, having used this pretense of enabling the railroad to compete with water lines, has maintained its great ship line, was present at the hearings, and re-

sisted the adoption of the rule, and organized and led the opposition. I make this statement in order to disclose the real power which has prevented the righting of this wrong, which Congress really intended to right originally in the enactment of the act in 1887, and then again in the amendment of 1910. Upon this amendment I ask for the yeas and nays.

Mr. JONES of New Mexico. Mr. President, I wish to say merely a word before the vote is taken. I am in sympathy with this amendment. I could give the Senate a number of very concrete illustrations of the hardships which the present law operates upon the people of the State of New Mexico.

Every day there are carloads of freight from the East shipped through that State, 1,500 miles beyond, to points in California for a very much less rate than that for which the railroads are willing to stop the car in New Mexico. Every day carloads of freight pass through the town in which I live and go 400 miles beyond, to El Paso, in the State of Texas, for a very much less rate than that for which they will permit the car to be stopped in the town where I live. For years carloads of sugar passed through my town going 400 miles farther, to the city of Denver, Colo., and local freight was paid on it back to Las Vegas. These are illustrations of what occurs continually. It applies to practically every class of freight which moves into that State.

It seems to me that no defense can be made for such a system. The rates for the transportation of freight are made upon the theory that it shall be a reasonable rate. The rate upon the long haul is either reasonable or it is not. If it is a reasonable rate for the long haul, then I submit they are charging too much for the short haul. If it is not a reasonable rate, then the short-haul people are paying the freight of those who have the long haul. There is absolutely no escape from that logic, and it seems to me that the time is at hand when these rates shall be equalized, when one section of the country shall not be paying the freight bill of another section of the country.

I therefore hope, Mr. President, that the amendment of the Senator from Washington will prevail.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). The question is on the amendment of the Senator from Washington [Mr. POINDEXTER], on which the yeas and nays are demanded.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). As I announced before, I am paired with the Senator from Virginia [Mr. SWANSON], who is absent on account of illness in his family. Therefore I withhold my vote.

Mr. KELLOGG (when his name was called). I transfer my pair to the junior Senator from Ohio [Mr. HARDING] and vote "nay."

Mr. McKELLAR (when his name was called). Making the same announcement as heretofore, I withhold my vote.

Mr. SMITH of Maryland (when his name was called). I have a general pair with the Senator from Vermont [Mr. DILLINGHAM], who, I notice is absent; but inasmuch as he would vote as I would, I take the privilege of voting. I vote "nay."

The PRESIDING OFFICER (when Mr. SUTHERLAND'S name was called). The present occupant of the chair has a pair with the Senator from Kentucky [Mr. BECKHAM] and withholds his vote.

Mr. THOMAS (when his name was called). I make the same announcement regarding my pair and transfer as before and vote "yea."

Mr. WILLIAMS (when his name was called). Repeating the announcement concerning my pair and its transfer which I made on the last yea-and-nay vote, I vote "yea."

Mr. WOLCOTT (when his name was called). Making the same announcement as to my pair and transfer as before, I vote "nay."

Mr. UNDERWOOD. Making the same announcement as to my pair that I did on the last vote, I vote "nay."

Mr. EDGE. I transfer my pair with the Senator from Oklahoma [Mr. OWEN] to the Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. FERNALD (after having voted in the negative). Making the same announcement as before, I transfer my pair to the senior Senator from Alabama [Mr. BANKHEAD] and permit my vote to stand.

The result was announced—yeas 19, nays 41, as follows:

YEAS—19.

Capper	King	Overman	Sterling
Curtis	Kirby	Poindexter	Thomas
Henderson	La Follette	Ransdell	Walsh, Mont.
Jones, N. Mex.	Norris	Sheppard	Williams
Kendrick	Nugent	Smoot	

NAYS—41.

Ball	France	McCormick	Spencer
Brandegee	Frelinghuysen	McLean	Stanley
Calder	Gay	McNary	Trammell
Chamberlain	Gerry	Moses	Underwood
Colt	Hale	New	Wadsworth
Dial	Harris	Phipps	Walsh, Mass.
Dillingham	Harrison	Pomerene	Warren
Edge	Kellogg	Robinson	Wolcott
Elkins	Keyes	Sherman	
Fernald	Knox	Smith, Md.	
Fletcher	Lenroot	Smith, S. C.	

NOT VOTING—35.

Ashurst	Harding	Myers	Shields
Bankhead	Hitchcock	Nelson	Simmons
Beckham	Johnson, Calif.	Newberry	Smith, Ariz.
Borah	Johnson, S. Dak.	Owen	Smith, Ga.
Culberson	Jones, Wash.	Page	Sutherland
Cummins	Kenyon	Penrose	Swanson
Fall	Lodge	Phelan	Townsend
Gore	McCumber	Pittman	Watson
Gronna	McKellar	Reed	

So Mr. POINDEXTER'S amendment was rejected.

Mr. McKELLAR. Mr. President, I move to strike out on page 17, beginning with line 19, all the remainder of that page and down to the word "however," inclusive, on page 19, and beginning at line 13 on page 19 down to line 14 on page 20.

I may say in explanation that the effect of this amendment, if agreed to, would be to strike out the excess-earnings feature of the bill. It would have the effect of doing away with the contingent fund created by devoting the excess earnings of a road to that fund. Upon that I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. RANSDELL. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. On page 88, line 9, after the word "therein," strike out the period and insert a colon and the following:

Provided, That nothing herein applicable to joint rates shall authorize a water carrier to receive as a proportion or division of a joint rate an amount in excess of its port-to-port rate, or to authorize the commission to prescribe the minimum rate to be charged for transportation by a water carrier.

Mr. RANSDELL. Mr. President, just a word. I wish to remind the chairman that when I started to offer this amendment during the consideration of the bill in Committee of the Whole I asked him whether he understood that section 44 of the bill included water transportation. He said that it did not. We struck out the provision in regard to the minimum clauses in section 41 of the bill, and in order to be consistent I think they should be stricken out of section 44. Since that matter came up I have examined the terms of the act to regulate commerce, and I wish to call the chairman's attention very briefly to the following paragraph:

The provisions of this act apply to * * * any common carrier or carriers engaged in the transportation of passengers or property wholly by railroad (or partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment).

As I said, as we have already stricken out the minimum provision relating to waterways in section 41, I believe it ought to be stricken out of section 44, so as to send the matter to conference. All I ask of the chairman is to let it go to conference. It is included certainly in the terms of the House bill. It is also included in the terms of the Senate bill. If carried in both bills, it can not be referred to the conferees; and I ask the chairman not to oppose this, so that it may go to conference.

Mr. JONES of Washington. I remember when I presented the amendment to strike the provision out of section 41 it was stated, I think by the chairman, that section 44 did not relate to waterways at all. It is contended by those who have looked into it very closely that it does relate to waterways by reason of the language of the first section of the interstate-commerce act, which the Senator from Louisiana has read. I do not pretend to know about that nearly as well as the chairman, and I hope he will not oppose it.

Mr. CUMMINS. I adhere to my former view of the law in that respect. Section 44 is a revision of section 15 of the act to regulate commerce, and that applies only to land carriers, in my judgment. But to save time I am perfectly willing to take it into conference.

Mr. RANSDELL. I thank the chairman very much for that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. KING. Mr. President, one of the most objectionable features of the bill, as I view the bill, is the provision which compels the incorporation after seven years of the common carriers of our country that have not voluntarily come within the

operations of the bill. I have not time this evening, it would not be prudent, to assign the many reasons which might be offered in opposition to that provision. Without taking the trouble to argue the matter, I move to strike out all of section 13, beginning on page 33.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was rejected.

Mr. WALSH of Massachusetts. Mr. President, when the bill was in Committee of the Whole I gave notice that in the Senate I would renew my motion to amend section 26, which motion had been rejected in Committee of the Whole. There have been so many test votes in the Senate on the labor provisions of the bill that it is very apparent that any effort to make a change would be futile.

I simply wish the RECORD to show that I have not moved the amendment in the Senate because of the fact that all amendments offered to the labor provisions have been rejected.

The PRESIDING OFFICER. The question is on agreeing to the substituted amendment as amended.

Mr. LENROOT. Mr. President, as the chairman of the committee stated a few moments ago, this is the only opportunity the Senate will have to register its views as between the Senate bill and the House bill. I therefore demand the yeas and nays.

The yeas and nays were ordered.

Mr. JONES of Washington. Mr. President, a parliamentary inquiry. When unanimous consent was being arranged the Senator from Wisconsin [Mr. LA FOLLETTE] stated that he desired to offer a substitute. I wish to know whether that substitute can be offered after this substitute is agreed to?

The PRESIDING OFFICER. The unanimous-consent agreement gave that permission, and it was so stated by the Chair.

Mr. JONES of Washington. I thought the proper time would be before the amendment in the nature of a substitute is finally adopted.

The PRESIDING OFFICER. It will come after action on this amendment according to the unanimous-consent agreement, though not regularly so.

Mr. CUMMINS. Mr. President, there seems to be some misapprehension in regard to the question. May I state that those who want to substitute the Senate bill for the House bill, the Senate bill being the one upon which we have been working, will vote "yea." Those who want the House bill will vote "nay."

The PRESIDING OFFICER. The Chair stated that the question is upon agreeing to the substituted amendment as amended, which is as the Senator from Iowa has stated. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement with reference to the transfer of my pair with the Senator from Oklahoma [Mr. OWEN] to the Senator from Vermont [Mr. PAGE], I vote "yea."

Mr. FERNALD (when his name was called). Making the same announcement as heretofore with reference to my pair and its transfer to the Senator from Alabama [Mr. BANKHEAD], I vote "yea."

Mr. JONES of Washington (when his name was called). As I have heretofore announced, I have a pair with the Senator from Virginia [Mr. SWANSON], who is detained on account of illness in his family. I therefore withhold my vote. If at liberty to vote, I would vote "yea."

Mr. KELLOGG (when his name was called). I have a general pair with the Senator from North Carolina [Mr. SIMMONS], which I transfer to the junior Senator from Ohio [Mr. HARDING] and vote "yea."

Mr. KELLOGG (when Mr. LODGE's name was called). The Senator from Massachusetts [Mr. LODGE] has a pair with the senior Senator from Georgia [Mr. SMITH]. If present and permitted to vote, the Senator from Massachusetts would vote "yea."

Mr. McKELLAR (when his name was called). I have a pair with the senior Senator from Michigan [Mr. TOWNSEND]. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

The PRESIDING OFFICER (when Mr. SUTHERLAND's name was called). I have a general pair with the Senator from Kentucky [Mr. BECKHAM]. In his absence I withhold my vote.

Mr. THOMAS (when his name was called). Making the same announcement as to my pair and transfer as heretofore, I vote "yea."

Mr. UNDERWOOD (when his name was called). Making the same announcement with reference to my pair with the junior Senator from Ohio [Mr. HARDING], I vote "yea."

Mr. WARREN (when his name was called). In the absence of the Senator from North Carolina [Mr. OVERMAN], with whom I have a pair, I withhold my vote.

Mr. WILLIAMS (when his name was called). Understanding that the Senator from Pennsylvania [Mr. PENROSE], with whom I am paired, would, if he were present, vote the same way that I am about to vote upon this proposition, I vote "yea."

Mr. WOLCOTT (when his name was called). I have a general pair with the senior Senator from Indiana [Mr. WATSON]. I am informed that he would vote as I would vote on this question, so that I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. JONES of Washington. I understand the junior Senator from Iowa [Mr. KENYON] has not voted. If present he would vote as I would vote. I therefore transfer my pair with the Senator from Virginia [Mr. SWANSON] to the junior Senator from Iowa and vote "yea."

Mr. KELLOGG. The senior Senator from Minnesota [Mr. NELSON] is paired with the senior Senator from Idaho [Mr. BORAH]. If present and permitted to vote, the Senator from Minnesota would vote "yea."

Mr. STERLING (after having voted in the affirmative). I find that the Senator from South Carolina [Mr. SMITH], with whom I have a pair, has not voted. I transfer my pair with that Senator to the Senator from Pennsylvania [Mr. PENROSE] and allow my vote to stand.

Mr. CURTIS. I wish to announce the following pairs:

The Senator from Idaho [Mr. BORAH] with the Senator from Minnesota [Mr. NELSON];

The Senator from California [Mr. JOHNSON] with the Senator from Oklahoma [Mr. GORE]; and

The Senator from Michigan [Mr. NEWBERRY] with the Senator from Missouri [Mr. REED].

The result was announced—yeas 41, nays 17, as follows:

YEAS—41.

Ball	Fletcher	Moses	Stanley
Brandegee	Frelinghuysen	Myers	Sterling
Calder	Gay	New	Thomas
Colt	Hale	Phipps	Underwood
Cummins	Jones, Wash.	Poindexter	Wadsworth
Curtis	Kellogg	Pomerene	Walsh, Mont.
Dial	Keyes	Ransdell	Williams
Dillingham	Kirby	Robinson	Wolcott
Edge	Knox	Smith, Md.	
Elkins	McCormick	Smoot	
Fernald	McLean	Spencer	

NAYS—17.

Capper	Henderson	McNary	Trammell
France	Kendrick	Norris	Walsh, Mass.
Gerry	King	Nugent	
Harris	Lenroot	Sheppard	
Harrison	McKellar	Sherman	

NOT VOTING—37.

Ashurst	Hitchcock	Overman	Smith, Ga.
Bankhead	Johnson, Calif.	Owen	Smith, S. C.
Beckham	Johnson, S. D.	Page	Sutherland
Borah	Jones, N. Mex.	Penrose	Swanson
Chamberlain	Kenyon	Phelan	Townsend
Culberson	La Follette	Pittman	Warren
Fall	Lodge	Reed	Watson
Gore	McCumber	Shields	
Gronna	Nelson	Simmons	
Harding	Newberry	Smith, Ariz.	

So the amendment in the nature of a substitute was agreed to.

Mr. OVERMAN. Mr. President, as we are approaching now the final vote on the bill, I want to say that I regret that I can not give it my support. I can not do so because I have serious doubt about certain unconstitutional features of the bill. I am one of those old-fashioned Democrats who believe that if I have any doubt about the constitutionality of a proposition, that doubt should be resolved in favor of the Constitution.

I can not vote for the bill on account of the provisions in section 13, which the Senate has refused to strike out and which are, in my opinion, clearly unconstitutional.

I hate to differ with my dear, good friend, the Senator from Iowa [Mr. CUMMINS], who is one of the greatest lawyers in the country, and yet I have my doubt about the question. In my colloquy with him the other evening I asked how he was going to acquire property belonging to the State of North Carolina. The State of North Carolina owns three-fourths interest in two valuable railroads making splendid returns to the State. The State owns a three-fourths interest in one railroad running through the State, which intersects the main stem of the Southern Railroad, paying the State 7 per cent semiannually, and all the equipment and property will belong to the State at the end of a certain number of years—the term of the lease. Of course, the Southern Railway or some other great railroad would like to acquire that property. The Senator from Iowa admitted in a colloquy with me the other day that under the provisions of the bill they could acquire it; that any private corporation,

against the will of the State, could go into the State and take by force that valuable property away from the State and against the will of the State.

Why, Mr. President, can the Government condemn State property for the purpose of public uses? Can the States condemn Government property for State uses? If you want to build a public building in any State in the Union you have to go to the State legislature to secure its consent before you do it. Therefore I say that the General Government has no power under the power of eminent domain to authorize a railroad corporation to go into my State and, against the will of the State, acquire the most valuable property it has. If the Government can do that, if it can acquire part of the property, it can acquire all of the property. If it can acquire some of the property, it can acquire the State house and all of its property and wipe the State out of existence. That is one of my reasons for objecting to section 13 of the bill and one of the reasons why I am going to vote against the bill.

This valuable railroad property after seven years, under section 13 of the bill, can be forced away from the State by a railroad corporation; not the Government, but a railroad corporation, is given power to go down into my State, as the Senator admits, under eminent domain, under this provision, and take away the property of the State.

Of course, under the Constitution that would not stand in the Supreme Court of the United States for a moment, and our people will not stand for it.

Mr. President, I have serious doubts about section 6 of the bill. A given railroad for adequate service has a just and reasonable freight rate fixed by the Interstate Commerce Commission. That railroad ships freight over its road at that rate. It not only makes 5½ or 6 per cent, but 7 per cent or even 10 per cent. The Government having fixed the rate and the railroad having given the service, to whom belongs the excess return? It belongs to the railroad, and, unless it be by due process of law, under the fifth and fourteenth amendments to the Constitution, the Government can not take away this excess return, this property of the railroad, from the railroad. That is the doubt I have about that section of the bill. Some of the great lawyers of the country say it is constitutional; others say it is not. I have serious doubt about its constitutionality, and I am bound as a Senator to resolve that doubt in favor of the Constitution.

Mr. President, if a just and reasonable rate is fixed which the people of some district in North Carolina pay, and the Government, if there is an excess profit, takes the excess away from the railroad which earned it and gives it to some weaker railroad to help it out of trouble, it really takes it from the shippers, and it amounts to a tax upon the shippers.

Can we take away from those who have and give to those who have not? That is the principle which is involved, and I say the railroad having transported the freight under a just and reasonable rate fixed by the Interstate Commerce Commission, and having acquired that excess, of course it is the property of the railroad which gives the service.

Do you tell me that the Government may take that property and use it for the purpose of helping some weaker railroad somewhere else? If there be such an excess return, Mr. President, it means that the railroad transportation board could lower the rate and still provide for the railroad a just and reasonable rate; otherwise, I repeat, the shippers are really taxed, because it costs more to carry the freight than is just and reasonable, more than the 6 per cent which this bill guarantees to the railroads.

For these reasons, Mr. President, which I have stated briefly, and for other reasons, I regret to say that I can not give my support to this bill.

I commend the Interstate Commerce Committee for the great work they have done. Many provisions of this bill, if it were constitutional, would constitute a great scheme. I say it is a wonderful scheme which has been reported by the committee who have studied the matter. I should like to have had more time, as a great many other Senators would, to study the bill, but I confess, with the knowledge that I now have of the bill, I can not give it my support. It is admitted it means much higher freight rates than now exist. It means additional taxation upon the already overtaxed people. It means added burdens to the taxpayers, and I can not stand for it.

The PRESIDING OFFICER. The question is, Shall the amendment made as in Committee of the Whole be concurred in?

Mr. LA FOLLETTE. Mr. President, I offer as a substitute for the pending bill the amendment which I send to the Secretary's desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wisconsin will be stated.

The SECRETARY. It is proposed to strike out all after the enacting clause and to insert in lieu thereof the following:

That Federal control, as defined in the act entitled "An act to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes," approved March 21, 1918, of any railroad or system of transportation, the possession, use, control, or operation of which has been taken over and is still retained by the President thereunder or under section 1 of the act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes," approved August 29, 1916, shall not be relinquished by the United States Government, or by any officer or agency thereof, prior to the expiration of two years from the date of the passage of this act.

SEC. 2. All provisions of the acts of August 29, 1916, and March 21, 1918, referred to in section 1, and of all other acts of Congress are hereby repealed in so far as they are inconsistent with the provisions of this act.

Mr. SHEPPARD. Mr. President, I have occupied the floor but little during this debate and I shall take only a short time now. I can not permit the bill to pass without advancing my views in favor of a fair test of the principle of unified operation of railroads.

FIFTY FACTS IN FAVOR OF FAIR TEST OF GOVERNMENT OPERATION OF RAILROADS.

Mr. President, the maze of data on the railroad question is so extensive and so bewildering that it is next to impossible to compress within a brief space an effective discussion of any of its important phases. Without attempting such a discussion I have decided to present a statement of 50 facts which, to me, seem to form ample basis for the contention that the Government should retain control of the railroads for a time sufficient to afford a genuine test of the principle of unified operation.

1. In December, 1917, it became evident that the railroads under private control would be unequal to the traffic demands arising both from the war emergency and the ordinary volume of business.

2. In the fall of 1916, several months before the United States entered the war, the railroads gave evidence of inability efficiently to handle the traffic needs of the Nation.

(a) Traffic was congested almost to the point of paralysis.

(b) The situation in 1916 was so critical that a special investigation was made by the Interstate Commerce Commission, resulting in a report by Commissioner McChord, who stated that in some territories the railroads had furnished but a small part of the cars necessary for the transportation of staple articles of commerce, such as coal, grain, lumber, fruits, and vegetables; that in consequence mills had shut down, prices had advanced, perishable articles had been destroyed, hundreds of carloads of food products delayed in reaching the markets; that in other territories there had been so many cars on the lines of the carriers and in their terminals that transportation service had been thrown into unprecedented confusion; that long delays had been the rule; and that operation of established industrial activities had been uncertain and difficult.

3. New construction of roads had shown a sharp decrease in 1912, and had almost collapsed by 1916.

4. By the end of December, 1917, nearly 145,000 cars had accumulated as a result of traffic congestion in the territory east of Chicago and St. Louis and north of the Ohio and the Potomac.

5. When threatened paralysis of transportation facilities and the intense need of an efficient carrying system if our part in the war was to be successful caused the Government to take over the roads on December 28, 1917, there were in this country 75 railway companies with operating revenues of $10,000,000 or more per year each, 105 with operating revenues less than $10,000,000 but more than $1,000,000 per year each, and several hundred with operating revenues of less than a million dollars a year each, constructed with little view to coordination for the benefit of the Nation as a whole, with terminal facilities often outgrown by the country, with many locomotives and cars in a defective condition, with overcrowded and inadequate shops and roundhouses, with lack of facilities at many points to make running repairs to large locomotives. The Government found that:

(a) Roundhouses built 20 or more years before for locomotives in service at that time were still being used to house locomotives more than twice the size for which they were designed.

(b) That repairs had to be made in many instances out of doors or in open roundhouses with the temperature below zero.

(c) That steam pipes, injectors, air pumps, steam cylinders froze and burst, and in many cases locomotives were frozen to the track in roundhouses and could not be moved.

6. The Government found that the railroad companies had not a single serviceable locomotive in reserve.

7. Thirteen months later the Railroad Administration of the United States, after successfully handling the greatest tonnage in the history of the country despite unprecedented difficulties

and emergencies, had in storage and ready for winter service 1,189 locomotives, a fact due largely to coordination of shop-work, which resulted in an average increase of nearly 21 per cent a week in the number of locomotives receiving classified repairs.

(a) Many lines had inadequate facilities for repairing their own locomotives. Up to December 14, 1918, the Railroad Administration had sent 2,220 locomotives to other line shops for repairs.

8. Before Government control practically every important railroad had its own specifications for cars and engines, and practically all were different in details. It has been said there were 2,023 different styles of freight cars and almost as many different styles of locomotives.

9. During Government control about 12 standard types for freight cars have been agreed upon and six different types of locomotives of two different weights. The parts of these locomotives and cars are interchangeable. One of the locomotives built under the old system had to be held out of service until an expense of $4,800 had accumulated awaiting a part whose cost was not over $30.

10. When the Government took control labor conditions were so unsettled and so unsatisfactory as to portend the gravest consequences.

11. More than 50 per cent of the 2,000,000 employees of the railroads were receiving in December, 1917, $75 a month or less; 80 per cent of the 2,000,000 were receiving $100 a month or less. The majority of locomotive engineers were receiving less than $170 a month. Less than 3 per cent of the 2,000,000 employees had wages ranging from $150 to $250 per month.

(a) The employees continued to receive this miserably inadequate wage until a commission appointed by the Railroad Administration in January, 1918, and composed of Franklin K. Lane, C. C. McChord, William R. Wilcox, and J. Harry Covington, made a thorough investigation and reported on April 30, 1918.

12. Only a high sense of duty to country and the assurance of the Government that the investigation would be promptly made and that whatever increases were allowed would date back to January 1, 1918, kept the employees at work on wages in the main so distressingly and so iniquitously low.

13. The employees had lost faith in the methods of railroad companies under private control for the settlement of controversies but are satisfied with the system devised by the Government, a system of bipartisan boards with the Director General as final authority.

14. Wage increases awarded by the Government were such that the average monthly compensation per employee for all railway employees was $121.50 in July, 1919, as against $89.85 in December, 1917, an increase of $31.67 per month.

15. When the Government took over the roads it was seen that immediate relief in the matter of repairs could be had only by a greater number of working hours. On many railroads contracts with employees limited the number of hours. The employees promptly agreed to waive these agreements and to work the needed number of additional hours. The railway employees' department of the American Federation of Labor assisted materially in the matter. Railroad shops on many of the important lines were placed on a basis of 70 hours a week and the remainder on 60 hours, an average increase of 20 per cent in shop hours. After the armistice a shorter basis became the rule.

16. On February 21, 1918, General Order No. 8 was issued, and it forbade discriminations in employment, retention, or conditions of employment of employees because of membership or nonmembership in labor unions.

17. On May 25, 1918, Article V of General Order No. 27 provided that when women were employed in the railroad service their working conditions must be healthful and fitted to their needs, and that their pay, when they did the same class of work as men, should be the same as that of men.

18. A women's service section was created to give especial attention to the more than 100,000 women in the railroad service and to see that their surroundings were proper, comfortable, and safe.

19. From January 1, 1918, to November 10, 1918, nearly six and a half million troops were moved over American railways under Government control with comparative freedom from accident. During the first six months of 1919 approximately seven and one-fourth millions of men, including those in regular service, on furlough, and en route home after discharge were moved.

20. The Railroad Administration established a special rate of 1 cent a mile for soldiers and sailors on leave to visit their homes, a special rate for meals, and a special rate for return home after discharge.

21. The food situation became so critical in the allied countries in February, 1918, as to make the outcome of the war largely dependent on ability of American railways to transport sufficient foodstuffs to the Atlantic seaboard for shipment abroad.

22. The Railroad Administration met the crisis promptly and effectively. Freight cars were mobilized from all parts of the country. Conflicting traffic of all kinds was held up. Officials and employees worked day and night. By March 15 the vessel capacity of the Allies was satisfied and there was available at the North Atlantic ports an excess on wheels of 6,318 carloads of foodstuffs, exclusive of grain on cars and in elevators. Thenceforward our railway facilities were always ample for foodstuffs required by the Allies.

23. From July to November, 1918, 135,000 more cars of grain were handled under Government control than in the same months of 1917 under private control.

24. The transportation of coal was another problem which the Government effectively met. During the 10 months ending October 31, 1918, there was loaded and transported under Government control a net increase of 741,666 cars, or approximately 37,083,300 tons, of bituminous coal over the same 10 months in 1917 under private control.

25. The Railroad Administration of the United States Government gave special attention to the movement of fruits, cotton, oil, iron, and other principal products of farms, factories, and mines.

26. The handling of oil was a striking instance of the efficiency of the Railroad Administration. In April, 1918, conditions became chaotic in the oil industry. Many refineries were shut down or could operate only partially on account of a shortage in available transportation facilities. The situation was handled so well by the Government that W. E. MacEwen, chairman of the transportation committee of the Western Petroleum Refiners' Association, wrote voluntarily that within 30 days the Railroad Administration had made such an improvement that there was no further shortage in the western field, that during the first 10 months of the year there was loaded from the Mid-Continent field 256,082 cars as against 200,603 cars for the same period of 1917, an increase of 55,479 cars, with practically no increase in amount of equipment, that from April 20 to November 30, 1918, there were loaded from the Mid-Continent field 3,585 solid trains of oil, containing 100,530 cars; that in the month of January the mileage per car per day on tank cars of western refiners was 26.16, in June 56.27, in September 58.4, an increase of 100 per cent in the mileage performance.

27. Conditions were so acute in the oil industry from the transportation standpoint at the first of the year that the Railroad Administration was urged to place large orders for additional tank cars. It was evident, however, that they could not be quickly gotten on account of war needs for steel. The crisis was fully met by the consolidated control of existing cars.

28. Orders were given to effect savings wherever possible without interfering with the war.

29. Much equipment was saved by elimination of nonessential passenger trains, common use of freight cars and repair shops.

30. The Pennsylvania Hudson River tubes were used for the movement of anthracite coal from Jersey terminals to Long Island and the result was a better service.

31. The coal-zone plan in cooperation with the Fuel Administration effected a saving of car-miles and permitted the production and transportaion of several million more tons than would otherwise have been possible.

32. The operation of locomotives under their own steam from factories to points of delivery, frequently at the head of a train, instead of hauling them as dead freight as in the past proved a genuine economy.

33. The sailing-day plan for less-than-carload freight was another improvement of marked value.

34. The elimination of circuitous freight routes produced most encouraging results. A total of 16,863,633 car-miles were saved in this way in eastern and northwestern regions alone.

35. Bad terminal conditions were proving to be a serious handicap when the Government took charge. Terminal managers were appointed at the larger terminals with jurisdiction over terminal facilities of all lines. Freight was routed so as to arrive at the specific terminal where it was to be disposed of. Interchange switching at terminals was largely eliminated. At the Chicago terminals it had been the practice to reconsign practically all coal after arrival. Under Federal control a large portion of the coal arriving at Chicago was consigned directly to consumers from the mines, and crosshauling between terminal lines was greatly reduced.

36. The public was greatly benefited by consolidation of passenger terminals and ticket offices, pooling of repair shops, use of universal mileage tickets and common time-tables.

37. To meet extraordinary war demands, to rush food and other supplies to destination, arrangements were made early in 1918 for consolidated trains of export freight, principally war supplies, food, grain, munitions, and so forth. Under this arrangement 5,090 special export trains from western terminals were handled.

38. The railroads during the first 10 months of Federal control gained 1.9 per cent in ton-miles. The average trainload was increased from 655 tons to 682 tons, a gain of 4.1 per cent. In the first 10 months of 1919 the average trainload was 697 tons. The average miles per freight car were 27.3 in October, 1919, 26 in October, 1918, and 25.9 in October, 1917. In October, 1919, the railroads transported a larger amount of freight than during any other corresponding period in the Nation's history, and, notwithstanding this fact, the car shortage on November 1, 1919, amounted to only 57,160 cars as compared with 141,466 cars on November 1, 1917. It has been stated on reliable authority that the increased efficiency resulting from the unified operation of freight-car equipment amounted to approximately 15 per cent; that, based on a total of 2,522,000 freight cars on line on November 1, 1919, this increased efficiency amounts to approximately 375,000 freight cars; that the capacity for new car construction in this country is about 100,000; that it would therefore take three years and nine months to construct the cars saved by unified operation under Government control; that the shippers of the country were thus benefited immensely.

39. The Government adopted the permit system of handling freight, and without it the vast traffic problems of 1918 could not have been solved. It prevents the loading of traffic in the absence of assurance that it can be disposed of at destination. It means the control of traffic at the source, instead of permitting it to accumulate and congest at destination. Shipment is allowed only when the consignee is prepared to receive it promptly, remove it from the cars, and release the equipment.

40. Increases in wages and in cost of coal, iron, crossties, lumber, and other railway supplies made necessary an increase in passenger and freight rates during Federal control, and it will require several years for economies in organization and operation to be fully felt and their relation to rates ascertained.

41. The Director General appointed a committee to devise a plan for use of inland waterways in connection with the railways. Under private control the waterways were systematically repressed by the railways. The Government proceeded on the theory that the waterways should be coordinated with a unified railway system if the country's transportation facilities were to be fully developed. It is very doubtful whether this can be realized under private control. Such coordination would be of infinite value to the country.

42. Our new merchant marine, constructed at a cost of over a billion dollars, and soon to be first in the world, is, under the present law, to be operated by the Government for five years after the war. Contention is made that it can be operated most successfully if Federal control of railways is at least made concurrent with Federal control of shipping. No class of traffic is more important than our export traffic. Under unified control of railways this traffic may be apportioned among all our ports, rail transportation may be coordinated with ocean transportation, congestion and delay avoided, the entire country more evenly developed, and our foreign trade enlarged more rapidly and more smoothly.

43. It is contended that cars, locomotives, and other railway equipment may be mobilized and utilized in the public interest more effectively under unified control than under diversified private management; that wasteful duplication of plant, service, work, and supervising forces may be saved under the former.

44. Under unified control rates sufficiently high on an average to protect the general situation will insure adequate service on all roads and will protect the public against higher rates than necessary to meet actual demands. Under private control disparity in result of same rates to different companies will always cause dissatisfaction and turmoil.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Wisconsin?

Mr. SHEPPARD. I do.

Mr. LA FOLLETTE. Let me inquire of the Senator from Texas what authority, if any, he is relying upon for the statements he is making at this time?

Mr. SHEPPARD. Principally upon the testimony of the first Director General of Railroads, William G. McAdoo, before the Interstate Commerce Committee—McAdoo, the man whose genius and whose patriotism were of wonderful service to this country in one of its most trying hours.

45. Unless final solution of the railroad problem is deferred until economies and possibilities of unified control can be fairly realized, Congress will have acted without a proper grasp of the problem.

46. The Director General stated in his testimony before the Senate Committee on Interstate Commerce that a period of several years would be necessary to enable Congress and the American people to estimate properly the results of unified operation; and, Mr. President, I regret to say that the Senate and Congress seem to have ignored the testimony and the recommendations of the very man whose advice ought to have had, perhaps, the greatest attention and consideration, in view of his experience and in view of his administrative capacity.

47. He stated that the public is entitled to have a reasonably fair test under peace conditions as to the advantages to be derived from the reforms inaugurated under Government control.

48. He urged, therefore, that Federal control be extended to January 1, 1924.

49. He said that the prospect of early return to private control tended to demoralize the Federal personnel and to make difficult or altogether prevent those physical improvements which are essential to proper testing of consolidated management.

50. In view of the facts above set forth, it is my judgment that failure to give the American people a chance to observe Government operation under the conditions of a fair and normal test is to overlook their welfare and to play into the hands of special interests. To turn the roads back to private interests at the present time is to leave the whole problem in midair, to create confusion and disaster.

THE RAILROAD PROBLEM.

Mr. GAY. Mr. President, it is with some hesitation that I venture upon a subject which I know to be most difficult and at which I do not claim to be expert. The railroad problem is the most complicated and the most difficult of all domestic problems now presented for solution. Sometimes I feel that we are bewildered more than we are helped by the advice and the statistics of experts, and I have endeavored to study, in as simple and effective a way as I could, some of the salient features of the railroad situation, and particularly certain aspects of it that are of special interest to the people of my State. I have ascertained some facts that have been helpful and interesting to me, and I submit them in the hope that they may be beneficial to some of my colleagues.

No one can approach the railroad problem as it is now presented without being confronted immediately with the fact that the question of railroad finance is one of the principal causes of the difficulty which this problem raises.

I find that the book cost of all steam railroads of the United States—except switching and terminal companies—is slightly less than $18,000,000,000. (Figures here given are for the year 1916, as given by Commissioner Clark to the Senate committee.) In other words, it would take three or four good Liberty loans for the people of this country to raise enough money to purchase the railroads at their book value. The book value is not necessarily accurate. The true value may be less or greater, and will not be known until the Interstate Commerce Commission completes its valuation work. The capitalization of these railroads—that is to say, their funded debt plus outstanding stocks—is $19,681,000,000, of which 56 per cent is bonds and 44 per cent stocks.

In analyzing the financial condition of any corporation or group of corporations one of the first questions that arises is, What rate of dividends are the companies in question paying upon their outstanding stock? For the year ended June 30, 1916, the total dividends paid were $342,109,396, representing a return of 3.8 per cent on the outstanding stock. For the seven years from 1910 to 1916, both inclusive, the dividends averaged 4.6 per cent.

It is an astounding fact that one-third of all the stock of American steam railroads pays no dividends whatever. In 1916 the percentage of stock that yielded not a penny of dividends was 39.62. For the period of seven years, from 1910 to 1916, the annual average was 35.67 per cent. That more than one-third of the total outstanding stock of American railways pays no dividends is a sad commentary either upon the judgment of American business men or the adequacy and fairness of our policy of regulation.

So much for the financial condition of the railroads prior to Federal control. On December 26, 1917, the President of the United States, acting under authority granted by Congress, issued a proclamation whereby he assumed possession and control of the railroads of this country as of December 28, 1917. A Director General of Railroads was appointed, who began to operate the railroads as instruments of war.

What was the financial arrangement made between the railroads and the Government? The Federal-control act of March

21, 1918, provided that the owners of the railroad properties should receive, as just compensation for the use of the properties, an annual sum equal to the annual net railway operating income for the three years prior to Federal control—1915, 1916, and 1917. Otherwise stated, the Government agreed to pay the railroads as rental for the use of their properties an annual sum equal to their annual net earnings, if we may employ that expression, prior to Federal control. For the railroads under Federal control that sum is approximately $75,000,000 per month, which figure represents not only the monthly rental which the Government is now paying to the railroads for the use of their properties, but also the average net earnings prior to Federal control. Railroad earnings now go to the Government. If the net railway operating income at the present time were in the neighborhood of $75,000,000 monthly, it would mean about an even break for the Government; in other words, the earnings would equal the rental that is paid. If the net railway operating income should drop to, say, $50,000,000 per month, it would mean a loss to the Government of $25,000,000 per month. It would also mean that if the railroads were returned to their owners, they would find their earning power, other things being equal, less by $25,000,000 than it was when the Government assumed possession and control of their properties. With these facts in mind as a background, let us examine the actual results for the first 17 months of Federal operation.

During the first month of Federal control, January, 1918, the net railway operating income was a deficit of $30,000,000—figures include proper allowance for back wages granted the following June. I speak in round figures because they are more readily followed. In other words, for the month of January, 1918, the Government earned from railroad operation $30,000,000 less than nothing, and in addition it had to pay the rental of $75,000,000 per month, indicating a total loss for that month of approximately $105,000,000. In the next month, February, the result was similar, except that the Government's loss was approximately $90,000,000 instead of $105,000,000. During the next month, March, as weather conditions improved, the earnings increased. For that month the earnings were $36,000,000, indicating a loss to the Government of the difference between $36,000,000 and $75,000,000, or $39,000,000. For April the earnings were $45,000,000, indicating a loss to the Government of $30,000,000. For May they were $47,000,000, a loss of $28,000,000. For June they were $70,000,000, loss $5,000,000. At this time, June, 1918, the 25 per cent advance in rates became effective, and the results for July show the effect of the increase. For that month the earnings were $138,000,000, showing a profit to the Government of $63,000,000. From that time on to the end of the year the earnings steadily declined. For August they were $127,000,000, for September $99,000,000, for October $87,000,000, for November $57,000,000, for December $28,000,000. This completes the story for the calendar year 1918. The results for that year may be summed up as follows: In eight of the months the Government sustained a loss which amounted in the aggregate to $360,000,000, and in four of the months there was a profit aggregating $151,000,000, the Government's net loss for the calendar year being somewhat in excess of $200,000,000.

Now let us examine the results for the first five months of the current year. In January, 1919, the earnings were $19,000,000, showing a loss to the Government of $56,000,000. In February it was $10,000,000; loss, $65,000,000. In March it was $11,000,000; loss, $64,000,000. In April it was $26,000,000; loss $35,000,000. For the five months the Government's loss was approximately $270,000,000.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Wisconsin?

Mr. GAY. I yield.

Mr. LA FOLLETTE. I want to ask the Senator from Louisiana if he is aware of the fact that the chairman of the Committee on Interstate Commerce of the Senate, in a report which he made to the Senate—I think it was in 1917 or 1918—gave it as his judgment that the amount which the Government was required under the act of 1918 to pay to the railroad companies as a rental for their equipment was excessive of everything that was reasonable by about $200,000,000 a year? If, instead of having to pay that excessive rental for the property of the railroads, the Government had only been obliged to pay a sum equal to $200,000,000 less than the amount which they did pay, then, of course, the figures which the Senator has just given to the Senate would not have shown a loss to the Government, but a gain to the Government. Is not that true?

Mr. GAY. That may be correct. I do not contend that the rental paid is fair. The rental is based on the three years prior to Federal control, and I am not competent to say whether it is fair or not. It was fixed by the Congress, and should be considered fair until the contrary is shown. If this same situation continued for 25 years, the Government's total loss would represent a sum sufficient to buy all the steam railroads of the United States. Expressed in another way, the Government's loss during the first five months of this year was at the rate of about $650,000,000 a year, which, multiplied by 25, is approximately equal to the total book value of all steam railroads of the country.

I do not give these figures for the purpose of reflecting in any way upon the United States Railroad Administration. I do not know that the railroads could have been operated to better advantage. I do not claim that these losses are not properly chargeable to war expenses. I do believe, however, that this is a high price to pay for a continued experiment in Federal control under peace conditions.

What I have said indicates that if the railroads were turned back to their owners to-night they would find themselves earning less than one-third as much as they earned during the three years prior to Federal control. They then earned, as I have explained, $75,000,000 per month. During the first five months of this year the earnings averaged about $21,000,000 per month. How are railroad earnings to be restored to a proper level?

It is my personal opinion that the problem can be solved to best advantage by leaving the matter to the judgment of the Interstate Commerce Commission.

Mr. LA FOLLETTE. Mr. President, if the Senator does not mind; in other words, as I understand the Senator, the amount which the Government was required to pay as a rental for the railroads was based upon abnormal earnings; that is, upon the earnings of the railroads of the United States for 1914, 1915, 1916, and 1917. Those earnings were at a very high level of profit to the railroad companies. They were the earnings during the first three years of the European war, and of course they gave the railroads excessive profits. As I understand the Senator's argument, if those high, abnormal war-profit earnings are applied under peace-time conditions, it is at the disadvantage of the public and for the advantage of the railroad companies. Am I right in my assumption?

Mr. GAY. The Senator is correct. As I say, I do not contend that the rental paid is just what it should be; but I can not say that the railroad earnings for the first three years of the war were abnormally large.

The interests involved are so numerous and so complex and the difficulties are so great that it is well-nigh impossible to prescribe by legislative fiat what would be reasonable and proper earnings for the railroads. If the problem can not be left to the good judgment of an expert and impartial tribunal, then I confess that I see no other solution. The House bill proposes to leave this to the discretion of the commission, as heretofore. I submit that this is a sane and satisfactory solution of a most difficult problem.

THE SHORT-LINE RAILROAD PROBLEM.

In a very real sense it may be said that the so-called "weak" railroads constitute the crux of the railroad problem as it exists to-day. If all the railroads in the United States were able to make a reasonable profit from their operation under existing wages and existing prices, there would be no railroad problem to solve. But the truth is that even before the war a huge percentage of the country's railways operated without a profit. I have already shown that in 1916, which was a favorable year, over one-third of the total outstanding stock paid no dividends whatever. There is one proposition that I have not heard contradicted, and which seems to me to be indisputable, and that is this: A poor, weak, dilapidated railroad, without adequate revenues, without suitable equipment, and without credit is unable properly to function as a public servant. The public is entitled to demand of its transportation agencies reasonable and adequate service; but if the public denies to the railroads a decent livelihood it must be content with inadequate service.

Weak railroads are of two classes or types: First, the larger railroads, with good earning capacity, which have been financially wrecked by wanton corruption and criminal mismanagement. For these I hold no brief. One has only to read the reports of the Interstate Commerce Commission to see to what extent the public trust has been betrayed by certain men for their private gain. No one who has studied the New Haven fiasco and the Rock Island crime can fail to see the need of adequate control over security issues and of strict regulation of the practices of common carriers.

But I do not desire to speak at length of these railroads. Their story is told eloquently enough by their own misdeeds. I desire to speak of the other type of weak railroad, the one which is honestly constructed, economically and efficiently managed,

but which is unable, because of conditions over which it has no control, to maintain its credit on the level which is demanded in the public interest.

One of the principal industries in the South, Mr. President, is the lumber industry. It is difficult to exaggerate the importance of that industry, either to the people of the South or to the railroads of the South. Its importance may be gauged by the fact that in a recent case before the Interstate Commerce Commission it was shown, as I am told, that an increase of but 1 cent per 100 pounds on lumber from the producing regions of the South to the Ohio River crossings would increase enormously the earnings of nearly all railroads in southern classification territory. With the single exception of products of mines, lumber and its products constitute the most important tonnage, from a revenue standpoint, of the railroads of this country.

It is a well-known fact that only a few years after the development of the southern lumber industry the forests near the principal railroad routes were exhausted. It became necessary to project short-line railroads, sometimes called "tap lines," into the very heart of the pine forests. Courageous men undertook this task, knowing all the while that the railroads so constructed would have to rely almost wholly on the lumber tonnage. As the timber was cleared away the roads found it necessary to build deeper and deeper into forests, increasing the cost of operation. In some instances the cleared areas were converted into farm lands, the products thereof contributing to the inadequate tonnage of the carrier.

Throughout the South, Mr. President, there are numerous railroads of this character. They represent an aggregate investment of millions upon millions of dollars, they employ thousands of men, and countless towns and villages depend upon them exclusively for transportation service. In the vast majority of cases these railroads are financially weak. They are literally struggling for existence as the forests upon which they depend for freight tonnage gradually disappear.

Almost without exception these small lines of railroad connect with strong trunk lines, such as the Illinois Central, the Louisville & Nashville, and the Southern. Joint through rates on lumber are published from the points of origin on the short lines to Chicago and other markets. The joint through rate is divided between the trunk line and the tap line on a basis agreed upon between them. As a matter of fact, however, the tap line is compelled to take whatever allowance the trunk line gives it, and this allowance in altogether too many instances is wholly insufficient and inadequate. To illustrate, the through rate on lumber from Louisiana and Mississippi mill points to Chicago is approximately 30 cents per 100 pounds. The tap line hauls the lumber from the forest to the junction point with the trunk line and for this service receives in many instances the meager allowance of 2 cents per 100 pounds. The trunk line receives 28 cents.

Now, Mr. President, this is not an exaggeration, but, on the contrary, it is a fairly typical case. These short-line railroads are the "feeders" of the trunk lines. Without them the trunk lines would have practically no lumber tonnage. Like the many small streams whose waters join to form a mighty river, the tap lines of the South gather together a mighty volume of freight traffic that constitutes the very lifeblood of the larger railroad systems. Yet in many cases they receive for this important service as their division of the through rates a mere pittance, which keeps them constantly on the verge of bankruptcy and renders them incapable of performing satisfactorily the service which the public is entitled to demand.

Mr. LA FOLLETTE. Mr. President——

Mr. GAY. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I should like to inquire of the Senator whether the case of the short-line roads has been presented to the Interstate Commerce Commission, if he knows?

Mr. GAY. Does the Senator mean recently?

Mr. LA FOLLETTE. Yes; within a reasonable period.

Mr. GAY. I do not know that it has.

Mr. LA FOLLETTE. I mean in order to determine what share of the joint rate they are entitled to?

Mr. GAY. I shall be glad if the Senator would furnish any information he may possess on that subject.

Mr. LA FOLLETTE. I am just at the moment inquiring whether the Senator has any information upon that subject.

Mr. GAY. No; I have none available at the moment.

The war burden has fallen very heavily on these short-line railroads; much more heavily than on the larger systems. The Director General of Railroads assumed possession and control of certain railroads and refused to assume possession and control of others. I think it highly important that we clearly understand the basis upon which some railroads were taken over by the Director General while others were not. I believe, Mr. President—and I should be very happy indeed if it could be shown that my belief is unwarranted—that the Director General in many cases refused to take over certain railroads for the sole reason that it would not be advantageous from the point of view of the Railroad Administration's financial showing to take them over. Certain it is that the Director General hastened to assume possession and control of practically every railroad in the country whose financial showing was good, and it is equally certain that he failed to take possession of scores upon scores of weak railroads, particularly in the South, whose financial condition for years has been extremely unfavorable.

It can not be said, Mr. President, that these weak railroads were released from Federal control because they were not performing a war service. Where, may I ask, did the lumber originate with which our cantonments were constructed? Where did the lumber originate with which our shipyards were constructed almost overnight? Where did the lumber originate with which to build, as if by magic, a fleet of boats to cover the seven seas? This lumber, Mr. President, or a very large portion of it, came from the tap lines of the South. They labored feverishly to meet the demands of the war; they responded promptly and patriotically to the country's call; they worked almost exclusively on war business. And the Director General refused to take them over because he thought that it would be more economical, from his point of view, to make them bear the burden themselves.

Whether or not this was honest dealing and in harmony with our traditional American policy of fair play for all, I leave to the judgment of the Senate. Certain it is that the stronger railroads were taken over by the Government and paid a rental that is generally regarded as adequate, if not generous, for the use of their properties. These larger railroads were not affected by the war. Their war burden was borne by the Government, and they received as rental for their properties the same profits that they earned in three prosperous years before the war.

I will say to the Senator from Wisconsin [Mr. LA FOLLETTE] that that answers the questions which he asked only a few moments ago.

The short-line railroads were cast adrift. They had to bear alone and unaided the war prices of labor and materials. Their properties were devoted to the Nation's service just as truly as were the properties of other railroads; yet they received not one cent of rental from the Government, and all they have to show for their patriotic response to the Nation's call is red-ink figures on their books.

To show how the short-line railroads of this country have been disadvantageously affected by the failure of the Government to assume possession and control of the properties, and to pay a fair rental for their use during the period of the war, a study has been made of the operations of nine typical short-line railroad companies operating in the States of Mississippi and Louisiana. The result, which I believe to be fairly typical of the general situation, may be summarized as follows:

The Arkansas & Louisiana Midland Railway Co. earned during the three fiscal years 1915, 1916, and 1917 an average net railway operating income of $32,016. Had this railroad been taken over by the Government and paid rental for the use of its property in the same way that other railroads under Federal control are paid, it would have received from the Government the annual rental of $32,016. As a matter of fact, it earned during the year 1918 but $3,964.69. In other words, this railroad received a profit from operation of approximately $28,000 less than it would have received had it been accorded fair and equal treatment on the basis defined by Congress for all railroads under Federal control.

The Gulf & Sabine River Railroad is another typical short-line railroad of the South. Had that railroad been under Federal control it would have been paid as rental for the use of its property during the year 1918 the sum of $24,775. As a matter of fact that railroad was not taken over by the Government, and during the last calendar year it earned a deficit from operation of $12,020.24. In other words, this railroad company earned approximately $36,700 less during the last year than it would have received on the basis recognized as just and fair for all railroads under Federal control.

The Kentwood & Eastern Railway Co. is another good example. Had it been taken over by the Government its standard return would have been $42,888 per year. It actually earned last year $11,226.76.

For other similar railroads the result may be briefly summarized as follows:

Natchez, Columbia & Mobile Railroad Co., standard return $27.56; results for the year 1918 show a deficit from operations of $4,502.48.

Mississippi Eastern Railway Co., standard return $13,654.16; actual results of operation for year ended December 31, 1918, $2,284.50.

Alexandria & Western Railway, standard return $5,728.29; earnings for last year $3,249.32.

The Mansfield Railway & Transportation Co. would have received from the Government $12,244.26. Its actual earnings for 1918 were $2,092.47.

Batesville & Southwestern Railroad Co., standard return $6,725.87; earnings for last year $13,199.54.

Tremont & Gulf Railroad Co. would have received from the Government $84,449.14. Its earnings were $48,948.52.

Had all of these nine railroads been taken over by the United States Government as instruments of war, and had they been accorded the same treatment that was given to the railroads under Federal control, their aggregate rental or standard return for the year 1918 would have been $222,508.28. Their actual return aggregated $68,443.08. In other words, it may fairly be said that unjust, unfair, and discriminatory treatment of these nine railroads cost them in the aggregate the sum of $154,065.20.

Mr. CHAMBERLAIN. May I interrupt the Senator at that point?

Mr. GAY. Certainly.

Mr. CHAMBERLAIN. Were these facts brought to the attention of the Director General of Railroads by the people operating the roads and was any effort made by them to have these injustices corrected?

Mr. GAY. I am sure they have been brought to the attention of the Director General of Railroads from time to time. The figures which I have presented have been published. The figures can be verified from the reports of these carriers to the Interstate Commerce Commission. They are thoroughly reliable, in my opinion, and I believe they are facts, as I said, that are well known.

Mr. WALSH of Massachusetts. Does this same condition exist throughout the country to which the Senator has been referring as existing in Louisiana?

Mr. GAY. I have not only cited railroads in Louisiana, but I have cited railroads in Mississippi and other Southern States.

Mr. WALSH of Massachusetts. It probably exists throughout other States.

Mr. LA FOLLETTE. It is pretty general with reference to the short-line roads.

Mr. GAY. I have no doubt that that is true. I shall not dwell on what seems to me to be the unfair, ungenerous, and thoroughly un-American treatment of these railroads during the war. Our present problem is to see to it that the injustice is not continued; and this leads me to a consideration of what seems to me to be a vitally important matter, namely, the jurisdiction of the Interstate Commerce Commission over the division of rates between common carriers.

By the provisions of section 15 of the act to regulate commerce the Interstate Commerce Commission was authorized to fix the divisions of joint rates when the railroads themselves were unable to agree upon the basis. The section is peculiarly worded, however, and it is by no means certain that it gives the commission authority to fix the divisions of rates except in cases where the rates themselves are established by the commission.

I think it of the highest importance, Mr. President, that the commission be vested with complete and absolute authority over the divisions of all rates and fares of all common carriers subject to the act to regulate commerce. I can not conceive of any opposition to this suggestion upon any reasonable or logical ground. It should be made possible for any railroad which considers its allowances or divisions of joint rates to be inadequate or unfair to present the matter to the Interstate Commerce Commission for determination. I confidently believe that such a step would go a long way toward the solution of the problem presented by so-called "weak" railroads. The following paragraph is suggested for incorporation in the act:

It shall be unlawful for any common carrier subject to this act to demand, exact, or charge from any other common carrier an unreasonable, unfair, or discriminatory division of any intrastate rate, fare, or charge.

The commission shall have full and complete jurisdiction over the division of all rates, fares, and charges of all common carriers subject to this act. Upon complaint or petition of any such carrier that its division or divisions of any rate, fare, or charge is unjust, unfair, or discriminatory, or upon investigation on its own motion, the commission may, after hearing, fix and prescribe such division or divisions as it may consider just, fair, reasonable, and nondiscriminatory, and may award to any carrier such damages or reparation as may have resulted from a violation of this section; and the charging of an unjust, unfair, or unreasonable division shall be conclusive proof of damage.

I believe, Mr. President, that such a provision would go a long way toward solving the weak-railroad problem. It would at least place in the hands of an impartial and unprejudiced tribunal the determination of the fair compensation to be received by all railroads for the service rendered by them, and thus assume fair treatment to certain carriers and certain communities upon whom the war has cast a heavy and an unfair burden.

THE LONG-AND-SHORT-HAUL PROPOSAL.

There has been much discussion of late as to the propriety of enacting legislation that will impose an absolute "long-and-short-haul" rule upon the railroads of this country. I shall refer to this subject very briefly.

When the act to regulate commerce was first enacted, in 1887, the railroads of this country were guilty of gross discrimination, which took several different forms. It sometimes happened that a carrier, without any good reason whatever, would charge more for a short haul than for a long haul over the same line. To illustrate: If there were a shipper at Washington, D. C., whom the railroads desired to favor, they might make the freight rates from Washington to New York lower than the rates from Baltimore to New York.

It is important to understand that there were some instances where the railroads were literally forced by economic conditions to do this. For example, there was a heavy movement of cotton by boat on the Mississippi River between Memphis and New Orleans. The boat rate was, we will say, 15 cents per 100 pounds. The normal rate on cotton by railroad from Memphis to New Orleans may be 25 cents per 100 pounds. If a railroad running between Memphis and New Orleans desired to share in this traffic it was compelled to reduce its rate to 15 cents. Now, suppose there is a point between Memphis and New Orleans, not located on the river, where the normal rate on cotton from Memphis is 20 cents per 100 pounds. Should the railroad, in reducing the New Orleans rate to 15 cents to meet active and compelling water competition, be required also to reduce to 15 cents the rate to the intermediate point, where no competition whatever was felt?

There would seem to be no logical reason for requiring a railroad to depress its rates to a competitive level where no competition exists. A point that is not located on a river is not entitled to the advantages of water transportation. The Mississippi River can not be moved inland. If, therefore, the rate of 20 cents to the interior point is not excessive, and if the rate of 15 cents to New Orleans is compelled by competition, it would seem that the rates fairly reflect the economic conditions.

I believe, Mr. President, that it was these considerations that induced Congress to take the wise course which it took in the act to regulate commerce. The legislation then enacted made it unlawful for a carrier to charge more for a short haul than for a long haul over the same line, but said, in effect, that there might be exceptions to this in instances approved by the Interstate Commerce Commission.

No railroad is permitted, as I understand it, to charge more for a short haul than for a long haul without filing with the Interstate Commerce Commission an appropriate application for permission to do so. The Interstate Commerce Commission inquires into the merits of the application, sets the matter for formal hearing, studies the water competition, and so forth, and either approves or denies the application according to the facts developed. This insures a rate adjustment that conforms to and reflects the economic conditions.

The inadvisability of a rigid long-and-short-haul law may be further understood by referring to another concrete illustration, and I will develop this at some length, because it is a matter not generally understood. I refer to a situation where a railroad whose line between two points is circuitous desires to meet the competition of a direct line without reducing its rates to intermediate points where the competition is not felt. Freight rates between New York City and points in Ohio are made by percentage relation to the New York-Chicago rates. Without troubling you too much with details, I will say that Pittsburgh is in the 60 per cent group; that is to say, rates from New York to Pittsburgh are 60 per cent of the rates from New York to Chicago. Cleveland, Ohio, is in a 71 per cent group, Toledo and Detroit in a 78 per cent group, and Cincinnati in an 87 per cent group. I desire to call attention particularly to the rates from New York to Toledo, on the 78 per cent basis, and the rates from New York to Cincinnati, on an 87 per cent basis. The New York Central has a reasonably direct route from New York to Toledo. The Baltimore & Ohio has a circuitous route via Washington, D. C., and Cincinnati. In other words, the Baltimore & Ohio, in order to reach Toledo, a 78 per cent point, may haul the traffic through Cincinnati, an 87 per cent point.

What would be the effect of a rigid long-and-short-haul law on this situation? It would be unlawful for the Baltimore &

Ohio to charge more to Cincinnati than to Toledo. It would be faced with two alternatives. It could reduce the Cincinnati rates to 78 per cent, but this would seriously impair its revenues on Cincinnati traffic, and would entirely upset the Ohio rate adjustment. The other alternative would be for the Baltimore & Ohio to continue the 87 per cent basis at Cincinnati, but withdraw entirely from the Toledo business. The effect of this would be to deprive the railroad of its share of Toledo traffic and to deprive Toledo shippers of the benefit of the Baltimore & Ohio's service. The latter is a very important consideration, for there was a time very recently when every available route from the West to the East was sorely needed. Cincinnati would derive no benefit whatever from such an arrangement because her rates would remain unchanged.

The objections to a rigid long-and-short-haul law may be summed up as follows:

1. It would deny to cities where actual water competition exists the benefit of rail rates that are responsive to the competition.

2. It would make it a virtual impossibility for railroads to participate in traffic that could move at lower rates by water.

3. It would give to interior cities the same rates as cities located on navigable rivers, thus artificially equalizing conditions that are dissimilar.

4. It would practically disrupt a substantial part of the country's rate structure.

5. It would make it impossible for a circuitous line to meet the rate made by a short line, thus depriving the people of competitive service.

6. It would cause rates to be made by a rule-of-thumb method instead of on a basis that fairly recognizes economic and geographic advantages.

I deplore the tendency that is manifest in some quarters to raise the question of selfish sectional advantages in connection with this issue. Certain sections clamor for a rigid long-and-short-haul law because they think they will profit by the change; other sections clamor for a continuation of the status quo because they might be prejudiced by a change.

I submit, Mr. President, that no legislation rests on solid ground if it is dictated by or responsive to the selfish interests of any section of the country. If we can not enact legislation that rests upon principle, we had better not enact any legislation at all. A law that permits rates to reflect geographic advantages and economic conditions rests upon solid ground. A law that endeavors to level the mountains and transfer the seaboard to the Rocky Mountains does not rest upon solid ground.

RATES ON SUGAR.

The absolute necessity of vesting the rate-making power in an experienced and unprejudicial tribunal is, I believe, recognized by all students of the problem. The shippers of this country have been constantly up in arms against the United States Railroad Administration because of its arbitrary method of increasing rates. I have had occasion to look into this matter to a certain extent, with a view to determining the real cause of the trouble, and I believe that I am in a position to say with confidence that the real difficulty may be summed up as follows: *Shippers do not object to whatever increases may be necessary in transportation rates to afford adequate revenues; but they object most strenuously to arbitrary increases that destroy long-existing rate relationships and give their competitors an unfair advantage.* I can make this clear by referring to rates on sugar.

The principal sugar producing and shipping points or districts in the United States are (1) New Orleans, La., and adjacent territory; (2) New York and Philadelphia; (3) California. A large quantity of beet sugar is also produced in Michigan and some of the Western States, but I shall confine my remarks to the three principal shipping centers—Louisiana, the Atlantic seaboard, and the Pacific coast.

One of the best markets for sugar in the United States is the States of Ohio, Indiana, and Illinois, and more particularly the cities of Chicago, St. Louis, Louisville, Cincinnati, and other large centers in that part of the country. The quantity of sugar produced in Ohio, Indiana, and Illinois is negligible in comparison with the consumption in those States. On the other hand, the production of sugar in Louisiana and in the refineries along the Atlantic coast and in California greatly exceeds the demand in those territories. The result is that economic conditions necessitate a huge movement of sugar from all three centers of production to the States of Ohio, Indiana, and Illinois. It is the market for which the three producing districts most earnestly compete.

For many years New York has enjoyed favorable rates to Chicago by rail and lake, the sugar moving from New York to Buffalo by rail and from there to Chicago via the boats on the Great Lakes. New Orleans felt that it was vitally necessary, if its sugar was to reach Chicago in competition with New York, to have at least as favorable rates to Chicago as those from New York to Chicago. These rates have been carefully considered by the Interstate Commerce Commission in several cases, and without troubling you with the details I will say that the whole rate adjustment was established on a very satisfactory basis to all concerned, as follows: New Orleans was given the same rate exactly to Chicago as the rail-and-lake rate from New York to Chicago. At Louisville, Ky., because of water competition on the Mississippi and Ohio Rivers and because of intense market competition, New Orleans was given a rate 7 cents under Philadelphia. This adjustment continued for a number of years. In 1914 there was a 5 per cent increase in the rates from New York and Philadelphia to Chicago and other points in accordance with the decision of the commission in the so-called Five Per Cent case. I do not pretend to be expert in the matter of these rates, but I believe the figures I give to be accurate. They will at least show approximately the relative adjustment.

This case did not apply to rates from New Orleans to the North, but because of the extremely sensitive character of the rate adjustment and because even a small advance in a rate from one producing district without a corresponding advance from a competing district was regarded as wrong, the commission permitted a corresponding increase in the rates from New Orleans to Chicago and other points. This clearly shows how sensitive and how permanent the relative adjustment was considered by the commission, which had given long and careful study to the problem.

Then came the Director General of Railroads, who issued his now famous General Order No. 28. One would have thought that in making increases in rates on sugar the Director General would have endeavored to profit by the long and careful study of the situation made by the commission. One would have thought that he would at least give some consideration to market competition and to the sensitive rate adjustment that had become established. An equal advance in rates from all producing sections would have met the situation admirably. But what did the Director General do? From the East the rates were increased arbitrarily from a commodity-rate basis to the full fifth-class basis. From the West the increase was not to any class basis, but an arbitrary increase of 22 cents per 100 pounds. And from New Orleans another arbitrary increase was made, with the following grotesque result:

The rate from New York to Chicago was increased 65 per cent.

The rate from San Francisco to Chicago was increased 46 per cent.

The rate from New Orleans to Chicago was increased 85 per cent.

The rate from New Orleans to Louisville and St. Louis was increased 143 per cent.

The amounts of these increases are in themselves enough to condemn them—increases from 46 per cent to 143 per cent made at a time when the general increase was understood to be 25 per cent. As a representative of the State of Louisiana, whose people depend in large part upon sugar for their very livelihood, I can not refrain from making a dignified but emphatic protest against such stupendous increases in freight rates. If a general increase of 25 per cent was made on commodities generally, why must sugar be taxed with an increase ranging from 46 to 143 per cent?

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Wisconsin?

Mr. GAY. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I rise to inquire whether the Senator from Louisiana has any explanation to give to the Senate of the remarkable diversity in rates which he has just presented?

Mr. GAY. It is another instance, I think, of the arbitrary method of making rates. This matter, I know, was brought to the attention of the commission, for I was present when a representative gathering appeared there, headed by the governor of the State, the mayor of the city of New Orleans, and business men connected with the various exchanges of that city, who went into the matter in great detail. Some relief has been afforded—I have not the figures before me—but the rates are still very arbitrary.

Mr. LA FOLLETTE. What excuse or explanation was made for this wide variance in rates, if the Senator is able to state it?

Mr. GAY. It is very hard, indeed, to explain just what excuse or what reason could be offered. From my point of view there does not seem to be any.

I say "taxed" advisedly, Mr. President, because in my opinion increased freight rates levied upon the people of the United States as a war measure are essentially taxes. For the time

being that taxing power is lodged not in the Congress of the United States, but in a few railroad men in the office of the Director General of Railroads.

I desire to make it clear, Mr. President, that the people of my State are willing to pay any rates of transportation that their Government may deem reasonably necessary as a war measure, but they protest, and I protest in their behalf, in having such stupendous increases imposed upon a commodity that is vital to our State when increases of only 25 per cent are made on commodities generally. And I further protest against an increase of 143 per cent in rates from New Orleans while increases of only 46 per cent and 65 per cent are made in rates from New York and San Francisco.

Why was it necessary, Mr. President, for the Director General of Railroads to disrupt the rates of this country? Granting the necessity of increased revenues, why could they not have been obtained by means of fair and equitable increases? Why should the careful work done by the Interstate Commerce Commission be overturned in a few hours by the arbitrary action of some subordinate in the office of the Director General?

The people of my State believe, Mr. President—and I believe with them—that they have been most unjustly and unfairly treated. Were this an isolated instance that I have given you it might pass unnoticed; but have you not heard the same story from the grain shippers and the oil shippers of the West? Have you not heard the same story from the live-stock shippers of Texas? Have you not heard the same story with reference to an arbitrary and unjust increase in coal rates to New England? If there is anything, Mr. President, that a free people will not stand for, it is unjust and unfair taxation. From all parts of this broad land have come the most emphatic and determined protests against the increases in freight rates authorized by the Director General of Railroads. The objection was not to the increases or the amount of the increases, but to the unfair, arbitrary, and discriminatory manner in which the increases were made. Taxes amounting to millions of dollars, temporarily for the benefit of the Government but ultimately for the benefit of the railroads, have been levied by railroad men upon the shippers of this country. Never in my experience, Mr. President, have I seen taxes levied in this manner, and never in my experience have I seen such a unanimous and nation-wide protest against the exercise of a Federal power.

I should consider myself, Mr. President, an unworthy representative of the State of Louisiana if I failed to call this situation to the attention of the Senate. The very least thing that the Congress can do is to restore the rate-making power to the Interstate Commerce Commission, in order that the people may feel that taxes, when levied in the form of rates, are imposed after full hearing and investigation, and imposed with equal regard to the rights of all the people.

USE OF THE SOUTHERN PORTS.

It will be my purpose at another time to deal at greater length with a question that is of vital importance to the people of the South, namely, the extent to which the southern ports are used for the export and import of goods. In an address that deals particularly with the present phase of the railroad problem I can not treat this subject with the care that it deserves. At the present time I shall do no more than call attention to the fact that, whatever may be the cause, the Southern ports are not obtaining their fair share of export and import traffic.

During the decade from 1901 to 1910 the value of the imports moving via the three ports of New York, Boston, and Philadelphia was approximately 58 per cent of the value of all imports and exports for the whole country. During the same period the figure for New Orleans and Galveston combined was approximately 12 per cent. Figures for the decade beginning with 1911 are, of course, not available, but for the years 1911 to 1913 the figure for New York, Boston, and Philadelphia is approximately 55 per cent of the total, and for New Orleans and Galveston combined approximately 12 per cent.

It is my opinion, and it is energetically shared by practically all people in the South, that these figures represent an unfair distribution of exports and imports as between the several ports. I challenge any man to show me anywhere in the world a territory that exceeds in productive power that drained by the Mississippi River and its tributaries. Every law of economics and every law of nature would seem to demand that the rich products of this great producing section should move down the Mississippi Valley and find their way to foreign countries through the southern ports. But it seems that the financial interests of a certain section of this country and the influence of certain railroads of this country have conspired to divert the traffic to a few of the northern ports.

I need not tell this Senate what the result of this was when our country suddenly found itself at war. Every railroad serving the port of New York was hopelessly congested. Cars were blocked on the Pennsylvania Railroad as far west as Pittsburgh. The situation became so acute that the military program was actually endangered and the Government found it necessary to take over the railroads as a war measure to insure the expeditious movement of war materials and troops. I do not believe that this situation would have existed, at least to the same extent, if we had distributed our exports more judiciously and more fairly among the several ports.

This is a matter, Mr. President, which is of vital interest to the people of the South. I can not deal with it at greater length at the present time, but I think I ought to make it clear that I intend to do all that I can do to see that the people of the South are fairly treated in this respect.

CONCLUSION.

I trust, Mr. President, that I have not laid too much stress upon matters in which the State of Louisiana is specially interested. I fully appreciate that this problem is too vast to be decided along sectional lines. But I feel that I ought to say that Federal control has borne very heavily upon the people of my State, and that the whole transportation situation is ominous from their point of view. New Orleans, located at the mouth of the greatest river system in the world, finds that the products raised along the river are exported through other ports. Now an effort is being made, in the form of the long-and-short-haul bill, to deprive her of the few advantages that have had recognition. It is proposed to make the rail rates to and from New Orleans in such a way that she might quite as well be located in the mountains of the interior. New Orleans is located on the Mississippi River, and I do not expect to give my approval to any proposition that attempts to move her to the hills or to transfer the Mississippi River to some other section of the country. The rates on sugar from Louisiana have been increased by unprecedented amounts and in arbitrary and discriminatory fashion. The short-line railroads have been reduced to the point of starvation. On behalf of the people I represent I protest against all of these things, and I propose to do all that I can to correct them.

It is quite generally thought, Mr. President, that the railroad problem is extremely difficult and complicated. No one appreciates more fully than I do its difficulties and its complications. But I can not help feeling that, after all, the problems can be reduced to rather simple terms. The public must be given adequate service. Without exception the service rendered by the railroads of this country has been the best transportation service rendered in any country upon the face of the earth. The return of the railroads to private control and the restoration of vigorous and healthy competition will insure adequate service. In the second place, it is necessary that rates and fares be made as low as they can be made consistently with good service. The proper level of rates can be determined only by an expert and unprejudiced tribunal such as the Interstate Commerce Commission. Finally, the railroads must be given adequate earnings. Here, again, the judgment of an expert tribunal must be exercised. The rate-making power, which is a taxing power, must be lodged in an impartial body. The problem presented by the "weak" railroads can be solved by insuring reasonable divisions of through rates and by authorizing the consolidation of such roads, under proper supervision, with larger systems. If we do these things, we shall not go far astray, but we shall have solved in truly American fashion a problem that is typically American.

While there are many provisions of the pending bill which I do not like, and I have supported amendments intended to make it more liberal, I sincerely trust that in the conference between the House and the Senate many of the objectionable features will be eliminated and that there will be enacted into law the necessary legislation which will give the desired relief to the public.

Mr. KIRBY obtained the floor.

Mr. WARREN. Mr. President, I desire to ask the chairman in charge of the bill if he will permit me to ask unanimous consent for the consideration and passage—which will take perhaps 10 minutes—of two resolutions and one bill from the Appropriations Committee, which it is very necessary to have passed to-night, so that they can be sent to the House for the adoption of amendments.

Mr. CUMMINS. Mr. President, I do not feel that I have any authority in such a matter. The House certainly will not adjourn or take a recess until these matters are disposed of. The Senator sees the difficulty in the present situation.

Mr. WARREN. I hardly think there will be any opposition to the bills, and I think their disposition will take only a matter of 5 or 10 minutes.

Mr. KIRBY. I will say that, so far as I am concerned, I do not expect to speak more than 15 or 20 minutes, and I could speak to-morrow as well as to-night.

Mr. CUMMINS. I do not feel that I can give way at this time, although I understand the urgency of the appropriation bills.

Mr. WARREN. It is rather urgent, because the money that is provided for the sick and disabled, both citizen and Army, is exhausted, and this appropriation carries a small amount to carry them over.

Mr. CUMMINS. What difference will it make if they are not taken up to-night?

Mr. WARREN. It might make the difference of their failing to pass.

Mr. CUMMINS. It might make the difference of the railroad bill's failing to pass.

Mr. WARREN. Well, the Senator can refuse, of course.

[Mr. KIRBY addressed the Senate. See Appendix.]

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gerry	Lenroot	Sherman
Brandegee	Gronna	McCormick	Smith, Md.
Calder	Hale	McKellar	Smith, S. C.
Capper	Harris	McLean	Smoot
Chamberlain	Harrison	McNary	Spencer
Colt	Henderson	Moses	Stanley
Cummins	Jones, N. Mex.	Myers	Sterling
Curtis	Jones, Wash.	New	Sutherland
Dial	Kellogg	Norris	Thomas
Edge	Kendrick	Nugent	Trammell
Elkins	Kenyon	Overman	Underwood
Fernald	Keyes	Phipps	Wadsworth
Fletcher	King	Poindexter	Walsh, Mass.
France	Kirby	Ransdell	Walsh, Mont.
Frelinghuysen	Knox	Robinson	Warren
Gay	La Follette	Sheppard	Wolcott

The PRESIDING OFFICER. Sixty-four Senators have answered to their names. There is a quorum present.

Mr. ROBINSON. Mr. President, I ask unanimous consent that not later than 3 o'clock p. m., Saturday, December 20, the Senate proceed, without further debate, to vote upon the pending bill and all amendments thereto to the final disposition of the bill.

Mr. LA FOLLETTE. I should like to inquire to what time it is the purpose of the chairman of the Committee on Interstate Commerce to take a recess? That will have an important bearing upon the subject.

Mr. CUMMINS. It is my purpose to ask that the Senate shall take a recess until 11 o'clock.

Mr. LA FOLLETTE. That would allow four hours for debate.

Mr. HARRISON. Mr. President, it is the intention of the Senator from Oregon [Mr. MCNARY] to call up the sugar bill, and there is an agreement which has been reached with reference to that measure. I understand that about 40 minutes time will be consumed in discussion of it. The Senator from Louisiana [Mr. RANSDELL] wants to take about 30 minutes and the Senator from Utah [Mr. SMOOT] about 10 minutes. They would like to have about that much time.

Mr. CUMMINS. Then I suggest that we take a recess until 10 o'clock.

Mr. ROBINSON. I will modify my request, if it is the desire of Senators, and ask that when the Senate takes a recess this evening it shall be until 10 o'clock to-morrow, and that at 10 o'clock to-morrow, or upon the convening of the Senate, the Senate shall proceed to the consideration of the bill mentioned by the Senator from Mississippi [Mr. HARRISON], and that at 11 o'clock, or sooner if the bill referred to by the Senator from Mississippi is disposed of, the Senate shall proceed to the consideration of the railroad bill, and that at not later than 3 o'clock p. m. to-morrow the Senate shall proceed without further debate to vote upon the railroad bill and the amendment thereto.

Mr. WARREN. Mr. President, I do not wish to object to the arrangement, but we have a couple of small matters from the Committee on Appropriations that are very necessary, and if we can do so we should like to dispose of them to-night before we take the recess.

Mr. CUMMINS. I suggest to the Senator from Wyoming that after the unanimous consent is agreed upon I will ask unanimous consent that we lay aside the pending bill temporarily, and then the Senator from Wyoming can dispose of the bills to which he refers.

Mr. WARREN. Then I have no objection to the proposal.

Mr. ROBINSON. I submit the unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. MCNARY. Mr. President, I have this objection: I know we are all interested in passing the sugar bill, and I do not want to be limited to one hour, because if that one hour is occupied fully we may not be able to reach a proper determination on that bill. I should be very happy to have the Senator from Arkansas not limit the debate on the sugar bill from 10 to 11 o'clock, but let the debate on the sugar bill start at 10 o'clock and go on until we exhaust the time necessary for its disposition, which, I think, is apt to be an hour or an hour and a half, and then take up the railroad bill.

Mr. ROBINSON. I suggest to the Senator from Oregon that after the conclusion of the pending bill, if the bill in which he is interested is not disposed of during the hour that is embraced in my request for unanimous consent, we can then resume the consideration of that bill and finally dispose of it. The reason why I limit it to an hour is upon the assurance of some Senator—I think the Senator from Mississippi [Mr. HARRISON]—that less than an hour would be required to dispose of that bill.

Mr. MCNARY. Mr. President, I understand that the Senator from Arkansas proposes an hour at the beginning of the session to-morrow for the consideration of the sugar bill, and that then, after the termination of the consideration of the railroad bill, such additional time as may be necessary be given to the sugar bill?

Mr. ROBINSON. There is no limitation in the unanimous consent that I have asked upon the consideration of the so-called sugar bill. The railroad bill is before the Senate, and, in all probability, can not be displaced by any other matter. The only reason that I modified my request for unanimous consent respecting the railroad bill was what I understood to be for the purpose of conserving the desire of the Senators who are interested in the sugar bill.

Mr. LENROOT. Will the Senator yield to me?

Mr. ROBINSON. I yield with pleasure.

Mr. LENROOT. May I suggest to the Senator from Arkansas to include in his request for unanimous consent that a vote be had upon the sugar bill at 11 o'clock?

Mr. MCNARY. I should be very happy to agree to that.

Mr. HARRISON. I was going to suggest——

Mr. CUMMINS. There is another suggestion, if I may have permission to make it, that after the railroad bill is disposed of, if the sugar bill has not been previously disposed of it can be taken up and held before the Senate until finally acted upon.

Mr. HARRISON. Mr. President, the trouble about that is, as the Senate will see, that the sugar bill must go back to the House under the agreement, and the House must agree to the amendment that is to be agreed upon by the Senate. May I not suggest to the Senator from Arkansas to incorporate in his request for unanimous consent that we meet at 10 o'clock that the sugar bill be first considered, that a vote be taken upon it not later than half-past 11, and that the vote on the railroad bill be taken not later than 3 o'clock?

Mr. ROBINSON. I so modify my request.

Mr. LA FOLLETTE. Make it half-past 3 o'clock.

Mr. HARRISON. Very well; make it half-past 3 o'clock.

Mr. ROBINSON. I then ask unanimous consent that when the Senate takes a recess to-day it be until 10 o'clock to-morrow; that when the Senate convenes to-morrow it proceed to the consideration of the sugar bill; that not later than 11.30 o'clock a. m. the Senate proceed, without further debate, to vote upon the sugar bill and all amendments thereto; that upon the final disposition of the sugar bill the Senate resume the consideration of the railroad bill; and that not later than 3.30 o'clock p. m. on Saturday, December 20, the Senate proceed, without further debate, to vote upon the railroad bill and the amendment thereto to the final disposition of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. POINDEXTER. Mr. President, I have no objection to the proposed unanimous-consent agreement so far as the railroad bill is concerned, but this request incorporates the sugar bill with the railroad bill. The sugar bill in a time of profound peace undertakes to continue indefinitely in the executive branch of the Government the war power until June 30, I am now informed, under a subsequent agreement that I know nothing about. I am not in favor of continuing in existence arbitrary, autocratic executive control over one of the most important necessities of life, and I shall object to this agreement to vote at a fixed time upon that bill.

Mr. ROBINSON. Pending the objection, if the Senator will withhold his objection, I should like to modify my request.

Mr. POINDEXTER. I withhold the objection.

Mr. ROBINSON. In view of the statement just made by the Senator from Washington, I ask that when the Senate takes a recess it be until 11 o'clock to-morrow morning, and that not later than 3 o'clock p. m. on Saturday, December 20, the Senate proceed to vote upon the railroad bill and the amendment thereto to final disposition of the bill, and without further debate.

Mr. McNARY. I object to that. I am willing to consent to the first request made by the Senator from Arkansas.

Mr. ROBINSON. But the Senator realizes there is objection to that request.

Mr. CURTIS. Then let us vote to-night.

SEVERAL SENATORS. Vote! Go ahead!

Mr. GAY. I object.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. Wait a moment, Mr. President. I have some remarks to submit upon that proposition.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. LA FOLLETTE addressed the Senate. After having spoken for about five minutes,

Mr. ROBINSON. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Arkansas.

Mr. LA FOLLETTE. I yield for a moment.

Mr. ROBINSON. I presume, in order to renew the request for unanimous consent for the final disposition of the pending bill, it will be necessary now to suggest the absence of a quorum.

Mr. THOMAS. No; no business has been transacted since the last call.

Mr. ROBINSON. In view of that statement I ask unanimous consent that when the Senate takes a recess to-day it be until 10 o'clock to-morrow morning; that when the Senate reconvenes to-morrow it proceed to the consideration of the sugar bill; that not later than 11.30 o'clock to-morrow the Senate proceed without further debate to vote upon that bill and all amendments thereto to its final disposition; that after the disposition of the sugar bill the Senate immediately resume the consideration of the railroad bill; and that not later than 3.30 o'clock p. m. to-morrow the Senate proceed to vote, without further debate, upon that bill and the amendment thereto to its final disposition.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, as I just entered the Chamber, I did not catch all of the request.

Mr. ROBINSON. I will state it again, and I ask the attention of Senators. I ask that when the Senate take a recess to-day it be until 10 o'clock to-morrow morning; that upon convening to-morrow the Senate proceed to the consideration of the sugar bill; that not later than 11.30 o'clock to-morrow morning the Senate proceed to vote upon that bill and all amendments thereto to the final disposition of the bill; that immediately upon the disposition of the sugar bill the Senate resume the consideration of the pending bill, the railroad bill; and that not later than 3.30 o'clock p. m. to-morrow the Senate proceed, without further debate, to vote upon that bill and the amendment thereto to the final disposition of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of Washington. Mr. President, I have no objection; but it is my recollection of the rule that it is imperative that the roll must be called before a unanimous-consent agreement of this kind can be entered into.

Mr. ROBINSON. I made that suggestion myself when I started to submit the request, and I was of that opinion.

Mr. JONES of Washington. The rule is imperative.

The PRESIDING OFFICER. The Chair understands that a quorum call should be made. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ball	Gerry	Lenroot	Smoot
Brandegee	Gronna	McCormick	Spencer
Calder	Hale	McKellar	Stanley
Capper	Harris	McNary	Sterling
Chamberlain	Harrison	Moses	Sutherland
Colt	Henderson	New	Thomas
Cummins	Jones, N. Mex.	Nugent	Trammell
Curtis	Jones, Wash.	Phipps	Underwood
Dial	Kellogg	Pomerene	Wadsworth
Edge	Kenyon	Ransdell	Walsh, Mass.
Elkins	Keyes	Robinson	Warren
Fernald	King	Sheppard	Williams
Fletcher	Kirby	Sherman	Wolcott
France	Knox	Smith, Md.	
Gay	La Follette	Smith, S. C.	

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. A quorum is present. The question is upon the proposed unanimous-consent agreement submitted by the Senator from Arkansas [Mr. ROBINSON]. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. CUMMINS. I ask unanimous consent to lay aside temporarily the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a joint resolution (H. J. Res. 267) authorizing the payment of salaries of officers and employees of Congress for December, 1919, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED.

H. J. Res. 267. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919, was read twice by its title and referred to the Committee on Appropriations.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPENCER:

A bill (S. 3576) to authorize the acquisition of a site and the erection of a Federal building at Ozark, Christian County, Mo.; and

A bill (S. 3577) authorizing the Secretary of the Treasury to sell the present Marine Hospital site in the city of St. Louis and to acquire a suitable and sufficient tract of land in or adjacent to the city of St. Louis for the construction of a complete hospital plant for the treatment of beneficiaries of the war-risk insurance and the Public Health Service; to the Committee on Public Buildings and Grounds.

URGENT DEFICIENCY APPROPRIATION.

Mr. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, namely:

EMPLOYEES' COMPENSATION COMMISSION.

Contingent expenses: For furniture and other equipment and repairs thereto, $750; law books, books of reference, periodicals, stationery, and supplies, $850; experts and temporary assistants in the District of Columbia and elsewhere to be paid at a rate not exceeding $8 per day, and temporary clerks, stenographers, or typewriters in the District of Columbia to be paid at a rate not exceeding $100 per month, $7,650; medical examinations, traveling and other expenses, and loss of wages payable to employees under section 21 of the act of September 7, 1916, and for miscellaneous items, $750; in all, $10,000.

Employees' compensation fund: For the payment of compensation provided by "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, including medical, surgical, and hospital services, and supplies provided by section 9, and the transportation and burial expenses provided by sections 9 and 11, $1,100,000, to remain available until expended: Provided, That the compensation heretofore or hereafter paid by the United States Shipping Board Emergency Fleet Corporation to or on account of employees for disability or death resulting from personal injuries sustained while in the performance of their duties shall be in full satisfaction of the claims of such employees or their legal representatives against the United States.

TREASURY DEPARTMENT.

PUBLIC HEALTH SERVICE.

For medical, surgical, and hospital services and supplies for war-risk insurance patients and other beneficiaries of the Public Health Service, including necessary personnel, regular and reserve commissioned officers of the Public Health Service, clerical help in the District of Columbia and elsewhere, maintenance, equipment, leases, fuel, lights, water, printing, freight, transportation and travel, maintenance and operation of passenger motor vehicles, and reasonable burial expenses (not exceeding $100 for any patient dying in hospital), $2,000,000.

The PRESIDING OFFICER. The amendments will be stated.

The first amendment of the Committee on Appropriations was, in line 6, after the word "commission," to insert ", the Bureau of War Risk Insurance."

Mr. KING. Mr. President, I should like to ask the chairman of the committee whether this amount is in addition to the

amount heretofore carried in the appropriation bills for the Public Health Service. We have made very liberal appropriations for that bureau.

Mr. WARREN. But we did not make a sufficient appropriation. We did not appropriate the amount of the estimates, and the understanding was then that we should have to make a further appropriation this session, before the 1st of January. They are entirely out of funds, or will be before the 24th, to the last dollar, I am informed.

Mr. KING. Will the Senator indicate what this large appropriation is for? We have made very liberal appropriations.

Mr. WARREN. The appropriation is a little more than a million dollars. The odd dollars are for contingent expenses, and the million dollars are for the compensation of Government employees, those who are injured in the performance of their duties while working for the Government, under the legislation which was passed long ago, and which is taken care of by a commission of three persons, one woman and two men.

Mr. KING. I should like to ask the Senator whether the appropriation heretofore made was not calculated upon the needs of that department, and contemplated the injured persons and their demands, as stated by the Senator?

Mr. WARREN. It was not intended to go any farther than probably the 1st of January, or possibly the middle of January; but it has already taken even more than it was then thought would be expended.

Mr. KING. It is not for civilian employees, if I may be permitted that expression?

Mr. WARREN. No; it is for Government employees, those working in the Government service. I will say to the Senator that there was an attempt on the part of the lawyer of the Emergency Fleet Corporation—in fact, not an attempt, but he advised the commission that they should pay the losses through death and injury of those engaged in shipbuilding; but John Barton Payne, the chairman of the Shipping Board, has ruled otherwise, and, in fact, the committee refused to recognize that claim or to appropriate it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was to add at the end of the bill the following:

HOSPITAL AT BROADVIEW, COOK COUNTY, ILL.

That so much of an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1919, and prior fiscal years, and for other purposes" (Public, No. 5, 66th Cong.), as reads as follows: "The Secretary of the Treasury is hereby directed to acquire and complete immediately the hospital at Broadview, Cook County, Ill., authorized and appropriated for by an act entitled 'An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines,' approved March 3, 1919" (Public act No. 326, 65th Cong.), is hereby amended so as to read as follows:

"That the Secretary of the Treasury be, and he is hereby, directed immediately to acquire the uncompleted hospital building at Broadview, Cook County, Ill., and the site thereof, consisting of 320 acres, more or less, and to cause the work on said hospital building to be completed and the five proposed auxiliary buildings to be constructed in accordance with plans and specifications transmitted to the Shank Co. July 15, August 16, and September 23, 1919, and the appropriation therefor contained in the act entitled 'An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers,' approved March 3, 1919, together with such further changes in said buildings as may be found necessary or desirable: *Provided*, That if in the opinion of the Secretary of the Treasury the aforesaid buildings do not constitute a reasonably complete working hospital for the needs and purposes of the Public Health Service, he is hereby authorized to submit an estimate for such further appropriation as may be required, not to exceed $2,500,000, to enable him to construct such additional buildings as he deems necessary, together with their mechanical equipment, laundry machinery," etc.

The amendment was agreed to.

The next amendment was to add to the bill the following:

BUREAU OF WAR RISK INSURANCE.

Military and naval compensation: For the payment of military and naval compensation, funeral expenses, services, and supplies, as authorized by law, $30,000,000.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920."

JOINT COMMISSION ON RECLASSIFICATION OF SALARIES.

Mr. WARREN. From the Committee on Appropriations I report back favorably, without amendment, the joint resolution (S. J. Res. 135) extending the time for filing final report of the Joint Commission on Reclassification of Salaries, created by section 9, Public, No. 314, Sixty-fifth Congress, approved March 1, 1919, to a date not later than March 12, 1920, and I ask unanimous consent for its present consideration.

Mr. SMOOT. I object to the consideration of the joint resolution at this time.

The PRESIDING OFFICER. Objection is made, and the joint resolution will be placed on the calendar.

PAY OF EMPLOYEES.

Mr. WARREN. From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 267) authorizing the payment of salaries of officers and employees of Congress for December, 1919, and I ask for its present consideration.

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read, as follows:

Resolved, etc., That the Secretary of the Senate and the Clerk of the House of Representatives are authorized and instructed to pay the officers and employees of the Senate and House of Representatives, including the Capitol police, their respective salaries for the month of December, 1919, on the 20th day of said month; and the provisions of the resolution (H. J. Res. 260) entitled "Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919," of this session of the Congress be, and the same are hereby, rescinded.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SEWERS AT LITTLE CHUTE, WIS.

Mr. CALDER. I am directed by the Committee on Commerce, to which was referred the bill (H. R. 10402) authorizing the Secretary of War to grant permission to the municipal authorities at Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.

Mr. LENROOT. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to grant permission to the municipal authorities of the village of Little Chute, in the county of Outagamie, in the State of Wisconsin, and their successors and assigns, to construct, maintain, and operate sewers and appurtenant works on United States property and under the United States canal at said village: *Provided*, That such permission shall be subject to such conditions, restrictions, rules, and regulations as the Secretary of War may from time to time prescribe, and that the construction of such sewers and works shall not be commenced until plans therefor prepared by the said authorities shall have been submitted by them to the Chief of Engineers and shall have received his written approval: *Provided further*, That the Secretary of War may terminate the said permission whenever and at such time as in his judgment the public interests require.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably, without amendment, the bill (H. R. 8992) for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa., and I submit a report (No. 340) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct within the Commonwealth of Pennsylvania a bridge, with approaches thereto, across the Susquehanna River at Laceyville, Wyoming County, Pa., at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WILLIAM T. ELLIS (S. DOC. NO. 45, PART 2).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Senate:

In further response to Senate resolution 82, adopted by the Senate on June 17, 1919, requesting the Secretary of State to

furnish information regarding the detention of Mr. William T. Ellis, American correspondent of the New York Herald, at Cairo, Egypt, I transmit herewith a supplementary statement containing information on the subject requested in the resolution.

WOODROW WILSON.

THE WHITE HOUSE, *18 December, 1919.*

RECESS.

Mr. CUMMINS. Mr. President, I move that the Senate take a recess until 10 o'clock to-morrow forenoon.

The motion was agreed to; and (at 11 o'clock and 45 minutes p. m.) the Senate took a recess until to-morrow, Saturday, December 20, 1919, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES.

FRIDAY, *December 19, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, our Father in heaven, for all the great and daring men who are seeking by every legitimate means to unite the family of mankind into a great brotherhood, that the world may be a safer, saner dwelling place—the scientist, who is seeking to solve the mysteries which environ us; the inventor, who is devising methods to eliminate time and space; the explorer, who seeks every nook and crannie in the broad earth; the doctor, who is looking for the cause of disease and remedies to remove it and thus prolong life; the statesman, who would bring order out of chaos and establish just and equitable laws; the philanthropist, who would reduce suffering; the teacher, who would develop all that is best in childhood and youth; the man of God, who would establish larger faith, brighter hopes, deeper love, remove all selfish desires—the root of all evil—to the glory and honor of Thy holy name, after the manner of the Christ, the world's great Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

CHANGE OF REFERENCE.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent for a change of reference of Senate bill 2789, for the consolidation of forest lands in the Sierra National Forest, Calif., and for other purposes, from the Committee on Agriculture to the Committee on the Public Lands. The parliamentary clerk has called my attention to this subject and has explained it to the Committee on Agriculture. The Committee on the Public Lands has jurisdiction.

The SPEAKER. The gentleman from Oregon asks a rereference of the bill referred to from the Committee on Agriculture to the Committee on the Public Lands, stating that it is agreeable to both committees. Is there objection?

Mr. CANDLER. Reserving the right to object, Mr. Speaker, may I ask what the character of the bill is?

Mr. SINNOTT. It is a bill for the consolidation of forest lands in the Sierra National Forest.

Mr. CANDLER. That is the proper jurisdiction?

Mr. SINNOTT. Yes. It should be in Public Lands.

The SPEAKER. Is there objection?

There was no objection.

GRAZING LANDS IN UTAH.

Mr. SINNOTT. Mr. Speaker, I also ask unanimous consent to recommit to the Committee on the Public Lands the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes.

The SPEAKER. The gentleman from Oregon asks unanimous consent to recommit to the Committee on the Public Lands the bill S. 3016.

Mr. CLARK of Missouri. What is the bill about?

Mr. SINNOTT. That is a bill reported by the Committee on the Public Lands, authorizing the disposition of certain grazing lands in the State of Utah, and for other purposes.

The SPEAKER. Is there objection?

There was no objection.

RATIFICATION OF PROHIBITION AMENDMENT BY THE STATE OF ARKANSAS.

The SPEAKER laid before the House the following communication from the secretary of state of Arkansas, announcing the ratification by the legislature of that State of the prohibition amendment to the Constitution of the United States on January 14, 1919:

STATE OF ARKANSAS,
DEPARTMENT OF STATE,
Little Rock, December 16, 1919.

The honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.

MY DEAR SIR: Pursuant to the request of the Forty-second General Assembly of the State of Arkansas, I am inclosing certified copy of house joint resolution No. 1, ratifying the Federal prohibition amendment.

Yours, sincerely,

TOM J. TERRAL,
Secretary of State.

ELECTION OF A MEMBER OF THE COMMITTEE ON THE TERRITORIES.

Mr. KITCHIN. I move, Mr. Speaker, the election of Mr. HUMPHREYS, of Mississippi, on the part of the minority as a member of the Committee on the Territories.

The SPEAKER. The gentleman from North Carolina moves the election of Mr. HUMPHREYS, of Mississippi, as a member of the Committee on the Territories. Is there objection?

There was no objection, and Mr. HUMPHREYS was declared elected.

FIFTY-FOURTH NATIONAL ENCAMPMENT, GRAND ARMY OF THE REPUBLIC.

Mr. KIESS. Mr. Speaker, I submit a privileged resolution from the Committee on Printing.

The SPEAKER. The gentleman from Pennsylvania submits a privileged resolution, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution 41.

House concurrent resolution authorizing the printing of the report of the Fify-fourth National Encampment of the Grand Army of the Republic.

Resolved by the House of Representatives (the Senate concurring), That there shall be printed as a House document 1,500 copies of the Journal of the Fifty-fourth National Encampment of the Grand Army of the Republic for the year 1920, not to exceed $1,700 in cost, with illustrations, 1,000 copies of which shall be for the use of the House and 500 for the use of the Senate.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

FINAL REPORT OF GEN. JOHN J. PERSHING.

Mr. KIESS. Mr. Speaker, I submit another resolution.

The SPEAKER. The gentleman from Pennsylvania submits a resolution, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution 40.

House concurrent resolution to print Final Report of Gen. John J. Pershing.

Resolved by the House of Representatives (the Senate concurring), That the Final Report of Gen. John J. Pershing, commander in chief American Expeditionary Forces, be printed as a House document, without the accompanying maps and charts, and that 100,000 additional copies be printed, of which 30,000 copies shall be for the use of the Senate and 70,000 copies for the use of the House of Representatives.

Mr. KIESS. Mr. Speaker, in explanation of this resolution I wish to say that there has been an unusual demand for copies of Gen. Pershing's report. The report contains about 100 pages of printed matter, not including maps and charts. We have been unable to get an estimate of the cost of printing it with the maps, but in order to supply the present demand we thought it wise to report this resolution. We have limited the number of copies to 100,000, and the cost of the same will be $4,212.71.

I might say that some Members of the Senate committee have in mind a proposition to have printed a more elaborate edition of this report, containing some illustrations, but the printing of 100,000 copies at this time will not interfere with any future plans.

Mr. DYER. Mr. Speaker, will the gentleman yield?

Mr. KIESS. Yes.

Mr. DYER. Does not the gentleman think that before he asks for action by the House he should find out what it will cost to have the maps included in the report? They would be very useful in understanding the situation and the report of Gen. Pershing.

Mr. KIESS. Mr. Speaker, in reply I will say that we have been trying to get that information for several days, ever since the report was issued.

Mr. DYER. The report was printed here at the Government Printing Office, and surely the plates containing the maps are at the Government Printing Office. I do not see why we can not get an estimate.

Mr. KIESS. I do not think the maps were printed at the Government Printing Office, because they have not been able to give us the figures on what it would cost to reproduce them.

Mr. DYER. The report of Gen. Pershing was printed at the Government Printing Office, if I am not mistaken.

Mr. KIESS. That is true.

Mr. DYER. And they surely have the plates there for the maps. Otherwise how could they publish the document?

Mr. KIESS. Mr. Speaker, it is purely a matter for the House to decide, but many Members have called up and asked the Committee on Printing for copies of this report, and as the House expects to adjourn to-morrow the committee thought they would be doing the membership a favor to get this resolution passed and the report printed. Now, if it is the wish of the House to wait until we can get a report on the cost of printing with the maps included, I am perfectly willing to do it, but I am very frank to say that, in my judgment, the expense will be so great that the House will hesitate to authorize the printing of same.

Mr. EMERSON. There will be such a demand for them that you will be compelled to have more printed in the future, anyway, will you not?

Mr. KIESS. We made the number small, thinking that the number would take care of the immediate demand. This will give each Member of the House 160 copies.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. KIESS. I yield to the gentleman from Missouri.

Mr. CLARK of Missouri. This document is all set up in the Government Printing Office, is it not?

Mr. KIESS. Yes.

Mr. CLARK of Missouri. If you want a large number of them, why do not you ask for them now? No additional setting up of type will be required.

Mr. KIESS. That is true, but one reason which determined our action is the great scarcity of print paper. So far as that is concerned, the plates will not be destroyed. The printing of the usual number, 1,345 copies, cost $81.68. Each additional thousand would cost $43.90, so it is very easy to figure cost of same.

Mr. GARNER. How many does the resolution call for?

Mr. KIESS. One hundred thousand, at a total cost of $4,212.71.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

REVISION AND CODIFICATION OF THE LAWS.

Mr. KIESS. Mr. Speaker, I submit another resolution.

The SPEAKER. The gentleman from Pennsylvania submits a resolution, which the Clerk will report.

The Clerk read House joint resolution (H. J. Res. 266) authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States, as follows:

Resolved, etc., That the Committee on Revision of the Laws in the House of Representatives is hereby authorized to print additions and amendments to H. R. 9389, or other bills concerning the same subject, if in its judgment necessary, in the style and form in which said bill is now printed, with such variations thereof as the said committee deems in the interests of efficiency and economy, and to so continue until final enactment thereof in both Houses of the Congress of the United States.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

REPORT OF RECLASSIFICATION COMMISSION.

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent for the immediate consideration of House joint resolution 263, which was introduced by the gentleman from Iowa [Mr. GOOD], chairman of the Committee on Appropriations, and reported from the Committee on Reform in the Civil Service, to extend the time when the Joint Commission on Reclassification of Salaries may make its report from January 12 to March 12.

The SPEAKER. The gentleman asks unanimous consent for the present consideration of a joint resolution, which the Clerk will report.

The Clerk read House joint resolution 263, extending the time for filing the final report of the Joint Commission on Reclassification of Salaries, created by section 9 of Public, No. 314, Sixty-fifth Congress, approved March 1, 1919, to a date not later than March 12, 1920, as follows:

Resolved, etc., That the time for filing of the final report to Congress of the Joint Commission on Reclassification of Salaries, created by section 9, Public, No. 314, Sixty-fifth Congress, approved March 1, 1919, be, and the same is hereby, extended to a date not later than March 12, 1920: *Provided*, That the work of completing the preparation of said final report and the printing thereof shall be accomplished within the limits of the appropriations heretofore made.

The SPEAKER. Is there objection?

Mr. GARNER. Mr. Speaker, reserving the right to object, is this resolution reported to extend the life of the Reclassification Commission until March 1?

Mr. LEHLBACH. From January 12 to March 12.

Mr. GARNER. You are not going to consider that by unanimous consent?

Mr. CANNON. Why not?

Mr. GARNER. I am going to object.

Mr. CANNON. I think if the gentleman understood the situation he would not object.

Mr. GARNER. I might not object if I understood the situation. I am now informed by the gentleman from Illinois [Mr. CANNON] and the gentleman from South Carolina [Mr. BYRNES], who have this matter under consideration in the Appropriations Committee, that probably this resolution ought to pass. The reason I reserved the right to object is that I have been observing this commission and I do not believe they have been performing the functions they ought to have been performing since they were appointed.

Mr. BYRNES of South Carolina. I hope the gentleman will not object.

Mr. GARNER. I have already withdrawn my objection, but I desire to state that I believe if this commission had been diligent they could have performed their duties and concluded their labors by the 1st of January.

Mr. MANN of Illinois. Mr. Speaker, I reserve the right to object. I do not think these matters ought to be acted upon hastily. This resolution has just been reported. Is this the House resolution or the Senate resolution?

The SPEAKER. It is the House resolution.

Mr. LEHLBACH. The House joint resolution introduced by the chairman of the Committee on Appropriations.

Mr. MANN of Illinois. There is also a Senate resolution that has passed, has it not?

Mr. LEHLBACH. No; it was reported in the Senate yesterday, but it has not been acted upon.

Mr. MANN of Illinois. I was under the impression that it had passed. I do not see any reason why we should act hastily upon these matters by unanimous consent. Let it go to the Unanimous Consent Calendar.

Mr. BYRNS of Tennessee. This can be said in favor of immediate or early action: Under the law which was passed this commission is required to make its report on the second Monday in January.

Mr. SNELL. Why is it not a good idea to have the report as early as possible?

Mr. BYRNS of Tennessee. If some action is not taken, this commission, in order to comply with the law, must necessarily conclude its investigation and make a hurried report that would not be as thoroughly considered as it will be if time is given for more deliberate consideration.

Mr. MANN of Illinois. I do not think the report will be of much value anyhow.

Mr. BYRNS of Tennessee. That may or may not be true, but Congress has appropriated, if I recollect correctly, something over $100,000 for the expenses of this commission. It seems to me that regardless of what may be the character of that report certainly Congress and the country is interested in seeing that they have time to give full consideration to it, so that when the report comes here it may be backed up with all the information that they may have collected.

Mr. SNELL. Will the gentleman from Illinois yield for me to ask the gentleman from Tennessee a question?

Mr. MANN of Illinois. I will yield.

Mr. SNELL. Is this the commission that Mr. Keating is connected with?

Mr. BYRNS of Tennessee. It is.

Mr. SNELL. This is to give him more time to edit labor papers in which he may make attacks on Members of Congress.

Mr. GARNER. And to give two months more salary.

Mr. BYRNS of Tennessee. I do not know about Mr. Keating's connection with other activities.

Mr. SNELL. If he had given his entire attention to the business of this commission instead of to outside activities, I believe the report could have been made by this time. Personally I am opposed to extending the life of the commission.

Mr. BYRNS of Tennessee. Mr. Keating is not the only member of the commission; he is only one of five. I have only talked with Mr. Cooper, of Wisconsin, and Mr. Hamlin, of Missouri, with reference to the necessity of extending the time for two months. As they explain it to me, this does not involve a single dollar more of appropriations.

Mr. MANN of Illinois. No; but a good many dollars of extra expenditure.

Mr. BYRNS of Tennessee. It does for a period of two months, but they say they will not ask Congress for an additional appropriation.

Mr. SNELL. It involves additional salaries for two months.

Mr. MANN of Illinois. It may be a proper case, but there was never a commission created with an appropriation which they had not been able to expend within the life of the commission fixed by statute that the commission did not want the time extended so they could expend the balance of the money. This may be a proper case, but it ought not to come up by unanimous consent.

Mr. BYRNS of Tennessee. If the House ceases to do business to-morrow, it will be January 5 before action can be taken upon it.

Mr. SNELL. Will not that give them sufficient time?

Mr. BYRNS of Tennessee. But the commission ought to know whether or not the life of the commission is going to be extended.

Mr. MANN of Illinois. They ought to have made the request some time ago.

Mr. BYRNS of Tennessee. That may be true.

Mr. MANN of Illinois. It may be a proper case, but when a matter is tried to be rushed through it is always worthy of examination.

Mr. BYRNS of Tennessee. The commission advised me—that is, the two gentlemen that I talked with—that they have been doing everything they could with the hope that they would be able to present a full report to Congress at the time stated. They say that they regret very much that they have to ask for this extension, but I submit that Congress having made the appropriation and authorized the commission to make the investigation we ought to give them a reasonable time to present the results of their investigation to Congress, so that we may have the full facts before us.

Mr. SNELL. How long has this commission been in existence?

Mr. BYRNS of Tennessee. I think it was appointed March 12, but I am not certain of the date.

Mr. MANN of Illinois. Is there not any way by which we could put the time off still further for them to make a report?

Mr. BYRNS of Tennessee. I should be opposed to it if it carried any expense.

Mr. MANN of Illinois. The gentleman has fixed a date and must have it that way and no other way or he will object?

Mr. BYRNS of Tennessee. No; I shall not object to any extension.

Mr. MANN of Illinois. I think if you extended it a year it might be a profitable extension.

Mr. BYRNS of Tennessee. I shall make no objection to extending it, but I do not think it is necessary to extend it beyond 60 days. This is only for the purpose of enabling the commission to compile what data it has gathered and present it in a systematic form to Congress without dumping it on Congress in a form that is not intelligible.

Mr. SNELL. The gentleman says they will not ask any further appropriation; does that mean that the money will last until March 12?

Mr. BYRNS of Tennessee. I am so informed, that the appropriation heretofore made will be amply sufficient to pay all expenses of the commission up to the time indicated.

Mr. SNELL. Is that the reason that they decided on that date, because they want to expend all of the balance of the money?

Mr. BYRNS of Tennessee. No; on the contrary, the gentlemen stated that they might be able to report at an earlier date.

Mr. SNELL. It does not seem to me that we have proper knowledge and information to warrant the extension of the time of this commission. It has been settled by act of Congress, and unless there is further information before the House I think I ought to object.

Mr. MONDELL. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. MONDELL. I think the resolution ought to pass. I should be perfectly content if the commission was not to report for a year. I have not been in harmony or sympathy with many things that commission has done.

Mr. SNELL. Then why does the gentleman want to extend the lifetime of the commission? Why not end it, put it out of the way as quickly as possible?

Mr. MANN of Illinois. Mr. Speaker, this is the most skillfully organized raid on the Treasury I have known. If I had my way about it I would bury the commission and the report beyond resurrection.

Mr. BYRNS of Tennessee. I am not saying that I am altogether satisfied or that I am in accord with what they have done, but I do think that they ought to have an opportunity to present the facts and information that they have gathered.

Mr. SNELL. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? The Chair hears none. This resolution is on the Union Calendar.

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent that the resolution may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House joint resolution 263.

Resolved, etc., That the time for filing of the final report to Congress of the Joint Commission on Reclassification of Salaries, created by section 9, Public No. 314, Sixty-fifth Congress, approved March 1, 1919, be, and the same is hereby, extended to a date not later than March 12, 1920: *Provided*, That the work of completing the preparation of said final report and the printing thereof shall be accomplished within the limits of the appropriations heretofore made.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. LEHLBACH, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

MAKING GOLD CERTIFICATES LEGAL TENDER.

Mr. PLATT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill S. 3458, to make gold certificates of the United States payable to bearer on demand legal tender.

The SPEAKER. The gentleman from New York asks unanimous consent for the present consideration of the bill S. 3458. Is there objection?

Mr. KITCHIN. Mr. Speaker, reserving the right to object, does this bill come with a unanimous report from the committee?

Mr. PLATT. There is a unanimous report from the committee. The bill simply makes gold certificates legal tender in order to relieve a famine of $1 and $2 bills, which is very acute at this time.

Mr. KITCHIN. I have no objection to relieving that kind of a famine. What is the trouble? Why are they not legal tender?

Mr. PLATT. Nine hundred and ninety-nine people out of every thousand believe that they are legal tender now.

Mr. KITCHIN. I understand; and they are used as legal tender.

Mr. PLATT. Yes; but once in a while there is a smart lawyer who knows they are not, and when they are taken into court for the purpose of making tender on some contract, which somebody wants to squeal out of, occasionally this smart lawyer will make trouble. There is, of course, no reason why they should not be legal tender.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. PLATT. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted., etc., That gold certificates of the United States payable to bearer on demand shall be, and are hereby, made legal tender in payment of all debts and dues, public and private.

SEC. 2. That all acts or parts of acts which are inconsistent with this act are hereby repealed.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. PLATT, a motion to reconsider the vote by which the bill was passed was laid on the table.

BILLS ON THE PRIVATE CALENDAR.

Mr. EDMONDS. Mr. Speaker, on October 31, when the bills on the Private Calendar were before the House, there were a number of bills left over on a third reading. I would like to have them called up at this time in their regular order as unfinished business and put upon their passage.

ARTHUR WENDLE ENGLERT.

The SPEAKER. The Clerk will report the first bill by title.

The Clerk read as follows:

A bill (H. R. 795) for the relief of Arthur Wendle Englert.

The SPEAKER. When the House adjourned on the day on which these bills were last under consideration the previous question had been ordered, and the question was on the motion of the gentleman from Texas [Mr. BLANTON] to recommit the

bill which has just been reported by the Clerk. The question is on the motion to recommit.

The question was taken, and the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

RECLASSIFICATION COMMISSION.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with the request for extension of time within which the Reclassification Commission shall make its report, by inserting a statement which has been handed me by Mr. Cooper, of Wisconsin, and Mr. Hamlin, of Missouri, setting forth the reasons for asking the extension.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD by inserting therein a letter from Mr. Cooper and Mr. Hamlin. Is there objection?

Mr. BYRNS of Tennessee. A statement, not a letter.

Mr. SNELL. Mr. Speaker, reserving the right to object——

Mr. MANN of Illinois. Mr. Speaker, I shall not object; but I would like to have had the letter read before we considered the proposition, in which case probably it would not have been considered.

Mr. BYRNS of Tennessee. Oh, on the contrary, I think it would have fortified the request.

Mr. MANN of Illinois. I fear the gentleman withheld it because he was afraid it would destroy his contention.

Mr. BYRNS of Tennessee. Oh, not at all.

Mr. MANN of Illinois. I do not object.

Mr. SNELL. Mr. Speaker, is there anything in the letter that will guarantee to us that the members of this commission, while we are paying them salaries, will not continue to attack Members of Congress because Members of Congress vote their convictions here?

Mr. BYRNS of Tennessee. It is not a letter, but is a statement which was handed in by those two gentlemen. It is confined solely to the reasons why this extension is necessary. I do not know of any attacks that have been made on Members of Congress by members of this commission, I will say to the gentleman.

Mr. KNUTSON. They have been mailed.

Mr. BYRNS of Tennessee. If they have been made, I am as much opposed to it as is the gentleman from New York.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, can the gentleman state the reason why the statement comes only from two members of the commission? Is it because the third member has other duties which occupy his attention?

Mr. BYRNS of Tennessee. This is a copy of a statement that was handed to Mr. Good, chairman of the Committee on Appropriations.

Mr. CRAMTON. The gentleman does not understand that the work of the commission is left to those two?

Mr. BYRNS of Tennessee. No.

The SPEAKER. Is there objection?

There was no objection.

The statement referred to is as follows:

MEMORANDUM ON THE PROGRESS OF THE WORK IN HAND BY THE CONGRESSIONAL JOINT COMMISSION ON RECLASSIFICATION OF SALARIES.

The Congressional Commission on Reclassification of Salaries and its staff of retained experts and employees detailed from the departments are now rounding up their work. They are driving toward the completion of the largest and most important classification of positions and standardization of proposed salaries ever undertaken.

All told, 107,000 positions of employees of all ranks in scientific, administrative, clerical, skilled trades, and other services have been involved. The commission's jurisdiction is limited to the positions in the Federal departments and independent establishments and the municipal government within the District of Columbia. But the total of these positions is over 30,000 more than have been studied in any previous classification of positions of a city, a State, or a nation. It also embraces a greater variety.

The basic work of classification is now at the stage where specifications of the various classes of positions in each service are being issued and studied by Cabinet officers and other department heads and by representative committees of administrators and of employees. Each set of these class specifications includes: (1) The title of the class of positions; (2) a statement of the duties of the positions in the class regardless of their departmental location; (3) a statement of the qualifications required for the performance of these duties; and (4) suggested lines of promotion, on a merit basis, from the class and to the class.

These specifications are the basis for the hearings now being held by the commission—hearings which will save much time for Congress later. At these hearings briefs are presented and suggestions are offered on two topics: (1) The classification itself, as shown by the specifications, and (2) proposals on salary schedules for the classes specified. Never before in the history of the Government have department heads, administrators, and employees been called on to give such concentrated attention to the duties of and qualifications required for the work of the various classes of positions. Never before have salary proposals been perforce related to specifications.

The titles of positions appearing in past appropriation bills have had virtually no specifications of duties or qualifications back of them. Statistics being compiled for the commission for each class of positions will show the facts on inequalities of pay for the same character of work. These inequalities have bred unrest in the Government service. The newer Members of the Congress may not appreciate the need for nor the magnitude of the work of this reclassification. But the older Members, on whose initiative the commission was created, were moved by a realization of the need. They realized not only the lack of uniformity in pay for the same work, but also the lack of a scientific standard for fixing salaries.

Parallel to its scientific classification of positions, the commission is carrying forward work on salary schedules. These will, as a rule, include a minimum and a maximum for each class. For the fixing of the schedule for each class, facts have been gathered and are being studied on the following: (1) Salaries paid outside the Government service in positions where the duties and specifications involved are comparable to those of Government positions; (2) minimum, most common, and maximum Government salaries now paid in the District of Columbia; (3) what salaries administrators say are required to secure and to retain efficient employees; (4) what the employees concerned say they think they should receive; (5) changes since 1914 in the cost of living. One important consideration is that of equity in pay not only as between the classes of varying rank within a given service but as between the classes in the different services.

To gather and to consider comprehensively all the facts involved means a vast amount of detail work. Classifications elsewhere have required years. The Congress gave the present commission months. The act provides that January 12 next is the time for its final report. Its members were appointed last March. The commission proceeded without delay to organize, employ a clerk, and get its work under way. It consulted, besides officials who had been connected with departmental efforts at classification, experts who had been connected with municipal and State classifications, both East and West, and with the classification since then adopted unanimously by the Parliament of the Dominion of Canada.

The commission retained the firm of American experts who had done the Canadian classification to direct the work as its headquarters staff. It retained also a member of the staff of a municipal civic agency to be in immediate charge of special economic and employment research. It secured from the departments, as authorized by the act, the detail of a statistician, a staff of classifiers and investigators, and a force of record clerks, stenographers, and typists. The detailed classifiers and investigators, as a rule, had not had previous experience in classifying positions. But all have worked with a will in applying the principles of a classification on the basis of duties and qualifications. Moreover the commission has had the assistance of advisory committees of civic leaders, employees, and administrators.

Much night work is being done just now by the commission and its staff. The object is to bring the commission's work to a finish by January 12. Many of the employees detailed from the departments have expressed a willingness, if necessary, to give up taking annual leave which they had deferred with a view to vacation during the Christmas holidays.

By holding night sessions from now until January 12, the commission could turn in a classification of positions and proposed salary schedules together with a hurried report on that date. But if it had a few more weeks it could better digest the vast amount of material in hand, add to the statistical exhibits, and prepare a matured report on the reasons for its recommendations. These facts properly raise the question of the advisability of extending the time of the commission. Some pertinent points are:

1. No addition to the appropriation for the work of the commission would be required by an extension not exceeding 60 days.

2. The House Committee on Appropriations has decided to proceed with the adoption of the annual appropriation bills even if the report of the Commission on Reclassification of Salaries is made on January 12. This committee holds that the proposed reclassification of positions and standardization of salaries is so important that the report of the commission and its proposed bill will require profound study for some months by the Members of the Congress.

3. The prospective passage of the appropriation bills prior to the passage of a reclassification act, defining classes and establishing rates of compensation, adds to the intricacy of the problems of installation and administration of the reclassification on which the commission is expected to make recommendations.

4. This Federal classification will undoubtedly set a precedent for others in States, cities, and industries throughout the Nation.

Under all the circumstances it would be reasonable for the Congress to extend the time for this important and far-reaching piece of work so that the commission's report shall be made not later than March 12.

EASTERN TRANSPORTATION CO.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 5346) for the relief of the Eastern Transportation Co.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN T. ADAMS.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 5807) for the relief of John T. Adams.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

EMMA J. SPEAR.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 3211) for the relief of Emma J. Spear.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. DUPRÉ, a motion to reconsider the vote by which the bill was passed was laid on the table.

MRS. MAMIE DUFFER.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 1266) for the relief of Mrs. Mamie Duffer, of Shannon, Miss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. CANDLER, a motion to reconsider the vote by which the bill was passed was laid on the table.

ARUNDLE SAND & GRAVEL CO.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 5345) for the relief of Arundle Sand & Gravel Co.

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent to substitute for this bill the bill S. 1670, which has been favorably reported from the Senate and is on the Speaker's table.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to substitute for this bill a similar bill passed by the Senate. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN of Illinois. Mr. Speaker, Senate bill 1670 is on the calendar as unfinished business now. I have no objection, but what I wanted to inquire was which bill we are considering?

The SPEAKER. The Chair understands that the committee substituted the Senate bill informally without right, and the gentleman from Pennsylvania now asks unanimous consent that the Senate bill be substituted for the House bill, and that consent be given that the House consider the Senate bill. The Chair hears no objection.

Senate bill 1670 was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

The SPEAKER. Without objection, the House bill of similar title will lie upon the table.

There was no objection.

W. L. ROSE.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 1275) for the relief of W. L. Rose.

Mr. STEVENSON. Mr. Speaker, I can not find any such number on the Private Calendar.

The SPEAKER. It is under the head of unfinished business.

Mr. STEVENSON. The Clerk read the Private Calendar, and there is no such bill on the Private Calendar.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

FAXON, HORTON & GALLAGHER, AND OTHERS.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 6377) for the relief of Faxon, Horton & Gallagher; Long Bros. Grocery Co.; A. Rieger; Rothenberg & Schloss; Riley, Wilson & Co.; and Van Noy News Co.

Mr. EDMONDS. Mr. Speaker, I would like to make a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. EDMONDS. This bill was ordered by the Committee of the Whole House to be laid on the table. Does that have to be accepted in any way by the House?

The SPEAKER. The Chair thinks it ought to be laid upon the table by the House.

Mr. EDMONDS. Then the opponents of the bill——

The SPEAKER. The question is on laying the bill on the table——

Mr. BLAND of Missouri. Mr. Speaker, I would like to have recognition on this bill. I am absolutely convinced of the merits of it, and I will take but a very short time of the House if it would consent. I think I am entitled to that as a right.

Mr. EDMONDS. I will yield to the gentleman.

Mr. BLAND of Missouri. How much time?

Mr. EDMONDS. How much time does the gentleman desire?

Mr. BLAND of Missouri. I will be very brief.

The SPEAKER. How much time does the gentleman desire?

Mr. BLAND of Missouri. I do not know, but I will certainly consume as little time as possible, very little time.

The SPEAKER. But the gentleman must yield a specific time.

Mr. EDMONDS. I will yield the gentleman 10 minutes.

Mr. BLAND of Missouri. That would not be enough. Will the gentleman yield me 30 minutes. I will finish within that time if I can.

Mr. EDMONDS. I will yield the gentleman 15 minutes.

Mr. BLAND of Missouri. Let me have 30 minutes, because it is your committee that makes a favorable report, and it has been reported by three different claims committees favorably.

Mr. CANNON. Did the Committee of the Whole House recommend that it lie on the table?

Mr. EDMONDS. Yes.

The SPEAKER. A motion to lay on the table is not debatable. The only way the gentleman could get time is by unanimous consent. The question is on the motion to lay on the table.

Mr. BLAND of Missouri. Mr. Speaker, I understood the gentleman to yield me 15 minutes.

The SPEAKER. The Chair made an inadvertent statement. The gentleman has no time to yield because the motion to lay on the table is not debatable except by unanimous consent.

Mr. BLAND of Missouri. I hope there is no Member of the House who desires to keep the House from hearing a meritorious proposition, and I ask unanimous consent to proceed for 15 minutes.

The SPEAKER. Is there objection?

Mr. EVANS of Nebraska. I object.

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, as far as I am concerned I have no objection if the bill be postponed——

Mr. BLAND of Missouri. Very well, I am perfectly willing if I can have an opportunity to present it to the House fairly. I ask unanimous consent that it be postponed without prejudice.

The SPEAKER. The gentleman from Missouri asks unanimous consent that the consideration of this bill be postponed without prejudice. Is there objection? [After a pause.] The Chair hears none.

Mr. EDMONDS. Mr. Speaker, I move that we proceed to the consideration of bills on the Private Calendar in the House as in Committee of the Whole House and that only unobjected bills be taken up.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the House proceed to the consideration of bills on the Private Calendar in the House as in Committee of the Whole House, and the Chair did not hear the last statement.

Mr. EDMONDS. And that only unobjected bills be taken up.

The SPEAKER. And that only unobjected bills be considered. Is there objection to this request? [After a pause.] The Chair hears none.

Mr. MADDEN. Mr. Speaker, I move that the report of the Committee of the Whole House on one of the bills which was recommended to be laid upon the table be concurred in.

The SPEAKER. It is too late now. The House has agreed to take up these bills.

CLEVELAND TRINIDAD PAVING CO.

The first business on the Private Calendar was the bill (H. R. 5238) for the relief of the Cleveland Trinidad Paving Co.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to the Cleveland Trinidad Paving Co., of Cuyahoga County, Cleveland, Ohio, out of any money in the Treasury not otherwise appropriated, the sum of $3,017 for money paid by it to the United States for the right to remove sand from a certain tract of land reserved for Cheyenne and Arapaho school purposes, said right being granted in March, 1910, by the Department of the Interior, acting through William B. Freer, Indian agent at Darlington, Okla., said right to expire in December, 1912. Said land, owing to a mistake in the description and despite the fact that the General Land Office at Washington had directed that it be reserved from sale, was placed on sale on November 15, 1910, under instructions of the Department of the Interior, and the tract which had been leased to the Cleveland Trinidad Paving Co. was sold to Archibald Mauerer.

Also the following committee amendment was read:

Committee amendment: Line 7, page 1, strike out the figures "$3,017" and insert in lieu thereof "$775."

The SPEAKER. Is there objection to the immediate consideration of the bill? [After a pause.] The Chair hears none.

Mr. EDMONDS. Mr. Speaker, I ask for a second reading of the bill.

Mr. CANNON. How much does this bill carry? Seven hundred and seventy-five dollars?

Mr. EDMONDS. Yes.

The SPEAKER. The Clerk will read the bill for amendment.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that the further reading of the bill be dispensed with.

Mr. LINTHICUM. Mr. Speaker, I object to that.

The SPEAKER. Objection is made. The Clerk will read the bill for amendment.

The following committee amendment was read:

Page 1, line 7, strike out "$3,017" and insert in lieu thereof "$775."

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

Mr. CRAMTON. Mr. Speaker, I offer an amendment to strike out all of the bill after the figures "$775" in line 7.

The SPEAKER. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 1, line 7, after "$775," strike out all of the balance of the bill.

Mr. CRAMTON. In explanation of that I only care to say that the bill seems to be a proper bill, but that language seems to be a portion of the report of the committee that by mistake has gotten into the bill. It seems a peculiar practice to put all of that recital of facts into legislation, and therefore I have moved the amendment.

Mr. EDMONDS. It has been the custom of the Claims Committee, as far as possible, to enlighten the House as to the real reason why the money was being paid. If this amendment was to pass, it would leave the payment to the Cleveland Trinidad Paving Co., of $775, without any explanation whatever.

Mr. CRAMTON. I find, Mr. Speaker, if the gentleman will yield, that is the customary practice. The facts the gentleman refers to would very properly be set up in the report of the committee, but instead of that they are put in the legislation, where they are not necessary, and although nearly two pages of the bill have been taken up, there is no statement that this is to be in full of other demands referred to in the report of the committee. I take it that is to be the case, because the report of the committee intimates that. As to these other facts, the report of the committee sets them up. It seems to me peculiar practice to put into legislation this long recital of facts.

Mr. EDMONDS. I have no objection to the amendment, Mr. Speaker.

The SPEAKER. The question is on the amendment of the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EMERSON, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN A. GAULEY.

The next business on the Private Calendar was the bill (H. R. 2396) for the relief of John A. Gauley.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. MANN of Illinois. Mr. Speaker, I ask to have these bills read first.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to John A. Gauley, of Arlington, Mass., out of any money in the Treasury not otherwise appropriated, the sum of $1,200, and said sum is hereby appropriated as compensation for personal injuries suffered by said Gauley in the course of his duties as an employee of the War Department at the Watertown Arsenal, Watertown, Mass.

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, because the gentleman from Massachusetts who introduced the bill is not present.

The SPEAKER. The gentleman asks that the bill be passed over without prejudice. The bill will go over without prejudice, anyway, if the gentleman objects. The Clerk will report the next bill on the Private Calendar.

ALBERT C. BURGESS.

The next business on the Private Calendar was the bill (H. R. 6773) for the relief of Albert C. Burgess.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Albert C. Burgess for the loss of his eye sustained while performing his duties as keeper at the National Zoological Park.

Also the following committee amendment was read:

Page 1, line 5, strike out "$2,500" and insert in lieu thereof "$1,200."

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. KELLY of Pennsylvania, a motion to reconsider the vote by which the bill was passed was laid on the table.

THOMAS P. DARR.

The SPEAKER. The Clerk will report the next bill.

The next business on the Private Calendar was the bill (H. R. 1789) for the relief of Thomas P. Darr.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas P. Darr the sum of $830.37 on account of service rendered as mail carrier from Gooding, Idaho, to Corral, Idaho, during the spring and summer of 1907, this amount to be accepted by said Thomas P. Darr as full compensation for service rendered.

The SPEAKER. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none.

Mr. EDMONDS. Mr. Speaker, I ask for the second reading of the bill.

The SPEAKER. The Clerk will read the bill for amendment.

The bill was read for amendment.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FRENCH, a motion to reconsider the vote by which the bill was passed was laid on the table.

RUDOLPH L. DESDUNES.

The SPEAKER. The Clerk will report the next bill on the Private Calendar.

The next business on the Private Calendar was the bill (H. R. 7900) for the relief of Rudolph L. Desdunes.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rudolph L. Desdunes the sum of $1,200 as compensation for the loss of eyesight while in the discharge of his duties as an assistant weigher in the United States customhouse in New Orleans, La.

The SPEAKER. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. The bill will be read for amendment.

The bill was read for amendment.

The following committee amendment was read:

Committee amendment: Page 1, line 6, after the word "as," insert the word "full."

The SPEAKER. The question is on agreeing to the committee amendment.

Mr. TILSON. Mr. Speaker, will the gentleman from Pennsylvania yield?

Mr. EDMONDS. Yes.

Mr. TILSON. I know that in these personal-injury bills the amount of $1,200 has been fixed in each case thus far passed.

May I ask what is the plan upon which the committee is proceeding in the fixing of these damages in personal-injury cases?

Mr. EDMONDS. We endeavor to give the man about one year's pay. That is the only law we had to go on at this time. Where a man was injured while engaged in a dangerous occupation he received one year's pay.

Mr. TILSON. So that it is on the basis of one year's pay?

Mr. EDMONDS. Yes; it is on the basis of one year's pay for total disability.

Mr. TILSON. For total disability?

Mr. EDMONDS. Yes.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

JOSEPH A. PRAT.

The next business on the Private Calendar was the bill (H. R. 3210) for the relief of Joseph A. Prat.

The title of the bill was read.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDMONDS. Mr. Speaker, I ask that the bill be read for amendment.

The SPEAKER. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Joseph A. Prat, of New Orleans, La., out of any money in the Treasury not otherwise appropriated, the sum of $445.89, being the amount of stamps, stamp books, and stamp rolls stolen from said Prat while chief stamp clerk at the

New Orleans post office in the month of February, 1915, and thus lost by him without fault on his part, and which amount was thereafter by him paid to the Government out of his own funds.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. DUPRÉ, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next one.

E. WILLARD.

The next business on the Private Calendar was the bill (H. R. 6291) for the relief of E. Willard.

The title of the bill was read.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to E. Willard, of Willard, Wash., out of any money in the Treasury of the United States not otherwise appropriated the sum of $100 to compensate him for damages and losses sustained by reason of the negligence of employees of the United States Forest Service.

With a committee amendment, as follows:

Strike out "$100," in line 6, and insert "$60."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. JOHNSON of Washington, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next one.

SOUTHERN STATES LUMBER CO.

The next business on the Private Calendar was the bill (S. 577) for the relief of the Southern States Lumber Co.

The title of the bill was read.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay the Southern States Lumber Co., a corporation, Pensacola, Fla., out of any money in the Treasury not otherwise appropriated, the sum of $603.79.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next one.

RURAL HIGH SCHOOL DISTRICT NO. 1, LAPWAI, IDAHO.

The next business on the Private Calendar was the bill (H. R. 6772) authorizing and directing the transfer of 10 acres of land to rural high-school district No. 1, Lapwai, Idaho.

The title of the bill was read.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, Mr. Speaker, this is a rather involved bill. I think we ought to know what it is.

Mr. FRENCH. Mr. Speaker, the bill provides for granting from a tract of something over 1,300 acres belonging to the Nez Perce Indian Tribe, in Idaho, approximately 10 acres for the use of the high school at Lapwai. At this point is not only this high school which is doing work under the Smith-Hughes Act, but there are located also a sanitarium maintained for the benefit of the Indians and other Indian interests. The result is that many Indians come to this point to live. They bring their families, and at this time no less than 20 Indian boys and girls are enjoying the advantages of the high school. The carrying on of experimental work for the enlightenment of the pupils of the school must require a little bit more land than is now embraced within the tract upon which the school building is situated. The school building has been constructed at a cost of $100,000. It costs the taxpayers and residents of the district $12,000 annually for the maintenance of the school.

Most of the money for the upkeep of the school is necessarily paid by the white settlers living within the district. The Indian Department is just as anxious as the white settlers are that some arrangement be made by which this land can be turned over to the district for its use. The land is in a canyon, and it happens that this is the only reasonable way in which land suitable for agricultural experimental station work can be acquired. In view of the very large contribution that the white settlers have made in the building of the schoolhouse and the upkeep of the school it seems that this is a very small contribution, indeed, from the Indians in return for the great benefit that is being extended to the Indian pupils. For that reason the department, looking at it from the standpoint of the Indians, is in favor of the passage of the bill.

Mr. MANN of Illinois. Of course, this is now Indian land?

Mr. FRENCH. Yes.

Mr. MANN of Illinois. We propose to give 10 acres of it to the school?

Mr. FRENCH. Yes.

Mr. MANN of Illinois. Will not the Indians ask us to pay for the land?

Mr. FRENCH. I think not. The benefit is so mutual and so manifest that it seems that this is only a very fair proposition to make, from the standpoint of both the white settlers and the Indians.

Mr. MANN of Illinois. If it does not come before, it will come many years hence in the shape of a claim to be reported from the Committee on Indian Affairs, to refer to the Court of Claims the claim of these Indians for compensation for the taking of this land.

Mr. FRENCH. I can not see that there would be much equity in such a claim as that.

Mr. MANN of Illinois. Oh, there is no equity in most of these claims; but the land belongs to the Indians. We take it away from them. There is that equity. A trustee, as a rule, is not allowed to give away the property of his ward to somebody else without compensation. There is some equity in that proposition, more than there is in most of these old claims that we are constantly referring to the Court of Claims, some of them by bills on this calendar.

Mr. FRENCH. I think, though, that in this case the other consideration of the large number of Indian students who are having the advantage of the school and will continue to do so will offset any reasonable claim that can be made.

Mr. MANN of Illinois. The safest way, as a rule, is to sell the property for some compensation, which will not amount to very much at the time; but if we let it go on, in the course of time nobody knows what the property may be worth or what they might claim it was worth.

I shall not object to the consideration of the bill, but some years ago we practically established the rule in this House that we would not convey property to anybody for nothing. If we wanted to convey property for school purposes, it was conveyed at some compensation, so there could be no question raised thereafter that Congress acting in a fiduciary capacity was giving away the property of its wards.

Mr. SINNOTT. Calling attention to line 9, on page 3, would that be called compensation where they are required to remove the buildings?

Mr. MANN of Illinois. Oh, I do not think so.

Mr. CALDWELL. Will the gentleman from Idaho yield?

Mr. FRENCH. I yield to the gentleman from New York.

Mr. CALDWELL. Will it require this much land for that purpose?

Mr. FRENCH. Ten acres is not a very large tract of land for demonstration purposes in agriculture. That is the main use to which the land will be put.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey to rural high school district No. 1, Lapwai, Nez Perce County, Idaho, the following-described land: Beginning at a point which is 30' west, 113.5' south, and 636' south, 86° 6' west of the northeast corner of lot 27, section 2, township 35 north, range 4 west, Boise meridian, which is the northwest corner of the present Lapwai School grounds; thence south 86° 6', west 483'; thence south 40° 20', east 1,174'; thence north 43° 54', east 598'; thence north 264' to southeast corner present school grounds; thence south 86° 6', west 696' to southwest corner present school grounds; thence north 300' to place of beginning, excepting eighty-nine one-hundredths acre as shown on plat "Reserved cemetery," containing 10.747 acres.

With the following committee amendment:

Page 1, line 6, after the word "land," strike out all to and including the word "acres," in line 14, page 2, and insert in lieu thereof the following: "Beginning at a point which is 30 feet west, 113⅞ feet south, and 696 feet south, 86° 6' west of the northeast corner of lot 27, section 2, township 35 north, range 4 west, Boise meridian, which is the northwest corner of the present Lapwai School grounds; thence south 86° 6', west 483 feet; thence south 40° 20', east 1,174 feet; thence north 43° 54', east 598 feet; thence north 264 feet to southeast corner present school grounds; thence south 86° 6', west 696 feet to southwest corner present school grounds; thence north 300 feet to place of beginning, excepting eighty-nine one-thousandths acre as shown on plat "Reserved cemetery," containing 10.747 acres.

The committee amendment was agreed to.

Mr. FRENCH. Mr. Speaker, I offer the following amendment.

The SPEAKER. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 3, line 12, after the word "Idaho," insert:

"*Provided further*, That the said rural high-school district shall pay to the Secretary of the Interior for the credit of the Nez Perce Tribe of Indians in full compensation for their grant the sum of $1.25 per acre."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

By unanimous consent the title was amended so as to read: "A bill authorizing and directing the transfer approximately of 10 acres of land to rural high-school district No. 1, Lapwai, Idaho."

On motion of Mr. FRENCH, a motion to reconsider the vote by which the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

JOHN ALBERT THOMPSON.

The next business in order on the Private Calendar was the bill (S. 2378) to authorize the issuance of patent to John Albert Thompson, and for other purposes.

The Clerk read the bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue patent for the west half of the northeast quarter of section 23, township 158 north, range 90 west of the fifth principal meridian, North Dakota, to John Albert Thompson, pursuant to his homestead entry, 02022, Minot series.

SEC. 2. That the Secretary of the Treasury be, and he is hereby, directed to set aside and appropriate, in accordance with the provisions of section 1 of the act of June 17, 1902, entitled "An act appropriating the receipts from the sale and disposal of public lands in certain States and Territories to the construction of irrigation works for reclamation of arid lands," the sum of $120, which was paid by said Thompson as purchase price of the described land.

Mr. MANN of Illinois. Mr. Speaker, I move to strike out the last word. What is the meaning of section 2?

Mr. SINNOTT. Mr. Speaker, the meaning of section 2 is this: This man paid $120 for this land. Had he received a patent at that time that money would have gone into the reclamation fund, but this money was first held in the hands of the receiver of the local land office for five years. Then, under the law, it had to be turned over to the Treasury of the United States, where it remained for five years, subject to the right of this man to get it back. After the five years had elapsed his rights were barred, and that money became money of the Government of the United States and could not be turned over to the reclamation fund.

Mr. MANN of Illinois. Does this section 2 turn it over to the reclamation fund?

Mr. SINNOTT. Yes.

Mr. MANN of Illinois. I have not examined the bill. I listened to the reading of that section twice, and I could not understand what it meant.

Mr. SINNOTT. That is the purpose of it.

Mr. MANN of Illinois. That is what the purpose may be. Is that what it does?

Mr. SINNOTT. That is what I understand it does. The comptroller also held that this money could not be appropriated to pay for this land.

Mr. MANN of Illinois. This language may be correct. I do not know who drew the bill.

Mr. SINNOTT. It was drawn by the department.

Mr. MANN of Illinois. It says that the Secretary of the Treasury be, and he is hereby, directed to set aside and appropriate, in accordance with the provisions of the act, the sum of $120. Appropriate for what? Set aside for what?

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote by which the bill was passed was laid on the table.

ALBERT N. COLLINS.

The next business on the Private Calendar was the bill (S. 2128) for the relief of Albert N. Collins.

The Clerk read the bill, as follows:

Be it enacted, etc., That homestead entry 036506, Glasgow series, of Albert N. Collins, for lots 2, 3, and 4, and the southeast quarter northwest quarter, section 19, township 25 north, range 38 east, Montana meridian, be, and the same is hereby, validated, and the Secretary of the Interior is authorized to issue patent thereon upon submission of satisfactory proof of compliance with the law under which said entry was allowed.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The bill was again reported.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following joint resolution:

H. J. Res. 213. Joint resolution continuing temporarily certain allowances to officers of the Navy and Marine Corps.

EXCHANGE WITH SWAN LAND & CATTLE CO.

The next business on the Private Calendar was the bill (H. R. 8308) providing for an exchange of lands between the Swan Land & Cattle Co. and the United States.

The Clerk read the bill, as follows:

Be it enacted, etc., That upon proper execution and delivery by the Swan Land & Cattle Co. (Ltd.), a corporation, of a deed conveying to the United States, its successors and assigns, a good merchantable title in fee, free of incumbrance, to certain lands needed by the United States for construction, operation, and maintenance purposes, in connection with the North Platte irrigation project, Nebraska-Wyoming, to wit: The southwest quarter of the northeast quarter and the southeast quarter of the northwest quarter of section 25, township 25 north, range 63 west, sixth principal meridian, Wyoming; then in exchange for such lands so conveyed a patent shall be issued by the United States to said Swan Land & Cattle Co., its successors and assigns, conveying to said company the northeast quarter of the northeast quarter of section 26 and northeast quarter of the southwest quarter of section 23, township 25 north, range 63 west, sixth principal meridian.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk again reported the bill.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

RELIEF OF NANCY A. PARSONS ET AL.

The next business on the Private Calender was the bill (H. R. 4927) for the relief of Nancy A. Parsons, C. M. Parsons, D. F. Staggs, Ollie Staggs, Roas Staggs, Lena Birchfield, Alice Birchfield, Bertie Gwin, Greely Gilbert, Linville Gilbert, and Nelson Gilbert.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $4,100, in the following proportions: To Nancy A. Parsons, one-half; to C. M. Parsons, one-sixth; to D. F. Staggs, one-sixth; to Ollie Staggs, one forty-eighth; to Roas Staggs, one forty-eighth; to Lena Birchfield, one forty-eighth; to Alice Birchfield, one forty-eighth; to Bertie Gwin, one forty-eighth; to Greely Gilbert, one forty-eighth; to Linville Gilbert, one forty-eighth; to Nelson Gilbert, one forty-eighth; said sum being the value ascertained on said date by condemnation proceedings in the district court of the United States for the northern district of Alabama, in which the United States was plaintiff and said persons were defendants, as the damages sustained by said persons to lands owned by them jointly in said proportions by the construction by the United States of certain works for the improvement of navigation on the Black Warrior River.

The SPEAKER. Is there objection?

Mr. LONGWORTH. Reserving the right to object, I would like to hear some explanation of this.

Mr. HUDDLESTON. Mr. Speaker, this is the second time that we have had a favorable report on the bill from the Committee on Claims. It was not reached at the last Congress.

This claim grows out of the flooding of about 51 acres of land in Jefferson County, Ala., by the construction of Lock and Dam 17 on the Black Warrior River. By the construction of that lock and dam the water was raised some 60 feet. It overflowed the land belonging to these people mentioned in the bill, and, of course, the land was taken for Government use. The land is still overflowed, and will continue to be overflowed as long as the dam is there.

The Government conducted condemnation proceedings in the United States district court in accordance with the law, and the land was assessed at the value of the amount named in the bill—$4,100. The Chief of Engineer's office had delegated to handle the matter a local civilian engineer. He thought the price too high, and declined to pay more than about $40 per acre for the land. The owners would not accept that price. The jury found the value of the land at $4,100, and the matter has simply stood there, the engineer saying: "You can wait as long as you want to; I am not going to pay you more than the price I have named for the land." The Chief Engineer had left it to him; and the owners are out of the use of the land and out of the money.

The land is valuable river-bottom land. The evidence shows that it would produce from 75 to 100 bushels of corn per acre per year. The price that the jury fixed on it will be recognized as a very moderate price. The evidence in the record shows that it is worth $100 per acre.

Under the laws of Alabama, under which the condemnation proceedings were held, a party who condemns land, after obtaining a judgment of condemnation and assessing the value, has six months in which to deposit the money in court, upon which deposit being made the title to the land vests in him. But if the money is not deposited in that time the title to the land remains in the original owner and the proceeding is of no moment, and the matter simply stands there. This bill merely attempts to consummate the condemnation and to get the money for the people who owned the land and who have been deprived of their property without compensation or due process of law.

Mr. LONGWORTH. Will the gentleman yield?

Mr. HUDDLESTON. I will.

Mr. LONGWORTH. I have not had an opportunity of reading the report, which is somewhat lengthy; but, as I understand, the verdict was set aside——

Mr. HUDDLESTON. Oh, no; it was not; it still stands.

Mr. CRAMTON. Will the gentleman yield?

Mr. HUDDLESTON. I will.

Mr. CRAMTON. I note that the commissioners, who, I suppose, were local men of the vicinity, made an assessment of $3,350. A little later another set of commissioners, I suppose they were also of the vicinity, made a finding of $3,050. That not being accepted, it went before a jury, as the gentleman has stated. That jury made a finding of $4,100, but on motion that amount was cut down to $3,975.

Mr. LONGWORTH. The verdict of the jury was set aside to that extent, and that is the question that I asked the gentleman from Alabama.

Mr. HUDDLESTON. I say to the gentleman positively that the verdict was not set aside; to the contrary, the court rendered formal judgment of condemnation upon the verdict. The amount of the assessment was reduced, as stated by the gentleman from Michigan [Mr. CRAMTON], to $3,975, $125 below the amount of the verdict.

Mr. LONGWORTH. And below what the bill carries.

Mr. CRAMTON. Mr. Speaker, will the gentleman explain why the bill carries the original $4,100 instead of the amount fixed by the judge?

Mr. HUDDLESTON. I will say to the gentleman that I shall not cavil with him over the $125, but I do say this, that the amount as assessed by the jury was less than should have been assessed, for the land is well worth $100 per acre.

Mr. CRAMTON. But it is $1,000 more than two sets of local commissioners valued it at.

Mr. HUDDLESTON. The commissioners were not local commissioners in the sense that they had any particular knowledge of the value of the land or resided in the neighborhood. It is true that they were men who lived in that county, but they had no particular knowledge of it. The best way to ascertain the value of anything is to introduce legal evidence before a jury and have the jury render a verdict upon it. I shall cheerfully acquiesce in an amendment to reduce the amount to $3,975.

Mr. LINTHICUM. How long have these people been without their land? How long has it been flooded?

Mr. HUDDLESTON. It has been flooded since December, 1915; they have been out of their land for four years. I thought they ought to have interest on the amount due them for these four years and so provided in the bill when I introduced it, but the committee has reported an amendment striking out the provision for interest.

Mr. LONGWORTH. Three commissioners first put the assessed value of the land at $3,350. That was objected to. Another set of commissioners reduced that amount by $300, so that the award by the last board of commissioners was $3,050. Is not that the fact?

Mr. HUDDLESTON. That is correct; but the gentleman understands how these awards are made. They are ex parte awards largely and not nearly so reliable as is the verdict of the jury.

Mr. LONGWORTH. I do not know about that.

Mr. HUDDLESTON. The owners of the land had the right to have the matter left to the jury. I mean that the people who own this land had the right to have a verdict by a jury and a court proceeding, and declined to accept the awards because they were not fair. They left the matter to a proper court which rendered a solemn judgment on it, and yet now they have no way of getting their money except by an act of Congress.

Mr. LONGWORTH. It is perfectly evident that the reason the money has not been paid is because the United States Government thinks it is grossly in excess of the value of the property.

Mr. HUDDLESTON. I would not say that the engineer considers it is grossly in excess, but he declines to go above a certain price at which he has valued the lands that were flooded.

Mr. BEE. Mr. Speaker, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. BEE. I suggest to the gentleman from Ohio [Mr. LONGWORTH] this difference: These commissioners found a certain amount, but this amount of $3,975 is the judgment of the District Court of the United States in the Southern District of Alabama, as found on page 6 of the report, being Exhibit E, in which the court orders this matter done, on condition, however, that the United States shall first deposit with the clerk of the court the sum of $3,975 for the defendant, the same being the damages assessed by the verdict of the jury as corrected by the court. In other words, Congress is asked not to pass on a report of some commissioners, but on the judgment of a court of the United States.

Mr. LONGWORTH. That is not the amount that the bill carried.

Mr. BEE. The $4,100 was the amount reported, but $3,975 is the solemn judgment of the United States Court of Alabama.

Mr. HUDDLESTON. Rendered on the 24th of March, 1916, and which remains in full force and effect, as shown by the certified copy of the proceedings. I say to the gentleman that I shall move to reduce the amount by $125.

Mr. LONGWORTH. I shall not object if the gentleman offers that amendment.

The SPEAKER pro tempore (Mr. TILSON). Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, will the gentleman yield for an observation in answer to the gentleman from Texas?

Mr. BEE. I hope the gentleman from Michigan will not hold it against the gentleman from Alabama because I made a suggestion.

Mr. CRAMTON. Oh, no; but I want to call the gentleman's attention to the fact that these commissioners were residents of the vicinity. I have not any doubt in the world that they inspected the land; it would naturally be their duty to do so. Having done so, one set of commissioners fixed the amount at $3,300 and the other at $3,000. Now, the jury in the district court did not visit the land, naturally, and the members of the jury were not residents of that county, but were drawn from all of the southern portion of Alabama. Hence the verdict of the jury is the verdict of those who were not personally acquainted with the lands, while the lower findings of the commissioners are the findings of those who were acquainted with the land.

Mr. BEE. But this is a solemn judgment of a court of competent jurisdiction.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk again reported the bill, with the following committee amendment:

Page 1, line 6, strike out the words "with interest thereon from June 2, 1916."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. HUDDLESTON. Mr. Speaker, I move to amend by striking out "$4,100" and substituting therefor "$3,975."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 5, strike out "$4,100" and insert "$3,975."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

O. W. LINDSLEY.

The next business in order on the Private Calendar was the bill (H. R. 1791) for the relief of O. W. Lindsley.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to O. W. Lindsley the sum of $453.81, as compensation for the loss of poles owned by him which were destroyed by a slash-burning fire on August 19, 1915.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none. The Clerk will read the bill for amendment.

The Clerk read the bill for amendment.

The committee amendment was read, as follows:

Page 1, line 6, strike out "$453.81" and insert in lieu thereof "$300."

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FRENCH, the motion to reconsider the vote by which the bill was passed was laid on the table.

FORT BERTHOLD INDIANS.

The next business in order on the Private Calendar was the bill (H. R. 4382) to confer on the Court of Claims jurisdiction to determine the respective rights of and differences between the Fort Berthold Indians and the Government of the United States.

The Clerk read the title of the bill.

Mr. EDMONDS. Mr. Speaker, as this is a long bill, may I ask unanimous consent that the first reading be dispensed with?

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. Is there objection to the consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, will some one explain something as to what the provisions of the present law are in reference to the approval of these contracts with the attorneys? The bill provides, in section 3, that upon the final determination the fees paid shall be under contracts "negotiated and approved as provided by existing law." I assume that means all such contracts will be necessarily first approved by the Bureau of Indian Affairs. Is that correct?

Mr. LITTLE. That is my recollection.

Mr. CRAMTON. Can the gentleman further explain? In lines 7 to 12, page 5, with reference to payment of such fees there is language that would appear to make it possible that such fees would not be paid from the moneys recovered by the Indians, but would be paid from other funds.

Mr. EDMONDS. Which does the gentleman refer to?

Mr. CRAMTON. Page 5, lines 7 to 12. Is it contemplated to permit these attorneys to secure fees that would be payable out of other funds of the Indians?

Mr. EDMONDS. That is directly contrary, for line 7 says:

And no part of such fee shall be taken from any money in the Treasury of the United States belonging to such tribe or bands of Indians.

Mr. CRAMTON. But it further says:

Unless specifically authorized in the contract approved by the Commissioner of Indian Affairs.

Why is it necessary to give the Commissioner of Indian Affairs the authority to approve the contract that would permit these Indians to be mulcted for fees to be taken out of other funds?

Mr. EDMONDS. The only answer I can make to that is this, that this is the form of the bill recommended by the department to cover this case.

Mr. CRAMTON. I have no question but what the department would ask the fullest discretion possible.

Mr. EDMONDS. Undoubtedly this is the same form in which we have passed other bills of a similar nature. I do not see any change in this bill, particularly in any item, from bills we have passed in the Sixty-third and Sixty-fourth Congresses of the same kind.

Mr. CRAMTON. Would the gentleman have any objection to striking out that language in lines 10 to 12, beginning with "unless specifically authorized," and so forth, and restricting the fees to the proceeds of these cases?

Mr. EDMONDS. I would rather the gentleman from Kansas would answer that, because he prepared the case.

Mr. LITTLE. On the contrary, I prepared the original bill, and this bill has been amended and offered as a substitute. I prepared the bill originally. After I had drawn it, covering things that a lawyer would, I was informed that the department recommended the present bill and intended to present it as an amendment. I was informed this same matter had been up once in the Senate, and there the Secretary had recommended such a bill as this, and while it seemed to me that this bill was full of superfluities, one of which the gentleman suggested, after a very careful consideration I found out while it was kind of silly it would do no harm to cover the points. There were some other objections of this character, and I can assure the gentleman that it will really do no harm, just adding little things that could have been gotten along without, but we were having it the way the department wanted it and they would not be interfering and trying to make a lot of trouble in the Senate. I can say to the gentleman I do not think this will do any harm. It says, "The fees decreed by the court for the attorney or attorneys"—they can not get anything, except what the court decrees—"shall be paid out of any sum or sums recovered in such suits or actions"—they can not mulct the Indians; they get their fees out of the sum that is paid.

Mr. CRAMTON. Not necessarily.

Mr. LITTLE. That is the purpose.

Mr. CRAMTON. But this language I am referring to——

Mr. LITTLE. It says: "And no part of such fee shall be taken from any money in the Treasury of the United States belonging to such tribe or bands unless specifically authorized in the contract approved by the Commissioner of Indian Affairs." Now, that, I will say to the gentleman from Michigan, appears to be in accord with the general practice in order to protect the Indians against themselves and their lawyers, and the commissioner under the old law, as I recall it now, was authorized to ratify these contracts and authorized to make such payments. I will say to the gentleman this only does, as I recall it, just what the law says.

Mr. CRAMTON. I will say to the gentleman the language to which I object, lines 10 to 12, if it has any effect at all, is to contradict that in lines 5 and 6, and I think my amendment would at least make it clear and, I believe, make it safer to eliminate this.

Mr. LITTLE. I will say to the gentleman that it has been some weeks since I looked at this bill, but as I recall it, that is the law now, and if we took it out it would not make any difference. Under the law as it exists the commissioner could authorize the payment.

Mr. CRAMTON. Not if we eliminated it from this bill. The commissioner then would have no right to pay them or authorize the payment except out of moneys recovered.

Mr. LITTLE. If we had that stricken out. And I will say to the gentleman from Michigan that I believe it would be a little unjust to the lawyers in this case.

Mr. CRAMTON. I am not familiar with the other ones. I think this is very bad practice. I think I should have to object to that kind of a bill passing.

Mr. GANDY. If the gentleman will yield, what is it he wishes to strike out?

Mr. CRAMTON. The language in lines 10 and 12, beginning with the word "unless." In lines 5 and 6 it is provided that the fees must be paid out of the funds recovered, and then we authorize them to be paid out of other funds.

Mr. GANDY. If the gentleman will permit me just a moment, unless that language is left in the bill—and I say to you that I would have very grave doubts as to the advisability of passing this bill without that—you have no opportunity for the Secretary of the Interior to pass on the contract between the attorneys and the Indians. This Congress in days gone by has had plenty of difficulties with contracts between Indian tribes and attorneys that were not approved by the Secretary, and Congress has seen fit time and again in the passage of these and other bills to say that no contract between Indian tribes or the members thereof, who are wards of the Government, and attorneys, shall be valid unless approved by the Commissioner of Indian Affairs or the Secretary of the Interior.

Mr. CRAMTON. If the gentleman will permit, on page 4, lines 21 and 22, it is provided specifically that the contracts are to be "negotiated and approved as provided by existing law," and I have been advised that the contracts must be approved by the Bureau of Indian Affairs. If that is not sufficient, the language on page 5 is not sufficient to secure that.

The language I object to, on page 5, only accomplishes this, if anything—to permit the Commissioner of Indian Affairs to authorize the payment of attorneys' fees, not out of the proceeds of the cases, but out of other funds of the Indians. It does not submit the cases otherwise to the approval of the bureau, and it is conflicting with the previous language which says that these shall be paid out of any sums recovered in such suits or actions.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON. I reserve the right to object.

Mr. LITTLE. Does the gentleman think that there should be a difference in the treatment of lawyers in this case than any other?

Mr. CRAMTON. I think this. I am not versed in Indian laws, but I am suspicious of claims attorneys that are bringing claims against the Government, and I am particularly anxious to safeguard the Indians who come into the hands of such claim agents. And I think we should make sure that no attorney who brings a claim under this act should be able to get any fee for it except out of the proceeds of such case. And that is all I seek to accomplish.

Mr. YOUNG of North Dakota. I do not see any objection to amending the bill in that respect.

Mr. GANDY. Will the gentleman yield? I am not authorized to speak for my colleague from North Dakota who introduced this bill, but I am sure he will have no objection if the gentleman from Michigan thinks it would be good policy to strike that language out. And so far as I am concerned, after consultation with Mr. YOUNG, I would be pleased to have the gentleman offer an amendment to strike that out.

Mr. YOUNG of North Dakota. I will undertake to say that the statement of the gentleman from South Dakota is correct as to the position of the gentleman from North Dakota [Mr. SINCLAIR], who was called to an important conference this afternoon.

The SPEAKER pro tempore. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The Clerk read as follows:

Whereas the Indians of the Fort Berthold Indian Reservation in the State of North Dakota, including the tribes known as the Arickarees, the Gros Ventres, and the Mandans, and the individual members of such tribes make claim against the United States on account of various treaty provisions which, it is alleged, have not been complied with, and on account of various encroachments upon the appropriation by said Government of territory of said tribes and Indians: Therefore

Be it enacted, etc., That the Court of Claims is hereby vested with jurisdiction of, and authorized to try and determine, all matters of difference arising out of treaty stipulations with said tribes or Indians, or any of them, acts of Congress relating thereto or encroachments upon, or appropriation by the Government or under its authority of, territory of said tribes or Indians, or any of them, and to render judgment thereon, it being the intention of this act to allow the said court unrestricted latitude in determining and adjusting any and all of said matters and claims so that the rights, legal and equitable, both of the United States and of said tribes and Indians may be fully considered and determined, and the said court is further empowered to try and determine all questions that may arise in any cause which may be instituted in the premises on behalf of said tribes or Indians, or any of them, and render judgment therein.

SEC. 2. That any cause instituted under the jurisdiction herein conferred may be commenced by petition reciting the facts on which the petitioners claim to recover and setting forth the claims of the petitioners and their nature and amount, and said petition may be verified by any one of the petitioners as to the existence of such facts, and no other recitals or allegations need be contained in said petition or verification.

The following committee amendment was read:

Committee amendment: Strike out all after the enacting clause and insert in lieu thereof the following:

"That all claims of whatsoever nature which any or all of the tribes of Indians of the Fort Berthold Reservation, N. Dak., may have against the United States, which have not heretofore been determined by the Court of Claims, may be submitted to the Court of Claims, with the right of appeal to the Supreme Court of the United States by either party, for determination of the amount, if any, due said tribes from the United States under any treaties, agreements, or laws of Congress, or for the misappropriation of any of the funds of said tribes, or for the failure of the United States to pay said tribe any money or other property due; and jurisdiction is hereby conferred upon the Court of Claims, with the right of either party to appeal to the Supreme Court of the United States, to hear and determine all legal and equitable claims, if any, of said tribe against the United States, and to enter judgment thereon.

"SEC. 2. That if any claim or claims be submitted to said courts, they shall settle the rights therein, both legal and equitable, of each and all the parties thereto, notwithstanding lapse of time or statutes of limitation, and any payment which may have been made upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as an offset in such units or actions, and the United States shall be allowed credit for all sums heretofore paid or expended for the benefit of said tribe or any band thereof. The claim or claims of the said tribes or band or bands thereof may be presented separately or jointly by petition, subject, however, to amendment, suit to be filed within five years after the passage of this act; and such action shall make the petitioner or petitioners party plaintiff or plaintiffs and the United States party defendant, and any band or bands of said tribe the court may deem necessary to a final determination of such suit or suits may be joined therein as the court may order. Such petition, which shall be verified by a petitioner or an attorney employed by said petitioner tribes or any bands thereof, shall set forth all the facts on which the claims for recovery are based, and said petition shall be signed by the attorney or attorneys employed, and no other verification shall be necessary. Official letters, papers, documents, and public records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said tribe or bands thereof to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys for said tribes or bands of Indians.

"SEC. 3. That upon the final determination of such suit, cause, or action the Court of Claims shall decree such fees as it shall find reasonable to be paid the attorney or attorneys employed therein by said tribe or bands of Indians, under contracts negotiated and approved as provided by existing law, and in no case shall the fee decreed by said Court of Claims be in excess of the amounts stipulated in the contracts approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and no attorney shall have a right to represent the said tribe or any band thereof in any suit, cause, or action under the provisions of this act until his contract shall have been approved as herein provided. The fees decreed by the court to the attorney or attorneys of record shall be paid out of any sum or sums recovered in such suits or actions, and no part of such fee shall be taken from any money in the Treasury of the United States belonging to such tribes or bands of Indians in whose behalf the suit is brought unless specifically authorized in the contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior as herein provided: *Provided*, That in no case shall the fees decreed by said court amount to more than 10 per cent of the amount of the judgment recovered in such cause."

The SPEAKER pro tempore. Does the gentleman from Michigan offer an amendment?

Mr. CRAMTON. Mr. Speaker, the language is so clear that it means something different to me each time I read it. As to the words "any money" in line 8, I am not sure whether they include money they have there and not derived from these suits. They evidently do. But by reason of my doubt I will withhold the amendment at this time. The gentlemen in charge of the bill can give it further consideration elsewhere.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. YOUNG of North Dakota, a motion to reconsider the vote by which the bill was passed was laid on the table.

THOMAS SEVY.

The next business on the Private Calendar was the bill (S. 428) for the relief of Thomas Sevy.

The SPEAKER pro tempore. Is there objection to the consideration of this bill? [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The Clerk read as follows:

An act (S. 428) for the relief of Thomas Sevy.

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to accept title to the following-described lands, either in whole or in part, upon certification by the Secretary of Agriculture that the lands are chiefly valuable for national forest purposes and approximately equal in value to the lands to be given in exchange therefor: The east half of section 32; the north half of the northwest quarter and the south half of the southwest quarter of section 32, township 35 south, range 4 west of Salt Lake base and meridian, situate in the Sevier National Forest; and to issue to Thomas Sevy in lieu thereof patents to the following-described areas, or to such parts thereof as are found by the Secretary of Agriculture to be approximately equal in value to the lands conveyed: The northeast quarter, the north half of the southeast quarter, the southwest quarter of the southeast quarter, the southeast quarter of the northwest quarter, and the southwest quarter of section 31, township 37 south, range five west of Salt Lake base and meridian: *Provided*, That the lands conveyed to the Government shall thereupon become parts of the Sevier National Forest and subject to all laws and regulations applicable thereto: *Provided further*, That the Secretary of the Interior and the Secretary of Agriculture shall jointly report to Congress, in detail, the factors upon which the valuations were made.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. WELLING, a motion to reconsider the vote by which the bill was passed was laid on the table.

PAYMENT OF DECEMBER SALARIES TO EMPLOYEES.

Mr. GOOD. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. GOOD. I desire to ask unanimous consent for the present consideration of a joint resolution.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent for the present consideration of a joint resolution, which the Clerk will report.

The Clerk read as follows:

Joint resolution (H. J. Res. 267) authorizing the payment of salaries of officers and employees of Congress for December, 1919.

Resolved, etc., That the Secretary of the Senate and the Clerk of the House of Representatives are authorized and instructed to pay the officers and employees of the Senate and House of Representatives, including the Capitol police, their respective salaries for the month of December, 1919, on the 20th day of said month; and that the provisions of the resolution (H. J. Res. 260) entitled "Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919," of this session of the Congress, be, and the same are hereby, rescinded.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none.

Mr. GOOD. Mr. Speaker, I ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent that it may be considered in the House as in the Committee of the Whole. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the joint resolution.

The joint resolution was again read.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. GOOD, a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

UNSURVEYED PUBLIC LANDS, UTAH.

The next business on the Private Calendar was the bill (H. R. 5213) for the relief of occupants and claimants of unsurveyed public land in township 8 north of range 2 west of Salt Lake meridian, Utah.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. MANN of Illinois. Mr. Speaker, I shall not object. The bill is on the Private Calendar, although I think it is quite plain that it is a public bill and belongs on the Union Calendar.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That on the survey of any areas of public land in sections 10, 15, 22, and 27, in township 8 north, range 2 west of the Salt Lake base and meridian, in the State of Utah, which may be found to have been erroneously omitted from the official survey, plat of which is now on file in the General Land Office, the Commissioner of the General Land Office be, and he is hereby, authorized to cause such areas to be surveyed and platted in such a manner as will segregate the several holdings of the bona fide occupants of such areas as shown by their occupation and improvements.

SEC. 2. That under such rules and regulations as the Secretary of the Interior shall prescribe all such bona fide occupants as shall have had adverse possession by themselves or their grantors for seven years prior to the approval of the plat of survey provided for herein shall have a preferred right at any time within six months after the approval of such plat of survey to purchase at the rate of $2.50 per acre the lands so occupied and improved in such parcels as the same are so held and possessed by each of them, not to exceed in any one case 160 acres.

SEC. 3. That in lieu of any portion of such areas which may be found to lie within the limits of a grant to any railroad company and to have been for the period of seven years mentioned in the preceding section in the possession of a bona fide occupant or occupants claiming otherwise than through such company, such railroad company shall be entitled to select other lands in accordance with the terms and restrictions of the act of Congress approved June 22, 1874: *Provided*, That the land described in one certain patent of the United States dated September 16, 1884, to the Central Pacific Railroad Co. as lot 5 of the northwest quarter of section 15 of the township and range aforesaid, containing 33.19 acres, shall not form the basis for any such lieu section; but the survey hereinbefore provided for shall be so made as to identify said tract; and title to said tract is hereby confirmed in said railway company and its grantees.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

SEC. 2. That, under such rules and regulations as the Secretary of the Interior shall prescribe, all such bona fide occupants as shal have had adverse possession by themselves or their grantors for seven years prior to the approval of the plat of survey provided for herein shall have a preferred right at any time within six months after the approval of such plat of survey to purchase at the rate of $2.50 per acre the lands so occupied and improved in such parcels as the same are so held and posessed by each of them, not to exceed in any one case 160 acres.

With a committee amendment, as follows:

Page 2, line 6, after the word "as," strike out "shal" and insert the word "shall."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 12, strike out "posessed" and insert "possessed."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

SEC. 3. That in lieu of any portion of such areas which may be found to lie within the limits of a grant to any railroad company and to have been for the period of seven years mentioned in the preceding section in the possession of a bona fide occupant or occupants claiming otherwise than through such company, such railroad company shall be entitled to select other lands in accordance with the terms and restrictions of the act of Congress approved June 22, 1874: *Provided*, That the land described in one certain patent of the United States dated September 16, 1884, to the Central Pacific Railroad Co. as lot 5 of the northwest quarter of section 15 of the township and range aforesaid, containing 33.19 acres, shall not form the basis for any such lieu section; but the survey hereinbefore provided for shall be so made as to identify said tract; and title to said tract is hereby confirmed in said railway company and its grantees.

With a committee amendment, as follows:

Page 3, line 3, strike out the word "section" and insert "selection."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WELLING, a motion to reconsider the vote whereby the bill was passed was laid on the table.

W. B. GRAHAM.

The SPEAKER pro tempore. The Clerk will report the next one.

The next business on the Private Calendar was the bill (S. 552) to reimburse W. B. Graham, late postmaster at Ely, Nev., for money expended for clerical assistance.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. MANN of Illinois. Reserving the right to object, when was this money expended?

Mr. EVANS of Nevada. It was about 12 years ago, during the years 1906, 1907, and 1908.

Mr. MANN of Illinois. Is this one of those bills that have been hanging around here for a long time?

Mr. EVANS of Nevada. No. This is the first time it was presented. It is the only one from the whole State. It passed the Senate.

Mr. MANN of Illinois. It is a Senate bill. It had to pass the Senate.

Mr. EVANS of Nevada. Has the gentleman got the report there?

Mr. MANN of Illinois. I am not going to object. There are a lot of these bills where the department has refused to grant the authority asked for to employ additional clerical assistance, and postmasters, notwithstanding the refusal, have deliberately gone on themselves and employed the assistants and paid for the assistant clerical help and then afterwards wanted Congress to reimburse them. It is a very bad practice.

Mr. EVANS of Nevada. At that time the money was not available.

Mr. MANN of Illinois. The department has full authority.

Mr. EVANS of Nevada. At that time there was no money available and this boom came on. About 10,000 extra people came on there and this sum had to expended.

Some years ago they learned a process to profitably treat low-grade copper ores, immense bodies of which ore, averaging about 2 per cent copper, were known to be in White Pine County, Nev. This information created an increase of population to the little town of Ely, Nev., whose previous purpose was serving the scattered ranches in that vicinity, 10,000 or more men coming to the new mining boom. One of the leading citizens of the former village of Ely was Mr. Graham, the postmaster, and worth several thousand dollars. Seeing the need and demand for delivery of mail, feeling his responsibility as postmaster, Mr. Graham employed extra post-office clerks, paying from his own funds $3,335, for which he has rendered an itemized account and sworn to. This bill has received the approval of several Postmasters General and has passed the Senate. It came to my hand during the extraordinary session of Congress, being the only claim from the whole State of Nevada, accompanied by a petition of 35 names, all signers being leading citizens of Ely—the mayor, district judge, county clerk, recorder, audi-

tor, county treasurer, White Pine News (newspaper), the Ely Record (newspaper), sheriff, city attorney, both banks of Ely, district attorney, and county commissioners—setting forth the earnest request that said W. B. Graham be fully repaid for the service he gave.

This is the only claim from a whole State. Nevada is not in distress nor asking charity, but we do feel that this money was advanced with good intent for the benefit of the service and now should be repaid. Three Postmasters General have recommended it paid, and the Committee on Post Offices and Post Roads advise payment. The Senate has passed the bill. A petition asking your favorable consideration, signed by 35 leading men of Ely, all of whose word is pure gold, knowing all the circumstances, is before you. One year ago the county commissioners, whose names are signed here, went up the street and back on the other side and raised $1,050,000 upon a single Liberty-loan drive. Besides Knights of Columbus and Red Cross, a score of times Ely went over the top for war drives, meeting all demands. Now those commissioners sign a petition to you setting forth the facts.

Mr. MANN of Illinois. That is what they always say. The department has the money. We appropriate money for that purpose, and when there is a deficiency we always appropriate for the deficiency. Congress can not ordinarily determine whether a postmaster ought to have additional clerical help. That is a matter for the Post Office Department to determine. We ought not to say that postmasters shall settle the question themselves when the department has refused to give them that assistance.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to W. B. Graham, late postmaster at Ely, Nev., out of any money in the Treasury not otherwise appropriated, the sum of $3,335, to reimburse him for money expended for necessary clerical assistance.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EVANS of Nevada, a motion to reconsider the vote whereby the bill was passed was laid on the table.

MICHAEL MACGARVEY.

The SPEAKER pro tempore. The Clerk will report the next bill.

The next business on the Private Calendar was the bill (H. R. 6407) for the relief of Michael MacGarvey.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. BEE. Reserving the right to object, Mr. Speaker, I wanted to ask the gentleman from New York [Mr. SIEGEL] if I am correct in understanding that they have held that injury to false teeth does not constitute a personal injury but an injury to property, and for that reason the claimant had to come to Congress with a property right?

Mr. SIEGEL. That is the correct interpretation. It was held that it was injury to private property—false teeth. [Laughter.]

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $35 to Michael MacGarvey, police laborer in the employ of the depot quartermaster, Governors Island, N. Y., for damage caused to a set of false teeth incident to said service.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. SIEGEL. Mr. Speaker, this is the only bill with teeth in it that has been passed. [Laughter.]

On motion of Mr. SIEGEL, a motion to reconsider the vote whereby the bill was passed was laid on the table.

WILLIAM HOLSTEN.

The next business on the Private Calendar was the bill (H. R. 1796) for the relief of William Holsten.

The bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to allow the following homestead application, subject to the compliance of the applicant with the provisions of the homestead laws applicable thereto: Homestead application 037866, Rapid City series, of William Holsten, for the northeast quarter of the southeast quarter of section 15, township 2 north, range 5 east, Black Hills meridian.

With the following committee amendment:

Page 1, line 11, after the word "meridian," insert "in the State of South Dakota."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

On motion of Mr. GANDY, a motion to reconsider the vote by which the bill was passed was laid on the table.

ARTHUR J. BURDICK.

The next business on the Private Calendar was the bill (H. R. 1856) for the relief of Arthur J. Burdick.

The bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay, out of any moneys in the Treasury of the United States not otherwise appropriated, to Arthur J. Burdick, Riverside County, State of California, the sum of $1,981.68, in full compensation for the amount expended by said Burdick in compliance with law upon his desert-land entry No. 07331 allowed by the local land office at Los Angeles, Calif., and subsequently canceled for conflict with the grant to the Southern Pacific Railroad Co.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. KETTNER, a motion to reconsider the vote by which the bill was passed was laid on the table.

BALTIMORE DRY DOCKS & SHIPBUILDING CO.

The next business on the Private Calendar was the bill (H. R. 1865) for the relief of the Baltimore Dry Docks & Shipbuilding Co., owner of a dry dock at Baltimore, Md.

The bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The bill was read, as follows:

Be it enacted, etc., That the claim of the Baltimore Dry Docks & Shipbuilding Co., owner of the dry dock located at its lower plant, Baltimore, Md., rising out of damage to a caisson of said dry dock, caused by the collision of the United States Navy tug *Tavernilla* on the 16th day of February, 1918, for and on account of the losses alleged to have been suffered by the owner of said dry dock because of said damage caused by the said naval vessel, may be submitted to the United States court for the district of Maryland, the district in which said collision occurred, under and in compliance with the rules of said court, sitting as a court of admiralty: *Provided*, That the said court shall have jurisdiction to hear and determine the whole controversy and to enter judgment or decree for the amount of the legal damages sustained by reason of said collision, if any shall be found to be due either for or against the United States, upon the same principle and measure of liability, with costs, as in like cases in admiralty between private parties, with the same rights of appeal: *Provided further*, That should damages be found to be due from the United States to the owner of said dry dock, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *And provided further*, That such suit shall be brought and commenced within four months after the passage of this act: *And provided further*, That the mode of service of process shall conform to the provisions of the act of March 3, 1887, entitled "An act to provide for the bringing of suits against the United States."

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. LINTHICUM, a motion to reconsider the vote by which the bill was passed was laid on the table.

J. E. ADAMS.

The next business on the Private Calendar was the bill (H. R. 5081) for the relief of J. E. Adams.

The bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to issue a patent to J. E. Adams, of Oakland, Calif., for the lands hereinafter described: *Provided*, That said J. E.

Adams shall pay therefor the sum of $2.50 per acre within six months after approval of this act, said lands being the east half of the southeast quarter of section 21, township 3 north, range 1 east, of the Willamette meridian, Clarke County, Wash.

With the following committee amendments:

Page 1, line 4, after the word "said," strike out the initial "J" and insert "James."

Page 1, line 6, strike out the initial "J" and insert "James."

Page 1, line 11, after the word "Washington," insert "formerly patented to the Oregon & California Railroad Co., and the title to which was revested in the United States by the provisions of the act of June 9, 1916 (39 Stat. L., p. 218)."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

By unanimous consent the title was amended so as to read: "A bill for the relief of James E. Adams."

On motion of Mr. ELSTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

ORDER OF BUSINESS.

Mr. EDMONDS. Mr. Speaker, I should like to make a parliamentary inquiry. I notice that the next bill on the calendar is a pension bill, and as I do not believe it was the intention of the House to consider pension bills to-day—because the Committees on Pensions have had several days on the floor this fall—I ask unanimous consent to pass over the pension bills without prejudice, leaving them on the calendar.

The SPEAKER pro tempore. The gentleman asks unanimous consent that the pension bills be passed over without prejudice.

Mr. MANN of Illinois. Why not make the request that only bills in order to-day shall be called up? That would exclude pension bills and war-claims bills.

Mr. EDMONDS. I think the House has already ordered that bills be taken up in their order on the calendar.

Mr. MANN of Illinois. The gentleman is asking to change that order.

Mr. CRISP. If the gentleman will permit me, I asked the gentleman from Tennessee [Mr. SELLS], who is chairman of the Committee on Pensions, if he intended to call up these bills, and he said no, that he wanted them to go over until January.

Mr. EDMONDS. I think the House can by unanimous consent pass over these bills without prejudice and leave them on the calendar.

The SPEAKER pro tempore. The same object can be attained by objecting to them and letting them remain on the calendar without prejudice.

Mr. EDMONDS. I do not want to do that.

Mr. MANN of Illinois. I ask unanimous consent that only bills be reported to-day which would otherwise be in order to-day.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that only those bills be considered to-day that would otherwise be in order to-day. Is there objection?

Mr. CALDWELL. Reserving the right to object, that would exclude only pensions and war claims?

Mr. MANN of Illinois. That is all; all the rest are in order.

Mr. BYRNS of Tennessee. Mr. Speaker, reserving the right to object, I notice on the calendar that there are only two war-claims bills. I happen to know something about one of them. I say frankly to the gentleman that I am anxious for the House to consider it to-day, as it has been pending for a long time. I am not on the committee, but since there are only two war-claims bills on the calendar I hope the gentleman will not submit the request in that form.

Mr. MANN of Illinois. These other bills were in order to-day. It was not intended to include bills not in order to-day.

Mr. BYRNS of Tennessee. I am aware that I am wholly within the power of the gentleman or any other Member. If I object to the request the bill could be objected to when reached.

Mr. MONDELL. If the gentleman will allow me, the request was—although it may not have been put in that form—that the bills that were in order to-day should be taken up unless objected to. The unanimous-consent request did not make anything in order that was not in order to-day. So that these pension bills and war-claims bills were not in order and not made in order by the unanimous-consent request.

Mr. BYRNS of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BYRNS of Tennessee. Do I understand that bills reported by the War Claims Committee are not in order to-day?

The SPEAKER pro tempore. The Chair understands that the claims bills, coming from the Committee on Claims, would have the preference under the rules of the House. If this is claims day, and the Chair has not investigated it——

Mr. MANN of Illinois. This is claims day.

Mr. BYRNS of Tennessee. Bills coming from the War Claims Committee then would not be in order.

The SPEAKER pro tempore. Not until the claims were out of the way. Under the rule the claims would have the preference.

Mr. MANN of Illinois. Claims have preference over war claims.

The SPEAKER pro tempore. Yes.

Mr. MANN of Illinois. And not over bills reported from the other committees.

The SPEAKER pro tempore. Is there objection to the request? [After a pause.] The Chair hears none.

LAWRENCE BENDICH AND ANTHONY VEZICH.

The next business on the Private Calendar was the bill (H. R. 8645) for the relief of Lawrence Bendich and Anthony Vezich.

The Clerk read the bill, as follows:

Be it enacted, etc., That the claim of Lawrence Bendich and Anthony Vezich, citizens of the United States, and residents of the city of New Orleans, State of Louisiana, and joint owners of the gasoline freighter *Protector*, against the United States for damages alleged to have been caused by collision between the said freighter and the United States submarine chaser *No. 336*, in the Mississippi River, about 35 miles below New Orleans, on the 2d day of February, 1919, may be sued for by the said Lawrence Bendich and Anthony Vezich in the district court of the United States for the Eastern District of Louisiana, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the said Lawrence Bendich and Anthony Vezich, or against the said Lawrence Bendich and Anthony Vezich in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties, and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk reported the bill for amendment.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

HENRY P. GRANT.

The next business on the Private Calendar was the bill (S. 248) for the relief of Henry P. Grant, of Phillips County, Ark.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $7,574.24 to Henry P. Grant, formerly postmaster of Helena, Ark., said sum being the amount he voluntarily paid into the Treasury to make good the amount of public money appropriated by the assistant postmaster, William B. Lindsey, to his own use, who was duly tried and convicted of said crime and punished by imprisonment in the penitentiary for a term of four years.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk reported the bill for amendment.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. CARAWAY, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PATENT TO CERTAIN LAND IN HURON COUNTY, MICH.

The next business on the Private Calendar was the bill (H. R. 262) to authorize the Secretary of the Interior to issue patent in fee simple to the county of Huron, in the State of Michigan, for a certain-described tract of land for public-park purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and is hereby, authorized and directed to issue patent in fee simple to the county of Huron, in the State of Michigan, for the following tract of land, to wit: Lots 1 and 2, section 17, and the northeast quarter of the northeast quarter of section 20, township 18 north, range 11 east, in Michigan, upon the payment of $1.25 per acre: *Provided*, That there shall be reserved to the United States all oil, coal, or other mineral deposits found in the land, and the right to prospect for, mine, and remove the same: *And provided further*, That this grant shall be subject to all prior, valid existing rights under the land laws of the United States, and that if the grantee shall fail to use the land for public-park purposes or shall devote the same to other uses the title thereto shall revert to the United States: *And provided further*, That said grantee shall,

within two years from the approval of this act, file its application and make entry and use of the land under this act, for the purposes herein specified, and the grant herein is made upon the express condition that, within 30 days of the receipt of any request therefor from the Secretary of the Interior, the county clerk shall submit to the said Secretary of the Interior a report as to the use made of the land herein granted the county, during the preceding period named in such request, showing compliance with the terms and conditions stated in this act, and that in the event of his failure to so report, or in the event of a showing in such report to the Secretary of the Interior that the terms of the grant have not been complied with, the grant shall be held to be forfeited, and the Attorney General of the United States shall institute suit in the proper court for the recovery of said lands.

The SPEAKER pro tempore. Is there objection?

Mr. LITTLE. Reserving the right to object, I would like to inquire of the author of the bill, or some one else, in regard to one or two provisions.

On page 2, line 8, and following, that if this land of 165 acres is granted to the county for a park within 30 days of the receipt of any requests the county clerk shall submit to the Secretary of the Interior a report as to the use made of the land during the preceding period named in such request, showing compliance with the terms and conditions; and in the event of his failure to so report, and in the event of a showing in such report to the Secretary of the Interior that the terms of the grant have not been complied with, the grant shall be held to be forfeited and the Attorney General of the United States will institute suit in the proper court for the recovery of said lands.

Now, it occurs to me that instead of putting the Secretary of the Interior to the trouble of instituting a suit to bring the land back into possession of the Government it would simplify it if it was amended so that the county would commit itself to an acceptance of it. If it is so doubtful as to whether they will take it or not, I think it would be better to have it known in advance and thus avoid a lawsuit. The Attorney General would have to bring suit if they did not go on with it, and there would be a lot of costs and expense. Could not that be avoided?

Mr. CRAMTON. The gentleman does not quite understand the situation. There is no doubt as to the desire of the people of Huron County. This is a bill to permit a county in my district to buy a small piece of unproductive public land which happens to remain in that county, which land is upon the shores of Saginaw Bay, by paying the regular price of $1.25 an acre, to use the land as a public park for the use of the people of that county.

Mr. LITTLE. I get that from the bill.

Mr. CRAMTON. That being the purpose of the bill, the people of the county have already manifested their desire to acquire the land. The board of supervisors have taken action. It was at their instance that I introduced the bill. The Interior Department, in their desire to safeguard the interests of the public, desired not only that the bill should provide, as it does on page 2, in line 4 and following, that if the grantee shall fail to use the land for public-park purposes or shall devote the same to other uses the title thereto shall revert to the United States, but also wanted a provision that an occasional report from the officers of the county, after the land came into the possession of the county, should be made, to the effect that the land was being used for park purposes, and hence this provision is inserted to meet the requirements of the Interior Department.

Mr. LITTLE. Would the gentleman object to an amendment which did away with that and simply provided that when they took it they just filed some statement that they committed themselves to it, and thus do away with such an apparent unnecessary expense?

Mr. CRAMTON. This does not have reference to the time prior to the time the county gets the record title, but thereafter. Twenty years from now, if the Interior Department wants to know if the land is still being used for park purposes, then they should make a report. I would say that in my observations as a member of the Committee on the Public Lands I saw a great many bills go through where this was not insisted upon, and it seems to me unnecessary, but the Interior Department in this case wanted that information, and we are willing to give them that information.

Mr. LITTLE. I notice that their suggested phraseology was that on or before January 10 of each year after the expiration of the said two years a report should be submitted, but the bill provides that the county clerk shall submit to the Secretary a report whenever a request is made therefor.

Mr. CRAMTON. The gentleman will notice, further, that the bill introduced in the last Congress contains the language calling for a report each two years, as I recall, but a bill in the form in which we have it before us now passed the Senate in the last Congress, and the department expressed their approval of that language.

Mr. LITTLE. It does not seem to amount to much, because there is no time specified wherein a report shall be requested or made, and if we are going to have one, does not the gentleman think it would be better to say when it should be made?

Mr. CRAMTON. If the gentleman wants to put language in there that would specify the time the Interior Department shall call for a report, it would be entirely agreeable to me, but I would not like in 10 years from now to have some county clerk possibly overlook the requirement for a report and thus have the county lose title to the land because of his oversight.

Mr. LITTLE. Why do they give the county two years within which to file this application?

Mr. CRAMTON. If the gentleman has any serious objection to that, I am agreeable to a different provision. The land has laid there since 1837, or thereabouts, without being taken up. If the gentleman objects to two years, I am agreeable to a different provision.

Mr. LITTLE. It says here that somebody did take it up and made a homestead entry, but it was afterwards canceled.

Mr. CRAMTON. The gentleman is incorrect. The man did not follow it up, and it was lying there unused.

Mr. LITTLE. The report signed by Secretary Lane says that Henry Gouli did make homestead entry, serial No. 0220, at the Marquette land office, and that afterwards the General Land Office canceled the entry on the application of Mr. CRAMTON, the introducer of the bill.

Mr. CRAMTON. He had made an entry, but he had abandoned it.

Mr. LITTLE. And the land is really not of any value for agricultural purposes?

Mr. CRAMTON. So the committee of the board of supervisors states. That is a populous and well-settled county, and if the land had been of value it would have been taken up.

Mr. LITTLE. How would they make a park of it if they can not grow anything on it?

Mr. CRAMTON. There is Saginaw Bay there. The water is always there, and they may be able to grow a few trees.

Mr. LITTLE. Some of these things seemed peculiar to me, but I think the gentleman's explanation is satisfactory.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and is hereby, authorized and directed to issue patent in fee simple to the county of Huron, in the State of Michigan, for the following tract of land, to wit: Lots 1 and 2, section 17, and the northeast quarter of the northeast quarter of section 20, township 18 north, range 11 east, in Michigan, upon the payment of $1.25 per acre: *Provided*, That there shall be reserved to the United States all oil, coal, or other mineral deposits found in the land, and the right to prospect for, mine, and remove the same: *And provided further*, That this grant shall be subject to all prior, valid existing rights under the land laws of the United States, and that if the grantee shall fail to use the land for public-park purposes or shall devote the same to other uses the title thereto shall revert to the United States: *And provided further*, That said grantee shall, within two years from the approval of this act, file its application and make entry and use of the land under this act, for the pruposes herein specified, and the grant herein is made upon the express condition that, within 30 days of the receipt of any request therefor from the Secretary of the Interior, the county clerk shall submit to the said Secretary of the Interior a report as to the use made of the land herein granted the county, during the preceding period named in such request, showing compliance with the terms and conditions stated in this act, and that in the event of his failure to so report, or in the event of a showing in such report to the Secretary of the Interior that the terms of the grant have not been complied with, the grant shall be held to be forfeited, and the Attorney General of the United States shall institute suit in the proper court for the recovery of said lands.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. CRAMTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

CENTRAL MANUFACTURERS' INSURANCE CO.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

An act (S. 1694) providing for the refund of taxes collected for stamp tax on certain policies under the emergency tax act of October 22, 1914, under the proviso to which act such policies were exempt.

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Central Manufacturers' Mutual Insurance Co. of Van Wert, Ohio, the sum of $2,888.77, being the amount paid for stamp taxes under the emergency revenue act of October 22, 1914, on policies of such company, which policies were exempt from

such tax under a proviso to said act as determined by the United States Circuit Court of Appeals for the Sixth Circuit in the case of Niles, collector of internal revenue, against Central Manufacturers' Mutual Insurance Co., decided June 10, 1918, and reported in volume 252 of the Federal Reporter, page 564.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, this only applies to one individual insurance company as I understood the reading of the bill. How many of these claims are there?

Mr. EDMONDS. I have no knowledge of other claims before the committee of this kind. It is possible there may be others.

Mr. MANN of Illinois. It seems to me there were a lot of these claims a few years ago. Whether they were ever disposed of I do not know. I think there was a bill providing for the payment of some at some time, and possibly there was talk of general legislation; however, I do not recall distinctly.

Mr. EDMONDS. I do not think that the claims the gentleman speaks of a few years ago are the same as this claim. I think this claim originated in more recent years than those claims. I think the claims the gentleman refers to originated in 1909 or 1910.

Mr. MANN of Illinois. That is possible. Of course, it is a very small claim arising under the revenue law. Where there are not a large number of the same class, it has no protection under some construction of the statute by the Internal-Revenue Office. There have only been a few made by one concern. Sometimes it may be important to know how many claims there are and how much is involved. What does the Treasury Department say about this bill, may I ask? Have they made a favorable report upon the bill?

Mr. EDMONDS. The Treasury Department, under a letter dated September 2, 1919, makes this statement after going over the accounts:

Inasmuch as the court held that the policies of this company were exempt from the stamp tax, a basis of equity and justice is clearly afforded for refund to the Central Manufacturers' Mutual Insurance Co., of Van Wert, Ohio, of $2,859.88, the face value less 1 per cent of the stamps indicated to have been affixed, in case the evidence submitted in connection with the bill is accepted as a satisfactory showing that internal-revenue stamps of the stated face value were actually affixed to the policies in question. Such stamps were largely sold in quantities of $100 or more at a discount of 1 per cent. Upon a positive showing that the face value was paid for all these stamps, the face value may equitably be refunded.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the bill for amendment.

The bill was read for amendment.

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

CATHERINE GRACE.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

An act (S. 1375) for the relief of Catherine Grace.

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay the sum of $469.50, out of any money in the Treasury of the United States not otherwise appropriated, to Catherine Grace, widow of James Grace, who died as a result of injuries received by him, the said James Grace, while in the performance of his duties as an employee of the Government.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The bill was read for amendment.

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

PREFERENTIAL RIGHT TO PURCHASE CERTAIN PUBLIC LANDS.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 8084) granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes.

Whereas in the governmental survey made in February, 1846, and approved December 23, 1846, certain areas in sections 29, 30, 31, and 32, township 11 north, range 10 east, fifth principal meridian, Mississippi County, Ark., containing 1,099.51 acres, being all that part of said sections which was designated as lake in the survey of 1846, and so meandered and designated as a lake on the official plat of said area and known as Golden Lake; and

Whereas many years ago the riparian proprietors, in good faith believing themselves to be the owners of said area, caused the same to be drained, reclaimed, and put into a high state of cultivation, at a very great expense; and

Whereas the said claimants are entitled to equitable consideration by reason of such labor and expenditures and improvements; and

Whereas these lands have acquired their chief and practically their entire value from these improvements; and

Whereas by decree of the Chancery Court of Mississippi County, Ark., Osceola District, at the February, 1913, term thereof, as the same appears in the records of said court, book 7, pages 43 to 54, inclusive, said lands were partitioned among the following persons as owners: G. W. House, Oliver Douglas, J. W. Rhodes, W. K. Harrison, and J. W. Rhodes, jr.; and

Whereas the United States has since asserted title to said lands and caused a corrected survey to be made, and now asserts title to said lands: Now, therefore,

Be it enacted, etc., That said persons named in said decree as set out above, their heirs, administrators, or assigns, are hereby granted a preferential right at any time within 90 days after the passage of this act and the filing of the plats of said corrected survey in the United States land office in Little Rock, Ark., to purchase said lands of the United States and to pay for the same at the rate of $1.25 per acre in accordance with the divisions and allotments to said person or persons, respectively, named in said decree: *Provided, however*, That if the parcel of land awarded to said person or persons in such decree does not conform to the legal description of lands as returned by the corrected survey, then the person to whom the major portion of any legal subdivision was awarded by said decree may purchase all of such subdivision from the United States at the price herein named, and said purchase shall be in trust for that portion of land awarded under said decree to the person named therein, his heirs or grantees, and such purchaser, upon the issuance of said patent to him, shall forthwith convey to said cestui qui trust such land as was awarded by the terms of said decree to said person upon payment by said cestui qui trust of his proportionate part of the purchase price and entry fees for the same.

Said lands herein authorized to be purchased are all that part of said sections 29, 30, 31, and 32, township 11 north, range 10 east, fifth principal meridian, Mississippi County, Ark., not included as land in the survey made in February, 1846, and approved December 23, 1846.

The Clerk read the committee amendments.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, will the gentleman from Arkansas explain this bill and say whether these are part of the sunken lands or part of the lands of the United States? Has there been any litigation——

Mr. CARAWAY. Mr. Speaker, this particular tract of land was meandered as a lake. It was so regarded for years and years, and the Government has frequently asserted that it had no interest in it. A levee was built along the Mississippi River and drainage was put in there, and the lands were then rendered susceptible of cultivation and the present occupants of them cleared them up years ago. They are valuable lands now. There was just a lake, but about 10 years ago the Government went down there and resurveyed all of these lands, and undertook to declare them public lands, saying that the other survey was a mistake, that it was not a lake but land at the time of the original survey. So they resurveyed this land. The Government asserted it was public land. The plats, however, have never been filed, and when that announcement was made that the Government asserted title to it certain people undertook to homestead it—went into the fields, you know. Now, afterwards an agreement was reached between the would-be settlers and the homesteaders, the original riparian owners who made the improvements and are in possession, and this bill is to carry out that agreement.

Mr. MANN of Illinois. The gentleman knows there has been a lot or litigation instituted by the Government in reference to various pieces of public land in Arkansas?

Mr. CARAWAY. This land has never as yet been subject to litigation.

Mr. MANN of Illinois. It is not included in these controversies or is related to them?

Mr. CARAWAY. No, sir; not yet.

Mr. MANN of Illinois. Does this bill meet with the approval of the Interior Department?

Mr. CARAWAY. It meets it this far and differs in this respect: The Commissioner of Public Lands wanted a general bill to settle all these kinds of claims. I did not want to introduce it because of some conflict about the homestead entries and whether they had been made prior to a certain time——

Mr. MANN of Illinois. Does he have any objection to the settlement made by this bill?

Mr. CARAWAY. Except he said the Government ought to get $6 an acre instead of $1.25; that is all.

Mr. MANN of Illinois. I suppose this land is worth $50 or $100?

Mr. CARAWAY. It is; yes, sir.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The bill was read for amendment.

The following committee amendment was read:

Strike out all of the preamble.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Also the following committee amendment was read:

Page 2, line 3, strike out all of line 3 and insert: "That G. W. House, Oliver Douglas, J. W. Rhodes, W. K. Harrison, and J. W. Rhodes, jr., named in the decree of the chancery court of Mississippi County, Ark., Osceola district, at the February, 1913, term thereof, as the same appears in the records of said court, book 7, pages 43 to 54, inclusive, their."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Also the following committee amendment was read:

Page 4, lines 1 and 2, strike out "and approved December 23, 1846," and insert in lieu thereof "which was designated upon the township plat approved December 23, 1846, as 'Goldens Lake.'"

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. CARAWAY, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMY E. HALL.

The SPEAKER. The Clerk will report the next bill.

The next bill on the Private Calendar was the bill (H. R. 8598) restoring to Amy E. Hall her homestead rights and providing that on any homestead entry made by her she shall be given credit for all compliances with the law on her original homestead entry and for all payments made on same.

Mr. HAWLEY. Mr. Speaker, I ask that the "whereases" be omitted in the reading and that only the bill be read, beginning on page 3, line 1.

Mr. MANN of Illinois. The whereases stricken out?

Mr. HAWLEY. They are stricken out in the report.

The SPEAKER. Is there objection to the request of the gentleman from Oregon? [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to permit the said Amy E. Hall to make a new homestead entry on any tract of land, not exceeding 160 acres, open to entry under the homestead laws of the United States, which is not otherwise appropriated or reserved, and that she be given credit for all compliances with law on her original homestead entry and for all payments made upon the same, giving and granting unto the Secretary of the Interior full and complete authority to carry out the purposes and intent of this act.

The SPEAKER. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The bill was read for amendment.

The following committee amendment was read.

Strike out all of the preamble.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Also the following committee amendment was read:

Page 4, line 1, strike out the words "the said."

The amendment was agreed to.

Also the following committee amendment was read:

Page 4, after the word "Hall," line 1, insert: "homestead entrywoman on lots 23 and 24, and south half southwest quarter northwest quarter section 17; the south half southeast quarter northeast quarter, northeast quarter southeast quarter, and southwest quarter northeast quarter, section 18, township 9 south, range 10 west, in the former Siletz Indian Reservation in the State of Oregon, whose homestead application was on January 3, 1914, placed of record in the office of the register and receiver of the United States land office at Portland, Oreg."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Also the following committee amendment was read:

Page 4, line 16, strike out the language "giving and granting unto the Secretary of the Interior full and complete authority to carry out the purposes and intent of this act" and insert "but expressly waiving the requirements as to cultivation under the act of June 6, 1912 (37 Stats., p. 123), giving and granting unto the Secretary of the Interior full and complete authority to carry out the purposes and intent of this act."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HAWLEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

ST. CROIX CHIPPEWA INDIANS OF WISCONSIN.

The next business on the Private Calendar was the bill (H. R. 2264) for the relief of the St. Croix Chippewa Indians of Wisconsin.

The bill was read, as follows:

A bill (H. R. 2264) for the relief of the St. Croix Chippewa Indians of Wisconsin.

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, to be expended under the supervision of the Commissioner of Indian Affairs in the purchase of subsistence supplies in relieving cases of actual distress and suffering among those needy St. Croix Indians of Wisconsin whose cases are referred to in report of January 13, 1915, transmitted by the Secretary of the Interior to the House of Representatives March 3, 1915, pursuant to the provisions of the act of Congress of August 1, 1914 (38 Stats. L., pp. 582–605), and printed as House Document No. 1663, Sixty-third Congress, third session.

SEC. 2. That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $141,000, in full settlement of the claims against the United States of the St. Croix Chippewa Indians of Wisconsin whose names appear upon the final roll prepared by the Secretary of the Interior pursuant to the said act of August 1, 1914, and which final roll is contained in the said report of the Secretary of the Interior, March 3, 1915, and in said House Document No. 1663.

SEC. 3. That the Secretary of the Interior is hereby authorized and directed to distribute said fund of $141,000 per capita among said Indians appearing upon said final roll, or, in his discretion, the per capita share of each of said Indians may be credited to him and expended by said Secretary for his benefit in such manner, including the purchase of land, as he may deem proper: *Provided*, That no part of the funds hereby appropriated shall be paid to any person or persons as attorney's fees: *Provided further*, That where any of said enrolled Indians have died since enrollment the Secretary shall ascertain and pay their pro rata shares to their proper distributees, under such rules and regulations as he may prescribe: *And provided further*, That one-half of said sum shall be expended in the purchase of land in northern Wisconsin for agricultural purposes, such land to be allotted to said St. Croix Chippewa Indians, each Indian to receive land to the value of one-half of his distributive share in the fund appropriated by this act, patents therefor to be issued in accordance with the general allotment laws of the United States. The land so selected shall be situated in organized school districts, and not be purchased in bodies of more than one section, and said bodies shall not adjoin each other. Such land shall be selected by an agent of the Indian Office familiar with lands in northern Wisconsin and an agent to be selected by said St. Croix Chippewa Indians. If these two disagree as to the value or desirability of any particular tract of land they shall agree upon a third person, who shall act with the two agents aforesaid in determining such matter of disagreement. No land shall be purchased hereunder unless and until the purchasing agents, together with said third person so selected, shall in person go upon each tract so purchased.

SEC. 4. That the Secretary of the Interior is hereby authorized and directed to strike from said final roll the name of Maggie Staples, No. 39 thereof, and also strike therefrom the name or names of any other Indians who shall hereafter be found to have received an allotment of land on any Indian reservation: *Provided*, That no part of the money hereby appropriated shall be paid to any of the persons whose names shall be stricken from the final roll by the Secretary of the Interior.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, I would say that this bill requires explanation to the House. We are appropriating nearly $150,000, and nobody here knows what it is for unless it is the Committee on Indian Affairs.

Mr. NELSON of Wisconsin. Mr. Speaker, may I be privileged to say in reply to the inquiry made by the gentleman from Illinois [Mr. MANN] that this bill is simply to correct an injustice which has existed for a long time as regards certain members of the Lac Courte Oreille Band of St. Croix Chippewa Indians in the State of Wisconsin. Their rights are fully set forth in the treaty of September 30, 1854, and have been fully justified by investigations made by the Department of the Interior and the Bureau of Indian Affairs. These investigations made by the department are fully given in the hearings on this bill.

No one can seriously question the fact that these 95 Indians, to whom reference will be made hereafter, were absolutely entitled, not only as a matter of humanity and justice but as a matter of legal right, to participate in the very inadequate payment made by the Government to each head of a family and each Indian over 21 years of age under the terms of the treaty of 1854. To put it plainly, all of the heads of families and all Indians over 21 years of age were, prior to and in 1873, entitled to 80 acres of land as an allotment. It is true that there was a general allotment act, dated February 8, 1887, but none of the Indians for whom relief is asked in the pending bill participated in the benefits of that act, as is mentioned in Document No. 1663, Sixty-third Congress, third session, bottom of page 2. Therefore these Indians are unjustly excluded from the benefits to which they are manifestly entitled and have been so excluded for a long period of years. It seems self-evident that the Government of the United States is in honor bound to either provide allotments or pay to the Indians entitled thereto money equivalent to the value of an allotment, which would amount in each case and instance to at least $1,500. There are no lands to be allotted upon the reservations, hence the provisions of the bill now pending provide the only means by which the Government can fulfill its obligations, which have been wholly too long disregarded.

A SUMMARY OF THE STEPS TAKEN BY THE CONGRESS LOOKING TO THE RELIEF OF THE ST. CROIX BAND OF INDIANS.

During the time that Congress has unfortunately been cruelly dilatory in providing for the relief of the St. Croix Band of Indians, still something has been done in their behalf, and, as early as August 1, 1914, the following act of Congress was approved:

That the Secretary of the Interior be, and he is hereby, directed to cause an investigation to be made of the condition and tribal rights of the so-called St. Croix Chippewa Indians, now residing in the counties of Polk, Burnett, Washburn, and Douglas, State of Wisconsin, and said to be in a destitute condition; that he shall ascertain and report to Congress at the beginning of the next session thereof whether the said Indians belong to the Lake Superior Chippewa of Wisconsin or to the Chippewa of Minnesota; what tribal rights, if any, they have with any band or tribe of Chippewa Indians residing in either Minnesota or Wisconsin; what benefits in land and money they would have received had they removed to a reservation in Wisconsin or had not been excluded from enrollment and allotment with the Chippewa Indians of Minnesota under the provisions of the act approved January 14, 1889. (25 Stat. L., p. 642.) That he shall cause a census and enrollment to be made of the said St. Croix Chippewa, and shall report their actual conditions and needs, with such recommendations for their relief as he may deem necessary."

The Department of the Interior acted very promptly under the provisions of this act, as is shown by the preliminary report dated December 1, 1914, and known as Document No. 1253, Sixty-third Congress, third session. The final result of the investigation ordered by Congress is set out in House Document No. 1663, Sixty-third Congress, third session, which embraces a report naming the Indians whose names are placed upon a final roll and who are unquestionably entitled to the relief Congress may see fit to provide for them. It seems clear that Congress, having authorized an investigation to determine certain facts and the investigation having been completed, and having ascertained those facts, should have little hesitation in putting into effect the relief which is deserved, which is legally and morally just, and which the Indians so sorely need at this time.

The pending bill is one simply designed to carry out the recommendations of the Secretary of the Interior and to make effective what was in the mind of Congress at the time it authorized an investigation and report. The pending bill has been favorably recommended by the Secretary of the Interior, and is approved by all those who have any knowledge of the facts and of the circumstances connected with this matter. After the investigation which has been made, the results of which are before Congress, it is difficult to conceive how any reasonable man could make objection to the relief provided for unless he could make the objection that the provisions of the bill are far less than they ought to be, and less than what the Indians whose names appear upon the final roll are actually entitled to.

I want to say, Mr. Speaker, that this whole matter has been thoroughly investigated by the Committee on Indian Affairs in the Senate, and is practically a copy of the bill passed by the Senate during the third session of the Sixty-fifth Congress, as recommended both by the Secretary of the Interior and the Bureau of Indian Affairs to the committee in the Senate. A part of the Senate report on said Senate bill 4699 is as follows:

The Committee on Indian Affairs, to whom was referred S. 4699, for the relief of the St. Croix Chippewa Indians of Wisconsin, having considered the same, report thereon with an amendment in the form of a substitute, with the recommendation that when so amended the bill do pass.

By an act of Congress approved August 1, 1914, the Secretary of the Interior was directed to cause an investigation to be made of the condition and tribal rights of the so-called St. Croix Chippewa Indians residing in northern Wisconsin. Among other things he was required to ascertain what tribal rights, if any, they had with any band or tribe of Indians residing in either Wisconsin or Minnesota, and what benefits in land or money they would have received had they removed to a reservation or had not been excluded from enrollment and allotment with the Chippewa Indians of Minnesota under the provisions of the act approved January 14, 1889. The Secretary was further directed to cause a census and enrollment of said Indians with recommendations for their relief as he might deem necessary.

On March 3, 1915, the Secretary made his final report to Congress as directed (Doc. No. 1663, 63d Cong., 3d sess.). In this report 95 Indians were found to be entitled to benefits from the Government under the treaty of September 30, 1854, and that they would be entitled to between $1,000 and $1,500 each.

This bill is for the purpose of carrying out the recommendations of the Secretary of the Interior.

In a report upon a bill introduced in the House of Representatives upon this same subject the Secretary states:

In further explanation of the failure of these Indians to remove to their respective reservations following the treaty, supra, I learn from the Commissioner of Indian Affairs that some of the subchiefs and many members of the band of Chief Buck did not understand that the present Lac Courte Oreille Indian Reservation established by said treaty was to be their future home; that they believed the lands embracing the waters of the St. Croix and Yellow Rivers were to be set aside for them as their home and hunting grounds; and that they never ceded or relinquished such country to the United States. I am also advised that the Indians themselves understood that there were not sufficient lands on the Lac Courte Oreille Reservation to provide for them should they have removed thereto, nor could they have made a living in such event.

I may state further that this bill, in substance as presented, was not only passed by the Senate as an individual bill but it was also later attached to the Indian appropriation bill in the Senate by the Committee on Indian Affairs, so that it has practically passed the Senate twice. The reason why it was not accepted favorably by the conferees was that the conferees of the House desired that it should receive a thorough investigation by the House Committee on Indian Affairs. In accordance with that action, which seemed reasonable, I again introduced the bill in the House in accordance with the draft as suggested and recommended by the Secretary of the Interior, and as passed by the Senate. The pending bill was submitted for consideration and report to the Subcommittee on Indian Affairs, of which Mr. ELSTON is the chairman. In the hearings by this committee I submitted all the investigations and legal data bearing on the subject, which are found in Exhibits A, B, and C in the hearings on the bill.

This bill is recommended for passage unanimously both by the subcommittee and the general Committee on Indian Affairs. It is recommended to pass by the Bureau of Indian Affairs and by the Secretary of the Interior. It has been passed twice on its merits in the Senate. Simple justice demands that the House of Representatives now pass the bill.

May I say further, Mr. Speaker, that in order to satisfy the Committee on Indian Affairs concerning the legal data on this bill I submitted a series of questions to the Commissioner of Indian Affairs, and I wish to submit his reply at this time, so that the House can have the facts fully before them for consideration. This letter, to my mind, is inclusive and conclusive, and clearly sets forth the legal reasons for the passage of the pending bill.

This letter, Mr. Speaker, reads as follows:

WASHINGTON, *October 1, 1919.*

DEAR MR. NELSON: In response to your recent informal request for certain information with respect to the rights of the St. Croix Band of Chippewa Indians of Wisconsin, you are advised ad seriatim as follows:

1. The specific right of the Indians in question under the treaty.

Article 2 of the treaty of September 30, 1854 (10 Stat. L., 1109), with the Chippewa Nation of Indians, provided:

"The United States agree to set apart and withhold from sale, for the use of the Chippewas of Lake Superior, the following-described tracts of land, viz:

* * * * * * *

"Third, for the other Wisconsin bands, a tract of land lying * * * on Lac Courte Orielles, each equal in extent to three townships, the boundaries of which shall be hereafter agreed upon or fixed under the direction of the President."

* * * * * * *

The treaty also provided other benefits for these Indians, including the payment of certain annuities for a term of 20 years and allotments of land. Again, article 11 thereof gave to these Indians the right to hunt and fish on the ceded territory ceded by them, "until otherwise ordered by the President."

This treaty was signed by 14 chiefs and headmen of the Lac Courte Oreille Band, including Chief "I-yaw-banse, or Little Buck."

The act of February 3, 1903 (32 Stat. L., 795) provided:

"That with the consent of the Chippewa Indians of Lake Superior, located on the Lac Courte Oreille Reservation, in the State of Wisconsin, to be obtained in such manner as the Secretary of the Interior may direct, the President may allot to each Indian now living and residing on said reservation and entitled to so reside, and who has not heretofore received an allotment not exceeding 80 acres of land, such allotments to be subject in all respects, except as to the age and condition of the allottees, to the provisions of the third article of the treaty with the Chippewas of Lake Superior and the Mississippi, concluded September 30, 1854."

Congress by act of August 1, 1914 (38 Stat. L., 582–605), directed an investigation of the needs, conditions, and tribal rights of the St. Croix Chippewa residing in the counties of Polk, Washburn, and Douglas, Wis., and a statement as to the benefits in land and money they would have received had they removed to a reservation in Wisconsin or not been excluded from enrollment and allotment with the Chippewa of Minnesota under the act of January 14, 1889 (25 Stat. L., 642).

An investigation made in accordance with the provisions of the act cited proved conclusively that nearly all of the so-called St. Croix or "Lost Tribe" of Chippewa were absentee members of the Lac Courte Oreille Band, which refused to remove to their reservation in Wisconsin under their said treaty of September 30, 1854, but continued to reside along the Yellow and St. Croix Rivers in Wisconsin and Minnesota, their old hunting grounds. These Indians maintained that they understood from the treaty that these lands were to be set aside for them as a home and hunting grounds; that they never ceded or relinquished this country to the United States; and that they understood there were not sufficient lands on the Lac Courte Oreille Reservation to provide for them should they remove thereto, and that they could not make a living in such event. It was also found by the investigating official that these Indians had shared in all the benefits other than lands provided for the Lac Courte Oreille Chippewa under their treaty; that of the 1,117 persons enrolled by the official mentioned 94 were found entitled to enrollment and land should they remove to their reservation. The others so listed on the census were, following the usual departmental rulings and the decision of the court in the case of Julia B. Oakes et al. *v.* United States (172 Fed. Rep., 305), found not to be so entitled, their status being that of descendants of members of the tribe who had adopted the habits and customs of citizens of the United States and of the States in which they resided, and have never maintained tribal relations or been recognized as belonging to the tribe on the reservation.

In reporting the matter to Congress as directed in the said act it was clearly set out that no land remained available for allotment purposes on the said reservation, and that these 94 members of the Lac Courte Oreille Band who were found entitled to land thereon should be allowed the sum of $1,500, this amount being the approximate value of 80 acres of land they would have received had they removed to the reserve and there been sufficient land for all.

2. Number of Indians who have received rights or allotments under the treaty.

The records show that in 1873 and 1874, at the time of the last payment under the treaty provision heretofore cited, there were between 1,046 and 1,253 persons who received the annuity payment.

Under the said act of February 3, 1903, and the provision in their treaty of 1854 for allotments of land 876 Indians received allotments.

3. What is our obligation as a Government under the treaty to the Indians in question?

The act of Congress and treaty referred to clearly set forth just what benefits these Indians are entitled to and what they should have received.

4. What legal rights have the Indians in question, and why should the Government grant this relief?

It is believed that the legal rights of these Indians are fully set out in the treaty and the act of Congress referred to, and in this connection reference is also made to departmental report of December 21, 1918, to the chairman of the Committee on Indian Affairs, United States Senate, which is printed as Senate Report No. 672, Sixty-fifth Congress, third session, and also House Document No. 1663, Sixty-third Congress, third session, which latter document contains the report of the investigating official and the roll of those found entitled to receive the benefits indicated.

5. Is there any reason to suppose that if this relief is granted it would open the door unduly to others who would have claims?

While it might be inferred from a hasty reading of the bill providing for the relief of these Indians that should it be enacted the door would be opened to other Indian claimants, I do not share this view. This is in no sense a nebulous or prima facie Indian claim. The investigation and report in the matter were made pursuant to directions from the Congress and clearly establish that these absentees, whose chief, Little Buck, was one of the signers of the said treaty, did not fully understand that they were to remove to the reservation and were to give up their old homes and hunting grounds along the Yellow and St. Croix Rivers, and the treaty itself, allowing them to hunt and fish on the ceded lands, gives color to their contention.

None of these Chippewa who were born after the last payment in 1874 were included in the list of enrolled for benefits, and many of those so included are advanced in years and in need of assistance. These proposed beneficiaries have been considered as applicants applying for tribal rights and their cases have been decided upon departmental rulings and court decisions as in other cases where absentee members of tribes have asked for reenrollment and benefits, and I feel that the right of these Indians to receive the relief provided in the bill rests upon an equitable basis and that the said action in investigating and hearing their case was a judicial determination of the matter.

Sincerely, yours,

CATO SELLS, *Commissioner.*

Hon. A. P. NELSON,
House of Representatives.

This recital of the facts is corroborated, Mr. Speaker, in all the reports by the Secretary of the Interior, Mr. Lane. The bill should be amended to conform to the suggestion made by the Secretary of the Interior. I believe that Congress is simply discharging a just duty to these 94 members of this tribe by the enactment of this bill. The legal and moral rights of the Indians in question is perfectly evident. The Government can do nothing less than discharge its treaty obligations to these Indians. This bill should pass.

Mr. MANN of Illinois. Mr. Speaker, the speech of the gentleman from Wisconsin is suggestive and illuminating, and still I think that this bill ought to come up when there is a little more chance for consideration. For the present I shall object.

The SPEAKER. Objection is made. The Clerk will report the next bill.

Mr. NELSON of Wisconsin. Mr. Speaker, may I make a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. NELSON of Wisconsin. Will this simply be passed over without prejudice and considered later?

Mr. MANN of Illinois. Oh, yes.

The SPEAKER. The Clerk will report the next bill.

SALE OF LAND TO SCHOOL DISTRICT NO. 21, FREMONT COUNTY, WYO.

The next business on the Private Calendar was the bill (H. R. 6136) authorizing the Secretary of the Interior to sell certain lands to school district No. 21, of Fremont County, Wyo.

The title of the bill was read.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to sell to school district No. 21, of Fremont County, Wyo., the west half, southwest quarter, southwest quarter, southwest quarter, northwest quarter, section 4, township 1 south, range 1 west, containing 1¼ acres, the same being a part of the Shoshone Agency reserve on the Shoshone or Wind River Indian Reservation.

With committee amendments as follows:

Line 6, after the word "quarter," strike out "northwest" and insert "southeast."

Line 7, after the word "west," insert "of the Wind River meridian."

The SPEAKER. The Clerk will report the bill for amendment.

The bill was read for amendment.

The SPEAKER. The Clerk will report the first amendment.

Line 6, after the word "quarter" strike out the word "northwest" and insert "southeast."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

Line 7, after the word "west" insert "of the Wind River meridian."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. BENHAM, a motion to reconsider the vote whereby the bill was passed was laid on the table.

F. M. BARFIELD.

The SPEAKER. The Clerk will report the next one.

The next business on the Private Calendar was the bill (H. R. 6522) for the relief of F. M. Barfield.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, Mr. Speaker, what is this bill?

Mr. CRISP. I am the author of that bill. I may remark to my good friend from Illinois that it is said that "There is a tide in the affairs of men which, taken at the flood, leads on to fortune." I believe this is the time to call up this bill. I got it through the House in the Sixty-fourth Congress, but it failed to pass the Senate. The Committee on Claims made a favorable report on it in the Sixty-fifth Congress, but I could not get it considered. The gentleman from Texas [Mr. BLANTON] was on the Claims Committee at that time, and he filed a minority report. He is not here to-day, so I think this is a splendid time to take up this bill. [Applause.]

The post office at Pinehust, Ga., was burglarized and $64.88 was stolen, and the postmaster made application for refund under the general law. He had bought a safe, but failed to change the combination on it as the post-office regulations required, and therefore the Post Office Department refused to reimburse him on the ground that he had not changed the combination of the safe. I do hope no one will object to the present consideration of the bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to F. M. Barfield, the sum of $64.88, to reimburse him for the loss of postal funds lost through burglary of the post office at Pinehurst, Ga., on July 19, 1909.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

On motion of Mr. CRISP, a motion to reconsider the vote by which the bill was passed was laid on the table.

JAMES W. CROSS.

The next business on the Private Calendar was the bill (S. 822) for the relief of James W. Cross.

The bill was read.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James W. Cross, $92, as full compensation to said James W. Cross for personal injuries received as a result of an accident October 26, 1914, without negligence on his part, while he was engaged in the performance of his duties as a laborer at the State, War, and Navy Department Building.

The bill was ordered to a third reading, and was accordingly read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOSEPH A. M'CARTHY.

The next business on the Private Calendar was the bill (H. R. 6881) for the relief of Joseph A. McCarthy.

The bill was read.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Joseph A. McCarthy, of San Francisco, Calif., the sum of $5,000, on account of personal injuries received by him while employed as seaman on the United States Army transport *Logan*, in San Francisco Harbor, on or about the 12th day of July, 1912.

With the following committee amendment:

Page 1, line 5, after the word "of," strike out "$5,000" and insert "$650, as full compensation."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

DEFERRED INTEREST ON FOREIGN LOANS.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter written to the chairman of the Committee on Ways and Means, Mr. FORDNEY, by the Secretary of the Treasury, Mr. Glass, relative to the deferred interest on the loans we have made to foreign Governments, explaining the situation. I have the consent of the gentleman from Michigan [Mr. FORDNEY] to the printing of the letter.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD by printing a letter from the Secretary of the Treasury to the gentleman from Michigan [Mr. FORDNEY]. Is there objection?

There was no objection.

The letter is as follows:

DECEMBER 18, 1919.

Hon. JOSEPH FORDNEY,
House of Representatives.

MY DEAR CONGRESSMAN: On October the 9th last I sent you a copy of a public statement made by me on the 26th of September, relative to the obligations of foreign Governments held by the United States Government; and also a copy of a letter written by me on October 9 to Senator PENROSE in reply to a letter from him, requesting information concerning the extension of the interest on such loans. In that statement and in my letter to Senator PENROSE I explained the policy which the Treasury proposed to adopt in respect to the funding of the demand obligations of foreign Governments now held by the United States into long-time obligations, and the funding, during the reconstruction period of two or three years, of the interest on such obligations. Notwithstanding my public announcement of September 26 and the controlling reasons which prompted the Treasury to adopt this policy, it appears from statements which have been made lately in Congress and elsewhere that there still exists a misunderstanding in respect to this question. Some of the statements to the effect that it is the duty of our Government, notwithstanding the present grave derangement of foreign exchanges, to insist upon immediate payment of interest amounting to about $475,000,000 a year, indicate a tendency to overlook certain aspects of the question and a failure to grasp the meaning of the present position of the finances of the world. While the Treasury favors such an arrangement, it does not favor the cancellation, and, indeed, has no power to cancel any portion of the interest or principal. The collection in dollars of this interest, under present circumstances, would be no less disastrous to American interests than to the interest of our debtors.

The loans to foreign Governments were made, as provided by Congress in April, 1917, for the purpose of assisting them in the prosecution of the war. Our entry into the war made it necessary for this Government to call upon the American people for vast sums of money for its own war purposes. In order to obtain such funds it was necessary substantially to close our financial markets to all other borrowings, but at the same time it became most important that our associates in the war should be able to obtain in greater amounts than theretofore the supplies which they required and which we alone could furnish.

Except for the purpose of meeting commitments for war purposes previously made with the knowledge of the Treasury, the Treasury has since last April substantially discontinued the establishment of credits in favor of foreign Governments. The program authorized by Congress for foreign loans was therefore substantially ended eight months ago.

At almost the same time the foreign Governments of their own accord, but with the hearty approval of the Treasury, ceased the "pegging" of their exchanges.

These necessary steps by the United States Treasury and the treasuries of our associates in the endeavor to reduce governmental financial activity and to return trade and finance to normal channels have been reflected in the great drop which has taken place in the foreign exchanges.

With the ending of the war and of the program of our loans to foreign Governments, it was considered appropriate, in accordance with the authority conferred by the Liberty bond acts, to take up with those Governments the funding of the demand obligations now held by the United States into long-time obligations; and in view of the fact that, as indicated by the state of the foreign exchanges, the reconstruction of Europe has not proceeded to a point where Europe can even yet pay by exports for its necessary food, it was considered by the Treasury most expedient that, as a part of a general funding arrangement, provision should be made for deferring and spreading over a later period the payment of interest which would accrue during the next two or three years.

At the time of writing, exchanges of the principal allies are quoted as follows:

Sterling, 3.86, or at a discount of 20.7 per cent.
Francs, 10.23, or at a discount of 49.4 per cent.
Lire, 12.75, or at a discount of 59.4 per cent.
Belgian francs, 9.97, or at a discount of 48 per cent.

Under these circumstances an impenetrable barrier exists which makes it impracticable for these Governments to pay in dollars the amount of interest due from them to the United States. This involves no question as to the solvency or financial responsibility of these Governments nor a failure to raise funds by loans and taxes from their people and a corresponding burdening of our people, but results from the condition of the foreign exchange market. If the Governments of the Allies were to raise immediately by taxes and loans the whole of their debt to us, those taxes and loans would produce only sterling, francs, and lire, and those foreign currencies would not furnish one additional dollar of dollar exchange because conditions are not such as to permit those currencies now to be converted into dollars. The United States Treasury has no use at the present time for any considerable amounts of these currencies and could not afford to accumulate large idle foreign balances.

If the Treasury does not defer the collection of interest, and thus add to the present difficulties in the financial and economic rehabilitation of the world by demanding an immediate cash payment of interest before the industry and trade of Europe has an opportunity to revive, we should not only make it impossible for Europe to continue needed purchases here and decrease their ultimate capacity to pay their debt to us, but should hinder rather than help the reconstruction which the world should hasten. A nation can liquidate its foreign debts only by the accumulation of foreign credits, which may be accomplished through an excess trade balance, invisible exchange items, the creation of credits by loans, or by the export of gold. Until our associates in the war, whose manufacture and trade suffered so much more than ours, have had an opportunity to resume normal industrial and commercial activities, they have not the exports with which to pay the interest due on our obligations and could make such payment only by the shipment of gold or by obtaining dollar loans in the United States.

The loans which the allied Governments have so far been able to place in our markets have not been sufficient to correct the situation. I can not believe that anyone would consider it equitable or wise, in the present circumstances, for us to require payment in gold, of which we already have enough, when the payment of one year's interest alone would exhaust about 50 per cent of the gold reserves of our debtors. While I fully realize the desirability of collecting this interest and of decreasing at once by a corresponding amount the taxes which we must collect, I should be most reluctant, without specific instructions from Congress to the contrary, to demand the immediate payment of interest, which would not only seriously retard the economic restoration of those countries, without which they will be unable to pay the interest and principal of their debt to us, but which would also destroy their power to make needed purchases in our market.

My advisers are firmly of the opinion that, in connection with and as a part of a general funding of the demand obligations into time obligations, I am duly authorized, under the Liberty-loan acts, to spread over subsequent years the interest which would accrue during the reconstruction period of, say, two or three years, and to include such amounts in the time obligations. If, however, the Ways and Means Committee of the House, which shared with the Secretary of the Treasury the initial responsibility for the Liberty-loan acts, should question my power so to act, I shall be pleased to have you so inform me at once, in order that I may lay before your committee a proposal for further enabling legislation.

Cordially, yours,

EULOGIES ON THE LATE REPRESENTATIVE RAGSDALE.

Mr. BYRNES of South Carolina. Mr. Speaker, I ask unanimous consent that the House hold a session on Sunday, January 25, 1920, for the purpose of enabling the Members to pay tribute to the memory of the late J. WILLARD RAGSDALE, of the fifth district of South Carolina.

The SPEAKER. The gentleman from South Carolina asks unanimous consent that the House hold a session on January 25, 1920, in memory of the late Mr. RAGSDALE, of the fifth district of South Carolina. Is there objection?

There was no objection.

BUFFALO RIVER ZINC MINING CO.

The SPEAKER. The Clerk will report the next bill on the Private Calendar.

The next business on the Private Calendar was the bill (S. 728) for the relief of the Buffalo River Zinc Mining Co.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to the Buffalo River Zinc Mining Co., a corporation of St. Louis, Mo., the sum of $4,200, being the amount of money paid by the said company to the United States of America, on or about the 21st day of July, 1904, as the purchase price of certain public lands in Searcy County, Ark., the patents to which have since been canceled at the suit of the United States of America and the said lands having been restored to the public domain: *Provided*, That the Secretary of the Interior shall first make an investigation of all the facts concerning said claim, and shall be satisfied of its justness and of the good faith of the said company and its officers, and that the acts of the agent of the company by reason of which the said patents were canceled were done wholly without the knowledge or consent of said company or any of its officers, and shall certify these facts to the Secretary of the Treasury, the expense, however, of said investigation, if any, shall be deducted from the amount found to be due said company.

The SPEAKER. Is there objection?

Mr. McKENZIE. Mr. Speaker, reserving the right to object, I should like to ask the chairman of the committee why the bill provides for an investigation after authorizing the payment of the claim? Why not investigate first to determine whether the claim should be paid?

Mr. EDMONDS. The department asked the committee to leave off the proviso. They said they did not think it was necessary, and said they would have no objection to the passage of the bill if we did leave it out; but the committee felt that it was perfectly proper that the Government should make some investigation to be sure that the amount proposed to be paid is proper.

Mr. MANN of Illinois. What is the amount?

Mr. EDMONDS. The amount is $4,200.

Mr. McKENZIE. The investigation might show that not over $2,500 was coming to this company, but the bill provides for a payment of $4,200.

Mr. EDMONDS. The department asked us to leave out the proviso, but the committee thought it was better to keep it in. If the gentleman desires to move to strike out the proviso, we have no objection. This is a Senate bill.

Mr. McKENZIE. Mr. Speaker, I do not care to object to the bill. I am simply asking for information, that is all.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

MAUDE H. MOSHER.

The next business on the Private Calendar was the bill (H. R. 2740) for the relief of Maude H. Mosher.

The bill was read.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maude H. Mosher the sum of $25,000 as compensation for injuries sustained by being knocked down and run over by an automobile truck belonging to the arsenal at Watertown, Mass.

With the following committee amendment:

Page 1, line 6, strike out "$25,000" and insert "$25 per month for a period not exceeding 10 years."

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, this is a rather unusual provision. What is it for?

Mr. DALLINGER. This is the case of a young woman in Boston who was struck by an automobile truck driven by a corporal connected with the Watertown Arsenal. The testimony, which is given in full in the report accompanying the bill, shows that the accident was due entirely to the negligence of the Government employee operating the truck. At the request of the committee the War Department had its surgeon examine Mrs. Mosher, and his report shows that the woman is permanently injured.

Mr. BEE. I think the gentleman from Massachusetts should explain that she was working and has been unable to return permanently to her work.

Mr. DALLINGER. I was about to add that Mrs. Mosher is a working girl and she has not been able to work continuously since, and never will be able to do so. She is able to work only occasionally.

The report of the examining surgeon shows the following:

The examination of patient shows an intelligent and refined woman of about 40 years of age, considerably emaciated and anemic, with a history of pain of left pelvis radiating down left thigh; pain not continuous, but of daily occurrence. This condition has been present since her injury. Mrs. Mosher complains of sleeplessness and general weakness, in addition to her pains, and of a "nervous" condition.

Physical examination reveals no deformity or lameness upon walking and no definite points of tenderness. The examination of the X-ray record at the Boston City Hospital shows diagnosis of "fracture of inferior ramus left pubic bone and fracture of transverse process fifth lumbar vertebra, left side."

The conclusion drawn from the history and examination of Maude Mosher is that she is at present suffering from neurasthenia, resulting from shock of the injury and her subsequent illness; that she has neuritis or neuralgia on left side, probably the result of injury to or pressure upon the left obturator nerve.

The opinion is expressed that the symptoms of Mrs. Mosher are real and the result of the injury received by her in August, 1916.

Mr. MANN of Illinois. Mr. Speaker, any case of injury appeals to our sympathies very strongly, but whenever the Government undertakes to do anything of this sort it must do it according to some rule or it is absolutely lost. This bill was introduced for $25,000. Well, of course, we would like to pay this young lady $25,000, but the committee reported in favor of paying her $25 a month for 10 years. If the bill had been introduced for $50,000, possibly the committee would have reported in favor of paying her $50 a month. I do not know. This is not according to any rule of the Committee on Claims adopted in recent years about making compensation.

Mr. DALLINGER. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. DALLINGER. I would like to call the gentleman's attention to the language on page 4 of the report, where Gen. Crozier says, "And in view of the considerations hereinbefore mentioned it is the opinion of this office that such compensation should not exceed the sum of $5,000."

Mr. MANN of Illinois. If they had to pay it out of the appropriations for the War Department, they would want to make it 15 cents. The officers of the Army are perfectly willing to pay any sum out of the General Treasury that does not come out of their appropriation. And yet, notwithstanding, they have repeatedly recommended to Congress that compensation should not be made in a greater amount than would be given if the person was entitled to compensation under the general law. I do not know how much this lady would receive if entitled to compensation under the general law, but it would not be according to the measure we are adopting here.

Mr. LONGWORTH. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. LONGWORTH. Has the gentleman ever heard of a claim being paid at the rate of so much per month through an undetermined period?

Mr. MANN of Illinois. There was one case in which a young lady had her scalp torn off, and I believe they made an appropriation payable in monthly installments. Otherwise that has not been the practice. This would inaugurate a new custom which, in my judgment, is liable to lead to a large expenditure of public money, because they would say right away that $25 is not enough, the injured party must have enough to support her, and if the person lives more than 10 years you must support that person for the rest of her life. That argument could not be answered.

Mr. LONGWORTH. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. LONGWORTH. I was about to ask the gentleman, as this provides for $25 per month for a period not exceeding 10 years, who is to decide?

Mr. MANN of Illinois. I suppose that means that it will be under the decision of the comptroller. The comptroller has ruled that a gratuity would not be payable to anybody except the persons themselves. If she dies, the estate would not be entitled to it. I assume that is the meaning.

Mr. LONGWORTH. For a period not exceeding 10 years does not mean at least 10 years. It might be a year. The discretion is left with some one unnamed.

Mr. MANN of Illinois. Congress made an appropriation for the widow of Representative Hill, of Connecticut. Mrs. Hill died before the money was paid to her. Her administrator, or somebody, made application to collect that amount of $7,500. The comptroller ruled that where Congress granted money as a gratuity it would not go to anyone else except that person; that it was not a grant to the estate, and when the person died the representative of that person could not collect the money. I do not know whether anything has been done about it since, but that ruling was made by the comptroller, and possibly the same rule would be followed here.

I think that a committee that undertakes to report bills of this sort ought to have some fixed principle on which it proceeds. It is only in recent years that the Government has endeavored to make any compensation for these cases. I have seen bills reported to pay $1,000, $500, $10,000, practically for the same injury to the same class of people. That is not the way to do legislative work.

Mr. EDMONDS. Mr. Speaker, the gentleman from Illinois has brought up a matter that has been thoroughly discussed in the Committee on Claims. It appears that we are going to have a great number of damage cases occasioned by the operation by the Army of wagons, automobiles, and a number of different vehicles that have the use of streets in cities.

Mr. CALDWELL. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. CALDWELL. Some time ago we passed a law authorizing the American Expeditionary Forces to settle any claims of this sort over in France. Why would it not be a good plan for the committee to report a bill authorizing some board to settle claims on this side?

Mr. EDMONDS. I think it would not be a good idea. You do not know how many claims you would have, and you open the door for a lot of unjust claims. The courts in the different cities to-day are filled up with just such claims, many of which are exaggerated and unjust. They are claims from people who fall into gutters, people who fall over themselves, and it opens the door to all sorts of claims. I do not approve of it, and I do not think the department would. I think in cases of this kind compensation should be made to these people, and the committee agreed on this. It is about the sum that a soldier would have been paid or his family would have had he been killed or injured during the war. In the case of disability, in the case of the wife of a soldier, she would have been paid $25 a month for, I think, a period of 20 years, or until she married. In this case we give $25 a month for 10 years as a sufficient compensation. You can very well realize that if we start out by giving $5,000 in a case of this kind, the soldier or his family who only gets $25 a month could fairly complain of unfairness.

Mr. CAMPBELL of Kansas. Mr. Speaker, will the gentleman yield?

Mr. EDMONDS. Certainly.

Mr. CAMPBELL of Kansas. The committee has affidavits of ex parte evidence in this case?

Mr. EDMONDS. We had an Army physician in Boston visit this woman himself and make a statement.

Mr. CAMPBELL of Kansas. The committee had no sworn testimony from anyone?

Mr. EDMONDS. Oh, yes; we have had all kinds of testimony. There is no question about the case.

Mr. CAMPBELL of Kansas. Was it ex parte testimony? Were any of the witnesses cross-examined by anybody representing the Government?

Mr. EDMONDS. No; I think they were all statements.

Mr. CAMPBELL of Kansas. I think it very unwise to settle disputed claims of this kind on ex parte testimony.

Mr. EDMONDS. But there is not any dispute. The War Department acknowledges this.

Mr. CAMPBELL of Kansas. There is the statement of the doctor here, who says "it may be" and it is "likely" that her neurasthenia and her neuritis are from the injury that she received.

Mr. EDMONDS. Of course, you could not expect the doctor, who was not her attending physician when she was hurt, to make a statement positively that her present condition resulted from that accident.

Mr. CAMPBELL of Kansas. What was the physical injury at the time that it occurred?

Mr. DALLINGER. A fractured pelvis. She was very badly injured and was taken to the hospital, and at one time they were not sure that she would get well.

Mr. EDMONDS. I am of opinion that the committee can not very well bring out bills paying a lump sum to people who are injured through war activities without taking into consideration the amount paid to soldiers and the families of soldiers for similar injuries occasioned by war activities.

Mr. CAMPBELL of Kansas. Does not the gentleman also think it would be a wise policy, if the Committee on Claims is to undertake to pay claims of this character, to take testimony from witnesses under cross-examination?

Mr. EDMONDS. We have had probably all of the testimony that is necessary. If it were disputed by the War Department, then I would say that we would have to have further testimony, but it is not disputed by the War Department.

Mr. CAMPBELL of Kansas. But we are responsible for the payment of this money, and not the War Department.

Mr. EDMONDS. Let us assume that you take the case to court. What would happen? The War Department, the party responsible, would go into the court and acknowledge that they had occasioned the damage, would they not?

Mr. CAMPBELL of Kansas. They would acknowledge that the accident occurred, but the question is the measure of the damage, the amount of injury sustained. What is the testimony in respect to that?

Mr. EDMONDS. The War Department, after examining this woman at the time she was injured, reported, through Gen. Crozier, that $5,000 was not out of the way—at least, Gen. Crozier said that—and instead of granting that we are paying her $3,000 in monthly installments of $25.

Mr. CAMPBELL of Kansas. But there is very little testimony showing the nature of the permanent injury in this case.

Mr. CRAMTON. Mr. Chairman, if the gentleman will yield at that point, the statement of Gen. Crozier is that if she incurred any permanent injury such injury must be very slight. The Acting Judge Advocate General advises against our passing this class of cases, and the only Army officer to give a favorable impression is Gen. Crozier, who makes the statement that if there is any permanent injury it is very slight.

Mr. DALLINGER. Mr. Speaker, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. DALLINGER. I want to state that that was in 1917. In 1919 we had an Army surgeon examine her, at the request of the Committee on Claims, and he found that she is permanently injured as a result of the accident.

Mr. EDMONDS. In answer to the gentleman from Michigan [Mr. CRAMTON], I do not believe it is possible to make a positive statement right away that a person is permanently injured, and that was the reason the committee refused to pass the claim until the Army surgeon had visited her and made the report.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. LONGWORTH. Are we to understand that this is the beginning of a policy of the committee to pay claims in such cases not in lump sums but in monthly installments?

Mr. EDMONDS. I think it is the beginning of such a policy. I think it is the understanding of the committee that claims arising out of the war should be treated on the same basis as other war liability cases are.

Mr. MANN of Illinois. Then I would like to make this suggestion to the gentleman and to the other members of the Committee on Claims: If this bill becomes a law, how is the money going to be paid? There will be a special appropriation item in an appropriation bill every year which will have to be explained every year and which will probably cost the Government in time spent in explanation more than it will amount to. In addition to that, there would have to be a separate account kept in the War Department to pay this money and in the Treasury Department in the books there. If the committee is going to begin payments of this sort, it seems to me they ought to provide that these payments shall be made by the Pension Office out of the pension funds, so as to avoid every year special items, special accounts, special action by the War Department. We have two or three cases now where we pay $100 a month to the widows of surgeons who died in Cuba in the yellow-fever investigation carried as special items in the military appropriation bill. Every year somebody reserves the point of order on the items, not knowing that they are specially authorized by law, and they have to be explained.

I have not heard the military appropriation bill for the last two years, but before that I had heard this same thing gone through with since these items went into the law.

Mr. CALDWELL. The gentleman is right; both the last two bills had exactly the same thing.

Mr. EDMONDS. If the gentleman will yield for a question, is it the gentleman's opinion that the Committee on Claims ought to bring out a bill instructing the Pension Bureau to pay $25 a month? Does the gentleman think the Committee on Claims would have any jurisdiction over pensions of that character?

Mr. MANN of Illinois. Oh, they could report a bill providing this money should be paid and paid through the Pension Bureau. Of course, they could not provide in this bill that the appropriations for pension purposes should be used for that purpose.

Mr. EDMONDS. Then how would we make an appropriation to carry out the bill?

Mr. MANN of Illinois. Make the appropriation here for it.

Mr. EDMONDS. In the bill to be paid through the Pension Bureau?

Mr. MANN of Illinois. Yes.

The SPEAKER. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none.

The bill was read for amendment.

The committee amendment was read, as follows:

Page 1, line 6, strike out "$25,000" and insert in lieu thereof the following: "$25 per month for a period not exceeding 10 years."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. DALLINGER. Mr. Speaker, I ask unanimous consent to return to No. 37, which is the only bill passed over without prejudice early in the day.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to return to Calendar No. 37. Is there objection?

Mr. MANN of Illinois. What is it? What the gentleman wants to do is to return to the unfinished business.

Mr. CALDWELL. Mr. Speaker, I object. We will take that up after a while.

The SPEAKER. The gentleman from New York objects.

CLAIMS GROWING OUT OF INSURRECTION IN MEXICO.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

Joint resolution (H. J. Res. 80) to correct an error in the wording of the appropriation of $71,000 made in the act approved July 9, 1918, and to authorize the Secretary of War to pay said sum to respective parties entitled thereto.

Whereas under the provisions of "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1919," approved July 9, 1918, among other things, an appropriation of $71,000 was made to enable the Secretary of War to pay to the heirs or legal representatives of citizens of the United States killed on the American side of the line at El Paso, Tex., Douglas, Ariz., and other points, as found and ascertained by the commissioners appointed pursuant to the joint resolution entitled "Joint resolution directing the Secretary of War to investigate claims of American citizens for damages suffered within American territory and growing out of the late insurrection in Mexico," approved August 9, 1912; and

Whereas under the terms of said resolution of August 9, 1912, the duly appointed commission therein provided for afterwards reported recommending that the amount of indemnity due American citizens killed or wounded at El Paso, Tex., Douglas, Ariz., and other points (as appears by the report of said commission transmitted by the Secretary of War to the Congress of the United States under date of December 5, 1912, and being House Document No. 1168, Sixty-second Congress, third session) was $71,000, of which total amount of $71,000 indemnity so found the amount of $42,000 was as indemnity for deaths and the sum of $29,000 was indemnity for those wounded; and

Whereas by an error in the wording of the appropriation contained in said act approved July 9, 1918, $71,000 indemnity was directed to be paid for deaths alone, when by the wording of the act the Secretary should have been directed to pay the indemnity so found to each of those entitled to the same in the aggregate of not more than $71,000, whether as indemnity for death or wounding: Therefore be it

Resolved, etc., That the Secretary of War be, and he is hereby, directed to pay or cause to be paid out of the $71,000 heretofore appropriated by the act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1919," approved July 9, 1918, the sum of $42,000 to the heirs, executors, or representatives, or parties entitled to receive same, for the deaths of those ascertained and reported by the commission appointed under the terms of joint resolution of August 9, 1912, and that he be further directed to pay out of said $71,000 so appropriated the remaining sum of $29,000 to those wounded, or to their heirs or proper legal representatives, the said sums of $42,000 and $29,000 to be paid to the proper parties in the respective amounts as found and reported and set forth on page 20 of said House Document No. 1168, Sixty-second Congress, third session.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, let us know something about this. Why do we extend a public law by a private bill?

Mr. CALDWELL. I think the gentleman will remember all about this case, because it originated in the Sixty-second Congress. The gentleman was not only here, but——

Mr. MANN of Illinois. That is a long time ago.

Mr. CALDWELL. Before I came; but the gentleman is wonderfully bright and has a wonderful memory, and I think he will recall it. The situation was this——

Mr. MANN of Illinois. I am always willing to learn, sitting at the feet of the gentleman from New York.

Mr. CALDWELL. I thank the gentleman. I started to say in 1911 there was trouble on the Mexican border, and following that an inquiry was made and a commission appointed, and they made report here, as represented in House Document 1168, Sixty-second Congress. Following that, in 1918, the military appropriation bill carried an appropriation of $71,000 to pay those claims, but in writing the bill, in writing the provision, they said for the "death," and part of those injuries which were reported and approved and were included in the $71,000 were for wounds. Now, all this seeks to do is to correct the verbiage of that appropriation that Congress made.

Mr. MANN of Illinois. This appropriation was made last July.

Mr. CALDWELL. Nineteen hundred and eighteen; yes, sir; but the proposition arose in 1911.

Mr. MANN of Illinois. Not in the Sixty-second Congress.

Mr. CALDWELL. The gentleman does not understand. In the Sixty-second Congress an inquiry was started, and that Congress had practically committed itself to this proposition. The appropriation act of 1918 was in the military appropriation bill.

Mr. MANN of Illinois. It was the appropriation act of 1919, if the calendar is right—only recently. The gentleman's recollection ought to be at least sufficient to say whether it was this year or last year.

Mr. HAYDEN. It is the fiscal year 1919.

Mr. CALDWELL. It was the appropriation act we passed in 1918.

Mr. MANN of Illinois. And the calendar says "act approved July 9, 1919."

Mr. CALDWELL. No; July 9, 1918.

Mr. MANN of Illinois. All I know is the calendar.

Mr. CALDWELL. Well, I have House joint resolution No. 80 in my hand, a resolution introduced by Mr. HUDSPETH, of Texas.

Mr. MANN of Illinois. I see; it is a typographical error in printing the calendar.

Mr. CALDWELL. Yes, sir.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the joint resolution for amendment.

The Clerk read the joint resolution for amendment.

Mr. HAYDEN. Mr. Speaker, I move to strike out the preamble.

The question was taken, and the motion was agreed to.

The joint resolution as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. LANHAM, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

Mr. EVANS of Nevada. Mr. Speaker, would it be in order to ask unanimous consent to extend my remarks on bill 61?

The SPEAKER. The gentleman from Nevada asks unanimous consent to extend his remarks on the bill indicated. Is there objection? [After a pause.] The Chair hears none.

MAJ. GEN. ENOCH H. CROWDER.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

An act (S. 2867) to authorize the President, when Maj. Gen. Crowder retires, to place him on the retired list of the Army as a lieutenant general.

Be it enacted, etc., That in view of the long and faithful services of Maj. Gen. Enoch H. Crowder, Judge Advocate General of the United States Army, and especially his conspicuous services as Provost Marshal General in conjunction with the various State and Territorial executives and the local and district boards, in the execution of the selective-service law, the President is hereby authorized, when that officer retires, to place him on the retired list of the Army as a lieutenant general, with the retired pay of that grade as fixed by section 24 of the act of Congress approved July 15, 1870; and to grant him a commission in accordance with such advanced rank.

The SPEAKER. Is there objection?

Mr. CRAMTON. Mr. Speaker, I object.

The SPEAKER. The gentleman from Michigan objects.

RELEASING CLAIM TO SQUARE OF LAND IN CITY OF FORT SMITH, ARK.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

A bill (H. R. 9089) releasing the claim of the United States Government to the block or square of land in the city of Fort Smith, in the State of Arkansas, upon which is situated the old Federal jail, to the city of Fort Smith for a site for a convention hall, community building, and other public purposes.

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent granting, remissing, releasing, and quitclaiming all right, title, claim, and interest of the United States of America in and to the block or square of land in the city of Fort Smith, in the State of Arkansas, bounded by Second and Third Streets and Rogers and Parker Avenues, fronting 300 feet on Second and Third Streets and 290.25 feet on Rogers and Parker Avenues, upon which is situated the old Federal jail, being a part of section 8, township 8 north, range 32 west, to the city of Fort Smith, Ark., for a site for a convention hall, community building, and other public purposes.

The committee amendments were read.

The SPEAKER. Is there objection?

Mr. MADDEN. Reserving the right to object, I would like to ask the gentleman in charge of the bill why the Government of the United States should cede to the city of Fort Smith a block of land for private purposes?

Mr. WINGO. It is not for private purposes; it is for public purposes. It is for the same reason that they have ceded all the other Federal jails, except this one, either to the States or the municipalities or the counties. The report of the Attorney General shows that. This is an old jail on land that originally was bought for military purposes in 1838. In 1871 it was transferred to the Department of Justice for use for jail purposes. As soon as the State of Oklahoma was admitted to the Union the jail was abandoned for such use and has not been used since, except to store contraband liquor in. It is an old, abandoned building, but the reason why the citizens of Fort Smith wish to have the building conveyed to them for public purposes is that it is a historic site and they wish to preserve it for community purposes and to take care of it.

Mr. MADDEN. Do you mean to say that they wish to use the present building?

Mr. WINGO. Yes; they wish to use it, so far as it is capable of being used. It must be for public purposes and not for private purposes.

Mr. MANN of Illinois. Why should the Government give this property away?

Mr. WINGO. The Government has no use for it, and should convey it to Fort Smith for the simple reason that it has conveyed every other old Federal jail in the West.

Mr. MANN of Illinois. It may have done so. I do not remember. There has been quite a lot of controversy in reference to such things, and it may have been done, but it certainly has not been done with every old jail in the West. Why should the Government, when it owns a piece of property, paid for out of a general fund, contributed by all the people, and it no longer needs that property, give it to a particular set of people, no matter how meritorious the case may be?

Mr. WINGO. Of course, the same question arises as to every case of that kind, and possibly arose as to the United States penitentiary in Washington Territory; the penitentiary at Walla Walla, Wash.; the Territorial penitentiaries in Montana, Idaho, Wyoming, and Colorado; and in some of those cases not only have we given to the cities the sites but in one or two instances we have conveyed the unexpended appropriation for the construction of the building. And in this case there is a small

square of land there, an old, historical brick building, and they want to preserve it.

Mr. MANN of Illinois. The gentleman says that we passed special bills in all these other cases?

Mr. WINGO. Either special bills or by items in appropriation bills.

Mr. MANN of Illinois. I think we ought to have time to look this up and see what we did.

Mr. WINGO. I hope the gentleman will not object to this. That is shown in the report. The committee looked into that.

Mr. MANN of Illinois. It is only a matter of a short time.

Mr. WINGO. I will be very frank with the gentleman. If this is not passed now, when will we get it?

Mr. MANN of Illinois. This bill will be on the calendar.

Mr. CALDWELL. Will not this be something of a memorial or museum property?

Mr. WINGO. Yes. I think it should be conveyed to the city of Fort Smith, aside from the proposition of the benefit to the people there in Fort Smith. It is a historical place. It is not being preserved now. It will be a burden upon the people there to preserve it. The Federal Government will not do it.

Mr. MANN of Illinois. There is nothing in this bill, as I recall, that requires the city of Fort Smith to preserve it.

Mr. WINGO. Yes. Maintained for public purposes.

Mr. MANN of Illinois. That is another thing.

Mr. WINGO. That is a restriction upon it. The city of Fort Smith is bearing other burdens on public property there. True, it agreed to do so when the grants were made. The city is spending hundreds of dollars every year maintaining a driveway to the Federal cemetery there, when it is outside of the residential part of that community. It maintains it as a burden to that city and takes care of it like it takes care of the residential streets. And, so far as property is concerned, the city has a greater burden than the Federal Government has given them of benefit, so far as property is concerned.

Mr. MANN of Illinois. I think we ought to look into that, then.

Mr. WINGO. The gentleman is willing to take the report of the committee?

Mr. MANN of Illinois. I have great confidence in the report of the committee.

Mr. WINGO. What fact does the gentleman want?

Mr. MANN of Illinois. Here is a proposition of presenting Government property to a city, with the excuse that it is to be used as a convention hall. Now, it may be very important for Fort Smith to have conventions, but, after all, there is no special reason why the Government of the United States should construct a convention hall there. We have had a great many propositions to have the Government construct a convention hall in Washington, where the Capital is located, but we have never acceded to that request.

Mr. WINGO. That is not this proposition. They could not erect a large convention hall on that small tract if they wanted to do so. But it is to be preserved as a hall there for historical purposes and used by historical societies in that community. Just why the word "convention" was written in there I do not recall. It is not a very happy word, though I think the idea was that historical societies could use it as a meeting place. That is how the term "convention hall" came to be written in there. It is not a very happy term. But this is just as reasonable a proposition as another bill that was passed this afternoon for the donation of 10 acres of land to be used for school purposes.

Mr. MANN of Illinois. Not at all. It was an entirely different situation.

Mr. WINGO. That was a community purpose, was it not?

Mr. MANN of Illinois. That was to grant Indian lands for school purposes, largely for the benefit of Indians, and in that bill we put a provision that they should pay for the land.

Mr. WINGO. One dollar and twenty-five cents an acre.

Mr. MANN of Illinois. Yes.

Mr. WINGO. That makes $2.50 difference between that bill and this one.

Mr. MANN of Illinois. That is what the land is worth.

Mr. WINGO. It is not worth one ten-thousandths of what that land in the other bill was worth. It is of no use to the United States Government, but it is of some historical value for these people to use it and preserve it.

Mr. MANN of Illinois. Mr. Speaker, the fact is that wherever the Government of the United States owns property and it is not in active use some one wants to come along and wants to grab it. That is the case everywhere. They have got the notion that it is the duty of the Government, if it has anything, to give it to somebody else, and if it has not got anything, they want to raise taxes to buy it. It is one or the other all the time.

Mr. WINGO. I will say this to the gentleman, that so far as I am concerned I resent the suggestion that either I or the people whom I have the honor to represent want to "grab" anything. The history of the Fort Smith reservation shows that they have not wanted to "grab" anything. I have just cited the fact that we are cheerfully carrying a great burden on account of the Federal cemetery there. This is a historical proposition, which I think the gentleman would favor if he knew of it. This structure can be kept there as an old, run-down building. In recent years it has never been used by the Government except to put contraband booze in it, and if you want to retain it as a booze container and want to denounce us as a bunch of land grabbers you can do it.

Mr. MANN of Illinois. The gentleman from Arkansas speaks as though the citizens of Fort Smith begrudged the money that they spent for taking care of the roadway to the cemetery.

Mr. WINGO. I did not say that.

Mr. MANN of Illinois. The gentleman says that it is a great burden, and a virtue on the part of the citizens at Fort Smith to maintain that road, and yet everywhere else where there is a Government cemetery near a city the city maintains the road leading to it.

Mr. WINGO. The gentleman is the one that brought up the question of burden. The gentleman is the one who is accusing people of having selfish purposes. I repudiate the suggestion. We have not a selfish purpose. The gentleman is the one that has raised the question of selfish purpose.

Mr. MANN of Illinois. Oh, they want to get the land belonging to the Government for nothing. The gentleman gives as an excuse for that the heavy burden that the citizens there are bearing.

Mr. WINGO. The gentleman from Illinois has voted for numerous bills giving the jail properties in a similar situation elsewhere to other cities, and gentlemen have voted for two bills not only to convey a jail but in one instance devoting thousands of dollars of unexpended appropriations for the construction of a jail. The gentleman can object to this little pile of mortar in a historic place if he wishes to. It is in his power to do so. I do not beg that this shall be done.

Mr. MANN of Illinois. The gentleman need not beg. The gentleman is mistaken when he said that I voted for the bills he referred to, if my recollection is correct. The gentleman speaks without knowing anything about it. The gentleman is just guessing. He does not know anything about it.

Mr. WINGO. I know only what the record shows.

Mr. MANN of Illinois. No; the gentleman does not know what the record shows. The gentleman can not show the record.

Mr. WINGO. I can tell the gentleman every date in connection with this matter. I can tell the gentleman everything in connection with these jail transfers. I have every one of the cases briefed, and I know the controversies connected with every one of them. I do not go into court without having the facts.

Mr. MANN of Illinois. The gentleman can not cite where I voted for any one of them. I ask the gentleman to show it.

Mr. WINGO. Has the gentleman voted against any of the appropriation bills since I have been a Member of Congress? If so, which one?

Mr. MANN of Illinois. I am not going to answer that question.

Mr. WINGO. Certainly you are not.

Mr. MANN of Illinois. The gentleman is undertaking to say what I have done without knowing anything about it.

Mr. WINGO. Yes; I have been here and I have seen the gentleman.

Mr. MANN of Illinois. The gentleman has been here——

Mr. WINGO. If the gentleman will look up the record, he will find that he entered into a discussion of one of these jail bills.

Mr. Speaker, I ask for the regular order. I do not want to delay other gentlemen if there is objection to my bill.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent granting, remissing, releasing, and quitclaiming all right, title, claim, and interest of the United States of America in and to the block or square of land in the city of Fort Smith, in the State of Arkansas, bounded by Second and Third Streets and Rogers and Parker Avenues, fronting 300 feet on Second and Third Streets and 290.25 feet on Rogers and Parker

Avenues, upon which is situated the old Federal jail, being a part of section 8, township 8 north, range 32 west, to the city of Fort Smith, Ark., for a site for a convention hall, community building, and other public purposes.

With the following committee amendments:

Page 2, line 6, after the word "Arkansas," insert "in trust."
Page 2, line 7, after the word "purposes," insert "*Provided, however*, That if said land shall not be used for such purposes it shall revert to the United States."

The amendments were agreed to.

Mr. WINGO. Mr. Chairman, there is another amendment that is suggested to me. I will call the attention of the chairman of the committee to it.

In line 7, page 2, I think the word "and" should be "or," so that it will read—

Or other public purposes.

The SPEAKER. The gentleman offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 2, line 7, strike out the word "and" and insert in lieu thereof "or."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

Mr. MANN of Illinois. The title to that bill should be corrected to correspond to the amendment that was agreed to, I take it.

Mr. WINGO. I ask unanimous consent that the title be amended to conform to the text.

The SPEAKER. The gentleman asks unanimous consent that the title be amended to conform to the text. Is there objection?

There was no objection.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

CERTAIN OFFICERS OF THE UNITED STATES ARMY.

The next business on the Private Calendar was the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes.

The bill was read.

Mr. MONDELL. Mr. Speaker, the gentleman who reported this bill is not present, and I doubt if there is anyone here who can fully explain the provisions of the bill. I ask that it go over.

The SPEAKER. Does the gentleman object to the present consideration of the bill?

Mr. MONDELL. I shall have to object.

The SPEAKER. The gentleman objects. The Clerk will report the next bill.

ROBERT T. LEGGE.

The next business on the Private Calendar was the bill (H. R. 1317) for the relief of Robert T. Legge.

The bill was read.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read the bill as follows:

Be it enacted, etc., That the sum of $250 be, and the same is hereby, appropriated out of any money in the Treasury not otherwise appropriated, and the Secretary of the Treasury is hereby directed to pay Robert T. Legge, a citizen of McCloud, Shasta County, in the State of California, compensation for professional operation performed on John Moran, who was injured while an employee of the United States Forest Service.

With the following committee amendment:

Page 1, line 3, strike out "$250" and insert "$150."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN M. FRANCIS.

The next business on the Private Calendar was the bill (S. 176) for the relief of John M. Francis.

The bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection?

The SPEAKER. The Clerk will report the bill for amendment.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to John M. Francis, father of late Cadet John C. Francis, West Point Military Academy, who died on duty at Fort Bayard, N. Mex., the sum of $181, burial and transportation expenses.

The bill was ordered to a third reading, and was accordingly read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

ESTATE OF THOMAS H. HALL.

The next business on the Private Calendar was the bill (S. 2716) to relieve the estate of Thomas H. Hall, deceased, late postmaster at Panacea, Fla., and the bondsmen of said Thomas H. Hall, of the payment of money alleged to have been misappropriated by a clerk in said office.

The Clerk read the bill, as follows:

Be it enacted, etc., That the estate of Thomas H. Hall, deceased, late postmaster at Panacea, Fla., and the bondsmen of the said Thomas H. Hall as such postmaster, be, and they are hereby, relieved of the payment of $544.73, together with the amount of the costs which may have accrued on account of the United States bringing an action to enforce the payment of said sum, the said sum being the amount of cash and funds held by the Post Office Department to be due from said Hall's estate to the United States for money misappropriated to his own use by a clerk in said office while the proffered resignation of said Hall was pending in the Post Office Department and while the said clerk was acting postmaster with the consent and acquiescence of the United States.

The SPEAKER. Is there objection?

Mr. MADDEN. Reserving the right to object, I should like to know why the bondsmen in this case should be relieved from peculations by a clerk in the post office?

Mr. EDMONDS. Mr. Speaker, Thomas H. Hall was a postmaster at Panacea, Fla., a small post office. He was taken ill and was ordered by his doctor to come North. He went North. He resigned his position in the post office and understood that his resignation had been accepted and that his successor had been appointed. When he came back, however, he found that such was not the case. It was acknowledged that he left his resignation with the Post Office Department, and he went with his Representative to the Post Office Department here in Washington to see that it had been accepted. When he got back he found that his assistant postmaster had stolen a certain amount of money. Mr. Hall made good part of it, but the balance of it is still due. At the present time Mr. Hall is dead and his assistant is dead. His estate, which is made up of a small amount of land around Panacea, Fla., is being sued by the Post Office Department for the balance of this money, $546. This case particularly appeals to me because I do not think Mr. Hall intended to do anything wrong; that his understanding when he left Washington was that the Post Office Department had accepted his resignation. It appears that a new man had been appointed, but through some mix-up the appointment never arrived in Florida, and the assistant kept on acting and embezzled these funds.

Mr. MADDEN. What became of the assistant?

Mr. EDMONDS. He died. Everyone connected with the case is dead, but the children of Hall and Mrs. Hall are left, and all they have in the world is this small amount of money.

Mr. MADDEN. Mr. Speaker, I do not object.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk again reported the bill.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

INDIAN APPROPRIATION BILL.

By direction of the Committee on Indian Affairs, Mr. SNYDER, chairman of that committee, reported the bill (H. R. 11368) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1921, which was read a first and second time, and, with the accompanying report, ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. HAYDEN. Mr. Speaker, I reserve all points of order on the bill.

The SPEAKER. The gentleman from Arizona reserves all points of order on the bill.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker, this bill comes with the unanimous vote of the Committee on Indian Affairs, 20 members being present. I desire to state that the estimates which we were forced to consider in the preparation of the bill amounted to $17,471,763.39. The current law carries $15,311,108.84. The amount allowed by this bill is $13,136,113.39. The saving under the current law is therefore $2,173,995.45 and the saving under the estimate made amounts to $4,235,750. [Applause.]

I want also to say to the House that in this bill there are provisions which I do not think are subject to a point of order which will make it unnecessary in the future to appropriate certain large amounts, running into millions of dollars, which have been heretofore appropriated.

JOHN A. GAULEY.

Mr. CALDWELL. Mr. Speaker, a short time ago the gentleman from Massachusetts [Mr. DALLINGER] asked unanimous consent to return to No. 37 on the calendar, a bill (H. R. 2396) for the relief of John A. Gauley. I told him at the time that I would not object to doing so later, and I hope that he will make the request before we adjourn.

Mr. MANN of Illinois. I shall object to returning to any bill or taking up any other bill on the Private Calendar for the balance of the day.

EXTENSION OF REMARKS.

Mr. PLATT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill passed this morning, H. R. 3458.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SINCLAIR. Mr. Speaker, I ask unanimous consent to print in the RECORD a statement by the Public Ownership League of America, accompanying the petition for public ownership of the railroads.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to print in the RECORD a statement by the Public Ownership League of America. Is there objection?

There was no objection.

PONTOON BRIDGE ACROSS THE CHATTAHOOCHEE RIVER, GA.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent for the present consideration of the Senate joint resolution 137, authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes.

The Clerk reported the joint resolution, as follows:

Resolved, etc., That, in order to provide immediate temporary relief for the city of West Point, Ga., necessitated by the recent flood of the Chattahoochee River, which washed the bridge away at that point, the Secretary of War is hereby authorized and directed to detail the necessary engineers to construct and maintain a pontoon bridge across the Chattahoochee River at West Point, Ga., it being understood that the city of West Point will provide the necessary materials not owned by the Government and loan material, and to permit the use of such bridge as a highway, under the supervision and regulation of the mayor or other proper authorities of such city for such time as the Secretary of War shall determine to be necessary.

The following committee amendment was read:

Strike out all after the enacting clause and insert:

"That the Secretary of War be, and he is hereby, authorized in his discretion to construct and maintain a pontoon bridge across the Chattahoochee River at West Point, Ga., and to loan to the city of West Point, Ga., without expense of transportation to the Government, the necessary material for such construction now in possession of the War Department and not needed for immediate use: *Provided*, That the use of such bridge as a highway under the supervision, regulation, and control of the duly constituted authorities of said city of West Point, Ga., is hereby permitted for such time as the Secretary of War shall determine to be necessary: *And provided further*, That all cost of construction shall be borne by the city of West Point, Ga., and the Secretary of War is hereby authorized to make such rules and regulations for the return of the material to the Government herein authorized to be loaned as he may deem necessary."

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. MANN of Illinois. Reserving the right to object, this is a Senate resolution which directs the Secretary of War to construct a pontoon bridge at West Point. The amendment submitted authorizes the Secretary of War to construct at the expense of West Point.

Mr. WRIGHT. The provision is to authorize the Government to furnish the necessary material and the Government engineers.

Mr. MANN of Illinois. I was inclined to think that we might pass the Senate bill, but I shall not object.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk reported the joint resolution for amendment.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. WRIGHT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

BRIDGE ACROSS PEARL RIVER, MARION COUNTY, MISS.

Mr. JOHNSON of Mississippi. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10847) granting the consent of Congress to Marion County, State of Mississippi, to construct a bridge across the Pearl River, in Marion County, State of Mississippi.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Marion County, State of Mississippi, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Pearl River, at a point suitable to the interest of navigation, at or near "the Branton old ferry," located on the following described lands: The south half of the southwest quarter of section 19, township 5 north, of range 19 west, and the northeast quarter of the northeast quarter of section 26, township 5 north, of range 12 east, all of said lands being located in Marion County, State of Mississippi, in accordance with the provisions of the act "to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MONDELL. Mr. Speaker, reserving the right to object, this sounds like an ordinary bridge bill, of which there are a number on the calendar. Gentlemen on both sides of the aisle have asked to be recognized by unanimous consent for consideration of bridge bills. The reading of this bill would not indicate that there was anything extraordinary in the necessity for its consideration. Unless there is some extraordinary urgency for the passage of the bill I shall have to object.

Mr. JOHNSON of Mississippi. Mr. Speaker, I trust the gentleman will hear me. Recently we have had great floods in Mississippi. Nearly all of the bridges have been washed away and the good roads destroyed. The counties through which this highway is proposed to be built are able to float bonds to renew the bridges. But before the floods came the counties through which this highway is to run had already, as I understand, voted bonds to build this bridge. So if this bridge is built it will serve both counties, and we can get along without the other bridges until the counties can arrange to float more bonds. It will work a great hardship on these people if this bridge is not constructed. The bridges, as I read in newspapers, are all down, and no means of transporting goods or lumber. I have recently received a message from these people, urging the passage of this bill immediately.

Mr. MANN of Illinois. If they have to issue bonds to construct this bridge——

Mr. JOHNSON of Mississippi. The bonds are already authorized, as I am informed.

Mr. MANN of Illinois. The bridge will not be constructed for six months or a year, anyhow. It will not have any effect on these flood conditions.

Mr. JOHNSON of Mississippi. I will say that the highway is to be built to the river, and they can not cross the river without the consent of Congress. I took it up with the Secretary of War and he has given consent, and they are ready to begin work as soon as they get the consent of Congress. It will not cost the Government anything. The bonds are, as I understand, already floated, preparatory to the building of the bridge. It will not cost the Government a nickel.

Mr. MANN of Illinois. This bill might have been introduced a long time ago and reported a long time ago.

If they have constructed a highway up to the river and now want to construct a bridge they have been extremely negligent, or their Representative, in not asking the consent of Congress.

Mr. JOHNSON of Mississippi. I am a new Member——

Mr. MANN of Illinois. I do not accuse the gentleman of being negligent. This bill was reported on December 16; another bill for a bridge was reported December 17. That was placed on the Unanimous Consent Calendar. I do not think it will hurt anybody if the right to construct this bridge goes over until January.

Mr. JOHNSON of Mississippi. I trust the gentleman will not object.

Mr. MANN of Illinois. I know the gentleman said that he is new in the House. Since we have had a Unanimous Consent Calendar it is very seldom we consider these bills except on unanimous-consent days. I have noticed that we have passed a few lately, but I think it is bad practice. The gentleman is a proper, modest new Member of the House, and I congratulate him upon that.

Mr. JOHNSON of Mississippi. I trust the gentleman will withdraw his objection.

Mr. MANN of Illinois. Oh, I think we ought to maintain the Unanimous Consent Calendar.

Mr. QUIN. Will the gentleman yield? This is right in the neighborhood of my district, and I know the gentleman from Mississippi has related the facts. This flood came——

Mr. MANN of Illinois. I do not doubt it.

Mr. QUIN. And washed those bridges out.

Mr. MANN of Illinois. I do not doubt the statement of the gentleman from Mississippi in the slightest degree; but this flood will not be overcome by authorizing the construction of a large bridge there. Now, we just had a proposition to construct an entirely different kind of a bridge. That was an emergency proposition and this is not.

Mr. QUIN. The gentleman will understand the other bridges have been washed away.

Mr. MANN of Illinois. Yes; and they will still be washed away a long time before this bridge is built.

Mr. RAYBURN. Will the gentleman yield? The gentleman is talking about unanimous-consent day. We have not done it this session, of course, but the gentleman from Georgia, Mr. Adamson, never waited for a unanimous-consent day. I have seen him many, many times here, after the Journal was read on an off day, ask that bridge bills——

Mr. MANN of Illinois. The gentleman's recollection and mine do not agree. I was the minority leader, and I kept track of things in the House very accurately at that time. Once in a while, when there was an emergency matter or just at the end of a session of Congress, Mr. Adamson was permitted to bring up a number of bridge bills.

Mr. RAYBURN. And the two gentlemen always worked in harmony.

Mr. GARNER. Mr. Speaker, let me ask for the benefit of the RECORD. I think it is safe, if any gentleman does object to the consideration of this bill—if the gentleman from Mississippi will give attention—I think it is safe for the gentleman from Mississippi to tell his constituents that there is assurance of a certainty that this bill will become a law and they can make their immediate arrangements for the construction of this bridge. I can not understand that Congress will not give its consent for the construction of the bridge.

Mr. MANN of Illinois. Oh, I think there is no doubt.

Mr. GARNER. It is a mere question of time now until the next unanimous-consent day will come up, as I understand it.

Mr. MANN of Illinois. It is a question of the orderly procedure of the House.

Mr. CRAMTON. I would like to call attention—as I understand it, the bonds to construct this bridge are already authorized?

Mr. JOHNSON of Mississippi. So I am informed.

Mr. CRAMTON. And as soon as this bill can become a law the actual construction of the bridge would begin?

Mr. JOHNSON of Mississippi. That is my information.

Mr. CRAMTON. And hence whatever delay there is now is so much delay in the beginning of the construction of the bridge?

Mr. JOHNSON of Mississippi. The consent of Congress is all that is desired.

Mr. CALDWELL. And winter is coming on.

Mr. JOHNSON of Mississippi. Yes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the bill for amendment.

The bill was read for amendment.

The committee amendments were read, as follows:

Page 1, line 7, strike out the word "interest" and insert "interests."

The question was taken, and the amendment was agreed to.

Page 1, line 8, after the word "ferry," strike out all of lines 8, 9, 10, 11, and 12, down to and including the word "located," in line 1, page 2.

The question was taken, and the amendment was agreed to.

Also the following committee amendment was read:

Page 2, line 3, after the word "act," insert the words "entitled 'An act.'"

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. JOHNSON of Mississippi, a motion to reconsider the vote by which the bill was passed was laid on the table.

ORDER OF BUSINESS TO-MORROW.

Mr. MONDELL. Mr. Speaker, on to-morrow, in addition to the bill reported by the Committee on Immigration and Naturalization, which will be brought up under a special rule, the House will have before it the Sweet pension bill, with Senate amendments, and possibly during the day the bill providing an extension of the life of the sugar board. It is very important that we have a good attendance to-morrow. I hope that none of the Members in anticipation of the coming holiday season will leave the city.

Mr. RAKER. Will the gentleman yield right there?

Mr. MONDELL. I yield.

Mr. RAKER. There will possibly be no committee meetings to-morrow. A good many Members want to get away in the afternoon, say at half-past 3 or 4 o'clock, and could we not meet at 11 o'clock in the morning?

Mr. MADDEN. I wish to inform the gentleman that I have two committee meetings myself.

Mr. MONDELL. I do not think that will help matters, because it is barely possible that we will be called upon to act rather late in the afternoon on matters from the Senate.

Mr. RAYBURN. It seems to me it would expedite the Sweet bill very much to meet at 11 o'clock. It will be sent to conference, and I do not think the conferees will be in session many minutes.

Mr. MONDELL. There are committee meetings to-morrow—a number of them—and I believe we can dispose of the business before the House without any difficulty by meeting at 12 o'clock. And without further conference with gentlemen on committees I do not feel justified in asking the House to meet at 11. I have never done that except after conference with the heads of the committees.

LEAVE OF ABSENCE.

Mr. HICKS, by unanimous consent, was granted leave of absence until after the recess of Congress, on account of official business.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 13 minutes p. m.) the House adjourned until to-morrow, Saturday, December 20, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Doorkeeper of the House of Representatives, transmitting list of property belonging to the United States and under his charge as Doorkeeper in the various rooms of the House in the Capitol Building and folding room in the House Office Building as of December 2, 1919 (H. Doc. No. 534); to the Committee on Accounts and ordered to be printed.

2. A letter from the Secretary of War, transmitting reports from the War Department, Navy Department, and the Post Office Department, showing aircraft on hand as of November 1, 1919 (H. Doc. No. 535); to the Committee on Military Affairs and ordered to be printed.

3. A letter from the Secretary of War, transmitting report on authorized transfers of appropriation for payment of lawful obligations of the Military Establishment already incurred during the fiscal years 1918 and 1919 and for which no appropriations are available (H. Doc No. 536); to the Committee on Military Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. FORDNEY, from the Committee on Ways and Means, to which was referred the bill (H. R. 11309) to authorize the Secretary of the Treasury to fix compensation of certain laborers in the Customs Service, reported the same without amendment, accompanied by a report (No. 516), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SIMS, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 11025) to authorize

the construction, maintenance, and operation of a bridge across the Tombigbee River near Iron Wood Bluff, in Itawamba County, Miss., reported the same with an amendment, accompanied by a report (No. 517), which said bill and report were referred to the House Calendar.

Mr. CARAWAY, from the Committee on the Judiciary, to which was referred the bill (H. R. 11053) to transfer the county of Early from the northern judicial district of Georgia to the southern judicial district of Georgia, reported the same with an amendment, accompanied by a report (No. 518), which said bill and report were referred to the House Calendar.

Mr. DENISON, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10920) declaring Platte River to be a nonnavigable stream, reported the same without amendment, accompanied by a report (No. 519), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. MORGAN, from the Committee on the Judiciary, to which was referred the bill (H. R. 4383) to further amend section 858 of the Revised Statutes of the United States, reported the same without amendment, accompanied by a report (No. 520), which said bill and report were referred to the House Calendar.

Mr. LANGLEY, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 11276) to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1919, and prior fiscal years, and for other purposes," approved July 11, 1919, reported the same with an amendment, accompanied by a report (No. 521), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER, from the Committee on Indian Affairs, to which was referred the bill (H. R. 11368) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1921, reported the same without amendment, accompanied by a report (No. 522), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MAPES: A bill (H. R. 11329) to provide for the sale by the Commissioners of the District of Columbia of certain land in the District of Columbia acquired for a school site, and for other purposes; to the Committee on the District of Columbia.

By Mr. KITCHIN: A bill (H. R. 11330) increasing the limit of cost for a Federal building at Wilson, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. MARTIN: A bill (H. R. 11331) to establish a corps of civilian engineers in the United States Army; to the Committee on Military Affairs.

By Mr. HUSTED: A bill (H. R. 11332) defining criminal anarchy, providing punishment therefor, and for other purposes; to the Committee on the Judiciary.

By Mr. DYER: A bill (H. R. 11333) authorizing the Secretary of the Treasury to sell the present marine-hospital site, St. Louis, Mo., and to acquire a suitable and sufficient tract of land in or adjacent to the city of St. Louis for the construction of a complete hospital plant for the treatment of beneficiaries of the war-risk insurance and the Public Health Service; to the Committee on Public Buildings and Grounds.

By Mr. REED of West Virginia: A bill (H. R. 11334) to amend an act incorporating Prospect Hill Cemetery, and for other purposes; to the Committee on the District of Columbia.

By Mr. VINSON: A bill (H. R. 11335) to construct a public building for a post office at the city of Sandersville, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. WEAVER: A bill (H. R. 11336) to authorize the establishment of a forest experiment station at Asheville, N. C.; to the Committee on Agriculture.

By Mr. SMITH of Michigan: A bill (H. R. 11337) to provide extra compensation to the soldiers, sailors, and marines of the World War with Germany, to issue bonds therefor, and for other purposes; to the Committee on Ways and Means.

By Mr. BOIES: A bill (H. R. 11338) providing for a site and public building for a post office at Sioux City, Iowa; to the Committee on Public Buildings and Grounds.

By Mr. BRAND: A bill (H. R. 11339) to punish fraudulent dealers in foodstuffs and fuel, to make the acts herein set forth criminal, and for other purposes; to the Committee on the Judiciary.

By Mr. BURROUGHS: A bill (H. R. 11340) to acquire by purchase, condemnation, or otherwise, additional land for the Federal building at Portsmouth, N. H., and to construct an addition thereon; to the Committee on Public Buildings and Grounds.

By Mr. WHITE of Kansas: A bill (H. R. 11341) authorizing and directing the Secretary of War to donate to the city of Norton, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11342) authorizing and directing the Secretary of War to donate to the city of Burr Oak, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11343) authorizing and directing the Secretary of War to donate to the city of Gove, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11344) authorizing and directing the Secretary of War to donate to the city of Russell Springs, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11345) authorizing and directing the Secretary of War to donate to the city of Sharon Springs, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11346) authorizing and directing the Secretary of War to donate to the city of Lebanon, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11347) authorizing and directing the Secretary of War to donate to the city of Smith Center, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11348) authorizing and directing the Secretary of War to donate to the city of Jewell City, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11349) authorizing and directing the Secretary of War to donate to the city of Ellsworth, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11350) authorizing and directing the Secretary of War to donate to the city of Kanopolis, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11351) authorizing and directing the Secretary of War to donate to the city of Oberlin, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11352) authorizing and directing the Secretary of War to donate to the city of Atwood, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11353) authorizing and directing the Secretary of War to donate to the city of St. Francis, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11354) authorizing and directing the Secretary of War to donate to the city of Goodland, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11355) authorizing and directing the Secretary of War to donate to the city of Colby, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11356) authorizing and directing the Secretary of War to donate to the city of Stockton, Kans., one German cannon or fieldpiece; to the Committee on Militray Affairs.

Also, a bill (H. R. 11357) authorizing and directing the Secretary of War to donate to the city of Osborne, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11358) authorizing and directing the Secretary of War to donate to the city of Hill City, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11359) authorizing and directing the Secretary of War to donate to the city of Lincoln, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11360) authorizing and directing the Secretary of War to donate to the city of Beloit, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11361) authorizing and directing the Secretary of War to donate to the city of Wilson, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11362) authorizing and directing the Secretary of War to donate to the city of Russell, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11363) authorizing and directing the Secretary of War to donate to the city of Hays, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11364) authorizing and directing the Secretary of War to donate to the city of Wakeeney, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11365) authorizing and directing the Secretary of War to donate to the city of Mankato, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11366) authorizing and directing the Secretary of War to donate to the city of Phillipsburg, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 11367) authorizing and directing the Secretary of War to donate to the City of Hoxie, Kans., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. SNYDER: A bill (H. R. 11368) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1921; to the Committee of the Whole House on the state of the Union.

By Mr. STEENERSON: Resolution (H. Res. 424) directing the Postmaster General to furnish certain information with regard to the weight of second-class mail to certain post offices; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 11369) granting an increase of pension to Joseph M. Turpin; to the Committee on Invalid Pensions.

By Mr. BROOKS of Pennsylvania: A bill (H. R. 11370) for the relief of John Sponseller; to the Committee on Military Affairs.

By Mr. DOWELL: A bill (H. R. 11371) granting an increase of pension to Jerome B. Summers; to the Committee on Invalid Pensions.

By Mr. DRANE: A bill (H. R. 11372) granting an increase of pension to Eli B. Beard; to the Committee on Pensions.

By Mr. DUNBAR: A bill (H. R. 11373) granting a pension to John W. Lawton; to the Committee on Pensions.

Also, a bill (H. R. 11374) granting a pension to Guy Robison; to the Committee on Pensions.

Also, a bill (H. R. 11375) granting an increase of pension to James H. Meekin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11376) granting a pension to Mary Werner; to the Committee on Invalid Pensions.

By Mr. GILLETT: A bill (H. R. 11377) for the relief of Warren V. Howard; to the Committee on Military Affairs.

By Mr. McCULLOCH: A bill (H. R. 11378) granting a pension to Charles M. Bingham; to the Committee on Invalid Pensions.

By Mr. MacGREGOR: A bill (H. R. 11379) granting a pension to Carrie S. Warner; to the Committee on Pensions.

By Mr. PARRISH: A bill (H. R. 11380) granting a pension to William A. Morris; to the Committee on Pensions.

By Mr. RAKER: A bill (H. R. 11381) for the relief of Charles D. Morse; to the Committee on Military Affairs.

By Mr. RANDALL of California: A bill (H. R. 11382) granting an increase of pension to Elias B. Lesh; to the Committee on Invalid Pensions.

By Mr. RIORDAN: A bill (H. R. 11383) for the relief of Nat Wolf; to the Committee on Claims.

By Mr. SANFORD: A bill (H. R. 11384) to authorize the restoration to files of Capt. John McEwan Pruyn, Infantry; to the Committee on Military Affairs.

By Mr. SMITH of Illinois: A bill (H. R. 11385) granting an increase of pension to William T. Gibbs; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 11386) granting an increase of pension to George W. Cobb; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 11387) granting an increase of pension to Allen Coyle; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

521. By the SPEAKER (by request): Petition of sundry citizens of Illinois, concerning strike issues; to the Committee on the Judiciary.

522. Also (by request), petition of Bring Home the Soldier Dead League, favoring bringing home the soldier dead from France; to the Committee on Military Affairs.

523. By Mr. BURROUGHS: Petition of 36 residents of Portsmouth, N. H., urging favorable consideration of House bill 3149, commonly known as the "Lelhbach-Sterling bill," to retire the civil-service employees of the United States Government; to the Committee on Reform in the Civil Service.

524. By Mr. DARROW: Petition of the Philadelphia Executive Council, United States Spanish War Veterans, in behalf of the Sells bill, proposing to pension disabled veterans of the War with Spain, the Philippine insurrection, and the Boxer campaign; to the Committee on Pensions.

525. By Mr. EMERSON: Petition of Air Service Post No. 137, American Legion, favoring deportation of undersirable aliens; to the Committee on Immigration and Naturalization.

526. By Mr. JOHNSTON of New York: Petition of Miss Elizabeth L. Siegel and other citizens of Brooklyn, N. Y., favoring House bill 7926; to the Committee on Military Affairs.

527. Also, petition of Brooklyn Coal Exchange, favoring House bill 10650; to the Committee on the Judiciary.

528. Also, petition of Brooklyn Hardware Dealers' Association, opposing Seigel bill; to the Committee on Interstate and Foreign Commerce.

529. By Mr. KENNEDY of Rhode Island: Resolutions of the United Jewry of Rhode Island, urging action by the supreme council of the peace conference to end the atrocities against the Jewish people of Ukrainia and other lands; to the Committee on Foreign Affairs.

530. By Mr. LONERGAN: Petition of R. S. Brown and others, favoring retirement legislation for civil-service employees; to the Committee on Reform in the Civil Service.

531. By Mr. O'CONNELL: Petition of Brooklyn Coal Exchange, favoring House bill 10650; to the Committee on the Judiciary.

532. By Mr. RAKER: Petition of International Association of Machinists, of Roseville, Calif., favoring House bill 10367; to the Committee on Interstate and Foreign Commerce.

533. Also, petition of California State Grange, indorsing arbitration of labor disputes and indorsing the principle "Income tax for one, income tax for all"; to the Committee on the Judiciary.

534. Also, petition of Marine Engineers' Beneficial Association, opposing Cummins bill; to the Committee on Interstate and Foreign Commerce.

535. By Mr. ROWAN: Petition of National Association of Owners of Railroad Securities, concerning railroad legislation now before Congress; to the Committee on Interstate and Foreign Commerce.

536. Also, petition of Tenants' Union of New York, regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

537. Also, petition of Auto Pneumatic Action Co., of New York, favoring 1-cent postage on drop letters; to the Committee on the Post Office and Post Roads.

538. Also, petition of George Clinton, presenting speech made before the Rivers and Harbors Congress; to the Committee on Rivers and Harbors.

539. By Mr. STEENERSON: Petition of Cloverland Farmers' Club, of Plummer, Minn., relating to the control of the price of sugar; to the Committee on Agriculture.

540. By Mr. TILSON: Petition of Division No. 7, Ancient Order of Hibernians, favoring Mason bill; to the Committee on Foreign Affairs.

SENATE.

SATURDAY, *December 20, 1919.*

(Legislative day of Tuesday, December 16, 1919.)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Dillingham	Kellogg	Norris
Ball	Edge	Kenyon	Nugent
Calder	Gay	Keyes	Ransdell
Capper	Hale	Lodge	Robinson
Chamberlain	Harrison	McNary	Sheppard
Cummins	Henderson	Moses	Smoot
Curtis	Johnson, S. Dak.	Nelson	Spencer
Dial	Jones, Wash.	New	Trammell

The VICE PRESIDENT. Thirty-two Senators have answered the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. HARDING, Mr. HARRIS, Mr. KIRBY, Mr. MCKELLAR, Mr. OVERMAN, Mr. POMERENE, Mr. STERLING, Mr. THOMAS, and Mr. WALSH of Massachusetts answered to their names when called.

Mr. ELKINS, Mr. TOWNSEND, Mr. BANKHEAD, Mr. LA FOLLETTE, Mr. GRONNA, Mr. FLETCHER, Mr. PHIPPS, Mr. SMITH of Georgia, Mr. FERNALD, Mr. FRELINGHUYSEN, Mr. KING, Mr. WILLIAMS, Mr. MCCORMICK, and Mr. WADSWORTH entered the Chamber and answered to their names.

Mr. KING. I have been requested to announce that the Senator from Virginia [Mr. SWANSON] is detained by illness in his family.

I wish also to announce that the Senator from Nevada [Mr. PITTMAN] is necessarily absent from the Senate.

Mr. MCKELLAR. The Senator from Rhode Island [Mr. GERRY], the Senator from Nebraska [Mr. HITCHCOCK], the Senator from New Mexico [Mr. JONES], the Senator from North Carolina [Mr. SIMMONS], and the Senator from Maryland [Mr. SMITH] are absent on official business.

Mr. SHEPPARD. I wish to announce that the Senator from Montana [Mr. WALSH], the Senator from Alabama [Mr. UNDERWOOD], and the Senator from Delaware [Mr. WOLCOTT] are detained from the Senate on public business.

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present.

SUGAR EQUALIZATION BOARD.

Mr. SPENCER. Mr. President, if there is no objection, I desire to introduce a bill.

Mr. GRONNA. I do not wish to object, but the Senator knows we have a unanimous-consent agreement first to take up the sugar bill.

Mr. SPENCER. I think a bill can be introduced by unanimous consent.

Mr. GRONNA. I call attention to the agreement that this morning we are to dispose of the sugar bill.

Mr. THOMAS. I raise the point of order that under the unanimous-consent agreement nothing can be considered except the sugar bill.

Mr. GRONNA. That is what I had in mind.

The VICE PRESIDENT. The point of order is sustained.

The Chair lays before the Senate the amendment of the House of Representatives to the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes.

The amendment of the House of Representatives was to strike out all after the enacting clause and insert:

That the President is authorized to continue during the year ending December 31, 1920, the United States Sugar Equalization Board (Inc.), a corporation organized under the laws of the State of Delaware, and to vote or use the stock in such corporation held by him for the benefit of the United States, or otherwise exercise his control over the corporation and its directors, in such a manner as to authorize and require them to adopt and carry out until December 31, 1920, plans and methods of securing, if found necessary for the public good, an adequate supply and an equitable distribution of sugar at a fair and reasonable price to the people of the United States. Sections 5 and 10 of the act entitled "An act to further provide for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, as far as the same relates to raw or refined sugar, sirups, or molasses, are hereby continued in full force and effect until December 31, 1920, notwithstanding the provisions of section 24 of said act: *Provided*, That the provisions of this act shall expire as to the domestic product September 30, 1920: *And provided further*, That the zone system of sale and distribution of sugars heretofore established by the said United States Sugar Equalization Board shall be abolished and shall not be reestablished or maintained, and that sugars shall be permitted to be sold and to circulate freely in every portion of the United States. The termination of this act shall not affect any act done or any right or obligation accruing or accrued, or any suit or proceeding had or commenced in any civil case before the said termination pursuant to this act; but all rights and liabilities under this act arising before its termination shall continue and may be enforced in the same manner as if the act had not terminated. Any offense committed and all penalties, forfeitures, or liabilities incurred prior to such termination may be prosecuted or punished in the same manner and with the same effect as if this act had not been terminated.

Mr. GAY. Mr. President, I think the Senator from Oregon [Mr. MCNARY] has an amendment which he desires to propose to the amendment of the House.

Mr. MCNARY. I move that the Senate concur in the amendment of the House with an amendment on page 2, line 4, after the word "product," to strike out "September" and insert "June."

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon.

Mr. GAY. Mr. President, I take it that the object of the pending bill is to secure for the American people an adequate supply of sugar. The question which arises is, How can that best be done?

From the figures that have been presented from reliable sources it appears that there is no actual shortage for the year so far as the United States is concerned. There is absolutely no doubt that there is a world shortage.

This shortage, however, applies to almost every commodity that is used for human consumption. The prices of all foods have advanced under war conditions. The price of sugar has not advanced in the same proportion as have the prices of other food products. Clothing has advanced more than 100 per cent; shoes that before the war cost $5 are to-day selling for $15. Cotton and woolen goods are abnormally high.

Permit me to call attention, Mr. President, to some of the increases that have taken place within the last year or two. Wheat went up from an average before the war of 85 cents a bushel to a minimum price fixing of $2.25 a bushel for the lower grades, with the sky the limit for the upper grades.

Corn went up from a normal price of about 55 cents a bushel to $1.95.

Beef rose about 300 per cent, too.

Pork rose about 325 per cent.

Cotton rose about 200 per cent.

Sugar would have risen from 5 cents to 25 cents a pound, but it was handcuffed and a ball and chain was put on it, and 7.2 was the maximum price allowed for 96 test sugar, which the Louisiana sugar planters largely made. This was a rise of about 50 per cent.

Rice rose about 50 per cent, too.

There has, however, been no suggestion of placing a license or further continuing war conditions on any of the necessary commodities which are imperative for the comfort and well-being of our citizenship.

It has been said that the reason for the increase in the price of the commodities referred to is due to the fact that the United States practically raises or produces these articles within her own confines, but that sugar must be singled out for this war-time control, even though the country is normally at peace, because of the fact that she only produces about 50 per cent within the United States and her island possessions of the amount that the American people consume.

Every student of political economy knows full well that the United States is capable of producing a much greater quantity of sugar, and that if given proper encouragement, by treating sugar like other American farm products, the day will come when all of the sugar which is necessary for American consumption will be produced in this country.

Unfortunately from a political standpoint sugar cane is grown in only a small portion of the United States, but there is a great possibility even in this restricted territory of having an increased production.

The sugar-beet industry has grown by leaps and bounds.

The source of supply, aside from the domestic crop, is Cuba. Cuba has been the supply house for years and always will be until this Government adopts a more liberal policy to those who till the soil and who are endeavoring to make the sugar industry equal all the demands of the American people.

Such legislation as that contained in this bill is simply playing into the hands of the great refining interests of the country, and is working hardship upon those engaged in actual production. There seems to be no complaint from those who are simply laundering sugar from foreign countries, because, under the system of having but one buyer—the Sugar Equalization Board—the refiners do not have to compete with each other, and can depend on the Government for the supply of sugar which they otherwise would purchase.

Under the system of control of the equalization board the refiner is not required to make large advance investments, but can pay for his sugar as received. Furthermore, prior to the control, by their own testimony, they refined sugar at a profit of six-tenths of 1 cent per pound, whereas under the equalization board they were allowed 1.54 cents, and are confidently expecting even more, perhaps as much as 2 cents.

This bill could well be called an act to benefit Cuban planters to the detriment of loyal American citizens engaged in a great agricultural enterprise to produce sugar in the United States; and further as a special act to add to the coffers of the Sugar Trust.

You have not heard the voice of those engaged in the laundering process of sugar—for that is all that the refiner does—raised against the provisions of this bill. This great combination of capital, located along the eastern seaboard, will naturally be grateful to the Government for helping to perfect and make stronger a trust that only a few years ago Congress was investigating and striving to hold in check. The powers of this great

trust have so far extended, and its influence is now so great, that even at this time those who were loudest against it now acquiesce and favor legislation to accomplish the very thing which the Sugar Trust has for so long a time been endeavoring to do.

It has always been thought by those who have given the subject much study that the refining interests were very close to each other, and while at times they disagreed this would not occur now, with the Government buying all of the available supply of sugar at the present inflated famine price and parceling it out to the various refiners according to their capacity, giving them whatever profit they desired or decided upon for the laundering process, and then deal it out to the American consumer.

What is the reverse of this proposition? It is that with no governmental control, Mr. Sugar Trust and Mr. Refiner will have to go to Cuba, as they have always done in the past, to buy the supply that the Cubans will sell them. Will they buy it at a price of 10¼ and parcel it out to each other? That has not been the custom in the past. As a matter of fact, American capital owns great interests in Cuba. The Sugar Trust has large interests in some of the magnificent estates of that fertile island. While these holdings may not be in the same corporate name, you will find that the principal stockholders of the trust are the principal stockholders in the great sugar industries in Cuba. The quotations which were given to the Senate on yesterday evidenced the fact that December is higher by more than 2 cents than February. If this law should not be enacted, I believe that the December quotation would drop almost immediately—that the price of sugar in Cuba is being stimulated by the legislation which is now pending.

Some Senators may smile, if they will, at the statement in the minority report made by Dr. Taussig, of the equalization board, and which has been read in the Senate, but I predict that his statement would come true if this bill should be defeated at this time, and that the American people throughout the broad expanse of this great country would gain at least 2 cents a pound on a year's supply of sugar.

This shortage is only temporary, and why have we this shortage? It is because we have consumed more sugar in a short time than ever before in the history of the country. Let me give you some figures showing the consumption by way of comparison for the years 1918 and 1919.

The following table gives the per capita consumption by quarters for the two years as reported by the Sugar Equalization Board:

	Pounds.
First quarter, 1919	20
First quarter, 1918	18
Second quarter, 1919	26
Second quarter, 1918	24
Third quarter, 1919	24
Third quarter, 1918	15

Total for nine months, 1919, 70 pounds.
Total for nine months, 1918, 57 pounds.

This explains the shortage. It is not due to the fact that the United States has not a full supply of sugar under normal consumption. The figures that have been given of the production in the United States and her insular possessions, together with the amount available in Cuba, can not be disputed. But if the American public intends to consume a year's supply in nine months, the only remedy is to produce more sugar; and that can not be done by the narrow-minded policy which has existed in the past of making sugar the political football to be kicked at the convenience of every aspirant for office or every politician who seeks to perpetuate himself in office by trying to fool the American public.

The production of beet sugar can be greatly increased. It has done more to build up the West than any other single crop. It has helped to make the soil more fertile. In rotation with wheat, it has been the means by which larger returns of wheat have been made, and it has added to the resources of that great western country to a marvelous degree.

The cattle industry has increased, due in a large measure to the feeding of the by-products which come from the beet factory; and the beet pulp is considered one of the important winter foods for cattle.

Cane-sugar production can be increased, not perhaps in the same degree as can the beet production, but a large portion of that great empire, Texas, thousands of additional acres in Louisiana, and a great deal of Mississippi, Alabama, Georgia, and Florida, could produce sugar cane to great advantage. But if this annual spectacle, or even now semiannual—or perhaps I would be right in saying almost a monthly performance on the part of overzealous statesmen to get sugar on the forum—is continued, you may well expect the United States in time to be entirely dependent upon some of our congenial neighbors for its sugar supply, and a great industry which should be developed, and which is an essential, employing thousands of American workmen, will be but a matter of history.

Suppose the great cotton industry should be licensed. What would be the result? The people would rise everywhere in their just indignation and demand to know what right Congress has to single out cotton, the greatest agricultural crop of the South, to be dealt with in such an unjust manner; and few there be, if any, representatives upon this floor from sovereign States who would contend for such a principle. Has it come that the Government is to engage in private enterprises? Has it come that the United States is to take over the private business of this country? If the experiment is to be tried let it first be done with some of our public utilities. Efforts in this direction thus far have not been very successful; and, I dare say, they will prove more unsuccessful when we reach the unhappy time that American enterprises and American spirit will be crushed by the cruel hand of the Government engaging in all classes of business.

Is wheat being licensed in this dawning day of peace? If so, I have not heard of it. Wheat is even more important for human consumption than is sugar; and I wish indeed that it could be found profitable to grow it in abundance in the extreme southern section of this country. Nature, however, has decreed otherwise. The prosperity of America depends upon the prosperity of her farmers. The wheat man is entitled to, and I want to see him receive, full compensation. The Government guaranteed a price during the war. At that time it was thought to be a liberal proposition, and there was much discussion and fear that the Government would meet with great loss in guaranteeing such a price for this great staff of life. It has not, however, resulted, as some of the economists of the time thought, in loss to the Government, as wheat to-day can be sold on the open market for more than that which the Government pays.

We must encourage production, acreage must be increased, more intensified farming conducted, so that the yield per acre will be greater. The great agricultural colleges of this country have done much in this direction, and to them are due the great improvements in scientific agriculture which we have witnessed within the past few years.

In my opinion, Government control of sugar is desirable only in times of extreme emergency, and then has to be very carefully handled to produce beneficial results. During the war the matter was handled by Mr. Hoover and his assistants, including, during the latter part of this period, the present equalization board.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Louisiana yield to the Senator from North Dakota?

Mr. GAY. I yield to the Senator from North Dakota.

Mr. GRONNA. I take it that only a very few Senators will have an opportunity to speak, as the time is limited; and while the Senator has touched upon the price of wheat, I want to say to him that I wish he would incorporate in the RECORD the actual condition, not as some economist or professor would state it, but as the condition actually exists.

I will say to the Senator that the facts are that for the last month, at least, the actual price of wheat is at a premium of $1 above the price guaranteed by the President of the United States. In other words, the price of $2.26 in Minneapolis has been $3.26. I am simply mentioning this to show how this law is functioning, and how absolutely impossible it is for even Mr. Hoover to control the situation. I note that the Senator is about to enter upon an explanation in regard to Mr. Hoover, and I have no objection to that.

Mr. GAY. I beg the Senator's pardon. I am not making any apology for Mr. Hoover.

Mr. GRONNA. I hope the Senator will, because Mr. Hoover will need sympathy when the American people get the full information.

Mr. GAY. I am not standing here in defense of Mr. Hoover.

Mr. GRONNA. I simply wanted at this time to call the Senator's attention to the fact that the law has not worked out as it was suggested upon this floor by Senators and as it was figured out by the economists of the country.

Mr. GAY. I will say to the Senator from North Dakota that that is exactly in line with the statement I have just made.

Mr. GRONNA. The Senator also referred to the fact that we were fearful we would lose money. Let me say to him that the only people who were charged any profit were the people of the neutral countries, and the Wheat Corporation took out of the pockets of the farmers of this country $27,000,000 just for the small amount of grain which was sold to the

neutrals. And $3,000,000 of that was used by the Wheat Director for the expenses of the Wheat Corporation.

Mr. GAY. I thank the Senator for this interruption.

With the cessation of hostilities the extreme emergency passed, and in my opinion it would have been well had control ceased shortly thereafter. The equalization board continued to function, however, its only policy being to get sugar to the American people as cheaply as possible consistent with a price which was fair to the producers, and which had already been agreed upon. This is apparently a very laudable purpose, but it omits any consideration of the law of supply and demand. The result of it this year has been an excessive consumption on the part of the American people, which has gone unchecked, and which has resulted in the present shortage.

This shortage is now considered another emergency, necessitating a still further extension of Government control. The termination of this further period is again fixed at the end of the calendar year, at a time when, if any further economic mistakes are made, we will be in the midst of another shortage. The first suggestion I should make in regard to the bill would be that Government control should cease on March 1, when the Cuban production is at its height, when there is temporarily at least enough sugar, and when, therefore, the phychological effects of a shortage are absent.

Let me add right here that it does not matter, in my opinion, whether you have the Sugar Equalization Board or whether their services end on December 31; I am convinced that the price of sugar will be much less in February and March than it is now, for it is only natural that when the Cuban supply comes in the price will fall, and the Sugar Equalization Board will not be able to control that matter one way or the other. A transition from any Government regulation to normal conditions at this time would be far less abrupt than during the last three months of the year.

I am of the opinion that the passage of this bill at this particular time would be of very little practical value. The foundation of all our domestic prices is the price of Cuban sugar, and the time to deal with that question effectively was, as we all know, last August.

The Sugar Equalization Board apparently takes the position that its only function is to continue to get sugar to the American people at less than the market price. The American consumption at its present rate is all out of proportion to the world supply, and can only be checked by conformity to the market price or by putting the American people on rations. In spite of the expressed opinions of several Senators, the board apparently does not concede that it could fulfill a useful function, first in assuring the American people that through their contracts a large supply of Cuban sugar was actually coming to the United States, and in so handling this sugar, even at the market price, as to prevent the wild speculation which is likely to result from the sudden lifting of the controlled price and to prevent local shortages and inequalities of distribution. This being the attitude of the board, it seems futile to commit them to a program in which they themselves have no confidence.

Even the moderate measure of control contemplated by the present bill is subject to all the inherent disadvantages of Government regulation. Chief among these is the difficulty of getting first-class men to administer it. I do not believe that the Government will succeed in getting men of the present grade of the personnel of the Sugar Equalization Board to continue indefinitely to give their time to this work. Other manifest disadvantages are a certain inelasticity, the fact that certain large questions of policy may rise to the level of political questions, and the fact that a Government board desires to do the popular thing, of which the insistence of the present board on keeping the price of sugar at 9 cents on the Atlantic coast in the face of the economic situation in the country is a conspicuous example.

The producers of the country are in an unfortunate position. They honestly believe with Dr. Taylor that sooner or later the present excessive consumption of sugar in the midst of a world shortage will have to be checked by a higher price, or else there will be a succession of shortages in the last three months of each year. On the other hand, they have no desire to become profiteers, and feel that it is particularly unfortunate if Government regulation should be lifted just at the time of extreme stringency, for which that regulation is in part responsible, leaving producers to bear the onus of any excessive rebound of prices. For these reasons I fear that very little practical good can be accomplished by it.

In the debate on the McNary bill yesterday the questions of the Senator from Massachusetts [Mr. WALSH] were very pertinent. He asked, in effect, what advantage the Sugar Equalization Board would have at the present time in purchasing Cuban sugar over the refiners dealing in the open market.

In answer, the Senator from Oregon [Mr. MCNARY] stated that the stabilization of price is a great element to the Cubans, that they would rather sell at a certain figure that would give them a profit than to sell here and there to individuals, and that they plainly desired to sell to the American Government the bulk of what remains.

In this the Senator from Oregon confused conditions which may have existed last August with conditions existing to-day. The above statement would not be supported by anyone in the sugar trade as true at the present time. Last year, under war conditions, the Cubans put their affairs into the hands of a committee, and up to September of this year, before it became apparent that there was to be a sugar shortage and that substantially higher prices would prevail, it is possible that an arrangement could have been made along the lines and governed by the motives indicated. On the last of September, at the time that the Cuban offer was withdrawn, President Menocal stated definitely that he could no longer control the numerous Cuban producers. They have since been acting independently or through newly formed associations which were organized not for the benefit of the United States but to get the maximum price possible.

It is apparent to anyone in the sugar business that the Cuban producers would expect to demand and receive a befter price from a Government board which had been charged with the duty of purchasing their sugar than they would from the refiners in the ordinary course of business dealings. The refiners are a canny bunch who have been doing business with Cuba for the past 50 years. They are not talking about 20-cent or 25-cent sugar, nor about the extreme haste necessary to secure America's share of the Cuban crop. They have sized up the supply and demand, and particularly the purchasing power of Europe, against the present rates of exchange, as accurately as the next man. If they have left 3,000,000 tons of the crop unbought, it is because they have not lost their heads and are confident that in the next 60 days there will be a great deal of Cuban sugar looking for purchasers.

Prices, as you know, have ranged from 8 to 8¼ cents f. o. b. Cuba for deliveries as late as April and May, and I doubt if a single member of the equalization board could be found who would say that he expected to better these figures if directed to purchase all the sugar that was left. On the contrary, the proclamation of the President vesting the food control powers in the Attorney General, together with statements issued in connection therewith, was followed by a decided increase in their ideas of values by the Cuban producers. (Willett & Gray, Nov. 26, p. 544; Facts About Sugar, Nov. 29, p. 425.)

It seems remarkable that, in the face of the universal complaint of the present situation in which control by the Sugar Equalization Board has landed us, it should be so generally assumed that a continuance of that control is the right solution of that difficulty. If it were in the power of the Sugar Equalization Board to continue its present policy of furnishing the country with sugar considerably below the market price, and with no check on consumption by rationing, this policy would again result, as it has resulted this year, in nine months of cheap and abundant sugar and three months of acute shortage.

One reason for the present high price is that manufacturers have become excited; have gone to Cuba to buy sugar and have refiners work it up on toll. The refiners have stopped this practice, and the sugar market is easier. A little business sense is needed, a little shrewd trading.

The Senator from Ohio a few days ago called attention to the great increase in the cost that would come to the people of his State with a soaring price of sugar; but let the Senator look at the subject from another angle, if he will. It is true, and no one can deny, that with every advance of 1 cent in the price of sugar the 5,000,000 people of Ohio, based on the consumption of 92 pounds per capita, would mean an increase of $4,600,000 per year for their cost of sugar, but I contend that with the resumption of trade conditions as in normal times, there would be a saving of 2 cents, if not more, in the sugar bill for the people, which would mean a saving to the people of his State, based on the consumption of this year, of $9,200,000, and to the people of the United States of $193,200,000. This, I believe, can be accomplished without further interference or attempted governmental control.

Mr. President, these facts can not be disputed. There is absolutely no justification to single out the great sugar industry of the United States to be treated as is the liquor business, and other classes of business which have been practically outlawed. I say to you that the principle which you are now invoking will

rise to haunt some of those who are so much in favor of it. I contend it is a false doctrine. It is absolutely unfair, unjust, and un-American.

Mr. President, I ask permission to insert in the RECORD an article from the Sugar Trade Journal, and also some telegrams and some statistics which I have here relative to the amount of sugar being produced, and the consumption in this country.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[Telegram.]

NEW ORLEANS, LA., *December 18, 1919.*

Hon. E. J. GAY,
United States Senator from Louisiana, Washington, D. C.

The New Orleans Cotton Exchange wishes to go on record as protesting against the McNary sugar-control bill which includes obnoxious licensing features. This body is opposed to any licensing legislation which places any restrictions on business of the country.

EDW. S. BUTLER,
President New Orleans Cotton Exchange.

—

[Telegram.]

NEW ORLEANS, LA., *December 18, 1919.*

Hon. EDW. J. GAY,
United States Senate, Washington, D. C.

Board of Trade joins with Sugar Exchange in vigorously opposing licensing features amendment McNary bill.

WARREN KEARNY,
President New Orleans Board of Trade.

—

[Telegram.]

NEW ORLEANS, LA., *December 17, 1919.*

Hon. EDWARD J. GAY,
United States Senate, Washington, D. C.:

The McNary bill as passed by the House is very detrimental to our entire sugar interest and is strictly class legislation which should be strongly opposed. Please use your influence to defeat the licensing feature.

MARTIN BEHRMAN, *Mayor.*

—

[Telegram.]

NEW ORLEANS, LA., *December 17, 1919.*

Senator E. J. GAY,
Washington, D. C.:

Urge you bring all possible pressure to bear against favorable reception in Senate or by Senate conferees of licensing feature McNary bill placed therein by House, page 159, part 2. Recent sugar shortage hearing report shows Senator SMOOT opposed to any sort of license system, and we have no doubt many other Senators realize licensing of sugar will open wide the door to similar restrictions on other lines of business which can no longer be defended on war-time ground. Please keep us advised by wire, our expense, developments.

LOUISIANA SUGAR & RICE EXCHANGE,
R. M. MURPHY, *President.*

—

[Weekly Statistical Sugar Trade Journal, Dec. 18, 1919.]

RAWS.

The week under review has been under the influence of the proposed legislation in Washington regarding further control of sugar in the United States by the Sugar Equalization Board. The bill, known as the McNary bill, passed the Senate on Friday, December 12.

After passing the Senate, the bill was presented to the House for consideration. The House of Representatives added an amendment to the bill, and the House bill contains the licensing clause of the food-control bill, and with this clause inserted the Sugar Equalization Board will have full control over the import, manufacture, and distribution of sugar, and it further provides that no one can do business in this product unless they have a license.

For the information of our readers we give herewith section 5 of the food-control law now in force, but the provisions of which expire on a presidential proclamation of peace:

"SEC. 5. That, from time to time, whenever the President shall find it essential to license the importation, manufacture, storage, mining, or distribution of any necessaries, in order to carry into effect any of the purposes of this act, and shall publicly so announce, no person shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, manufacture, storage, mining, or distribution of any necessaries as set forth in such announcement, unless he shall secure and hold a license issued pursuant to this section. * * * Whenever the President shall find that any storage charge, commission, profit, or practice of any licensee is unjust, or unreasonable, or discriminatory and unfair, or wasteful, and shall order such licensee within a reasonable time fixed in the order to discontinue the same, unless such order, which shall recite the facts found, is revoked or suspended, such licensee shall, within the time prescribed in the order, discontinue such unjust, unreasonable, discriminatory, and unfair storage charge, commission, profit, or practice. * * * Any person who, without a license issued pursuant to this section, or whose license shall have been revoked, knowingly engages in or carries on any business for which a license is required under this section, or willfully fails or refuses to discontinue * * * shall, upon conviction thereof, be punished by a fine not exceeding $5,000 or by imprisonment for not more than two years, or both: *Provided*, That this section shall not apply to any farmer * * * or other persons with respect to the products of any farm, garden, or other land owned, leased, or cultivated by him, nor to any retailer with respect to the retail business actually conducted by him, nor to any common carrier, nor shall anything in this section be construed to authorize the fixing or imposition of a duty or tax upon any article imported into or exported from the United States or any State, Territory, or the District of Columbia; * * *."

However, the sugar-control bill is not yet a law, as, owing to the differences in the bills passed by the House and Senate, same will have to be sent to a conference committee, consisting of a certain number of Senators and Representatives, and if this conference committee can agree, the then adjusted bill is sent back to the House and the Senate for passage. The House and the Senate usually pass a bill agreed on by their conferees. When it is passed by both Houses as just stated, it is then presented to the President for signature, when the bill becomes a law.

The bill does not direct the President to use the functions of the equalization board, but only authorizes him to use its powers if he finds it necessary for the public good. It may be possible that the sugar situation will be so improved by the time the bill becomes a law that the President will find it unnecessary to use the Sugar Equalization Board. This is, of course, presuming that he signs the bill when it is presented to him.

Usually when a bill of this importance is introduced into Congress both Houses give consideration to parties interested in the business, and they have hearings and try to educate themselves on the subject at issue from parties that are well versed in the line of trade under consideration. In this instance they have passed a bill that is not in favor with the sugar trade, and even the equalization board, the people most interested, are also down on record as not being in favor of the bill, one of their reasons being that it is now too late to make any arrangements to secure an adequate control of the situation. A large part of the Cuba crop is already disposed of, the quantity being variously estimated at from 1,250,000 to 1,500,000 tons, and as Cuba is also decidedly against any further control of sugar, in our opinion it would be a very difficult matter for the equalization board to induce Cuba to sell the balance of their crop.

It is unfortunate that such legislation should have been introduced just at a time when the sugar situation seemed at the verge of materially improving, and it would only be a question of a very short time before sugars would be selling on a reasonably fair basis, taking into consideration the world's market for sugar. As an indication of this, the following range of quotations will give an idea of the situation: For December shipment sales have been made at from 12 cents to 12¼ cents; for January, 10 cents; but for February–June shipments the quotation is only 8¾ cents to 8⅞ cents. Here in a period of a few months we have a decline of almost 3½ cents per pound, and we hardly see the necessity of any further control of sugar to put prices of this article on any lower level. As it is, if the equalization board starts to enter the market as a buyer in competition with others, it will mean only one thing, an immediate advance in sugars, and the sugar position for February–June shipments, instead of selling at 8¾ cents to 8⅞ cents, as they were when there was no thought of control, the quotation is more likely to advance to 9¼ cents. All quotations mentioned above are f. o. b. Cuba.

The pending legislation in Washington is naturally disturbing our market, and buyers and sellers can not see their way clear to operate, and since the bill has passed the Senate there has been very little attempt to do business. Occasionally, some buyer is willing to take the chance of doing business, and a small sale of May shipment is reported to New Orleans at 9¼ cents cost and freight to that port, and another sale was made to an operator in New York of 15,000 bags of sugar for prompt shipment at 12⅛ cents f. o. b. Cuba, which we consider establishes a spot quotation of 13.55 cents duty paid, and which we now quote as the spot value. Other sales reported as we go to press, early January at 10⅛ cents cost and freight, 11.54 cents duty paid, and February at 9 cents cost and freight (10.04 cents).

REFINED.

The refined situation goes on without any particular change, the equalization board's committee still distributing limited amounts of sugar. Raw sugars, whites and otherwise, continue to arrive to the trade, and there are some 15,000 or 20,000 tons more of this sugar that will arrive, for the greater part, during the month of December. These sugars are helping out the shortage materially.

NEW SUGAR REFINERY.

New York, December 16, 1919.—Earl D. Babst, president of the American Sugar Refining Co., to-day confirmed the announcement by the Board of Trade of Baltimore that the company had secured a site in the Locust Point section of Baltimore, and would soon build one of the largest and most complete sugar refineries in the world, employing upward of a thousand men and women. The refinery will not only serve Baltimore, Washington, and Richmond, but portions of the Middle Atlantic and Central States, and will relieve the strain on other Eastern refineries during the times of sugar stress. This marks the revival of the sugar refining industry in Baltimore, which has not been active for 20 years.

CUBA.

New crop is progressing most favorably. More centrals are grinding than ever before at this early season of the year, and likewise the receipts of new-crop sugars are the largest. Cuba's production, which will be on the ascendant right along now until February–April, when the peak of weekly manufacture will be reached, will likewise increasingly alleviate the shortage at present in this country. Even after the height of production is reached Cuba continues manufacture in excess of demand and export shipping facilities. Receipts during the past week at the shipping ports were 12,669 tons against none during corresponding week last year, and 11,932 tons in 1917. There are 60 centrals grinding compared with 27 last year, and 50 at corresponding date two years ago. Centrals that have commenced the crop since last report are: San Lino, Stewart, Julia, Washington, America, Constancia, Rey, Elia, Espana, Niquero, Josefita, Rosario, Baragua, Mercedes, Adelaida, San Francisco, Saratoga, Toledo, Narcisa, Ciego de Avila, Cape Cruz, Lincoln.

New-crop exports during the week were 3,867 tons, all to the United States Atlantic ports. New-crop stock at shipping ports is 15,010 tons. This latter amount is augmented, of course, by stocks on plantations and on railways between plantations and ports. The rapidity with which the new crop is progressing may be judged by the fact that on December 15 the steamship *Commodore Rollins* arrived at New York with about 1,600 tons of new-crop sugars consigned to the Howell refineries.

The total exports old and new crop sugars during the week to the Atlantic ports were 18,918 tons, while 3,300 tons old-crop sugars were consigned to Europe.

Mr. Himely, Federal Sugar Refining Co.'s agent in Habana, estimates 1919–20 Cuba crop at 4,446,429 tons, provided labor and weather conditions continue normal. He cabled Tuesday afternoon that 69 centrals were working.

PHILIPPINE ISLANDS.

Our regular monthly cable is at hand, reporting exports during November of 7,000 tons to San Francisco and 1,000 to oriental countries. Although the Philippine crop usually starts in November, the shipment to

San Francisco is undoubtedly old crop 1918–19 sugars, as practically the entire new 1919–20 crop is reported sold to oriental destinations. The shipments of 43,000 tons in November, 1918, are shown in detail in the table appearing elsewhere.

EUROPE.

Advices from various producing countries in Europe state that adjustments have been made in the expected outturns for the 1919–20 campaign.

FRANCE.

The outturn of the beet crop for 1919–20 will be close to 170,000 tons refined sugar against 110,000 tons the preceding crop.

BELGIUM.

The crop is outturning about in accordance with previous estimates. Until final figures are received we will continue to estimate the crop at 125,000 tons.

HOLLAND.

Previous estimates of outturn will not be attained, according to latest reports, and we reduce the estimate of the 1919–20 beet crop of this country to 200,000 tons.

DENMARK AND SWEDEN.

Both these countries will produce good-sized crops, the former about 160,000 tons and the latter from 125,000 tons to 150,000 tons, in both cases more than sufficient for home wants.

GERMANY.

Advices from Germany continue discouraging, there apparently being no favorable feature, as the crop is being made under discouraging weather, coal, transportation, and labor conditions. The outturn now looks as if it would not exceed 750,000 tons.

CZECHOSLOVAKIA.

While reports are not of the best, there has thus far been no material change in estimates.

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[Journal of Commerce, December 15, 1919.]

SUGAR TRADE VIEWS ON THE M'NARY BILL—CONTINUANCE OF FEDERAL CONTROL MAY KEEP PRICE UP—ALL AGREE THAT LAW COMES TOO LATE TO BE OF VALUE AND MAY PROVE TROUBLESOME—REGRET UNHAPPY EXTENSION OF UNCERTAINTY.

In the sugar trade the efforts making to continue Government control of prices and distribution during 1920 is viewed with disapproval, not alone because it would perpetuate the disadvantages of conducting business under artificial conditions and arbitrary regulations but for the reason that it promises to injuriously affect the interests of the consuming public by keeping prices at an abnormally high level. Willett & Gray said on Saturday:

"The United States Senate to-day passed what is known as the McNary bill, continuing the powers of the Sugar Equalization Board during 1920. This bill has been amended somewhat since its introduction in the Senate and we are without details at present of what such amendments include. The bill now goes to the House for consideration and, if passed by the House without change, will be presented to the President for his signature; after signing it will become a law.

"The entering of the Sugar Equalization Board as a buyer of Cuba sugars in competition with Europe and other buyers means only one thing—a considerable advance in the price of sugar, not only for near-by positions, but for practically the whole crop. The bill will not relieve the sugar situation one particle, and it is unfortunate that such a bill should be passed when the situation was becoming generally easier and the crisis in sugar passed."

In their weekly review of the sugar situation, Lamborn & Co. said:

"The sugar trade has again been thrown into a state of unsettlement by announcement from Washington that the Senate has passed the McNary bill. This bill, according to our advices, merely continues the Sugar Equalization Board in power during 1920 and only authorizes the board, under direction of the President, to purchase available raw sugar. The bill, we understand, eliminates the licensing system and also the embargo provision. The zoning system and price-fixing system will also be abandoned. In our opinion the passage of the bill does not change the situation in the least, aside from adding another buyer to the field. Without the licensing feature, the zoning and price fixing systems, it will be a rather difficult matter for the equalization board to exercise control. Furthermore, before the bill can become a law it must be passed by the House of Representatives and also be approved by President Wilson.

"There is some doubt in the minds of the trade as to whether the President will sign the McNary bill, if passed by Congress, inasmuch as the equalization board has from time to time advised him that it was too late to consider a continuation of Government control. It is understood, too, that the bill gives the President discretionary power as to whether he exercises the control incorporated in the law. The bill does not direct the President to take action, but gives him the power to do so if he sees fit."

Czarnikow-Rionda Co. express the opinion that such a law as contemplated by the McNary bill as now drawn would prove valueless, and add:

"Furthermore the time has long since passed when any deal could be made that would be mutually satisfactory to producers and buyers. The best course to pursue now is to let the normal law of supply and demand govern, and the situation will speedily right itself. In present transitory period from control to decontrol, with large demand and small supply, any attempt to forecast with accuracy the actual value of sugar would be useless, and it will only be after the turn of the year when supplies begin to arrive that the actual value of sugar, based on supply and demand, can be determined. With this country bare of supply, and with an appetite that will require considerable sugar to satisfy, present indications point to a heavy refined demand for at least the first three months of next year; moreover, while the entire refining capacity of the country might well be employed solely for home consumption, a large portion of that capacity must be devoted to filling earlier European purchases. Refiners' reluctance to buy raws appears to be influenced partly by a lack of knowledge as to the attitude of the Department of Justice toward merchants, and the undesirable publicity that would result from any attempt to enforce a war measure which should operate only during war times and periods of fixed prices, and not during normal times when an open market rules.

"Another reason for their aloofness may be the hope that producers will weaken in their ideas and make larger offerings than have come upon the market for some time past.

"In view of the existing acute scarcity of sugar in this country, bordering almost on a famine, the present hardly seems to be an opportune time to attempt to bargain for prices, as the question involved is not so much a matter of price as of actual needs to be cared for. The start of domestic buying of raws must be made soon, as Europe, notwithstanding the recent unfortunately heavy decline in exchange, has not yet finished purchasing on this side."

During the delivery of Mr. GAY's speech,

Mr. THOMAS. Mr. President——

Mr. GAY. I yield to the Senator from Colorado.

Mr. THOMAS. I am sensible of the limitations of time that have been imposed upon this discussion, and I shall not attempt to interrupt it, much as I would like to take some part in it. But I will be obliged to the Senator if he will permit me at this phase of his speech to ask leave to insert some statistics upon the general subject, which I received a few days ago from Mr. Lowry, of the Federal Sugar Co., and which largely tend to sustain my own view that the attempt to legally regulate prices by taking control of some particular article of commerce, and confine its effort to that, must necessarily prove unjust and abortive.

Mr. GAY. I shall be very glad, indeed, to comply with the Senator's request, and ask that it come in at the conclusion of my remarks.

The statement submitted by Mr. THOMAS is as follows:

"According to recognized statistics, the following supply is available for 1920:

	Tons.
Beet sugar, carried over on Jan. 1, 1920	500,000
Hawaiian, new crop	500,000
Porto Rico	426,000
Philippine import, probable	100,000
Louisiana, 1920, production, conservatively estimated	200,000

"New crop beets available before January 1, 1921, 400,000 tons.

"Probable import from other foreign countries, 75,000 tons.

"Cuba, estimated production, 4,446,000 tons.

"Total supply, 6,647,000 tons.

"Canada, Mexico, and all the European countries combined took in raw sugar from Cuba and in refined sugar from the United States a total in 1919 of 1,600,000 tons.

"If they do the same in 1920, although England states they will use 500,000 tons less, it would still leave us with 5,000,000 tons. Against this our 1919 consumption was 4,200,000 tons, so that on the figures it does not appear that a shortage is probable, and to purchase the crop at present high values would be a move to sustain the market, rather than control it. As an indication of price tendency, let me point out that sugar in Cuba for December delivery has sold at 12½ cents; for January, is selling at 10½ cents; and for February and March delivery, at 9 cents, a clear indication that as the crop comes on the price will be reduced, and the general opinion of the sugar trade is that present prices can not be maintained."

Mr. SMOOT. Mr. President, the amendment offered by the Senator from Oregon to the House bill to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, limits the provisions of the act to the domestic production of sugar to June 30, 1920. As the bill passed the House the power of licensing the sale of domestic sugar by the Sugar Equalization Board was extended to September 30, 1920, and to the Cuban crop until December 31, 1920.

In the first place, Mr. President, I want to express my dissent to any sort of legislation granting to any board created anywhere the power to license, giving power through the licensing system to control any industry in the United States. I now predict that by the passage of this bill no advantage will come to the consumers of sugar of the United States. I resent any charges on the part of Mr. Palmer, the Attorney General, or any other person, that the beet-sugar producers of the country desire to profiteer on the sugar sold by them, and I have no question of a doubt but what this statement can be proven, that the charges and the intimations that have been made emanating from the Attorney General's office are false.

Any Senator who is interested in this question need but take up the hearings held before the Committee on Agriculture and Forestry during the month of October, and he will find recorded in those hearings statements which will prove beyond a question of doubt that as far as the beet-sugar producers of the country are concerned they were not only willing but they were anxious to have the people of the country know that they did not desire an excessive price for the sugar produced by them. They were willing to turn all the sugar produced by them over to the equalization board. They were willing to have the equalization board say just what price should be paid by the Government for their sugar. And now they are to be criticized and charges are made against them as profiteers for the unselfish position that they have taken in the sale of their product, which is used by all the people of the United States.

The Attorney General, Mr. President, sent out telegrams to all the beet-sugar producers in the United States warning them against profiteering and naming a price at which beet sugar should be sold.

The beet-sugar producers of the West paid $10 a ton for sugar beets raised during the present year, and that price was fixed and approved by Mr. Hoover.

Mr. NORRIS. May I interrupt the Senator?

Mr. SMOOT. Certainly.

Mr. NORRIS. Did the Attorney General also send telegrams to some men in Louisiana, who had a wheelbarrow full of sugar, as to what they should charge; and, if he did, what was to be their price?

Mr. SMOOT. The hearings do not disclose that, and therefore I am unable to say; but it is generally reported—and not denied—that sugar produced in Louisiana could be sold for 17 cents per pound with the approval of the Attorney General. I do know that shortly after the beet-sugar factories began to produce sugar, in the State of Washington, where the Utah-Idaho Sugar Co. operates two factories, a United States attorney seized 53,000 bags of sugar which had been produced in those two factories. I immediately telegraphed to the company to find out the conditions—whether it had the 53,000 bags of sugar on hand and whether it had been actually seized. It developed that the greater part of the sugar had been sold, not at profiteering prices but at the price which had been fixed by the Attorney General in his telegram. It was not delivered because of the fact that it was impossible to get cars in which to load it.

Learning that to be the case, I telephoned to the Attorney General's office and asked for Mr. Figg, the man who had the matter in hand, if he had authorized the seizure of the sugar. He informed me that he knew nothing about it; that no intimation even that it was thought advisable to do so had been submitted to him. He was in absolute darkness about it, and had no information whatever as to the condition existing.

I told him what I had received in the way of telegrams. I told him what the condition was, and he then said that I could rest assured that if such was the case he would take action in the matter within 24 hours.

Of course, we know there is a propaganda from one end of the country to the other to make it appear that the administration is actively engaged in cutting down the high cost of living; but I say to Senators now—and to the American people—that the high cost of living is not going to be cut down in the way this bill provides, and it is not going to be cut down, so far as sugar is concerned, by the passage of the bill.

Mr. THOMAS. Or any other.

Mr. SMOOT. Or any other bill, as suggested by the Senator from Colorado. Why Congress should act on a bill of this character touching only the one product produced in the country, the manufacturers of which are apparently willing to have the agency created by Congress to say at what price it shall be sold, I can not understand. I know that I speak the minds of all the beet-sugar producers in the country when I say that they are the last persons who desire sugar to soar in price.

I want to state at this time that my inclinations are—or were—to see that the bill never passed the Senate; but——

Mr. THOMAS. Mr. President——

Mr. SMOOT. I yield to the Senator from Colorado.

Mr. THOMAS. I do not wish to take the Senator's time, because I know it is limited, but I venture the suggestion that any bill of this kind to be at all effective should be mutual. Not only should the producer be forbidden to sell above a certain price but the consumer should be forbidden to buy above that price and punished if he does. In that way we would have an intelligible scheme, which might or might not work. Of course it would not overcome what, I think, is an immutable commercial law, which is that an attempted regulation of prices by legislation, as history has demonstrated, I think, almost without exception, must be a failure.

The only way in which prices can be regulated in the long run is for the consumers to refuse to buy after the price reaches a certain dimension. That is the way we used to do in the good old days before the Government was supposed to be a universal regulator of everything from raising wheat to the running of nurseries. It is that to which we have got to come sooner or later. The people have it in their own hands, and all of the complaint about Government inability to regulate price and reduce the cost of living is one of the consequences of the attempt of the Government to do something that no Government on earth ever did or ever can do.

Mr. SMOOT. The statement of the Senator from Colorado can hardly be controverted. I want to say that I think one of the most sensible actions that have been taken in the United States touching the question of high cost of living was taken the other day by the women of Illinois. They formed themselves into an association and laid down some 10 or 12 principles which they are going to follow, so reports say, and the principle one was to refuse to buy all high-priced commodities. If the balance of the country would follow the same policy, I want to say now that the high cost of living would begin to decline at a very early date.

Mr. POINDEXTER. Mr. President——

Mr. SMOOT. I yield to the Senator from Washington.

Mr. POINDEXTER. Is it not a fact that the Sugar Equalization Board is now in existence?

Mr. SMOOT. It is now in existence, and now has all the powers that it ever had.

Mr. POINDEXTER. Is it the theory of the advocates of the bill that by giving a homeopathic dose of another year of the Sugar Equalization Board, under which these high prices have prevailed, they are going to get lower prices? I should like to ask the Senator further what reason is advanced by the advocates of the bill that excuses the Sugar Equalization Board from responsibility for the present situation?

Mr. SMOOT. The hearings covered that question very fully. The Sugar Equalization Board recognize that they have the same power now that they had a year ago, and that power does not lapse until December 31 of this year, but they positively refuse, and so testified before the committee, to exercise that power unless the power be extended another year.

Mr. POINDEXTER. They have been exercising the power, have they not?

Mr. SMOOT. They have.

Mr. POINDEXTER. Buying sugar and exporting sugar?

Mr. SMOOT. They have been doing it since the power was granted by Congress.

Mr. POINDEXTER. I should like to call the attention of the Senator to the condition that existed in the great fruit-growing sections of the State of Washington a few months ago. The fruit crop was coming in, and a large part of it was wasted and lost because there was no sugar with which to preserve it. A considerable portion of the crop is usually preserved and canned in a way which requires the use of a certain amount of sugar, and the sugar was not available.

Ordinarily an ample supply of sugar is obtainable from the beet-sugar production of California, but the Sugar Equalization Board absolutely prohibited the shipment of California sugar to the State of Washington at the most critical time in the season when it was most needed, and at the same time they were doing that and depriving our own people of the necessary sugar they were shipping vast quantities of sugar to Europe.

I have a statement here as to the amount which they did ship to Europe over the signature of the Sugar Equalization Board. I called the attention of the board to the emergency that existed in the State of Washington——

Mr. SMOOT. The Senator might add there that sugar was sold cheaper for exportation by 38 cents a hundred pounds than it was sold to the American people.

Mr. POINDEXTER. On October 7 I received the following telegram from the Sugar Equalization Board:

Referring your telegram October 7 regarding exports, quantities in long tons: To Royal Commission, which made out of their own sugar, not available for United States consumption, January to September, inclusive, 339,338 tons.

That was shipped to Europe. I asked them for the different periods.

Last six months—

That was the last six months prior to October 7 last—

Two hundred and seventy-one thousand tons—

Shipped to Europe.

Last two months 17,000 tons.

So they were still shipping sugar to Europe at the very time when our own people were suffering from a sugar famine.

Mr. McNARY. Mr. President——

Mr. POINDEXTER. Just one moment until I finish reading the telegram.

Other exports, January to September, inclusive, 154,000 tons. Last six months, 124,000 tons. Last two months, 41,000 tons.

The last exports referred to consist of shipments that were not made by the British Royal Sugar Commission, according to the statement of the Sugar Equalization Board.

Total all exports, including Royal Commission, January to September, inclusive, 493,000 tons.

This was shipped from our country to Europe while our own people were paying exorbitant prices and suffering from a sugar famine.

Mr. McNARY. Mr. President——

Mr. POINDEXTER. I yield to the Senator from Oregon, with permission of the Senator from Utah.

Mr. SMOOT. I yield to the Senator from Oregon.

Mr. McNARY. I wish to make a brief observation. This was sugar that was never acquired from the Cuban producers by the Sugar Equalization Board. In the purchase of the crop of 1919, to which the telegram referred, it was agreed that the Allies might have one-third of the crop. That was bought by the British Royal Commission and equally distributed to Italy, France, and England. We took two-thirds of the crop. The figures which the Senator from Washington gave referred to sugar purchased by the British Royal Commission for the three nations, our allies during the war. At no time do I think the sugar purchased by the Sugar Equalization Board was ever shipped abroad.

Mr. SMOOT. The Senator is partially wrong in that last statement. It is true that most of the sugar that was exported was exported under the agreement as referred to by the Senator made by the Sugar Equalization Board at the time of the purchase of the last year's Cuban crop. The agreement was that the Allies should have one-third, as the Senator said, and the United States two-thirds of all the sugar that was purchased by the Equalization Board from Cuba. I wish to say, however, that there was sugar exported from the United States, as the Senator from Washington has stated, and that came about in this way:

Speculators—and I say that in the broadest sense—purchased sugar at the price that the Equalization Board had fixed and then exported that sugar.

Mr. POINDEXTER. Mr. President, the Senator from Oregon [Mr. McNARY] states that the shipment of sugar to which I referred was sugar that had been allocated to the Royal Commission. Evidently the Senator did not hear the telegram from the Equalization Board. They segregate in the figures which I just stated the amount which was shipped to the Royal Commission and state separately the amount that was allowed to be shipped out of the country whether by the Sugar Equalization Board or under their authority aside from the amount that was shipped to the Royal Commission. Furthermore, the total amount exported was exported under the authority of the Sugar Equalization Board, since the Royal Commission obtained its sugar through that board.

Referring your telegram of October 7, regarding exports, quantities in long tons: To Royal Commission which made out of their own sugar not available for United States consumption, January to September, inclusive, 339,338 tons. Last six months 271,000 tons. Last two months 17,000 tons. Other exports, January to September, inclusive, 154,000 tons. Last six months 124,000 tons. Last two months 41,000 tons. Total, all exports, including Royal Commission, January to September, inclusive, 493,000 tons.

Their statement there is of the separate quantities that were shipped of the total amount.

Mr. GAY. For what month was that, if the Senator will state it?

Mr. POINDEXTER. That was during the nine months preceding October 7 last.

As to the attitude of the Sugar Equalization Board during this period and the manner in which they did undertake to control the distribution of sugar in the United States, showing absolute responsibility for the condition that existed, I have here a further telegram from the board itself, which I received on October 17:

Your telegram with extracts from Kelly-Clark Co., Spokane, Wash., received—

This was in regard to complaint made by sugar dealers in the State of Washington that they were threatened with a sugar famine. They could not get sugar from the ordinary sources from which they supplied themselves, and they were endeavoring to get permission from the board, exercising war powers and controlling the distribution of the necessities of life, to get some sugar. This is the answer that I received from the board:

When purchase of beet sugar made by this board for distribution in middle, central, and northwest, situation was very serious and required prompt alleviation. We have arranged with Union and Alameda Beet Cos. of California to borrow from 10,000 to 15,000 tons beet sugar, which has been placed in hands of Ralph P. Merritt, Berkeley, Calif.; George M. Rolph, of C. & H. Refinery; and Mr. Drescher, of Union & Alameda Co., as committee to distribute this sugar in west coast territory, where it will be most needed. Statement regarding Atlantic coast and Gulf refiners having sufficient cane sugar to supply territory west of Chicago is not quite in accordance with facts. Sugar situation in East requires rationing, and we have also formed a distributing committee here to dispose of available cane supplies for the balance of the year in the most equitable manner. Regret can not change allocation of beet sugars already purchased, and respectfully refer Kelly-Clark Co. to Ralph Merritt, Berkeley.

That is, they referred the Spokane dealers to one of their agents. To determine whether or not those who needed sugar not only for domestic purposes, but in vast commercial enterprises, could buy on the market it was necessary to go to see some unknown agent of the Sugar Equalization Board. Yet it is said that the Sugar Equalization Board is not responsible for the present condition of supply, distribution, and price of sugar, and it is proposed to get relief from this situation by extending its life and powers.

Mr. HARRISON. Mr. President——

Mr. SMOOT. I have only a moment left.

Mr. HARRISON. We having met at 10 o'clock, and the opponents of the bill having utilized all the time, I was wondering if they were going to allow those who are friendly to the bill any time?

Mr. NORRIS. Oh, no; we are not to have any time.

Mr. HARRISON. I merely wanted to know.

Mr. SMOOT. Mr. President, the Sugar Equalization Board at the time referred to was creating zones and allowing sugar to be sold in one zone as high as 17 cents a pound while it was being sold in another at 10½ cents a pound.

When interrupted, Mr. President, I was going to state that the only reason I would allow this bill to become a law—if I could prevent its enactment—is that, while no one can tell precisely what the Sugar Equalization Board is going to do if it is given the powers conferred by the bill, no matter what may happen, the sugar producers of this country will be charged with being responsible for the high price of sugar, if the high price of sugar is maintained. Those who want to get control not only over the sugar industry but of all of the industries of the United States, through the license system, no doubt would use that claim to further the ends of the nominee of the Democratic Party in the coming national election. The administration desires to get this power now; but if this bill does not become a law, no matter whether the price of sugar remains where it is now or not—and I do not believe it will remain as high as it is, even if no legislation at all were enacted—it will be charged throughout the country that the high price of sugar—if it be high—is blamable upon the sugar producers and upon those who did not allow this legislation to pass.

I am not going to vote for this bill. I will not vote to place in anybody's hands licensing power of any business of any character. It is wrong in principle, and no man should have that power, I do not care who he may be.

The Senator from North Dakota [Mr. GRONNA] has asked me to read the following telegram from George A. Zabriskie into the RECORD. The telegram was sent to Hon. G. N. HAUGEN, chairman of the House Committee on Agriculture, and is as follows:

[Telegram from the chairman of the United States Sugar Equalization Board.]

Hon. G. N. HAUGEN,
Chairman House Committee on Agriculture,
Washington, D. C.:

Replying to your wire of the 13th the United States Sugar Equalization Board is unanimously of the opinion that without the powers of licensing, embargo, and distribution control its continuation could not serve any useful purpose, and these powers the McNary bill fail to provide. Furthermore, the time has gone by when a considerable portion of the 1920 Cuban crop can be purchased at a reasonable price. The Equalization Board was a war measure dealing only with last year's crop and this has all been distributed. It has no control over domestic sugars now available in fair volume nor new Cuban sugars which are now beginning to move.

GEO. A. ZABRISKIE.

Mr. McNARY. Mr. President, if the Senator from Utah will allow me, I think it only fair to remark that that telegram refers only to the original bill, which did not contain the licensing feature. The present bill does contain that feature, and continues it up to the 30th of June.

Mr. SMOOT. I recognize that.

Mr. McNARY. I think that statement should follow the reading of the telegram.

Mr. SMOOT. I would have made the same statement.

Mr. President, I had no objection whatever to the McNary bill as it originally passed. That bill gave the Sugar Equalization Board the right to purchase and distribute sugar, but it did not give them the licensing power, and I wish to say that, so far as the beet-sugar producers of the United States are concerned, no licensing system is necessary, and Mr. Zabriskie so admitted.

I stated before the committee, in behalf of the sugar producers of the country, that all the sugar produced from beets could be purchased by the Government, if they wanted it, and the price fixed at whatever the Government officials thought was right. Why, Mr. President, when a price of 10½ cents was suggested by the Attorney General no beet-sugar producer in this country had sold sugar above that price. Yet within 30 days, when the zone system was created, the Sugar Equalization Board on its own accord purchased 200,000 bags of sugar to

be shipped into one of the zones of the United States at 11 cents a pound. The board had a right then to purchase that sugar under existing law. I wish to say in behalf of the Sugar Equalization Board that they recommended to the President of the United States early in July, as I remember, the purchase of the Cuban sugar crop; and they could have purchased the Cuban crop then for $5.88 per hundred delivered in New York, whereas to-day, because they did not purchase that sugar, the American refiners are paying all the way from 10½ to 11 cents a pound for December delivery.

Mr. McNARY. Mr. President, I should like to correct the Senator. The Senator is simply misinformed. It is not correct to state that this sugar could be laid down in New York for $5.88. The Senator must remember that there were transportation charges and duty to pay.

Mr. SMOOT. I am saying that that was the price of Cuban sugar f. o. b. New York, and that is exactly as testified to before the committee. Of course, I recognize, and am perfectly willing to say, that the price of 10½ cents now for sugar f. o. b. New York means that the tariff is to be added to that price, just the same as it was to be added to the price of $5.88. If I were going to say that the price was $5.88 plus the tariff, which would amount to about a cent a pound on Cuban sugars, then I would say also that the sugar to-day was 10½ to 11 cents plus the same amount of tariff.

Mr. President, that is exactly the situation as it is to-day. If I had the time I should like to have placed before the Senate the estimates of the sugar crop of the world and other data; but that is impossible.

I should like to state, however, that even without this legislation the price of sugar is sure to decrease, and the Attorney General can not go before the American people and say after the price has declined that it was through any efforts of his, for that will not be true.

Mr. POINDEXTER. Mr. President, will the Senator allow me to interrupt him for just a word?

Mr. SMOOT. I ask permission to incorporate in the RECORD without reading a telegram from New York, dated December 18, addressed to the Senator from North Dakota [Mr. GRONNA].

The VICE PRESIDENT. Without objection, it is so ordered.

The telegram referred to is as follows:

NEW YORK, N. Y., *December 18, 1919.*

Senator A. J. GRONNA,
Washington, D. C.:

In their deliberations, has the Senate considered the quantity of sugar that will be available from our sources of supply in 1920? Assembling the recognized statistics they are January 1, 1920, domestic beets carry over 500,000 tons net crop; Hawaiian, 500,000 tons; Porto Rican, 426,000 tons; Philippines (for shipment to the United States), 100,000 tons; next year Louisiana crop, 200,000 tons; new crop (domestic beets available for sale before Dec. 31, 1920), 400,000 tons; imports from other foreign countries, 75,000 tons; Cuba's production, 4,446,000 tons; total, 6,647,000 tons. Canada, Mexico, and European countries in all took in 1919 from Cuba and the United States a total of 1,600,000 tons. England proposes to reduce her consumption in 1920 by 500,000 tons. Assuming that other countries take up this decrease and that the same amount is shipped abroad as last year, it still leaves an available supply for the United States in round figures of 5,000,000 tons. In 1919 we consumed 4,200,000 tons. This explains why many of us are not unduly excited at this time. The tendency of the market is shown by the fact that December sugar is sold at 12⅞ cents, January at 10½, and February at 9. Furthermore, I do not believe that these prices will hold after the new crop gets under way. To buy the crop at present values would be a move to sustain and not to check the market is my opinion. Incidentally we never had a sugar shortage when the market was left to the trade to furnish the supplies, although on the declaration of war a shortage greater than we have ever seen was caused by the locking up in the Central Powers and Russia of tremendous stocks intended for export. In supplying a market experience shows that individual effort counts for something, perhaps because they do not all make the same mistake at the same time.

C. A. SPRECKELS.

Mr. POINDEXTER. I merely wanted to remark that December sugar is now selling in New York at 12 cents, January sugar at 10 cents, and sugar for February delivery at 9 cents.

Mr. SMOOT. February sugar is quoted at 8¾ cents to-day.

The VICE PRESIDENT. The hour of 11.30 o'clock having arrived——

Mr. HARRISON. I suggest the absence of a quorum.

The VICE PRESIDENT. That can not be done. Under the unanimous-consent agreement the Senate is to vote at this time. The question is, Will the Senate concur in the House amendment with the amendment proposed by the Senator from Oregon?

Mr. GAY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. I am paired with him during that absence, and therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. KING (when his name was called). On this question I am paired with the Senator from Arizona [Mr. SMITH]. Not knowing how he would vote, I withhold my vote.

Mr. WILLIAMS (when his name was called). Transferring my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the senior Senator from Tennessee [Mr. SHIELDS], I vote "nay."

Mr. WOLCOTT (when his name was called). I have a general pair with the senior Senator from Indiana [Mr. WATSON]. I transfer that pair to the junior Senator from Kentucky [Mr. STANLEY] and vote "yea."

The roll call was concluded.

Mr. KENDRICK. I have a pair with the Senator from New Mexico [Mr. FALL], which I transfer to the Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. OVERMAN. I have a pair with the senior Senator from Wyoming [Mr. WARREN]. As he is not present, I withhold my vote.

Mr. BANKHEAD. I have a pair with the junior Senator from Vermont [Mr. PAGE]. I do not know how he would vote on this question, and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. SUTHERLAND (after having voted in the affirmative). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. In his absence I withdraw my vote.

Mr. EDGE (after having voted in the affirmative). I have a general pair with the junior Senator from Oklahoma [Mr. OWEN]. In his absence, not knowing his position on this question, I withdraw my vote.

Mr. THOMAS. I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. I transfer that pair to the senior Senator from California [Mr. PHELAN] and vote "nay."

Mr. DILLINGHAM (after having voted in the affirmative). I observe that the Senator from Maryland [Mr. SMITH], with whom I have a general pair, has not voted. I therefore transfer my pair with him to the Senator from Connecticut [Mr. BRANDEGEE] and will allow my vote to stand.

Mr. CURTIS. I have been requested to announce that the Senator from California [Mr. JOHNSON] is paired with the Senator from Oklahoma [Mr. GORE], and that the Senator from Michigan [Mr. NEWBERRY] is paired with the Senator from Missouri [Mr. REED].

Mr. GERRY. The Senator from Florida [Mr. FLETCHER] and the Senator from Maryland [Mr. SMITH] are detained from the Senate on official business.

Mr. WALSH of Montana. I wish to announce that the Senator from Virginia [Mr. SWANSON] is detained by illness in his family, and that the Senator from Nevada [Mr. PITTMAN] is detained by death in his family.

The result was announced—yeas 50, nays 12, as follows:

YEAS—50.

Ashurst	Hale	Lenroot	Pomerene
Ball	Harding	Lodge	Robinson
Capper	Harris	McCormick	Sheppard
Chamberlain	Harrison	McKellar	Simmons
Colt	Hitchcock	McLean	Spencer
Cummins	Johnson, S. Dak.	McNary	Sterling
Curtis	Jones, N. Mex.	Moses	Townsend
Dial	Kellogg	Myers	Trammell
Dillingham	Kendrick	Nelson	Wadsworth
Elkins	Kenyon	New	Walsh, Mass.
France	Keyes	Norris	Wolcott
Frelinghuysen	Kirby	Nugent	
Gerry	La Follette	Phipps	

NAYS—12.

Gay	Poindexter	Smith, S. C.	Underwood
Gronna	Ransdell	Smoot	Walsh, Mont.
Henderson	Smith, Ga.	Thomas	Williams

NOT VOTING—33.

Bankhead	Fletcher	Owen	Smith, Md.
Beckham	Gore	Page	Stanley
Borah	Johnson, Calif.	Penrose	Sutherland
Brandegee	Jones, Wash.	Phelan	Swanson
Calder	King	Pittman	Warren
Culberson	Knox	Reed	Watson
Edge	McCumber	Sherman	
Fall	Newberry	Shields	
Fernald	Overman	Smith, Ariz.	

So Mr. MCNARY's motion that the Senate concur in the amendment of the House with an amendment was agreed to.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3288) further to regulate commerce among the States and with foreign nations, and to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended.

Mr. THOMAS. Mr. President, in speaking upon the pending bill day before yesterday I inserted a clipping from a newspaper

concerning the subject of wages of employees. I am in receipt this morning of a letter from the Director of the United States Railroad Administration denying the truth of the recitals in that article. I ask leave to insert his statement in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

UNITED STATES RAILROAD ADMINISTRATION,
Washington, December 19, 1919.

Hon. CHARLES S. THOMAS,
United States Senate, Washington, D. C.

DEAR SENATOR THOMAS: I notice in the CONGRESSIONAL RECORD of 18th instant you referred to the following as an instance of wage increase by the Railroad Administration:

"A Wabash Railroad water tank, operated by electricity, is tended by a farmer, who turns on the switch in the morning, works all day at his own business, and turns the switch off at night. For this he was formerly paid $20 a month. Under the Government Railroad Administration he was classed as an electrician, his time was figured for the entire day, and he was allowed $300 a month and given over $2,500 back pay."

It is evident that you have been imposed upon in this matter by being led to accept as true an utterly irresponsible and untrue charge which was circulated some time ago, and which at the time I challenged and denied. As is so frequently the case, however, the untrue charge continues to receive currency and the denial never overtakes it.

I have been unable to find anything in the wage transactions of the Railroad Administration which resembles this statement in any respect, and such a case could not have been evolved from the principles of wage adjustment adopted by the Railroad Administration.

Sincerely, yours,

WALKER D. HINES.

The VICE PRESIDENT. The pending question is the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE addressed the Senate. After having spoken for some time,

Mr. SMITH of South Carolina. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. EDGE in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	La Follette	Sheppard
Ball	Gay	Lenroot	Simmons
Bankhead	Gerry	Lodge	Smith, Md.
Borah	Gronna	McCormick	Smith, S. C.
Capper	Hale	McKellar	Smoot
Chamberlain	Harding	McNary	Spencer
Colt	Harris	Moses	Sterling
Culberson	Harrison	Nelson	Sutherland
Cummins	Henderson	New	Thomas
Curtis	Johnson, S. Dak.	Norris	Townsend
Dial	Jones, Wash.	Nugent	Trammell
Dillingham	Kellogg	Overman	Underwood
Edge	Kendrick	Phipps	Wadsworth
Elkins	Kenyon	Poindexter	Walsh, Mass.
Fernald	Keyes	Pomerene	Warren
Fletcher	King	Ransdell	Watson
France	Kirby	Robinson	

The PRESIDING OFFICER (Mr. GRONNA in the chair). Sixty-seven Senators have answered to their names. There is a quorum present.

[Mr. LA FOLLETTE resumed and concluded his speech. See Appendix.]

The VICE PRESIDENT. The hour of 3.30 o'clock having arrived, the pending question is on agreeing to the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. CUMMINS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Chair thinks that is in violation of the unanimous-consent agreement, which was to vote at 3.30 o'clock. The question is on the amendment of the Senator from Wisconsin.

Mr. CUMMINS. On the amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. EDGE (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. During that absence I am paired with him, and therefore must withhold my vote.

Mr. KENDRICK (when his name was called). Making the same announcement as before as to my pair and asking that this announcement may stand for the day, on this question I vote "yea."

Mr. TOWNSEND (when Mr. NEWBERRY's name was called). I announce the absence of my colleague [Mr. NEWBERRY] and his pair with the senior Senator from Missouri [Mr. REED]. This announcement may stand for the day.

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. As he is absent, I withhold my vote.

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER], which I transfer to the senior Senator from California [Mr. PHELAN] and vote "nay."

Mr. WALSH of Massachusetts (when his name was called). On this question I am paired with the senior Senator from Delaware [Mr. WOLCOTT] and withhold my vote.

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from Delaware [Mr. WOLCOTT]. He has stated to me, however, that he would vote as I shall vote on this question, and therefore I am at liberty to vote. I vote "nay."

Mr. WILLIAMS (when his name was called). I have a standing pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I am informed that if he were present he would vote as I shall vote, and I am therefore at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. HENDERSON. I desire to announce the absence of my colleague, the senior Senator from Nevada [Mr. PITTMAN], on account of death in his family. I ask that this announcement may stand for the day.

Mr. SUTHERLAND. I transfer my pair with the senior Senator from Kentucky [Mr. BECKHAM] to the senior Senator from Pennsylvania [Mr. PENROSE] and vote "nay."

The result was announced—yeas 11, nays 65, as follows:

YEAS—11.

Ashurst	Henderson	La Follette	Sheppard
Chamberlain	Johnson, S. Dak.	Norris	Walsh, Mont.
Gronna	Kendrick	Nugent	

NAYS—65.

Ball	Gay	McKellar	Smith, S. C.
Bankhead	Gerry	McLean	Smoot
Borah	Gore	McNary	Spencer
Brandegee	Hale	Moses	Stanley
Capper	Harding	Myers	Sterling
Colt	Harris	Nelson	Sutherland
Culberson	Harrison	New	Thomas
Cummins	Hitchcock	Overman	Townsend
Curtis	Kellogg	Phipps	Trammell
Dial	Kenyon	Poindexter	Underwood
Dillingham	Keyes	Pomerene	Wadsworth
Edge	King	Ransdell	Warren
Elkins	Kirby	Robinson	Watson
Fernald	Knox	Sherman	Williams
Fletcher	Lenroot	Simmons	
France	Lodge	Smith, Ga.	
Frelinghuysen	McCormick	Smith, Md.	

NOT VOTING—19.

Beckham	Jones, Wash.	Penrose	Smith, Ariz.
Calder	Newberry	Phelan	Swanson
Fall	McCumber	Pittman	Walsh, Mass.
Johnson, Calif.	Owen	Reed	Wolcott
Jones, N. Mex.	Page	Shields	

So Mr. LA FOLLETTE's amendment was rejected.

The VICE PRESIDENT. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. LA FOLLETTE, Mr. CUMMINS, and Mr. MCKELLAR asked for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement as before, I transfer my pair to the Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. HARRIS (when his name was called). On this question I am paired with the Senator from New York [Mr. CALDER]. If present, he would vote "yea" and I would vote "nay."

Mr. JONES of Washington (when his name was called). As I have already announced, I am paired with the Senator from Virginia [Mr. SWANSON], who is absent an account of illness in his family; but I understand that I can transfer that pair to the Senator from Pennsylvania [Mr. PENROSE]. I therefore make that transfer and will vote. I vote "yea."

Mr. KING (when his name was called). I have a pair with the senior Senator from Delaware [Mr. WOLCOTT]. If he were present, he would vote "yea" and I would vote "nay."

Mr. ASHURST (when the name of Mr. SMITH of Arizona was called). My colleague [Mr. SMITH of Arizona] is absent on the business of the Senate.

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. He is absent, and not knowing how he would vote I withhold my vote.

Mr. THOMAS (when his name was called). I make the same announcement as before regarding my pair and its transfer and vote "yea."

Mr. WILLIAMS (when his name was called). Notwithstanding my pair with the senior Senator from Pennsylvania [Mr. PENROSE], I feel at liberty, from the information I have received, to vote. I vote "yea."

The roll call was concluded.

Mr. CURTIS. I wish to announce that the Senator from Michigan [Mr. NEWBERRY] is paired with the Senator from Missouri [Mr. REED].

The result was announced—yeas 46, nays 30, as follows:

YEAS—46.

Ball	Hale	Myers	Stanley
Bankhead	Harding	Nelson	Sterling
Brandegee	Hitchcock	New	Thomas
Colt	Jones, Wash.	Phipps	Townsend
Cummins	Kellogg	Poindexter	Underwood
Curtis	Kenyon	Pomerene	Wadsworth
Dillingham	Keyes	Ransdell	Walsh, Mont.
Edge	Knox	Robinson	Warren
Elkins	Lodge	Sherman	Watson
Fernald	McCormick	Smith, Md.	Williams
Frelinghuysen	McLean	Smoot	
Gay	Moses	Spencer	

NAYS—30.

Ashurst	Gerry	Kirby	Sheppard
Borah	Gore	La Follette	Simmons
Capper	Gronna	Lenroot	Smith, Ga.
Chamberlain	Harrison	McKellar	Smith, S. C.
Culberson	Henderson	McNary	Trammell
Dial	Johnson, S. Dak.	Norris	Walsh, Mass.
Fletcher	Jones, N. Mex.	Nugent	
France	Kendrick	Overman	

NOT VOTING—19.

Beckham	King	Penrose	Smith, Ariz.
Calder	McCumber	Phelan	Sutherland
Fall	Newberry	Pittman	Swanson
Harris	Owen	Reed	Wolcott
Johnson, Calif.	Page	Shields	

So the bill was passed.

Mr. CUMMINS. I move that the Sentate request a conference with the House of Representatives on the bill and amendment, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. CUMMINS, Mr. POINDEXTER, Mr. KELLOGG, Mr. POMERENE, and Mr. ROBINSON conferees on the part of the Senate.

PAYMENTS OF WAR-RISK INSURANCE—CONFERENCE REPORT.

Mr. SMOOT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8778) to amend and modify the war-risk insurance act, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5 and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, and 30, and agree to the same.

REED SMOOT,
HOWARD SUTHERLAND,
Managers on the part of the Senate.

BURTON E. SWEET,
JOHN J. ESCH,
SAM RAYBURN,
Managers on the part of the House.

Mr. WILLIAMS. Mr. President, I have not signed the conference report, but notwithstanding that fact, at this late hour of the session, considering the importance of the passage of the bill and the substance of the legislation involved in it, I shall make no objection to the conference report.

The report was agreed to.

HOLIDAY RECESS.

Mr. LODGE. I offer the following concurrent resolution, and ask unanimous consent for its present consideration.

The concurrent resolution (S. Con. Res. 23) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That when the two Houses complete the business of this day (calendar day of Saturday, December 20, 1919), they shall stand adjourned until 12 o'clock meridian Monday, January 5, 1920.

Mr. LODGE. Mr. President, I desire to state that it will be necessary to have an executive session, but before going into executive session I should like to suggest that if there is any morning business it might be disposed of at this time, because it will be necessary for us to remain some time longer in session in order that the sugar bill and other bills may be signed by the presiding officers of the two Houses and there may be an opportunity to send them to the White House.

LUDWIG C. A. K. MARTENS.

Mr. SMOOT. From the Committee to Audit and Control the Contingent Expenses of the Senate I am directed to report back favorably Senate resolution 263, directing the Foreign Relations Committee to investigate the status and activities of one Ludwig C. A. K. Martens.

The VICE PRESIDENT. The resolution will be referred to the Committee on Foreign Relations.

Mr. LODGE. I am authorized by the Committee on Foreign Relations to report back the resolution favorably, and I shall be glad if it can be considered and disposed of now.

The Senate, by unanimous consent, proceeded to consider the resolution which had been submitted by Mr. KENYON on the 16th instant, as follows:

Whereas one Ludwig C. A. K. Martens claims to be an ambassador to the United States from the Russian Soviet Government; and

Whereas according to newspaper reports he refuses to answer certain questions before the Lusk investigating committee in the city of New York, a committee appointed to investigate propaganda against this Government, on the ground that he is such ambassador and entitled to diplomatic privileges; and

Whereas said Martens has headquarters in the city of New York and is alleged to be directing propaganda against this Government; and

Whereas according to his testimony before said Lusk committee he came to this country as a German citizen and is a member of the Communist Party, pledged to overthrow capitalistic systems of government the world over; and

Whereas said Martens, according to his said testimony, regards this Government as a capitalistic government: Now, therefore, be it

Resolved, That the Committee on Foreign Relations is hereby authorized and directed, through the full committee or through any subcommittee thereof, to investigate as speedily as possible the status of said Martens; what alleged government or power in Europe he represents; what, if any, recognition of any kind has been accorded him by this Government; whether or not he is an alien enemy; what propaganda, if any, he is carrying on for the overthrow of governments; and all facts and circumstances relating to his activities in this country and his alleged diplomatic representation, and make report to the Senate of such findings.

The said committee is hereby empowered to sit and act at such time and place as it may deem necessary; to require, by subpœna or otherwise, the attendance of witnesses, the production of books, papers, and documents; to employ stenographers at a cost not exceeding $1 per printed page. The chairman of the committee, or any member thereof, may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The expenses thereof shall be paid from the contingent fund of the Senate on vouchers ordered by said committee, signed by the chairman thereof, and approved by the Committee on Contingent Expenses.

Mr. BORAH. Mr. President, I move to amend the resolution by inserting on page 2, in line 11, after the word "representation," the following:

And all facts relative to the activities of any other party, parties, or organization bearing upon or relating to Russian propaganda in this country.

Mr. LODGE. I have no objection to that amendment.

Mr. WILLIAMS. Mr. President, I have some objection to it. As I understand the proposition, here is a man who is pretending to represent as an accredited agent to the United States a government which has never been recognized by the United States, and we are inquiring into his activities and into his nationality and into his citizenship and his right even to presume to represent Russia here, even if we had recognized Russia.

To go into the entire question of propaganda, as it is called, in America representing sympathy with or antagonism to Russian Bolshevism opens an immense and a very wide field. As I understand the resolution, it is merely to inquire into this man's impudence and insolence in pretending to be the representative of a country of which he is not even a citizen and a government which we have not even recognized. To lay down the bars and bring before the committee an investigation of the whole Russian question, the Bolshevistic question, the socialistic question, and Russian socialism, which is entirely different from the socialistic question in other parts of Europe, is opening too vast a field, I think.

As for myself I should be opposed to the adoption of any resolution with all that latitude, nor was it so reported by the Foreign Relations Committee in the form in which the chairman offered it.

Mr. BORAH. That is true; but I said at the time I would reserve the right to offer the amendment.

Mr. WILLIAMS. Oh, undoubtedly.

Mr. BORAH. I simply desire, if we are going into the question of Russian propaganda, to have the resolution sufficiently broad to cover the question of Russian propaganda. It will throw no light on the situation, neither will it help the situation, to know whether Mr. Martens really represents Russia or

not. In fact, that could be ascertained without any senatorial investigation whatever. If we are going into an investigation of propaganda, there are some other activities which will be interesting and concerning which we ought to know, and I have offered the amendment to cover the Russian propaganda in this country. If we do not find it all, we do not want any, I presume.

Mr. WILLIAMS. The original resolution was not intended to cover the question of sympathy of American citizens with Bolshevism or against Bolshevism. It was intended merely to cover this man Martens's activities, the man who has recently refused to answer certain questions of a legislative committee. I think this particular matter ought to be confined to him and to the question of his right to refuse to answer, and his right to pretend to represent a government of some sort not recognized by the United States when he is not an accredited representative of such a government.

Mr. BORAH. The original resolution is not confined to that. It permits the investigation of propaganda connected with this man.

Mr. WILLIAMS. I understand, but it is only in connection with this man. The committee's idea was this: Here is a man who comes to America pretending to represent a government of some sort, claiming diplomatic privileges, and claiming secrecy and the custody of certain materials of various kinds connected with the I. W. W. and connected with all radical movement in America. The resolution was intended for the purpose of spotting him out, and that was all it was intended for.

Now, to spread out further, you might just as well go still further and spread it over all sorts of Bolshevistic or I. W. W. or socialistic propaganda in the United States from any source whatsoever, whether Russian or not. The very point and object of the resolution was to expose the position of this man Martens and the impudence and insolence of his pretending to be a diplomatic agent and refusing to obey the mandates of a committee of the Legislature of the State of New York.

Mr. BORAH. We will expose Mr. Martens if the facts are as supposed, and we will also expose some other gentlemen who are just as dangerous to the country and just as pernicious in their activities and bearing upon our relationship with Russia probably as much as Mr. Martens. Why not clean up this Augean stable while we are at it?

Mr. WILLIAMS. My reply is that the resolution was not intended to clean up the Augean stable. If you stretch the scope of the resolution as far as the Senator proposes to stretch it, then you have lost this little island Martens in a continent of inquiry, and the object was to spot him.

Mr. KENYON. Mr. President, I desire to say merely a word as the author of the resolution. Of course I have no objection to the amendment proposed by the Senator from Idaho [Mr. BORAH]. The committee will be able to go as far as it pleases and sit where it pleases.

My attention was directed to the activities of this man as the alleged representative of the Russian socialistic government. The Lusk committee in New York is making an investigation of the general subject of propaganda against our American institutions. This man was placed on the stand and answered some questions, enough to show that he was a member of the communist party, that he really believes in the destruction of all government which he termed as "capitalistic government," and that he believes this to be a capitalistic government.

He is a German and served in the German Army. He never registered in this country as an alien enemy and violated our laws in not so doing. He has a large office in New York with many clerks, and is carrying on, as I understand from reliable sources, a great propaganda against the institutions of our country. I felt that that ought to be investigated by the Senate, especially in view of his refusal to answer questions of the Lusk committee on the ground of ambassadorial privilege. That is why I introduced the resolution. I think we ought to get these facts. I have understood since that Mr. Martens had left New York and taken with him papers and documents the Lusk committee wanted, and that he had gotten those papers and documents beyond the reach of the Lusk committee. It seems to me a very proper matter of Federal inquiry.

I do not, however, want to be in the position of objecting to the amendment of the Senator from Idaho [Mr. BORAH], and I hope the Senator from Mississippi [Mr. WILLIAMS] will not object to it. The committee may go as far as they desire, take up this Martens matter first, give us that publicity, and then go ahead with the other so far as they think is advisable.

Mr. WILLIAMS. Mr. President, a moment ago I said that if this amendment was adopted the Martens island would be lost in a continent of investigation. Of course that was almost an Irish bull, for you can not lose an island in a continent. I meant lost in a hemisphere.

I do not want the Senate to lose the idea of investigating Martens and his pretended credentials to America from an alleged government which we have never recognized and to spread it clear out and make it an inquiry into every phase of opinion concerning Russian activities. It seems to me to be losing sight of the point in issue.

Mr. BORAH. Mr. President, just one word and I will consent to take a vote on the amendment.

Mr. WILLIAMS. I suggest to the Senator from Idaho that he might offer a resolution later to involve the remainder of the matter if he wants it investigated and leave Martens to be first investigated.

Mr. BORAH. The committee could report on Martens at any time and segregate that matter if the committee desired to do so and then go ahead with the other matter; but the intertwining and interlacing of this Russian propaganda makes it necessary, in order to have anything like a successful or sane investigation, to have power sufficient to cover the subject matter. I do not care to go into the mere question of sympathy with Russia or with the Russian form of government as it now exists; but I want to get light upon the real activities of certain organizations in this country with reference to Russian propaganda; and I venture to say that it will be found quite as interesting and perhaps just as distasteful to the Senator from Mississippi, if it is as I understand it to be, as Mr. Martens.

Mr. WILLIAMS. I would not object to the Senator offering a resolution, but I merely want to single this man out and have him investigated.

Mr. BORAH. I do not object at all to any investigation being made of Mr. Martens; I do not wish to cover it or camouflage it; neither will I do so by this amendment. I simply want sufficient power to cover the question of Russian propaganda, whether it is connected with him or not; and we shall not have a complete investigation of Martens until we get that. I hope we shall adopt the amendment and proceed with other business.

Mr. WILLIAMS. I hope the amendment will be defeated.

Mr. KING. Mr. President, I entirely agree with the position taken by the Senator from Mississippi [Mr. WILLIAMS], and I should regret to have the Senator from Massachusetts [Mr. LODGE] accede to the request of the Senator from Idaho [Mr. BORAH] and accept the tendered amendment.

Mr. President, months ago there were evidences that Mr. Martens was engaged, together with Mr. Noureteva, his secretary, in Bolshevist propaganda and in activities which had for their purpose the destruction of our Government. As advocates and representatives of Bolshevism they seek not only the overthrow of this Republic but the overthrow of all organized governments. There might not be objection if Mr. Martens or anybody else, in good faith, sought to aid the suffering people of Russia by securing contributions from the charitable people of the United States. Indeed, there might not be legal grounds for opposing Mr. Martens if he solicited funds to aid the soviets in Russia. While I might not interpose to prevent efforts of the character last mentioned, I would regret to see people so unwise and unpatriotic as to make contributions to aid the soviets of Russia, controlled by Lenin and Trotski. I have no objections to Russians soliciting funds for the purpose of aiding Kolchak or Denikin or the other factions in Russia opposing Bolshevism. These leaders are not attacking the United States or organized governments and are not attempting to organize the "proletariat" of the world into one international body, and to establish a dictatorship, which would overthrow all nations, obliterate all national lines, and plunge the world into chaos and ruin. The activities of Mr. Martens were so pernicious and sinister and so clearly directed against our Government and our institutions and were so calculated to bring about confusion, if not revolution, in this country that many Americans protested against his being permitted to remain in the United States, and some felt constrained to appeal to the authorities of the Government to have Mr. Martens deported.

I communicated with the Secretary of Labor some time ago calling attention to the activities of Mr. Martens and others associated with him in their revolutionary movements in this country. I made no objection to Mr. Martens's praising the soviet government of Russia; I submitted no objections to his soliciting funds for the absolutism of Lenin and Trotski. I contended that he and his associates were trying to overthrow organized governments, including the United States, and to incite the radicals and anarchists and the opponents of our form of government to deeds of violence against this Republic and its laws and institutions. It was against such movements that I was led to protest.

The information which I received from the Secretary of Labor was unsatisfactory. I invited his attention to the act of October, 1918, within whose terms the activities of Mr.

Martens clearly came, and asked the Secretary of Labor to take steps under the law to deport Martens because of his violation of the act to which I have just referred.

A Senator at my side asks me what the reply of the Secretary of Labor was. As I recall, his reply was that there was no law under which he could deport Mr. Martens. Of course, Mr. President, the position of the Secretary of Labor is not tenable. If newspaper reports are correct, and in the light of information which came to me and the truth of which I feel very sure can be easily established, Mr. Martens could be deported under the provisions of the act of October, 1918. He was engaged in a movement here, as other Bolshevists have been engaged in other countries, to overthrow government. He was secretly and otherwise aiding the communist and revolutionary parties in the United States in their efforts to create industrial paralysis and political revolution.

I do not now recall the date of my letter to the Secretary of Labor, but in connection with the same matter I offered a resolution in the Senate, being Senate resolution 33, on the 23d day of May, 1919, which in part is as follows:

Whereas one L. C. A. K. Martens, together with a number of other aliens, maintain in the city of New York a so-called "Russian Soviet Bureau," which pretends to represent the so-called soviet or bolshevist organization dominated by Nicolai Lenin, which has by force usurped the public authority and has destroyed public order in Moscow, Petrograd, and other parts of Russia; and

Whereas said bureau is supported by funds obtained from said Russian bolshevist organization, and is seeking to obtain possession and control of the several Russian consulates in the United States and to become recognized as the official representative of the Russian Government in the United States; and

Whereas said Martens and said Russian Soviet Bureau pretend to be seeking, on behalf of said bolshevist organization, trade relations with the United States; and

Whereas said bolshevist organization under the domination of Lenin has pretended to abrogate the legal institution of private property, without which contracts of sale and exchange and commercial relations are impossible; and

Whereas the institution of property is an essential part of human liberty and is the fundamental concept of law; and

Whereas no government is fit to exist or to be recognized by the United States which does not acknowledge and legalize the institution of property and provide legal process for the vindication of trespasses against property and for the enforcement of contracts with respect thereto; and

Whereas commercial and political relations are impossible with a government which does not recognize the institution of property and the legality of contracts for trade and exchange and which does not give legal sanction to credits which arise in transactions of trade; and

Whereas the bolshevist organization of Russia, under the domination of said Lenin, professes principles which are inconsistent with the liberty and law of the United States and which are essentially anarchistic and despotic and without the pale of the law of nations; and

Whereas it is inimical to the interests of the United States that aliens professing such principles and propagating the same be permitted to be in the country: Now, therefore, be it

Resolved, That the Secretary of Labor be, and is hereby, directed to institute proceedings under existing law for the deportation from the United States of said Martens and other aliens employed with said so-called Russian Soviet Bureau in the city of New York, and all other aliens who are known to adhere to said so-called soviet or bolshevist organization.

Mr. President, because of the press of public business nothing has been done by the Senate with the resolution which I introduced and to which I have just called attention. Since its introduction, Mr. Martens, emboldened doubtless by the inactivity of the Senate and supported by radical and revolutionary elements in the United States and by newspapers owned and controlled by them, has been more aggressive and active than before in his efforts to spread the poison of bolshevism.

These revolutionists have penetrated every part of our country and have sought to cause strikes, destroy industry, spread discontent and revolution among the people and prepare the way for the triumph of a wicked and destructive internationalism. They have not sought to secure reforms or evolutionary development or to proceed under the law and under the Constitution to modify or change existing economic or political conditions. They have preached force, violence, sedition, treason, murder, revolution, and the establishment of a cruel, tyrannous class government, which finds its prototype in the bloody and diabolical dictatorship of Lenin and Trotski.

Martens has been a part of this movement in the United States. It was for this reason I urged his deportation. Claiming to be a representative of an alleged government, he sought to interfere with the domestic affairs of the United States and to sow the seeds of a bloody revolution.

Everybody is familiar with the insolent reply which Mr. Lenin made to the telegram sent to the revolutionists in Russia by Mr. Wilson.

Mr. BORAH. Mr. President, that has been forgiven. Since that time, as it now appears, the President has communicated with Lenin and Trotski and undertaken to make peace with them.

Mr. KING. I do not agree with the Senator from Idaho.

Mr. BORAH. That is the fact, it seems.

Mr. KING. But if it be a fact that Mr. Wilson has done what the Senator from Idaho says, it would not receive my approval, and I am sure it would not receive the approval of the great majority of the patriotic citizens of the United States. Mr. Wilson, as I understand, sought an opportunity to bring about peace in Russia and to aid by suggestion in the establishment of law and order. The American people are not in favor of recognizing Nicolai Lenin and Leon Trotski and the form of government, if it may be so denominated, which they represent. We have not forgiven Trotski and Lenin their betrayal of the Allies and the Russian people, and their insolent messages to this country and to other peoples demanding that they arise and destroy by blood and revolution their cherished institutions, their laws, and governments.

Mr. President, Mr. Martens has been interested in spreading the doctrines of revolution in the United States. He has not in an honorable and friendly way been seeking recognition by this Government as the ambassador of the Bolshevist government of Russia. If he had contented himself with knocking at the door of the State Department and asking recognition as the representative of a de facto government, if not a de jure one, I would not object to his presence in the United States, and no one would have reason for urging his deportation.

Mr. Lenin has a right, perhaps, to send his representative to our shores for the purpose of urging this Government to accord recognition to his military dictatorship. And, of course, it is for the government to which his accredited representative goes to determine what shall be done with respect to the request made. Mr. Martens has not acted as an ambassador or a reputed ambassador, or an accredited representative, but he has acted here as a revolutionist, as the representative of a revolutionary faction which seeks the conquest of the world.

His masters have endeavored to destroy Germany, overthrow Hungary, and prevent her reorganization; overwhelm brave and suffering Italy and undaunted and glorious France, as well as the new nations of Europe, which are groping out of darkness into the light of liberty and stable government. Martens believes that all governments must be destroyed. Our country is regarded as an odious expression of capitalism, and one which must surely be destroyed. He is not an ambassador, but an enemy; he has not sought to conduct himself as the representative of a civilized nation, but he has adopted the methods and behavior of a conspirator against our Government and the peace and welfare of the American people.

We have a right, when aliens come to our shores for the purpose of attacking our institutions and our laws, to demand that they be deported; and I here and now want to denounce some of the officials of the Labor Department for their failure to deal with Martens and other revolutionaries who are in our country. It would seem that there have been and still are officials in the Labor Department who are more interested in protecting aliens who would steal into our midst and rob us of our liberty than they are in enforcing the law and preserving the integrity of the Republic.

The failure of the Senate to act upon the resolution which I introduced doubtless led the distinguished Senator from Iowa to offer his commendable and timely resolution.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. KENYON. I did not know, or if I did it has escaped my recollection, that the Senator had introduced that resolution, or I certainly should have consulted with him before introducing this one.

Mr. KING. Oh, Mr. President, I do not want my distinguished friend to feel that I am at all affronted at the introduction of this resolution or his failure to consult with me prior to its introduction. I am glad that he offered his resolution. His resolution in the light of present conditions is better than mine, and will reach the situation which is now confronting us.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Colorado?

Mr. KING. I yield.

Mr. THOMAS. I want to suggest to the Senator that there is a phase of the subject which makes desirable an investigation of the so-called Martens bureau in New York, entirely separate and apart from a general investigation of Russian propaganda in America.

Mr. Martens claims to be the ambassador to the United States from the Russian Government. He has not presented his papers to Washington, or, if he has, he has not followed them up by

establishing a residence here; but he has opened an office, consisting I think of two floors in the great Woolworth Building, where he has employed a large force of clerks, and these are engaged in an active propaganda of some sort in the United States. The State of New York has had its attention called to this condition, and it has appointed a commission, called the Lusk commission, to investigate Martens and his activities. In that investigation they seek to secure—upon the assumption, of course, that they have a right to do so—certain documentary articles or evidence in the possession of Martens. The latter declines to produce them, and shelters himself behind his assumed position of ambassador to the United States; and in that connection I understand that he has also removed many of his documents, if not all of them, beyond the jurisdiction of the State of New York, and therefore beyond the jurisdiction of the Lusk commission.

Now, I take it that if an individual comes to America as the reputed ambassador of a government which the country has not recognized and assumes to indulge in such activities, it may not only be the right but under certain circumstances the duty of the Government of the United States to aid the State of New York to ascertain what the real conditions are. I do not think that ever before in the history of this country, with the possible exception of the accrediting of Genet from the French revolutionary government, any so-called ambassador has assumed such prerogatives as this man Martens seems to have assumed and exercised. That being the case, I would suggest that this resolution, as prepared by the Senator from Iowa, be confined to Martens and his activities, for the reason that he claims to be an ambassador to this country and is protecting himself in whatever he may be doing by virtue of that claim. If he had presented his commission to Washington, if it had been accepted and an exequatur issued, he would have no more right to conspire against this Government or to do anything that would even seem to be a reflection upon it than any other ambassador.

Public opinion has very distinctly denounced the activities of von Bernstorff and Dernburg when, previous to our entry into the war, they took advantage of their official positions in this country to disseminate German propaganda and very seriously interfere with our activities and, of course, with the various contracts and agreements of the Allies with manufacturers in the United States for military equipment. It is an astounding proposition that a man can come to this country as the accredited official representative of a foreign country, whether we recognize it or not, and assume to mingle in our domestic activities, even in the most friendly way. If the Department of Labor has not interfered and if the Department of State has not interfered, then the people's last resort is the Senate of the United States; and the investigation, I think, should be confined to this man and to those who are under him.

Mr. KING. If I interpret the position of the able Senator from Colorado correctly I entirely agree with the observations which he has made and with the conclusions which he has reached. Mr. President, just a word further.

The principal object of this resolution, as I understand it, is to investigate the contention of Mr. Martens that he is the accredited representative of a foreign government, and to investigate whether he is an alien enemy, whether he is a German national and is still a subject of Germany, and what propaganda he is carrying on for the overthrow of governments, and all facts and circumstances relative to his activities in this country.

There is no purpose to inquire into what he did in Russia for the revolution or what moneys he may have collected in the United States for transmission to the Russian people. He is known to be a German, to have failed to register as an alien enemy, to make the claim to be the representative of a faction which is destroying Russia, and aiming at the destruction of civilization. He has defied the State authorities, who are uncovering his slimy trail, and seeks refuge behind the claim of immunity as an ambassador from a foreign government.

Mr. President, if the Senator from Idaho [Mr. BORAH] will put his finger upon some organization, alien in character, and aver that it is seeking to overthrow our Government and carrying on a propaganda here against this Government, I shall gladly join with him in asking for an investigation; but let us see what the position of the Senator from Idaho is. He seeks to amend by adding to the resolution these rather general, certainly not specific or enlightening, words:

> And all facts relative to the activities of any other party.

What activities? Activities in regard to soliciting funds for the Kolchak government or for Esthonia or for some other of the factions in Russia? There is nothing to indicate.

Mr. BORAH. Well, suppose that were the purpose; what harm could it do? What possible injury could it do? I want the Senator to bear in mind, however, that I am not seeking to limit the investigation in regard to Martens at all, nor seeking to prevent the uncovering of his activities; but I am thoroughly satisfied that there are other individuals in this country who are carrying on a propaganda quite as vicious and quite as pernicious.

Mr. KING. Against this Government?

Mr. BORAH. Against this Government.

Mr. KING. To destroy it?

Mr. BORAH. Yes; to destroy it, if they shall carry out their purpose.

Mr. KING. Aliens?

Mr. BORAH. Aliens, yes; and professing to be representatives of some Russian government. Now, I do not see why we should protect one class and seek to uncover another. Let us have the propaganda in its full import, and let us judge, after it comes in, as to what effect it probably would have upon our Government or upon any policy which we might adopt which would be for the welfare of the American people or the American Government. I know that millions of dollars are being expended, if I am correctly informed—and I have seen much evidence of it, aside from my direct information—which ought not to be expended in this country without its being known for what purpose the money is being expended.

Mr. KING. Of course, I have not in mind what the Senator refers to. I know that we have in this country—and I am not complaining—representatives from the so-called Irish republic, soliciting funds and trying to place a bond issue for the purpose of aiding in the establishment of an Irish republic. I should not feel like investigating activities of that character. I should not feel like asking for an investigation for the purpose of ascertaining whether Mr. Martens or anybody else was soliciting funds from credulous and foolish or unpatriotic Americans to transmit to Lenin and Trotski. If they will confine their activities in efforts to establish a government in Russia, I have no complaint. I may differ from them; I may regret it; I may regret that an American would listen to them or make contributions for the maintenance of that government. But the resolution before us indicates—and it is a matter of common knowledge—that Mr. Martens's activities here are directed against this Government, against our form of government.

Mr. BORAH. Exactly.

Mr. KING. And the curbing of those activities is one of the reasons why this resolution, as I understand, has been offered.

Mr. BORAH. If I were seeking to throw any embarrassment in the way of the investigation, I would be subject to the implied criticism which is being lodged against me. I am not seeking to do that. I am seeking to enlarge instead of to curtail. I am perfectly willing that the fullest investigation shall be made of the matter about which the Senator is deeply concerned, and I do not disagree with him. But I am sure the Senator upon reflection could have no possible reason for objecting to a fuller investigation.

Mr. KING. None, if it is pertinent and germane.

Mr. BORAH. It is with regard to Russian propaganda. I do not like to state upon the floor of the Senate the matters which I have in mind. The Senator has the advantage with reference to Martens, because it has been exposed, an investigating committee was called, the Lusk committee has gotten the facts, and therefore we are able to state with some degree of certainty what Martens has been doing. My information is such that I personally have no doubt about it, and I think that if you look about you into what has been going on for the last eight or nine months no one can have any doubt about it. Why not, therefore, Mr. President, have a complete investigation? The committee can stop whenever it thinks it is irrelevant or impertinent to go further. I think, Mr. President, that it is fair the resolution be such as to give the committee power to go as far as the committee wants to go.

Mr. KING. It will be observed by Senators that the amendment offered by the Senator from Idaho gives us no information as to the character of the investigation which he desires to be had or the activities which he desires investigated. What does this imply? The language is:

> Of all facts relative to the activities of any other parties or organizations bearing upon or relating to Russia or Russian propaganda in this country.

If the Senator will say that there are organizations here engaged in a propaganda hurtful to our Government, I shall not make the slightest objection to having the committee investigate them.

Mr. BORAH. I have no doubt that they are hurtful to our Government. But I do not know how the Senator might view it. I do not want the Senator to vote for it upon the supposition that when the facts are investigated he might conclude that they are not hurtful to our Government; but that is my belief, and I

have been deeply interested in it for the last three or four months. I would like to ask, Mr. President, if this resolution is subject to objection?

The PRESIDING OFFICER. The Chair understands that unanimous consent was granted for the consideration of the resolution.

Mr. LODGE. Unanimous consent was granted on my request.

The PRESIDING OFFICER. The present occupant of the Chair was in the Chamber at the time the proceedings in reference to the resolution occurred, and recalls that leave was asked, and that the then occupant of the Chair declared the resolution passed, but subsequently somewhat informally declared that that action was reconsidered. So the present occupant of the Chair holds that leave was granted for the consideration of the resolution, and the pending question is on the amendment of the Senator from Idaho [Mr. BORAH].

Mr. KING. I did not understand that the amendment was agreed to.

Mr. LODGE. I said, Mr. President, that so far as I had power I would accept it.

The PRESIDING OFFICER. That is true.

Mr. LODGE. I have no objection whatever to broadening the scope of the inquiry.

The PRESIDING OFFICER. The actual proceedings of the Senate were that when the Senator from Idaho [Mr. BORAH] offered his amendment the Senator from Massachusetts [Mr. LODGE] stated that so far as he was concerned he had no objection to accepting it. The Senator from Mississippi [Mr. WILLIAMS] took the floor, but in the meantime the Chair declared the amendment agreed to and the resolution passed. But, upon some question being raised, an objection being made, the Chair then made the statement that the whole matter would be taken back. Those were the actual proceedings. So the present occupant of the Chair holds that unanimous consent was given for the consideration of the resolution, and the pending question is the amendment offered by the Senator from Idaho.

Mr. KING. Mr. President, it seems to me that we are not concerned in the activities of any organization in this country that does not affect the welfare of this country. Just as I suggested a moment ago, I should not object to an investigation into the activities of individuals said to be soliciting funds for the Republic of Ireland, so called, or to aid the Egyptians, or to aid the East Indians, or to aid the Russians. The Senator's amendment, in the parlance of the street, is an "omnium gatherum." He does not give us any light. We do not know what the Senator wants us to investigate, whether it is the efforts of individuals to solicit funds for the Russians or whether it is the activities of individuals against our Government. If the Senator says now that there are organizations in this country seeking the overthrow of our Government, seeking by force and violence to destroy the institutions of this country, and that he has those in mind in seeking the adoption of this amendment, then I have no objection to it. But if it is a mere expedition into the clouds of rumor and hearsay, and into immaterial and irrelevant matters as to whether funds have been gathered in the United States to help Russians, I shall object; it seems to me that would not be relevant or material to the question involved.

There has been an investigation by the Senate already of Bolshevist propaganda in the United States, and there is nothing before us indicating the wisdom or propriety of any other investigation concerning Russia or activities in the United States relating to Russia. The resolution before us does justify an inquiry by the Senate concerning Mr. Martens and his activities against the United States.

Mr. BORAH. Mr. President, I can assure the Senator that I am not desirous of the investigation for the investigation's sake. I introduce about as few resolutions for investigations as anybody, because they seldom amount to anything. We have investigations, and the reports of the investigating committees pass into the archives, and that is the last of them. But I do think and I say to the Senator that I believe the information which would be gathered upon this is of great importance to the Senate and of great importance to the country. It is not a mere expedition to find out about subscriptions to funds. It it for the purpose of uncovering certain activities which I think are injurious and pernicious to our interests as a people and as a Government.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Idaho. [Putting the question.] The Chair is unable to determine.

Mr. BORAH. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. HARRIS (when his name was called). I have a pair with the junior Senator from New York [Mr. CALDER], and in his absence I withhold my vote.

Mr. JOHNSON of South Dakota (when his name was called). I have a pair with the Senator from Maine [Mr. FERNALD], and in his absence I withhold my vote.

Mr. JONES of Washington (when his name was called). Making the same announcement with reference to my pair that I have made several times to-day, I withhold my vote.

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS], and in his absence I withhold my vote.

Mr. KENDRICK (when his name was called). I transfer my pair with the Senator from New Mexico [Mr. FALL] to the Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. SMITH of Maryland (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM]. I notice that he is not present, and in his absence I withhold my vote.

Mr. SUTHERLAND (when his name was called). I have a general pair with the Senator from Kentucky [Mr. BECKHAM], and as he is absent I withhold my vote.

Mr. THOMAS (when his name was called). Making the same announcement as to my pair and the transfer of it, I vote "nay."

Mr. WATSON (when his name was called). I transfer my pair with the Senator from Delaware [Mr. WOLCOTT] to the Senator from Illinois [Mr. SHERMAN] and vote "yea."

Mr. WILLIAMS (when his name was called). First transferring my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the junior Senator from Arizona [Mr. SMITH], I vote "nay."

The roll call was concluded.

Mr. EDGE (after having voted in the affirmative). I transfer my pair with the junior Senator from Oklahoma [Mr. OWEN] to the junior Senator from Vermont [Mr. PAGE] and allow my vote to stand.

The result was announced—yeas 34, nays 21, as follows:

YEAS—34.

Ball	Gronna	McCormick	Smoot
Bankhead	Hale	McNary	Spencer
Borah	Harding	Moses	Townsend
Capper	Kenyon	Nelson	Wadsworth
Curtis	Keyes	New	Walsh, Mass.
Edge	Kirby	Norris	Warren
Elkins	La Follette	Phipps	Watson
France	Lenroot	Sheppard	
Gore	Lodge	Smith, Ga.	

NAYS—21.

Fletcher	Kendrick	Ransdell	Underwood
Gay	King	Robinson	Walsh, Mont.
Gerry	McKellar	Smith, S. C.	Williams
Harrison	Myers	Sterling	
Henderson	Overman	Thomas	
Hitchcock	Poindexter	Trammell	

NOT VOTING—40.

Ashurst	Fernald	Newberry	Simmons
Beckham	Frelinghuysen	Nugent	Smith, Ariz.
Brandegee	Harris	Owen	Smith, Md.
Calder	Johnson, Calif.	Page	Stanley
Chamberlain	Johnson, S. Dak.	Penrose	Sutherland
Colt	Jones, N. Mex.	Phelan	Swanson
Culberson	Jones, Wash.	Pittman	Wolcott
Cummins	Kellogg	Pomerene	
Dial	Knox	Reed	
Dillingham	McCumber	Sherman	
Fall	McLean	Shields	

So Mr. BORAH's amendment was agreed to.

The PRESIDING OFFICER. The question now is on the resolution as amended.

The resolution as amended was agreed to.

TREATY OF PEACE WITH GERMANY.

Mr. UNDERWOOD. I understand that morning business is in order.

I send to the desk a resolution which I desire to offer. I ask to have it read.

The Secretary read the resolution (S. Res. 265), as follows:

Resolved, That the President of the Senate shall appoint a committee of 10 Senators, who shall consider the ways and means of securing at the earliest possible moment the ratification of the treaty of peace with Germany and report to the Senate such a resolution of ratification as in their judgment will meet with the approval of not less than two-thirds of the Members of the Senate.

Mr. UNDERWOOD. Mr. President, there are just a few words that I desire to say in reference to the resolution.

The leader of the majority party in the Senate has presented and the Senate has agreed to a resolution of adjournment for the Christmas holidays. After strenuous months of work we are about to take the usual Christmas holiday recess and go to our homes, rejoicing that our sons are no longer in Europe and that the battle line has ceased to fire. But as we go home we must recognize the fact that, although the young men of America have rendered their full degree of service to their country and their country's call, the Senate of the United States is still marking time as to the consummation of actual peace.

I do not offer the resolution by way of criticism. We may differ, we may contend, but we will never reach an agreement in this body by which we can secure peace if we continue to maintain the treaty of peace on the battle line either of party dispute or personal difference.

Some days ago I urged on the Senate that immediate action should be taken to secure the ratification of the treaty of peace. I was hopeful that something might be accomplished before the recess for the Christmas holidays took place. I believe and feel that there is a general desire in the Senate of the United States to work out some understanding by which the treaty of peace can be ratified and a two-thirds vote secured to such a resolution.

From some statements in the press of the country I judge that there is some misunderstanding as to my own position in reference to the matter. I shall therefore take the liberty of imposing upon the Senate again for a few moments to state my own position.

The day after the President laid the treaty of peace with Germany before the Senate, I think it was, I made a speech in the Senate defining my own position in the matter, and I have not myself changed that position. It was that I recognized that the treaty was a pact growing out of the compromises of 26 nations; that it did not entirely meet with my views, but I thought, in the main, it first led to immediate peace, and finally through the covenant of the league of nations it led to conditions that in the future would secure the peace of the world.

I was willing to take it and try it, and I refused to make any compromise myself until a vote was obtained in this body on unconditional ratification of the treaty of peace. Finally I proposed that resolution and that vote myself. It did not obtain the two-thirds majority that was necessary to secure its passage. It did not even obtain a majority vote in the Senate. I recognized that that vote was an expression of the sentiment of the Senate which could not be overcome and must be reckoned with.

That being the case, I do not intend that my views dogmatically expressed shall stand in the way of peace for the people whom I represent, and I have stated that now that I realize the treaty of peace can not be ratified along the lines that I desire, I am willing to yield and endeavor to make compromises to secure the consummation which I believe must be in the heart of every Senator who is a Member of this body.

I believe the wise course to pursue is to endeavor to secure a ratification of the treaty of peace with reservations that will preserve the league of nations for the future and yet meet with the consent of Members of the Senate who are unwilling to unconditionally ratify it, that will at least secure the votes of two-thirds of the membership of this body. That is my real position in the matter.

In the midst of that debate the Senator from Pennsylvania [Mr. KNOX] asked me if I would be willing to vote for a resolution offered by himself that proposed to ratify the treaty of peace in all its essential features, so far as war was concerned, merely exempting from it the covenant of the league of nations temporarily, so far as we were concerned, and leaving it to the future determination of our country. I stated that I desired, first and foremost, to secure the ratification of the treaty of peace with as mild reservations as it was possible to obtain to secure the votes to pass it, but if in the last analysis no resolution could be passed through this body, with reservations or without them, relating to the covenant of the league of nations which would ratify the treaty of peace, then I would be willing to ratify it, leaving the league out of the ratification for the present, not rejecting it finally, but leaving it to the determination of the American people to decide whether they would accept or reject it finally.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. UNDERWOOD. I yield.

Mr. McKELLAR. So that the record may be clear, I merely want to ask the Senator from Alabama a question. As I understand the Senator, he is making this statement as to the Knox resolution as his personal view?

Mr. UNDERWOOD. I am.

Mr. McKELLAR. I merely desire to say that I differ very materially from the Senator on that point. Under no circumstances would I vote for the Knox resolution.

Mr. UNDERWOOD. I am sure of that.

Mr. McKELLAR. And I think most of the Senators on this side of the Chamber feel the same way as I do.

Mr. UNDERWOOD. I said the other day that I felt sure that at this time there were few Senators who were willing to go that far, and that I only expressed my view. It is not what I desire or what I wish. I merely express my view of the situation. As a last resort I would go that far rather than deny to the American people the consummation of their heart's desire—the ratification of the treaty of peace with Germany at this time.

Mr. KING. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Utah?

Mr. UNDERWOOD. I yield.

Mr KING. Is it not a fact, Mr. President, I ask the Senator, that even the reservationists—not the mildest, but those who wanted rather strong reservations—did not go that far, and that it never has been at any time necessary to go as far as the resolution of the Senator from Pennsylvania [Mr. KNOX] indicates—in other words, that we might obtain ratification of the treaty without excising from it the league of nations?

Mr. UNDERWOOD. I agree with the Senator. I do not think it is necessary to go that far, and I so stated the other day. I did not inject the question myself. The Senator from Pennsylvania asked me the question. I have few concealments about me; I am always willing to express my views candidly, and when the Senator from Pennsylvania asked me for my opinion I expressed it. It is not my desire to go so far and I do not think it is necessary to do so.

I offer the resolution that I now do because I do not think it is necessary. I believe that an agreement can be reached in this body to ratify the treaty of peace by reservations that can receive the vote of 64 Members of the body without going to the extent that the Senator from Pennsylvania proposes to go; but I want my constituency to understand that I am not seeking peace with reservations and to recognize the line on which I thought the treaty should be ratified—unconditional ratification. When I can not attain that result, I do not propose to stand in the way of peace. In the last analysis, if this treaty can not be ratified by mild reservations, then, so far as my vote is concerned and my responsibility to the people of America and to my constituency is concerned, I am willing to write peace in this document and go to the American public to determine who is right and who is wrong in rejecting the covenant of the league of the nations, for which I stand. I do not, however, believe that it is necessary or will be necessary to reach that conclusion. I do believe that if the Senate is not willing to ratify the peace treaty with proper reservations, then the American people will demand of the Senate of the United States that there shall be a final ratification of peace before many weeks have elapsed.

Mr. President, we are about to go to our homes to enjoy the Christmas holidays. I do not know that anything in the way of the ratification of the treaty of peace could be accomplished by our staying here in session for the next week, but I believe some body, representing the United States Senate, must take this matter in hand; that it must be declared their official duty to endeavor to reach an agreement that will secure the votes of 64 Senators in order that we can get together. We can not stand on the floor of the Senate and reach an agreement. There must be proposals, compromises, and consideration. That can only be done by a committee that is representative of the Senate, making proposals and discussing the matter with the various Members of this body.

If the Senate will pause now and agree to this resolution and allow the President of the Senate to appoint a committee of 10 Senators, I have no doubt he will make appointments, and he should properly do so, on the recommendation of the Senator from Massachusetts, the chairman of the Committee on Foreign Relations [Mr. LODGE], the leader of the other side, and the Senator from Nebraska [Mr. HITCHCOCK], representing this side of the Chamber.

I myself have no proposal as to who shall constitute that committee; but I believe if a committee of that kind is appointed, a committee on ways and means to secure ratification of the treaty of peace, by the time we meet in session in January a plan may be worked out, and probably will be worked out,

under which the contending forces in this Chamber may get together so that we may celebrate the new year by acclaiming the peace of the entire world.

The resolution can work no injury; it can work no harm to any man. If the committee fails, it can do no injury; if it succeeds, I am sure the work of the committee will be acclaimed by the Nation. I hope there will be no objection. I hope that the leadership on the other side and the leadership on this side will now evidence a willingness to come together in a committee looking to the consummation of peace by the ratification of the treaty, looking to carrying out, and enabling the Senate to carry out, what I know and what every other Senator knows is in the heart of every American citizen at this Christmas season.

Mr. President, I know that the resolution which I have introduced must go over one day for consideration in the absence of the consent of the Members of this body. I therefore ask that the resolution may be considered without objection.

The PRESIDING OFFICER. The Senator from Alabama asks unanimous consent for the present consideration of the resolution which he offers.

Mr. LODGE. Mr. President, I do not think on the eve of adjournment that it is possible to consent to that. I certainly am not able to consent to it, because before I myself undertake to deal with any such question I should like an opportunity to consult the Republican membership of the Senate. I think, perhaps during the holidays, we can consider the subject matter without appointing a committee, if there are any proposals made to us. Therefore, Mr. President, I ask that the resolution go over under the rule.

The PRESIDING OFFICER. Objection is made.

NATIONAL PROHIBITION.

The VICE PRESIDENT. The Chair lays before the Senate a certified copy of a joint resolution passed by the General Assembly of the State of Arkansas, ratifying the amendment to the Constitution prohibiting the manufacture, sale, and importation of intoxicating liquor, which will be printed in the RECORD and placed on the files of the Senate.

The joint resolution is as follows:

Joint resolution ratifying a proposed amendment of the Constitution of the United States of America.

Whereas both Houses of the Sixty-fifth Congress of the United States of America, by a constitutional majority of two-thirds thereof, made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States of America.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment of the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States provided by the Constitution:

"'ARTICLE —.

"'SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"'SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

"'SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.'"

Therefore be it

Resolved by the General Assembly of the State of Arkansas, That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the General Assembly of the State of Arkansas.

SEC. 2. That certified copies of this preamble and joint resolution be forwarded by the governor of this State to the Secretary of State at Washington, D. C., to the presiding officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

I, Tom J. Terral, secretary of state of the State of Arkansas, do hereby certify that the above and foregoing is a true and correct copy of house joint resolution No. 1, passed at the regular session of the Forty-second General Assembly of the State of Arkansas on January 14, 1919, and approved by the governor of Arkansas on the 15th day of January, 1919.

Witness my hand and seal of office this 16th day of December, 1919.

[SEAL.] TOM J. TERRAL,
Secretary of State of Arkansas.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills:

S. 176. An act for the relief of John M. Francis;

S. 248. An act for the relief of Henry P. Grant, of Phillips County, Ark.;

S. 428. An act for the relief of Thomas Sevy;

S. 552. An act to reimburse W. B. Graham, late postmaster at Ely, Nev., for money expended for clerical assistance;

S. 577. An act for the relief of the Southern States Lumber Co.;

S. 728. An act for the relief of the Buffalo River Zinc Mining Co.;

822. An act for the relief of James W. Cross;

S. 1375. An act for the relief of Catherine Grace;

S. 1694. An act providing for the refund of taxes collected for stamp tax on certain policies under the emergency-tax act of October 22, 1914, under the proviso to which act such policies were exempt;

S. 1670. An act for the relief of the Arundel Sand & Gravel Co.;

S. 2128. An act for the relief of Albert N. Collins;

S. 2378. An act to authorize the issuance of patent to John Albert Thompson, and for other purposes;

S. 2716. An act to relieve the estate of Thomas H. Hall, deceased, late postmaster at Panacea, Fla., and the bondsmen of said Thomas H. Hall, of the payment of money alleged to have been misappropriated by a clerk in said office; and

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender.

The message also announced that the House had passed the joint resolution (S. J. Res. 137) authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House agrees to the amendment of the Senate to the amendment of the House to the bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H. R. 8778) to amend and modify the war-risk insurance act, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. SWEET, Mr. ESCH, and Mr. RAYBURN managers at the conference on the part of the House.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 202. An act to authorize the Secretary of the Interior to issue patent in fee simple to the county of Huron, in the State of Michigan, for a certain described tract of land for public-park purposes;

H. R. 795. An act for the relief of Arthur Wendle Englert;

H. R. 1266. An act for the relief of Mrs. Mamie Duffer, of Shannon, Miss.;

H. R. 1275. An act for the relief of W. L. Rose;

H. R. 1317. An act for the relief of Robert T. Legge;

H. R. 1789. An act for the relief of Thomas P. Darr;

H. R. 1791. An act for the relief of O. W. Lindsley;

H. R. 1796. An act for the relief of William Holsten;

H. R. 1856. An act for the relief of Arthur J. Burdick;

H. R. 1865. An act for the relief of the Baltimore Dry Docks & Shipbuilding Co., owner of a dry dock at Baltimore, Md.;

H. R. 2740. An act for the relief of Maude H. Mosher;

H. R. 3210. An act for the relief of Joseph A. Prat;

H. R. 3211. An act for the relief of Emma J. Spear;

H. R. 4382. An act to confer on the Court of Claims jurisdiction to determine the respective rights of and differences between the Fort Berthold Indians and the Government of the United States;

H. R. 4927. An act for the relief of Nancy A. Parsons, C. M. Parsons, D. F. Staggs, Ollie Staggs, Roas Staggs, Lena Birchfield, Alice Birchfield, Bertie Gwin, Greely Gilbert, Linville Gilbert, and Nelson Gilbert;

H. R. 5081. An act for the relief of James E. Adams;

H. R. 5213. An act for the relief of occupants and claimants of unsurveyed public land in township 8 north of range 2 west of Salt Lake meridian, Utah;

H. R. 5238. An act for the relief of the Cleveland Trinidad Paving Co.;

H. R. 5346. An act for the relief of the Eastern Transportation Co.;

H. R. 5807. An act for the relief of John T. Adams;

H. R. 6136. An act authorizing the Secretary of the Interior to sell certain lands to school district No. 21, of Fremont County, Wyo.;

H. R. 6291. An act for the relief of E. Willard;

H. R. 6407. An act for the relief of Michael MacGarvey;

H. R. 6522. An act for the relief of F. M. Barfield;

H. R. 6772. An act authorizing and directing the transfer approximately of 10 acres of land to Rural High School District No. 1, Lapwai, Idaho;

H. R. 6773. An act for the relief of Albert C. Burgess;
H. R. 6881. An act for the relief of Joseph A. McCarthy;
H. R. 7900. An act for the relief of Rudolph L. Desdunes;
H. R. 8084. An act granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes;
H. R. 8308. An act providing for an exchange of lands between the Swan Land & Cattle Co. and the United States;
H. R. 8598. An act restoring to Amy E. Hall her homestead rights and providing that on any homestead entry made by her she shall be given credit for all compliances with the law on her original homestead entry and for all payments made on same;
H. R. 8645. An act for the relief of Lawrence Bendich and Anthony Vezich;
H. R. 9089. An act releasing the claim of the United States Government to the block or square of land in the city of Fort Smith, in the State of Arkansas, upon which is situated the old Federal jail, to the city of Fort Smith, for a site for a convention hall, community building, or other public purposes;
H. R. 10847. An act granting the consent of Congress to Marion County, State of Mississippi, to construct a bridge across Pearl River in Marion County, State of Mississippi;
H. J. Res. 80. Joint resolution to correct an error in the wording of the appropriation of $71,000 made in the act approved July 9, 1918, and to authorize the Secretary of War to pay said sum to respective parties entitled thereto; and
H. J. Res. 263. Joint resolution extending the time for filing final report of the Joint Commission on Reclassification of Salaries, created by section 9, Public, No. 314, Sixty-fifth Congress, approved March 1, 1919, to a date not later than March 12, 1920.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED.

The message also anncunced that the Speaker of the House had signed the following enrolled bill and joint resolutions, and they were thereupon signed by the Vice President:
S. 2472. An act to amend the act approved December 23, 1913, known as the Federal-reserve act;
S. J. Res. 131. Joint resolution making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States; and
H. J. Res. 267. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919.

PETITIONS AND MEMORIALS.

Mr. NELSON presented a petition of the City Council of St. Paul, Minn., praying for the enactment of legislation making available certain water power located within the city limits of the cities of St. Paul and Minneapolis, in the State of Minnesota, which was referred to the Committee on Commerce.

He also presented petitions of Andrew Borgen Post, No. 75, American Legion, of New Richland; of Post No. 62, American Legion, of Benson; of Carl A. Hanson Post, No. 321, American Legion, of Elbow Lake; and of Clarence A. Nelson Post, No. 154, American Legion, of Crosby, all in the State of Minnesota, and of the mayor and commissioners of Bloomington, Ill., praying for the enactment of legislation for the suppression of Bolshevism and the deportation of undesirable aliens, which were referred to the Committee on Immigration.

Mr. WARREN presented a petition of Powder River Post, No. 13, American Legion, of Buffalo, Wyo., praying for the enactment of legislation for the suppression of Bolshevism and the deportation of undesirable aliens, which was referred to the Committee on Immigration.

Mr. HITCHCOCK. I present several petitions from several thousand women of Connecticut asking for the ratification of the peace treaty.

Mr. POINDEXTER presented a memorial of the Lions of Liberty, of Seattle, Wash., relative to the rights of citizens of the United States, which was referred to the Committee on the Judiciary.

Mr. POMERENE. Mr. President, I ask to have incorporated in the RECORD a petition signed by the Rev. Dr. Henry Churchill King, president of Oberlin College, Ohio, and of 108 members of the faculty, favoring the ratification of the treaty of peace with Germany.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

We the undersigned, members of the faculty of Oberlin College, are convinced of the supreme importance of the ratification by the Senate, as soon as possible, of the treaty of peace, with such interpretative reservations as may be proper and necessary, and we urge the Senators from Ohio to promote such action. We believe that a majority of the most intelligent and public-spirited citizens of all parties in the State will support them in favoring a resolution ratifying the treaty of peace with the league of nations covenant in terms that will readily permit the other signatories to acquiesce in the conditions stated by the United States.

Henry Churchill King, G. Walter Fiske, Geo. D. Hubbard, David R. Moore, E. A. Miller, J. C. McCullough, E. I. Bosworth, H. H. Preston, S. F. MacLennan, Leigh Alexander, W. D. Cairns, R. P. Jameson, S. R. Williams, H. L. King, C. N. Cole, H. A. Miller, R. A. Jelliffe, Edwin Lathrop Baker, J. E. Weakler, George M. Jones, W. T. Bohn, F. F. Jewett, C. Ward, Mary T. Cowdery, K. L. Cowdery, Ian C. Hannah, Carl C. W. Nicol, Don Morrison, C. W. Morrison, Charles H. A. Wager, Edward S. Jones, Frances J. Hosford, Wm. J. Hutchins, Helen F. Cochran, Herbert A. Youtz, Fred E. Leonard, Charles B. Martin, R. H. Stetson, Harry Clark, Howard H. Carter, Davis Edwards, Hazel Kyrk, F. Easton Carr, W. H. Chapin, Glenn S. Skinner, Ethel M. Kitch, Aletto M. Abbott, Jesse F. Mack, Louis E. Lord, T. Nelson Metcalf, Jacob Speelman, Delphine Hanna, Mabel C. Eldred, Mary Emily Sinclair, Ruth Murdock Lampson, John B. De Forest, E. P. Horner, Charles G. Rogers, Robt. S. McEwen, Lynds Jonis, Eva M. Cakes, Susan P. Nichols, J. R. Wightman, Gladys F. Moore, Charles H. Adams, H. W. Glukins, William J. Horner, Frances G. Nash, Ellen B. Hoteb, Florence L. Joy, Cora L. Swift, G. C. Hastings, A. M. Hastings, E. L. Brownback, Kate W. Morrison, Bessie L. Hobbs, Louis F. Keller, Bruce H. Davis, Geo. W. Andrews, Fr. A. Goerner, Robert A. Budington, F. Anderegg, A. S. Kimball, M. P. Koessler, Herbert Harroun, Antoinette B. Harroun, Margaret J. Adams, Jean D. E. Muth, F. J. Limann, E. G. Sweet, Mary U. Bennett, Edward Dickinson, O. A. Lindguist, W. T. Upton, F. O. Grover, F. B. Stiven, O. Eldora Ragon, Joyce Hazel Hetley, W. K. Breckenridge, Florence H. Clague, Louis F. Miskovsky, Bertha M. Miller, Ruth S. Morrison, John E. Snyder, Harold D. Smith, Lelah E. Harris, Harley L. Lutz, F. Isabel Wolcott, Harry N. Holmes.

Mr. POMERENE. I also present a petition signed by the Rev. John W. Hoffman, D. D., president of the Ohio Wesleyan University at Delaware, Ohio, and 29 members of the faculty, which I ask to have printed in the RECORD.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

OHIO WESLEYAN UNIVERSITY,
OFFICE OF THE PRESIDENT,
Delaware, Ohio, December 9, 1919.

We, the undersigned officers of Ohio Wesleyan University, are convinced of the supreme importance of the ratification by the Senate, as soon as possible after the beginning of the next session, of the treaty of peace, with such interpretative reservations as may be proper and necessary, and we urge Senator POMERENE, from Ohio, to promote such action. We believe that a majority of the most intelligent and public-spirited citizens of all parties in the State will support him in favoring a resolution ratifying the treaty of peace with the league of nations covenant in terms that will readily permit the other signatories to acquiesce in the conditions stated by the United States.

John W. Hoffman, William E. Smyser, C. B. Austin, W. G. Hormell, Harry Payne Reeves, Edward L. Rice, Horace Whitehouse, Russell B. Miller, Clifford C. Crump, Burleigh E. Cartwell, Oscar M. Buck, T. G. Duvall, Mrs. George H. Geyer, G. O. Higley, Thos. E. Sieskel, James H. Collord, A. Conn Klinger, G. R. Wells, Morse S. Allen, Dwight N. Robinson, Charles H. Skinner, C. C. Peters, Luida M. Duval, Clyde L. Kuhn, John C. Hodges, H. H. House, E. F. Amy, C. A. Nelson, Arthur H. Hirsch.

Mr. POMERENE. I send to the desk a resolution unanimously adopted by the faculty of Toledo University, Ohio, favoring the ratification of the treaty of peace with Germany, and ask that it may be incorporated in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

TOLEDO UNIVERSITY,
OFFICE OF THE PRESIDENT,
Toledo, Ohio, December 12, 1919.

Senator ATLEE POMERENE,
Washington, D. C.

DEAR SIR: At the last meeting of the university faculty the following resolution was unanimously adopted, and the secretary requested to forward copy of same to you:

"We, the officers of Toledo University, are convinced of the supreme importance of the ratification by the Senate as soon as possible after the beginning of the next session of the treaty of peace, with such interpetative reservations as may be proper and necessary, and we urge the Senators from Ohio to promote such action. We believe that a majority of the most intelligent and public-spirited citizens of all parties in the State will support them in favoring a resolution ratifying the treaty of peace with the league of nations covenant in terms that will readily permit the other signatories to acquiesce in the conditions stated by the United States."

Very truly, yours,

LUCILLE E. MACK,
University Secretary.

Mr. POMERENE. I have also received a telegram from the Cleveland Chamber of Commerce, of Ohio, bearing upon the treaty of peace with Germany, and I ask that it may be incorporated in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CLEVELAND, OHIO, *December 16, 1919.*

Hon. ATLEE POMERENE,
United States Senate, Washington, D. C.:

Over a year has elapsed since the armistice was signed, and we have no peace; a bleeding and stricken world asks for succor and security, and we are still haggling over the terms. Our own industry and commerce is left without direction, because conclusions can not be made definite without the knowledge of the terms of peace. We believe that the situation is as serious as has been any confronting the country since its beginning, and without criticisms or attempting to lay the responsibility upon any shoulders we earnestly urge that all efforts be exhausted to bring about an agreement, not only upon the peace terms but upon the league of nations. We believe that with the exception of an unimportant minority the people of the United States desire to have a league of nations, and that they realize that a draft of such a covenant is accompanied by almost insuperable obstacles. We realize that a legalistic interpretation of the terms, whatever they may now be or whatever they may eventually become, may involve the possibility of an abandonment of some of our cherished traditions. It may even involve greater sacrifices on our part. But would we be unprepared to make such sacrifices for the purpose of procuring for all mankind the elimination of war and the arbitrament of international disputes by force of arms? We believe that not only the peace of society but the establishment of stable government is hazarded by any further delay, and we therefore sincerely hope that the differences which may have arisen may be speedily allayed, so that we may, together with our recent Allies, concern ourselves with the consideration of a properly effective reconstruction program which will as speedily as possible restore to human life its security, provide for the stricken people opportunities for rehabilitation—physical, mental, and moral—and reestablish quickly international communication upon a basis of permanent friendliness and peace.

THE CLEVELAND CHAMBER OF COMMERCE.

By order of the board of directors:

PAUL L. FEISS, *President.*
MUNSON HAVENS, *Secretary.*

Mr. McKELLAR. I ask unanimous consent to have printed in the RECORD two short resolutions.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolution 3.

NATIONAL RETAIL COAL MERCHANTS' ASSOCIATION,
Chicago, Ill., December 5, 1919.

After consideration and discussion of Senate bills S. 3296, S. 3297, and S. 3378:

In re Senator MCKELLAR'S bills, S. 3296 and S. 3297, the executive committee voted unanimously that these bills receive hearty approval and that the secretary-manager be instructed to convey to Senator MCKELLAR the fact of this approval and support. Also that the coal trade of the country be made acquainted with the text of these proposed laws with a request for similar approval and support.

In re the bill of Senator EDGE, S. 3378: It is the opinion of this committee that the proposed legislation as covered by this bill deserves and has its support. The secretary-manager be, and is hereby, instructed to communicate this opinion to Senator EDGE and to acquaint the coal trade of the United States with the text of this bill and urge similar approval on the part of our constituent members.

Adopted.

—

PHILADELPHIA, PA., *December 19, 1919.*

Senator KENNETH MCKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I quote below resolutions unanimously adopted by the board of directors of the Brooklyn Coal Exchange, Brooklyn, N. Y., on December 16:

"*Resolved*, That the board of directors of the Brooklyn Coal Exchange, having in mind the necessity for prompt and adequate legislation with respect to the admission to citizenship in the United States of foreign-born persons and their education in American principles, language, and Government, heartily approve Senate bill 3296, introduced by Hon. K. D. MCKELLAR, and asks the support and cooperation of the Senators from New York State in an effort to have this bill passed without delay.

"*Resolved further*, That a copy of this resolution be sent to Senator K. D. MCKELLAR.

"*Resolved*, That the board of directors of the Brooklyn Coal Exchange, realizing the serious consequences to our Government and people which will inevitably result from the continuous defiance of law and authority, the preaching of anarchy and sedition, on the part of enemies within our borders, and the absolute necessity for immediate legislation which will effectually destroy this red menace, indorses and approves Senate bill 3297, introduced by Hon. K. D. MCKELLAR, and begs support of this bill by the Senators from New York State.

"*Resolved further*, That a copy of this resolution be sent to Senator K. D. MCKELLAR."

Yours, very truly,

NATIONAL RETAIL COAL MERCHANTS' ASSOCIATION,
ELLERY B. GORDON, *Secretary-Manager.*

Mr. CAPPER presented a petition of O. M. Mitchell Circle, No. 20, Ladies of the Grand Army of the Republic, of Osborne, Kans., praying for the enactment of legislation granting increased pensions to veterans of the Civil War and their widows, which was referred to the Committee on Pensions.

He also presented a memorial of Local Grange, No. 77, Patrons of Husbandry, of Hillsdale, Mich., remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

He also presented a memorial of Local Lodge No. 293, International Association of Machinists, of Parsons, Kans., remonstrating against the passage of the so-called Cummins railroad bill and praying for a two years' extension of Government control of railroads, which was referred to the Committee on Interstate Commerce.

He also presented a petition of Local Lodge No. 586, Benevolent and Protective Order of Elks, of Concordia, Kans., praying for the enactment of legislation providing for the suppression of Bolshevism and the deportation of disloyal aliens, which was referred to the Committee on Immigration.

Mr. CURTIS presented a petition of E. M. Stanton Post, No. 23, Grand Army of the Republic, Department of Kansas, of Howard, Kans., and a petition of Victor Post, No. 293, Grand Army of the Republic, Department of Kansas, of Fort Dodge, Kans., praying for the enactment of legislation granting increased pensions to veterans of the Civil War and their widows, which were referred to the Committee on Pensions.

He also presented memorials of sundry citizens of Willowdale and Garden Plains, in the State of Kansas, remonstrating against the enactment of legislation providing for a department of education, which were referred to the Committee on Education and Labor.

He also presented a petition of Local Lodge No. 569, Benevolent and Protective Order of Elks, of Iola, Kans., and a petition of Local Lodge No. 127, Benevolent and Protective Order of Elks, of Great Bend, Kans., praying for the enactment of legislation for the suppression of Bolshevism and the deportation of disloyal aliens, which were referred to the Committee on Immigration.

Mr. FLETCHER presented resolutions of the Chamber of Commerce of Lakeland; of Local Lodge No. 708, Benevolent and Protective Order of Elks, of Tampa; and of Edward De Saussure Post, No. 9, American Legion, of Jacksonville, all in the State of Florida, favoring the suppression of Bolshevism and the deportation of disloyal aliens, which were referred to the Committee on Immigration.

Mr. KEYES presented a petition of Local Lodge No. 876, Benevolent and Protective Order of Elks, of Laconia, N. H., praying for the enactment of legislation providing for the suppression of Bolshevism and the deportation of disloyal aliens, which was referred to the Committee on Immigration.

TREATY OF PEACE WITH GERMANY.

Mr. KNOX. I desire to report from the Committee on Foreign Relations a substitute for Senate concurrent resolution 17 and Senate joint resolution 136. I am directed by the Committee on Foreign Relations to report a joint resolution repealing joint resolution of April 6, 1917, declaring a state of war to exist between the United States and Germany. I ask that it go to the calendar and be printed in the RECORD.

The joint resolution (S. J. Res. 139) repealing the joint resolution of April 6, 1917, declaring a state of war to exist between the United States and Germany, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the joint resolution of Congress passed April 6, 1917, "declaring a state of war exists between the Imperial German Government and the Government and people of the United States and making provisions to prosecute the same" be, and the same is hereby, repealed, to take effect upon the ratification of a treaty of peace between Germany and three of the principal allied and associated powers: *Provided, however*, That unless the German Government notifies the Government of the United States that it acquiesces in and confirms irrevocably to the United States all undertakings and covenants contained in the treaty of Versailles conferring upon or assuring to the United States or its nationals any rights, powers, or benefits whatsoever, and concedes to the United States all rights, privileges, indemnities, reparations, and advantages to which the United States would have been entitled if it were a ratifying party to the said treaty, the President of the United States shall have power, by proclamation, to prohibit commercial intercourse between the United States and Germany and the making of loans, or credits, and the furnishing of financial assistance or supplies to the German Government, or the inhabitants of Germany, directly or indirectly, by the Government of the United States or the inhabitants of the United States.

Any violations of the prohibition contained in such proclamation by the President shall be punishable as provided in section 16 of the trading-with-the-enemy act, approved October 6, 1917.

It is further resolved, that the United States reaffirms the policy expressed in the act of Congress approved August 29, 1916, in the following words:

"It is hereby declared to be the policy of the United States to adjust and settle its international disputes through mediation or arbitration, to the end that war may be honorably avoided. It looks with apprehension and disfavor upon a general increase of armament throughout the world"—

and the authorization and request made in said act to the President that he—

"invite all the great Governments of the world to send representatives to a conference which shall be charged with the duty of formulating a plan for a court of arbitration or other tribunal to which disputed questions between nations shall be referred for adjudication and peaceful settlement and to consider the question of disarmament, and submit their recommendation to their respective Governments for approval"—

is hereby renewed.

And it is further resolved in the language of said act that the representatives of the United States in said conference "shall be qualified

for the mission by eminence in the law and by devotion to the cause of peace," and said representatives shall be appointed by the President and by and with the advice and consent of the Senate.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The joint resolution will be placed on the calendar.

DAVIS CONSTRUCTION CO.

Mr. CAPPER (for Mr. FERNALD), from the Committee on Claims, to which was referred the bill (S. 2861) for the relief of the Davis Construction Co., reported it without amendment and submitted a report (No. 343) thereon.

COLUMBIA RIVER BRIDGE.

Mr. JONES of Washington. From the Committee on Commerce I report back favorably, with an amendment, the bill (S. 3331) granting the consent of Congress to the Interstate Construction Corporation to construct a bridge across the Columbia River, between the States of Oregon and Washington, at or within two miles westerly from Cascade Locks, in the State of Oregon, and granting a license to construct and maintain the approach to said bridge over property belonging to the Government of the United States, and I submit a report (No. 342) thereon. I ask unanimous consent for the present consideration of the bill.

The amendment was, on page 1, line 3, to strike out the words "That the consent of Congress" and insert "Authority," so as to make the bill read:

Be ie enacted, etc., Authority is hereby granted to the Interstate Construction Corporation, a corporation organized under the laws of the State of Washington, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Columbia River at a point suitable to the interests of navigation at or near a point within 2 miles westerly from Cascade Locks, in the county of Hood River, State of Oregon, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That a license is hereby granted to the Interstate Construction Corporation, a corporation organized under the laws of the State of Washington, and its successors and assigns, to construct, maintain, and operate an approach to the bridge mentioned and referred to in section 1 of this act over property belonging to the Government of the United States, said approach to be constructed as near as practicable upon the following locations, to wit: Across an area 200 feet in width, the center line of which originates and bears as follows: Beginning at a point on the section line between sections 12 and 13 in township 2 north, range 7 east, Willamette meridian, in Hood River County, Oreg., 4,494 feet west of the southeast corner of said section 12, township 2 north, range 7 east, whence extending in a straight line bearing north 76° 44′ west to an intersection with the north shore of the Columbia River, in the State of Washington, the exact location to be fixed by the Secretary of War.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting authority to the Interstate Construction Corporation to construct a bridge across the Columbia River, between the States of Oregon and Washingon, at or within 2 miles westerly from Cascade Locks, in the State of Oregon, and granting a license to construct and maintain the approach to said bridge over property belonging to the Government of the United States."

FORT DOUGLAS MILITARY RESERVATION.

Mr. THOMAS. From the Committee on Military Affairs I desire to make a favorable report on the bill (S. 3327) granting certain rights of way and exchanges for the same across the Fort Douglas Military Reservation in the State of Utah, and I submit a report (No. 341) thereon.

I call the attention of the Senator from Utah to the bill.

Mr. SMOOT. Mr. President, this is a bill prepared by the War Department, and a temporary permit has already been granted for the building of the line across the Fort Douglas Reservation, Utah, expecting that this bill would become a law, and thus approve the action that has already been taken by the War Department. I ask unanimous consent for the immediate consideration of the bill.

There being no objection the bill was considered as in Committee of the Whole.

The amendment was to add at the end of the bill a new section, as follows:

SEC. 2. The right to alter, amend, or repeal this act is hereby reserved.

So as to make the bill read:

Be it enacted, etc., That there is hereby granted to Salt Lake City, a municipal corporation, organized and existing under the laws of the State of Utah, a perpetual easement and right of way for the operation, maintenance, repair, and renewal of a conduit and pipe line to be located not more than 25 feet easterly from the conduit and pipe line of the said city now constructed over and upon the Fort Douglas Military Reservation in said State, the same being connected with the water-supply system of the said city; and also for the construction, operation, maintenance, repair, and renewal of all valve houses which may be deemed necessary in connection with said pipe line: *Provided*, That the said conduit and pipe line must be at all times maintained entirely below the surface of the ground; that the ground must at all times be kept in such condition as will enable troops to pass over the same without hindrance; that no fences shall be constructed to prevent the passage of troops; and that all work done upon the reservation in pursuance of this grant shall be to the satisfaction of the post commander and under such regulations as he may prescribe in the interest of good order and discipline; and that in case of the removal of the conduit or pipe line or any of the valve houses the ground shall be restored by the grantee to its original condition.

SEC. 2. The right to alter, amend, or repeal this act is hereby reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REVISION OF THE LAWS.

Mr. SMOOT. From the Committee on Printing I report back favorably the joint resolution (H. J. Res. 266) authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States, and I ask for its immediate consideration.

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read, as follows:

Resolved, etc., That the Committee on Revision of the Laws in the House of Representatives is hereby authorized to print additions and amendments to H. R. 9389, or other bills concerning the same subject, if in its judgment necessary, in the style and form in which said bill is now printed, with such variations thereof as the said committee deems in the interests of efficiency and economy, and to so continue until final enactment thereof in both Houses of the Congress of the United States.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CONDITION OF JEWS IN UKRAINE.

Mr. LODGE. I report unanimously from the Committee on Foreign Relations, with amendments, Senate resolution 259, offered by Mr. SPENCER on December 12, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. THOMAS. Let the resolution be read.

The Secretary read the resolution (S. Res. 259), as follows:

Resolved, That the attention of the Senate having been called to the awful massacre of members of the Jewish race in the Ukraine and to the existence and execution of pogroms, which indicate a determination to exterminate the Jews of Ukrainia, it is requested of the State Department that such information as may be available, not inconsistent with the public service, be transmitted to the Senate showing the actual conditions in the Ukraine, and indicating what steps, if any, have been taken or are contemplated on the part of our Government in the matter.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendments were, in line 2, to strike out the word "awful" and insert "reported"; in line 7, to strike out the word "service" and insert "interest"; in line 8, after the word "Ukraine," to strike out "and indicating what steps, if any, have been taken or are contemplated on the part of our Government in the matter."

The amendments were agreed to.

The resolution as amended was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MCNARY:

A bill (S. 3578) authorizing the Secretary of the Interior to transfer Roxy Ann Mountain to the city of Medford, Oreg., to be used as a public park; to the Committee on Public Lands.

A bill (S. 3579) to provide for the acquisition of a site and the erection thereon of a Federal building at Klamath Falls, Oreg.; to the Committee on Public Buildings and Grounds.

A bill (S. 3580) making an appropriation for the relief of the Oceanic Shipbuilding Co., of Portland, Oreg.; to the Committee on Claims.

A bill (S. 3581) granting a pension to Mary A. Welsham; to the Committee on Pensions.

By Mr. JOHNSON of South Dakota:

A bill (S. 3582) for the relief of Lawrence S. Vandall (with accompanying paper); to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 3583) to authorize the establishment of a coast-guard station on the coast of Florida at or in the vicinity of

the Government cut, Miami Beach, Dade County; to the Committee on Commerce.

A bill (S. 3584) for the relief of Emma La Mee; to the Committee on Claims.

By Mr. SPENCER:

A bill (S. 3585) to provide for representation of the people of the District of Columbia in Congress, for the election of delegates for such purpose, and for other purposes; to the Committee on the District of Columbia.

By Mr. ELKINS:

A bill (S. 3586) for the relief of parties who lost war-savings stamps which were in the possession of the Ansted National Bank, of Ansted, W. Va.; to the Committee on Claims.

By Mr. NELSON:

A bill (S. 3587) to authorize the issuance of a warrant for the arrest and removal of persons under indictment for offenses against the United States; to the Committee on the Judiciary.

By Mr. STERLING:

A bill (S. 3588) to advance Maj. Charles C. Pierce, United States Army, retired, to rank of colonel on the retired list of the Army; to the Committee on Military Affairs.

By Mr. BORAH (by request):

A bill (S. 3589) to provide for the reimbursement to the emigrant Cherokees by blood for lands alloted to the negro freedmen (Cherokees) from the lands granted to the emigrant Cherokees by blood under treaty of 1835; to the Committee on Indian Affairs.

By Mr. CURTIS:

A bill (S. 3590) granting a pension to Mary M. Buck (with accompanying papers); and

A bill (S. 3591) granting a pension to Sarah G. Bloxom (with accompanying papers); to the Committee on Pensions.

By Mr. POINDEXTER:

A bill (S. 3592) authorizing the Secretary of War to make donation of a captured German cannon and cannon balls to the University of Washington, Seattle, Wash.;

A bill (S. 3593) authorizing the Secretary of War to make donation of a captured German trophy to the city of Oaksdale, Wash.;

A bill (S. 3594) authorizing the Secretary of War to make donation of a captured German cannon and cannon balls to the Pullman State College, of Pullman, Wash.;

A bill (S. 3595) authorizing the Secretary of War to make donation of a captured German cannon and cannon balls to the State Normal School, of Cheney, Wash.;

A bill (S. 3596) authorizing the Secretary of War to make donation of a captured German cannon and cannon balls to the State Normal School, of Ellensburg, Wash.; and

A bill (S. 3597) authorizing the Secretary of War to make donation of a captured German cannon and cannon balls to the State Normal School, of Bellingham, Wash.; to the Committee on Military Affairs.

By Mr. KENYON:

A bill (S. 3598) granting a pension to Elias J. Quick; and

A bill (S. 3599) granting an increase of pension to W. H. H. Hursh (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 3600) for the relief of Jesse Dotts (with accompanying papers); to the Committee on Military Affairs.

By Mr. MOSES:

A bill (S. 3601) granting a pension to Florence E. Thornburgh (with accompanying papers); to the Committee on Pensions.

By Mr. JONES of New Mexico:

A bill (S. 3602) granting an increase of pension to Pleasant H. Ripley (with accompanying papers); to the Committee on Pensions.

RAILROAD STATISTICS.

Mr. SMITH of South Carolina. Mr. President, about three weeks ago I requested the Interstate Commerce Commission to furnish me with a statement showing the increased revenues of the railroads caused by the raise in rates, and the increased expenditures of the railroads caused by the increase in wages, showing the income and the outgo, the first by virtue of the increased rates, and the second by virtue of the increased wages.

They have sent me a table showing the facts that I requested, and in reference to the first item, I find that the increased revenues by virtue of the increased rate of fares and charges were $1,833,000,000 over and above what the same tonnage would have produced at the previous rates.

I find that the excess cost by virtue of the increased wages over what it would have been to the railroads was $1,775,000,000; or 97 per cent of the entire increased revenues by virtue of the increased rates were absorbed by the increased wage scale, leaving but 3 per cent out of that total.

I requested also a statement of the increased cost due to the general or flat raise that was extended under order 97. I find that there has been an additional increase to the shopmen for time and half-time and for overtime, and the slow freight service, clerks, maintenance of way employees, and miscellaneous adjustments, amounting to a little over a hundred million dollars.

This table also gives the different divisions of labor, the increased number of employees, the reduction of hours, the amount of service rendered in the aggregate per hour up to July, 1919, giving a detailed statement of the difference between the roads under Federal control and the roads under private control during the test period.

I ask that the first communication I send up be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

INTERSTATE COMMERCE COMMISSION,
OFFICE OF THE SECRETARY,
Washington, December 18, 1919.

Hon. E. D. SMITH,
United States Senate, Washington, D. C.

DEAR SIR: There is inclosed herewith a statement covering the various topics concerning which you requested information from our statistician yesterday.

Respectfully,
G. B. MCGINTY, *Secretary.*

While statistics of revenues and expenses are available for October, 1919, the wage data are available only as late as July, and it is necessary to put all steps in the following series of computations on the same basis.

I. The volume of traffic under Federal control up to and including the month of July, 1919, was as follows:

Class I roads only.

	Ton-miles of revenue freight.	Passengers carried 1 mile.
Year ending Dec. 31, 1918	398,442,020,000	42,566,343,000
Seven months ending July 31, 1919	196,289,549,000	25,856,377,000
Total	594,731,569,000	68,422,720,000

II. The average revenue per ton-mile and per passenger-mile at the rates prevailing in 1917, before Federal control, and in 1919, after the rate increases coming into effect subsequently, were as follows:

	Calendar year 1917.	First seven months of 1919.	Increase.
Revenue per ton-mile ..... mills	7.15	9.73	2.58
Revenue per passenger per mile ..... cents	2.09	2.53	.44

III. Applying the increases shown under paragraph II, we get the following approximation of the increase in money which would have been paid by the public on the traffic of 19 months if the higher rates now enjoyed by the Railroad Administration, as compared with those prevailing in the calendar year 1917, the last year of private control, had been in effect from January 1, 1918:

Increased freight revenue	$1,534,000,000
Increased passenger revenue	301,000,000
Total	1,835,000,000

IV. The aggregate time worked by employees of Class I railroads during Federal control from January 1, 1918, to July 31, 1919, was as follows:

	Calendar year 1918.	First seven months of 1919.
Reported on hourly basis ..... hours	4,950,985,160	2,499,458,577
Total	7,450,443,737	
Reported on daily basis ..... days	71,534,214	41,494,450
Total	113,028,664	

V. The average rates of pay per hour and per day for the year 1917 and in July, 1919, the latest month available, were as follows:

	Year ended Dec. 31, 1917	Month of July, 1919.	Increase.
Reported on hourly basis ..... per hour	$0.318	$0.532	$0.214
Reported on daily basis ..... per day	3.334	4.930	1.596

VI. Applying these increases, we get an increased compensation on the aggregate time above shown as follows:

Reported on an hourly basis	$1,594,400,000
Reported on a daily basis	180,400,000
Total	1,774,800,000

This takes account not only of the increased rate per hour, but also of the additional men required because of the shorter working day.

VII. Comparing the increase represented by the freight rates and passenger fares, under paragraph III above, with the increase due to increased basis of compensation and reduction in hours per day, we have the following:

Payable by public	$1,835,000,000
Received by labor, or 97 per cent	1,775,000,000

The balance would be absorbed by increased prices of materials.

It should be noted that the higher basis of freight rates and passenger fares shown above was not actually operative during the whole period of Federal control, nor was the wage basis of 1919 actually used during the whole period of Federal control.

VIII. The number of freight cars and their average capacity is shown by the following table:

Date.	Number of freight cars.	Average capacity (tons).
June 30, 1915	2,341,567	39.7
June 30, 1916	2,313,378	40.5
December 31, 1916	2,329,475	40.9
December 31, 1917	2,379,472	41.5
December 31, 1918	2,380,879	41.5

IX. The ton-miles and passenger-miles in the last two years under private control compared with the two years of Federal control are as follows, for a mileage corresponding to Class I roads under Federal control:

Year ended—	Ton-miles.	Passenger-miles.
Dec. 31, 1916	360,751,781,794	34,502,599,882
Dec. 31, 1917	392,623,247,073	39,381,719,320
Total	753,375,028,867	73,884,319,202
Dec. 31, 1918	398,442,019,620	42,566,342,892
Dec. 31, 1919	366,308,547,875	44,788,784,401
Total	764,750,567,495	87,355,127,293
Per cent of increase, 1918 and 1919 over 1916 and 1917	1.5	18.2

The ton-miles are based on the revenue and nonrevenue ton-miles shown in the operating reports issued by the Railroad Administration. The nonrevenue ton-miles have been excluded on a percentage basis. In completing the year 1919 the 1918 figures have been used for the months for which 1919 data are lacking, namely, November and December as to ton-miles, and October, November, and December as to passenger-miles. The 1916 and 1917 figures published by the Interstate Commerce Commission have been slightly reduced to bring them to a basis comparable with the mileage of Class I roads under Federal control.

X. The railway operating revenues, expenses, and railway operating income during and since the test period may be summarized as follows:

Year.	Railway operating revenues.	Railway operating expenses.	Operating income as defined under the Federal control act.
Three years ending June 30, 1917	$3,374,060,692	$2,280,653,433	$906,524,492
Year ended Dec. 31, 1917	4,050,463,579	2,858,212,210	974,778,937
Year ended Dec. 31, 1918	4,913,319,604	4,006,894,762	690,418,778
Ten months of 1919	4,292,802,493	3,615,440,558	481,082,531

XI. Statement as to various wage increases. This information is given in a separate statement which is being prepared by the Railroad Administration. (Attached hereto.)

XII. Prices of railway materials. The following data from the Federal Reserve Bulletin for October, 1919, are illustrative:

Year and month.	Coal, bituminous, run of mine.		Steel rails, open hearth, Pittsburgh	
	Average price per short ton.	Relative price.	Average price per short ton.	Relative price.
July, 1914	$2.20	100	$30	100
August, 1914	2.20	100	30	100
1915	2.20	100	30	100
1916	2.20	100	35	117
1917	4.40	200	40	133
1918	4.10	186	57	190
1919	4.00	182	47	157

XIII. The amount of the corporate surplus of steam roads at the close of each year, 1900–1918, is shown in a separate statement attached.

PHILOSOPHY OF RACE.

Mr. McKELLAR. Mr. President, I ask to have printed in the RECORD, at the request of certain of my constituents, a copy of a speech delivered by Bolton Smith, one of the leading citizens of Tennessee. The speech contains the views of Mr. Smith on race relations and is entitled to careful consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The speech referred to is as follows:

A PHILOSOPHY OF RACE RELATIONS.

[By Bolton Smith.]

"I am not disposed to minimize the difficulties presented by our race question, but I have long believed they could be met and overcome more easily if there existed an intelligent philosophy of race relations; and it is with the purpose of arousing your thought on the subject that this paper has been prepared.

"When we think of negro progress we ask ourselves: 'Will not this progress result in a growing demand for social equality, and since we will never consent to social equality, why should we make our problem more difficult by aiding the progress which would seem to lead to it?' So firmly fixed is this thought that as soon as anyone begins to discuss the lynchings of negroes or to call for their better education many people at once conclude you are an advocate of social equality and intermarriage as the ultimate solution of the race question. But surely there is a middle ground between these two extremes—a point where we can take our stand, not as a matter of compromise, but by finding the common ground between extremes—the underlying truth which gives to both northern and southern opinion such vitality as each possesses. The North appears to think most often of justice to the negro, the South of the preservation of the purity of the white race. I believe these are the two sides of one and the same shield—the blood of the race must be kept pure, but so must its ideals—the former without the latter is like the body without the soul. America has a great task before her. Divided opinion on the race question is a poor preparation for meeting it. The duty of presenting a philosophy which will reconcile both views and on which North and South can both stand clearly rests with the South, and I feel sure such a philosophy would have been sought for long ago but for the apprehension that it might reinforce the claims of social equality. That such an apprehension is utterly unfounded is my belief, and the corner stone of the philosophy which I would suggest for your consideration is that justice and determination to develop the best in the negro will have precisely the reverse effect of that which many have feared.

"Even the most miserable man in the world would be unwilling to cease to be himself in order to become the most prosperous and contented man in the world. He would like to have the things the other man has, but he would insist upon remaining himself; for to turn into anything but himself would be death—extinction more complete than that meted out to the criminal on the scaffold. This is the natural feeling of the negro. He would like to have many of the things the white man has, but I can not imagine he would really like to be a white man. If at times he appears to act from different motives and shows contempt for his own race and a desire to enter ours, it is because he has been educated by us to the belief that no member of his race can become a self-respecting man or live a life of dignity and attainment—that all the prizes are denied him because of some incapacity, real or supposed, of which his color is the brand.

"We know that all normal white men have a desire to better their condition, but the gulf between the accomplishments of the two races is so wide that it has never occurred to many of us that the negro is also moved by this desire, and so we deny he can be influenced by any worthy ambition. Now, it is not unreasonable that the negro, especially in the beginning of his progress and before he has come in contact with any member of his race possessing education and character, should take us at our word; and so it would be only natural that those feeling a longing for a higher life should conclude that ambition can only be gratified by associating themselves as intimately as possible with white people, and of this, social equality would be the highest expression.

"But, as a matter of fact, few negroes wish to associate with white people. They are not comfortable with us. A few born and reared in Canada, where their associates, perforce, have been white people, may have become so used to us that they prefer to associate with us, but the mass of negroes greatly prefer to associate with their own people. Even where we find them seeking to live in white neighborhoods, this can be attributed to the fact that such neighborhoods are better policed, have better sidewalks and streets than negro neighborhoods, rather than to a desire to intrude.

A CINCINNATI NEGRO SCHOOL.

"Many people will be surprised at an observation made in one of the public schools of Cincinnati. There is no separate school law in that State. Negro children have the right to

attend the public schools attended by white children. There is, however, a school in a densely colored portion of Cincinnati which, I am informed, is attended by negro children only. It is stated that the average marks of these colored children for scholarship are higher than those earned by the colored children attending the schools also attended by white children. Besides, it is found that a larger proportion remain in school through the higher classes than is the case with the other colored children. I am also informed that many negro families send their children to this school, although there are mixed schools nearer at hand. All this would seem to indicate that the children work to better purpose and enjoy their school life more when educated by themselves. Is not this perfectly natural? Can there be any doubt they are subject to many slights and discomforts when they attend a school attended by a large number of white children? The school to which I refer in Cincinnati has just as much money spent on it as the other schools of the city. If this were not the case—if it were not as good a school as the other schools of the city—these colored children would undoubtedly leave this school to attend the other schools, but this would not be because they wished to associate with white children.

WE MUST THINK ABOUT QUESTION.

"It is a commentary upon the little thought we give to the race question that no careful study has been made of other schools in the North situated in negro districts. In the absence of such a study, I fear many mistakes are being made. A recent effort of the school authorities to establish a separate negro school in a New England town was defeated by an association pledged to negro progress. Perhaps this action did not make for the progress of the negro; probably it would not have been taken had a progressive philosophy of race relations been taught. We must seek for such a philosophy, not only for ourselves, but because we must sooner or later recognize our responsibility for the preservation of American race relations, North as well as South. We must protect the northern white children as well as our own. If, as we believe, the instinct of racial separation is a conserving force helpful for our development, we should do our best to keep it from being blunted in the North as well as in the South.

It will doubtless be a long time before negro schools in the South are as good as white schools or before white schools are what they ought to be. But we are not discussing educational appropriations, but seeking to ascertain where negro progress will lead, and the Cincinnati incident seems to suggest that under free conditions and with equal opportunities negroes will desire to keep to themselves as much as we wish to keep to ourselves, and that so-called social equality would harm them as much as we feel it would harm us. The subject is new even to my own thinking, but one advantage accruing to the negro from race separateness has already occurred to me. Consider how harmful to the negro girl and how destructive of the purity of the negro home it would be if white men, with their superior manners, education, and wealth, could freely mingle in negro society without loss of standing in their own; yet this is exactly what social equality would bring about.

"Some may be surprised at the suggestion that there may be purity in the negro home, but all things are relative, and I am unable to see why the same forces which have developed morality in our race should not influence the negro also. Morality is not so much a rule of self-denial as of self-control, and it is plain that the introduction of the white man into colored society would make progress in self-control much more difficult—would handicap the negro woman in her effort to become a better woman—a woman more loyal to her husband and to her children. The French women are not lacking in loyalty and virtue, and yet the grand monarque did not find it difficult to have as his mistresses many noble women who, but for his intrusion into their affairs, would have lived spotless lives. The white man moving in negro society would be as Louis XIV moving among his vassals. Nor is it necessary to assume that the white man is especially bad, but it does seem that when brought in contact with a woman possessing any element of physical attraction, but for whom he feels no respect, the sexual passion in man does assert itself powerfully. It is for this reason that the woman in a liaison is usually of a social grade lower than that of the man. I believe we are here on the threshold of another great question badly in need of a philosophy, viz, the protective power for man himself of his respect for woman as the mother of the race. This is as yet little understood. Many a home is wrecked because of the destruction of ideals years before the marriage. But, as Kipling says: 'That is another story.' All I wish here to point out is that 'social equality' would perhaps prove more harmful to the progress of the negro than even to our own.

"Perhaps our difficulty in thinking about this question is because we unconsciously attribute to the negro the feelings we believe we would have if we were in his place. The white man knows that if he were to discover he had negro blood he would wish to keep it a secret and continue to associate with white people; and while this is true, it does not prove that a negro, who has never thought of himself as anything else, would be otherwise than uncomfortable if he were called on to associate with white people.

"Because of this feeling the white man concludes the negro must long for the association of white people and that nothing but force keeps him out. Now, since the more progress the negro makes the more difficult it would be to use force against him, it is not unreasonable that the white man should doubt the wisdom of aiding negro progress. This is a very unfortunate attitude for any man to have toward another. It is equivalent to saying that an ambition in a negro, which the white man feels would be legitimate if he were a negro, must be suppressed by force—that to keep ourselves up we must keep him down. As long as we believe this our attitude toward the negro can never be really helpful, for in spite of everything we will believe in our hearts we are doing the negro an injustice, and if our children advance toward the light they will feel this more keenly yet. Now, such a position implies that we are living in a world in which our ethical sense can not be wholly trusted—that God has brought into existence human beings and endowed them with certain aspirations which we recognize as legitimate—which we feel to be an important element in our own development, but which we find it necessary to suppress by force when they show themselves in the negro, in obedience to an instinct of race preservation which we feel is also a high and worthy impulse. Thus is divine harmony destroyed. As I undertook to point out in the paper I read before this club entitled 'Religion and Efficiency,' our ethical impulse and our religious vision are undermined whenever we find some part of our life, some cranny of the universe, over which these forces do not hold sway. If we found a planet where two plus two did not equal four, the validity of all science would be gone—the universe, instead of being a place of law, would be a place of unreason. So, also, it must be of the moral law; if it does not make for material progress, for health, for dignity, and for the happiness of life in every relation of race or class; it simply does not exist.

"But if the incident of the Cincinnati school can be taken as an indication, there is no conflict between our desire as ethical and religious beings to help the negro to progress and self-respect and our desire to maintain our race purity. On the contrary, these two powerful tendencies seem to work together and to sustain one another. Thus we have a new proof of the harmony between the spiritual and the material.

"When told of the valor of the British and the French, Americans do not feel the poorer. Rather do we fell the richer that we live in a world in which there is so much courage. These stories of the valor of our allies do not dim in the least the luster of the deeds of our own boys.

"In the same way I feel the fame of my race to be safe, and that I am the richer whenever I learn of some worthy accomplishment of a negro. It is as if the power that brought me here had said: 'If this wonderful thing of life which you share can strike a spark from even this humble breast, how much more may you not attain to!'

"Booker Washington sums up the whole matter in these words: 'If the white man wants to hold the negro down, he can not help but stay down with him.'

"If we can think of a negro as capable of progress and self-control—if we can believe he may think worthy thoughts, have worthy ambitions—make sacrifices for those he loves, and give his life for a worthy cause, then I, for one, will find it less difficult to believe in the high destiny of all human life. If we think meanly of the negro in all these respects, how can we be so sure of our own destiny? To paraphrase Garfield: We may know that the Government at Washington still lives, but how can we be sure that God reigns?

PARTNERSHIP WITH GOD.

"It is only when we regard life as a great partnership with God that it takes on that supreme value necessary to enable us to meet great sorrow or utter ruin with a smile. It is only in such belief that one can declare: 'They also serve who only stand and wait.' Yet, how can anyone have that feeling in regard to himself or his dear ones who believes the lives of these brothers in black are not only degraded now but incapable of improvement and forever without eternal meaning and value? And again, how can we be genuine democrats, seeing in democracy the great means of solving world problems, if we regard these millions about us as absolutely beyond the reach of

progress, forever incapable of response to the appeal of freedom and of human dignity?

I hold no brief for the negro; I wish he were not among us; we have problems enough without him. But he is here, and what I seek is how best to prevent his presence from harming us any more than necessary. I am concerned first for the white man, for his ideals, his progress, and his faith, that these forces remain untarnished in our hearts and be handed undimmed to our children. But for the presence of the negro I believe the South would have been developed far more rapidly than the North, and would have been densely populated before the Northwest would have been thought of as an abode of civilization. But while the presence of the negro is a misfortune, it need not always remain so, for every misfortune, especially those for which we are not responsible, can be transformed into an opportunity through consecration and the power of the Spirit. If we can hold to our race integrity and yet instill the negro with self-respect and the longing for a better life, we will have accomplished something which no other superior race has yet even attempted; and will not this struggle, successfully made, be sure to compel the development in our own youth of a degree of patience, of justice, of purity, and of self-control unparalleled in the development of races? It is the difficult, not the easy, task which develops the best in us.

HOW TO LESSEN CRIME.

"Belief in the possibility and value of negro progress suggests new ways of meeting negro crime. A few years ago two young negroes held up a gentleman who early in the evening was on his way to a picture show with his little child. He made some motion which they—being inexperienced highwaymen—construed at indicating that he was armed and about to draw his weapon, and they killed him. Their criminal record had been a short one, and, as I recall it, they were not hanged, but sent to the penitentiary for life. A few weeks afterwards Bishop Gailor delivered a sermon at Calvary, in which he pointed out that we were producing just such young negro toughs all the time by letting the negro children roam the alleys; that even before school age many had contracted criminal habits they would never unlearn. He suggested that since there are so many negro families where both father and mother go out to work their young children should be cared for during the day in places where they would be taught simple work and play and trained as useful members of society. It would be even cheaper in the long run than spending so much on criminal courts and the penitentiary.

"Whatever may be the future of the negro in other parts of the world, one thing is certain—the white people of the South can make of the southern negro anything they please, the most docile and capable of servants, intelligent workmen and farm laborers. This will certainly reduce negro crime and confirm our prosperity and progress.

"There should also be established colonies for the feeble-minded. It is believed that many negro criminals, especially the murderers and those who commit the acts for which some deem lynching the only proper punishment, belong to this category. What we want is to prevent crime rather than to have to punish it, and if we could remove these negro defectives to self-supporting colonies negro crime would be much reduced.

LYNCHING DOES NOT STOP CRIME.

"One great trouble with lynching is that it does not stop crime, and that a community which becomes accustomed to this method of attempting to prevent crime is not likely to try any other method—least of all education or a colony for the feeble-minded. Yet I believe these to be the only genuine remedies, the only means which will afford permanent relief.

"We have all read interesting stories of great detectives, but in real life the great detective is not Sherlock Holmes, but the mass of the people. One contributes a scrap of information here and another there, and the detective need only put these together to reach a solution. Besides, there are few places where the criminal can take refuge with safety unless they have been carefully prepared beforehand. But the greatest difficulty our officers experience in catching the negro criminal arises from the fact that most negroes shield every member of their race whether innocent or guilty. They feel toward him as the peasants did toward Robin Hood, and they know he may not be given a fair trial if caught. Therefore, they feel it their duty to shield him by every means in their power. On the other hand, the course which I suggest would gradually convince the negro of the fairness of the white man, and most negroes would then become our allies in an effort to apprehend and punish the negro criminal. He is, of course, a greater menace to them than to us. He steals from them and works his evil purpose on them and their women far more often than on us and ours. Besides, he continually threatens to bring about a conflict between the races, which is the nightmare of the good negro.

"On the 26th of last July President Wilson issued a statement urging the American people to abandon the use of lynch law. Notwithstanding this, public lynchings have been on the increase, and I have reliable information that many lynchings have not been reported in the papers—apparently in deference to the President's wish that we do not disgrace ourselves in the eyes of Germany. One negro apprehended by men of his own race, and by them handed over to the officials, was afterwards lynched by white men. This is certainly not the way to encourage negroes to aid our officers. A negro woman, though enceinte, was lynched for declaring she intended to see her husband's lynchers punished.

LYNCHING A NEGRO MORE HARMFUL THAN LYNCHING A WHITE MAN.

"It should be recognized that when white men lynch a white man, or negroes lynch a negro, while the violation of the law is the same, yet no trail of evil consequences follows as when white men lynch a negro. Such an act is felt by every negro, and especially by the worthy negro who is trying to live a better life, to be an insult and a rebuke. It rankles as if it were a personal wrong. He says: 'If this negro were guilty, why did not the white people try him? He would certainly have been convicted, for they have the courts; therefore if they lynched him it is because they feel a supreme contempt for my race, not because they wish to punish crime.'

"Every lynching makes even the good negro feel less safe in his person and property. He says to himself: 'No matter how well I behave, they will treat me that way if they take the notion, and I can not help myself, and if my children and friends try to help me, even in the mildest way, they, too, will be lynched.' Again he may say: 'If this negro had been guilty he would have been tried, for the white people know they could convict him easily if he were guilty, and if they lynched him it was because they felt that he was innocent. They wanted to kill him anyway. He is dead just because he was a negro. Had he been white, he would be alive now.'

"According to the negro papers few, if any, negroes who are lynched are guilty of the crimes charged against them. Negro papers often suggest that a certain negro was lynched to cover up a crime committed by a white man, and this has doubtless been true in some cases. The white criminal has worked up a mob against some negro in order to turn attention from himself or to silence a witness. The negro is not the only sufferer from the lynching habit!

NEGRO EDUCATION INADEQUATE.

"There are few localities in the South where the education of the negro is anything like what it should be. This is often due to the feeling that education spoils the negro. In many localities the white people do not believe in negro education, and there would be no school but for the fear the labor would move if the schools were closed. The negro is too ignorant to realize how poor the education given his child really is, or he would be far more discontented. I know of counties which spend less than $1 a year to educate a negro child, and where negro teachers receive field-hand wages. There is, of course, a dearth of competent negro teachers because comparatively few colored normal schools exist, and these have been established only recently; but on account of poor salaries, good negro teachers, after having been educated at public expense, often abandon that occupation for other work for which they receive better pay.

"The attitude of the white people with reference to negro education is due in part to the mistaken philosophy to which I have called attention, as well as to their unfamiliarity with the newer ideals and methods of education. Many still think of education in terms of books instead of in terms of life and joyful 'service'—as a means by which one may live softly without toil, instead of as a means of learning to work more effectively and, therefore, more cheerfully.

BEST NEGROES EMIGRATE.

"If we continue to lynch negroes or permit them to be lynched, which is the same thing, and if we continue to refuse them adequate education, it is certain that they will continue to emigrate, and the best negroes will be the ones to go. They will doubtless encounter difficulties in the North, but I can not believe that those difficulties will be insuperable. Few, if any, of the Northern States are likely to have so large a negro population that the race question will obtrude itself in any general and aggravated form, and the law, which the white man looks to for protection, will also protect the negro. His political influence will grow and, finally, he will secure a foothold; and without genuine race pride and taught by a faulty philosophy, he will, I fear, gradually mix with the rest of the population

until the American race will become a hybrid. On the other hand, if we of the South treat him with justice, he will remain here working out his salvation as a separate race. Even the Chicago Defender says his place is in the South, provided only he is treated properly there.

"No American, wherever he lives, wants to see the races mingle, even in the North, for if we do not care what happens there we must bear in mind that the North, being the most populous part of the country, will ultimately make the standards which will control and dominate the entire country.

BEST WHITE MEN MUST FORM PUBLIC OPINION.

"As I see it, we have this matter now in our own hands. Men such as you do not have to change your convictions or your practice. You wish to deal justly with the negro and you do deal justly with him—out of self-respect if for no other reason. But this is not enough. You must take one step further. You must recognize your responsibility as leaders. You must see to it that other white men who have not your culture or your wisdom do nevertheless act as if they had both. This is the only means of achieving a tolerable government in any democracy. The best thought can rule a democracy if it will take the trouble. It must rule it if we are to get anywhere. It is especially true that only in this way can we make the negro safe and happy in the South and retain the better class among us. I will close with an illustration.

"I know a negro born and reared in the North—a graduate of the University of Iowa. He came to the South, and with little or no backing, giving his time in the most unselfish way, teaching in log huts and going through all manner of discomforts, he has developed a remarkable school on a farm in the piney woods. His conduct has commended itself to the white people of his neighborhood, and they are among his most enthusiastic supporters, though he has also held his northern friends. After getting the school started and having lived in the South several years, he returned to Iowa, married a negro woman, also born and reared in the North and who was a teacher, and they now carry on this work together.

"These people seem genuinely religious, and they are certainly practical. When school reassembles after vacation each returning pupil is expected to tell in assembly what he did in a practical way to carry the ideas of the school to their neighborhood, and the simplicity of many of the recitals and the humbleness of the things done brings tears to one's eyes. The spectacle of these young lives, thus responding to the call of duty, of brotherhood, and of the higher life, is most affecting.

"Since the race has produced a few such persons, we have the right to hope that others like them will be developed. If we can produce enough teachers and leaders of this stamp, negro crime will greatly diminish and some day we may even develop enough negro leaders to be able to send them to Christianize and civilize the 150,000,000 negroes of Africa. This would be a great contribution to the solution of that world-wide race problem which may, indeed, threaten the peace of mankind in spite of the great league our President has gone to Europe to complete and from which we all expect so much.

"The white race of the South belongs to the most advanced race in the world—the negro, perhaps, to the most backward. If he can be inspired by our action and our ideals to develop such leadership as I have suggested, we will have demonstrated that the presence of the yellow races and the white races on the same planet need not necessarily prove an unsolvable problem—that there are, in fact, no problems which Christianity, robustly applied, can not solve.

"[NOTE.—That the views expressed in the above paper have, in part, been held for some years will be apparent from the following remarks taken from the baccalaureate address which I delivered at Peabody College for Teachers, Nashville, Tenn., on June 2, 1915:]

"This is a southern institution, controlled and managed by southern men. It has loyally served the South for more than a generation, sending out thousands of consecrated men and women inspired by the world's highest ideals, who in their turn have given of their best to the South. It is to-day sending you to continue that work. It is established to 'pay the debt due from present to future generations.' Where in all the world should southern problems be discussed with frankness and sincerity if not here? When, if not now?

"But for the race problems of Europe and the refusal of the dominant races there to deal with them in the spirit of justice and sympathy, I believe the war would not have occurred. It is unlikely that those responsible have ever dreamed to what a pass these acts of injustice would bring their world and imperil their own most cherished interests; yet this has happened. Some one has said that misery is the greatest social solvent, that under its influence society tends to become dissolved into its primitive elements. I believe that this can be said with even greater truth of injustice, of which misery is but an effect.

"Injustice works like subterranean waters, opening fissures, excavating caverns, rendering everything insecure; but when the crash comes we look for an outward explanation though the reason should be sought within. Is it not ever the same old story? If we wait long enough do we not always find that God's laws are self-executing, that injustice brings punishment?

"'He who watches over Israel neither slumbers nor sleeps.' 'Are we not all His children and the sheep of His pasture?' 'Be not deceived, God is not mocked, for whatsoever a man soweth, that shall he also reap.' 'Keep thy heart with all diligence, for out of it are the issues of life.'

"Look into the heart of man, for the cause of everything that happens to him is there.

"All the poised balances of God would swerve
Did men not get the blessings they deserve;
And all the vigorous scales of Fate would turn,
Did men not get the punishment they earn.

"There is also forgiveness, but only to those who have realized deeply that, first, there is law.

SLAVERY NOT A SOUTHERN INSTITUTION.

"In this spirit let us turn to the consideration of our own race question; and we may well begin with slavery, which was a colonial and not a southern institution. To call slavery a southern institution is to sin against history in a still more important aspect. The South was pure Anglo-Saxon and slavery was as alien to the Anglo-Saxon as were despotism and sloth. You may call slavery anything you will—Portuguese, Spanish, Roman, oriental—but you can not call it southern in the sense in which we use the word. There never was any reason why our people should have felt called upon to defend slavery, and our idealists, beginning with Thomas Jefferson, never did defend it. I firmly believe that as practiced in the South it was a more kindly and less harmful institution than it ever had been anywhere else. But even with us it arrested intellectual and spiritual, and therefore literary, development. Aristocracy always has this tendency, as does any institution which degrades toil and holds back the common people.

"In time of war the laws are silent. Slavery set up the consecrated war as the permanent God-established relation between labor and capital. No discussion could be permitted which did not directly or indirectly tend to strengthen its hold upon the public mind. You might as well expect a child in swaddling clothes to learn to walk as to expect intellectual, spiritual, or literary progress from a people whose thinkers and writers were thus muzzled; whether consciously or unconsciously does not matter, the effect would be the same, perhaps greater, if unconsciously.

"Therefore, we can say that slavery was legalized injustice, the effect of which was not limited to the black man, and that in bringing it to an end the Anglo-Saxon people who chanced to settle in the Northern States rendered their brethren of the South, and especially the poor white people of the South, perhaps the greatest service one people ever rendered another. The mountaineers and other poor whites of the South represent part of the price we have had to pay for slavery. The emancipation proclamation freed them as really as it did the negroes; more so, in fact, as their future is more unlimited. They are naturally a fine race, but slavery had no permanent place for the white man who worked with his hands. He was forced to the poorer soils and the remote regions where the wealthy planter with his slaves did not care to follow. Slavery acted as a wedge driven through society, elevating those above, but forcing down those below.

PROGRESS OF THE SOUTH SINCE EMANCIPATION.

"The way in which the South has leaped forward since the war shows it must have been straining at the leash before the war. These verses addressed by the great English poet, Alfred Noyes, to the purified England which he believes will emerge from this war, could have been addressed to the South after her emancipation:

"And captains that we thought were dead,
And dreamers that we thought were dumb,
And voices that we thought were fled
Arise and call us, and we come;
And 'Search in thine own soul,' they cry,
'For there, too, lurks thine enemy.

"'Search for the foe in thine own soul,
The sloth, the intellectual pride,
The trivial jest that veils the goal
For which our fathers lived and died,
The lawless dreams, the cynic art,
That rend thy nobler self apart.'

"Therefore a Power above the State,
The unconquerable Power, returns.
The fire, the fire that made her great,
Once more upon her altar burns,
Once more redeemed and healed and whole,
She moves to the Eternal Goal.

"If the war in Europe seems to have a message for us, it is not because I believe that our race problem will involve physical conflict. I do not know what will come of it; probably something quite different from what we anticipate. But I do not believe there are two compartments in the brain which concern themselves with justice—one with justice to the white, the other with justice to the black. I am not thinking of the man who is lynched so much as of the law which is lynched; of our ideals which are degraded; of our youth who are perverted.

SOUTHERN WOMANHOOD.

"I know the spiritual leaders of the southern people do not approve of these things, but I fear many think they are the price we must pay for white domination and should not be condemned openly. It is the old dualistic idea that God holds only a limited sway in this world. With that in our hearts our faith can never become robust enough to lead us through the dangers of this complicated civilization. But a change is taking place. Recently the ladies of the Nineteenth Century Club in Memphis held a meeting presided over by Mrs. Isaac Reese, formerly of this city. They protested against a lynching which had taken place in Somerville and unanimously adopted resolutions. They declared that they did not desire the protection of lynch law, as it undermined the moral spirit of their husbands, their brothers, and their sons, and of the community in which they were to bring up their daughters.

"These resolutions remind me of an incident which took place in the old statehouse at Jackson, Miss., in the middle of the last century. It was told me by Gen. West, of Holly Springs, who was present. A Whig State convention was in session. The great orator, Sergeant S. Prentiss, rose as chairman of a committee to make a formal report, but in the course of his remarks drifted to the subject, ever near his heart, of the threatened repudiation of the Planters' Bank bonds. The news that Prentiss was speaking spread like wildfire. Everyone dropped his work and ran to the capitol, the ladies thronging the gallery. Prentiss was not aware of their presence until, in one of his flights, he looked up and saw them. He stopped and, changing the character of his argument, addressed his remarks to them. He told them that the esteem and veneration in which they were held was the flowering of the highest and best in man. He pointed out that any act by which man compromised with his highest convictions and consented to a life upon a lower level lessened his self-respect and would be sure to lessen his respect for woman. Therefore he appealed to the women of Mississippi to join him in a crusade against repudiation.

THE BASIS OF ASCENDANCY IS SERVICE.

"One night two years ago, while on a street car going to one of the commencement exercises at Fisk University, I witnessed the following incident: The car was almost filled, there being, I believe, no vacant spaces except the end seats of two benches across the aisle from one another; on one of the benches sat a white man, on the other a black man. A negro entered and, no doubt, blinded by the sudden light sat down beside the white man. It was plainly an excusable mistake which the negro would have rectified of his own motion in an instant. The white man, however, did not wait or call his attention to his mistake, but threw him across the aisle into the opposite seat. The man appeared to feel justified in what he had done; no doubt he thought the white supremacy required such a course of action. I do not believe he had ever been told otherwise by any of the organs of opinion which commanded his confidence. The late Edgar Gardner Murphy, himself a southern man, showed that the basis of ascendancy is service; but our schools, churches, and papers must teach this doctrine if such incidents are to cease.

A SOUTHERN TRIBUTE TO A NEGRO.

"In 'Commerce and Finance,' published in New York City by the great cotton authority, Theodore H. Price, a southerner, I read the following:

"Hannibal Beatty died the other day at Yorkville, S. C. He was born a slave and never rose above the station of an humble worker, yet the whole city joined in paying tribute to his memory. He was sexton of one of the churches of the white folks for 46 years—the church of the 'quality'—and for 41 years he was also the janitor of the courthouse. By the compelling power of a long life of faithful, honest service he won the respect of everybody. If ever he gave offense to white or black the circumstance is not of record, says the Yorkville Enquirer, one of the best newspapers of the South. Courteous, faithful, kindly, and obliging he exemplified in his character the best qualities of his race.

"When he came to die he had one request to make; that was that he should be buried from the church of which he had been the sexton so long. The services were conducted by the white pastor, with the negro clergyman of the Methodist Church of which Hannibal was a member, assisting. The church was crowded with whites and blacks in about equal numbers. There were many floral offerings from both races.

"Most remarkable of all the tributes was that bench and bar, city and county officials, and officers of the church acted as pallbearers.

"Yorkville honored itself in honoring Hannibal Beatty. He played well his modest part and man can do no more. He was a credit to his race in his living, and in the tribute paid to him in his death there is abiding proof of the affection in which the southerner holds the worthy and faithful black.

"The street car incident I have described might have happened in Memphis or any other southern town, and the victim might have been Hannibal Beatty, this much-respected negro; and there can be no effective redress in our present state of public opinion.

'NOBLESSE OBLIGE.'

"If the Northern States had all been sunk in the sea before our Civil War, the Southern States would have freed the negro sooner or later. A prerequisite to the settlement of the race problem is that we shall treat it precisely as if the negro had been freed by southern legislation. I believe that we are at bottom more interested in these weaker people than we are willing to admit, and that the time is coming when our best people will speak out. I hope to see the day when our teachers will prepare our children for the right attitude toward the negro by telling them all about his African home, the conditions which have delayed his development there, the opportunity which his presence in our midst gives us to raise him, the obligation of every person of the higher race to bear with him and to help him. I believe that such talks will have real effect on the lives of these children and help them to deal with their own problems of right and wrong, of God and the soul. Let their maxim be 'noblesse oblige.' Is not this the way to fit our children for the maintenance of white ascendency?

NEGRO SELF-RESPECT NECESSARY.

"We sincerely wish to improve the negro—for his good and for our own—but we do not stop to consider that self-respect is as essential to his improvement as it is to ours. It is God's way of pointing the upward path. The matter must be explained to our people in order that the white man with whom the negro may be brought in contact shall understand that it is not manly to humiliate him. Harris Dixon makes Old Reliable say of Col. Spottiswoode: 'Cunnel never makes a nigger feel like a nigger.' Can't we imitate the colonel a little more?

"The question of the mingling of the races is in no wise involved. The more respect we show for those negroes who deserve respect, the more self-respect will they develop and the less mingling of blood will there be. Instead of longing to be white they will look forward to being decent, God-fearing negroes, filling such places as their capacities fit them for, and thankful for the protection, education, and development which their residence in a land of high-minded Christian white men has obtained for them. If, in the period of transition through which we are passing, it seems to us that many of them have looked forward to losing themselves in the white race rather than to developing a deserving colored race, is it not because they, following what they took to be our opinion, have found so few examples of what was good among their own people? I would lose my confidence in God if I did not believe that the religion which I profess is as open to the soul of a black man as it is to mine; and I do believe that in a universe where I see harmony on every side there is a way by which our instinct for race preservation and our instinct for justice can each be given full play.

"It is true, wherever people of different races have dwelt together for long periods of time, there has been a mingling of blood, but this has been along the lowest levels—outside the marriage bond—and in lands where no attempts were made to raise the lower race. No people have treated the subject race with the justice with which the southern people have treated the negro; he has never been given the same opportunity for Christianity and education elsewhere. The present case, therefore, is without precedent; and I believe that if we will continue to follow our God-given instincts we will find here, as elsewhere, that they furnish the best protection. Since our present methods have not prevented the mingling of races, why not try a treatment more nearly in accord with Christian ideals? Perhaps that will work better. If so, we would have one more evidence of the efficiency of our religion.

THE HAND OF GOD.

"Might it not be that the negro has been placed in our midst that he may receive the education in Christian character and service which perhaps this people alone of all the peoples of the world can give him? Negroes thus formed and under the guidance of white missionaries are now going to Africa; and as their number increases and character improves, may not we, through

their help, be the principal influence in the redemption of the 150,000,000 of natives now in Africa—all brought about through the institution of slavery played upon by the religion of Jesus Christ? Under God nothing seems impossible. If we do but meet this question in the spirit in which Christ would have us meet it, will not His blessing go with us even unto the end?

THE NEGRO AND THE BALLOT—1919.

"The paper of March, 1919, was intended merely to suggest the line of thought along which I hoped a solution might be found by those more familiar with the question than I, and it made no pretense of being a complete statement of even my own opinions. But many have asked what my position is with reference to the negro and the ballot, and I take the opportunity presented by the publishing of a second edition to answer that question, which under present conditions seems to be largely a question of negro leadership. I am especially anxious that no colored man into whose hands my paper may fall should remain in doubt as to my position, which is substantially the position of all southern friends of the negro with whom I am acquainted, and of most northern friends.

AMERICA A WHITE MAN'S COUNTRY.

"America is now a white man's country, and a white man's country I hope it will remain, with all that this implies. This is no new opinion on my part.

"Some 20 years ago I delivered an address at Greenwood, Miss., at the annual meeting of the editors of that State. I urged an agitation for the repeal of the fifteenth amendment in order that those States in the South in which the negro population was numerous might be free to bar him from the suffrage if they chose to do so. I still believe such an agitation should have been undertaken and that it would have been successful. That nothing was done was, no doubt, due to the fact that the Anglo-Saxon is in the habit of meeting difficulties only as they present themselves. He doesn't borrow trouble. The negro was under white control and it seemed of small importance whether that control was exercised in accord with the spirit of the Constitution or not. Force was then the only method relied on. But if the South is to attempt the control of the negro even partly by other methods, the question of the suffrage must be faced. Yet the situation is full of hope, for there is a good deal of evidence that the North is moving in our direction and will view with sympathy any serious effort we make to reach a reasonable solution of the race question.

"As the negro becomes more numerous in the North a feeling seems to be developing there similar to that which is found in the South. If the negro threatened to become the dominant factor in the political life of any northern community which he would be in the political life of the Southern States, in the event his votes were all cast and counted as cast, I am sure such northern community would soon be found using methods of control which will maintain white domination. My reasons for believing this are many. I can mention only a few.

"I sent a copy of my pamphlet of March, 1919, to an old Indianapolis friend. His father was in the northern Army and he himself has been a Republican all his life. Although a most kindly man, he writes me as follows:

AN INDIANAPOLIS REPUBLICAN.

"I read your pamphlet through when it came. It seems to me you have a sane view of the negro question, but I would think that your argument against coeducation would be much less pertinent in the South than in the North. There you do not attempt to put black and white children together, do you? Here we do, and, as I believe, with bad effects. As I observe the negro in Kentucky and in Indianapolis, I note this difference: There the class distinction between the two races is so sharply drawn that neither obtrudes upon the other. If the negro has his own railway coach, his own waiting room, and his own school and church set apart, the whites are not supposed to obtrude upon him any more than he upon them. So far as I can tell, he accepts this as the established order of things and feels no especial resentment about it. Contrariwise, in Indianapolis, which is known as 'the nigger heaven,' where the races intermingle much more freely, we find the black man fairly obsessed with a sense of his 'rights,' and, being a child psychologically, and a spoiled child at that, his idea of what his 'rights' are carries with it no sense of propriety or of the other fellow's rights.

"Nobody knows just what he wants, presumably he does not know himself, but his characteristic attitude is resentful, sullen, and insolent. Coeducation and a general mixing up of the children fosters this. If the white children in their play segregate, leaving the negro children the privilege of also segregating, then the latter consider themselves flouted. Among the adults I have observed that a negro who goes into business has small chance to succeed among his own people, who prefer to deal with the whites, because they want to butt in among the whites whenever and wherever possible. The greatest satisfaction they derive from this, as nearly as I can size the thing up, is when by becoming patrons they can also become insolent, which seems to be their idea of 'being as good as white folks.' During the last three or four years I have had some business relations with negroes of this kind as a landlord. I went into a negro neighborhood with a sincere desire to not only do the best I could for my tenants but to help the neighborhood. During that period I have accumulated a disgust and prejudice toward the race that I never had before. I doubt whether the same thing would have happened in the South, or, in other words, I think the things that repel me have arisen out of the false notion that there is no difference between the races. In my opinion, the sense of class distinction is based not on injustice and an arrogant idea of superiority so much as an elemental instinct, and he who will not recognize that instinct is simply a sentimentalist.

"In the summer of 1918 people in Philadelphia, Quakers, with whom I am on intimate terms, told me how their feeling toward the negro had been changed as the result of the behavior of the large number of negroes then coming into Philadelphia from the South.

THE NORTH "TIRED OF THE NEGRO."

"Not long ago a nation-wide appeal for an antilynching conference was issued to meet in New York City. At Carnegie Hall, where Mr. Hughes spoke, the audience was evenly divided between whites and negroes, but at the working meetings there were few whites. The northern white people showed little interest. A friend of mine from Mississippi, who was present, asked a Boston man for an explanation. The reply was, 'We are getting tired of the negro and are about ready to drop him.'

FIFTEENTH AMENDMENT HARMFUL TO NEGROES.

"In suggesting the repeal of the fifteenth amendment I had in mind not only the good of the white man. Only those who realize the harm the fifteenth amendment has done the negro in the South are in a position to understand the benefit which would follow its repeal. It has given him no right which he now enjoys, but it has served as a justification for violence and has driven his friends to cover and kept most of them there. As I write, the program of the northern negro leaders that the southern negroes organize for political action constitutes a menace to negro progress in the South which it is impossible to exaggerate. A prominent southern man who is giving his life to work with the negroes states that in his opinion the attempt to carry out that program 'will set back the work for 50 years.' It can not help the negro in the South, but it will precipitate clashes between the races here and thus arouse the northern negro masses so that they will become more completely subject to the will of their leaders, some of whom are pure fanatics, but most of whom are Republican politicians or subject to their control.

"I do not deny that the negro has a natural right to a voice in his own future. The difficulty arises from the fact that when he and white people live in the same locality it is hard to give him such a voice without at the same time giving him control over the white people and over their future in all communities in which he is numerous. White people simply have not enough confidence in the negro to run the risks involved.

CAN THESE RIGHTS BE RECONCILED?

"When I made the Mississippi address to which I referred I remember feeling that if the fifteenth amendment were repealed I, as a citizen of Tennessee, would have been willing to have the franchise given to all negroes possessing a certain amount of property, to all doctors, lawyers, and teachers possessing the right to practice or teach in our own State, and to all ministers possessing a solid education. Thus would we have constituted a separate and privileged class of negroes to which other negroes would look up and of which they would, by thrift and industry, strive to become members. It seemed to me that such a body, even though small, would exercise an influence in politics greater than that of the present negro population with their supposed right of universal suffrage, for this small group would be acting under a law freely adopted by white men, and, therefore, having the open support of dominant public opinion.

"The southern people, following the Anglo-Saxon habit of not borrowing trouble, show no intention of demanding the repeal of the fifteenth amendment. Yet we do need some form of negro representation, if only that we may be authoritatively informed of their wishes, and if some arrangement can be made by which negroes such as I have referred to can be allowed to vote and to have their vote counted, good results would be sure to follow. Such action would do much to satisfy the negro and yet in nowise threaten white control. I believe this can be brought about if our leading citizens will enter into sympathetic relations with the sane southern colored leaders in their own neighborhood and show by their acts that they are sincerely interested in the improvement of the vocational and agricultural education of the negro and in the protection of his person and property.

THE NEGRO LEADER.

"By listening to the suggestion of our best negro leaders we increase their importance in the eyes of other members of their race and aid them in maintaining their leadership. The negro is not lacking in sense, and when the northern negro press stigmatizes sane southern negro leaders as 'white man's niggers' the average southern negro will turn a deaf ear if he sees before him benefits obtained through the cooperation of

such southern leaders. But we must not blink the fact that the reputation of the southern negro leader who wishes to cooperate with the white man is already under a cloud and we must soon come to his aid or it will be too late. Many instances within my personal knowledge prove this. Here is one of them:

"In the issue of the Crisis of May, 1919, its editor, Dr. Du Bois, made a violent attack on Dr. R. R. Moton, who succeeded Booker Washington as president of Tuskegee. Dr. Du Bois charged, in effect, that Dr. Moton had warned negro soldiers in France against making extreme demands when they returned home, and had otherwise played into the hands of the white man. Shortly after this issue reached its readers Dr. Moton spoke at Fiske University in explanation of his course abroad. Normally the appearance in their midst of so eloquent, prominent, and heretofore trusted a negro—one who had only recently been honored by the President of the United States with a mission to our colored troops abroad—would have brought to the meeting a large number of the negroes of Nashville. The effect of the Du Bois attack, unsupported though it was by any proof, was to keep most of the negroes away from the meeting. The practical question is, How can this broken tie be mended?

COURAGE NEEDED.

"To conclude, America is and must remain a white man's country. The only question is, Shall this end be achieved by the Prussian method of pure coercion or shall we give sympathy and justice a fair trial? But if we are to attempt the latter course all men of good will must come into the open and become known to one another and to the public.

"This is necessary when any effective action is proposed, but it is especially necessary when men are entering on an untried course—one where their actions are subject to so many misunderstandings. It is a new thing for Southern white men, openly, to take an aggressive position in favor of justice for the negro. To do so is still apt to be looked upon as mawkish sentimentality, if not something worse. If any progress is to be made we must realize it is not enough for us to treat the negro fairly ourselves. We must cooperate in the formation of a public opinion with reference to the duty of a white man to act 'white'—especially toward this weaker race. All must be made to feel that it is unmanly to mistreat or to humiliate a negro.

THE WARD OF THE SOUTH.

"The negro has been called the ward of the Nation. He must become in a peculiar and very definite sense 'The ward of the South.' We are glad he was emancipated. We have forgotten all that was harsh or partisan in the methods by which this was brought about. We must henceforth take up the problems raised by his presence in our midst, precisely as if they were of our own making. We must approach them in the spirit we would have brought to their solution had slavery been abolished by our own votes. It is the American way, the democratic way, the Christian way, and the only way offering any hope."

THE IRISH IN HISTORY.

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York American of October 26 last.

The PRESIDING OFFICER. Without objection, that order will be made.

The matter referred to is as follows:

[Interview by Senator THOMAS P. GORE published in New York American Oct. 26, 1919.]

"As a native of Mississippi I love to quote what Mississippi's greatest orator and what one of America's greatest orators had to say concerning the sons of Erin:

"It has given the world more than its share of genius and of greatness. It has been prolific in statesmen, warriors, and poets. Its brave and generous sons have fought successfully all battles but their own. In wit and humor it has no equal; while its harp, like its history, moves to tears by its sweet but melancholy pathos.

"These words, as true as eloquent, fell from the lips of Sergt. Smith Prentiss on a historic occasion in New Orleans.

"In every forum where the champions of liberty have been permitted to plead her cause has been heard the voice of Irish eloquence. On every battle field where men have died for liberty will be found the graves of Irish heroes. Every cabinet to which worth can win its way has been adorned by Irish genius and statesmanship. Irish valor helped to win American independence and Irish chivalry helped to maintain the American Union.

"If it be true that one swallow does not make a summer, it is equally true that one snowbird does not make a winter. No one vandal, however willing, can destroy the monuments of Irish genius. No one iconoclast, however powerful, can demolish the statues which commemorate the virtue and valor of Ireland's sons. No one Mussulman, however anxious, can burn the libraries or blot out the brilliant and consecrated pages on which are inscribed the sufferings and the sacrifices of Emmet and his countrymen.

"The Democratic Party owes the Irish vote a debt which it can hardly pay. It is in debt to the Irish Democrats for every Democratic victory since the Civil War. The following language will be found in the National Democratic platform of 1892:

"We tender out profound and earnest sympathy to those lovers of freedom who are struggling for home rule and the great cause of local self-government in Ireland.

"Similar assurances are contained in other platforms. Shall Democracy keep the word of promise to the ear and break it to the hope?

"Immortal little island,
No other land or clime
Has placed more deathless heroes
In the Pantheon of time."

LEAGUE OF NATIONS.

Mr. EDGE. Mr. President, I ask unanimous consent to have inserted in the RECORD an extract from the Paris Temps, one of the leading newspapers of Paris, reprinted in the New York Times, referring to the favorable disposition on the part of the French of the reservations as voted for by a majority of the Senate; likewise a clipping from the Washington Post quoting an interview with Lord Burnham, of England, discussing the same question as to the favorable reception of the proposed reservations in England. In view of uncertainty as to the feeling abroad, I think it might be useful that these discussions by authorities with reference to the reception of the reservations on the other side should appear in the RECORD. I ask unanimous consent that they may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, leave is granted.

The articles referred to are as follows:

[From the New York Times, Dec. 7, 1919.]

TEMPS DEFENDS THE SENATE—SAYS ITS RESERVATIONS ARE NOT A DISAVOWAL OF THE CONFERENCE'S WORD.

PARIS, *December 6.*

"The legend of the American reservations" is the title of a Temps editorial discussing the United States Senate's reservations, which, it says, are not understood in France. The paper takes the view that even if these reservations make necessary certain retouching of the league of nations covenant, "they do not contain anything which authorizes the Allies to reject American ratification effected under such conditions."

Respecting the Shantung reservation, the Temps says:

"It would certainly be in direct opposition to the treaty if China had signed, but the articles refer to Chinese territory, and China has not signed the treaty. So everything is in suspense. The American declaration changes nothing in the existing situation. The rights of each party remain intact; Japan remains in possession of the object of litigation."

The writer continues:

"Who would quibble with the United States on the reservation dealing with the Monroe doctrine? Not France, certainly, who is fully resolved to decide what questions shall fall solely under her internal jurisdiction."

The Senate's interpretation of the first article of the treaty of Versailles, which is also the first article of the league of nations covenant, Le Temps says, "is not contrary to the treaty," and adds: "What force, may we ask, could retain the United States in the league of nations if, after two years' notice, it considered it had the right to withdraw?"

The Temps points out that the supreme council yesterday authorized the Jugoslavs to formulate reservations in acceding to the annexes of the St. Germain treaty, and declares that the pretense that the United States Senate's reservations are a disavowal of the conference's word at Paris is a mischievous legend, to which it is time to oppose the truth.

The paper prints a careful translation of all the Senate's reservations.

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[From the Washington Post Dec. 9, 1919.]

UNITED STATES VOTE UNDERSTOOD—BRITISH NOT ALIENATED BY SENATE'S ACTION ON TREATY—LEAGUE NOT POPULAR THERE—AMERICA'S RELUCTANCE TO MIX IN EUROPEAN AFFAIRS APPRECIATED, WRITES LORD BURNHAM—SEES GROWTH OF ENGLISH DOMINIONS INTO PREDOMINANCE.

[By Lord Burnham, proprietor of London Daily Telegraph. (Special cable to the Washington Post and Public Ledger.)]

LONDON, *December 8.*

I do not think the great mass of the British people are in the least alienated by the political campaign which is at present being waged in America. We all know enough of democratic methods to take a broad view and I hope a long view.

The league of nations has never held a strong place in the affections of the British people—by that I mean it was never popular—and Britons felt that it was entirely America's own affair whether they accepted the principles of the league or not, and nobody here conceives that the Republican Party, in taking the action it has in the Senate in regard to the peace treaty, is actuated by hostility or even indifference to Great Britain.

INFLUENCED BY TRADITION.

The British grasp the fact that Americans are influenced in their hesitations by the traditional principles of American policy which have come down from the fathers of the Constitution, and I for one, with some knowledge of American politics during my public life, can appreciate very well the reluctance of the body politic in America to take upon itself the great and indefinite burdens of European affairs, which, before the war, all parties in America were agreed in recommending their constituents to keep clear of.

Whether that is possible amid the wreckage of the old European system is another matter. In the designation of Bismark, who is often quoted as a "good European," perhaps everybody does not see that the collateral phrase "good American" is to some extent the opposite conception.

PRINCE'S WELCOME APPRECIATED.

Of one thing, I am sure, the American people could not have done anything better calculated to remove any impression of coldness, or shall I say a cooling down of the spirit of war comradeship, than to have offered so whole-hearted a welcome to the young Prince of Wales, who is regarded as the very type of what a young Briton ought to be.

Looking forward, it is clear that as the British dominions are certain of their constitutional independence, so there will grow up a loose confederation of opinion and interests which will transcend all legal forms and be expressed in no organic statute and which, in the nature of things, is bound to be a predominant and preponderating influence in shaping the future destinies of the world. We may call it in Briton the communion of the British spirit, as Anglo-Saxon is not a term which we are fond of using, but it really means the spirit of the war and peace.

INTERESTS MUST DIFFER.

In regard to Anglo-American relations, what I always fear is that we expect a little too much of each other. The viewpoint of America and Great Britain can never be the same and never ought to be the same. In some ways, though common speech makes undoubtedly for common habits of mind, it is in a sense something of a danger because every casual criticism and even smart patter by those who feel themselves obliged to be smart at any cost, is heard and understood to an extent very different from what is the case with nations speaking a different language, when both command and comprehension are very limited.

It is often said that all masterpieces suffer by translation. Commonplace talk loses much of its point and at times much of its poison in the process, and its rough angles may be smoothed, its glitter may be dulled, and so also its sharpness.

AMENDMENT OF WAR-RISK INSURANCE.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 8778) to amend and modify the war-risk insurance act, and requesting a conference of the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMOOT. I move that the Senate insist upon its amendments and agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. SMOOT, Mr. SUTHERLAND, and Mr. WILLIAMS conferees on the part of the Senate.

PONTOON BRIDGE ACROSS CHATTAHOOCHEE RIVER.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 137) authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes, which was to strike out all after the resolving clause and insert:

That the Secretary of War be, and he is hereby, authorized in his discretion to construct and maintain a pontoon bridge across the Chattahoochee River at West Point, Ga., and to loan to the city of West Point, Ga., without expense of transportation to the Government, the necessary material for such construction now in possession of the War Department, and not needed for immediate use: *Provided*, That the use of such bridge as a highway under the supervision, regulation, and control of the duly constituted authorities of said city of West Point, Ga., is hereby permitted for such time as the Secretary of War shall determine to be necessary: *And provided further*, That all cost of construction shall be borne by the city of West Point, Ga., and the Secretary of War is hereby authorized to make such rules and regulations for the return of the material to the Government herein authorized to be loaned as he may deem necessary.

Mr. HARRIS. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Public Lands:

H. R. 202. An act to authorize the Secretary of the Interior to issue patent in fee simple to the county of Huron, in the State of Michigan, for a certain described tract of land for public-park purposes;

H. R. 1796. An act for the relief of William Holsten;

H. R. 5081. An act for the relief of James E. Adams;

H. R. 5213. An act for the relief of occupants and claimants of unsurveyed public lands in township 8 north of range 2 west of Salt Lake meridian, Utah;

H. R. 6136. An act authorizing the Secretary of the Interior to sell certain lands to school district No. 21 of Fremont County, Wyo.;

H. R. 6772. An act authorizing and directing the transfer approximately of 10 acres of land to rural high school district No. 1, Lapwai, Idaho;

H. R. 8084. An act granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes;

H. R. 8308. An act providing for an exchange of lands between the Swan Land & Cattle Co. and the United States; and

H. R. 8598. An act restoring to Amy E. Hall her homestead rights and providing that on any homestead entry made by her she shall be given credit for all compliances with the law on her original homestead entry and for all payments made on same.

The following bills were severally read twice by their title and referred to the Committee on Claims.

H. R. 795. An act for the relief of Arthur Wendle Englert;

H. R. 1266. An act for the relief of Mrs. Mamie Duffer, of Shannon, Miss.;

H. R. 1275. An act for the relief of W. L. Rose;

H. R. 1317. An act for the relief of Robert T. Legge;

H. R. 1789. An act for the relief of Thomas P. Darr;

H. R. 1791. An act for the relief of O. W. Lindsley;

H. R. 1856. An act for the relief of Arthur J. Burdick;

H. R. 1865. An act for the relief of the Baltimore Dry Docks & Shipbuilding Co., owner of a dry dock at Baltimore, Md.;

H. R. 2740. An act for the relief of Maude H. Mosher;

H. R. 3210. An act for the relief of Joseph A. Prat;

H. R. 3211. An act for the relief of Emma J. Spear;

H. R. 4382. An act to confer on the Court of Claims jurisdiction to determine the respective rights of and differences between the Fort Berthold Indians and the Government of the United States;

H. R. 4927. An act for the relief of Nancy A. Parsons, C. M. Parsons, D. F. Staggs, Ollie Staggs, Roas Staggs, Lena Birchfield, Alice Birchfield, Bertie Gwin, Greely Gilbert, Linville Gilbert, and Nelson Gilbert;

H. R. 5238. An act for the relief of the Cleveland Trinidad Paving Co.;

H. R. 5346. An act for the relief of the Eastern Transportation Co.;

H. R. 5807. An act for the relief of John T. Adams;

H. R. 6291. An act for the relief of E. Willard;

H. R. 6407. An act for the relief of Michael MacGarvey;

H. R. 6522. An act for the relief of F. M. Barfield;

H. R. 6773. An act for the relief of Albert C. Burgess;

H. R. 6881. An act for the relief of Joseph A. McCarthy;

H. R. 7900. An act for the relief of Rudolph L. Desdunes; and

H. R. 8645. An act for the relief of Lawrence Bendich and Anthony Vezich.

H. R. 9089. An act releasing the claim of the United States Government to the block or square of land in the city of Fort Smith, in the State of Arkansas, upon which is situated the old Federal jail, to the city of Fort Smith, for a site for a convention hall, community building, or other public purposes, was read twice by its title and referred to the Committee on Public Buildings and Grounds.

H. R. 10847. An act granting the consent of Congress to Marion County, State of Mississippi, to construct a bridge across Pearl River, in Marion County, State of Mississippi, was read twice by its title and referred to the Committee on Commerce.

H. J. Res. 80. Joint resolution to correct an error in the wording of the appropriation of $71,000 made in the act approved July 9, 1918, and to authorize the Secretary of War to pay said sum to respective parties entitled thereto, was read twice by its title and referred to the Committee on Military Affairs.

H. J. Res. 263. Joint resolution extending the time for filing final report of the Joint Commission on Reclassification of Salaries, created by section 9, Public, No. 314, Sixty-fifth Congress, approved March 1, 1919, to a date not later than March 12, 1920, was read twice by its title and referred to the Committee on Appropriations.

WATER-POWER DEVELOPMENT.

Mr. JONES of Washington. Mr. President——

Mr. LODGE. I yield to the Senator from Washington.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of Calendar No. 155, being House bill 3184, commonly known as the water-power bill. I will say that I simply desire to make the bill the unfinished business, and will not proceed further with its consideration at this time.

Mr. KING. Mr. President, will the Senator yield?

Mr. JONES of Washington. Certainly.

Mr. KING. I desire the attention of the Senator from South Dakota [Mr. STERLING], as I understood that Senator, under some arrangement which he was to make, was to have the right of way—if I may be permitted to use that expression—for the consideration of what has been improperly denominated the sedition bill. I had hoped that that bill might be made the unfinished business.

Mr. STERLING. I will say to the Senator from Utah that I had also hoped that the sedition bill would be made the unfinished business. I fully expected that it would be, and I am disappointed that it is not to be made the unfinished business, as a decision otherwise has been reached. I yielded reluctantly to that decision, with the understanding that at some time dur-

ing the first week after the reconvening of the Senate, following the holiday recess, there would be opportunity to bring on the sedition bill.

Mr. KING. Mr. President, I should like to ask——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Massachusetts yield to the Senator from Utah?

Mr. KING. I beg pardon of the Chair and also of the Senator from Massachusetts.

Mr. LODGE. I yield to the Senator.

Mr. KING. I should like to ask the Senator from Washington how much time he thinks the bill to which he has just referred will occupy?

Mr. JONES of Washington. Of course, no one can tell. I hope that we can dispose of it in two or three days after we meet in January. I hope that we can dispose of both the water-power bill and the so-called sedition bill during the first week of the session in January. I am heartily in favor of both measures.

Mr. KING. Is it similar to the bill dealing with the same subject which has heretofore been considered, called the Shields bill?

Mr. JONES of Washington. It deals with the water-power subject. It is a House bill. The House passed a bill and the Senate Committee on Commerce took that bill up and have reported it to the Senate with some amendments without reporting a substitute. There are only three or four really substantial differences, and I think that we can get the bill through—we ought to do so, at any rate—in three or four days.

Mr. KING. If the Senator from Massachusetts will continue to yield, I am afraid that the optimism of the Senator from Washington will not be realized.

Mr. JONES of Washington. I said that the bill "ought to be passed" within that time.

Mr. KING. I think it will take a great deal of time. Of course, I appreciate the fact that the other side, through its distinguished steering committee or those in authority, have outlined as the policy of the majority side that the bill to which the Senator from Washington alludes shall have the right of way, so I can not protest.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Iowa?

Mr. LODGE. I do.

Mr. KENYON. I should like to ask the Senator from Washington if this bill has not been here, under discussion, for some 8 or 10 years?

Mr. JONES of Washington. The subject of legislation relating to water power has been up for several years. It has passed through the Senate one way and passed through the House another way at one time, and so on. As the Senator knows, at the close of the last Congress the bill had gone to conference, and the conference report had been made, and it was adopted by the House, but failed of action in the Senate.

Now, the bill is here. Everybody recognizes the importance of the bill referred to. I am heartily in favor of it. Everybody, I think, recognizes the importance of the bill. It is constructive legislation, and it is no secret to say that a committee on this side of the Chamber was selected to consider the various measures and determine what procedure should be followed. I think that is a very wise course to follow. Everybody recognizes that this side of the Chamber is responsible for legislation. If we can have orderly procedure with reference to bringing up the various measures, I think it will result in the passage of constructive legislation much more expeditiously than otherwise.

I do not desire to enter into any contest on the floor with the Senator from South Dakota as to recognition by the Chair, or as to making a motion to get up the bill. The committee that considered the matter decided that it was proper to bring up the water-power bill first, so I have made that motion.

Mr. KING. Mr. President, if the Senator will yield, some of the Senators upon this side are laboring under the view that the Senator has asked for the immediate consideration of the bill.

Mr. JONES of Washington. Oh, no; I am just moving to take it up in order to make it the unfinished business, and then I expect to lay it aside temporarily until the Senate meets after the recess.

Mr. KENYON. Mr. President, the Senator from South Dakota stated that a decision had been made by some one about these bills. I wanted to find out just who determines, and how it is determined, as to what bill shall come before the Senate.

Mr. JONES of Washington. Mr. President, as far as I have seen heretofore there has hardly been anybody to determine that. It seems to be the first one who can get recognition from the Chair and get an opportunity to make a motion.

Mr. KENYON. What is this decision that gives the Senator from Washington the right of way?

Mr. JONES of Washington. If the Senator will give me time, I will explain it. When it was found that the advocates of these two bills were anxious to have them considered, it was suggested, I think, by some that our steering committee get together and consider what was the wise course to follow in order to avoid a contest with reference to which bill should come up first; and, as I understand, a subcommittee of the regular steering committee were selected. They considered the matter, considered both bills, and recommended this arrangement; that is all.

Mr. KENYON. Is not the situation, then, that no bill can come up unless the subcommittee of the steering committee has so determined?

Mr. JONES of Washington. Why, no, Mr. President. A Senator can make a motion at any time if he has a bill that he wants to bring up, as far as I know.

Mr. KENYON. There are other bills of great importance on which we can not get any action.

Mr. JONES of Washington. I know it. I know a bill in which the Senator is interested, which I am just as strongly in favor of as he is, and I hope it will be taken up just as soon as possible; but if we are to have contests on the floor as to these various bills of importance, we will not get anywhere. That is the situation; and it is in the interest of legislation, I think, that some plan should be followed. I should like to see the Senator's bill made the next in order after this bill and the bill of the Senator from South Dakota, and I believe that the steering committee probably will recommend that that be done if the matter is brought to its consideration.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from South Dakota?

Mr. LODGE. Oh, yes; I yield.

Mr. STERLING. I simply wish to say that Senate bill 3317, the sedition bill, is now in the Senate in the process of its consideration. It has been amended, and reported by the Committee of the Whole to the Senate. I hope that when we reach the bill I may have the cooperation of all Senators who favor legislation of this kind. I think, as has been intimated already—I think the Senator from Washington agrees to it—that we will reach that bill during the course of the first week after the holidays.

Mr. JONES of Washington. I certainly hope so; and of course it rests entirely with the Senate now as to whether they will take up the water-power bill, or whether they prefer to take up another bill. I am simply discharging what I think is my responsibility in making the motion. It rests with the Senate whether they want to do it or not.

Mr. GRONNA. Mr. President, I do not know whether we are entering upon a new procedure of legislating or not. I realize that it is important to have a steering committee. I trust, however, that we shall not proceed to take up simply the bills that the steering committee may recommend. We may find ourselves in a position where even appropriation bills can not be properly disposed of unless they meet with the indorsement of the steering committee.

I had hoped, Mr. President, that we could proceed in the orderly manner of taking up the calendar to consider unobjected bills. Why this bill of the Senator from Washington should now be made the unfinished business rather than any other bill, I can not understand; and why the steering committee should have any more authority than any other committee to say which bill should have precedence, I can not understand.

Mr. LODGE. Mr. President, if the Senator will yield to me a moment——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Massachusetts?

Mr. GRONNA. I yield to the Senator from Massachusetts.

Mr. LODGE. I merely wanted to say that the Republican conference, as usual with all conferences that I have ever known about here in all majority parties, appointed a committee, known as the steering committee, but properly known and properly entitled a committee on the order of business. There were several bills pressing for consideration to be made the unfinished business. They took those bills that were pressing, and under the arrangement we made we have disposed of the sugar bill to-day, we have disposed of the compensation bill, and we

have carried the railroad bill into conference. That was part of that program, and it has been carried out.

The next thing was to decide what bill should be taken up and made the unfinished business to-day before we take the recess. The committee which the conference of Republicans appointed took up the matter through a subcommittee, and consulted with the Senator from South Dakota [Mr. STERLING] and with the Senator from Washington [Mr. JONES]. There were no other bills pressing. They concluded, as I understood—I was not on the committee—to have the water-power bill made the unfinished business, to give the Senator from South Dakota an opportunity to bring up his sedition bill in the morning hour, and if at a certain time the water-power bill had not been disposed of, to give him an opportunity to go on with the sedition bill and dispose of it. That was the arrangement.

Of course, it seems to me it is better to proceed in that way than for all of us to get up here on the floor, one after another, and struggle on the floor to have a bill taken up. That system means simply endless confusion. It seems to me this is the fairer and better way. It is the way that always has been pursued. Of course, if there is a better method of doing it, I have not a word to say.

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Alabama?

Mr. GRONNA. Yes; I yield.

Mr. BANKHEAD. I only desire to say a word.

Water-power legislation has been pending in Congress for eight years. The Senate has passed a water-power bill on three different occasions. The House has passed a water-power bill on two occasions. The last bill to which I refer went to conference and was agreed to in conference. We brought it before the Senate, and it failed of passage owing to a filibuster that was inaugurated during the last days of the session.

Now, I want to say to Senators that, in my opinion, this is one of the most constructive pieces of legislation that will come before Congress during this session. I know that there are millions and millions of dollars ready to be invested in water-power development, and I do not think anybody will say that the development of water power now is not as essential as the development of a coal mine or the running of a railroad. I am satisfied that we can pass this bill as it has been worked out by the two Houses certainly in one day when we get it before the Senate.

I do hope, under the circumstances, owing to the great importance attaching to this particular measure and this question, which affects every section of the country, that the Senate will consent to take up the bill, make it the unfinished business, and pass it promptly.

Mr. GRONNA. Mr. President, I simply want to state to the Senate that I feel that I have some responsibility in this matter. I was asked by my colleagues at the beginning of last session to serve on the committee on committees. That committee worked for three long days. That committee tried to deal fairly with all the Members of this body in the way of placing them on the various committees. A rule was adopted which provided that no Senator should be on more than two major committees and that he should have no right to serve as a conferee upon more than two major committees.

This rule, if we follow it, will give a new Senator the same privilege to help formulate and enact legislation as those who may have served for a longer period of time. The responsibility will be divided and placed on the entire membership and not only on a very few.

Now, Mr. President, I certainly do not wish to be held responsible for creating a committee or a condition here which shall have control of legislation or throttle at will such legislation as it may oppose, because that is what it would actually mean; and, in so far as I am able to do it, I am going to nip that plan in the bud. I want every Member of the Senate to have an opportunity to have his say. I want the Senator who happens to be young in service, who comes from a remote district or from a new State, I care not to which party he belongs, to have the same opportunity and to have as much to say with reference to legislation as I may have who happens to be older in service. I was a member of the committee on committees, which apportioned or made up these committees.

Mr. LODGE. Mr. President, if the Senator will allow me——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Massachusetts?

Mr. GRONNA. Yes.

Mr. LODGE. The committee on committees had nothing whatever to do with the appointment of this steering committee. That was done under a resolution passed by the Republican conference, and the committee was appointed by me under that resolution.

Mr. GRONNA. Yes; but I want to say to the Senator from Massachusetts in all seriousness that if this matter had not been dealt with fairly during that time, perhaps the Republicans would not have been in control of the Senate.

Mr. LODGE. I dare say. I was only speaking of how this committee came to be created, and I tried to make it as fair a committee as I could.

I presume what we have done is the exact course that has been pursued by every majority party which has been in control in the Senate.

Mr. GRONNA. I certainly find no fault with the leadership of the Senator from Massachusetts. I am not referring to the Senator from Massachusetts. But I want to let the Senate know now that I disapprove of any action which will ultimately mean that the so-called steering committee shall control legislation.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Iowa?

Mr. GRONNA. I yield.

Mr. KENYON. Does the Senator understand that the resolution authorizing a steering committee stated that that committee was to determine what legislation should be brought before the Senate?

Mr. LODGE. The word "steering" was not used in the resolution. It was to be the committee on the order of business.

Mr. GRONNA. I certainly did not understand that the committee on the order of business would have the sole power to say what legislation was to come before the Senate.

Mr. LODGE. Does not the Senator think that we should have a conference on the matter?

Mr. KENYON. I suggest that the Republicans have a conference to determine a legislative program and then go ahead with it.

Mr. JONES of Washington. Mr. President, let me suggest that this committee does not determine what legislation shall come up. It simply makes recommendations to the Senate, and if the Senate does not want to consider the water-power bill it will not do it.

Mr. KING. I suggest that this side of the Chamber is very much interested in legislation, and we shall be very happy to cooperate with the Senator from Iowa in selecting the best legislation for the good of the people to be enacted into law.

Mr. GRONNA. I agree with the Senator from Utah. I have been in the minority so long that I can sympathize with the minority. I do not believe it is fair for the majority to adopt a rule of this kind. I do not believe it is fair to the members of the majority, without a conference of all the members, to say what the legislative program shall be, and I know it is not fair to the members of the minority.

Mr. President, a very few Senators might in this way control legislation absolutely. If it is followed out, you can say absolutely what bills shall pass, what bills shall be considered, and what bills shall not be considered, and as one Member on this side I resent it. But I will say now to those who are the leaders on this side that we do not have a majority so large but that you are endangering your leadership if you are going to force this rule upon us.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Mississippi?

Mr. GRONNA. In just a moment. If you are going to force upon us what I will call gag rules of this sort I shall never, so long as I am a Member of this body, support a movement of that kind. What right have two or three Senators, because they are put upon a steering committee, to say which bills shall be taken up and which bills shall not be considered? What moral right have you, I ask you, to do that?

I had something to do with the organization on this side, I will say; I have some responsibility for the organization; and, sir, it was not with the understanding that a small coterie should get together and decide upon which bills should be taken up for consideration. I leave it to my good friend from Connecticut [Mr. BRANDEGEE] if those matters were not considered.

I agree that the majority is responsible for legislation, but a steering committee will not be held responsible. If this be true, why not take all members of the majority into conference and decide upon a program?

Mr. President, so far as I am concerned, in my humble way I am here to consider the interests of the people of the country. I may be mistaken in my judgment, but I want to assure you that I want the minority as well as the majority to be heard.

Let us take up these bills as we reach them on the calendar. If there is an urgent measure which ought to pass immediately, I take it that the membership of this body will give unanimous consent for its consideration.

If you are going to proceed upon the unjust theory of saying that two or three Senators who may be members of this so-called steering committee shall decide what bills are to be considered, I want to give notice right now that I shall not be a party to it. I now yield to the Senator from Mississippi.

Mr. HARRISON. The Senator has answered my question already.

Mr. BRANDEGEE. Mr. President, the Senator from North Dakota [Mr. GRONNA] referred to me, I assume, because I was chairman of the committee on committees on this side of the Chamber; but, as the Senator from Massachusetts has stated, the so-called steering committee, or the committee on the order of business, as I remember it, was appointed by the conference at large and was not appointed by the committee on committees. Though I have not been a party to the proceeding, I understand from some remarks dropped by the Senator from Massachusetts it was the judgment of some subcommittee of the steering committee that it would be wise——

Mr. WATSON. Mr. President, I was informed that it was the full committee.

Mr. BRANDEGEE. Very well. I understood the Senator from Massachusetts to say it was a subcommittee. If it was the entire committee—I prefer the word "entire" [laughter]——

Mr. LODGE. The full committee took it up and decided the question I have referred to and left it to a subcommittee to arrange which of the bills should be the unfinished business and see the Senators in charge. It was the usual and the simple way.

Mr. BRANDEGEE. I have no criticism to offer upon the committee, either full or entire or empty [laughter], but a suggestion did trickle down from the neighborhood of that committee that it was wise to proceed to the consideration of this bill. In pursuance of that suggestion, however made, the Senator from Washington [Mr. JONES] has had the audacity to make a motion here on the floor of the Senate that the Senate do proceed to the consideration of the bill. I do not care whether they proceed to the consideration of that bill or any other bill, if we can only get, as the Senator from Utah remarks, to the point of legislating on something.

I do not know how I shall vote on this motion. Any Senator can vote to take it up or not to take it up, and if it is not taken up, any Senator can make a motion to proceed to the consideration of some other bill. It seems to me that in that way we all count one apiece, we have our votes registered and counted, and it has its legitimate effect.

Mr. WATSON. I would like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Indiana?

Mr. BRANDEGEE. I yield.

Mr. WATSON. If I understand it correctly, the two propositions presented to the steering committee were, first, the water-power bill, as proposed by the Senator from Washington [Mr. JONES]; secondly, the sedition bill, in charge of the Senator from South Dakota [Mr. STERLING]. Am I right about that?

Mr. BRANDEGEE. I do not know anything about it.

Mr. WATSON. I understand those were the two questions presented. I wondered whether the Senator from North Dakota [Mr. GRONNA] wanted the sedition bill taken up in preference to the water-power bill.

Mr. BRANDEGEE. I do not want to intervene on that question.

Mr. GRONNA. Mr. President——

Mr. BRANDEGEE. I yield to the Senator from North Dakota.

Mr. GRONNA. If the Senator from Indiana is really in earnest about it, I can say to him that the Senator from North Dakota is ready to take up any bill in the order of business; but he is not willing to be a rubber stamp for a committee on committees or for any other committee.

Mr. WATSON. I understand the only proposition is this, if the Senator will pardon me: The majority in the Senate has always had a steering committee, for the purpose of determining which of two or three bills should have precedence when there was a conflict. This committee was called together, and the proposition was put up to them as to whether the water-power bill or the sedition bill should have precedence, and the committee suggested that if it would meet with the approval of the majority of the Senate, the water-power bill should have precedence. If the majority of the Senate feel otherwise, it is still in the power of the majority of the Senate to decide. This was only a tentative proposition.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Minnesota?

Mr. BRANDEGEE. I yield to the Senator.

Mr. NELSON. Was there any sinister influence employed in this matter?

Mr. WATSON. So far as I know, there was not. I know of no one having been submarined, nor do I know of any subterranean or back-door methods having been employed to influence the steering committee.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Florida?

Mr. BRANDEGEE. I yield to the Senator.

Mr. FLETCHER. The Senator from Connecticut observed that it was entirely a matter to be decided by the Senate as to what bill should be taken up. I was going to suggest that if the steering committee on the other side is in sufficient power to bind everybody on that side, our having a vote over here does not amount to very much, and that if the machine is in splendid working condition, and everybody is bound to support the machine, the mere fact that we have a vote over here does not signify when it comes to determining the order of business.

Mr. BRANDEGEE. I have no doubt that the Senator rejoices to hear the machine creaking over here a little bit.

Mr. McCORMICK. I was going to suggest, as one of those who put his shoulder to the wheel, that I thought there was serious tire trouble.

Mr. THOMAS. Mr. President, let me say that I think the course which the Senators who are responsible for legislation on the other side are taking is quite commendable. We must have some system. We had a system over here and did the best we could when we were obliged to arrange legislation. Somebody has to do it, and if you gentlemen find you can not do it by agreement let us know and we will help you out. Personally I can conceive of no more important legislation than that in charge of the Senator from Washington [Mr. JONES].

Mr. BRANDEGEE. Mr. President, I appreciate the kindly criticism of the Senator from Colorado. But there is no other way to decide on what measures the Senate will take up except for the Senate to vote, and while our friends across the aisle are in the minority, still they all count, each one of them, as much as we in the majority do, and they are all equally effective in determining which measure the Senate shall take up first. I do not even know who compose our honored steering committee, I regret to say.

As to the suggestion of the Senator from North Dakota [Mr. GRONNA] that the regular order would be to proceed to consider unobjected bills on the calendar, I can not quite agree with that, because that under the rule is the procedure for unobjected measures after the routine morning business is closed each morning. But, of course, everybody knows that this measure is strongly objected to, and under that rule it could not receive any consideration whatever. The Senator from Washington states, and he is an optimist about it, that this bill will take several days. There is no way of determining the question except for the Senate to vote on the motion, and if it is lost to make a motion to proceed with some other bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington that the Senate proceed to the consideration of House bill 3184, known as the water-power bill.

Mr. KING. Mr. President, is it in order to move to substitute another bill?

The PRESIDING OFFICER. The Chair thinks not.

Mr. KING. I was anxious to substitute the bill which the Senator from South Dakota [Mr. STERLING] has in charge.

The PRESIDING OFFICER. The Chair holds that under the rules of the Senate it is not in order. The question is on the motion of the Senator from Washington.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved August 8, 1917, and for other purposes, which had been reported from the Committee on Commerce with amendments.

Mr. JONES of Washington. I ask unanimous consent that the bill be temporarily laid aside.

The PRESIDING OFFICER. Is there objection?

Mr. GRONNA. I object.

The PRESIDING OFFICER. Objection is made. The Secretary will read the bill.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House disagrees to the amendment of the Senate to the bill (H. R. 10453) to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and for other purposes, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. ESCH, Mr. HAMILTON, Mr. WINSLOW, Mr. SIMS, and Mr. BARKLEY managers at the conference on the part of the House.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8778) to amend and modify the war-risk insurance act.

The message further announced that the House agrees to the amendments of the Senate to the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920.

The message also announced that the House had agreed to the concurrent resolution of the Senate providing that when the two Houses complete the business of this day they shall stand adjourned until 12 o'clock meridian Monday, January 5, 1920.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes, and it was thereupon signed by the Vice President.

EXECUTIVE SESSION.

Mr. LODGE. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After 25 minutes spent in executive session, the doors were reopened.

RECESS.

Mr. LODGE. Mr. President, I ask unanimous consent that when the Senate takes a recess it be until 10 o'clock this evening, and that when the Senate reconvenes no business shall be transacted and no action taken except the signing by the Presiding Officer of such enrolled bills as may be ready for his signature, to be followed by the adjournment under the concurrent resolution of the two Houses for the Christmas holidays.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LODGE. I move that the Senate take a recess until 10 o'clock this evening.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until 10 o'clock p. m., at which hour it reassembled.

ENROLLED BILLS SIGNED.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 8992. An act for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa.;

H. R. 10402. An act authorizing the Secretary of War to grant permission to the municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.; and

H. R. 11223. An act making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920.

RECESS.

Mr. SMOOT. I move that the Senate take a recess until 11 o'clock and 10 minutes p. m.

The motion was agreed to; and (at 10 o'clock and 5 minutes p. m.) the Senate took a recess until 11 o'clock and 10 minutes p. m., when it reassembled.

ENROLLED BILLS SIGNED.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the Speaker of the House had signed the following bills and joint resolutions, and they were thereupon signed by the President pro tempore:

S. 176. An act for the relief of John M. Francis;

S. 248. An act for the relief of Henry P. Grant, of Phillips County, Ark.;

S. 428. An act for the relief of Thomas Sevy;

S. 552. An act to reimburse W. B. Graham, late postmaster at Ely, Nev., for money expended for clerical assistance;

S. 577. An act for the relief of the Southern States Lumber Co.;

S. 728. An act for the relief of the Buffalo River Zinc Mining Co.;

S. 822. An act for the relief of James W. Cross;

S. 1375. An act for the relief of Catherine Grace;

S. 1670. An act for the relief of the Arundel Sand and Gravel Co.;

S. 1694. An act providing for the refund of taxes collected for stamp tax on certain policies under the emergency-tax act of October 22, 1914, under the proviso to which act such policies were exempt;

S. 2128. An act for the relief of Albert N. Collins;

S. 2378. An act to authorize the issuance of patent to John Albert Thompson, and for other purposes;

S. 2716. An act to relieve the estate of Thomas H. Hall, deceased, late postmaster at Panacea, Fla., and the bondsmen of said Thomas H. Hall, of the payment of money alleged to have been misappropriated by a clerk in said office;

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender;

H. R. 8778. An act to amend and modify the war-risk insurance act;

S. J. Res. 137. Joint resolution authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes; and

H. J. Res. 266. Joint resolution authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States.

ADJOURNMENT.

Mr. SMOOT. I move that the Senate adjourn.

The motion was agreed to; and (at 11 o'clock and 11 minutes p. m.) the Senate adjourned, the adjournment being, under the concurrent resolution of the two Houses, until Monday, January 5, 1920, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate December 20 (legislative day of Tuesday, December 16, 1919).

COMPTROLLER OF THE CURRENCY.

John Skelton Williams, of Richmond, Va., to be Comptroller of the Currency. (Reappointment.)

UNITED STATES ATTORNEYS.

Frederick Van Nuys, of Indianapolis, Ind., to be United States attorney, district of Indiana, vice L. Ert Slack, whose term expires January 10, 1920.

Archibald Bonds, of Muskogee, Okla., to be United States attorney, eastern district of Oklahoma, vice W. P. McGinnis, resigned.

COLLECTOR OF INTERNAL REVENUE.

James A. Walsh, of Missoula, to be collector of internal revenue for the district of Montana, in place of William C. Whaley, resigned.

REGISTER OF THE LAND OFFICE.

Ira J. Briscoe, of Tucumcari, N. Mex., to be register of the land office at Tucumcari, N. Mex., vice Rome P. Donohoo, term expired.

RECEIVER OF PUBLIC MONEYS.

Felipe Sanchez y Baca, of New Mexico, to be receiver of public moneys at Tucumcari, N. Mex., his term of office having expired. (Reappointment.)

PROMOTIONS IN THE NAVY.

The following-named lieutenants to be lieutenant commanders in the Navy, for temporary service, from the 1st day of July, 1919:

Stuart E. Bray and
Leonard R. Agrell.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, for temporary service, from the 1st day of July, 1919:
Clarence A. Hawkins,
Horatio S. Ford,
Otto H. H. Strack, and
John E. Warris.
The following-named ensigns to be lieutenants (junior grade) in the Navy, for temporary service, from the 1st day of July, 1919:
Richard Monks,
Clarence E. Young,
Arthur H. Daniels,
Richard B. Fuller,
John H. Wolters,
Raymond C. Hunt,
William H. Ryan, jr., and
Martin J. Jukick.
The following-named officers of the United States Naval Reserve Force to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), for temporary service, from the 1st day of August, 1919:
William E. Smith and
Alfred L. Gaither.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 20 (legislative day of Tuesday, December 16, 1919).

PROMOTIONS IN THE DIPLOMATIC SERVICE OF THE UNITED STATES.

SECRETARIES OF EMBASSIES OR LEGATIONS.

Alexander C. Kirk, from class 3 to class 2.
Frederic R. Dolbeare, from class 3 to class 2.
Eugene C. Shoecraft, from class 3 to class 2.

UNITED STATES MARSHAL.

Edward Albright to be United States marshal, middle district of Tennessee.

UNITED STATES ATTORNEYS.

Edward L. Smith to be United States attorney, district of Connecticut.
Frederick Van Nuys to be United States attorney, district of Indiana.
Archibald Bonds to be United States attorney, eastern district of Oklahoma.

COLLECTORS OF INTERNAL REVENUE.

Stephen W. McGrath to be collector of internal revenue for the first district of Ohio.
Alfred Franklin to be collector of internal revenue for the district of Arizona.
James A. Walsh to be collector of internal revenue for the district of Montana.

NAVAL OFFICER OF CUSTOMS.

W. Mitchell Diggs to be naval officer of customs in customs collection district No. 13, with headquarters at Baltimore, Md.

SURVEYOR OF CUSTOMS.

Guy W. Steele to be surveyor of customs in customs collection district No. 13, with headquarters at Baltimore, Md.

REGISTER OF THE LAND OFFICE.

Ira J. Briscoe to be register of the land office at Tucumcari, N. Mex.

RECEIVER OF PUBLIC MONEYS.

Felipe Sanchez y Baca to be receiver of public moneys at Tucumcari, N. Mex.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Capt. Clarence A. Carr to be a rear admiral.
Capt. Harry A. Field to be a rear admiral.
Capt. Casey B. Morgan to be a rear admiral.
Capt. Alexander S. Halstead to be a rear admiral.
Capt. Robert E. Coontz to be a rear admiral.
Capt. William H. G. Bullard to be a rear admiral.
Lieut. Thaddeus A. Thomson, jr., to be a lieutenant commander.
The following-named ensigns to be lieutenants (junior grade):
Leon F. Brown and
Carlyle Craig.
Medical Inspector John B. Dennis to be a medical director, with the rank of captain.
The following-named medical inspectors to be medical directors in the Navy, with the rank of captain:
Eugene J. Grow and
Frank E. McCullough.
Surg. Winfield S. Pugh to be a medical inspector, with the rank of commander.
Capt. Gustav Kaemmerling to be a rear admiral.
The following-named captains to be rear admirals:
Roger Welles,
Edward W. Eberle,
Benjamin C. Bryan, and
Edward Simpson.
Lieut. Commander William S. Pye to be a commander.
Lieut. Commander John C. Fremont to be a commander.
Lieut. Commander Frank R. McCrary to be a commander.
The following-named lieutenants to be lieutenant commanders:
Bryson Bruce,
Arie A. Corwin,
John S. Barleon,
Charles C. Slayton,
Frank D. Pryor, and
George C. Logan.
Lieut. (Junior Grade) Alexander W. Loder to be a lieutenant.
Lieut. (Junior Grade) William H. Burtis to be a lieutenant.
The following-named lieutenants (junior grade) to be lieutenants:
Henry L. Abbott,
Joseph Y. Dreisonstok,
James H. Strong,
William B. Jupp,
John L. Hall, and
Samuel N. Moore.
Lieut. (Junior Grade) Gordon Hutchins to be a lieutenant.
Lieut. (Junior Grade) Ralph Martin to be a lieutenant.
Ensign Samuel R. Deets to be a lieutenant (junior grade).
Ensign Horace E. Burks to be a lieutenant (junior grade).
Ensign Lewis L. Stedman to be a lieutenant (junior grade).
The following-named ensigns to be lieutenants (junior grade):
Henry M. Mullinnix,
Ralph E. Davison,
George F. Hussey, jr.,
Hugo Schmidt,
William M. Fechteler,
Gerald F. Bogan,
Walter E. Borden, jr.,
Bartley G. Furey,
Bertram J. Rogers,
Lew W. Bagby,
Gail Morgan,
Clifford H. Roper,
George F. Martin,
Edward L. Ericsson,
Richard R. Claghorn,
Webster M. Thompson,
William R. Casey,
Dennis L. Ryan,
Arnold H. Bateman,
Alva J. Moore,
Benjamin R. Holcombe,
William L. Keady,
Van Hubert Ragsdale,
William P. Bacon,
Fred D. Kirtland,
Arthur D. Burhans,
T. De Witt Carr,
Norman P. Earle,
Don P. Moon,
Osborne B. Hardison,
Lawrence F. Safford,
Frank W. Wead,
Paul R. Glutting,
Arthur C. Geisenhoff,
Willard A. Watts, 3d,
Clinton H. Havill,
Frank E. Beatty,
Gilbert F. Bunnell,
John H. Carson,
Boyd R. Alexander,
Frederick B. Craven,
Jesse L. Kenworthy,
Albert E. Schrader,
Archibald E. Fraser,
Andrew De G. Mayer,
Charles T. Joy,
Walter W. Webb,
Archer W. Webb,

Henry B. Broadfoot,
John Wilkes,
Maxwell Cole,
James M. Steele,
Thomas D. Warner,
Charles P. Cecil,
Humbert W. Ziroli,
George F. Chapline,
Richard E. Webb,
Gilbert C. Hoover,
Martin B. Stonestreet,
Lowell Cooper,
Herbert J. Grassie,
George D. Price,
James A. Scott,
James B. Ryan,
Edwin F. Cochrane,
Thomas V. Cooper,
Richard H. Jones,
Andrew C. McFall,
Robert N. Kennedy, and
Cassin Young.

The following-named assistant surgeons to be passed assistant surgeons with the rank of lieutenant:
Lawrence F. Drumm,
Walter A. Vogelsang, and
Elphege A. M. Gendreau.

The following-named passed assistant paymasters to be paymasters with the rank of lieutenant commander:
Raymond E. Corcoran and
Spencer E. Dickinson.

The following-named ensigns to be assistant naval constructors with the rank of lieutenant (junior grade):
Joseph W. Paige,
James E. J. Kiernan,
James R. Allen,
Paul W. Haines,
Charles H. Cushman,
William R. Nichols,
Richard McK. Rush,
Charles A. Nicholson, 2d,
Leslie C. Stevens, and
Thomas P. Wynkoop.

Gunner James L. McKenna to be a chief gunner.
Pay Clerk Hilton P. Tichenor to be a chief pay clerk.
Pay Clerk Michael J. Kirwan to be a chief pay clerk.
Lieut. Leman L. Babbitt to be a lieutenant commander.
Lieut. (junior grade) Clarence E. Miller to be a lieutenant.

The following-named ensigns to be lieutenants (junior grade):
Walter F. H. Nolte,
Anthony Feher,
Wallace Cooper,
James F. Jeter,
Warren A. Sprout, and
Scott E. Peck.

Machinist Homer N. Wilkinson to be an ensign.

Lieut. (junior grade) Frederick D. W. Baldwin, United States Naval Reserve Force, to be an ensign in the Navy.

Medical Inspector Archibald M. Fauntleroy to be a medical director with the rank of captain.

The following-named acting pay clerks to be assistant paymasters with the rank of ensign.
George H. Williams and
Joseph A. Hesse.

Pay Clerk Richard A. Vollbrecht to be an assistant paymaster with the rank of ensign.

Ensign Edward B. Cantey (Pay Corps), United States Naval Reserve Force, to be an assistant paymaster, with the rank of ensign.

The following-named boatswains to be chief boatswains:
Walter H. Amberger and
James E. Tracy.

The following-named gunners to be chief gunners:
Theodore Thompson,
Morris E. Eason,
Howard A. Booth, and
Ernest R. Stephenson.

Machinist Harry W. Dreher to be a chief machinist.

The following-named carpenters to be chief carpenters:
Paul W. Reeves,
Arthur E. Lawrence, and
Euguene F. Smith.

Pharmacist Frank A. Northrup to be a chief pharmacist.
Acting Pay Clerk Thomas E. Harris to be a chief pay clerk.

The following-named lieutenants to be lieutenant commanders:
Warren G. Child,
Harry Campbell,
Charles W. Crosse,
Alfred W. Atkins,
Bruce R. Ware, jr.,
Richard E. Cassidy,
Joseph Baer,
Francis A. L. Vossler, and
Schuyler F. Heim.

The following-named lieutenants (junior grade) to be lieutenants:
Edward P. Nickinson,
Charles P. Mason, and
Harry P. Curley.

The following-named lieutenants (junior grade) to be lieutenants:
Ray H. Wakeman,
William I. Causey, jr.,
Hugh L. White,
George D. Hull,
Carl T. Hull,
Terry B. Thompson,
Charles J. Parrish,
Thomas M. Shock,
Frank L. Johnston,
Herbert K. Fenn,
Walter O. Henry,
Wilbur J. Ruble,
Justin McC. Miller, and
Roy Pfaff.

Lieut. (Junior Grade) Walker Cochran to be a lieutenant.
Ensign Zeno W. Wicks to be a lieutenant (junior grade).

The following-named ensigns to be lieutenants (junior grade):
Marcus C. Miller,
John S. Farnsworth,
Robert C. Bourne,
Earl M. Major,
Milton O. Carlson,
Harry V. Baugh,
Henry L. Phelps,
George P. Brewster,
Homer L. Grosskopf,
Bruce P. Flood,
Gilbert W. Sumners,
Albert M. Rhudy,
William E. Miller,
John S. Roberts,
William W. Schott,
Leon S. Fiske,
Lyman K. Swenson,
Paul S. Goen,
Charles G. Halpine,
John E. Reinburg,
Robert B. Twining,
Henry N. Fallon,
Oscar W. Erickson,
Henry C. Merwin,
Calvin T. Durgin,
William J. Forrestell,
Norman O. Wynkoop,
Joseph H. Lawson, and
Walter S. Carrington.

The following-named assistant civil engineers to be assistant civil engineers, with the rank of lieutenant (junior grade), from which they take rank as previously confirmed:
Fritz C. Nyland,
Ira P. Griffin,
Charles R. Johnson,
Frank F. Addicks,
Henry Brinkmeyer, jr.,
John B. McTigue,
Lewis Thornburg,
Lewis N. Moeller,
Carl F. Fritch,
Carl N. Cotter,
Louis B. Hyde, and
Theron A. Hartung.

Assistant Civil Engineer Charles D. Riddle to be an assistant civil engineer with the rank of lieutenant (junior grade).

Surg. Allen D. McLean to be a medical inspector with the rank of commander.

The following-named surgeons to be medical inspectors with the rank of commander:
Robert E. Stoops,

Frederick E. Porter,
William A. Angwin, and
Paul T. Dessez.

Asst. Surg. Ruskin M. Lhamon to be a passed assistant surgeon with the rank of lieutenant.

Asst. Dental Surg. John W. Crandall to be a passed assistant dental surgeon with the rank of lieutenant.

Asst. Dental Surg. Cornelius H. Mack to be a passed assistant dental surgeon with the rank of lieutenant.

Asst. Dental Surg. Edward E. Harris to be a passed assistant dental surgeon with the rank of lieutenant.

Asst. Dental Surg. Alexander G. Lyle to be a passed assistant dental surgeon with the rank of lieutenant.

Dental Surg. Sidney M. Akerstrom to be an assistant dental surgeon with the rank of lieutenant (junior grade).

Dental Surg. Harold A. Badger to be an assistant dental surgeon with the rank of lieutenant (junior grade).

The following-named assistant civil engineers, for temporary service, to be assistant civil engineers with the rank of lieutenant (junior grade):

Andrew G. Bissett and
Herbert S. Bear.

Lieut. (Junior Grade) Thomas M. Dick to be a lieutenant on the retired list.

Lieut. (Junior Grade) George S. Dale to be a lieutenant on the retired list.

Machinist Jesse E. Jones (retired) to be a chief machinist on the retired list.

Maj. James McE. Huey to be a lieutenant colonel in the Marine Corps.

The following-named second lieutenants to be first lieutenants in the Marine Corps:

John M. Arthur,
Thomas P. Cheatham,
Louis W. Whaley,
William C. James,
Thomas E. Bourke,
James F. Jeffords, and
Benjamin T. Cripps.

First Lieut. John M. Arthur to be a captain in the Marine Corps.

First Lieut. Thomas P. Cheatham to be a captain in the Marine Corps.

First Lieut. Louis W. Whaley to be a captain in the Marine Corps.

First Lieut. William C. James to be a captain in the Marine Corps.

First Lieut. Thomas E. Bourke to be a captain in the Marine Corps.

First Lieut. James F. Jeffords to be a captain in the Marine Corps.

First Lieut. Benjamin T. Cripps to be a captain in the Marine Corps.

Lieut. Col. James T. Bootes to be a colonel in the Marine Corps.

Major Frank Halford to be a lieutenant colonel in the Marine Corps.

Capt. Woolman G. Emory to be a major in the Marine Corps.

The following-named former captains in the Marine Corps to be second lieutenants:

Clifford O. Henry,
Gilbert D. Hatfield,
Sidney W. Wentworth, and
James A. Poulter.

HOUSE OF REPRESENTATIVES.

SATURDAY, *December 20, 1919.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father in heaven, our hearts go out to Thee in gratitude and unfeigned love for Thine own best gift to the world, crystallized in the life, character, and message of the Christ; and we would join with the millions of Christians in the heavenly anthem sung by the angels on the plains of Bethlehem two thousand years ago: Glory to God in the highest, and on earth peace, good will toward men.

As the yuletide approaches, in imitation of Thee, Santa Claus, which is love, is on the wing and will visit millions of homes throughout Christendom to make the heart glad and the home ring with immortal love.

In the cross of Christ I glory,
Towering o'er the wrecks of time;
All the light of sacred story
Gathers round its head sublime.
When the woes of life o'ertake me,
Hopes deceive, and fears annoy,
Never shall the cross forsake me;
Lo! it glows with peace and joy.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 8778. An act to amend and modify the war-risk insurance act.

The message also announced that the Senate had passed without amendment joint resolution and bills of the following titles:

H. J. Res. 267. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919;

H. R. 8992. An act for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa.; and

H. R. 10402. An act authorizing the Secretary of War to grant permission to the municipal authorities at Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to bills of the following titles:

S. 3284. An act to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes; and

S. J. Res. 131. Joint resolution making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States.

WAR RISK INSURANCE.

Mr. SWEET. Mr. Speaker, I ask unanimous consent that the bill H. R. 8778, recently passed by the Senate, be taken from the Speaker's table, and that the Senate amendments be disagreed to and a conference asked of the Senate.

The SPEAKER. The gentleman from Iowa asks unanimous consent that there may be taken from the Speaker's table the bill which the Clerk will report, with Senate amendments; that the Senate amendments be disagreed to; and that a conference be requested. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 8778) to amend and modify the war-risk insurance act.

The SPEAKER. The Clerk will report the Senate amendments.

The Senate amendments were read.

The SPEAKER. The gentleman from Iowa asks unanimous consent to disagree to all the Senate amendments and ask for a conference. Is there objection?

Mr. BARKLEY. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman from Iowa concerning a report which I saw in the morning paper in reference to an amendment that the Senate is alleged to have added to the bill, making the amount of insurance going to beneficiaries payable in a lump sum. I notice from the reading by the Clerk, and also by an examination of the CONGRESSIONAL RECORD, that no such amendment was added in the Senate.

Mr. SWEET. That is true. No such amendment was added in the Senate. The bill as passed by the House simply provided that converted insurance should be paid in a lump sum or in 36 equal installments. That did not apply to yearly renewable term insurance, and no such amendment was put on in the Senate.

Mr. BARKLEY. And neither in the provision of the bill originally nor by amendment by the Senate is it made possible for the widows of soldiers who have already died and who are now drawing monthly insurance to collect it in a lump sum?

Mr. SWEET. That is true.

Mr. BARKLEY. And the conferees have no jurisdiction over that subject?

Mr. SWEET. The conferees have no jurisdiction over that subject, because no such amendment was placed in the bill in the Senate, and there was no such provision in the bill when it passed the House.

The SPEAKER. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. SWEET, Mr. ESCH, and Mr. RAYBURN.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, in which the concurrence of the House of Representatives was requested.

EXTENSION OF REMARKS.

Mr. LARSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The Chair will recognize the gentleman later.

SUGAR EQUALIZATION BOARD.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate bill 3284.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take from the Speaker's table the Senate bill, which the Clerk will report, and to agree to the Senate amendments?

Mr. HAUGEN. Yes.

The Clerk read as follows:

A bill (S. 3284) to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes.

The SPEAKER. This is a Senate bill which has come to the House, and which has been amended by the House and has gone back and is now amended by the Senate.

Mr. GARNER. Mr. Speaker, what is the status of it now? Does it take unanimous consent to take it from the Speaker's table?

The SPEAKER. Yes. The Clerk will report the Senate amendment.

The Senate amendment was read.

The SPEAKER. Is there objection to the immediate consideration?

There was no objection.

Mr. HAUGEN. Mr. Speaker, I move that the House concur in the Senate amendment.

The SPEAKER. The gentleman from Iowa moves that the House concur in the Senate amendment.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. GARNER. I do not see the gentleman from Louisiana [Mr. MARTIN] on the floor of the House. I know that he is interested in this matter. I would like, if the gentleman from Iowa would——

Mr. MANN of Illinois. The gentleman from Louisiana is in favor of this amendment.

Mr. GARNER. I understand that the gentleman from Louisiana is in favor of this amendment, but I would like, if possible, that he should be here.

Mr. MANN of Illinois. He is always here.

Mr. GARNER. I agree with the gentleman that the gentleman from Louisiana is a regular attendant, but I would like to see him here now.

Mr. HAUGEN. The House amendment provided that the provisions of this act as to the domestic product should expire September 30, 1920. The Senate amended that by striking out the word "September" and inserting the word "June," which makes the bill inoperative as to the domestic product on the 30th of June instead of the 30th of September.

Mr. WINGO. Does that mean that the board will go out of existence then, or does it refer to the licensing feature?

Mr. HAUGEN. It has reference to the domestic crop. The control of the board over the domestic crop ceases on the 30th of June next. The board does not go out of existence until December 30, 1920.

Mr. WINGO. The board will continue until December 30, 1920, but their control over the domestic crop will cease on June 30?

Mr. HAUGEN. Yes.

Mr. CANDLER. Is that the only change in the bill as it passed the House?

Mr. HAUGEN. That is the only change.

Mr. CANDLER. Simply changing from September 30 to June 30 the provision in reference to the end of the control over the domestic crop of next year?

Mr. HAUGEN. Yes. If there are no further questions, I will ask for a vote.

The question being taken, the Senate amendment was agreed to.

LEAVE TO EXTEND REMARKS.

Mr. LARSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of agriculture.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD on the subject of agriculture. Is there objection?

Mr. LONGWORTH. I should like to know if they are the gentleman's own remarks.

Mr. LARSEN. Partly my own remarks and partly an editorial. The whole thing is very short, though, and does not amount to more than one page.

Mr. LONGWORTH. An editorial in a newspaper?

Mr. LARSEN. Yes; a portion of it.

Mr. LONGWORTH. How long will all the remarks be?

Mr. LARSEN. The editorial is about 5 inches long, single column.

The SPEAKER. Is there objection?

There was no objection.

REQUEST TO ADDRESS THE HOUSE.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent that I may be allowed five minutes to address the House on the difficulty the Federal Vocational Board is having in securing equipment for its work for the rehabilitation of soldiers.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for five minutes on the Vocational Education Board. Is there objection?

Mr. CALDWELL. I would not object if the time was to be taken after the passage of the alien deportation bill.

Mr. TREADWAY. I have asked for only five minutes.

Mr. CALDWELL. I know, but I think we had better start on the other. I hope the gentleman will not press his request.

Mr. TREADWAY. I can not press it if the gentleman is going to object.

Mr. CALDWELL. I will have to object if the gentleman presses his request.

The SPEAKER. The gentleman from New York objects.

DEPORTATION OF ALIEN ANARCHISTS.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged report from the Committee on Rules, which will be read by the Clerk.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11224, being a bill "To amend the act entitled 'An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes,' approved October 16, 1918." That there shall be not to exceed two hours' general debate, one-half to be controlled by the chairman of the Committee on Immigration and Naturalization and one-half by the ranking member of the minority of said committee. At the conclusion of the general debate the bill shall be read for amendment under the five-minute rule; whereupon the bill shall be reported to the House with the amendments, if any, and the previous question shall be considered as ordered on the bill, and all amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, this rule provides that it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the alien exclusion and deportation bill. The bill, as a matter of fact, is a House Calendar bill. This was not called to the attention of the Committee on Rules until after the rule had been agreed to; but the members of the committee in considering the question think it wise to let the rule remain as it is, and to provide for the consideration of this very important measure in the Committee of the Whole rather than in the House.

Mr. GARNER. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Certainly.

Mr. GARNER. This is the first time I have ever known the Committee on Rules to bring in a rule to consider in Committee of the Whole a bill on the House Calendar.

Mr. CAMPBELL of Kansas. As I have just stated, it was not called to the attention of the committee that it was on the House Calendar until after the rule had been agreed to by the committee.

Mr. GARNER. Then I understand this is not to be considered as a precedent for the committee in the future, in bringing in rules for the consideration of bills on the House Calendar.

Mr. CAMPBELL of Kansas. It is not the intention to use it as a precedent at all.

Mr. GARNER. I am very glad to hear that, because it is quite an important innovation on the customs of the House with reference to special rules for the consideration of bills on the House Calendar.

Mr. CAMPBELL of Kansas. That is true; but as I have just stated, the bill is one of very great importance, and it was thought by the members of the committee that it was not wise or expedient to call the Committee on Rules together to change the rule. I will ask the gentleman from Tennessee [Mr. GARRETT] if he desires any time?

Mr. GARRETT. We should like 20 minutes.

Mr. CAMPBELL of Kansas. I shall yield to the gentleman from Tennessee before moving the previous question.

There is another thing which I wish to state to the House. A conference report is expected to reach the House before the consideration of this bill can be concluded. We have not provided that conference reports might be considered during the consideration of this bill, and therefore I shall ask unanimous consent at this time that the rule may be modified so that conference reports may be considered during the consideration of the bill.

Mr. GARRETT. I do not think that is necessary. The rule does not make this bill a continuing order.

Mr. CAMPBELL of Kansas. It does not.

Mr. GARRETT. The committee can rise.

Mr. MANN of Illinois. Mr. Speaker, a parliamentary inquiry. When a rule makes it in order only to move to go into Committee of the Whole on a certain bill, would it be in order then for the committee to rise and let the House transact other business, and thereafter to make a motion to go into Committee of the Whole again on the same bill under the same rule? It seems to me that it would.

Mr. CAMPBELL of Kansas. I think so. I do not think there is any question about it.

Mr. GARRETT. I should think there would be no question about that, and I was just about to suggest to the gentleman from Kansas that there was no necessity for modifying the rule.

Mr. CAMPBELL of Kansas. I simply make this statement in order to notify the House that a conference report is expected, and that probably the committee will have to rise to consider it before the conclusion of this bill.

Mr. Speaker, I do not think it has escaped the attention of any thoughtful man now living that there is at this time throughout the world a disposition and purpose upon the part of a lawless minority to override written constitutions and laws and to accomplish their purposes by direct action.

There has been an enormous growth of this sentiment in the Old World. Russia to-day is suffering from the application of the rule of direct action. Anarchy and Bolshevism have taken the place of law and order there. It is for the world to decide whether or not it prefers the rule to-day in Russia to that which prevails under their constitution and laws. As far as the United States is concerned we will maintain the Constitution upon which our Republic was founded.

Class consciousness has been taught in Europe for years and in this country recently. Those who earn a living by manual labor have been placed in a class by themselves by certain alleged labor leaders, who live not upon their own labor but on the labor of others. Those who preach anarchy, Bolshevism, socialism, or communism do not labor; they live off the labor of others. They parade throughout the country as the representatives of labor or as laborers themselves and make appeals to those who earn their living by labor to seize the property of those who have accumulated something by their industry and energy.

There are fundamental principles that must not be lost sight of in the consideration of this question at this time, so important in the history of civilization. First of all, it is not out of place to say that in the Old World and in many places in Europe there are paupers and beggars. It is not true that there are paupers and beggars in this country. The condition of society that is made the excuse for anarchy and Bolshevism in the Old World and in Europe does not furnish ground for making an appeal in this country for the overthrow of our Constitution and the defiance of our laws.

It was a mistake for Dives simply to only provide Lazarus with the crumbs that fell from his table. It would have been far better for Dives and for Lazarus and for the community if, instead of feeding Lazarus with the crumbs that fell from his table, he had provided Lazarus with work, paid him sufficient wages to enable him to build a house on the corner of the farm, provide himself with a table of his own where he could sit with his family. He would have been a member of society then, with something to protect.

We have done that in this country. The laborer is rewarded in this country if he will work so that he may provide his own house, his own table, and not live off the crumbs from any man's table.

Paupers exist in Europe, to be sure, but what they have done in Russia has not bettered their condition. It has made their condition a thousand times worse than it was. It was far better for Lazarus to get the crumbs that fell from Dives's table than to have murdered Dives, plundered and robbed his house of all it contained, used everything that was in the barn and in the field, and now find the place devastated of everything that would sustain life. Even Lazarus is starving for the want of the crumbs that fell from his victim's table. The rich old fellow has been murdered, his property destroyed, and anarchy and starvation exist.

Now, what we propose to do in this country is to keep Barabbas, the robber, who induced Lazarus to murder Dives, from coming into our country and making people imagine that they are a lot of poor Lazaruses and that he will lead them to Mr. Dives's farm, assail the old man, seize his possessions, and distribute them among the plunderers.

The American people have established a high plane upon which the laborer is living in this country. The laborer is self-sustaining, self-respecting, and independent. This is no place for the appeals of the Bolshevists or anarchists that grow out of the social or economic conditions of the Old World, and the purpose of this law is to prevent such people from coming here to propagate their doctrine. And if perchance they enter this country, it is the purpose of this law to make it imperative on those who execute the law to expedite their deportation and rid this country of them and the menace they are to it. [Applause.]

I was asked as I entered the Hall a few moments ago what I thought of the result of the election in Milwaukee on yesterday. My answer is, More is the pity for Milwaukee. It is a matter for which the American laboring man, also for the people who have less of this world's wealth than others—for which they should be devoutly thankful that there are few spots in the United States that think and act like the people in the city of Milwaukee.

Mr. FESS. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. FESS. Does the gentleman think that the time is here now when we can pass a law that would cancel a naturalization paper of anyone who violated or anyone who was found guilty of violating the espionage law and, after the cancellation, deport that person?

Mr. CAMPBELL of Kansas. That is a law question and also a question that goes deeper than the written law.

I believe that this Government can do anything that is essential to its protection and maintenance, even to the cancellation of a certificate of citizenship heretofore granted to any alien, for the protection and maintenance of orderly government under our Constitution. [Applause.]

Mr. Speaker, I hope that this bill will be early enacted into law and that it will materially aid in the deportation of undesirable aliens and will prevent other undesirable aliens from entering these shores.

I reserve the remainder of my time and yield 20 minutes to the gentleman from Tennessee [Mr. GARRETT], to be disposed of as he may desire.

Mr. GARRETT. Mr. Speaker, I have only a word or two to say in regard to the bill, and really nothing to say with regard to the rule. If I correctly understand the limits of the bill which the rule will bring before the House for consideration, my objection to it is that it is not more comprehensive. This bill deals only with exclusion. It does not touch the deportation sections of the general immigration law. I think that the conditions in the country necessitate legislation not only along the lines of exclusion, of stopping these people before they reach here, but if it be not sufficient already, then legislation touching the matter of deportation should be sanctioned.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. JOHNSON of Washington. Will the gentleman not make it clear that this amendment is simply to section 1 of the present exclusion and deportation laws, and of course the amended section 1 would then pick up section 2, which provides that all those mentioned in section 1 shall be deported out of the country. That clears that point.

Mr. VAILE. And in addition to that, Mr. Speaker, I would like to call the gentleman's attention to the language of section 2 of the present act, which is not amended. That section provides:

SEC. 2. That any alien who, at any time after entering the United States, is found to have been at the time of entry, or to have become thereafter, a member of any one of the classes of aliens enumerated in section 1 of this act, shall upon the warrant of the Secretary of Labor, be taken into custody and deported in the manner provided in the immi-

gration act of February 5, 1917. The provisions of this section shall be applicable to the classes of aliens mentioned in this act irrespective of the time of their entry into the United States.

Mr. GARRETT. Although perhaps it is not wise to go into a discussion of that on the consideration of the rule, I apprehend that this difficulty might exist, that if you are putting new definitions into the exclusion section, the operations of section 2 would only be applicable as to the new definitions in section 1 after the passage of this new law. In other words, you can not make retroactive law, and unless the parties who are now here fall within the definitions given in your exclusion section, of course there is danger that your section 2 in the present law, unless it also be amended, will not reach the situation.

Mr. SIEGEL. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. SIEGEL. I would call the gentleman's attention to the fact that the United States Supreme Court has held the contrary in a number of cases.

Mr. GARRETT. The gentleman from New York is probably more familiar with the line of decisions along the immigration question than I am. The details of it I have not given great study to, but I have some very pronounced and very determined ideas on the general subject.

Mr. LITTLE. Is it not possible that the fact that this arrangement is being made for section 1 and not made for the other might warrant an argument indicating it was not intended to apply to the others.

Mr. GARRETT. I fear so; and I hope that there will be a liberal disposition here to admit proper amendments that may go beyond section 1.

I now yield 15 minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Speaker, after carefully considering the bill for which the rule is asked, I believe that in so far as the Immigration Committee has jurisdiction they have offered an effective and adequate remedy for an intolerable condition of affairs. The difficulty, of course, is that they have not the power that the Committee on the Judiciary has, to bring in a bill making it unlawful for one to advocate the use of force and violence to overthrow this Government, or to resist the authority of this Government.

I have pending before the Committee on the Judiciary a bill which seeks to do that, and, in addition, to make nonmailable any publication which advocates the use of force or violence either to overthrow the Government or to effect a change in the Constitution, or to resist the authority of the Government. I specifically limit it to one who advocates the use of force and violence to accomplish changes which can now be accomplished under the Constitution of the United States in an orderly method. Some gentlemen seem to entertain the opinion that this is an hysteria on our part, and that really there does not exist a necessity for legislation of this character; but if any man could know what the officials of the Post Office Department know, what the officials of the Department of Justice know, he would conclude that instead of overestimating we are underestimating a present danger to this Republic. During the war we were able to control this situation, but the signing of the armistice was a signal for the resurrection of revolutionary thought in this country. To-day there are 200 publications, according to the records of the Post Office Department, which are denominated by them as extremely radical. There are 66 publications that openly advocate armed revolution in America, and of the 66, 28 are published either by the executive committee of the I. W. W. or are directly controlled by them. The Socialist Party does not exist to-day. The left-wingers, represented by Debs and his associates, have taken control. The syndicalists, the communists, and the anarchists have all sworn allegiance to the communist internationale. The communist internationale was held in Moscow in February, and it adopted a manifesto which appears to-day in nearly every I. W. W. publication in this country, and which has become the declaration of principles of all the radical organizations. I can assure you gentlemen that they are not confined to one city or one State. They are to be found in Minnesota, Chicago, in New York, in California, and in nearly every western and northern State there is published one of the I. W. W. publications. I have a list of those that have been recently established. They are printed in every known language. The members of the I. W. W. claim that the Russians have only now awakened to the true doctrines of the I. W. W. organization, that Bolshevism is but another name for I. W. W.ism; that they are the true Bolshevists of this country. And the syndicalists and the communists and the left-wingers have formed a group so radical that they are making anarchists resort to new methods in order to avoid being called reactionaries, and they have not failed to resort to them, I can assure you. Here is a page from one of the anarchists' publications, the Anarchist Soviet, a facsimile copy, and upon the first page we have statements of this kind:

The first thing that you soldiers and sailors must do to clear your names is to seize the wire cables and ask your brother soldiers in Russia to stop being murderers and momentarily arrest all their officers and withdraw from Russia. Organize anarchists' commune soviets and organize them secretly as soon as our numbers grow large enough, making us so strong as to assert ourselves in the open; we will do it by beginning to take over the factories, mines, and farms of America.

Then they report the activities of the anarchists in various cities, San Francisco, New York, South Dakota, Pittsburgh, and Washington. In the city of Washington we are told that—

The branch of the American anarchists' federated commune soviet informs us that they are expecting to gain within their ranks a man who not only will defend the soviets of Russia but will also help to start soviets in America. As soon as the United States Senate will have courage enough to throw that person out he may begin to think, and then we hope ROBERT M. LA FOLLETTE will have realized that an honest man has no right to hold a Government position.

In Washington this is advocated! Here is another one from the anarchists' federated soviets' commune soviets:

We must also be prepared so that when our conspirative gatherings are attacked, no such horrible scene as on the bloody Friday of November 17, 1919, should be repeated without bloody, yes, bloody revenge. We must spend our last money on acquiring guns and ammunition and learn how to shoot—and to shoot into the beasts who would dare to attack us. We must unite secretly, call strikes in all industries, begin to seize all food stores and factories, attack with any weapon you can—capitalism and its upholders.

The following is from Il Diritto, published in New York:

The workers of Russia, Germany, Austria, and other countries have risen and have overthrown their rulers. Not by ballot, but by arming themselves, as it is your only means. You alone do not budge. Are you afraid to follow their example? Are you afraid to take by force what rightfully belongs to you? Will you be meek and slavish? Will you wallow under the iron heel of your masters? Or will you tear your way by the revolution to a better and happier life? Which will you choose?

Now, this is from a Jewish I. W. W. publication, Der Klassen Kampf, of September, 1919:

Only by direct action, strike, general strike, and mass revolt, will we gain better living conditions.

Here is one from the Hungarian I. W. W., Chicago:

The time of idle talk has passed. The time for action is at hand. Let us act. If every one of us will do his share, capitalism will lie at our feet in short order. Poke the flame of dissatisfaction until it envelops this rotten capitalistic world.

Here, again, is an extract from the Hungarian I. W. W.:

If the I. W. W. were to announce its ideals, it could live in peace with the ruling class and its institutions. But we do not make a secret of our aim. We want to abolish wage slavery. We proclaim it openly that we want to gain control over the industries of the country; we are carrying our strength into battle in order to gain sway over society. We want the earth and all that is in it and above it. And for this we are ready to make all kind of sacrifices.

That is dated November 22, 1919, page 2, of the Hungarian I. W. W., with the unpronounceable name of Felszabadulas, Chicago, Ill.

They now control the Messenger, a negro magazine published in New York, for the purpose of spreading this doctrine among the negroes, appealing to them to join the I. W. W. They denounce the Republican Party more than the Democratic Party, and urge the negro to join the Socialist Party and affiliate with the I. W. W. In the Thanksgiving number of the Messenger they say:

We do not thank God for anything, nor do our thanks include gratitude for the things for which most persons usually give thanks at this period. With us we are thankful for different things, and to a different deity. Our deity is the toiling masses of the world, and the things for which we thank are their achievements. What are some of them?

First. We are especially thankful for the Russian revolution—the greatest achievement of the twentieth century.

Second. We are thankful for the German revolution, the Austrian revolution, the Hungarian revolution, and the Bulgarian revolution.

Third. We are thankful for the world unrest which has manifested itself in the titanic strikes which are sweeping and have been sweeping Great Britain, France, Italy, the United States, Japan, and, in fact, every country in the world.

Fourth. We are thankful for the solidarity of labor, for the growth of industrial unionism, for the relegation of trade-unionism, for the triple alliances of the railway, transport, and mine workers in England and America.

Fifth. We are especially thankful that radicalism has permeated America, giving rise to many of the greatest strikes in history, such as our present steel strike and our impending railroad strikes.

In another publication of this magazine they go on to say that the American Federation of Labor deny negroes the right of membership, but the I. W. W. will accept them. They say that there are 149,000 negroes engaged in transportation work, and go on to say:

The I. W. W. would include those 149,000 negroes, who have the power, by stopping their work, to tie up the roads as completely as the big four brotherhoods could. If the negroes stop leading the cars, repairing the tracks, and producing the materials which are necessary for transportation, the engineers would have nothing to carry, but the big four brotherhoods are so highly American that they are shocked through with race prejudice which blinds them to their enlightened self-interests.

Now, you may ask whether or not these radical publications have any general circulation. The Messenger boasts of a circulation of about 50,000 a month. The revolutionary publications I have heretofore referred to have a circulation of approximately 250,000 copies a week. The revolutionary dailies have a circulation of about 50,000 copies per day. I have a letter from Mr. J. Ryon McKissick, the managing editor of the Piedmont, of Greenville, S. C., in which he incloses a circular letter from Soviet Russia, official organ of the Russian soviet bureau, asking that copies of the Piedmont be sent to them, and in return they wish to send the truth about the Russian revolution and Bolshevism in order that the people may know the truth. This is the latest method they have adopted to have the revolutionary doctrine of Russia reach the people of the United States.

Mr. ROGERS. Will the gentleman yield for a question?

Mr. BYRNES of South Carolina. I will.

Mr. ROGERS. What is the Post Office Department doing to stop the dissemination of such stuff?

Mr. BYRNES of South Carolina. The only law they have is the espionage law. I do not think I am violating any confidence when I say that under that law they have been stopping some publications. But I doubt if we have the right to do it, notwithstanding the Supreme Court decision that we are technically at peace. The espionage law is so worded that it clearly applies to the act of an individual the object of which is to obstruct hostilities or give aid to the enemy. The Department of Justice, though it doubts the applicability of the espionage act at this time, has pending to-day two cases in order to make a test. We have not a chance on earth, in my opinion, to convict under the espionage act. The necessity exists for legislation, and it should be enacted. The only statute we have is a conspiracy statute that is based on an act passed in 1861. That section would not apply to the act of an individual. The Department of Justice, in endeavoring to ascertain whether they could effectively prosecute under it, prosecuted the El Ariete Society, of Buffalo, N. Y., for the circulation of the most outrageous stuff I have ever read, and the court directed a verdict of not guilty because the statute did not apply to it. This Government stands to-day apparently impotent, unable to defend itself against the attacks of those who would destroy it. This Congress can take no action more essential to the safety of the Republic than to pass to-day legislation giving the Government the power to stop this anarchistic literature from going through the mail and to put into jail those who try to send it through the mail.

Mr. POU. Will the gentleman yield?

Mr. BYRNES of South Carolina. I will.

Mr. POU. Does the gentleman have any earthly doubt that the Post Office Department would stop this if they had the power to do so?

Mr. BYRNES of South Carolina. I must say that I went there with the purpose in view of criticizing the department, and I did it; but I was convinced, after they had presented their case to me, of their inability to prosecute; that they can not do it unless we provide the legislation. If there is any doubt about their having the power, for the Lord's sake let us give it to them and immediately. [Applause.]

Here is the Finnish I. W. W., and the Jewish I. W. W. again. Here is the Melting Pot, of St. Louis, published in English.

Mr. FESS. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. FESS. Are those citations from publications that go through the mail?

Mr. BYRNES of South Carolina. Those which are in this bundle that I have in my hand are taken from publications that have been circulated in the mail. The good Lord only knows how many are in circulation that do not go through the mails.

Mr. FESS. They are not mere resolutions, but actual publications?

Mr. BYRNES of South Carolina. They were taken from the papers I have in my hand, from publications going through the mails of the United States. And not only is that true but each day they are increasing in number. Each week we find this revolutionary propaganda in a new language, appealing to the discontent, to all the dissatisfaction of America. This Government can not afford to stand by and admit its inability to handle a situation of that character.

Mr. DUNBAR. Does the gentleman yield?

Mr. BYRNES of South Carolina. I will.

Mr. DUNBAR. Does the Johnson bill, which it is proposed to have under consideration, remedy the situation?

Mr. BYRNES of South Carolina. No. The Johnson bill goes as far as it can, coming from this committee. It proposes to deport the aliens who advocate these doctrines, and that is all. To make these acts unlawful, whether committed by alien or citizen, and to make these publications nonmailable I have a bill before the Judiciary Committee; but I have no pride of authorship, and if that committee will throw my bill into the wastebasket and bring out a bill under any other name that will accomplish the objects sought by my bill and will correct this evil, I will cooperate to secure its passage.

Mr. DUNBAR. If I understand it, even if the Johnson bill becomes a law these publications can still pass through the mail?

Mr. BYRNES of South Carolina. They can.

Here is a Finnish I. W. W. publication called the Industrialisti, published in Duluth, Minn., and it says:

ABSTRACT FROM THE CONTRIBUTION OF A CERTAIN J. P. FROM DETROIT, MICH.

You, the Socialists, do not believe in violence. You are expecting a peaceful revolution. You simply vote the reigning class down from the "saddle." Is it not so? Good comrades, do not let yourselves be fooled! Consider that a class striving to get into power has never made a fixed program, but fought its fights according to the requirements of the time, using such materials and arms as it has been able to get hold of and discarded them again for better ones, until the victory was obtained. In this way they built their own society. Have you read in the history of any country of a revolution so peaceful that no blood was shed, that more or less human beings were not sacrificed? Presumably not. * * *

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, I shall vote for the rule without any hesitation at all, under the conviction that we have no legislation before the Congress, speaking now of the character of it, not the degree, that is of greater importance. In degree we are not going far enough, but we are going as far as we under our jurisdiction in the committee could go. It has been suggested that we are in a stage or cycle of thinking that is hysterical. I can understand why, when the country becomes greatly excited and many people are giving utterances along all lines of excitement, that others say it is hysterical. But I do not believe that it is hysteria to sound the alarm when facts are cited, such as the gentleman who has just left the floor has been giving us. It is not hysteria when we call attention to official reports that have been made to the country, such as were made by the Lusk committee not long ago. When the report was made I had occasion to repeat a portion of it in a hearing before the Committee on Education, and one of the members of that committee said he wanted to enter his protest against the statement going in the record, because it was such a strikingly alarming one, and he did not believe it was founded on fact. When I reminded him that that was a report of a committee that was official it still did not satisfy him. The Lusk committee made the statement that there were between 300,000 and 500,000 people in the city of New York alone that did not only believe but were advocating forcible seizure of property. It stated that upon that propaganda there were 2,500 employees on the pay roll; that there were 261 publications that were going through the mails advocating the same thing. When we report that as a fact it is not hysteria if people become alarmed. The Department of Justice through its investigations has more than confirmed the findings and the startling announcement of the Lusk committee. To-day it is no longer a question of doubt as to the systematic, intensive campaign of education going on against the fundamental principles of our system of representative government in certain circles widely scattered throughout the land. This propaganda is to-day so insinuating that it is gradually finding force in the convictions of many people among us who would be regarded otherwise very sane. Legislation must be enacted to enable the country to protect itself against the enemies within its borders.

This bill does not go further than the deportation of aliens. It is only a step among the others we must soon take, since all the alien danger is not cured in this bill.

Mr. GOODYKOONTZ. Will the gentleman yield right there?

Mr. FESS. I yield.

Mr. GOODYKOONTZ. I presume you are referring to the bill H. R. 11224?

Mr. FESS. I refer to the bill brought in by Mr. JOHNSON.

Mr. GOODYKOONTZ. Known as the Johnson bill?

Mr. FESS. Yes.

Mr. GOODYKOONTZ. One clause in the bill reads thus:

That the following aliens shall be excluded from admission into the United States.

Now, under that provision can you deport a man who has already been admitted into the United States?

Mr. FESS. I yield to the gentleman from Colorado, who had much to do in this legislation.

Mr. VAILE. If the gentleman will yield there for a moment, I think I can answer the gentleman's question.

Mr. FESS. I will yield.

Mr. VAILE. The provision of the original act, section 2, provides for the deportation of all who come within section 1, and now we amend section 1 and we add certain specific things to section 1. I think, as a legal proposition, that we do now cover that point by the unamended section 2.

Mr. FESS. Mr. Speaker, my reference that the provision in the bill was limited to one particular class was simply to suggest that later on we shall necessarily have to strengthen and extend the legislation to protect our Government.

This bill, for which I shall vote with the greatest freedom, takes care at least of a certain dangerous element. I want to see legislation go to the extent to cover other acts. Why should an alien be permitted to harangue any audience in America against our Government or its institutions in any language other than the English, if in that language? [Applause.] I would also like to see legislation go to the extent that would say to the alien who has lived here for five years that he must qualify to be a citizen acceptable to our requirements, so that he can be naturalized under our laws, or else after five years leave the shores of this country. [Applause.] I want to see legislation go to the extent of ridding our country of all alien elements that are dangerous. [Applause.] And I do not want to see any technicality defeat the legislation. It is not a matter of hysteria at all.

Now, gentlemen of the House, while this bill can not reach it, there are people who are not aliens within our boundaries that will have to be reached in some way. That is a bigger problem than this one.

The chairman of the Committee on Rules [Mr. CAMPBELL of Kansas] has just referred to the blot upon a great State and a great city by the action of yesterday. Why should the House of Representatives worry about it? If that State wants to retain the blot of the election of a criminal to represent it, we can not prevent it, but we will not extend it to the House. And it will not be so extended. I would be willing now to join any group of men in enacting a law canceling the naturalization papers of any alien heretofore naturalized and deport him if he has been convicted under legislation designed to protect the Nation against its enemies. [Applause.]

Mr. VAILE. Mr. Speaker, will the gentleman yield for a suggestion right there?

Mr. FESS. Yes; I yield.

Mr. VAILE. I may say that that matter has been considered somewhat by the Committee on Immigration and Naturalization, but it will undoubtedly be considered by the Committee on the Judiciary. It presents the proposition of the right to deport to foreign countries citizens who have been naturalized here.

Mr. FESS. Who have renounced their allegiance. Probably there will be legal technicalities which will be difficult to overcome, but our Government must not be impotent in the handling of dangerous elements who are in our midst. If we can not deport them, then we can incarcerate them. [Applause.]

Mr. GOODYKOONTZ. The gentleman has just stated what I wanted to ask him about.

Mr. CLARK of Florida. We can certainly strip them of their citizenship. There is no doubt about that. [Applause.]

Mr. FESS. No; there is no doubt about that, and the Government will certainly not confess its impotency in the face of an outlaw who defies its authority to protect itself in time of war against those enemies who violate not only their oaths of allegiance required when seeking naturalization but the law itself.

Our problem, tersely stated, is threefold—get rid of the undesirable who can be made subject to deportation. This is a governmental problem. Those among us who can not be sent out of the country must be Americanized. This is a problem of the people rather than the Government.

We must enlist every agency in a campaign of education. It must include the schools, secondary and higher institutions of learning. Every school board should make sure that no teacher remains in the school work who can not subscribe to American institutions. Every board of control of the higher institutions, whether private, church, or state, should purge the faculty of the parlor Bolshevist on its roll.

The church must enlist its various agencies in this work of Americanization. It occupies a peculiar position of advantage if it embraces the opportunity now open to it.

The various clubs, business, social, and civic, whether of men or women, or both, must also enter the campaign as they did during the war, when the entire Nation was placed on a war basis.

Only recently steps were taken to enlist the "movies" in this movement. This is the thought of the Secretary of the Interior and seconded by the Committees on Education of Congress.

An intensive campaign of education such as that back of the Red Cross, Young Men's Christian Association, Liberty loans, and various other war activities, in which every man, woman, and child became interested, can be organized on behalf of Americanism, which will make an atmosphere too hot for any anarchist to survive. But this is the work not of this body but of the people.

We can get rid of those who should be sent out and take all necessary steps to prevent more dangerous elements entering.

To this purpose our people must set themselves at once. This bill is the first step.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. FESS. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. GARRETT], to be used as he sees fit.

Mr. GARRETT. Mr. Speaker, I yield that time to the gentleman from California [Mr. RAKER].

The SPEAKER. The gentleman from California is recognized for five minutes.

Mr. RAKER. Mr. Speaker and gentlemen of the House, the discussion so far has taken a wide range. I simply want to call the attention of the membership of the House to the fact that this bill and this legislation does not deal with the criminal law, and does not make it a crime for a citizen of the United States to do any of the acts provided for in this legislation. Contemplated legislation now pending before the Committee on the Judiciary will take care of the criminal end.

There are a number of bills now pending before the Committee on the Judiciary making it a crime to do the acts referred to. Those bills ought to be digested, and the committee is working on them faithfully, I understand, and no doubt it will shortly bring out a bill whereby it will be made a crime to teach sabotage and to teach criminal syndicalism, and we shall have law in the United States as they now have in California, Washington, Oregon, Utah, Colorado, Arizona, Wisconsin, and other States, whereby that will be made punishable by imprisonment for a term as long as 20 years. That is what we ought to have as a Federal statute on the statute books at the present time, and we are hoping that that will be presented to the House shortly, so that it may be enacted at an early date.

This bill relates solely to aliens, to the deportation of aliens, those who are prohibited from landing in this country if they believe in these doctrines, or, having entered the United States, advocate any of the doctrines or practices specified in the bill. It makes no difference how long they may have been here or when or where they may ply their trade. As designated in this bill, they should be arrested and deported.

The bill now before the House is the unanimous judgment of the Committee on Immigration and Naturalization. The bill adds to the present law provisions whereby aliens may be deported, those who believe in or write or teach or print any of these things that are prohibited.

The question of advising opposition to all government and expressing a belief in or advising the overthrow of the Government by force or violence or the necessity of assassinating officers generally or individually as a class is covered by the bill, in addition to the other aliens provided for in the now existing law, save and except those who teach or advise sabotage.

There ought to be, in addition to this bill, such a law, but the committee did not desire to complicate this bill. There ought to be the same provision for those who teach criminal syndicalism as those laws which have been so well enforced in the Western States, as we learn by telegrams from the attorneys general of those States, and particularly of California, where they have already convicted a number of these people who teach sabotage, as well as those who teach and advocate criminal syndicalism, as defined in those State statutes and as the committee believes will eventually be enacted into law here.

Unquestionably this rule ought to be adopted and the bill passed. I want to print in the RECORD and call to the attention of the House, in addition, what has been said which the public knows of or ought to know of, what the Senate has reported in its report on Bolshevism under Senate resolutions 307 and 436. I will insert the following, bearing on this subject; it is pertinent at this point:

AMERICAN I. W. W. STYLED A UNIT OF RUSSIAN REDS—RESOLUTIONS READ AT M'HUGO TRIAL APPEAL TO ALL RADICALS TO RALLY TO BANNER OF RUSSIA'S SOVIET GOVERNMENT.

OAKLAND, CALIF., *December 5.*

Resolutions styling the Industrial Workers of the World as the "American Unit of the Workers' Red International" and pledging the I. W. W. to establish fraternal relations with revolutionary groups throughout the world, said to have been adopted by the general execu-

tive board of the organization at a meeting held in Chicago last August, were read into the State's testimony at the criminal syndicalism trial of James McHugo, local secretary of the I. W. W.

These resolutions had never before been made public, the prosecution asserted.

AMERICAN REDS URGED TO ACT.

The resolutions read:

"Whereas the soviet government of Russia, in its call for the third international, included Industrial Workers of the World as one of the bodies eligible to such international; and

"Whereas the Industrial Workers of the World is the only organization in the United States whose program is absolutely scientific and uncompromising, and is the logical American unit of the third international; and

"Whereas the proletarian revolution is world-wide and national or local in its scope: Therefore be it

"*Resolved*, That the time has come for the Industrial Workers of the World to assume its proper place as the American Unit of the Workers' Red International, and to establish closer relations with the groups of the same or similar principles in every country, such as the Communists of Russia, Hungary, Bavaria, etc.; the Spartacans of Germany; the Syndicalists of France, Italy, Great Britain, and other countries; and the Unionists of Canada and Australia; be it further

"*Resolved*, That the Industrial Workers of the World shall create a committee of international relations, which shall at once establish and maintain correspondence and fraternal relations with such aforesaid revolutionary groups throughout the world, and shall provide for the representation of the Industrial Workers of the World as a constituent member of the third international."

The SPEAKER. The time of the gentleman from California has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE TO EXTEND REMARKS.

Mr. RAKER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from California asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, is it the gentleman's purpose to extend in the RECORD the document he referred to?

Mr. RAKER. It is.

Mr. WALSH. I think the gentleman will find that document on pages 448–454 of the RECORD, inserted there in the other body.

Mr. RAKER. I am simply going to insert in the RECORD the resolution of the I. W. W. indorsing in this country the soviet policy in Russia.

Mr. WALSH. I do not think that would adorn the RECORD very much.

Mr. VAILE. Let me suggest to the gentleman from Massachusetts that the very issue involved here is whether the I. W. W. is such an organization that membership in it should involve the penalty of exclusion from the country.

Mr. WALSH. Is there any doubt in anybody's mind about that?

Mr. VAILE. There is great doubt in the minds of the Department of Labor. That is the reason why we are bringing this bill here to-day.

Mr. WALSH. Will the printing of this resolution in the RECORD solve that doubt?

Mr. VAILE. I think it will do a good deal to solve it.

Mr. WALSH. If the Department of Labor needs the printing of documents in the RECORD to solve their doubts, I shall not object. It is interesting to know that we have that kind of a Department of Labor.

The SPEAKER. Is there objection?

There was no objection.

PORTO RICAN SUGAR.

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to print in the RECORD a telegram from the president of the Senate and the speaker of the House of Representatives of the Legislature of Porto Rico protesting against the control of sugar.

The SPEAKER. The gentleman asks unanimous consent to print in the RECORD a telegram from the Legislature of Porto Rico. Is there objection?

There was no objection.

The telegram is as follows:

SAN JUAN, P. R., *December 20, 1919.*

PRESIDENT AND CONGRESS

(Through Commissioner CORDOVA DAVILA, Washington, D. C.):

A strong feeling of public protest has arisen in Porto Rico by injustice to our sugar industry, the most important of the island, brought about by control provided for by McNary bill, after the sugar crop of the continent has been disposed of and no control established on other necessaries of life, such as rice, flour, and meats, which considerably increase cost of life here, and will compel us to increase wages. On the other hand, such measure has for basis a state of war, which practically does not exist, except merely on technical grounds. We demand justice.

BARCELÓ,
President of the Senate.
HUYKE,
Speaker of the House.

DEPORTATION OF ALIEN ANARCHISTS.

The SPEAKER. Under the resolution adopted it is in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11224.

Mr. JOHNSON of Washington. I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of considering that bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11224, to amend the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, with Mr. GOOD in the chair.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with, inasmuch as I expect to read and explain its provisions at the very beginning of my remarks.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. Under the rule I understand that the gentleman from Washington [Mr. JOHNSON], chairman of the Committee on Immigration, and the gentleman from California [Mr. RAKER], being the ranking minority member, will have control of the time, each one hour?

The CHAIRMAN. Under the rule one-half of the time is to be controlled by the chairman of the Committee on Immigration and Naturalization and one-half by the ranking minority member of that committee. Under the arrangement the Chair understands that the gentleman from Washington will control one-half and the gentleman from California one-half.

Mr. SIEGEL. Mr. Chairman, this proposed legislation is not supposed to take the place of the criminal laws of any State. Whether murder is committed by an alien or a citizen, it is murder and nothing less. It is proposed by this bill to overcome the difference of opinion which exists between the Department of Justice and the Department of Labor as to what persons can be deported under the present law. My own opinion is and has been that under the present law you can deport from this country every person who is opposed to our form of government, and under its provisions 240 creatures are being prepared to leave America within the next 24 hours—to be gotten away from here for all time, I hope. [Applause.] It is a remarkable thing that since this congressional committee was authorized to proceed over 400 men have been taken into custody, that from May 1, 1917, up to November 1, 1919, 697 have been arrested and only 60 deported. There were 82 cases pending at that time. Those held at Ellis Island and the balance of them brought from all over America, after being released on small bail or otherwise, have been dumped on the city of New York.

Now, there is no reasonable doubt but that the men and women who are supplying the money for this kind of propaganda in America are native born, and many of them are women who appear to be suffering from ennui. They turn to assist these people without perhaps fully realizing that they are mainly responsible for arousing them against our form of government and our Constitution and what we believe and stand for. I hope and I expect that the Judiciary Committee within the course of two or three weeks will bring in such legislation here as will reach the native-born or naturalized citizen. We will thus reach every scoundrel under this proposed law. I can go to work and refer for hours to the way the present law broke down. Broke down, why? Because certain officials at Ellis Island and certain officials in the Labor Department here did not enforce the law as it was intended to be enforced. You can pass any number of laws, as I have repeatedly said, but if you do not enforce them, and do not have the men present to enforce them, they are of no effect.

I have received any number of letters in regard to conditions at the island, showing the kind of treatment that is accorded the immigrant who comes here to become a loyal American citizen, and the other type. Perchance, if he is under age or if he has not sufficient money he is shipped back within two or three

weeks, while some of these scoundrels and anarchists have been allowed at large. It has taken four years of time, until this congressional committee got on the job, to get them started back to where they belonged.

The chairman of the committee has referred to the Bianca case. The Frank R. Lozep case has been pending for three years. Two or three days ago one of the men released from Ellis Island under an order of the United States district court went up to Utica, N. Y., got into trouble, and was held in $3,000 bail by the county court. Why, men in this country who are not even citizens, such as Nuorteva and his crew, have been advising Howe, at Ellis Island, whom to release and whom to keep in America. I would like to know why the Labor Department does not take Martens and the rest of his crew, who are not citizens and do not represent any government, and ship them out of America in the same shipload that is leaving our shores within the next 48 hours.

Mr. BUTLER. If the gentleman will yield, I wish to say that I am not acquainted with these men. Who are they?

Mr. SIEGEL. Martens is the self-constituted ambassador of some alleged soviet government in existence in Russia, and when the New York Supreme Court is trying to punish him for contempt the newspapers announce to-day that he is in Washington on some international matters. Nuorteva came here, and he says he is the secretary of this so-called embassy. In April of this year he wrote to Howe and asked him to try to intercede in the case of Vernon Daw, one of the most notorious characters in Europe, who had arrived here. But his letters arrived too late, and the man was deported.

Mr. BUTLER. Are these men advising the authorities at New York, did I understand the gentleman to say?

Mr. SIEGEL. These men were advising the immigration authorities at New York.

Mr. BUTLER. As to whom to admit here?

Mr. SIEGEL. As to whom to admit here and whom not to admit—some of the creatures I have referred to.

Mr. WALSH. Is there not a law in the gentleman's State that permits the rounding up of this class of people, and have they not been prosecuted under that law?

Mr. SIEGEL. Yes; and that is the same kind of a law which I have introduced here, and which is now before the Judiciary Committee, and is one of the 10 bills which the Judiciary Committee is going to consolidate, as I understand it.

Mr. WALSH. Is the gentleman familiar with the number of States that have similar laws?

Mr. SIEGEL. There are not more than 10 in this country. The State of Washington is one and the State of California is another. The others are Pennsylvania, Virginia, Massachusetts, Illinois, New York, Oregon, North Dakota, and Indiana.

Mr. WALSH. About 40 States that have not given attention to this subject?

Mr. SIEGEL. There is no doubt about that.

Now, that there is necessity for reaching the native-born and American citizen can be shown from some of the speeches that some of these people have been delivering. Let us take James O'Neal, for example.

I read:

Sometimes I think one reason why we are supporting Kolchak in Siberia is because some of the politicians in the United States want Siberia for the same purpose as the Czar had it for. They want it for their political prisoners, the several thousand human beings who are wearing chains in the penitentiaries of the United States to-day. We have a big struggle before us! They would like to goad us into some conduct that would enable them to crush us, but we shall not play their game; but we shall continue our efforts along peaceful, intelligent, educational lines, knowing that in the last analysis that once we reach the heart, the brain, the conscience of the great master of the American people, come what will, gags, chains, jails, can not prevent us from transforming the United States into a genuine foregoing democracy of socialism.

That may be years, but it may be only a few years. My judgment is that if Europe goes socialist, and the bankers of the United States who return from Europe are afraid that it is going to go socialist within the next year, if it does go socialist, capitalism can not permanently last in the Western Hemisphere; it has got to go socialist, too.

When it goes socialist, when this world is free, and the proper principles dominate the instructions of the twentieth century all over the world, we can look back over the stages of history and compare this rotten, brutal, drunken capitalism with all the other periods that have gone before, and we can see this, that practically all the ancient history at least contributed something that is worth while to mankind.

That was delivered by Mr. James O'Neal, of New York City, on November 7, 1919, at a meeting of the Socialist Party at Park View Palace, One hundred and tenth Street and Five Avenue. Now here is another:

The soviet form of government is a new form of government. Heretofore the function of government was recognized as being a jailer, a policeman, a tax collector, a military conscript, a war declarant; but in industry and commerce, when it came to wages and hours, the Government assumed a policy of indifference, to let things alone; but a new state has been founded, and it says to the world that the function of the state is not to be the mere policeman, to be the jailer, and the judge, and the tax collector, and the conscript, but that the function of the state is to organize the industries, the wealth, the resources, material, for the purpose of establishing things as they should be. [Applause.]

This new state is being fought and fought hard by imperialism and capitalism the world over, and I do not blame them, because if socialism can be shown to succeed in the world, what chance has Wall Street to survive—what chance? None.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SIEGEL. Mr. Chairman, will the gentleman give me three minutes more?

Mr. JOHNSON of Washington. I yield to the gentleman three minutes more.

The CHAIRMAN. The gentleman from New York is recognized for three minutes more.

Mr. SIEGEL. Mr. Chairman, there is other matter here that I could read to you for hours and days.

Here is an article published in Solidarity, the official organ of the I. W. W., September 16, 1913, and is as follows:

I do not wish this to be read as a defense of the I. W. W's or syndicalism. I am simply endeavoring to present to you, my clients, certain facts which, owing to your wealth, associations, and reading matter, you do not get to-day.

I also wish to warn you that the movement will, in some form, continue to grow, because it is, in my opinion, founded on an economic fact, namely, that the labor problem will never permanently be solved until the workers actually own the mills and other enterprises and the State or Nation actually owns the railroads and public-service properties, however much we dread both events. We hear much about the interests of capital and labor being mutual, but this is not economically true. Capital and labor are by all economic laws antagonistic and attempts at combining these two forces are sure to be only temporary makeshifts.

Certain cooperative or profit-sharing plans may be improvements over former systems, but they will not solve the problem. Certain strikes may be "settled" by compromises or arbitration, but it is only a short time before another strike is instituted. The great fundamental question between capital and labor will never be settled by arbitration boards nor through the joint control of industries by representatives of labor and capital. One of these two opposing interests must and ultimately will rule. Wise are the bankers, manufacturers, and investors who recognize that it will be labor which is to rule. If so, this means that labor must ultimately acquire the industries, as capital will not much longer rest content with present conditions.

Therefore, although we may despise the leaders and condemn the methods of the I. W. W's, we must not lose sight of their ultimate aim, as upon this aim depends their future growth. In short, the American Federation of Labor professes to believe that there can be two hands to a mill or a business and that these can be operated jointly by capital and labor.

The Industrial Workers of the World state frankly and ultimately that there can be but one head—either capital or labor must rule—and that we are to see a fight to the finish. I regret to admit it, but I nevertheless believe that the I. W. W. theory is the more correct, and many great manufacturers reluctantly agree.

Respectfully submitted.

ROGER W. BABSON.

It shows the responsibility that rests upon our citizens all the way through. These are speeches delivered by our citizens. I have any number of them. They were delivered in November and delivered in December of this year. Those men are leading these people on, and away behind them are the cooperators and contributors who produce the money in order to have these speeches delivered and these meetings take place. As I said before the Committee on the Judiciary the other day, the way in which they get the people to attend these meetings is to announce that some great opera singer is going to sing, and then what happens? Thousands of people who can not afford to attend the Metropolitan Opera House, or what was formerly the Manhattan Opera House, go to these meetings, and there they will hear a song or two sung, and in the intermissions these speeches are made and delivered to them. And to what effect?

You read in the newspapers, no doubt, about that young boy, 16 or 17 years old, who was sent to Ellis Island and examined by me, and who told how he became interested in socialism and then in anarchy. He said he had organized over 450 real Russians, to teach them and set them against our Government. When that boy was asked, "Have you no respect for constituted authority?" he answered, "No; I do not believe in it." When he was asked, "Do you believe in government?" His answer was, "No; I do not believe in it." When he was asked, "Do you believe in property?" his answer was, "No; I would wipe out all property." When he was asked, "Do you believe in respect for parents?" his answer was, "No; I do not."

You may have seen in the newspapers accounts of that boy, who possessed a command of language that was exceptional. He stated that in Brooklyn and New York he was able to gather 400 to 500 men at his meetings and instruct them in the principles of anarchy. There you have a 16 or 17 year old boy, leading men and teaching them views in opposition to constituted government. He was asked, "Where do you get the money in order to do this?" His answer was, "Oh, some rich folks in New York are giving us the money." He would not give their names. We asked him if he wanted to go home. His answer was, "Yes." He wanted to go back. He mentioned

Kronstadt and other places as places to which he would be glad to be sent.

The Committee on the Judiciary has the greatest problem ever presented to it. It has resting upon it the duty of framing a law to reach the contributors to funds of this kind. This is not a partisan question. This is an American question. I am glad to see that the whole House, as well as the whole committee, approaches this question in that spirit, determined to eradicate by all methods within the means of law every scoundrel who is engaged in this movement, even if he is an American, and to see that he gets the full penalty of the law, so that every man, whether native born or otherwise, in this country can live here in peace, and that our form of government will be sustained in the present and future as it has been sustained in the past. [Applause.]

At last the American people have awakened to the conditions which have too long existed at the immigration station located at Ellis Island, in the harbor of New York. Much was anticipated from the passage of the immigration law of 1917, and although many thinkers and publicists of note differed as to the wisdom of its so-called literacy test, yet once it had been enacted over the President's veto they all looked forward to the provisions of the law being fully enforced.

In lieu of a fair administration of the law, they have discovered to their dismay that extreme haste is exercised in the return of the ordinary immigrant who may be technically disqualified to enter and a decided tendency to permit those creatures who are opposed to our form of government to be discharged on their own recognizance or released on nominal bail.

No real physical or mental examination of the arriving immigrants takes place. On board the *Adriatic* less than one-quarter of a minute was taken for the physical examination of each immigrant. It was conducted by one doctor instead of two as required by the statute. The general mental and moral examination was conducted by one inspector instead of two, and in each instance did not exceed two minutes. The entire procedure has indeed been characterized, and properly so, as a farce. It has, to a large extent, endangered the safety and health of our people. It has allowed those who should never have been permitted to enter to come in and become the advocates of violence and hate against our institutions. It has also caused the honest and law-abiding immigrant, who has come here for the purpose of becoming a real American citizen in the fullest sense of the term, to be looked upon with askance. He has been unjustly accused of many crimes and offenses of which he has been innocent. It has engendered bad feeling against him in many of the sparsely settled States. It has created antipathies in the large cities.

During the war over 213,000 men who were aliens waived their right to exemption and fought for America. Last year the whole Nation acclaimed with one voice the extraordinary gallantry of the famous "Lost Battalion." A goodly portion of this battalion consisted of immigrants here less than five years.

Agitators have claimed for a long time that hundreds of thousands of aliens surrendered their declarations of intention to become American citizens in order to avoid military duty. That there has been gross exaggeration and deliberate efforts to mislead this country can be shown from the official report from the Department of Labor, which gives the total number as 1,745.

There is also a tendency to claim that in the cities where there is a large foreign-born population that crime is greater than in the cities where the native-born population predominates. The truth is that there is no difference. The city of Washington is an American city in every particular. It has an estimated population not exceeding 455,000, and yet the total arrests made by the police department during the past year were 53,356, against 43,245 the preceding year. If the similar ratio was to follow in New York City, the total number of arrests would be 618,000 for one year, when, as a matter of fact, we have never reached 200,000. Further investigation upon those who are more deeply interested will substantiate this statement.

This country's net gain in population by immigration since 1908 has been as follows:

1908	387,797
1909	525,984
1910	839,134
1911	582,921
1912	504,910
1913	889,702
1914	915,142
1915	122,626
1916	169,061
1917	229,126
1918	16,033
1919	17,610

During the past two months the average number of arrivals has been a little over 25,000, and during the same period of time over 25,000 have left to return to Europe.

The immigrants who are coming here now are related to residents. Before any person can come here he must obtain a passport from the country to which he owes allegiance. Such passport must then be presented to the nearest United States consul for visé. The consul is authorized to visé such passports if he is satisfied that the person intending to come to America is mentally, morally, and physically fit. Most consuls cable the State Department for instructions before acting. Upon receipt of such a dispatch the State Department causes an investigation to be made through the Department of Justice. If it shows that the applicant's relatives have been loyal during the period of the war and their records as to good character and reputation in the community are satisfactorily established, the State Department directs the consul to take affirmative favorable action.

The present immigration law if it had been properly enforced would have been of great service. It appears, however, that there has been a woeful failure to carry out its provisions. I am not one of those who believe that we should constantly be passing new laws simply for the purpose of placing them upon the statute books. Laws are enacted for the purpose of deterring people from committing certain crimes which the law, as it then existed, was unable to reach previous to such enactment. The object of the law is to punish the guilty as quickly as possible and thus deter others from committing similar offenses. If originally the Department of Labor had dealt promptly with such aliens who are opposed to our form of government, the radicalism which has been permitted to grow would have ceased to exist.

It is true that under the decision of the Supreme Court in the Nine Japanese cases Justice Harlan held that those who are opposed to our Government, commonly known as anarchists, and so forth, must receive a hearing before some authority designated by Congress before being deported. This does not mean that a regular court must be constituted for that purpose or that they are entitled to a jury trial. The present law provides for such a hearing before the Secretary of Labor. These hearings are held before inspectors of immigration, reviewed by an immigration commissioner, and then the documents are sent on to Washington. In that city Secretary Wilson has designated an Assistant Secretary to act on all immigration matters who has permitted the attorneys for the proposed deportees to appear and argue in their behalf or present other testimony. Many of these cases have been allowed to drag for years. The remedy is plain. Congress will have to put a provision into the immigration act providing that all hearings must be finally heard and determined within 30 days after the arrest of the undesirable alien. Another change which would be very effective would be the stationing of an Assistant Secretary of Labor at Ellis Island, as here comes more than 80 per cent of all of America's immigration.

The general and medical examination which is now performed by one doctor and one inspector when the law requires two, in order to make a proper inspection, will have to be made mandatory, so as to eliminate all discretionary power now vested in the Secretary of Labor.

The examination of the arriving members of the ship's crew is very cursory. Many of the leading radicals and agitators have come in as sailors. Provisions will have to be made for a most thorough examination of the crew in the future. Many of these sailors who have landed have never returned to their ships, but remained here to give us trouble.

The number of aliens in America who are engaged in preaching or are engaged in furthering anti-American doctrines are limited in number. The most dangerous persons here to-day can be classified in two sets: First, the native born, be they either professional men or labor leaders of a certain kind; second, what is commonly known as the male or female species of "parlor Bolsheviks," native and foreign born. Both of these classes are a very small minority of the population, but what they lack in numbers is made up by them through speeches and publicity in the press, which is obtained by them at every opportunity.

If the various States would enact legislation along the lines now on the statute books of the State of New York and would locally make a real and earnest effort to enforce such laws instead of constantly appealing to Washington for Federal help, radicalism would be very quickly exterminated in this country. There is entirely too much running to Washington for relief for every local ill. A little bit more backbone upon the part of county prosecuting officers and State attorneys general, with a little less thought about politics and future office holding, would do very much to relieve present conditions.

Once the immigrant enters America the question of his becoming a citizen becomes not only his main thought but also that of every man who desires to see aliens assume the obligations of citizenship when, as we all know, he is receiving all the benefits which the country can bestow upon him.

It is useless to be urging the alien to become naturalized when we do not provide sufficient judicial machinery for that purpose. The applicants for citizenship have turned into the Treasury $4,745,436.79 in naturalization fees since 1906, and the total cost to the Government for this activity has been $3,923,447.77, leaving a surplus of $821,989.02 profit.

The work of the Naturalization Bureau and the Americanization work under its auspices have merited the highest approbation and approval, considering the niggardly amount which Congress has been allowing for this purpose.

Mr. Raymond F. Crist, the director of citizenship of the United States Bureau of Naturalization, has worked day and night for a number of years endeavoring in every way to encourage aliens to become citizens and become Americanized. We can not, however, expect aliens to respond until we provide proper facilities. If anyone is interested, let him call at the office of the naturalization examiners at 5 Beekman Street, New York City, and there see a large number of applicants, accompanied by their witnesses, who are citizens, crowded and jammed in the small quarters, compelled to stand about for several hours before their cases can be reached and disposed of, with an insufficient number of seats for them to be seated, and no accommodations of any kind.

There must be brought about a complete change of this condition. Provision must be made for a sufficient force of examiners and clerks. Sufficient rooms must be provided so that men and women may be seated while waiting for their cases to be reached; and a sufficient number of courts, with judges to preside over them who recognize the grave responsibility borne by them in admitting to the high privilege of American citizenship those who are only prepared to undertake the obligations and duties which go with it.

Investigation shows that few judges have the time or patience to give this work the attention which it deserves. I know of no greater function which has been bestowed upon the courts than the power of conferring American citizenship upon the foreign born. In the city of New York, with its 6,000,000 of inhabitants, relief can only be obtained by the creation of a naturalization court, over which presides a judge who should devote himself exclusively to that line of work, the same as judges have become specialists in children's, matrimonial, and traffic court work. At the time when the oath of allegiance is administered it should be an occasion of serious reflection and understanding by the new citizen, who is about to receive the great privilege of being protected by our country whether at home or abroad. The manner in which it is administered now brings shame and humiliation to the faces of those who are interested in upholding the high traditions of American citizenship. It is true that the applicant for citizenship and his witnesses are thoroughly examined by the naturalization examiners, but the scene in court when these cases are passed upon must convince every thinking patriot that a change must be made.

Recently 149 citizens were made in less than one hour's time in one courtroom in the city of New York before one judge. No one would pretend for one moment that these 149 had a clear understanding of what was being done at the time they were taking the oath. At least 300 other persons who were their witnesses were present in the courtroom, which could not conveniently hold 150. The oath was administered to all who had come from one particular country, and then those who would come from another country took it. The justice who presided exerted himself in every possible way to make it as dignified as he could under the circumstances, but on account of the numerous other matters requiring his prompt consideration he had to do it in haste.

There is no reason why the Government of the United States should be making a profit of over $800,000 on the naturalization of aliens and a profit of over $10,000,000 on the immigrants who have arrived here above all appropriations made for both the Naturalization and Immigration Services. Americanism means the understanding and comprehension of the principles upon which our Government is founded and allegiance to our country at all times. It might be of great aid to have every young man and woman who reaches the age of 21, even though native born, to take the oath of allegiance and thus impress him or her with the responsibilities and privileges of American citizenship.

The late Col. Roosevelt on November 26, 1917, wrote:

> It seems to me that such an oath might very well be demanded of every man before he is allowed to vote whether we are at war or not.

Let us realize that the immigrant has helped to make this country grander and greater until it has grown to be a mighty Republic of 110,000,000 people. He has worked the mines and built the subways. He has laid the tracks and done America's rough work. He has contributed much to her achievements and accomplishments. Let us be fair to him and in return let us all, whether native or foreign born, pledge ourselves to rid this country of the deluded and foolish agitators. Let us each take stock of ourselves and resolve to preach real Americanism daily until all over this country the chorus of love of our flag and institutions will forever drown and eradicate the scoundrels who lift their voices against our Government, whether in or out of public office.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. RAKER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. WELTY].

The CHAIRMAN. The gentleman from Ohio is recognized for 10 minutes.

Mr. WELTY. Mr. Chairman and gentlemen of the committee, I am a trifle disappointed with the bill now under consideration because it is not comprehensive enough. This Congress appropriated $2,600,000 to detect and prosecute persons who commit crimes against the Government of the United States, and at least $600,000 of this amount was made available and placed at the disposal of the Department of Justice for the purpose of making a full investigation in the matter of undesirable aliens with a view of deporting them. This appropriation was all made available for the Department of Justice, while no appropriation was made for the Department of Labor in the matter of detecting and deporting undesirable aliens.

Our deportation laws are exceedingly crude and out of date. They are the relics of feudal days, when all power was placed in one man. The immigration officer becomes a detective for the purpose of finding out the wrongs committed by these aliens and then he acts as magistrate to issue his warrant, and after that he acts as a policeman to arrest the man, and then detective and policeman will at once sit as court and jury, and last, but not least, he will be the executioner. Is it any wonder that most of these people, who are anarchists and who come from Russia, compare a law so much out of date here with Russia?

I proposed in the committee an amendment to this bill. I felt that when the Attorney General prepares a mass of evidence he should be required to submit it to the Department of Labor. There is no law at the present time providing for that. We have appropriated millions to detect and prosecute crimes against the United States and placed the money in the hands of the Attorney General, but he does not have the machinery to bring this matter before the Department of Labor. I felt that since he had this mass of evidence, collected at the expense of the Government, he should be required to file information with the Secretary of Labor, supporting the same with affidavits, and prosecute the cases before the Department of Labor. And that upon filing of the information it should be the duty of the Secretary of Labor to issue a warrant and hear the evidence submitted, and if he concludes that the accused alien is guilty, then he should be punished according to law.

The committee agreed, but felt that the matter should be taken up at another time. Judging from the history of legislation, I am afraid that the "other time" will never come. Gentlemen, do you realize that the deportation laws are as out of date as the oxcart is out of date on a modern farm? Our deportation laws are so near like the laws of Russia that the Russian immigrant can not tell the difference. The first man these aliens meet is the immigration officer at the port of entrance. The next time is perchance when they make some misstep. This is a dangerous power to give one man. I know of a little girl who came to this country from Bohemia with her own parents, and because she had inproper relations with a young man in this country the father and mother of the boy, in order to protect the good family name and keep him from marrying the young girl, solicited the immigration officer to swear out an affidavit against her and take action to have her deported.

A writ of habeas corpus was the only thing that saved that little girl from being sent away from her people in America back to strangers in Bohemia. When I interested myself in an attempt to see that justice was done, the immigration officer frankly admitted, "My job depends upon the number of cases that I can make out." When one of our citizens can violate the chastity of an alien girl and have her sent away from her own parents on that account in order to protect himself it is high time that we change the administration of the law. Then the machinery to detect criminals should be lodged with one branch of our service in order to avoid duplication and expense.

I am going to offer this amendment which I now ask the Clerk to read for the information of the House.

The CHAIRMAN. Without objection, the Clerk will read the amendment for information in the gentleman's time.

The Clerk read as follows:

Amendment offered by Mr. WELTY: That a new section, known as section 4, be added to "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, as follows:

"SEC. 4. That upon information filed by the Attorney General of the United States with the Secretary of Labor, supported by affidavit, alleging that any alien has violated the provisions of this act, and the immigration act of February 5, 1917, the Secretary of Labor shall issue his warrant for the arrest of such alien and proceed to hear the evidence, and if the Secretary of Labor is of the opinion that said alien has violated the provisions of said acts shall order him deported in the manner provided in the immigration act of February 5, 1917."

Mr. WELTY. This bill comes to you with the unanimous report of the Committee on Immigration. I could not help but think, when the chairman [Mr. JOHNSON of Washington] was speaking about Ellis Island, that, while we examined a number of men who boasted that they were anarchists, he asked a young man certain questions and learned that he had been at Yale for two years. He was their press agent. He said, "You can deport us. There is no doubt of that, but we are coming back again, and then God pity you when we do come back." The chairman said, "What are you going to do—burn buildings?" His answer was, "No; we are not going to burn the buildings. We are going to keep them for ourselves. What we will do is to crack your skulls."

Mr. VAILE. Mr. Chairman, will the gentleman yield right there?

Mr. WELTY. Yes.

Mr. VAILE. Let me suggest to the gentleman that there was no corroborative evidence to show that this young man had been at Yale.

Mr. WELTY. Whether there was any corroborative proof or not I do not know. But one thing is sure, and that is this young man knew that he could come back again. He knew that we had no law by which we could keep him out. He could come in through Mexico or through Canada or one of our ports.

There are those who think that the country is unduly alarmed; that there is no danger from the anarchists sailing under the red flag, plotting to overthrow our Government by force and violence and the use of terrorism. Many of them do not think that the Government should deport this class. I sometimes question the wisdom myself. I believe it would be a better policy to dump all enemies of our Government on some island and let them live their own life there. Deportation only adds to the burden of the already overburdened countries fighting this menace against all governments.

About a month ago the Attorney General, in compliance with a Senate resolution, included the following in his report:

Since the organization of the radical division a more or less complete history of over 60,000 radically inclined individuals has been gathered together and classified and a foundation for action laid either under the deportation statutes or legislation to be enacted by Congress.

There are 222 radical newspapers published in foreign languages in this country at the present time and 105 radical newspapers published in the English language. In addition, 144 radical newspapers published in foreign countries are received and distributed to subscribers here. This number does not include the hundreds of books, pamphlets, and other publications which also receive wide circulation, many of them published in foreign languages. * * * From the date of the signing of the armistice a wave of radicalism appears to have swept over the country, which is best evidenced by the fact that since that date approximately 50 radical newspapers have commenced publication.

A large number of these papers openly advocate the destruction of the United States Government and encourage and advise their readers to prepare for the coming revolution. It is also a noticeable fact that a great many of these publications are practically devoid of advertising matter, which indicates that they are receiving money from outside sources to further their propaganda.

Practically all of the radical organizations in this country have looked upon the negroes as particularly fertile ground for the spreading of their doctrines. These radical organizations have endeavored to enlist negroes on their side and in many respects have been successful.

If there is any doubt about these reports, you can easily clear that doubt by reading the originals on file in the office of the Attorney General. And let me add in passing that the alien is not the only one who is an anarchist. They are receiving hundreds of recruits from our own citizens, and it is about time that we take a mental note, even though no action is taken by Congress to remedy the fault.

We have been hearing a great deal of criticism of the Department of Justice because of its failure to prosecute the anarchists sailing under the red flag and the profiteer sailing under the black flag. It has only been a few days since this denunciation was heard on the resolution submitted by the gentleman from Illinois [Mr. GRAHAM] asking that the House take up for debate his report from the Select Committee on Expenditures in the War Department. This committee has been engaged in making investigation of unlawful expenditure in the War Department since the beginning of the special session of Congress, and I understand expended over $160,000 of the people's money, but without coming to any conclusion.

The report does not contain any specifications or charges. Out of 9,553 cases settled by the War Department, he cited only 8 cases, and concluded that in some of the cases cited that they seem "to have been obviously tainted with frand," and concludes with the following words: "In some of the cases cited the committee is of the opinion that constructive, if not actual, fraud occurred."

In my resolution to investigate expenditure in the War Department four cases were cited that came under my personal observation during the prosecution of the war, and I asked for a nonpartisan committee to make investigation, but it seems that the House wanted a partisan committee composed of 10 Republicans and 5 Democrats. This committee made a report without throwing any light upon any of these contracts. They content themselves with finding fault, because at the time the armistice was signed the War Department had a large number of trucks, automobiles and tires, and other war material on hand which had to be resold at a sacrifice because of the close of the war.

There is no doubt but what the profiteer has been able to make millions out of this war; and it is indeed unfortunate that this committee has now struck a snag, or some influence seemingly has been brought to bear, which will prevent a full and free investigation. During this debate I asked why charges and specifications were not filed, so that the Department of Justice might have the facts to prosecute these criminals. My genial friend from Illinois [Mr. MANN] said we will prosecute during the next administration, when a reminder of the Beef Trust during the Spanish-American War no doubt convinced the gentleman that if we delay until the next administration, there will be no prosecutions. If I remember correctly, investigations were made at the close of the Spanish-American War because the Beef Trust killed hundreds of our soldiers by feeding them embalmed beef, but while the investigation was going on it was learned that a certain Senator from Ohio had sold one of his boats on the Great Lakes to the Government at a fabulous price, and for some reason nothing came of the investigation. No prosecutions followed, and I understand that the boat that the Senator from Ohio sold to the Government was sunk by Hobson, thus hoping to drown even the memory of the scandal.

"Prosecute during the next administration!" Why not furnish the facts now? I challenge you gentlemen to do so. If you are afraid that it might hurt some Republican brethren, bring forth the Democratic profiteers, back them up against the wall, and make them face a firing squad of sharpshooters from France.

If I can read history correctly and make proper comparison, I must conclude that this investigation is shaping up for the same ending as the Beef Trust scandal during the Spanish-American War.

The gentlemen are trying to reflect on the head of the War Department because he is a Democrat and leave the impression that his military appointments were Democrats.

I do not know what prevailed in other sections, but I do know that out of the first 11 judge advocates appointed from Ohio 9 were Republicans, and the Secretary did not know a single one. When informed of this condition, he remarked, "I have given instructions to avoid politics." History, gentlemen, will reveal that if the Secretary of War favored anyone, it was the Republicans. And, gentlemen, the result of your investigating committee would indicate that much. If there are any criminals of the Democratic faith, this partisan Republican committee is sure to get them.

We have had the profiteers with us since the foundation of this Republic. After the Civil War the country was startled by a statement from President Lincoln when he said: "As a result of the war, corporations have been enthroned and an era of corruption in high places will follow." But no prosecutions were commenced then against the profiteer, nor do we know of any prosecutions after the Spanish-American War. Then why delay these investigations with a hope of being able to depend upon the next administration for prosecution?

I remember at the beginning of the war, when the steel interests came to Washington and camped here for almost a week, demanding that the prices of steel be increased from $35 to $95 per ton, just because the Government needed ships for the purpose of transporting our boys and provisions to France. These profiteers did not leave Washington until after they slandered the Secretary of the Navy and the Secretary of War, with a hope of disrupting the administration, and only left the Capitol when they learned from the Commander in Chief of the Army that "profiteering and patriotism do not mix," and it seems that very little headway was made until Congress passed a law

drafting the rich man's son as well as the poor man's son to support this Government.

I remember while prosecuting attorney of my county that this same class was then hovering around the county treasury selling steel bridges. I remember one bridge that was sold in my county for $10,000 and only $5,000 went to the bidder, while $5,000 was being divided among those who had knowledge of the letting. At that time the combinations were exceedingly crude. Payment was made by draft, and these drafts showed that one of the recipients of this combination was a nephew of a former President of the United States. Another one was a father-in-law of another President of the United States. When the companies and agents were indicted they appealed to the attorney general of the State of Ohio requesting that they be ousted from doing business, and with one stroke, at the request of the attorney general, the court dissolved these corporations, after which they appeared by their attorneys and asked that their cases be dismissed, because they were dead; one of the attorneys closed his brief for this combination by paraphrasing Holy Writ: "The State giveth life. The State taketh away; blessed be the name of the State," but the grand jury answered this plea by indicting its officers and directors, thus establishing the fact that guilt is personal. But it seems that lese majeste was committed, not only by the prosecutor but the clerk and sheriff as well, for the Federal court threatened to imprison all of these officers because of contempt.

The records in the Supreme Court will show that this same steel company has been resting under a charge by the Federal Government of being a monopoly since 1911, but that the Department of Justice has been made helpless under the Sherman antitrust law because of the famous decisions of the Standard Oil and Tobacco cases, which, in substance, held that a reasonable restraint under that act was permissible. The Reading Co. has been charged with monopoly in coal, but the Department of Justice has been unable to prosecute either the steel or coal cases.

I know a young man who left the farm to work in the coal mines at a dollar a day. One might know how long ago that was from the price paid. This young man was fed on decayed meat and made to sleep in a foul bed. He left his first employment and went to another coal mine, and when he found the same conditions there he left for a third mine, and when he found the conditions the same in all these camps he turned to be an anarchist. This young man was not an alien anarchist when he left the farm but an American citizen, as loyal as any man can be to the Stars and Stripes.

I know a poor widow who during the war made only 500 per cent on her investment in coal mines and boasted that she had cleared $450,000, and when the coal strike was on and the Government suggested an increase of 14 per cent to the miners this poor widow insisted that this increase must be passed on to the consumer, so that the owners of the mines might not lose their profits. These owners of the mines never thought of compromising until the public learned that they made from 5 to 2,000 per cent on their investments.

Considerable criticism has been directed toward the Department of Justice because of their failure to prosecute the food profiteers under the Sherman antitrust law. It was repeatedly stated on the floor that the profits of the United Fruit Co. during the last year were 40 per cent, and that the poor who desire bananas and fruits must pay these increased prices to the already multimillionaires.

But how can you hope to have even the company declared a monopoly so long as the decision of the Supreme Court permitting a reasonable restraint under the antitrust act is the law? In my State the governor called the attention of this condition to the prosecuting officers of the State. It is a known fact that in the sale of bananas and fruits there is no competition, and that those selling this food have a complete monopoly, but when the prosecutors made an investigation they seemed to direct their inquiry against the poor corner groceryman and then declared to the public that there was no profiteering. Had they called in the grocer they could have learned that all these bananas and fruits could only be purchased from one source, and if anyone was bold enough to ship a car load of potatoes he could not have purchased any more from those who had a monopoly on bananas and fruits.

Gentlemen, you go to your markets here and buy a turkey for Thanksgiving; you will have to pay almost as much as the farmer received for a steer when I was on the farm. The other day I wanted to buy some pop corn to bring back childhood memories while enjoying the evening with my family, and when I protested because of the price—50 cents per pound—I was given to understand that I did not have to make the purchase. I know the time when a farmer was glad to sell a bushel for that price.

It has not been so many years ago when it was the custom of the banks in my State to loan out public funds and keep the interest and only return the principal into the county treasury.

I am mentioning these matters because I do not see any relief in sight from these anarchists, sailing under the red flag, unless we remove the irritant cause which produces the anarchists.

Selfishness is gripping the throats of capital and labor in their mad efforts, one to get the better of the other, and unless this strangle hold is released this country will, in the language of a noted divine, be going "to hell so fast that you can not see it for the dust." And, gentlemen, I am making this strong statement as an optimist and with a hope that this Congress may have the vision to see the danger and work out some solution of our problems so that there might be a greater cooperation and spirit of brotherhood between capital and labor.

However, one thing I do know, that we have a breeding ground here in America where thousands of human beings are born into this kingdom of anarchy. If the conditions detailed are the cause, the Government should speedily remove the same. A boat for soviet Russia is about to leave Ellis Island carrying hundreds of these Russian aliens, found guilty, to the land from whence they came. It is stated that the Bolsheviki movement was born in America; that it took America to produce a Trotski. It took the Spanish-American War to stamp out yellow fever, and I hope that the World War will finally stamp out the spirit of hate against a Government of laws for the benefit "of the people, by the people, and for the people," which all men are bound to respect and observe. But the yellow fever was not stamped out until the breeding pools were removed from our midst. So it is with Bolshevism; remove the cause and you will not need to deport any more anarchists.

It is said that court decisions are the landmarks of our country. It was the false spirit of the famous Dred Scott decision which brought on the Civil War. It took a decision of the Supreme Court to permit a tax on incomes under the sixteenth amendment of the Constitution.

And, gentlemen, there are enough strong and courageous Americans to reverse the decisions of the Standard Oil and American Tobacco cases, holding combinations and monopolies guiltless under the antitrust laws.

Most of these aliens were attracted to our shores because they thought us a land where "all people are born free and equal," and it seems, gentlemen, that all we need to do is to lead these aliens by the hand and show them the light of a better day, when the rich man who steals a ton of coal is just as amenable to the laws of our land as the poor man who only steals a bucket of coal.

If you take the pains to examine each case, you will find a large majority were simple-minded Russian folks who read of the freedom accorded in this country and left autocratic Russia for the land of the "free and the home of the brave," and only became anarchists when they found conditions as I attempted to describe them. I say I don't know their beliefs, for we examined only a few.

Our Constitution was established—

in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity.

But, gentlemen, we can not maintain this Constitution unless both the red flag and the profiteers' black flag are destroyed. Do not look for a state of "equal rights to all and special privileges to none" so long as you permit the steel companies and the coal companies and others dealing in the necessaries of life to receive special privileges and profiteer upon these great commodities. You criticize the Department of Justice. What can the Attorney General do if the courts fail to enforce the law we have and Congress fails to grant him authority to act? He has plenty of money, but what he needs is authority. I believe the time is at hand when the good people of this land will be reconciled to change the Constitution by having these judges appointed for a term of years instead of for life. A life appointment is entirely too long a time. It seems to me that if a young man would give from 10 to 15 years of his life in the administration of the law and then retire again to the people, it would be better not only for himself but the people as well.

But, gentlemen, your investigating committee will get nowhere unless they go to the source and fountainhead of each contract and ascertain the persons interested in each contract and all the facts surrounding the inception of each. These men who believe that they had a right to profiteer in time of peace

will likely continue their nefarious acts of profiteering after the declaration of war, and there is no doubt but what hundreds of them have been made millionaires. Punish these rascals sailing under the profiteers' black flag if we hope to get rid of the anarchists sailing under the red flag. And unless relief is granted as against those who profiteer in our natural resources and our necessaries of life, we can continue our deportation without any relief from within.

Mr. Speaker and gentlemen of the House, a little over two months ago—on October 17, 1919—the Senate passed a resolution, the last paragraph of which reads as follows:

The Attorney General is requested to advise and inform the Senate whether or not the Department of Justice has taken legal proceedings for the arrest and deportation of aliens who, it is alleged, have, within the United States, committed the acts aforesaid. And if not, why not; and if so, to what extent.

On November 14 the Attorney General, in the matter of our deportation laws, made reply as follows:

The administration of this law is entirely within the jurisdiction of the Department of Labor. However, under the existing conditions of our laws, it seemed to be the only means at my disposal of attacking the radical movement, and, as Congress had seen fit to refuse appropriation to the Department of Labor for its enforcement, I have cooperated with the immigration officials to the fullest extent. My appropriation became available July 19, 1919.

Think of the Department of Justice being between two great fires—one the legislative branch failing to enact laws giving the Attorney General power to deal with this class of citizens and criticizing him because he failed to do certain things, and on the other hand the judiciary holding that a reasonable restraint under the Sherman antitrust law by the profiteer in our natural resources is permissible. Can history beat this inconsistency?

What I proposed to do in committee was to grant the Attorney General power not only to make these investigations of our undesirable population but to make it his duty to file this information with the Secretary of Labor and prosecute the same before the Secretary of Labor to a conclusion.

I remember while I was special counsel of the Department of Justice in the prosecution of trusts that we had no law which would permit the issuance of a warrant upon the filing of an affidavit for the purpose of procuring criminal evidence. Gentlemen, it is a wonder that our Government continues to function with the legislative and the judicial branch failing to properly support the executive branch during this crisis of our Government—the legislative by refusing to grant proper legislation, and the judiciary by making the laws noneffective.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. RAKER. I yield one more minute to the gentleman.

Mr. DOWELL. Will the gentleman yield?

Mr. WELTY. I am sorry I can not yield to my good friends, because my time is so short. Another matter that I want to call to the attention of Congress is the matter of registering all aliens during their alienage. I know that many consider this burdensome to the alien. But how are we going to keep track of these aliens who are plotting against our Government? Objections to registration have been made, because this is one reason most of these aliens escape from Europe.

But as it is many of these aliens coming to our shores—especially those from Russia, who are under the impression that freedom means no government—when they find that we are more governed than any other country, they rebel, and instead of becoming interested in our Government they turn against it. The trouble with our alien population is not so much with them as a failure on our part to interest ourselves in them sufficiently to point the way. No alien who wants to become an American citizen will object to registration if that will help preserve these institutions which attracted him to our shores, while the alien who has no interest in our form of Government, or who wants to overthrow it, should be compelled to register, so that we know where he is, and so that he knows that our Government knows his hiding place.

Mr. Speaker and gentlemen of the committee, these are serious times, requiring strong and courageous hearts, and I have no doubt that we will do the business at hand in the characteristic American fashion. The red flag and the black flag may start something, but, God knows, if we can establish a spirit of cooperation and brotherhood between capital and labor the red, white, and blue will finish the job. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the gentleman's request.

There was no objection.

By unanimous consent Mr. SIEGEL was given leave to revise and extend his remarks in the RECORD.

Mr. RAKER. I yield 10 minutes to the gentleman from Texas [Mr. Box].

Mr. BOX. Mr. Chairman and gentlemen of the committee, I shall support this bill heartily. I regret that in the wisdom of the committee it was not seen proper to go further and present a more comprehensive and effective measure. I had the pleasure of introducing a bill covering some of the ground covered by this bill in the amendment of section 1 of the act of December 16, 1918, but I have concluded that one of the chief difficulties growing out of the present situation is administrative. I do not mean by that remark to criticize. I have noticed with pleasure that generally the Immigration Committee is disposed to deal with questions from a nonpartisan standpoint, and I hope there will be Americanism enough in the committee and the House to avoid partisanship in dealing with questions so vital to the life of the Nation.

Our deportation proceedings are now almost exclusively in the hands of the Department of Labor. That department is not required to issue a warrant for the arrest of an alleged anarchist alien, even when it is called for by the Department of Justice. The law should be amended so as to require that. The Department of Justice is not now charged with the duty to represent the Government upon deportation proceedings, nor is any provision made for it. I think the law should be amended so that whatever deportation proceedings in dealing with anarchists are had in that department should be looked after in the interest of the Government of the United States by some prosecuting representative of the Department of Justice. My information is that under the present system ex parte proceedings are had, that anyone can appear in behalf of the proposed deportee, file additional evidence in the shape of ex parte affidavits, and get a rehearing or reopening of the case and even a change of the order in an informal, irregular proceeding in private. I think the law in itself is lame and should be strengthened in the light of the experience we have had in enforcing it.

The provision that permits an alien who came into the United States surreptitiously or in any manner entered the country unlawfully to plead that he has been here three or five years, and thus defeat deportation proceedings in certain cases, should be eliminated. The present law that permits anarchistic aliens to be released on bail or recognizance should be amended so that can not be done. If it is regarded an abuse now, it ought to be made perfectly clear that it is not to be permitted. None of these desperate and dangerous characters should be released for months on bond.

There is no distinction now as between the deportation proceedings in cases of anarchist aliens and those who are liable to deportation on other grounds—no distinction between the proceedings deporting one who is liable to become a public charge or in some other way has gotten into the United States unlawfully, but who is not an anarchist, and one who is an anarchist. Nothing in the law requires the department to deal specially with the cases of anarchists, with a view to expediting them. There should be a declaration of legislative purpose that proceedings to deport anarchists shall be expedited.

While I shall support this bill for the good it contains, I believe the committee should and will take up these questions of administration and regulation, and make the law more effective than it has been. I have assurance that the committee will deal with the matter in a nonpartisan spirit.

I would offer some of the provisions of the bill which I introduced as amendments to this bill but for the doubt whether they would be germane. They are now before the committee for consideration, with assurance that they will be considered. I think it is our duty now to expedite the passage of this measure, which will be helpful as far as it goes. I am sure that we will all have the hearty cooperation of the members of this House in expelling from our shores those who are dangerous to everything Americans cherish. [Applause.]

Mr. Chairman, I yield back the balance of my time, and I ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. YOUNG of North Dakota having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the amendment of the House of Representatives to the joint resolution (S. J. Res. 137) authorizing the Secretary of War to construct a pontoon

bridge across the Chattahoochee River, at West Point, Ga., and for other purposes.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 8778) to amend and modify the war-risk insurance act, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SMOOT, Mr. SUTHERLAND, and Mr. WILLIAMS as the conferees on the part of the Senate.

DEPORTATION OF ALIEN ANARCHISTS.

The committee resumed its session.

Mr. RAKER. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. CARAWAY].

Mr. CARAWAY. Mr. Chairman and gentlemen of the committee, most of the things I wanted to say have been said by those more familiar with the facts than I. Fortunately the State from which I come has a comparatively small population of aliens. We have, however, an element in our community which is being agitated and incited to crime by this organization of I. W. W. I am as sure as I am living that many citizens lost their lives recently in my State, and many negroes are now under sentence to be executed, the victims of the agitators from outside of the borders of the State.

I have wanted to see a bill come out of the Committee on the Judiciary and enacted into law that will stop these agitators. It strikes me that it is little less than a crime to enact laws to punish crime when we permit people to incite these weaker people to commit crime. The greater guilt rests on the agitator and instigator of the crime.

I know that it is foreign to this bill, but I want to drop this thought as we go along. A question was asked by the gentleman from Pennsylvania [Mr. BUTLER] if we had the power to enact legislation that would deport the alien that had been naturalized. It strikes me—and I want the House and the committee to think of it; I suggested it to the Committee on the Judiciary—that we might enact into law a provision that in case of an alien who shall obtain naturalization and afterwards is guilty of certain offenses, such as are defined in this proposed act; for instance, the law might say that his act of procuring naturalization was a fraud, that he never in good faith accepted citizenship, and therefore from the beginning the act of naturalization was an act of fraud, and we might then cancel his certificate of naturalization and deport the alien.

I have in mind the case of the man recently denied a seat in this House on the ground that he had committed an act amounting almost to treason, and who has been chosen by his district to come here again—that the Secretary of Labor might find under a proper law that the obligation imposed by his naturalization was never accepted by him in good faith, that when he accepted citizenship in this country he did so with a mental reservation that amounted to a fraud on the court, and therefore his naturalization was never valid, that it was a fraud from the beginning, and void, and he would be subject to deportation.

There is no doubt in my mind this could be done. There is no inalienable right possessed by a foreigner to enter this country, reside here, and be naturalized. It is a mere privilege this country extends to him. It can do so on whatever terms and conditions it deems necessary, or it can deny that privilege altogether.

It can then, without doubt, impose all conditions it deems wise. It can then revoke this privilege in the manner suggested and obviate at the same time all question of a dual citizenship or divided allegiance.

I shall introduce a bill to accomplish that end.

I have never had a great deal of sympathy for the doctrine that this country shall be the haven of refuge for the oppressed of all of the peoples of the earth, provided those oppressed happen to be criminals. I am perfectly willing to support an act that will exclude further immigration for a long time. I am willing that this country and its resources and opportunities shall be preserved for us and our children who come after us. I am unwilling to open the doors of the country to that great horde of aliens who have imbibed sentiments that make it impossible for them to accept in good faith and live up to the teachings of our country. [Applause.]

The thing that strikes me as the most absurd thing of all is that the very people who are seeking to overthrow our Government, appealing to the prejudices and ignorance of all classes of our foreign people, whenever they find themselves in the toils of the law, at once invoke the provisions in that Constitution that they seek by force and violence to overthrow. I notice in this little publication of the I. W. W., called "Drops of Blood," that among the very first appeals it makes is to invoke the principles of the Declaration of Independence and the provisions of the Constitution. It teaches that the Constitution is denying to the people their rights, and, therefore, that the Constitution should be destroyed. Then it appeals to the guaranties contained in the Constitution. In one breath they appeal to the Constitution and its guaranties, and in the next they seek to destroy the Constitution.

I do not think we should be too tender in dealing with these people. If there is any doubt about whether they are likely to be good American citizens, then I think we should resolve the doubt in favor of America and against them. [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

By unanimous consent Mr. CARAWAY was granted leave to extend his remarks.

Mr. RAKER. Mr. Chairman, I yield one minute to the gentleman from Nevada [Mr. EVANS].

Mr. EVANS of Nevada. Mr. Chairman, this measure does not go far enough. The weakness of our laws is to accept aliens, relying upon precept and example to assimilate them into loyal citizenship, failing to protect them from seditious influence. Before accepting aliens subject them to a rigid physical and mental test of examination, when, if satisfactory, admit them and instantly begin compulsory education, teaching them their duties to this Government and the advantages this Government affords to them in protecting their lives and earnings. Thus you gain a valued citizen who learns to love and support the Constitution.

You will find it cheaper and safer for our Nation to educate those aliens, supplying their minds with right thought, than to permit them to absorb misinformation. If you accept them, educate and protect them.

Mr. RAKER. Mr. Chairman, I yield two minutes to the gentleman from Tennessee [Mr. DAVIS].

Mr. DAVIS of Tennessee. Mr. Chairman, I heartily indorse the purposes and provisions of this bill. My only objection is that such legislation has been too long delayed. Our laws for the exclusion and deportation of aliens have been wholly inefficient. Since the establishment of this Government we have been exceedingly liberal in the admission of foreigners, and it is now seen by all Americans that advantage has been taken of this privilege and that it is working great injury to America and its institutions. We never fully realized the dangers incident to such a policy until during the recent war, when we awoke to the fact that there were millions within our own borders who were giving aid and comfort to the enemy, or were sympathetic with the enemy, and ready and anxious to aid it at every opportunity. Had it not been for the speedy and effective manner in which the Government dealt with that situation this menace would have proven troublesome indeed.

However, even in peace times, there have been innumerable evidences of the evil results of an entirely too liberal policy. I shall mention but a few instances. Emma Goldman emigrated from Russia to this country nearly 34 years ago, since which time she has worked but 18 months, having spent practically all of her time in denouncing the United States Government, teaching anarchy and disrespect of authority, and openly advocating violence and obstruction of the laws; in fact, she defiantly boasts that she is not only an anarchist and a revolutionist but also a destructionist. During the recent investigation of the deportation case against her it clearly developed that she was the mentor of Czolgosz, who assassinated President McKinley. And yet, under the existing laws, the Government was barely able to make out a case of deportation against her.

Even on yesterday Victor Berger was reelected to the American Congress from one of the Milwaukee districts, although he stands convicted and sentenced to 20 years in the penitentiary for a violation of the sedition and espionage laws, and was only recently expelled from this House with but one dissenting vote—a German colleague—because of his disloyalty and unworthiness. Our lax immigration laws have permitted such a situation. It is an outrage that there exists in this country a constituency that desires to be represented by such a man. I sincerely trust that this House will not again dignify Berger with the privilege of a long-drawn-out contest, or any contest, for that matter. We already know that he is unfit to sit with us, and should immediately expel him by resolution. Those who voted for him are not worthy to be represented, and those who voted against him do not want to be misrepresented by him. When his term in the penitentiary expires, he should be denaturalized and deported.

I am proud of the fact that I have the honor to represent a district in which there are but few aliens, and, so far as I am aware, no anarchists, Bolshevists, I. W. W.'s, or other similar radicals. We are not afflicted with that sort of cattle. My constituents are almost altogether of pioneer American stock—

pure Anglo-Saxon—but for that very reason they are vitally interested in this problem, interested because they have at heart the preservation of our Government and the perpetuity of its institutions. They have no patience whatever with the Victor Bergers, the Emma Goldmans, the Alexander Berkmans, or the W. Z. Fosters. They do not see any reason whatever why we should temporize with anarchy, bolshevism, I. W. W'ism, communism, syndicalism, or any other radicalism. As generous in spirit and as kind-hearted as they are, they do not think there is any room anywhere within the broad confines of our country for any set of men imbued with such pernicious and un-American doctrines. I am in thorough accord with their views.

The Manufacturers' Record, published at Baltimore, recently had an editorial in part as follows:

The time may come when the Anglo-Saxonism of the South will be the saving factor in curbing the bolshevistic agitators of aliens and those dominated by aliens throughout much of the North and West. Those who have for years bemoaned the fact that the South did not share fairly in the great inrush of foreign population may yet rejoice that in the providence of God this section does not have that problem to the same extent as the West and the North must endure.

Jesse R. Grant, son of Gen. U. S. Grant, wrote to the Manufacturers' Record, stating that he had several times heard his father express the same sentiments 40 years ago and more. Mr. Grant further stated:

The sentiments which he (Gen. Grant) expressed in words almost identical with yours in your editorial were brought out in this way: I asked him if he did not believe some plan should be devised to direct a portion of the large immigration to the Southern States. He said that immigration was not an unmixed blessing to our country and he was well pleased to see at least one section remain wholly American, and then came the remarks conveying the thoughts you so well expressed.

However, I can conceive of no objection which any genuine American could have to the provisions of this bill. The radicals against whom it is directed would certainly be worth nothing to the United States. They could not possibly benefit our country in any manner, and would not if they could. They have forfeited every consideration from a humanitarian standpoint. They are not entitled to admission and there is no reason in the world why we should want them in our midst.

We are not unmindful of the fact that we are descended from immigrants; nor do we forget the fact that we have been in many respects greatly enriched by immigrants of the better class and that we now have in our midst many foreign-born citizens of excellent character and high ideals, fully appreciative of our institutions, and making useful, patriotic citizens; but this legislation and my remarks are not directed at and will not affect them or their kind. However, conditions have very materially changed. The immigration problem has become acute, requiring immediate and effective action because of three facts, to wit:

First. The large increase in immigration to this country;

Second. The rapid and radical change in the source and character of immigrants; and

Third. The fact that a very large percentage of the immigrants congregate and remain in the large cities.

During the first half century of our national existence practically all of our immigration came from Great Britain. During the second half century a very large bulk of the immigration to this country came from Great Britain and Germany, those from Great Britain considerably predominating. In other words, for the first half century our immigrants were almost altogether Anglo-Saxon and during the next half century the overwhelming majority of them were Anglo-Saxon and Teutonic. However, since then there has been a rapid shifting of the principal sources of our immigration from northern and western Europe, chiefly Protestant, which furnished 71 per cent of the immigrants in 1882 and only 21 per cent in 1902, to southern and eastern Europe, chiefly Catholic and illiterate, which furnished 11 per cent of the total in 1882 and 75 per cent in 1902. The number of immigrants entering this country in 1914 were 1,218,480, 85 per cent of whom were from southern and eastern Europe.

Our Government began keeping a record of the aliens entering this country in 1820, since which year 33,200,103 aliens are recorded as having entered this country. Of this number, 8,205,675 came from Great Britain, 5,494,539 from Germany, 4,100,740 from Italy, 3,311,400 from Russia, 2,134,414 from the Scandinavian countries, leaving a balance of 5,884,887 who came from other countries. The overwhelming majority of those who came from Italy, Russia, Austria-Hungary, and other countries in the southern and eastern part of Europe came since the year 1900.

The annual influx of immigrants to this country has risen from an average of 14,000 per annum from 1820–1830 to a yearly average of 281,000 during the period of 1870–1880 and to an annual average of nearly 880,000 for 1901–1910; but the average accession was even greater during the first four years of the present decade, for in 1911–1914 it reached 1,033,283 annually. The Federal census of 1910 disclosed the fact that there were 13,515,086 aliens residing in this country, of which only 3,500,000 had become naturalized citizens. Although a large number of aliens returned to Europe during the World War and immigration to this country during that period was also greatly reduced, yet it is estimated that there are now about 17,000,000 aliens residing in this country, of which at least 5,000,000 can not speak the English language. Two hundred thousand of those aliens who were drafted for United States military service could not speak or understand the English language. I saw one company in the United States Army containing members born in 28 foreign countries, none of whom could speak or understand the English language when inducted into service. The officers were confronted with the problem of either learning 28 languages and repeating each command in as many tongues or of teaching all of them the commands in English. It is needless to state that they pursued the latter course, but by the time they succeeded the war was over. Seventy-two per cent of this large alien population reside in our big cities, and a large percentage of the remainder reside in the great industrial centers. A majority of the population of many cities, congressional districts, and other political subdivisions are foreign born. Eighty per cent of those residing in Gary, Ind., are foreign born, and 69 distinct languages are spoken in that city. One-half of all of Manhattan are foreign born. There are more Italians in New York City than in any other city in the world with the exception of Naples. There are more Germans in New York City than in any other city in the world except Berlin. There are fifteen times as many Jews (largely Russian) residing in the city of New York as there are in Jerusalem. Newspapers are published in this country in 150 different languages and having an aggregate circulation of 10,000,000 copies, not to mention hundreds of foreign-published papers circulated in this country. There are innumerable schools in this country where the English language is never spoken.

It is clearly seen that the immigration to our country is of such volume and character that this alien population is not becoming assimilated as was formerly the case. Our country is becoming alienized instead of this polyglot foreign population becoming Americanized. The vast majority of these aliens are of the type that do not understand or appreciate our institutions. Instead of scattering over the country, engaging in agricultural and other domestic pursuits, they congregate in their own communities and seem to have no ambition to become Americanized or assimilated. These alien centers of population are hotbeds of radicalism and constitute a real menace. It is among this class that the radical propagandist finds his most fertile field. It is important that we prevent this element from being augmented by the hordes which will be fleeing from impoverished Europe, even more than ever before, unless we take prompt and effective steps to prevent it. If we are to be a "national melting pot," we should be a real melting pot, and not merely a receptacle for dross. We neither need nor want any material which will not melt into the national form of Americanism. Furthermore, we do not wish to assimilate that class of aliens which has been coming during the last decade. To do so would give us a bad—perhaps incurable—case of national indigestion.

Prior to 1882 immigration to this country was practically unregulated. Since that time, until within the past two years, agitation and legislation has been largely directed against the Chinese and Japanese. I do not hold any brief for these races, and can not speak from personal observation of conditions on the Pacific coast, but there are some facts in this connection worthy of note. During the century for which records of our immigration are available, only 2.4 per cent of the total came from all of Asia. According to the census of 1910, there were then only 56,756 Chinese in this country, which was less than half the number in this country according to the census of 1890, since which date there has been a rapid decrease in the Chinese population. In fact, there are fewer Chinese in this country than there were 50 years ago. According to the census of 1910, there were only 67,744 Japanese in the United States. A large percentage of these are farm and truck laborers in the Pacific Coast States. In other words, we are now confronted with a "red peril" rather than a "yellow peril."

The chief argument in favor of the admission of aliens is that it will provide "cheap labor," which is needed at many of the industrial centers of our Nation. In the first place, this so-called "cheap labor" generally means "cheap" citizenship. We need quality rather than quantity. Our industries are not so important that they should be expanded at the expense of citi-

zenship or to the detriment of our American institutions. Furthermore, we have had recent concrete evidences of the fact that foreigners, even though fresh from the pauper wages prevalent in certain sections of Europe, are among the first to demand exorbitant wages, and are the readiest to resort to violence or any other unlawful tactics in an effort to attain their ends. In fact, as inconceivable as it is, and as detrimental as it will ultimately be to the usefulness and prosperity of the organizations themselves, these radical foreigners have gained control of many of the most important labor organizations, with the result that a comparatively few radicals are endeavoring, in the name of labor, to shape the policies of this Government—to dictate to the remaining 110,000,000 American citizens.

In my humble opinion, we are badly in need of other legislation, which I sincerely hope may soon be reported out by the Committee on Immigration and Naturalization and the Judiciary Committee, for the restriction of immigration and naturalization, for the deportation of undesirables, and for the general punishment and extermination of radicalism, sedition, and disloyalty.

I believe that the Department of Justice has been faithfully endeavoring to meet the situation, but the Attorney General has several times advised Congress of the urgent and immediate need of additional laws. In a recent communication to the Senate Attorney General Palmer vividly disclosed the magnitude of the organized activities of those seeking to destroy our Government and forcibly urged the enactment of special laws to effectively combat them. He called attention to the fact that the espionage act and the trading-with-the-enemy act, under which they have in part been held in check, were essentially war measures, and he further advises:

(1) Those who have attempted to bring about the forcible overthrow of the Government of the United States have committed no crime, unless their acts amount to treason, rebellion, or seditious conspiracy.
(2) The preaching of anarchy and sedition is not a crime under the general criminal statutes of the United States.
(3) Advising the defiance of law is not a crime under the general criminal laws whether the same be done by printing and circulating literature or by the spoken word.
(4) Nor is the advising and openly advocating the unlawful obstruction of industry and the unlawful and violent destruction of property a crime under the United States general statutes.

Under the existing laws it is very difficult, and generally impossible, to obtain the deportation or conviction of these radicals, even when the evidence is procured and their arrest effected.

We should enact such laws and take such steps as may be necessary to effectively rid this country of the curse of anarchy, bolshevism, I. W. W'ism, sovietism, sabotage, sedition, treason, and all similar radicalisms, by whatever name or in whatever form it rears its sinister head.

The red serpents of radicalism have been warmed into life in the breast of this Republic until now, grown stronger and bolder and more vicious, they would strike deep their poisonous fangs into the very heart of our Nation.

The "red" movement is one of criminals, moral perverts, social bigots, and false idealists, not seeking liberty or any other worthy end, but avowedly seeking the destruction of all religion and belief in God, the destruction of government and law, the destruction of the sacred ties of marriage and home, the destruction of ownership in property, and nearly all the other evils their devilish cunning can devise or their hellish practices can produce.

Lenin himself, at the third soviet conference, candidly made the statement:

Among 100 so-called Bolsheviks there is 1 real Bolsheviki, 39 criminals, and 60 fools.

The night before he left New York for Russia, addressing a group of his East Side followers gathered together in a German hall in a secret meeting, but which was attended by a Secret Service man of the United States Government, Trotzki said:

I want you men to remain here and organize and keep on organizing until you destroy this dirty and rotten Government of the United States, while I return to Russia, bring on a revolution there, and stop Russia's war against Germany.

His followers have certainly been obeying his injunction. Millions of aliens, who know not our language or our civilization, are being mobilized under radical leaders of the Trotzki-Foster type to carry out Trotzki's command to overthrow this Government, and the worst feature about it is that a large number of American citizens, either unaware of the purpose of such radical leaders or misled by the spirit of unrest, are unwittingly permitting themselves to be used by these radical leaders.

It is stated on reliable authority that just before or about the time Lenin and Trotzki came into power in Russia there went from the headquarters of the I. W. W. in Chicago, at 1000 Madison Street, a completely equipped outfit for printing and spreading bolshevistic ideas. Printing presses and all the machinery for printing in the Russian language were sent directly through Seattle to Russia. It is further stated that these were ordered by the executive committee of the I. W. W., the moving body of the organization which makes all policies and decides all actions.

A pamphlet, recently widely distributed in Washington and elsewhere, issued by the American Anarchist Federated Commune Soviets, said:

The press, church, and Government, and Constitution can go straight to hell. Down with all constitutions, governments, capitalization, churches, and synagogues! Long live anarchism!

In a manifesto published by the "Federation of Unions of Russian Workers of the United States and Canada" for distribution throughout the United States and captured by the Government in a recent raid appeared the following:

The destruction of the state means the principal work in the formation of the new society. * * * Down with the state! Long live anarchy!
What must we do, the vanguard of the proletariat? We must consciously hasten the elementary movement of the struggle of the working class; we must convert small strikes into general ones and convert the latter into an armed revolt of the laboring masses against capital and the state.

There was found on the mutilated body of the anarchist who was killed in an attempt to blow up the residence of and assassinate Attorney General Palmer a pamphlet signed by "The Anarchist Fighters," which, among other things, contained the following:

The powers that be make no secret of their will to stop, here in America, the world-wide spread of revolution. * * * We accept your challenge. * * * We mean to speak for them the voice of dynamite through the mouth of guns.
There will have to be bloodshed; * * * there will have to be murder; we will kill because it is necessary; there will have to be destruction; we will destroy to rid the world of your tyrannical institutions. * * * Never hope that your cops and your hounds will ever succeed in ridding the country of the anarchistic germ that pulses in our veins. * * * Besides, you will never get all of us, and we multiply nowadays.
Long live social revolution! Down with tyranny!

The foregoing are merely typical examples of the character of literature being distributed.

The poison seeds are being sown throughout the land by the same influences that brought chaos to Russia and even to Mexico. Let us not minimize the situation. It is estimated that 90 per cent of the people in Russia are opposed to bolshevism, but the 10 per cent organized has subjugated and absolutely dominated the 90 per cent unorganized. We must meet that organization with an organization of every God-fearing, liberty-loving, patriotic American man and woman. We can save America from this menace, but we can not do so by passively permitting the unhampered and insidious growth of the germ of revolution.

I think that we should enact a law providing, in substance, that no alien shall be admitted into this country unless he satisfies the representatives of this Government that he is coming for a peaceful and proper purpose and with the intention of becoming naturalized and Americanized, unless, of course, he comes on temporary business; and further providing that aliens shall only be admitted on passports, with the understanding that they are admitted on probation, and then registered, and annually during their alienage required to officially report their location, occupation, and perhaps other salient facts; and further providing that such aliens shall become naturalized within five years after their entry into this country or else that they shall be deported for that reason alone. Our naturalization laws should be made more rigid, so that if the alien can not stand a genuine test of citizenship he shall be deported.

I also hope that a bill will shortly be reported out providing for the immediate deportation of all of that class of aliens who are described in the bill under consideration. We should not stop until we get rid of the last one of these radicals. Furthermore, we should enact a law providing for the denaturalization and deportation of that class of aliens who have become naturalized and who are guilty of the offenses defined in the bill under consideration.

Unfortunately, there are even some American-born citizens in our midst who have embraced the doctrines of anarchy, bolshevism, and similar isms, and we should enact laws to the end that all such shall be forthwith prosecuted and executed or imprisoned. They are entitled to even less consideration than the foreign born. Some of them are highly intellectual, and some even hold chairs in some of our universities and colleges, exerting a sinister and pernicious influence over the youth of the land.

There is still another class of labor and political leaders who do not really believe in such doctrines, but, in order to curry favor with or obtain the support of these radicals, encourage and embolden them by indulging or countenancing utterances of a more or less seditious nature. Many of the unwarranted criti-

cisms of the Government and public officials come under this category.

In the aforesaid report Attorney General Palmer stated that there are 222 radical newspapers published in foreign languages and 105 radical newspapers published in the English language in this country; 66 of the number openly advocate armed revolution in America. In addition, 144 radical newspapers published in foreign countries are received and distributed to subscribers here. It is interesting to note that the I. W. W. now circulates 13 papers printed in the English language and 19 papers printed in foreign languages. This enumeration of radical newspapers does not include the numerous radical books, pamphlets, and other publications which have a wide circulation. Attorney General Palmer states that "these newspapers and publications more than any other one thing are responsible for the spread of the bolshevik, revolutionary, and extreme radical doctrines in this country." The character of many of the articles in these publications being distributed broadcast, and even through the mails, is startling in the extreme, and yet neither the publication, the distribution, nor the mailing of same can be effectively prevented under our existing laws. Such revolutionary propaganda must be stopped at all hazards. No publication should be permitted to be published, mailed, or distributed which advocates the use of force or violence, either to overthrow the Government or to effect a change in its Constitution or laws, or to resist the authority of constituted government, or which advises the defiance of law, the violent destruction of property, or the unlawful obstruction of industry; and any person who proclaims, teaches, or advocates any such doctrines should be severely dealt with. We need laws to stop the agitators and propagandists, and not merely laws to punish the illiterates whom the cunning leaders incite and instigate to commit the crimes.

Although many of the radical newspapers and publications heretofore mentioned are printed in English, yet a large majority of them are printed in various foreign languages. One of the greatest difficulties confronting our Government is the question of dealing with this bolshevistic foreign-language propaganda. The people of the United States are an English-speaking people, and there is no good reason why propaganda literature in foreign tongues should be tolerated. It ought to be outlawed. If necessary, Congress will even be justified in prohibiting the publication or distribution of any periodical, newspaper, or pamphlet in a foreign language, or, at least, under only the strictest regulations. Congress could no doubt enact a law which would stop this propaganda and at the same time avoid any infringement upon the constitutional limitation against freedom of speech and freedom of the press. There should be no mawkish hairsplitting over alleged infringement of liberty when the country's enemies are employing liberty's weapons for the assassination of liberty. The Constitution does not guarantee slanderous sedition in the guise of free speech, nor libelous treason in the guise of a free press, nor a revolutionary mob in the guise of a free assembly. In guaranteeing free speech and free press, the founders of this Republic certainly never had in mind immunity or toleration for seditious propaganda. We may likewise rest assured that they did not contemplate the creation and preservation of a medium for the easy dissemination of anarchistic doctrines in Russian or German or any other alien language. It likewise goes without saying that the dissemination of such pernicious propaganda in our own language should be stopped.

Some States have enacted a law providing in substance that foreign languages shall not be employed in giving instruction on any subject to pupils below the ninth grade; that foreign languages may be employed in the ninth and higher grades in so far as the teaching of such languages may be concerned, but may not be used as a medium of instruction in any other subject, and the courts have held such laws to be constitutional. It would be well for similar laws to be enacted in all States where the local conditions make it necessary.

My belief is that, if they are unwilling to become Americanized and learn our language, they should keep out. They are not compelled to come. If they do not like our country, they can leave. If they insist on remaining, they must live as we live. If they are not willing to become one of us, they are not entitled to live under the Stars and Stripes and enjoy the blessings of our institutions. Ours is the greatest and best Government in all the world and in all history, and we want none of those aliens who have neither sense nor principle enough to appreciate it.

In conclusion, I repeat that I think we should promptly pass this bill, and that it should then be rigidly enforced. We should then enact drastic legislation for dealing with this class of aliens who are already in our midst. [Applause.]

Mr. RAKER. Mr. Chairman, I yield three minutes to the gentleman from New York [Mr. GOLDFOGLE].

Mr. GOLDFOGLE. Mr. Chairman, I rise to heartily support this bill. The Government has too long delayed to provide adequate legislation to rid itself of the miserable class of vicious, designing, and dangerous characters against whom this deportation measure is directed. It is high time we proceed to enact necessary and effective laws to protect our country against the anarchistic and other similar classes, call them what you will, who seek to undermine American institutions and plot for the overthrow of this Government.

The present laws fall short of reaching many of those aliens who, with evil and misdirected minds, engage in crafty schemes and base conspiracies to sow seeds of discontent, promote national hatred, commit deeds of violence working for destruction of life and property. Their hope and purpose is to stir their bad or ignorant and blind followers to acts of revolution. With such miscreants no self-respecting, law-abiding citizen can have any sympathy. Duty demands we cast them from our midst. [Applause.]

The disclosures made through investigations by both our Committee on Immigration and the Department of Justice show how widespread is this menace to America.

Enough has been related on this floor to-day to prove the necessity for this bill. Mention was made of the vile and inflammatory literature teeming with revolutionary ideas and denunciation of government. I, too, have seen much of it. I know its evil influence on the weak and the unthinking. The bill does not go far enough to stop it altogether, but to some extent, however, it will meet the situation.

I congratulate the distinguished chairman of the Immigration Committee [Mr. JOHNSON] on the clear conception he has of the situation. He has with clearness shown how very fine and subtle are the lines of division between the various isms that make up the menacing factors who commit the acts referred to in this bill. The committee might have gone further to cover cases of naturalized citizens who commit acts which this measure proscribes. Is not a naturalized citizen who commits the things for which the alien under this bill is to be punished or deported the worse offender of the two? He assumed citizenship, swore allegiance to our Government, swore to uphold our Constitution, and so he is the greater offender. If proven guilty, then, after a fair, full, and impartial hearing, his naturalization ought to be revoked. He is unworthy of that precious boon our law-abiding naturalized citizens so highly prize, American citizenship.

It was suggested during the debate that where a naturalized citizen commits the overt acts mentioned in the bill the court, in revoking his citizenship, might find that when the citizenship was first assumed the applicant was guilty of fraud. Perhaps it would not be necessary to go that length if Congress in such cases provided in the bill for an alien's deportation and the revocation of naturalization after a fair, full, and impartial trial. However, that problem is not before us, though my colleague from New York [Mr. SIEGEL] told us he expects the Committee on the Judiciary to report out a bill on that subject.

This, however, may be taken as an axiom, that every nation possesses the inherent right to protect itself against acts which menace its existence and amply provide and exercise power to maintain its stability and preserve its institutions. [Applause.]

Mr. RAKER. Mr. Chairman, I yield five minutes to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. Mr. Chairman, I do not know that any additional law is necessary to deport these undesirable aliens from this country, but some of the officials of this Government, especially in the Department of Labor, seem to think so, and as long as there is any doubt in the mind of anyone connected with the Government I am in favor of this bill or any other that will take these undesirable characters out of the United States. Not only am I in favor of deporting these aliens who are endeavoring to spread the seeds of discord and break down the Constitution and undermine and overthrow the Government, but I think a law ought to be passed through this Congress applying the same doctrine to the native-born American citizen who is doing that same thing. The man who preaches that sort of doctrine either ought to be shipped or shot. Our Government is here for the protection of all the people, and whenever any man, whether he be a foreigner, ignorant or educated, or native-born scoundrel, preaches a doctrine to overthrow the Government, ruin, damnation, and sabotage, he ought to be handled with a shotgun or deported to some foreign land. [Applause.] Our native-born anarchists and Bolshevists do not owe allegiance to any other country, and you might do an injustice to Russia or Germany or Hungary or Austria by sending them over

there. The thing to do is to handle them by a specific law from the Committee on the Judiciary.

No punishment is too severe for any person born in the United States who turns traitor to the Government, and by word, speech, publication, money, or acts endeavors to violently overthrow the Government.

The Constitution must stand. Patriotism and loyalty will forever protect our institutions.

Why, there are some men running for office, trying to get into the American Congress, who are just as much to blame as any Bolshevist in Russia. You had a man reelected to Congress from Milwaukee yesterday who in my judgment ought to be deported out of this country. [Applause.] Not a more dangerous character is within the borders of the United States—a man foreign born who is a naturalized citizen of this country preaching the doctrine of overthrowing the Government—and yet a colony of Germany over here in Milwaukee has the second time reelected that enemy of this Government to the Congress of the United States, and I trust that this body will have the patriotism and the respect for the American people and the Constitution to kick him out of the doors by the time he gets here, like they did before. [Applause.] We have one element that will take care of the Bolshevists, I. W. W., and anarchists, if we let them alone, and that is the great patriotic body of men who wore the American uniform of the Army and Navy in the late war against Germany. Those boys will stand against all of these miserable creatures who are endeavoring to overthrow this Government. The only trouble is those boys sometimes want to act through the method of violence, and we must have orderly and legal procedure. I do not believe in lynching these fellows. I believe in having them handled by the law, and whenever the Department of Labor says they can not get rid of them and calls on the Congress for additional law we must give it to them, and if the department does not enforce the law, either that or any other office, I say let us clean those offices out from top to bottom and put Americans there who will do it. [Applause.] This thing of having talk that some of these departments are lousy with employees in sympathy with Bolshevism and the I. W. W. ought to be looked into by this Congress. There is no mistake about it; there is no use to fool yourselves. We all know that every newspaper in this country is carrying news every day that alien anarchists and Bolshevists are allowed to stay in this country plotting against our Government. Let us rush through this law and clear our country of this grave menace. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIN. I thank you, gentlemen.

Mr. JOHNSON of Washington. Mr. Chairman, I yield two minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Chairman and gentlemen of the committee, I have the honor to represent a district that has perhaps fewer aliens, a district that is more genuinely Anglo-Saxon, than any other district in the Union. We have no Bolshevists or anarchists in east Tennessee, thank God, and if we should discover one he would last about as long as the proverbial snowball in the inferno. I am thoroughly in sympathy with this measure, and I think it is one of the most vital and important that has been presented for the consideration of this Congress. We can not afford to temporize or equivocate with radicalism. There is room in the American atmosphere for but one flag—Old Glory. Any man that raises any other emblem or that preaches any other doctrine except the good old American gospel does not deserve to live beneath the Stars and Stripes and enjoy the blessings and opportunities of our great country. We have too long been the dumping ground and melting pot for the nations of the earth. Our hospitality has been imposed on by an ungrateful foreign element. I favor deporting from our shores immediately and with as little ceremony as possible these contemptible scoundrels who advocate violence against organized government, life, or property. Toleration is absurd. There can be no reason or excuse for permitting them longer to go about the country sowing seeds of discord and discontent and preaching revolution and anarchy. And when these advocates of violence shall have been deported I favor giving the rest of our alien population a reasonable time in which to embrace the spirit of our institutions, and if they do not show a disposition to assimilate with us I favor booting them out of the country. [Applause.] The principle that "a dog that will bite the hand that feeds it does not deserve to live" is not inappropriate to those foreigners who have sought our country as a haven of refuge and now would convert it into a land of chaos. The people of this country are expecting us, yea, they are demanding us, to pass legislation drastic enough to forever rid the United States of this dastardly class. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. TAYLOR of Tennessee. I thank you.

Mr. JOHNSON of Washington. Mr. Chairman, I desire to yield 10 minutes to the gentleman from Colorado [Mr. VAILE]. First, I desire to ask how much time remains on this side?

The CHAIRMAN. Fifteen minutes.

Mr. JOHNSON of Washington. I will yield five minutes, if that will be satisfactory. Several gentlemen have said that they would like to speak, but that they could get along with extensions, and I will undertake to close on this side in five minutes.

Mr. TAYLOR of Tennessee. At this time I would like to ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. DAVIS of Tennessee. Mr. Chairman, I desire to make a similar request.

Mr. VAILE. While these requests are being made I would like to make the same request.

Mr. LANGLEY. I desire to make the same request.

The CHAIRMAN. Is there objection to these requests? [After a pause.] The Chair hears none.

Mr. RAKER. While this is not to be taken out of the time of the gentleman from Washington, I did not get the proposition which the gentleman made.

Mr. JOHNSON of Washington. We will endeavor to close on this side with the remarks of the gentleman of the committee [Mr. VAILE]. And a little later I shall endeavor to secure permission that all Members of the House have three calendar days in which to extend their remarks.

The CHAIRMAN. The Chair did not understand how much time the gentleman yielded?

Mr. JOHNSON of Washington. I yield five minutes to the gentleman from Colorado.

Mr. VAILE. Mr. Chairman and gentlemen of the committee, as the chairman of the committee has stated, this bill is only an incident, although it is a very important incident, of the work of this committee and the work which will be the work of the House in reference to immigration and naturalization. This bill merely purports to fix more definitely what you might call the deportable status of certain aliens who are now here. Many of us are in favor of some such amendment as that suggested by the gentleman from Ohio [Mr. WELTY], to put this procedure in the Department of Justice instead of in the Department of Labor, but it was thought we could accomplish the purpose better if we got the permission of Congress to consider a whole new procedure for deportation cases, and if we should confine our attention in this bill more clearly to specifying what characteristics, what associations, what qualities, should make an alien liable to deportation. We have endeavored to do that, and I want to say in a sense this bill is offered with an apology, not, if you please, any apology on the part of the committee; not, if you please, any apology on the part of the House of Representatives; but it is offered with an apology for a department of the Government of the United States.

The reason it is offered is because the Department of Labor has ruled that membership in such organizations as the I. W. W., specifying that particular organization, does not render the alien liable to deportation, because the constitution of the I. W. W. does not, according to that department, specifically advocate the various things denounced in the present law. We think it does. The Department of Justice thinks it does, and it has been so held by many courts. We think that the preamble quoted in the opinion of Judge Wolverton in the case of the United States *v.* Swelgin (254 Fed., 884), found on page 12 of the report—

> Between these two classes (the working class and the employing class) a struggle must go on until the workers of the world, organized as a class, take possession of the earth and the machinery of production and abolish the wage system—

constitutes them enemies of this Government. We think that the pledge which a member of the I. W. W. signs; and which is on his pledge card, constitutes such a man an enemy of this Government, when it says:

> The working class and the employing class have nothing in common—
>
> And—
>
> Labor is entitled to all it produces.

Those are declarations that in a government intended by its framers to be for all of us, based on the proposition that all men are created equal, there are some classes which are not equal to others; that there is one class, a so-called working class, here, which is entitled to run the Government and control the country, and I want to say to its credit that the real working class—and by that I mean the class that really works—is willing that the Government should be run by and for all of us.

Now, these principles of the I. W. W. are not, perhaps, all expressed in its constitution. They are expressed in its literature most abundantly, as the chairman of the committee has shown and as is shown in this report. They are expressed in the declarations of its principal spokesmen and pamphleteers and in its official organs, when they publish pamphlets containing, for instance, such language as this:

The I. W. W. opposes the institution of the State. It holds that State or governmental control of industry would merely introduce a different form of slavery. Government implies governors and governed, a ruling and subject class. No man is great enough or good enough to rule another.

The I. W. W. is creating its own ideas of morality and ethical conduct, as opposed to the current conceptions of what constitutes right and wrong.

Toward the existence of Government the I. W. W. is openly hostile. It is antipatriotic.

The kernel of evil lies in the very existence of the State, and violence is an economic factor.

Those things, published under the authority and printed by the press of this organization——

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. VAILE. May I have three minutes more?

Mr. JOHNSON of Washington. I yield three minutes more to the gentleman.

Mr. VAILE. Those things stamp the character of this organization absolutely beyond mistake.

The chairman of this committee has spent 12 years of his life in fighting this and similar organizations. He was preceded by that wise, able, constructive patriot, our much-lamented colleague, the Hon. John Burnett, of Alabama, and both of these gentlemen were confident that the present law was sufficient.

Mr. JOHNSON of Washington has devoted the best years of his life to the cause of purging our country of dangerous foreign elements. The gentleman from Washington has closely followed the history of the I. W. W. from its organization, and has studied as well its predecessor organizations. Coming from a district where the I. W. W. has grown to its highest foul and rank growth, he recognized its poisonous character when it first appeared and has fought it, root and branch, night and day, and with every ounce of his strength and every dollar of his means. At heavy financial sacrifice to himself he conducted an anti-anarchist paper in Washington, which was published and circulated at a price which made its circulation almost a gratuity.

My friend thought, as John Burnett thought, that by the act of 1918 if a man was a member of an anarchist society he was an anarchist, and if he was also an alien he was not entitled to come here, or, if here, to remain.

These patriots thought, as the whole of Congress thought, that if an alien was a member of an organization which "entertains a belief in, teaches, or advocates the overthrow by force or violence of the Government of the United States or of all forms of law, or that entertains or teaches belief in or opposition to all organized government, or that advocates the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers, either of specific individuals or of officers generally, of the Government of the United States or of any other organized government, because of his or their official character, or that advocates or teaches the unlawful destruction of property," we should not be compelled to extend to such a serpent the protection of those laws or of our Government.

Concededly the character of the organization must be proved, but Congress reckoned without taking into consideration the personal equation of the individual men who were to enforce that law. The order is committed to the "social general strike," which is thus defined in its official literature:

The profoundest conception of the general strike, the one pointing to a thorough change of the present system; a social revolution of the world; an entire new organization; a demolition of the entire old system of all governments.

Oh, no; a society which, instead of believing in the doctrine of equality proclaimed by our Declaration of Independence, declares that there are classes here which have nothing in common; a society which advocates "a demolition of the entire old system of all governments," is not, according to gentlemen in the Department of Labor, a society that entertains or teaches disbelief in or opposition to all organized government or one which advocates the overthrow by force or violence of the Government of the United States.

Because these words are not, forsooth, in its constitution, those who are members of the order which entertains and spreads them are immune from the laws they would destroy.

It is to reach these men that we have added the language, "aliens who write, circulate, distribute, print, publish, edit, issue, or display," or who cause these things to be done, or who are members of an organization that causes any of these things to be done, with respect to literature, and so forth, teaching these abominations. It is to reach that smooth and polished snake, the parlor Bolshevist, that we have added the provision about contribution of money. If any man or woman contributes, out of the means protected by our law, to the destruction of that law, he should be held guilty in at least as great a degree as the ignorant and penniless dupe.

As I say, Congress had reckoned without a knowledge of the personal idiosyncrasies of such a man as the late unlamented inspector of immigration at New York, Mr. Howe, who receives long and friendly letters from Emma Goldman, hoping that he is not being affected by the insidious poison of nationalism, and who congratulates seditious agitators upon their release. We had reckoned without the expectation that the Assistant Secretary of Labor would expressly and studiously avoid a "literal application of the law" solemnly introduced in that body of the national legislature which is nearest to the hearts of the great American people and deliberately passed by a Congress charged with its protection.

I myself have had some little knowledge at first hand of this organization and its predecessors. On the 4th of July, 1902, the anniversary of the Declaration of the Independence of the United States, I sat in a hall of the miners' union at Telluride, Colo. I sat in a meeting open to the public, of the Western Federation of Miners, where the speaker, one Father Haggerty, an excommunicated priest, I believe, used this language:

Do not be satisfied with 99 per cent of the products of your labor. Take it all. It belongs to you. The bank across the street, the holes that pock our beautiful mountains with the hideous marks of capitalistic industry, the railroads that come over the hills, belong to you. Take them, and take them now, before the governor can send in troops to prevent it.

Now, the Western Federation of Miners was the precursor of the I. W. W. Many honest workingmen belonged to it, but it was in the control of the anarchistic element; and that meeting was presided over by Vincent St. John, the president of the local union, who has later appeared as the author of many of these pamphlets spoken of in this report and the chief pamphleteer of the I. W. W. The president of the national organization was "Big Bill" Haywood, now one of the I. W. W. chiefs.

These principles may not all be detailed in the written constitution, to the satisfaction of Mr. Post and Mr. Howe, but they are written in the black hearts of those who fired on the American soldiers in Centralia, Wash., and they are spoken from the lips of every man who gets on a soap box in order to assail our laws, our uniform, and our flag. And, if there is any question now, the law must be plain enough so that it may be read even by him who runs from the performance of his duty. That is the reason we offer this bill.

Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. KIESS. Mr. Chairman, the World War has brought to our attention a problem that has hitherto been overlooked or, until very recent years, comparatively neglected. The tides of immigration have brought to our shores millions of aliens who have made this country an abiding place, but they have not always become identified with the spirit of our institutions nor have they made efforts to become citizens of the Nation. Our commercial and industrial expansion was so rapid and our people so engrossed in immediate activities that we scarcely noted this influx of foreign population. During the first decade of this century more than 10,000,000 of aliens came to our shores. During three years of that period more people came than were in this country at the time of the Declaration of Independence. More than 3,000,000 of the present alien population can not speak our language, and more than twice as many can not read and write it. Recent events prove the necessity for some legislation at this time dealing with aliens who are members of the anarchistic and similar classes, and I congratulate the committee upon reporting the measure under discussion. I am in hearty sympathy with its provisions and am glad for the opportunity of voting for same.

The security of the Government rests upon the collective rights of its people as guaranteed in the Constitution and the laws under it. Upon these fundamental rights the welfare and happiness of the American people are based. We do not hold that government is an end in itself, nor that it is perfect, but it is the means by which ordered progress is to be attained. The whole history of the world bears evidence to this fact.

If there are individuals or groups of individuals who deny the right of government, disregard the obligations to property, and hold themselves free to overthrow government by force or violence, there is but one answer to their contention, and that is they should be held accountable to the law, or, if aliens, should be promptly deported to the country from which they came.

The ideals of American Government are well defined in our Declaration of Independence and in the Constitution, which guarantees life, liberty, and pursuit of happiness under law to every citizen under the flag. This is no idle, fanciful dream, but is and has been a potent fact through all the years of our national development. Under such a representative Government as ours there is every opportunity for redress of grievances, for righting of wrongs, and supplanting injustice by justice through the people themselves. But these misguided anarchistic aliens would if they could tear down the structure that has been building for more than 140 years, and into which the very lifeblood of the Nation has been crystallized.

When we contemplate the heroic struggles that have taken place and the sacrifices that have been made in order to create what we believe is the most substantial free government on earth, we would be faithless to the past and recreant to our duty if we did not cast out "root and branch" every anarchist whose subversive and insidious doctrines eat like a canker at the very vitals of representative government.

In the great tragedy which deluged the world with blood and horror 4,000,000 Americans were enrolled. They fought shoulder to shoulder not alone to make the world safe for democracy, but to make democracy safe in the world. Having accomplished their immediately appointed task of dethroning autocracy and having sheathed the sword, shall we as a Nation permit a group of self-seeking alien agitators to sow the seeds of anarchy, discontent, and disloyalty, and thus threaten the very foundations of our security?

The answer comes ringing clear and strong from the platform of the American Legion. It proclaims a standard of 100 per cent American. Not spurious Americans who roll the words "liberty" and "freedom" from the lips while they plot treason and disloyalty in the heart, but Americans who believe in the natural orderly processes of the law and in such remedies as the people through their chosen representatives see fit to apply.

The purposes of the American Legion rest upon a broad foundation, namely, "To uphold and defend the Constitution of the United States; to safeguard and transmit to posterity the principles of justice and freedom and democracy for which the military and naval forces contended in the war; to maintain law and order; and to foster and perpetuate 100 per cent Americanism."

It is particularly appropriate that the 2,000,000 men who fought side by side from Flanders fields to the borders of Switzerland should join with the 2,000,000 more who were mobilized and under arms "ready to take their place in battle's stern array," and form one patriotic brotherhood.

I am convinced that the stabilizing influence of this great body can not be overestimated. With the high ideals for which it stands ever in the foreground it will prove its commanding power—a power that has come to it through the heroic sacrifice of those who were enrolled under the banner of democracy. The 4,000,000 men who constituted this great Army, 2,000,000 of whom saw service 3,000 miles across the sea, have been awakened to a realization of new problems facing our country. I feel sure that they will help us as a people to think our way safely through the besetting problems that lie in the days immediately beyond. I have an abiding faith that the American Legion will stand first and foremost for the equality of opportunity. The men who constitute the membership of the legion and those who will become members have been in a position to observe the effect of war on men and events. They have seen in the same trenches boys from humble homes perform their deeds of valor side by side with those who had lived under more favored conditions. They recognize no distinction of class, but believe in the inherent right of every individual to realize the best that is in himself.

Its program of service, which proclaims a maintenance of law and order and the perpetuation of genuine Americanism, is most comprehensive. It will root out the seeds of treasonable conduct in whatever guise it may appear. It will aim to extend its influence so that every home and fireside in this broad land shall be a nursery in which the seeds of good government and stalwart Americanism shall grow into fine fruitage.

On the question at issue I am inclined to no narrow provincialism. I stand for no racial or national prejudices. I believe in a Government whose motto is "man for mankind," for that is of the very essence of democracy. But in applying that principle I am fully minded that the alien who sought a home in our midst shall conform to our processes of law and order, or, in default of these, shall be promptly deported. The issue is clear; the mandate of the bill is unmistakable. It imposes no hardship. We have been more tolerant than we should have been. Still it is better to have erred on the side of tolerance. But America is for Americans first, and then for those who come in the spirit of cooperation and are willing to serve and sacrifice in the interests of the whole people. For those who do not sympathize with the ideals and aspirations of the fathers who founded and the citizens who perpetuated this great Republic the gates of the country open outward. If conditions here are not congenial to their tastes, they should be speeded to other shores as rapidly as the ships can carry them. Treason, sedition, and disloyalty shall have no abiding place here. The destiny of America will be determined by the impulses and activities of the men and women who stand for 100 per cent Americanism. To their intelligence and ardent patriotism we may safely trust the future.

Mr. RAKER. Mr. Chairman, I yield half a minute to the gentleman from New York [Mr. PELL].

Mr. PELL. Mr. Chairman, I shall vote for this bill because deportation appears to be the most proper and the fairest method of dealing with aliens who are here conspiring against the fundamental principles of our Government. If they prefer another system, let them go where that system prevails.

The people who uttered the statements which we have just heard quoted are no more protected by the right of free speech than would a man who brought a gatling gun into a public square and began blazing away be protected by his constitutional right to bear arms.

Common sense would show that no constitutional provision is correctly explained by an interpretation that would jeopardize the country and would oblige us to stand idly by while conspirators labor for the overthrow of the United States. The Constitution protects rights not wrongs.

Mr. RAKER. Mr. Chairman, I yield to the gentleman from Alabama [Mr. HEFLIN].

Mr. HEFLIN. Mr. Chairman, the preamble to the Constitution says:

> We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

Mr. Chairman, it ought to be the purpose, and I believe it is the purpose, of the membership of this House to safeguard and preserve these sacred covenants. The red anarchists in America are the dangerous and deadly enemies of American institutions. They do not deny their hostility to our form of government. They boldly declare their purpose to set up another in its stead. Are we true to ourselves and faithful to the oath that we took when we stood with uplifted hand at the altar place of this House to support the Constitution of our country when we knowingly permit these bitter, defiant enemies to remain in our midst? [Applause.] The devil undertook to set up a government of his own in the Celestial City, and God Almighty cast him overboard. Why should we permit those who do not believe in either God or constitutional government to remain in our country? [Applause.] The Bible tells us that "If thine eye offend thee, pluck it out." What are we to do when we find an alien enemy in the country who offends everything that is dear and sacred to us as Americans? We should pluck him out of the country. [Applause.] Now, the Christ of God, the Son of Man, and the Savior of the world when he was on earth told us about the faithful servant who went out in the wheat field and on his return said to his master, "I have discovered tares in the wheat." And the master said, "An enemy hath done this."

He had gone in the nighttime and planted tares in the wheat, and when the tares grew up so that they could be distinguished from the wheat, what did the master say? He told the faithful servant to go and pluck up the tares and bind and burn them.

Now, we are not proposing to burn these red anarchists who burn the flag of our country and who preach their devilish doctrines in the temple of American liberty. We are simply saying to them, "You shall not remain in our country. There is not room enough over here for you. Go back to the country whence you came. This Government is established for those only who believe in law and order and constitutional government, and we have sworn to protect and defend its institutions and to bequeath them unimpaired to our posterity." [Applause.]

It is the duty of every man in this House and in the Senate to support this bill. I do not believe that there will be a vote cast against it. Let the Democratic Party represented here and the Republican Party in this House show to these alien enemies that, although we may have political differences and array our parties one against the other in political contests, when it comes to an issue where the honor of our flag is assailed, and the very life of the Republic is at stake, we are one against America's alien enemies. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HEFLIN. And, Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman has consumed all his time.

Mr. RAKER. Mr. Chairman, I yield to the gentleman from Ohio [Mr. BABKA].

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. BABKA. Mr. Chairman, I am heartily in favor of this bill and shall vote for it without any reservations. There is no place within the borders of this country for such as this measure is designed to reach. They can not, and must not, be tolerated here any longer. [Applause.] When no longer able to suffer the tyranny of the Government in their native land they came here seeking relief. They chose to come here because they had heard that here man was permitted to live his life as the Creator intended he should live, free and unfettered; that here all men were equal; that every man here enjoyed an equal opportunity for advancement and prosperity with his neighbor; that in this country no man's rights are ever interfered with so long as he enjoys them without interfering with those of his neighbors.

And, Mr. Chairman, America did not disappoint them. True to her traditions, she received them as one of her children, for to her all men are equal. Here they were privileged to work and prosper as man prospers nowhere else under the sun. Here, after a short period of probation, they are given a voice in the affairs of the Government—a government that truly reflects the will of the people; a government whose laws are the will of the people themselves; a government under whose institutions the most humble are often called to positions of the greatest importance; a government wherein even their own children might hope some day to attain the most exalted position at its hands, not because of any divine right, not because of any accident of birth, but because of the most holy, the most sacred, the only just and equitable right, the will and consent of his fellow men.

These things, Mr. Chairman, our Government bestows on all of its citizens and its wards equally and impartially, and all that it asks in return is obedience and respect for its laws—laws the benevolence of which has won the admiration of mankind throughout the world.

Mr. Chairman, these blessings that we here in the United States enjoy were not easily attained. There was a time when here, too, tyranny and oppression reigned, and it was only at the cost of much suffering and the loss of much blood and many precious human lives that this freedom and liberty that we so cherish and enjoy were attained. Reflect for a moment on the terrible hardships that the immortal Washington and his brave band of patriots had endured from Concord to Yorktown. Consider for a moment the terrible winter at Valley Forge, when, without clothes, without shoes, and with little food our forefathers remained steadfast in order that they and their children might live as freemen. And, Mr. Speaker, all of the fruits of their victory are extended to all who enter our land, and the only thing asked in return is that they who receive remain true to the laws prescribed by our Government.

Sir, if there be those in our midst who are so base and so ungrateful that they would destroy this Government that has so willingly taken them in on a footing of equality with that of all of its citizens, that has so generously given them of its bounty, that has so abundantly fed and sheltered them, then to them I say, the door is open, go, return not, and no one shall mourn your departure. [Applause.]

Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. RAKER. Mr. Chairman, may I inquire how much time the gentleman from Washington [Mr. JOHNSON] has?

Mr. JOHNSON of Washington. I believe we are ready for the reading of the bill for amendment.

Mr. RAKER. I have about 12 minutes.

Mr. JOHNSON of Washington. Very well.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, the general reason for the bill has been quite fully gone over by the chairman of the committee [Mr. JOHNSON] and others. There can be no doubt in the minds of those who have given the subject any consideration that the law upon the statute books now is amply sufficient to deport every I. W. W. in the United States. There can be no doubt that, upon proper construction of the statute, those who advocate, teach, or belong to an organization that advocates or teaches the unlawful destruction of property can be deported from the United States. There can be no doubt that under the present law, properly enforced, all anarchists can be deported from the United States, and should be.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from California yield to the gentleman from Illinois?

Mr. RAKER. I yield to the distinguished gentleman for a question.

Mr. CANNON. Why is not that being done now, and why has it not been done for years past?

Mr. GARNER. Because you could not make the proof.

Mr. CANNON. Then what is the use of this legislation?

Mr. RAKER. Well, it has been worked upon. Some are being deported; not enough. The law has not been enforced. I refrain from a fuller discussion of that subject, but I have my views. The committee is investigating the subject. Those whose duty it was to enforce the law have not enforced it. Yet the committee has not gone far enough to place their finger upon the guilty party. But somebody has overridden the law, and I believe even unlawfully, because men who have been arrested and ordered deported have been turned loose on their own recognizances and have gone back into the population again, preaching anarchy, Bolshevism, and sabotage. And, second, there is no law against a citizen who practices these doctrines, except in a few cases. But as to deportation, the Department of Labor claimed that they had not sufficient funds to enforce the law.

Mr. TILLMAN. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. And, third, the Department of Justice makes the same contention in this report which the committee has before it.

Now I yield to the gentleman from Arkansas.

Mr. TILLMAN. The gentleman from Illinois [Mr. CANNON] suggests that there has been a failure on the part of the authorities to enforce this deportation. Is it not true that to-morrow a ship known as the "Red Ark," a ship containing 180 alien offenders against this Government, will leave our shores for Russia?

Mr. RAKER. I, being on that committee, hope the gentleman will pardon me for not answering.

Mr. TILLMAN. Is not that true?

Mr. RAKER. I do not feel that I should answer that question.

Mr. TILLMAN. I say it is true.

Mr. POU. The newspapers say it is 174 or more.

Mr. TILLMAN. I assert that that is true; a shipload of them.

Mr. CANNON. Is this the first deportation? And who was it that discharged these people on their own recognizance?

Mr. RAKER. The record has not all been made up, but from the record we had at Ellis Island it was claimed that it was ordered by the Assistant Secretary of Labor.

Mr. TILLMAN. Mr. Chairman, will the gentleman yield for another question?

Mr. RAKER. Yes.

Mr. TILLMAN. Is it not true that something like six or eight months ago 68 other anarchists were deported from New York Harbor?

Mr. RAKER. Yes. We have deported them. We have even sent them to Russia. We have sent them to Germany during the last six months.

Mr. WELTY. Mr. Chairman, will the gentleman yield there just a minute.

Mr. RAKER. I yield to my distinguished colleague on the committee.

Mr. WELTY. Is it not a fact that the reason why some of these people were not deported before was because they were Russians and we could not deport them to Russia at that time?

Mr. RAKER. That was the statement made by a representative of the Department of Labor. But notwithstanding that, there can be no question that the law is sufficient to deport many of these, but it has not been rigidly enforced because of a ruling that was made in relation to the subject. The committee have added to this provision of the statute.

The question of aliens who are anarchists is not affected.

The question of those who entertain, advise, advocate, or teach disbelief in or opposition to organized government is practically the same.

To the next provision we added those who believe in, advise, advocate, or teach the unlawful damage, injury, or destruction of property, adding the word "injury" or "damage."

Then we added the provision as to those who write, circulate, distribute, print, publish, edit, issue, or display, or cause to be written, and so forth, any written or printed matter of that kind. That will catch many of them.

Another provision relates to anyone who advocates or believes in or belongs to an organization that teaches or believes in sabotage. That is an entirely new provision.

There ought to be added to the bill a fifth subdivision referring to criminal syndicalism. Then we would get all of them.

I want to call the attention of the committee to the other provision of the law, and it is one of the important features of this bill.

I had here a moment ago a circular handed to me by the gentleman from Virginia saying that the Supreme Court decision relating to the three men and one woman who had violated the espionage act should be wiped out and the court criticized and the Government changed, and as a winding up they solicited a subscription for the continuance of that doctrine. And many people, some, possibly, with their minds in the right intent, not thinking exactly what was intended, have subscribed to these various organizations and associations, and therefore are helping the cause along.

Now, Mr. Speaker, so that there can be no question of what the intention of the committee is as to the words "sabotage" and "criminal syndicalism," I ask to insert as a part of my remarks the definition of those words given by the lexicographers, and second, the statutory enactments of the several States on this subject which have enacted criminal-syndicalism acts and also sabotage acts. Then, in the construction of these words, the courts and the Department of Justice and the Department of Labor will know what definition has been given by the Congress, because that was the intention of the committee, but it was not inserted in the bill. A majority of the committee believed that the meaning was sufficiently understood; but the words are not sufficiently defined, and the House ought to place in the bill a definition of criminal syndicalism and sabotage so that there can be no question when the act is enforced.

The term "criminal syndicalism" is hereby defined as a doctrine or precept advocating or teaching the commission of crime or sabotage—which word is hereby defined as meaning willful and malicious physical damage or injury to physical property—or unlawful acts, force, or violence, or unlawful methods, or terrorism, as a means of accomplishing a change in the industrial ownership or control, or affecting any political change.

That is the definition of the act as placed in the California statute, which the attorney general advised me yesterday by telegram has been held constitutional and sufficient by the courts of California, and that convictions are being secured under it. We find that practically the same definition and the statutes upon the same subject have been enacted by a number of States, and the law is being enforced in those States—Idaho, Minnesota, Montana, Nebraska, Nevada, Oklahoma, Ohio, Oregon, South Dakota, Utah, and Washington—and they give practically the same definition that the committee are intending to place upon the language in their bill. I am referring to this so that it may go into the RECORD, so that there can be no misunderstanding as to the purpose, object, and intent of the Congress in passing this bill; that it means what it says, and that it is intended to include all of those who advocate or teach or advise the commission of crime; all of those who advocate, teach, or encourage the crime of sabotage; all of those who by malicious physical damage or injury believe in the destruction of property, or by any unlawful means, force, or violence use terrorism to bring about political change or change of industrial control, as well as those who by means of terrorism or any unlawful method attempt the overthrow of government or to effect any political change. Those definitions and legislative acts on the subject just discussed are as follows:

DEFINITIONS OF "SABOTAGE."

I. Webster's New International Dictionary, 1916 edition:

Sabotage: a. Scamped work. b. Malicious waste or destruction of an employer's property by workmen during labor troubles.

II. Funk & Wagnalls' New Standard Dictionary of the English Language, 1913 edition:

Sabotage: 1. The act of cutting shoes or sockets for rails in railroad ties. 2. By extension, the act of tying up a railroad by malicious damage. 3. Hence, any poor work or other damage done by dissatisfied workmen; also, the act of producing it; plant wrecking.

III. The New International Encyclopedia, 1916 edition:

Sabotage: Willful obstruction of or interference with the processes of industry on the part of employees with the object of reducing the profit or impairing the capital of an employer and thus compelling him to accede to demands of employees.

It was first defined and given a recognized place among the weapons of organized labor in the congress of the General Confederation of Labor of France in 1887.

IV. Edgren and Burnet. French and English Dictionary, New York, 1901:

Sabotage: Business or manufacture; slashing the work through; turning out poor work fast.

DEFINITIONS OF "SYNDICALISM."

[NOTE.—The term "criminal syndicalism" was not found in any dictionary.]

I. Funk & Wagnalls's New Standard Dictionary (1913):

Syndicalism: 1. An economic movement originating in France, but now widespread, which aims at the federation of workers in all trades into an effective unity for the purpose of enforcing the demands of labor by means of sympathetic strikes. 2. The principles underlying this movement—see Industrial Workers of the World.

Industrial Workers of the World: A labor organization formed in Chicago, Ill., in 1905, to stand (1) for the policy of trade-unions entering into class-conscious labor or socialist politics; (2) for the solidarity of all branches of labor in one organization formed in such a way that all the members in any one industry, or in all industries if necessary, cease work whenever a strike or lockout occurs in any department thereof, thus making an injury to one an injury to all. This organization resembles in purpose and formation one established in France in 1895 and known there as the Confédération générale du travail (General Confederation of Labor).

II. The New International Encyclopedia, second edition (1916):

Syndicalism: A form of revolutionary labor-unionism deriving its name from the general term "syndicat" applied to the labor union in France, where the movement especially flourishes. Syndicalism is opposed on the one hand to old-line trade-unionism and on the other hand to political socialism. Its ideal is the direct assumption by organized bodies of workers of full control over all industries. It does not work for collectivism, or the ownership and operation of industries by the State, but, in so far as its program is defined, it proposes to vest control of the mines in the mine workers' organization, of the railways in the railway workers' union, etc. Syndicalism has no faith in reform through parliamentary action, nor does it have faith in revolutionary insurrections. It seeks, first, to wean the capitalist from his interest in property through curtailment of profit by means of strikes, boycotts, and sabotage, and finally to overturn the weakened capitalistic system through the general strike. * * * The nearest analogy to syndicalism in the United States is the Industrial Workers of the World.

III. The American Universities' New Unabridged Dictionary (1916):

Syndicalism: (1) An economic movement, starting in France and now widespread, aiming at the federation of workers in all trades to force labor demands through sympathetic strikes. 2. The principles which underlie this movement.

IV. The word "syndicalism" was not found in the following dictionaries:

1. Webster's New International Dictionary, 1916.
2. The Century Dictionary and Cyclopedia, 1911.

SYNDICALISM AS DEFINED IN STATE LAWS.

California (Laws 1919, ch. 188): The term "criminal syndicalism" as used in this act is hereby defined as any doctrine or precept advocating, teaching, or aiding and abetting the commission of crime, sabotage (which word is hereby defined as meaning willful and malicious physical damage or injury to physical property), or unlawful acts of force and violence or unlawful methods of terrorism as a means of accomplishing a change in industrial ownership or control, or effecting any political change.

Idaho (Laws 1917, ch. 145): Criminal syndicalism is the doctrine which advocates crime, sabotage, violence, or unlawful methods of terrorism as a means of accomplishing industrial or political reform.

Minnesota (Gen. Stat., 1917 Supp., sec. 8596–1): Criminal syndicalism is hereby defined as the doctrine which advocates crime, sabotage (this word as used in this bill meaning malicious damage or injury to the property of an employer by an employee), violence, or other unlawful methods of terrorism as a means of accomplishing industrial or political ends.

Montana (Laws 1918, ch. 7): Criminal syndicalism is hereby defined to be the doctrine which advocates crime, violence, force, arson, destruction of property, sabotage, or other unlawful acts or methods, or any such acts as a means of accomplishing or effecting industrial or political ends, or as a means of effecting industrial or political revolution.

Nebraska (Laws 1919, ch. 261): Criminal syndicalism is hereby defined to be the doctrine which advocates crime, physical violence, arson, destruction of property, or sabotage as a means of accomplishing or effecting industrial or political ends, or for profit.

Nevada (Laws 1919, ch. 22): Criminal syndicalism is the doctrine which advocates or teaches crime, sabotage, violence, or unlawful methods of terrorism as a means of accomplishing industrial or political reform.

Oklahoma (Laws 1919, ch. 70): Criminal syndicalism is hereby defined to be the doctrine which advocates crime, physical violence, arson, destruction of property, sabotage, or other unlawful acts or methods as a means of accomplishing or effecting industrial or political revolution, or for profit.

Ohio, April 15, 1919 (Statutes of Ohio), approved May 7, 1919.

Oregon (Laws 1919, ch. 12): Criminal syndicalism is hereby defined to be the doctrine which advocates crime, physical violence, arson, destruction of property, sabotage, or other unlawful acts and methods as a means of accomplishing or effecting industrial or political ends or as a means of effecting industrial or political revolution, or for profit.

South Dakota (Rev. Code, 1919, sec. 3644): Criminal syndicalism is hereby defined as any doctrine or practice which teaches, advocates, or practices crime, sabotage, violence or other methods of terrorism or the destruction of life or property for the accomplishment of social, economic, industrial, or political ends.

Utah (Laws 1917, ch. 127): Criminal syndicalism is hereby defined to be the doctrine which advocates crime, violence, force, arson, destruction of property, sabotage, or other unlawful acts or methods, or any such acts, as a means of accomplishing or effecting industrial or political ends or as a means of effecting industrial or political revolution.

Washington (Laws 1919, ch. 3): Criminal syndicalism is the doctrine which advocates crime, sabotage, violence, or other unlawful methods of terrorism as a means of accomplishing industrial or political reform.

1. Sabotage: Destruction of war material; attempt. Under sabotage law, April 20, 1918, section 3, providing that whoever, in times of war, destroys war material, or whoever willfully attempts to make or causes to be made in a defective manner any war materials, a conviction can be had for an "attempt," where the evidence shows a willful advising, soliciting, and attempt to influence another to commit the felony named in the act. (The United States v. De Bolt et al., 253 Fed. Rep., 78–83.)

2. Authority of State decisions; criminal cases: Though there are no common-law offenses against the United States, and criminal cases are controlled by Federal statutes, State statutes and decisions may be persuasive. (Id., supra.)

3. Constitutional law; statutory crimes of criminal syndicalism; privileges and immunities of citizens; due process of law; equal protection of the laws: Chapter 215, General Laws 1917 (Gen. Stat. Sup. 1917, secs. 8596–1 to 8596–4), declaring and defining the crime of criminal syndicalism and prohibiting the advocacy or teaching of sabotage or other methods of terrorism as a means of accomplishing industrial or political ends, is not obnoxious to either the State or Federal Constitution, and no rights thereby secured or protected are in any way impaired or abridged. (State v. Moilen et al., 167 N. W., 345–349; Sup. Ct. Minn., Apr. 19, 1918.) The Minnesota statute in question defines the crime charged as follows: "Criminal syndicalism is hereby defined as the doctrine which advocates crime, sabotage (this word as used in this bill meaning malicious damage or injury to the property of an employer by an employee), violence, or other unlawful methods of terrorism as a means of accomplishing industrial or political ends." (Id., supra.)

SYNDICALISM AND SABOTAGE.

1. An act defining criminal syndicalism and the word sabotage, prohibiting the advocacy, teaching, or suggestion thereof, etc. Laws of Utah, 1919, chapter 127, pages 347–349, approved February 17, 1919.

2. Laws of Arizona defining the crime of sabotage and prescribing the penalty for, prohibiting the teaching or advocacy of the doctrine of sabotage, and prescribing the penalty therefor. Session laws of Arizona, special session, third legislature, 1918, pages 51–52, chapter 13, effective July 2, 1919.

3. Laws of Nebraska. Act defining sabotage. Thirty-sixth (extraordinary) session, Nebraska, pages 50–51, chapter 9, approved April 8, 1919.

4. Criminal syndicalism and sabotage defined. General laws of Oregon, 1919, pages 25–26, chapter 12, approved February 3, 1919.

5. Defining the crime of sabotage. Session laws of Idaho, 1917, page 446, chapter 126.

6. Crime of sabotage. Laws of Washington, 1919, pages 517–518, chapter 173, approved March 19, 1919. Prevention of criminal syndicalism. Laws of Washington, 1919, pages 518–519, chapter 174, approved March 19, 1919.

7. Criminal syndicalism and sabotage. Statutes and amendments to the codes, California, 1919, pages 281–282, chapter 188, approved April 30, 1919.

Mr. HARDY of Texas. Will the gentleman yield for a question for information?

Mr. RAKER. I yield for a question.

Mr. HARDY of Texas. Is it claimed that under this law mere membership in the I. W. W. would ipso facto constitute ground for deportation?

Mr. RAKER. Under the law as it exists?

Mr. HARDY of Texas. Under the law you are now proposing.

Mr. RAKER. If we put in as a fifth provision criminal syndicalism and define it and sabotage, it will include that, but my contention is that under their constitution and their oath and their doctrines which they promulgate membership in that society should ipso facto exclude a man from this country, and he ought to be excluded. Let me read you a resolution which their organization adopted last year.

Mr. HARDY of Texas. I am asking for information.

Mr. RAKER. Yes; I am trying to give information.

Mr. HARDY of Texas. Would it be the duty of the Department of Justice or the Department of Labor to deport all members of the I. W. W. found in the United States after the passage of this bill?

Mr. RAKER. This only applies to aliens.

Mr. HARDY of Texas. All aliens?

Mr. RAKER. All aliens who would come within the purview of this statute should be arrested and deported by the Department of Labor.

Mr. HARDY of Texas. I want to know whether the fact of being a member of the I. W. W. places a man within the purview of this statute?

Mr. RAKER. I will answer that in this way——

Mr. WELTY. Will the gentleman yield?

Mr. RAKER. Let me answer the question of the gentleman from Texas first. My view is that under the statute as it now exists, as under the law that we are proposing here, a man who belongs to an organization that advocates or teaches the overthrow and destruction of our Government by violence or force should ipso facto be excluded. If the I. W. W. does so believe, and he appeals to their teachings, he should be excluded from this country.

Mr. HARDY of Texas. I do not know as I understand the gentleman's position. Can the gentleman give us any information as to how many aliens there are in this country now members of the I. W. W.?

Mr. RAKER. I can not. I did not go into the number. My feeling is that if you find a sufficient amount of rotten apples in a box and you want to preserve the rest of the apples, you have got to take out the rotten ones. It is immaterial as to the number of reds, Bolshevists, and anarchists. The idea is to get those out who are; that is what we want to do. If you find one believing in that organization, if you find one teaching and practicing it, it is the duty of this Government to deport him.

Mr. HARDY of Texas. It seems to me that what I have read from report, that the Secretary of Labor has been criticized for not deporting men simply because they were members of the I. W. W. Does the gentleman believe that a member of the I. W. W.'s simply, ipso facto, should be deported?

Mr. JOHNSON of Washington. If the gentleman from California will yield, I will say that the I. W. W.'s constitution comes right up to the border line. There is where the dispute arises. But when they swear the man in they hand him the St. Johns book, which is as revolutionary as anything ever written. How can you make the division?

Mr. RAKER. Now, I want to be specific about this and not be misunderstood. A man who belongs to the organization that advocates and teaches the overthrow of the Government of the United States by violence and force or the unlawful destruction of property is deportable. And the I. W. W.'s, by virtue of their constitution, by virtue of the oath which the member takes, by virtue of the dues that he pays, by virtue of the literature he receives and acquiesces in, ipso facto comes within the law, and he should be deported beyond all question.

Mr. HARDY of Texas. I understand; if you can prove enough against him he could be deported; but what I want to know is, has the Secretary of Labor, under the law, a right to deport a man simply because he is a member of that organization, simply upon proof that he is a member of the I. W. W.?

Mr. RAKER. That question can be answered by the report in this case.

Mr. HARDY of Texas. That is what the Secretary of Labor is criticized for not doing.

Mr. RAKER. If a man is a member of the organization teaching the doctrines that they do teach, that everybody knows and admits that they teach, that he holds a membership card which is found upon him, that he admits that he belongs to the organization and pays dues to the organization, the Government should deport him without a further overt act on his part.

Mr. HARDY of Texas. The gentleman from California thinks that every man who holds a card in the I. W. W. ought to be deported?

Mr. RAKER. You can deport none but aliens. My statement is clear, and there is no doubt as to what it is. A man who belongs to an organization which advocates the unlawful destruction of property, who believes in anarchy which teaches the overthrow and destruction of the Government of the United States by force and violence, which teaches the assassination of public officers because they are public officers, should be deported. There can be no question that it is the intent of Congress, the intent of the American people, and the desire of ninety-nine persons out of a hundred of the men, women, and children who believe in this country, that this law ought to be enforced and enforced rigidly. [Applause.]

I wish to call to the attention of the House the following statement just issued by the State Department:

[Note to the State Department from the Japanese Embassy.]

The Japanese ambassador, under instructions from his Government, has the honor to make the following communication to the Government of the United States:

The Japanese Government, placing supreme importance upon the promotion of the friendly relations between Japan and the United States, and having carefully examined in that spirit the solution created by the question of the so-called "picture brides," have decided to adopt measures for the prohibition of such brides from proceeding to the continental United States.

Mr. RAKER had leave to revise and extend his remarks.

Mr. JOHNSON of Washington had leave to revise and extend his remarks.

The CHAIRMAN. The time of the gentleman from California has expired. All time has expired, and the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, is amended to read as follows:

"That the following aliens shall be excluded from admission into the United States:

"(a) Aliens who are anarchists;

"(b) Aliens who entertain, advise, advocate, or teach, or who are members of or affiliated with any organization, association, society, or group that entertains, advises, advocates, or teaches disbelief in or opposition to all organized government;

"(c) Aliens who believe in, advise, advocate, or teach, or who are members of or affiliated with any organization, association, society, or group that believes in, advises, advocates, or teaches: (1) The overthrow by force or violence of the Government of the United States or of all forms of law, or (2) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or of any other organized government because of his or their official character, or (3) the unlawful damage, injury, or destruction of property, or (4) sabotage;

"(d) Aliens who write, circulate, distribute, print, publish, edit, issue, or display, or cause to be written, circulated, distributed, printed, published, edited, issued, or displayed, or who have in their possession for

the purpose of circulation, distribution, publication, issue, or display, any written or printed matter expressing, advising, advocating, or teaching disbelief in or opposition to all organized government, or expressing a belief in, advising, advocating, or teaching: (1) The overthrow by force or violence of the Government of the United States or of all forms of law, or (2) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or of any other organized government, or (3) the unlawful damage, injury, or destruction of property, or (4) sabotage;

"(e) Aliens who are members of or affiliated with any organization, association, society, or group that writes, circulates, distributes, prints, publishes, edits, issues, or displays, or cause to be written, circulated, distributed, printed, published, edited, issued, or displayed, or that has in its possession for the purpose of circulation, distribution, publication, issue, or display, any written or printed matter of the character described in subdivision (d).

"For the purpose of this section: (1) The giving, loaning, or promising of money or any thing of value to be used for the advising, advocacy, or teaching of any doctrine above enumerated shall constitute the advising, advocacy, or teaching of such doctrine; and (2) the giving, loaning, or promising of money or any thing of value to any organization, association, society, or group of the character above described shall constitute affiliation therewith; but nothing in this paragraph shall be taken as an exclusive definition of advising, advocacy, teaching, or affiliation."

Mr. WELTY. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WELTY: That a new section, known as section 4, be added to "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, as follows:

"SEC. 4. That upon information filed by the Attorney General of the United States with the Secretary of Labor, supported by affidavit, alleging that any alien has violated the provisions of this act, and the immigration act of February 5, 1917, the Secretary of Labor shall issue his warrant for the arrest of such alien and proceed to hear the evidence, and if the Secretary of Labor is of the opinion that said alien has violated the provisions of said acts, shall order him deported in the manner provided in the immigration act of February 5, 1917."

Mr. JOHNSON of Washington. Mr. Chairman, I desire to make a point of order against the amendment on the ground that it is not germane.

Mr. WELTY. Before the Chair rules I would like to be heard.

The CHAIRMAN. The Chair will hear the gentleman now. The Chair does not care to hear any argument in favor of the point of order.

Mr. WELTY. Mr. Chairman, this amendment proposes to add a new section as section 4 to the act approved October 6, 1918, of which the present bill amends section 1 of that act by simply enlarging it and making it unlawful for any alien to be a member of or affiliated with any organization or society which writes or circulates or does anything against the present form of government.

Section 1 of this act is amended by this bill, and section 2 of that act provides for their deportation, while section 3 of the act provides for their punishment if they should return to the United States.

This Congress appropriated large sums of money for the purpose of enforcing this act. There is no provision under the law requiring the Attorney General to enforce this act. As the appropriation now stands we have given a lump sum of money for the purpose of detecting and prosecuting undesirable aliens, but he has no further power to prosecute deportation. This amendment simply provides that after he has gathered all this evidence as provided by the appropriation made by this Congress and made available last July, that then the duty of the Attorney General is to submit this information to the Secretary of Labor, by information, supported by affidavits and other evidence supporting the case. As it is, this Congress only makes an appropriation without giving authority to act. It stands in the position of appropriating $2,600,000 for the purpose of detecting these criminals who preach the destruction of our Government, and after the Attorney General does that his hands are tied. There is no law requiring him to report or prosecute the case. All that we ask of him in that appropriation is to make an investigation for the purpose of detecting these men and prosecuting them. How will he prosecute? Under the immigration act of 1917 and the immigration act of October 16, 1918, there is only one way of punishing these aliens, and that is by deportation. The acts of 1917 and October 16, 1918, are the only laws upon our statute books giving authority to deport these undesirable aliens.

We have no law for the purpose of using this evidence when collected. No appropriation has been made for the Department of Labor, but we make an appropriation for the Department of Justice, which department has all of these Federal agents for the purpose of detecting the crime, and it is right that the Congress of the United States should make this appropriation for the Department of Justice and not for the Department of Labor; but after it has this money, pray tell me what it should do? The Congress is tying his hands. The Congress has failed to provide a code of procedure after they have detected these aliens.

Is it germane? The original act lacks a section for the purpose of providing machinery. The first section of the law provides for their exclusion. The second section provides for their expulsion, the third section provides for punishment if they come back, and the fourth section, offered here as a proposed amendment, provides machinery for the purpose of carrying out this act, which machinery the law never gave to the Department of Justice.

Let us see if it is not germane. Section 5909, Hinds' Precedents, volume 5, page 483, hold—

To a bill providing for an interoceanic canal, specifying a certain route, an amendment providing for another route was held to be germane.

On January 9, 1902, the Committee of the Whole House on the state of the Union was considering the bill (H. R. 3110) to provide for the construction of a canal connecting the waters of the Atlantic and Pacific Oceans when Mr. Richard W. Parker, of New Jersey, proposed an amendment providing for a canal across the Isthmus of Panama.

Mr. OSCAR W. UNDERWOOD, of Alabama, made the point of order that the amendment was not germane, because, while the bill provided for a canal at Nicaragua only, the amendment provided also for a canal at another place. After debate the Chairman said:

"The subject matter of this bill—the enterprise upon which the House has entered—is, in the language of the bill—

"'To construct a canal to connect the waters of the Atlantic and Pacific Oceans.'"

The Chair is of the opinion that that is the purpose of the legislation sought; that the question of location is wholly a subordinate one, and that it is perfectly competent for Congress to reject one location and to adopt another. For instance, suppose it was a question of the building of a house for the purpose of storing the records of the Government, and a bill was introduced to locate it on a certain square in this city. Can anybody doubt that the proposition might be amended so as to locate it upon another square?

I refer the Chair also to section 5810 of Hinds' Precedents, volume 5:

To a bill providing for reorganization of the Army a new section prescribing a system of competition in marksmanship among the soldiers was held to be germane as an amendment.

If that is held germane in that case, a bill to provide for the organization of the Army, adding a new section providing for marksmanship, why should this section here be held not to be germane?

I refer the Chair also to section 5915, volume 5, Hinds' Precedents:

To a proposition to create a board of inquiry an amendment specifying when the board should report was held to be germane.

Section 5919 of the same volume:

An amendment on the subject of renovated butter was held to be germane to a bill relating to "oleomargarine" and other imitation dairy products.

It seems to me, Mr. Chairman, that the precedents which I have cited clearly support my contention that where a criminal law is passed and an appropriation is made to enforce it that an amendment providing procedure is surely germane, otherwise your appropriation is useless and your legislation to-day is useless. I maintain that the amendment is germane.

The CHAIRMAN. The Chair is ready to rule. The bill under consideration is a bill to amend section 1 of the act of October 16, 1918. The amendment offered by the gentleman from Ohio [Mr. WELTY] not only seeks to amend the act of October 16, 1918, but it also seeks to amend the immigration act of February 5, 1917. The amendment clearly is not germane, and the point of order is sustained.

Mr. GREEN of Iowa. Mr. Chairman, I am very much in sympathy with the purposes of this bill, but I am quite sure that it will not accomplish what is intended, and I very much fear that it will accomplish nothing whatever. I am not prepared to say that this is the fault of the bill, although I think it lacking in many respects.

The gentleman from California [Mr. RAKER] stated a short time ago that it was perfectly evident that under the constitution and by-laws of the I. W. W., and from the books that it scattered abroad, that it is a society which teaches the destruction of organized government and otherwise comes under the inhibitions of this bill. I entirely agree with the gentleman, but the trouble is that the Secretary of Labor says that that is not so. He says that he has no evidence and can find no evidence that this organization teaches anarchy or the destruction of property. As long as he adheres to that ruling, then this bill will accomplish nothing whatever, because it simply brings us back to where we started, in respect to the question of whether the organization is one of those covered by this bill, and the Secretary of Labor finds it is not.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LAYTON. If it is determined on an investigation that the association of I. W. W. is circulating seditious literature for the overthrow of the Government, will not that act compel the

Secretary of Labor to take cognizance of the provisions of this act?

Mr. GREEN of Iowa. Unfortunately, it will not. I wish it would. The Secretary of Labor says that while individuals belonging to the organization may be circulating seditious literature and may be preaching the destruction of government, yet as an organization it is doing nothing of the kind, and that, on the contrary, their constitution and by-laws are carefully drawn for the express purpose of avoiding any charge of that nature.

Mr. WELTY. Will the gentleman yield there?

Mr. GREEN of Iowa. I will.

Mr. WELTY. Here is what the Attorney General reported to the Senate in compliance with the resolution adopted by the Senate dated October 17, 1919. He says in reference to the constitution of the I. W. W.:

Its constitution and by-laws have been adroitly drawn so as to avoid the possibility of construing it as teaching either anarchy or sabotage.

That is supporting the Secretary of Labor; but this bill as now amended in paragraph (e) says:

Aliens who are members of or affiliated with any organization, association, society, or group that writes, circulates, distributes, prints, publishes, edits, issues, or displays—

And so forth, shall be deported.

Mr. GREEN of Iowa. Well, the gentleman is too good a lawyer, I am sure, to think that will bring anyone under the provisions of this bill who is not brought under the provisions of the law as it stood before.

Mr. WELTY. Will the gentleman yield further?

Mr. GREEN of Iowa. No; let me make a statement. I prefer to make a little of this speech myself. If the gentleman will pardon me, I do not mean to be discourteous to my friend. Gentlemen have presented here seditious literature. I defy any gentleman to find among any of it to-day anything that would come under the provisions of this bill. The literature they distribute is like their constitution and by-laws; it is drawn so you can not read it in that manner. Take this pamphlet of "Drops of Blood," a most iniquitous document that has been circulated all over this country, but there is nothing whatever in this bill that applies to those who published, circulated, or distributed it. Take this document with reference to "Soviet Russia" that was spoken of here. There is nothing in the bill that will reach anything of that kind here. The real difficulty is that the provisions of the original law have still been kept by the committee, and it has been drawn, as it seems to me, more to shield violators than with an intention to reach them. Notice this provision in reference to assassination or killing of public officials. How does it say the intent must be shown?

It must be shown they were killed because they are public officials, a fact that would be almost impossible to prove in any case. Why was not a simple provision inserted in this bill that any alien who advocated the violation of law or the commission of an unlawful act should be subject to deportation?

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I would like to have about two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. The committee decided that the form of the previous law——

Mr. RAKER. Will the gentleman yield there for a question?

Mr. GREEN of Iowa. Yes.

Mr. RAKER. The gentleman, I think, must not have read the provision of the Bolshevist or Russian soviet government relative to their doctrine.

Mr. GREEN of Iowa. Well, it is possible I may be in error as to that, because I only glanced over that document. And the gentleman is probably correct in correcting me, but I desire to go on with this discussion——

Mr. RAKER. If the gentleman will permit, this is one of their doctrines:

The disfranchisement of all persons employing any other person in connection with their business; the refusal to recognize the existence of God; the establishment, through marriage and divorce laws, of a method for the legalization of prostitution when the same is engaged in by the consent of the parties; the disfranchisement of merchants, traders, and commercial agents——

Mr. GREEN of Iowa. Mr. Chairman, I must decline to yield further, but would observe that none of these things are covered by this bill. What I wanted to say was by reason of specifying particularly in this bill just exactly what had to be proved, the committee have, in fact, presented a bill under which it will be possible to evade enforcing the law, just as the Department of Labor is now doing.

Mr. SIEGEL. If the gentleman would yield for just one thing, under section 19 of the act any alien convicted of a certain crime can be deported under the order of the court.

Mr. GREEN of Iowa. I am talking about this bill, and I say that something more stringent is required or little will be accomplished.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ROGERS. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

SEC. 2. No alien within the United States shall be admitted to citizenship who comes within the foregoing section, and any petitioner for naturalization coming within the foregoing section shall be denied admission to citizenship: *Provided*, That any naturalized citizen who if an alien would in any manner come within the provisions of the foregoing section shall be proceeded against as provided by law in a suit to cancel the order of naturalization by which he became a citizen of the United States as having been procured by fraud upon the laws of the United States. The denial of said petitioner for admission to citizenship or the entering of the order of cancellation shall make it the duty of the Secretary of Labor to take said alien into custody and deport him or her in the manner provided by the immigration act of February 5, 1917, and a certified copy of the order of denial and order of cancellation shall be forwarded to the Bureau of Naturalization, Department of Labor.

Mr. JOHNSON of Washington. Mr. Chairman, I make the point of order against the amendment.

Mr. RAKER. Mr. Chairman, I make the point of order against the amendment.

Mr. ROGERS. Will the gentleman reserve the point of order? I think, perhaps, the gentleman will be willing to reserve the point of order.

Mr. RAKER. I will reserve the point of order.

Mr. ROGERS. Will the gentleman from Washington reserve the point of order?

Mr. JOHNSON of Washington. I will.

Mr. ROGERS. Mr. Chairman, there are three kinds of residents in the United States who are menacing our institutions to-day. First, there are certain citizens of the United States of native birth. Second, there are certain naturalized citizens; and, third, there are certain aliens. This bill very frankly deals only with the aliens. I think many cases can be adduced in which naturalized citizens have been a serious source of trouble. While I am in accord with this bill, as far as it goes, I am very sorry that the committee did not see its way clear to go still further and to extend the provisions here relating to aliens so as to cover criminal or revolutionary naturalized citizens also.

The Supreme Court of the United States has held that Congress has ample authority to cancel issued decrees of citizenship.

Mr. RAKER. Will the gentleman yield right there?

Mr. ROGERS. Certainly.

Mr. RAKER. Just for a question. The committee believed that it was not germane to this legislation on the question of exclusion and deportation, and the question that the gentleman refers to the committee has thoroughly investigated, and I believe it will bring out a bill which will provide for the very thing the gentleman is contending for.

Mr. ROGERS. Will the gentleman answer this question? Will he inform the committee whether, in his judgment, the Committee on Immigration and Naturalization will at an early date report to the House a deportation measure dealing with undesirable naturalized citizens of the United States?

Mr. RAKER. I would not be able to say for all the committee, but I believe we will be able to report a bill providing that if a man's naturalization has been obtained by fraud it shall be canceled and he shall be deported, and, in addition, bring in legislation in regard to the exclusion of aliens coming to this country.

Mr. ROGERS. In my judgment, if you can balance the degrees of iniquity, it is more unrighteous for a naturalized citizen to plot against the interests of the United States than it is for an alien, because, for one reason, the naturalized citizen ought to know more on an average than does the alien; and, for the second reason, he has affirmatively sworn to uphold and support the interests of the United States. If the Committee on Immigration and Naturalization had the jurisdiction, on which I am not prepared at the moment to express an opinion, which would have authorized it to include in some measure a provision relating to disloyal naturalized citizens of the United States, I think it is almost a calamity that it has not brought it into this bill and put it on its passage.

Mr. JOHNSON of Washington. The gentleman himself is a member of the Committee on Foreign Affairs, where that matter belongs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Washington. Mr. Chairman, I make a point of order against the amendment.

Mr. ROGERS. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. TILLMAN. Mr. Chairman, I move to amend, on page 3, in line 21, by striking out the semicolon after the word "therewith" and inserting in lieu thereof a period, and striking out the rest of the paragraph.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TILLMAN: Page 3, line 21, after the word "therewith," strike out the semicolon, insert a period, and strike out the remainder of the section.

Mr. TILLMAN. Now, Mr. Chairman, it seems to me that this is a very clear and a very strong paragraph, and a very proper one. It says:

The giving, loaning, or promising of money or anything of value to any organization to be used for the advising, advocacy, or teaching of any doctrine above enumerated shall constitute the advising, advocacy, or teaching of such doctrine, and (2) the giving, loaning, or promising of money or anything of value to any organization, association, society, or group of the character above described shall constitute affiliation therewith.

The part I want to strike out is this:

But nothing in this paragraph shall be taken as an exclusive definition of advising, advocacy, teaching, or affiliation.

You weaken this very proper, strong, and lucid paragraph by adding on those emasculating words.

Mr. VAILE. If the gentleman will pardon me, I think the effect of these words is just the opposite; and the gentleman, as an attorney, I think, will appreciate the force of this view. If we say that such and such a thing shall constitute advising and such another thing shall constitute affiliation, it seems to me very likely that the court will hold that other things can not constitute advising and affiliation. The advising and affiliation being defined in this act, that definition might be held to be an exclusive definition, and the other acts which might logically and naturally be advising and affiliation might be excluded, and a person who was guilty of them might escape deportation. Consequently these words were put in for the very purpose of showing that these things are among those which will constitute advising or teaching or affiliation, but that these words shall not be exclusive of other things which might constitute those offenses.

Mr. TILLMAN. You seek here to reach the party who gives money to these organizations, who possibly has been in the background, and who is perhaps not an alien but a citizen, but who is guilty of a very serious offense if he is guilty of the things set forth in the paragraph under discussion. It seems to me the paragraph should be taken by itself. It explains what the giving amounts to. It amounts to affiliation and happily couples the offender in the background with the culpable organization which we are seeking to punish.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. TILLMAN. I will be glad to do so.

Mr. MANN of Illinois. The gentleman will notice that the paragraph commences:

For the purpose of this section.

Then comes the definition. If that was already in the paragraph, the definition would be confined as to the provisions of this paragraph, and the teaching of anarchy would not be included at all, because this paragraph only includes the definition of the giving and furnishing of money.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. RAKER. Mr. Chairman, I rise in opposition to the amendment. The gentleman from Arkansas [Mr. TILLMAN] is always clear and lucid in his explanation, and his judgment is good, but he has just overlooked the matter that he intends to strike out. I want in particular to call the committee's attention now to lines 10 and 11 on page 1, and lines 1 and 2 on page 2, which read:

Aliens who entertain, advise, advocate, or teach, or who are members of or affiliated with any organization, association, society, or group, that entertains, advises, advocates, or teaches, disbelief in or opposition to all organized government.

Now, gentlemen, you could advocate that in a hundred ways. You could advocate it by oral statements, you could advocate it by a nod, you could advocate it by publishing a book, you could advocate it by publishing a pamphlet, you could advocate it by putting it in a paper, or you could teach it in various different ways. But none of them that we can find yet comes within the definition that if I give a man $20 for the purpose of using in his organization that teaches these things, I am not necessarily advocating or saying a word about it; I just hand him $20 and he can go scot free. But we say now in this provision that the purpose and intent is to catch everybody that contributes money to these organizations, and that the giving of money or anything of value shall constitute and be advocating and the teaching and encouraging that organization.

Mr. TILLMAN. Will the gentleman yield?

Mr. RAKER. I yield.

Mr. TILLMAN. I recognize the force of the argument made by the gentleman and others. I withdraw the amendment.

Mr. VAILE. Mr. Chairman, do I understand the amendment is withdrawn?

Mr. TILLMAN. Yes, sir.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Arkansas is withdrawn.

Mr. WALSH. Mr. Chairman, I move to strike out the last two words. I would like to ask the chairman of the committee what is intended to be covered by this language at the bottom of page 2:

The overthrow by force or violence of the Government of the United States or of all forms of law.

Now, does that mean the overthrow of the forms of law or the overthrow of the officials who are executing the law? What is that intended to cover where you say "the overthrow by force or violence of * * * all forms of law"?

Mr. JOHNSON of Washington. I will say to the gentleman that the lines there and the words are exactly those in the existing act of October 16, 1918, which this bill undertakes to amend, not correcting the effect of verbiage but adding to.

Mr. WALSH. What does it cover now?

Mr. VAILE. If the chairman will allow the suggestion, the gentleman will notice that this is a paragraph referring to aliens who write, circulate, distribute, and print matter, and so forth, which advocates so-and-so.

Mr. WALSH. It is in paragraph C.

Mr. VAILE. Now, the I. W. W. and similar organizations say in their literature that they are hostile to the existence of government. They say that the I. W. W. opposes the institution of the State. We thought that by that clause, which is in the existing law, it was intended to catch people who were generally opposed to law, any or all forms of law.

Mr. WALSH. Would it include within its scope people who went out and took the law into their own hands?

Mr. VAILE. I should think so, although I am not on the bench trying such a case.

Mr. WALSH. I know that the gentleman has made a careful study of the matter, and I am asking him for information.

Mr. VAILE. It is possible that some more apt words might have been chosen, but the members of the committee understood it as the gentleman does, that those who advocate taking the law into their own hands were opposed to all forms of law; and the Attorney General, I might add, wanted these words retained. They are in the existing law.

Mr. WALSH. The Attorney General has had reason to interpret this language, I assume?

Mr. VAILE. Oh, yes.

Mr. WALSH. And to apply the law in that particular part?

Mr. VAILE. Yes. The Attorney General's attitude is that of the House. The Attorney General has passed upon it.

Now, Mr. Chairman, was an amendment offered?

Mr. WALSH. No. I moved to strike out the last word.

Mr. VAILE. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the recommendation that it do pass.

The CHAIRMAN. The gentleman from Colorado moves that the committee do now rise and report the bill to the House with the recommendation that it do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 11224) to amend the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, had directed him to report the same back to the House with the recommendation that it do pass.

Mr. RAKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAKER. Under the rule the previous question has been ordered, and we are right up to the final vote, where the bill shall be passed or not.

The SPEAKER. That is the proper interpretation of the rule.

Mr. MANN of Illinois. The previous question has been ordered under the rule.

Mr. RAKER. That is what I thought.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. WALSH. A division, Mr. Speaker.

The SPEAKER. The gentleman from Massachusetts asks for a division.

The House divided; and there were—ayes 142, noes 0.

So the bill was passed.

On motion of Mr. JOHNSON of Washington, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. JOHNSON of Washington. I now ask, Mr. Speaker, that all Members of the House may have three calendar days in which to extend their remarks on this bill which has just been passed.

The SPEAKER. The gentleman from Washington asks unanimous consent that all Members of the House may have three calendar days in which to extend their remarks on the bill. Is there objection?

Mr. WALSH. Reserving the right to object, Mr. Speaker——

Mr. GARNER. Reserving the right to object, Mr. Speaker, if the gentleman will connect with that the condition that the remarks will be Members' own remarks, and that nothing else shall be inserted in the RECORD, I shall not object, but I do think that these editorials and arguments and pamphlets produced by somebody else should not be included.

Mr. JOHNSON of Washington. I accept that condition.

Mr. WALSH. Well, in view of the strenuous contest that has been had here this afternoon in the debate on this bill and the extremely close vote on its passage [laughter], I do not think the membership of the House need worry about having to justify their action in passing the bill. I do not like to object to the request of the distinguished gentleman from Washington, who is also chairman of the Committee on Printing, and if he thinks the suggestion of the gentleman from Texas [Mr. GARNER] is such as to keep down to reasonable limits these requests for extension of remarks, I shall not object. Can the gentleman give me that assurance?

Mr. JOHNSON of Washington. I am inclined to think that the demand throughout the United States for some information as to the progress of legislation of this kind is such that each Member might well make a few short remarks of his own for extension in the RECORD. I hope the gentleman will not object.

Mr. WALSH. Well, of course, the constituents of us Members here will get information from the speeches we deliver on the progress of the legislation.

Mr. TOWNER. Mr. Speaker, reserving the right to object, it seems to me it would be a good idea for the gentleman from Texas [Mr. GARNER] to modify his condition, because it is practically impossible to make an extension of remarks with regard to this particular bill without quoting some of the literature that really is inherent, almost, in the construction of the bill. Strictly speaking, an extension of remarks under the gentleman's condition or limitation, according to the gentleman's statement, would be prohibited. With that in mind, I would suggest to the gentleman that he modify his limitation and make it apply only to extensive quotations from books and pamphlets, which should be omitted.

Mr. WALSH. I simply want to suggest to the gentleman that if extracts from these offensive publications are included it is quite likely that Postmaster General Burleson will exclude them from the mails.

Mr. GARNER. Let me suggest to the gentleman from Iowa that any agreement he can make with the gentleman from Massachusetts will be satisfactory to me. It merely occurred to me that the blanket extension of remarks is bad policy, in the first place, and if it is granted it ought to be confined to the Member's own remarks, and let him labor a little before he encumbers the RECORD.

Mr. TOWNER. I think the gentleman's observation is very true, and I would agree to that. I have no particular desire to make any extension of remarks myself, in any event, but I only thought it would be extremely difficult for gentlemen in this particular case to make any extension of remarks at all without quoting somewhat from the objectionable literature which is so large a cause for this legislation.

Mr. GREENE of Vermont. I wish to suggest to the gentleman that the literature to which he refers has already been too freely quoted and circulated, and if we can not present a case based upon the language of the American Constitution, and if we have to quote this kind of literature and give it further circulation under our franks, we shall not have accomplished very much.

Mr. TOWNER. Doubtless the gentleman himself could do what he suggests, but all of us are not so fortunately constituted with regard to our ability to base our remarks upon the Constitution. [Laughter.]

Mr. GREENE of Vermont. I have a better opinion of the gentleman from Iowa than to think that he has not as great literary resources as the anarchists themselves have.

The SPEAKER. Objection is made.

EQUIPMENT FOR VOCATIONAL REHABILITATION.

Mr. TREADWAY. Mr. Speaker, in an effort to secure material for the work of rehabilitation of soldiers in a city in my district—Holyoke, Mass.—on making inquiries through the Federal Board for Vocational Rehabilitation, the rehabilitation branch here in Washington, I came across the astounding information that the lathes, tools, dies, presses, and general equipment needed for the rehabilitation of our discharged soldiers were not being turned over to that board, because outside interests had in some way secured authority to visit the various salvage depots in the country, some of them situated in Cincinnati, Chicago, Baltimore, and Bridgeport. These outside people have tagged in advance these various equipments that our boys should have in the work of rehabilitation. The people who have secured first consideration of this equipment represent the Construction Metalique, of Brussels. I am credibly informed that that organization corresponds to what would be in this country the local board of trade or allied industries. They, through the Belgian High Commission, in some unknown way have dispatched to the various stations where this salvaged and surplus material is now stored 35 representatives, and wherever the tags that they have placed on these goods are found our own board for the rehabilitation of our discharged soldiers can not touch that equipment.

Mr. GARNER. Will the gentleman yield?

Mr. TREADWAY. I yield for a brief question.

Mr. GARNER. To whom does this equipment belong?

Mr. TREADWAY. It belongs to our Government and is in the hands of the salvage bureaus of the War Department, having been declared surplus and not needed by either the Army or the Navy.

Mr. GARNER. Where does this mysterious power come from to let outside people have it?

Mr. TREADWAY. I am making these remarks for the purpose of trying to find out. I think it is worthy of our attention where that authority is coming from and why it should be given to foreign commercial interests rather than that our own board, established by Congress, to rehabilitate our disabled soldiers should have precedence.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Vermont.

Mr. GREENE of Vermont. Has the gentleman's attention been directed to a circular issued by the director of sales of that department within two or three days, which explains in some detail, I think, a policy that might be this very one, or a similar one with regard to other parts of the surplus stores which have been sold to European contractors or governments, upon which there is still reserved the right of Americans to have another chance?

Mr. TREADWAY. That is not the case with reference to the articles to which I refer. This Belgian contract covers 2,600 articles, practically all of which would be available for our vocational work. Further than that, I was informed by the Bureau of Sales that we have recently entered into a contract to sell to French commercial representatives 26,000 articles of this surplus equipment. I am not sure that all of those 26,000 articles would be applicable to vocational training in this country, but nevertheless they do have first choice. And further, I will say that a Mr. Nelson, a private individual, bought large quantities of these needed supplies at the Symington plant, tagged them personally, and sold them, as I understand, to private concerns in St. Paul and Minneapolis, and our officials were not allowed to secure those desired equipments.

Mr. GARNER. The inference to be drawn from the gentleman's statement, as I understand it, is that the Government now owns certain supplies which the Vocational Board will need for the training of these soldiers?

Mr. TREADWAY. Yes.

Mr. GARNER. And that they are going to sell them all out to private interests or foreign representatives who have gone into the market to buy them. I do not believe that arrangement is going to be made.

Mr. TREADWAY. It is being done at this very minute.

Mr. GARNER. I do not believe any Government official would be so silly as to be a party to a scheme of that kind.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the report of the com-

mittee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8778) to amend and modify the war-risk insurance act.

The message also announced that the Senate had passed with amendments the bill (H. R. 10453) to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and for other purposes, had asked a conference with the House on the bill, and had appointed Mr. CUMMINS, Mr. POINDEXTER, Mr. KELLOGG, Mr. POMERENE, and Mr. ROBINSON as the conferees on part of the Senate.

THE RAILROADS.

Mr. ESCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10453) to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and for other purposes, to disagree to the Senate amendments and agree to the conference asked by the Senate, and that the Speaker name the conferees.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to take from the Speaker's table the bill to which he refers, which the Clerk will report by title, and to disagree to the Senate amendments, agree to the conference asked by the Senate, and that the Speaker appoint the conferees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request?

Mr. MEAD. Reserving the right to object, Mr. Speaker, I would like to make a motion at the proper time to instruct the House conferees to insist on the retention in the bill in conference of the Anderson amendment on the labor clause, which was placed in the bill by the House. In that respect it radically differs from the provision in the Senate bill.

The SPEAKER. The gentleman from New York reserves the right to object in order that he may present a resolution of instructions.

Mr. ESCH. Mr. Speaker, I do not doubt the gentleman's right to reserve an objection or his right to make such a motion, but I think it would be advisable to send the bill to conference now unhampered, so that the conferees may have a full and free conference. I can state to the gentleman that in view of the fact that the labor provisions are so radically different, it is almost certain that the conferees of the House may have to come back to the House for further instructions, at which time the matter would be open for instructions.

Mr. MEAD. If that is the understanding, I have no objection.

Mr. CLARK of Missouri. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Wisconsin a question. I understand the House bill is very different from the Senate bill, or the Senate bill very different from the House bill. Usually we have one hour of debate on a conference report. Would the gentleman from Wisconsin have any objection to extending the time for debate on the conference report when it comes back to the House?

Mr. ESCH. In view of the importance of the legislation and the difference of opinion in the Senate and the House on many subjects, I would not have any objection to extending the period for debate.

Mr. GARNER. If I understood the gentleman in response to the gentleman from New York, he gives the House an assurance that he will bring back for consideration the labor provisions?

Mr. ESCH. I stated that the differences were so radical, and knowing the temper of the House, I felt that it would be almost certain that the House conferees would come back to the House for further instructions.

Mr. GARNER. Let me say to the gentleman that I would like to have an opportunity to vote on the labor provisions, not only to advocate the Anderson amendment but the propositions submitted by the Senate. I do believe that the House ought to have assurance that the conferees will bring it back and give the House an opportunity to consider the labor question. The reason I do not object and undertake to get it under the rules of the House is that I do not believe there is a quorum of the House in town, and I want to see the bill go to conference. I would like an opportunity to test the sentiment of the House on the question of the labor provisions in the Senate bill.

Mr. SIMS. If the Senate should agree to the House provision there would be no need of bringing it back to the House.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. ESCH, Mr. HAMILTON, Mr. WINSLOW, Mr. SIMS, and Mr. BARKLEY.

EQUIPMENT FOR VOCATIONAL REHABILITATION.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to further proceed for five minutes.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, the gentleman from Texas [Mr. GARNER] asked a question and then made his own reply in a way that would indicate he did not think that any department of the Government would do exactly what I had said it was doing. I can say authoritatively that there have been 1,000 such tools and instruments as these to which I referred shipped to Belgium under that special tag, and that there are 1,200 more awaiting shipment. That is positive information which can be corroborated by the gentleman from Texas or any Member of the House.

Mr. GARNER. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. GARNER. I do not want the gentleman from Massachusetts to put me in a false attitude. I said the inference from the gentleman's remarks was that the Government now owned certain property needed for vocational education of the soldiers; that the policy of the Government would be to sell all of this property either to Brussels agents or private individuals, and then go back into the market and buy the identical property, and I could not conceive that such a policy would be followed by the Government or any agent of the Government.

Mr. TREADWAY. I can not conceive that it should be done, but I still say that it is being done. I am making these remarks to see if we can find out why it is. Any such foolish policy ought to be inquired into. I agree that it is a foolish policy, and not only that, but it is preventing the functioning to a certain extent of the vocational training of our soldiers. We have heard criticisms on the floor of the slowness in which the work is being undertaken, and one of the reasons of the slowness is because the Vocational Board has not been able to obtain the implements and instruments which it desires.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. GREENE of Vermont. I suggest again that if the gentleman desires to proceed further in the inquiry in regard to this matter, if he will look up the circular of information that has come from the Director of Sales, if it does not cover satisfactorily what the gentleman has in mind, it will open another field worthy of investigation along the same line.

Mr. TREADWAY. I appreciate the suggestion of the gentleman from Vermont and would add to his statement the proposition I made when I made the previous statement, that I was informed by the Director of Sales Office that 26,000 additional tools and implements have already been contracted for to be delivered to French commercial representatives.

There seems to be one reason, perhaps, for this possible mistake that is being made, and that is this: These tools are sold to this private concern in Belgium and to the private individual in Chicago—Nelson, by name—I am informed, at a small discount from what they cost the Government. When the Board of Vocational Education asked for the loan of these various lines of equipment, there was no actual sale. I suppose we are to be paid a moderate price for these instruments and tools and general vocational equipment, soon to be sent to France, and in that way a better appearance will be made in the figures of salvage by the War Department. But that has nothing to do with the need for these very lines of equipment for the discharged soldiers in their vocational training, and it seems to me that we ought, when the opportunity arises, to propose some form of legislation under which the Board of Vocational Education, having to do with the rehabilitation of discharged or disabled soldiers, without any cost whatever to the board any more than the adjustment of the bookkeeping between the two departments, should have preference in the selection and obtaining of those tools and implements, rather than that they should be sold to anyone, whether a private concern in this country or to a Government abroad. Our duty to-day is to the disabled men. There are 21,000, I am told, in training now, and the board expects to have, if it can secure the equipment, 30,000 in training by the 1st of February. Certainly they are hampered by having taken right from under their nose in these various salvage depots the very line of equipment that they need.

I think this is a very important matter, and I have called it to the attention of the House in order that the practice may be

stopped, and that there may in due time be legislation which will take care of the matter.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

By unanimous consent, Mr. TREADWAY was granted leave to extend his remarks in the RECORD.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed the following concurrent resolution (No. 23):

Resolved by the Senate (the House of Representatives concurring), That when the two Houses complete the business of this day (calendar day of Saturday, December 20, 1919) they shall stand adjourned until 12 o'clock meridian, Monday, January 5, 1920.

The message also announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 266. Joint resolution authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States.

URGENT DEFICIENCIES.

Mr. GOOD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11223) making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission and the Public Health Service for the fiscal year ending June 30, 1920, with Senate amendments thereto, and for its immediate consideration.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take from the Speaker's table the deficiency appropriation bill, with Senate amendments, and give it immediate consideration. Is there objection?

There was no objection.

The Clerk reported the title of the bill.

The Clerk read the Senate amendments.

Mr. WALSH. Mr. Speaker, reserving the right to object——

The SPEAKER. Consent has already been given.

Mr. WALSH. Then I ask the gentleman to yield.

Mr. GOOD. I yield to the gentleman.

Mr. WALSH. Mr. Speaker, will the gentleman state how it happens that this hospital in Cook County, Ill., once more is brought up for consideration? That matter was pretty thoroughly thrashed up and down and all around some months ago. I do not quite see how on a deficiency bill we can get this somewhat comprehensive amendment.

Mr. GOOD. Mr. Speaker, the act of March 3, 1919, authorized the acquisition of the hospital at Broadview, Cook County, Ill., at a limit of cost of $3,000,000. The act of July 11, 1919, the deficiency act, contained this provision, which was put on in the Senate and agreed to by the House:

The Secretary of the Treasury is hereby directed to acquire and complete immediately the hospital at Broadview, Cook County, Ill., authorized and appropriated for by an act entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanitarium facilities for discharged sick and disabled soldiers, sailors, and marines, approved March 3, 1919, public act 326, Sixty-fifth Congress."

After that act was passed by the Congress the Secretary of the Treasury and the Public Health Service raised the question as to whether or not the hospital would be large enough and whether the facilities provided for would be adequate to meet the demands that would be made upon the hospital.

Mr. WALSH. That was after the armistice?

Mr. GOOD. Yes. Very recently the Secretary of the Treasury submitted to Congress a deficiency estimate requesting about $2,000,000, as I recollect.

Mr. GRIFFIN. Two million five hundred thousand dollars.

Mr. GOOD. Two million five hundred thousand dollars; and also asked authority to increase the limit of cost from $3,000,000 to $5,500,000, or if the ideal plan submitted by him be adopted that the limit of cost be increased to about $7,500,000.

That estimate went to the Committee on Public Buildings and Grounds, and it has reported back a bill which simply directs the Secretary to acquire the Speedway Hospital at Broadview within the present limit of cost. The Secretary of the Treasury, as I understand the situation, feels that he should not proceed in the acquisition of this hospital at this time under the present limit of cost, because he feels that additional facilities are needed there now, and made an estimate, if I recollect, of 101 officers' homes in connection with the hospital, costing around $10,000 to $13,000 apiece, providing the ideal plan be approved by Congress. Now, that matter was taken up, as I understand it, by the Committee on Public Buildings and Grounds, and they held hearings, and they reported back this bill; and the amendment which was adopted in the Senate is in all respects like the House bill, except the Senate amendment contains this language: "together with such other changes of the existing buildings as may be found necessary and desirable." The amendment, or one quite like it, was originally prepared by the Secretary of the Treasury, but it contained the provision that he should have the power to make such other changes with buildings as he might find necessary, increasing the limit of cost to $5,500,000. Now, the Committee on Public Buildings and Grounds struck out that provision with other provisions and reported a bill directing the Secretary to acquire the completed hospital with the additional building all planned and specified by the Treasury Department.

Mr. BYRNES of South Carolina. Will the gentleman from Iowa yield to me? I was not in the Chamber when the gentleman asked unanimous consent. Had I been here I would have objected, because, as the chairman of the committee knows, he may not be under any obligation to advise me he was going to call up this report at this time, but, having done so, I wish to say I am going now to make the point of no quorum on the consideration of this measure.

Mr. GOOD. I hope the gentleman will not do that. I will say to the gentleman——

Mr. BYRNES of South Carolina. I may or may not conclude hereafter that it is right. The Committee on Public Buildings and Grounds have reported it, and I may favor it; but I know what transpired before in reference to this matter, and we ought to have a chance to investigate it.

On the night of July 1 it was brought up under similar circumstances when the House did not have a proper chance to investigate it just prior to a recess that night, and now under identically similar circumstances it is brought up. I did not know it was to be brought up, and we ought to have a chance to investigate it before it is acted upon by the House, and I think the House is entitled to it.

Mr. GOOD. My recollection is, I told the gentleman this morning that I intended to call up this bill.

Mr. BYRNES of South Carolina. That may have been the gentleman's intention, but the gentleman is mistaken.

Mr. GOOD. I certainly had no intention of concealing anything from the gentleman.

Mr. MANN of Illinois. Did not the gentleman understand that an attempt would be made to dispose of it to-day?

Mr. BYRNES of South Carolina. No man from South Carolina or any other State would know when the Senate was going to pass a bill, or the House.

Mr. MANN of Illinois. The Senate passed the bill yesterday.

Mr. BYRNES of South Carolina. I did not know it was going to come up. Mr. Speaker, I make the point of order of no quorum.

Mr. GOOD. I hope the gentleman will withhold that.

Mr. BYRNES of South Carolina. I did not know the gentleman was going to call it up.

Mr. GOOD. Will the gentleman withhold that?

Mr. BYRNES of South Carolina. I will withhold it.

Mr. MANN of Illinois. The gentleman is on the subcommittee and should know——

Mr. GOOD. I want to make a further statement.

Mr. WALSH. Will the gentleman yield?

Mr. GOOD. Mr. Speaker, I would like to complete a sentence first, and then I will yield. Mr. Speaker, I did not intend to call this conference report up until the House had acted upon the conference report on the war-risk insurance act. That act grants very material increases in the compensation to soldiers and sailors of the late war. Under a letter addressed to one of the Senators with regard to that act I am advised that for the rest of this year it will require in the neighborhood of $90,000,000 to pay for the increased compensation to soldiers and sailors of the late war.

That bill becomes effective immediately as soon as the conference report is adopted and is signed by the President. It provides for the payment of a good many millions of dollars immediately. It was the intention of the Bureau of War Risk Insurance, that has been somewhat smarting under the criticism of the American Legion because action was not taken along this line—and that criticism has come to Congress itself—to make payment as soon as the funds are available. It was my object in calling this up at this time to prevent similar criticism being laid at my door or at the door of Congress if we took the recess and failed to appropriate the money that that bill provides for.

Now, Mr. Speaker, the Senate has added an amendment to this bill. It added an amendment carrying $30,000,000 to carry out the provisions of the Sweet war-risk amendment, so that that money can be sent out at once. I am told that the department is ready now to commence the issuance of checks as soon as authority has been granted to pay this sum. And gentlemen can take the responsibility, if they so desire, at this hour, of stopping that legislation.

So far as the Speedway Hospital is concerned, the Senate amendment, in my opinion, does not amount to anything. It does not give any additional authority not already possessed; it does not appropriate a single penny. The Secretary of the Treasury, in my opinion, has all of that authority now.

Mr. GRIFFIN. Will the gentleman yield?

Mr. GOOD. I yield first to the gentleman from New York [Mr. PELL].

Mr. PELL. Is the Broadview Hospital the one we discussed before when the Secretary of the Treasury said we did not want it?

Mr. GOOD. Yes; it is the one discussed here when the legislation was passed on March 3, and again referred to in the act of July 11.

Mr. PELL. Do you think, as we have denied the War Department hundreds of millions of dollars needed for the defense of the country, it is a good thing to waste money on providing hospitals which the authorities say they do not want?

Mr. GOOD. The gentleman has not read the amendment and did not listen to the reading or he would not ask that question, because this amendment does not appropriate a single penny; it does not grant a single bit of authority not already possessed.

Mr. GRIFFIN. Will the gentleman yield there?

Mr. GOOD. And why the Secretary of the Treasury wanted it is more than I can imagine.

Mr. GRIFFIN. Will the gentleman yield there?

Mr. GOOD. I yield.

Mr. GRIFFIN. Now, I happen to know something about this Broadview Hospital. The House Committee on Public Buildings and Grounds had a bill up for consideration yesterday morning and passed upon it, after hearings for some days, and that bill purported to give the authority to the Secretary of the Treasury to take over this Speedway proposition in Chicago. But added to the bill was a proviso authorizing an appropriation of $2,500,000 in addition to the $2,500,000 already appropriated. Now, the gentleman will recall that this proposition was added onto the hospital bill of March 3, 1919, by the Senate. The House at first rejected it. There was a conference. The conferees finally consented to the introduction of this Speedway proposition in the bill, upon the understanding that there was a proviso annexed to it to the effect that if the Secretary of the Treasury determined, in his judgment, that it was not for the best interest of the Government to take over this proposition, in that event he was to reject it. Now, they dillydallied about the proposal for several months. Finally, on July 11 we passed an act directing the Secretary of the Treasury to take over this proposition and complete it.

Mr. GOOD. Well, the gentleman——

Mr. GRIFFIN. Pardon me just a minute. Let me get on with this.

I want to show you where you are wrong in imagining that this proposal does not include an additional appropriation.

Mr. GOOD. If the gentleman has a question to ask, I will be glad to answer it. I think I know something about the subject myself.

Mr. GRIFFIN. You claim here this does not require an additional appropriation of $2,500,000. I say it does. The House Committee on Public Buildings and Grounds yesterday struck out from the bill this provision:

Together with such further changes in said buildings as may be found necessary or desirable.

Now, this is the procedure of the Senate. If this is allowed to stay there, it means they may go ahead with these changes and alterations and additions and hereafter come back to Congress and ask an appropriation in order to pay for these additions.

Mr. GOOD. The gentleman ought to be fair. Right in the amendment is a provision that it shall all be done within the appropriation therefor contained in the act entitled "An act," and so forth, which was the act of March 3; the whole thing to be acquired within the limit of cost as fixed by that act. There is no question about that.

Mr. GRIFFIN. I beg the gentleman's pardon. It does not state that it is within the appropriation.

Mr. GOOD. But it does. The amendment provides:

That the Secretary of the Treasury be, and he is hereby, directed immediately to acquire the uncompleted hospital building at Broadview, Cook County, Ill., and the site thereof, consisting of 320 acres, more or less, and to cause the work on said hospital building to be completed and the five proposed auxiliary buildings to be constructed in accordance with the plans and specifications transmitted to the Shank Co., July 15, August 16, and September 23, 1919, and the appropriation therefor, contained in the act entitled "An act to authorize the Secretary of the Treasury to provide the hospital and sanitarium facilities"—

And so forth.

Mr. GRIFFIN. What is the verb there? Where does that hitch on to anything in particular?

Mr. GOOD. The Secretary is authorized to proceed to acquire that.

Mr. GRIFFIN. Does it say that it must be within that appropriation?

Mr. GOOD. It says, "that the Secretary of the Treasury be, and he is hereby, directed to acquire" that and these buildings within "the appropriation therefor, contained in the act entitled 'An act,'" and so forth.

Mr. GRIFFIN. It does not say "within the appropriation," and there is no language in there that hitches it up with anything before or after.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GOOD. Yes.

Mr. MANN of Illinois. Mr. Speaker, the conference report on the so-called Sweet bill is ready to be presented. That bill and this bill, if it passes, both of them, would have to be enrolled and signed by the Speaker and the Presiding Officer of the Senate to-night in the presence of the two bodies. It will take, if we should now agree upon the conference report upon the Sweet bill, until in the neighborhood of 11 o'clock to-night to enroll it. Would not the gentleman from Iowa [Mr. GOOD] be willing to let the gentleman from Iowa [Mr. SWEET] now present, as he would have the right to under the rule, his conference report as a privileged matter, and see if we can not dispose of that before we dispose of the other, so that both bills then can be enrolled probably by 11 o'clock to-night? If we wait much longer the Sweet bill can not be enrolled before to-morrow some time.

Mr. GRIFFIN. What becomes of the bill we are now considering?

Mr. MANN of Illinois. That would come up immediately after the conference report on the Sweet bill is disposed of.

Mr. GRIFFIN. And continue from that point on, subject to reservations?

Mr. MANN of Illinois. Yes.

Mr. GRIFFIN. Because I want to give notice right here that I am going to oppose the passage of this bill with this amendment.

The SPEAKER. The gentleman will not lose his right.

WAR-RISK INSURANCE.

Mr. SWEET. Mr. Speaker, I ask unanimous consent to present a conference report.

The SPEAKER. The gentleman from Iowa presents a conference report, which the Clerk will read.

The Clerk read as follows:

A bill (H. R. 8778) to amend and modify the war-risk insurance act.

Mr. SWEET. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Iowa asks unanimous consent for the immediate consideration of the conference report. Is there objection?

There was no objection.

The Clerk read the conference report and accompanying statement, as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8778) to amend and modify the war-risk insurance act, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5 and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, and 30, and agree to the same.

BURTON E. SWEET,
JOHN J. ESCH,
SAM RAYBURN,
Managers on the part of the House.

REED SMOOT,
HOWARD SUTHERLAND,
Managers on the part of the Senate.

STATEMENT.

On amendment No. 1: The House conferees recede from its disagreement to this amendment, as it changes the salary of the Director of the Bureau of War Risk Insurance from $10,000, as passed by the House, to $7,500.

On amendments Nos. 2, 3, and 4: The House recedes from its disagreement to these amendments for the reason that they simply change the phraseology made necessary by the addition of subdivision 5-A.

On amendment No. 5: The Senate recedes from this amendment, which is a change in punctuation.

On amendment No. 6: The House recedes from its disagreement to this amendment, for the reason that it defines the terms "brother" and "sister" so as to include the children of a person in loco parentis to a member of the military or naval forces of the United States.

On amendment No. 7: This amendment relates to persons who come within the class of enemy aliens, conscientious objectors, or deserters, or as guilty of mutiny, treason, spying, or any other offense involving moral turpitude and for wilful and persistent misconduct. The present law is not changed in any respect as to these classes, so the House recedes from its disagreement to this amendment.

On amendments Nos. 8, 9, 10, and 11: The House recedes from its disagreement to these amendments, as they merely change the section numbers.

On amendment No. 12: This amendment relates to the payment of family allowances and allotments where no allotment was made during the service of the soldier, but should, in fact, have been made, in case the family relation of the soldier had been correctly represented by him. It provides for the payment of an allotment to the wife notwithstanding the fact that no deductions from the pay of the enlisted man for compulsory allotment in favor of such person had been made, and notwithstanding the further fact that the enlisted man has been discharged from the military or naval forces of the United States. This can probably be taken care of in legislation pertaining to the War Risk Insurance Bureau now pending before Congress, so the House recedes from its disagreement to this amendment.

On amendment No. 13: The House recedes from its disagreement to this amendment, as it merely changes the section number.

On amendment No. 14: The House recedes from its disagreement to this amendment, which strikes out the words "involving moral turpitude."

On amendment No. 15: The House recedes from its disagreement to this amendment, as it changes the date when this section shall become operative from October 6, 1917, to April 6, 1917.

On amendment No. 16: The House conferees recede from its disagreement to this amendment, which allows transportation to soldiers, sailors, and marines to and from hospitals.

On amendment No. 17: The House recedes from its disagreement to amendment 17, which strikes from the House text "unless from the records of the Navy Department or War Risk Insurance Bureau it appears that he has applied for insurance in a less sum." This places all those who were lost upon the *Cyclops* on the 4th day of March, 1918, upon the same basis, regardless of whether they made application for insurance or not.

On amendment No. 18: The Senate recedes from this amendment, which proposed to strike out the House language making section 13 retroactive to October 6, 1917. In other words, the House bill provided that this section should be retroactive to October 6, 1917. The text of the House bill by the action of the Senate in receding from this amendment leaves the measure as it was passed by the House.

On amendments Nos. 19 to 30, inclusive: These amendments are changes of phraseology made necessary by providing that insurance made payable to an estate shall be paid in monthly installments extending over a period of 20 years.

BURTON E. SWEET,
JOHN J. ESCH,
SAM RAYBURN,
Managers on the part of the House.

Mr. SWEET. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. The gentleman from Iowa moves the adoption of the conference report.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield for a question?

Mr. SWEET. Yes.

Mr. TREADWAY. I want to ask the gentleman from Iowa a question in reference to amendment No. 12, the one referred to in the RECORD this morning on page 876, wherein the Senate struck out section 10A, having to do with the payment of an allotment to a discharged man. As I heard the report read, reference was made to legislation pending to the effect that the subject matter would be taken care of.

Mr. SWEET. Yes; there is reference made in the report to pending legislation.

Mr. TREADWAY. Is there any pending legislation under which this same idea could be incorporated?

Mr. SWEET. There is the Wason bill, introduced by the gentleman from New Hampshire [Mr. WASON], which has been referred to the Committee on Interstate and Foreign Commerce of the House.

Mr. TREADWAY. Wherein such an amendment as this can be inserted in the future?

Mr. SWEET. Yes.

Mr. CANDLER. Will the gentleman yield?

Mr. SWEET. Yes; I yield to the gentleman.

Mr. CANDLER. I want to ask concerning the amendment as to persons who stand in loco parentis what changes are made in reference to them? As the bill passed the House it provided for the payment of insurance to those who stood in loco parentis, just as if they were the real parents of the soldier.

Mr. SWEET. That is true. That provision of the House bill has not been changed. There has been added a paragraph (5a) which extends that same provision, in defining the terms "brother" and "sister."

Mr. CANDLER. Then the provision as it originally passed the House has not been modified or changed at all, and the people who were taken care of under the provisions of the bill at that time are still included in the provisions of the bill?

Mr. SWEET. They are. There is no change in that.

Mr. ROGERS. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. ROGERS. I would like to ask the gentleman concerning two amendments that were offered in the House by the gentleman from New York [Mr. REED] and which appeared in the text of the bill on page 5 and on page 8. Both of them added to the provision that a service man should not under certain conditions receive the assistance of the Government if harm came to him as a result of his own willful misconduct the words "involving moral turpitude." In one place, namely, in section 300, the Senate struck out those words. In the other place, namely, in section 31, the Senate left in those words. The cases seem to me exactly parallel. Of course, I do not expect the gentleman to explain why the Senate chose to strike out the words in one place and to leave them in in a parallel place, but I should like to ask the gentleman why the House conferees acquiesced in the Senate action to strike out those three words in section 300?

Mr. SWEET. It was the opinion of the conferees that we should not go so far as to use the words "involving moral turpitude," but should let it stand upon the words "willful misconduct." I will say to the gentleman that during the meeting of the conferees that question was not called to our attention. I think the provision should be the same in both cases, but in order to get this legislation through and have it adopted at this time it seems to me that we should not endeavor to modify the report in any way.

Mr. ROGERS. I dare say that may be true, but the gentleman from New York [Mr. REED] made an exceedingly strong case for those two amendments. He cited the case of a young man who had gone to get a drink of water while the train was stopping for a moment, in violation of the orders of some authority. His legs were cut off by a passing train while he was on that errand, and under this language he would be excluded from compensation. The committee unanimously accepted the Reed amendments, and the Committee of the Whole unanimously indorsed the action of the committee. While I am not proposing to try to upset the conference report at this hour, because I realize that the general situation is such that we will probably have to swallow a minor thing for the sake of the greater good, I do hope that at a later date the gentleman will adhere to his opinion which he expressed in the House and see if something can not be done for cases of that kind.

Mr. ROSE. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. ROSE. Section 300 has been amended by the Senate to read "April" instead of "October."

Mr. SWEET. Yes; we agreed to that, and the basis on which the agreement was made was so that all cases that might come up after April 6, 1917, should come under this law.

Mr. ROSE. That is right.

Mr. SWEET. So that we should not be required to go back to the old pension law to take care of boys whose cases might fall within the period between April 6, 1917, and October 6, 1917.

Mr. ROSE. These cases to which I allude took place between April and October, 1919.

The SPEAKER. Is there objection?

There was no objection.

The conference report was agreed to.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 267. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919.

The SPEAKER announced his signature to enrolled bills and joint resolution of the following titles:

S. 2472. An act to amend the act approved December 23, 1913, known as the Federal reserve act;

S. 3284. An act to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes; and

S. J. Res. 131. Joint resolution making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States.

REPRINT OF THE RAILROAD BILL.

Mr. ESCH. Mr. Speaker, I ask unanimous consent that there be a print of 3,000 copies of the railroad bill for the use of the House, including the Senate substitute.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent for the printing of 3,000 copies of the railroad bill, including the Senate substitute. Is there objection?

Mr. GREENE of Vermont. Will those go to the folding room?

Mr. ESCH. To the document room.

Mr. BARKLEY. Does the gentleman mean that they will be printed in parallel columns?

Mr. ESCH. No; that is a very large task, and I am hoping to have the legislative reference library do that.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MEMORIAL EXERCISES TO THE LATE REPRESENTATIVE BURNETT.

Mr. RAINEY of Alabama. Mr. Speaker, I ask unanimous consent that the House hold a session on Sunday, January 25, 1920, for the purpose of enabling the Members to pay tribute to the memory of the late JOHN L. BURNETT, of the seventh district of Alabama.

The SPEAKER. The gentleman from Alabama asks unanimous consent that a session of the House be held on Sunday, January 25, 1920, to pay tribute of respect to the memory of the late Representative BURNETT. Is there objection?

There was no objection.

URGENT DEFICIENCY BILL.

Mr. GOOD. Mr. Speaker, I will yield to the gentleman from South Carolina.

Mr. BYRNES of South Carolina. I desire but two minutes.

Mr. GOOD. I will yield to the gentleman from South Carolina two minutes.

Mr. BYRNES of South Carolina. Mr. Speaker, I shall not object to the consideration of the urgent deficiency bill. I still think it would have been wiser if the matter had been put over to a time when the House could consider it. From the investigation I have made I have become convinced that the situation has changed since this proposition was considered in last June. Then the Public Health Service said they did not need this building, that they were endeavoring to get rid of some buildings they then had. They now state that they need this building. The Public Health Service, upon which we must rely as to the needs of the service, tell us that they need this hospital. They say, however, that if the hospital was built in accordance with the original act, suitable to the needs of the Public Health Service, it would take two and a half million dollars additional in order to so complete it. So that the question confronting us is whether we will agree to this proposition appropriating $3,000,000 and direct the Secretary of the Treasury to proceed to execute this contract, or whether we shall add two and a half million dollars, making it five and a half million dollars.

The Public Health Service says without the two and a half million dollars they can not have the kind of building that they need. I am told that they are asking for buildings for nurses and doctors outside of the hospital building. If that be true I do not approve of it. I think that in the building which is being constructed they should find ample space for housing the doctors and the nurses. I know that space must be provided, but they say they want a laboratory, and I am told that it can be provided in the building costing not more than $3,000,000.

I fear this is what is going to happen. I fear that after the proposal is agreed to and the Secretary of the Treasury is directed to execute this contract to have the building completed within the $3,000,000, that when it is completed what the Public Health Service says about it may be true and that it will be found not suited to their needs, and then they are going to come to Congress and ask for an appropriation for an additional two million dollars and a half to complete it, and Congress having directed the execution of the contract, having spent $3,000,000, will have to appropriate two and a half million dollars additional. If I thought that was not true I could support this proposition with a much clearer conscience than I am going to do it to-day.

Mr. MADDEN. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. MADDEN. As far as I understand the situation, it is that the Secretary of the Treasury prepare plans for such buildings as he had suggested to him by the Public Health Service; that the people who are interested in this matter have agreed to complete the contract for the buildings on such a plan as he submits within the $3,000,000; that since that time the Public Health Service has suggested that they would like a lot of residential buildings——

Mr. BYRNES of South Carolina. I will state to the gentleman that that is not quite accurate. The fact is that the plans submitted by the Public Health Service to the contractor in August and September were submitted with a view of ascertaining what kind of building they could build for $3,000,000 and not to present what the Public Health Service said they needed. But I am not interested at all in furnishing buildings, outside of the hospital building, along such lines as the gentleman describes and as I have been informed by others. What I want to know of the gentleman is will they come in and ask for two and a half million dollars more?

Mr. MADDEN. As far as I know, they will not.

Mr. BYRNES of South Carolina. I know that the gentleman is not in a position to speak for others interested in this proposition, but can he tell me what is the disposition of others who have been taking an interest in it?

Mr. MADDEN. I think that within the $3,000,000 proposed they can put up all of the buildings they need and all that are necessary, except the residential buildings, which I do not think ought to be constructed there at all.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. BUTLER. I understood the gentleman from Iowa [Mr. GOOD] to say that this conferred no authority upon the Secretary of the Treasury which he did not have before and that it does not in any way increase the appropriation. Then what is its purpose?

Mr. BYRNES of South Carolina. It does this: Originally the act authorized the Secretary to execute this contract for a building suited to the needs of the Public Health Service. It was referred to the Public Health Service to see what is suited to its needs. When that service submitted its needs the Supervising Architect estimated that to complete the buildings in accordance with those needs would cost two and a half million dollars. This proposition is to direct the Secretary to complete the building, regardless of what the Public Health Service says about its needs.

Mr. BUTLER. Will it make it complete for $3,000,000?

Mr. BYRNES of South Carolina. Yes.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. CHINDBLOM. This matter has been before the Committee on Public Buildings and Grounds for two days. I live in Chicago, and with the Chicago people I am interested in the proposition. The two and a half million dollars that had been suggested by the Public Health Service would not only provide residences for all of the doctors and nurses and attendants at the hospital, but would provide also this other plan, to provide for a school for officers and nurses, to be of sufficient size to meet the necessities of the entire Public Health Service throughout the country. That is to say, they want a hospital and a plant in which they can house a school of instruction for officers and nurses to be trained for that service at all of the hospitals in the country, because they say the Broadview location is the best for that purpose. One word more——

Mr. BYRNES of South Carolina. I want the gentleman to tell me in that one word more whether he is going to come back here and ask for the two and a half million dollars.

Mr. CHINDBLOM. I am not. Let me say this: The plans which were submitted and discussed before the Committee on Public Buildings and Grounds show conclusively that $3,000,000 will provide everything in the way of construction for making a complete hospital plant. There is certain mechanical equipment which everyone understands is not a part of the construction of the building.

Mr. BYRNES of South Carolina. I will say to the gentleman, as I prefaced my remarks, that the situation has changed since last summer. Then the Public Health Service said they did not

need this. Now they say they need it. The gentleman from Illinois [Mr. MADDEN] and the gentleman from Illinois [Mr. MANN], who are familiar with the subject, say that for $3,000,000 they ought to complete the building. The gentleman from Illinois [Mr. MANN], for whose opinion I always have the greatest respect, tells me that for $3,000,000 they can construct a magnificent hospital building. I accept his statement and will not object to consideration at this time. I am glad the gentlemen have committed themselves to the statement that they will not come back here and ask for the two and a half million dollars.

Mr. GOOD. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Speaker, Congress heretofore enacted a law which I think it thought would direct the Secretary of the Treasury to close the arrangement for the purchase of the Broadview Hospital for $3,000,000. The Secretary did not make the purchase for this reason. The Public Health Service said that it needed buildings outside of the hospital for use by the doctors and nurses, and so forth, which would cost two and a half million dollars. Thereupon the Secretary of the Treasury submitted the matter to the Comptroller of the Treasury, who said that under the law passed by Congress the Secretary was authorized to purchase this hospital for $3,000,000, but that it must be with ample facilities, and that as the Public Health Service now stated that it needed—not using this language—two and a half million dollars to complete additional buildings for the nurses and doctors, and so forth, he could not purchase the hospital for $3,000,000 at all because it would not be a complete hospital. The purpose of this item is to give the Secretary the right to purchase the hospital for $3,000,000 under the plan which has heretofore been approved, without including the useless and extravagant buildings which the service has suggested it ought to have at an expense of two and a half million dollars for the benefit of the doctors and the nurses.

There is no sense whatever in our constructing hospitals in the country with the idea that more than half the expense is to be used in putting up buildings, not for the patients, but for those who wait upon the patients. There will be ample room in this hospital to take care of all the doctors and nurses who need to room in the hospital. Some of them may have to live in dwellings a mile away. That is what one of the public health officials told me. I said, "Great God, a mile is not very far in Chicago. Nobody expects to transact business in Chicago within a mile of where he lives. That is nothing." Now, we do not desire that the Government shall go to the expense of putting up these additional buildings for the benefit of the nurses and the doctors. As far as I am concerned I am opposed to any useless, extravagant appropriations. Where we need to spend money to build hospitals for the benefit of soldiers who are now out of the service we ought to spend money building hospitals where the patients will go, not build fancy dwellings for doctors to live in.

Mr. BUTLER. Will the gentleman yield for a question?

Mr. MANN of Illinois. I will.

Mr. BUTLER. As I understand, Congress has already authorized the purchase of these buildings and also appropriated the money?

Mr. MANN of Illinois. Congress has made the appropriation.

Mr. BUTLER. Made the appropriation and this will not increase the appropriation?

Mr. MANN of Illinois. This will not increase the appropriation.

Mr. BUTLER. But it is calculated to limit the expense at that point?

Mr. MANN of Illinois. It is to build buildings in accordance with the present appropriation and does not contemplate what the Public Health Service did want, a gross expenditure for buildings that did not need to be built.

Mr. GOOD. I will yield five minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker, the gentleman from Pennsylvania [Mr. BUTLER] raised a very pertinent and reasonable question when he asked, "If this bill does not provide for an appropriation what is the sense of passing it?" What is the occasion for this section when it is claimed that the appropriation is out of it? There may be a difference of opinion whether there is in it an appropriation or not. I think it conceals an indirect appropriation. The chairman of the Appropriations Committee thinks not. When the Public Health Service appeared before the Committees on Public Buildings and Grounds of the House and the Senate they represented that the Speedway proposition, as it was called, at Chicago could be completed within 60 days, and that it would accommodate a thousand patients within six months. Now, that bill was passed March 3, 1919. We all made speeches in this House advocating the erection of these hospitals for the disabled and crippled soldiers. We thought we were doing the patriotic thing. It drags along until July, and then we learn that the Secretary of the Treasury will not take this hospital, will not use it, because the Public Health Service finds that they need additional ornamental structures for physicians, surgeons, and various attendants. Then on July 11 we passed an act directing the Secretary of the Treasury to take over this hospital. Did he take it over? No. He goes ahead and prepares plans and specifications, and then more plans and specifications. And now the legal light of the Treasury Department comes in with an opinion that even the act of July 11 is not adequate to give the authority to take over this hospital. That is the only excuse for the provision of this deficiency act now under consideration. It is an authorization to the Secretary of the Treasury to complete the contract with the Shank concern and take over this Broadview Hospital. When we had the matter up in the committee yesterday we struck out the provision for the two and a half million dollars additional for these ornamental residential structures for the medical staff, and we also struck out the last sentence preceding that which we thought contained an invitation or suggestion, if not an authorization, to the Public Health Service to go into the old matter of building extensive alterations and additions which would justify them in coming back for an appropriation. That is the reason there is doubt in my mind as to whether or not this bill does not in a subterranean way contain the basis of an appropriation.

The language that we struck out was:

Together with such further changes in said buildings as may be found necessary or desirable.

I believe that that is simply an invitation to the Secretary of the Treasury to proceed with the construction of the additional buildings.

Mr. BUTLER. If that should be so, then we would be obliged later to pay for them, would we not?

Mr. GRIFFIN. Surely; but I am assured by the chairman of the Appropriations Committee that that paragraph or sentence does not contain this menace and danger. I am assured by my friend on the Committee on Public Buildings and Grounds, from Chicago [Mr. CHINDBLOM], and some of the other gentlemen from that vicinity, that there is no such menace in this provision. That being the case, I will not insist upon my objection to it, but I think it ought to go into the RECORD clearly as the understanding of this House that that clause shall not give the authorization to the Secretary of the Treasury to spend any money for additional buildings.

Mr. GOOD. Mr. Speaker, in order that this matter may be a little further explained, I want to say that the gentleman from South Carolina [Mr. BYRNES] was entirely correct when he said that when the matter was before the House before it did not have the approval of the Public Health Service. As it comes now it comes in an estimate from the Public Health Service and indorsed by the Secretary of the Treasury, that they need this hospital.

In order that my position in the matter may be explained and fully understood, I understand this amendment to read that this hospital, so far as the grounds, 320 acres, and this main hospital building, with the five auxiliary buildings, completed in accordance with the plans drawn by the Supervising Architect in the Treasury Department, and sent and transmitted to the Shank Co. on July 15, August 16, and September 23, 1919, are concerned, the $3,000,000 appropriated in the act of March 3, 1919, would acquire them all.

Mr. BUTLER. And no more to be added?

Mr. GOOD. And not a single dollar will be expected or asked for from Congress for the purchase of the land and the acquisition of the buildings. Of course, you have got to acquire some equipment for this hospital, as you do for all other hospitals. I do not know what that will amount to, but when the Surgeon General came before the Appropriations Committee in July or June, he objected to the acquisition of this hospital, because it was too large. And by the letter of the Secretary of the Treasury, which has been transmitted to the Speaker of the House, he now asks for a mortuary chapel; an animal house, costing $120,000; female nurse quarters, costing $225,000; male attendants' quarters, costing $225,000; nurses' and aides' building, costing $320,000; internes' and students' buildings, costing $220,000; whereas under the specifications transmitted to the Shank Co. on the dates provided for in the bill all of these facilities were provided for in the main hospital building. Why, this hospital building is more than half a mile long. It is a concrete building, and there is ample room there to take

care of all of the facilities. And the Public Health Service and the Secretary of the Treasury ought to understand that by taking this action it is the intention of Congress that this building and the 320 acres of land and the five auxiliary buildings shall all be acquired within the present limit of cost. The right granted the Secretary of the Treasury to secure numerous changes when necessary is a proper regulation, but should not be abused either by requiring changes that can not be made within the limit of cost so as to prevent the purchase or by obligating the Government for additional funds.

I approve of the action of the House Committee on Public Buildings and Grounds that eliminated both of the provisions of the request of the Secretary of the Treasury for an enlarged hospital; that this enlarged program, one of them carrying $7,468,760 for this hospital, should be eliminated, or the other hospital plan, provided for in Exhibit B, costing $5,500,000, should also be denied. This provision, as I understand it—and it seems to me any executive officer ought to understand it the same way—simply provides that the Secretary of the Treasury shall proceed to do what the act of July 12 told the Secretary to do, to acquire this hospital within the limit of cost and no further. It will be useless, so far as I am concerned, for the Secretary or the Public Health Service to come before the Committee on Appropriations or any other committee of this House asking for anything in addition to the $3,000,000 already appropriated for the purpose of acquiring this hospital with these grounds and the five auxiliary buildings, so far as buildings or grounds are concerned.

Mr. GRIFFIN. Or the building of any other additional buildings?

Mr. GOOD. Certainly. I am in favor of that. That is all this amendment means.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. GOOD. I will yield.

Mr. CHINDBLOM. Somebody near me has asked me what the animal house was for, and, as showing the general trend of the Public Health Service, I will state that that same question was asked in the Committee on Public Buildings and Grounds, and it was ascertained that this animal house is for the purpose of raising animals for experimentation and vivisection purposes.

Mr. GOOD. Now, Mr. Speaker, the only difference between this provision carried in the bill and the estimates of the Secretary of the Treasury is this:

This provision means that the hospital shall be acquired for $3,000,000, instead of either of the alternatives of $5,500,000 or $7,468,000, and so it seemed to the committee that there was nothing to do but to accept this, the lesser of the two evils.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. GOOD. Yes.

Mr. TILSON. Does the gentleman think that this bill is so safeguarded that they will not go ahead and start an immense plant here that will require in the end $2,500,000 or more millions of dollars to finish it after we are committed to the extent of $3,000,000? Then it will be worthless unless we go ahead and spend the other $2,500,000?

Mr. GOOD. Under the decision of the comptroller referred to in the Secretary's letter, they could not do that; and that is the reason, as I understand, why the Secretary is asking for this legislation.

Mr. Speaker, I move the previous question.

The SPEAKER. The gentleman from Iowa moves the previous question on the Senate amendment.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

On motion of Mr. GOOD, a motion to reconsider the vote whereby the Senate amendment was agreed to was laid on the table.

HOLIDAY RECESS.

Mr. MONDELL. Mr. Speaker, this concludes the program of legislation which we had hoped to dispose of before the Christmas holiday vacation. There remains nothing more to be done than the signing of a number of bills. I shall ask the immediate consideration of a resolution of adjournment until the 5th of January, and if that is adopted I shall then ask that the House stand in recess until 6 o'clock in order to give the Speaker an opportunity to sign certain bills.

The SPEAKER. The Chair will suggest to the gentleman that those bills are on the way over now from the Senate, so that 5 or 10 minutes' recess only will be necessary.

Mr. MONDELL. Very well; and after the bills shall have been signed I will ask that a recess be had until 5.30 so that the Speaker may sign that and the Sweet bill, which will reach here at the same time.

Mr. Speaker, I call up House concurrent resolution No. 23.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Senate concurrent resolution 23.

Resolved by the Senate (the House of Representatives concurring), That when the two Houses complete the business of this day (the calendar day of Saturday, December 20, 1919), they shall stand adjourned until 12 o'clock meridian, Monday, January 5, 1920.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

RECESS.

Mr. MONDELL. Now, Mr. Speaker, I ask that the House stand in recess for 10 minutes, and at the expiration of that time I shall ask that the House stand in recess until 11 o'clock to-night.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that the House stand in recess for 10 minutes.

Mr. WALSH. Reserving the right to object, Mr. Speaker, what is the idea of this 10 minutes?

Mr. MONDELL. I explained a moment ago that there would be some Senate bills that would be here from the Senate shortly, and that we should take a recess until they were signed by the Speaker and then stand in recess until 11 o'clock to-night.

Mr. WALSH. The Senate bills are on their way over here, and when they get here the Speaker is going to sign them? Is that the idea?

Mr. MONDELL. That is the idea.

Mr. WALSH. The Senate bills are on their way over here now?

Mr. MONDELL. They are supposed to be. I think they will be here in 10 minutes.

The SPEAKER. The gentleman asks unanimous consent that the House take a recess for 10 minutes. Is there objection?

There was no objection.

Accordingly (at 5 o'clock and 33 minutes p. m.) the House stood in recess for 10 minutes.

AFTER THE RECESS.

The recess having expired, the House resumed its session.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 8992. An act for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa.;

H. R. 10402. An act authorizing the Secretary of War to grant permission to the municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.; and

H. R. 11223. An act making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920.

RECESS.

Mr. MONDELL. Mr. Speaker, I move that the House stand in recess until 11 o'clock to-night.

The SPEAKER. The gentleman from Wyoming moves that the House stand in recess until 11 o'clock to-night. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly (at 6 o'clock and 20 minutes p. m.) the House stood in recess.

AFTER THE RECESS.

The recess having expired, the House (at 11 o'clock p. m.) resumed its session.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and joint resolution of the following titles, when the Speaker signed the same:

H. J. Res. 266. Joint resolution authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States; and

H. R. 8778. An act to amend and modify the war-risk insurance act.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the following titles:

S. 822. An act for the relief of James W. Cross;

S. 728. An act for the relief of the Buffalo River Zinc Mining Co.;

S. 1694. An act providing for the refund of taxes collected for stamp tax on certain policies under the emergency-tax act

of October 22, 1914, under the proviso to which act such policies were exempt;

S. 176. An act for the relief of John M. Francis;

S. J. Res. 137. Joint resolution authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes;

S. 2378. An act to authorize the issuance of patent to John Albert Thompson, and for other purposes;

S. 428. An act for the relief of Thomas Sevy;

S. 1670. An act for the relief of the Arundel Sand & Gravel Co.;

S. 2128. An act for the relief of Albert N. Collins;

S. 248. An act for the relief of Henry P. Grant, of Phillips County, Ark.;

S. 2716. An act to relieve the estate of Thomas H. Hall, deceased, late postmaster at Panacea, Fla., and the bondsmen of said Thomas H. Hall of the payment of money alleged to have been misappropriated by a clerk in said office;

S. 552. An act to reimburse W. B. Graham, late postmaster at Ely, Nev., for money expended for clerical assistance;

S. 1375. An act for the relief of Catherine Grace;

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender; and

S. 577. An act for the relief of the Southern States Lumber Co.

LEGISLATIVE PROGRAM AFTER THE HOLIDAY RECESS.

Mr. WINGO. Mr. Speaker, I would like to get some information from the majority leader about the program after the holiday recess. Would the gentleman mind stating what the probabilities are with reference to the program on reconvening, so that Members may know of the importance of the proposed legislation? Some of them may not want to come back at once.

Mr. MONDELL. If I recollect rightly, the Monday on which we are to reconvene will be unanimous-consent day, and the Unanimous Consent Calendar will probably be taken up. There may be some bills considered under suspension of the rules on that day. It is quite likely that there will be.

The Indian appropriation bill has been reported to the House. It is quite likely that it will be taken up soon after we reconvene.

I understand that the Post Office appropriation bill is practically ready, and it will probably be taken up soon after our reconvening. These two bills are likely to be considered the first week.

Mr. WINGO. In other words, those are the two appropriation bills?

Mr. MONDELL. Those are the important matters which are likely to come up first.

Mr. WINGO. Of course, if the conferees on the railroad bill should agree, the conference report on that bill would come up as soon as an agreement was reached, would it not?

Mr. MONDELL. Oh, yes; the conference report on the railroad bill will be considered, of course, as soon as they report an agreement, and it is entirely possible that the conferees will present for the consideration of the House the labor provisions in the railroad bill quite soon after we reconvene.

Mr. WINGO. In other words, you think there will possibly be a partial report from the conferees involving that feature of the bill?

Mr. MONDELL. I think no one can say how soon the conferees may agree; but as soon as they do agree, of course, the matter will be taken up in the House.

We expect to begin a program of important legislation—principally appropriation bills—immediately on reconvening.

Mr. WINGO. Personally, I do not intend to leave Washington, but several gentlemen asked me about it. I told them I did not know. Frankly, I am making this inquiry in their behalf, so that they may read this in the RECORD. Some of them have already gone home. They have been tied down here continuously for a long time. Some of them have important matters requiring their attention and they might want to stay a little longer than the expiration of the recess. The statement of the program is an accommodation to them, so that they may be able to determine the date of their return.

Mr. MONDELL. I do not anticipate that there will be any serious contest over anything that will come up immediately after our reconvening, unless it might be on the railroad bill if the conference report is presented.

Mr. CANDLER. The Monday when we reconvene being unanimous-consent day, is it possible that the Unanimous Consent Calendar may be displaced by anything else, or will it certainly come up on that day?

Mr. MONDELL. I think it will come up, undoubtedly, and there will be some motions made, no doubt, to suspend the rules.

Mr. CANDLER. And probably the appropriation bills will be considered immediately after the unanimous-consent Monday?

Mr. MONDELL. They will.

Mr. FESS. Will the gentleman yield for a question?

Mr. MONDELL. I shall be glad to yield to the gentleman from Ohio.

Mr. FESS. The gentleman will remember that the President suggested that the railroads would be turned back to their owners on January 1. There is no possibility of the conference report coming up to be acted upon before that date. Has the gentleman any information at all as to the purpose of the President in regard to that matter?

Mr. MONDELL. I have no further knowledge of the President's purpose than that I have been able to gain from the newspapers. I presume the gentleman has followed the discussion of that matter in the newspapers. I think it is quite generally understood that the President does not now contemplate returning the roads to their owners on January 1.

Mr. FESS. I presumed that was true, but I wondered whether the legislators here had any definite information upon that subject.

Mr. MONDELL. Some of the gentlemen directly connected with the matter may have, but I have nothing more than what I have gleaned from the newspapers and from gentlemen who I think are fairly well informed.

Mr. RAKER. Will the gentleman yield for another question right there?

Mr. MONDELL. I yield to the gentleman from California.

Mr. RAKER. One of the matters that undoubtedly would have come up early in January from the Committee on Immigration and Naturalization which has been under investigation by them has been, I think, happily disposed of. The committee and the Department of State have been at work upon it for a number of years.

The Department of State issued the following note this evening:

The Japanese Ambassador, under instructions from his Government, has the honor to make the following communication to the Government of the United States:

"The Japanese Government, placing supreme importance upon the promotion of the friendly relations between Japan and the United States, and having carefully examined in that spirit the situation created by the question of the so-called 'picture brides,' have decided to adopt measures for the prohibition of such brides from proceeding to the continental United States."

This will end that question.

The SPEAKER. The Chair thinks debate is not in order at this time.

ADJOURNMENT FOR THE HOLIDAYS.

Mr. MONDELL. Mr. Speaker, in accordance with the resolution already adopted, I move that the House do now adjourn until Monday, January 5, 1920.

The motion was agreed to; accordingly (at 11 o'clock and 9 minutes p. m.) the House adjourned until Monday, January 5, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting draft of proposed legislation transferring certain land at the southeast corner of the Federal building site at Baltimore, Md., to that city (H. Doc. No. 537); to the Committee on Public Buildings and Grounds and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Interstate Commerce Commission for valuation of property of carriers and for general expenses of the commission, fiscal year 1920 (H. Doc. No. 538); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Bureau of Standards for sugar standardization, fiscal year 1921 (H. Doc. No. 539); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting estimate of appropriation for the Morgan City (La.) post office and for the United States mint at Philadelphia, Pa. (H. Doc. No. 540); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of Agriculture, transmitting two lists, one containing information concerning employees of the Department of Agriculture who are performing outside duties, and the other containing information concerning employees of the Department of Agriculture having certain relatives in the Government service (H. Doc. No. 541); to the Committee on Expenditures in the Department of Agriculture and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. HULL of Iowa, from the Committee on Military Affairs, to which was referred the bill (H. R. 5918) in reference to a national military park on the plains of Chalmette, below the city of New Orleans, reported the same without amendment, accompanied by a report (No. 523), which said bill and report were referred to the Committee of the Whole on the state of the Union.

Mr. GREENE of Massachusetts, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (H. R. 11313) to permit transportation of a limited number of passengers on cargo vessels, reported the same without amendment, accompanied by a report (No. 524), which said bill and report were referred to the House Calendar.

Mr. EDMONDS, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (H. R. 11311) providing for the classification of vessels of the United States, reported the same without amendment, accompanied by a report (No. 525), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. MONAHAN of Wisconsin, from the Committee on the Territories, to which was referred the bill (H. R. 10432) to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii, reported the same without amendment, accompanied by a report (No. 526), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. FIELDS, from the Committee on Military Affairs, to which was referred the bill (S. 2734) to authorize the transportation of civilians across the Atlantic Ocean upon Army transports under such rules and regulations and at such rates as the Secretary of War may prescribe, reported the same with amendments, accompanied by a report (No. 528), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MICHENER: A bill (H. R. 11388) authorizing the Secretary of War to donate to the village of Clinton, Lenawee County, Mich., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. HUTCHINSON: A bill (H. R. 11389) donating a captured German cannon or fieldpiece to the township of Washington, county of Mercer, State of New Jersey, for decorative and patriotic purposes; to the Committee on Military Affairs.

By Mr. ACKERMAN: A bill (H. R. 11390) to save daylight in the first zone so as to encourage the establishment of home gardening, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SINNOTT: A bill (H. R. 11391) to restore to entry certain lands in Klamath County, Oreg., and for other purposes; to the Committee on the Public Lands.

By Mr. CRISP: A bill (H. R. 11392) for the purchase of a site and erection of a public building at Cuthbert, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11393) for the purchase of a site for a public building at Ashburn, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11394) for the purchase of a site for a public building at Vienna, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. WEAVER: A bill (H. R. 11395) to provide for the purchase of a site and the erection of a public building at Asheville, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. LEA of California: A bill (H. R. 11396) to amend paragraph 1 of section 3 of an act of February 5, 1917, entitled "An act to regulate immigration of aliens to, and the residence of aliens in, the United States"; to the Committee on Immigration and Naturalization.

By Mr. GARD: A bill (H. R. 11397) to provide for the payment to an officer, enlisted man, female nurse, or civilian employee of the American Expeditionary Forces of loss sustained on a negotiable instrument, by reason of a fluctuation in the rate of exchange, and for other purposes; to the Committee on Military Affairs.

By Mr. GANDY: A bill (H. R. 11398) for the creation of the Custer State Park Game Sanctuary, in the State of South Dakota, and for other purposes; to the Committee on the Public Lands.

By Mr. BRIGGS: A bill (H. R. 11399) for the erection of a Federal building at Huntsville, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. MAYS: A bill (H. R. 11424) granting certain rights of way and exchange of same across Fort Douglas, Utah; to the Committee on Military Affairs.

By Mr. BURKE: Joint resolution (H. J. Res. 268) authorizing and directing the Secretary of State to arrange without further delay for the return from France of America's heroic dead; to the Committee on Foreign Affairs.

By Mr. KITCHIN: Resolution (H. Res. 425) requesting the Secretary of War to furnish to the House of Representatives certain information; to the Committee on Military Affairs.

By Mr. HASKELL: Resolution (H. Res. 426) providing for an additional clerk to the Committee on Expenditures in the Navy Department; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 11400) granting a pension to Eliza Ann Kime; to the Committee on Invalid Pensions.

By Mr. BENHAM: A bill (H. R. 11401) granting a pension to John W. Otter; to the Committee on Pensions.

Also, a bill (H. R. 11402) granting a pension to Lucy E. Blue; to the Committee on Pensions.

By Mr. CRAMTON: A bill (H. R. 11403) granting a pension to Eliza C. Ludwig; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 11404) granting an increase of pension to Lafayette Van Gundy; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 11405) granting a pension to John F. Keeton; to the Committee on Invalid Pensions.

By Mr. HARDY of Colorado: A bill (H. R. 11406) granting an increase of pension to George W. Fariss; to the Committee on Pensions.

By Mr. HAYDEN: A bill (H. R. 11407) granting an increase of pension to Mary M. Durand; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 11408) granting an increase of pension to Francis M. Frazier; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Iowa: A bill (H. R. 11409) granting a pension to Margaret Pinkham; to the Committee on Pensions.

By Mr. MAHER: A bill (H. R. 11410) for the relief of James E. Connors; to the Committee on Claims.

By Mr. OSBORNE: A bill (H. R. 11411) granting a pension to Eleanor Lewis Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11412) granting a pension to Esther Dye; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11413) granting a pension to Sarah C. Steadman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11414) for the relief of Julia H. Castle; to the Committee on War Claims.

By Mr. HENRY T. RAINEY: A bill (H. R. 11415) granting an increase of pension to Mary Stewart; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 11416) for the relief of Orville M. Myers; to the Committee on Claims.

By Mr. STEPHENS of Ohio: A bill (H. R. 11417) for the relief of J. S. Carpenter; to the Committee on Naval Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 11418) granting an increase of pension to Hunter C. Frampton; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11419) granting an increase of pension to Charles W. Cross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11420) granting a pension to Robert R. Brown; to the Committee on Pensions.

Also, a bill (H. R. 11421) granting a pension to Liza Sharp; to the Committee on Pensions.

By Mr. YATES: A bill (H. R. 11422) granting an increase of pension to Helen B. Owen; to the Committee on Pensions.

By Mr. YOUNG of North Dakota: A bill (H. R. 11423) granting an increase of pension to Seth Bailey; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

541. By the SPEAKER (by request): Petition of sundry citizens of Illinois, regarding methods adopted in settling recent strike; to the Committee on the Judiciary.

542. By Mr. BABKA: Petition of Cuyahoga County Council, American Legion, Cleveland, Ohio, and United Service Post, No. 75, American Legion, favoring legislation to curb anarchism in this country; to the Committee on the Judiciary.

543. By Mr. BACHARAH: Petition of Washington Camp No. 125, Patriotic Order Sons of America, Greenwich, N. J., favoring deportation of all aliens who do not become American citizens; to the Committee on Immigration and Naturalization.

544. By Mr. CROWTHER: Petition of Schaugh-Naugh-Ta-Da Tribe, No. 123, Improved Order of Red Men, Schenectady, N. Y., pledging aid to the Government in suppressing anarchy; to the Committee on the Judiciary.

545. Also, petition of Kolaneka Grange, No. 1441, of Johnstown, N. Y., opposing reenactment of daylight saving; to the Committee on Interstate and Foreign Commerce.

546. By Mr. FULLER of Illinois: Petition of the Chicago & Cook County (Ill.) Bankers' Association, concerning return of railroads to their owners; to the Committee on Interstate and Foreign Commerce.

547. By Mr. GRIFFIN: Petition of Military Order, Loyal Legion of the United States, New York, favoring Civil War volunteer officers' retirement bill; to the Committee on Military Affairs.

548. Also, petitions or memorial of Canton Central Labor Union, Canton, Ohio, and Charles R. Bixby, Flint, Mich., favoring H. R. 7014; to the Committee on Public Buildings and Grounds.

549. Also, petition of the Huntington Commercial Association, Huntington, Ind., favoring H. R. 7014; to the Committee on Public Buildings and Grounds.

550. By Mr. KETTNER: Petition of the eleventh annual convention of California Division, Farmers' Educational and Cooperative Union, favoring H. R. 7783 and S. 2202; to the Committee on Agriculture.

551. Also, petition of Stockton section of Women's National Democratic League, urging passage of bill giving separate citizenship status to women; to the Committee on the Judiciary.

552. Also, petition of teachers of Orange County, Santa Ana, Calif., favoring Smith-Towner educational bill; to the Committee on Education.

553. By Mr. LEA of California: Petition of the Secretary of Petaluma Post, No. 28, American Legion, favoring legislation to punish members of disloyal organizations; to the Committee on the Judiciary.

554. By Mr. LINTHICUM: Petition of M. M. & P. of A. T. S., of Baltimore, Md., opposing passage of Cummins bill; to the Committee on Interstate and Foreign Commerce.

555. Also, petition of the Merchants and Manufacturers' Association, of Baltimore, Md., favoring early ratification of the peace treaty; to the Committee on Foreign Affairs.

556. Also, petition of James Edgar Potts Post, No. 2, American Legion, favoring H. R. 2492; to the Committee on Military Affairs.

557. Also, petition of H. W. Turner, of Baltimore, Md., regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

558. Also, petition of the Edward Stinson Manufacturing Co., Baltimore, Md., favoring H. R. 10650; to the Committee on the Judiciary.

559. Also, petition of John Campbell White Post, No. 59, American Legion, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

560. Also, petition of John M. Twole, of Baltimore, Md., favoring bonus for soldiers; to the Committee on Military Affairs.

561. Also, petition of Annapolis Lodge, No. 622, Benevolent and Protective Order of Elks, favoring deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

562. Also, petition of James Edgar Potts Post, No. 2, American Legion, favoring universal military training; to the Committee on Military Affairs.

563. Also, petition of F. Henning, of Baltimore, Md., concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

564. By Mr. MAJOR: Petition of E. R. Horton and other citizens of Lafayette County, opposing universal military training; to the Committee on Military Affairs.

565. By Mr. NELSON of Wisconsin: Petition of the central committee of the Socialist Party of Douglas County, protesting against the continued imprisonment of all persons convicted under the espionage law; to the Committee on the Judiciary.

566. By Mr. O'CONNELL: Petition of the Brooklyn Hardware Dealers' Association, of Brooklyn, N. Y., opposing Seigel bill; to the Committee on Interstate and Foreign Commerce.

567. Also, petition of Lewis Arnold, Carlisle, Pa., favoring House bill 2922; to the Committee on Military Affairs.

568. By Mr. RAKER: Petition of the State convention of Fruit Growers and Farmers of California, urging appropriation for the continued use of the experimental vineyards in California; to the Committee on Agriculture.

569. Also, petition of Union & Alameda Sugar Co., California, urging the continuance of the Sugar Division and the Bureau of Standards; to the Committee on Agriculture.

570. Also, petition of the Little River Redwood Co., Bulwinkle, Calif., relative to class legislation; to the Committee on the Judiciary.

571. Also, petition of the National Pepsin Co., San Francisco, Calif., urging that Government control of sugar be taken off and it be left to unrestricted competition; to the Committee on Agriculture.

572. Also, petition of the First National Bank of Redlands, Calif., concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

573. Also, petition of the Brotherhood of Carpenters and Joiners of America, Local No. 1082, opposing the Cummins bill; to the Committee on Interstate and Foreign Commerce.

574. Also, petition of W. G. Kerckhoff, vice president of Bakersfield & Kern Electric Railway Co., California, protesting against inclusion of electric lines in the Cummins and Esch bills; to the Committee on Interstate and Foreign Commerce.

575. By Mr. SINCLAIR: Petition of the Public Ownership League of America and 22,279 citizens of the United States, urging the passage of such measures as will bring about, under conditions in all respects just to the American people, the workers, and present owners, the actual and permanent public ownership by the United States Government of the railroads of the Nation, together with proper guaranties of efficient operation and democratic control; to the Committee on Interstate and Foreign Commerce.

576. By Mr. SNYDER: Petition of the Federal grand jury for the northern district of New York, for enactment of House bill 10650; to the Committee on the Judiciary.

577. By Mr. STEENERSON: Petition of H. F. Sprung and others, of the Ada Creamery Association, of Ada, Minn., opposing H. R. 10032; to the Committee on Agriculture.

578. Also, petition of Lorentz Post, No. 11, American Legion, for suppression of lawlessness and deportation of lawless aliens; to the Committee on Immigration and Naturalization.

579. By Mr. STINESS: Petition of Westerly Lodge, No. 678, Benevolent and Protective Order of Elks, favoring House bill 3110; to the Committee on the Public Lands.

580. By Mr. STRONG of Pennsylvania: Petition of soldiers, sailors, and marines of Homer City, Pa., favoring House bill 7923; to the Committee on Ways and Means.

581. By Mr. WATSON: Petition of the faculty and students of Perkiomen School, Pennsburg, Pa., expressing sympathy for people of Korea; to the Committee on Foreign Affairs.

582. By Mr. YOUNG of North Dakota: Petition of Minot Lodge of Elks, Minot, N. Dak., urging enactment of laws providing for the deportation of all enemy aliens, cancellation of citizenship papers of any naturalized citizen sympathizing with them, and the suppression of any publication designed to undermine American institutions or incite rebellion; to the Committee on Immigration and Naturalization.

583. By the SPEAKER (by request): Petition of First National Convention of the Labor Party, assembled in the city of Chicago on Monday, November 24, 1919, protesting against the treatment received by the miners at the hands of the officials of the Government in the recent strike in the coal mines; to the Committee on the Judiciary.

SENATE.

MONDAY, *January 5, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we cease not in all the years to make mention of Thy name and to call upon Thee in reverence and godly fear. When our fathers declared their independence of the nations of the earth they proclaimed their dependence upon Thy divine providence, and in the day that tests the moral and spiritual fiber of our civilization we still feel the need of God's guidance and blessing. So at the beginning of this session we come lifting up our hearts to Thee, putting ourselves as best we can in the divine hands, to be guided and blessed and owned by the great God of our fathers.

We come together remembering one of our companions in service who sits in the shadow of a great sorrow this morning. Bless, we pray Thee, this one where human sympathy can not come and where the touch of human hands can not heal. Do Thou come by Thy tender sympathy and care to give hope and courage and blessing.

Hear us in our prayer, fit us for the service of the day, and save us for Christ's sake. Amen.

PORTER J. MCCUMBER, a Senator from the State of North Dakota, appeared in his seat to-day.

The Reading Clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, December 16, 1919, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	Knox	Pomerene
Ball	Gore	Lenroot	Ransdell
Bankhead	Gronna	Lodge	Robinson
Borah	Harding	McCumber	Sheppard
Brandegee	Harris	McKellar	Sherman
Calder	Harrison	McNary	Smith, Ga.
Capper	Henderson	Myers	Smith, Md.
Chamberlain	Hitchcock	Nelson	Smoot
Colt	Johnson, S. Dak.	New	Spencer
Culberson	Jones, N. Mex.	Norris	Sterling
Curtis	Kellogg	Nugent	Sutherland
Dial	Kendrick	Owen	Thomas
Elkins	Kenyon	Page	Trammell
Fernald	Keyes	Phipps	Wadsworth
Fletcher	King	Pittman	Walsh, Mont.
France	Kirby	Poindexter	Williams

Mr. CURTIS. I was requested to announce the absence of the senior Senator from Washington [Mr. JONES] on account of illness in his family. I ask that this announcement may stand for the day.

I was also requested to announce that the Senator from New Hampshire [Mr. MOSES] is absent on official business. I will let this announcement stand for the day.

I wish to announce the absence of the Senator from Michigan [Mr. TOWNSEND] on account of death in his family. I ask that this announcement may stand for the day.

I desire also to announce that the junior Senator from Michigan [Mr. NEWBERRY] is detained from the Senate by illness.

Mr. KNOX. I wish to announce the unavoidable absence of my colleague [Mr. PENROSE] on account of illness. I shall allow this announcement to stand for all roll calls until he is sufficiently recovered to attend the sessions of the Senate.

Mr. BANKHEAD. I wish to announce that my colleague [Mr. UNDERWOOD] is detained from the Senate on important business.

Mr. GERRY. I wish to announce that the Senator from Tennessee [Mr. SHIELDS] is detained by illness in his family and that the Senator from Massachusetts [Mr. WALSH] is detained by the illness of a member of his family.

The senior Senator from North Carolina [Mr. SIMMONS], the junior Senator from North Carolina [Mr. OVERMAN], the Senator from Virginia [Mr. SWANSON], the Senator from Louisiana [Mr. GAY], and the Senator from Delaware [Mr. WOLCOTT] are detained from the Senate on public business.

The Senator from Arizona [Mr. SMITH] is absent on official business.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

WOMAN SUFFRAGE.

The VICE PRESIDENT. The Chair lays before the Senate a certified copy of a concurrent resolution adopted by the General Assembly of the State of Colorado ratifying the proposed Susan B. Anthony amendment to the Constitution of the United States extending the right of suffrage to women, which will be placed on file.

BUREAU OF ENGRAVING AND PRINTING (H. DOC. NO. 543).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury transmitting, pursuant to law, a statement showing the number of employees and their compensation in the Bureau of Engraving and Printing whose compensation is paid from "Expenses of loans" and "Compensation of employees," etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CIVILIAN EMPLOYEES AS COMMISSIONED OFFICERS (S. DOC. NO. 173).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Navy relative to the receipt of a resolution of December 10, 1919, requesting a statement showing the name, rank and title, and compensation of every officer in the Navy Department, etc., and stating that the information desired will be furnished at the earliest possible date, which was referred to the Committee on Naval Affairs and ordered to be printed.

THE BOTANIC GARDEN (H. DOC. NO. 554).

The VICE PRESIDENT laid before the Senate a communication from the Superintendent of the United States Botanic Garden, transmitting a statement of travel by employees of his office to points outside the District of Columbia during the fiscal year 1919, which was referred to the Committee on the Library and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 11224) to amend the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. FERNALD presented a petition of sundry citizens of Brunswick, Me., praying for the ratification of the league of nations covenant and the peace treaty, which was ordered to lie on the table.

Mr. CURTIS presented a resolution adopted at a meeting of the State officers of Kansas, favoring a Federal investigation of lynchings in the various States, which was referred to the Committee on the Judiciary.

He also presented a petition of Local Lodge No. 586, Benevolent and Protective Order of Elks, of Concordia, Kans., praying for the enactment of legislation providing for the suppression of anarchy and the deportation of undesirable aliens, which was referred to the Committee on the Judiciary.

He also presented a petition of the Booster Club of Garnett, Kans., praying for the enactment of legislation for the prevention and punishment of extreme radicalism, which was referred to the Committee on the Judiciary.

He also presented a memorial of the Chamber of Commerce of Ellsworth, Kans., remonstrating against the passage of the so-called Siegel bill, providing for the marking of cost prices on articles of merchandise for sale, which was referred to the Committee on Interstate Commerce.

He also presented a petition of Sheridan Post, No. 90, Grand Army of the Republic, Department of Kansas, of Coffeyville, Kans., praying for the enactment of legislation providing for the suppression of anarchism and the deportation of undesirable aliens, which was referred to the Committee on the Judiciary.

Mr. ROBINSON presented a petition of sundry citizens of Van Buren, Ark., praying for the enactment of legislation to provide for superannuated civil-service employees, which was ordered to lie on the table.

Mr. MYERS presented petitions of sundry citizens of Boston, Mass.; Kansas City, Mo.; Heron Lake, Minn.; Long Beach, Calif.; St. James, Mo.; Chicago, Ill.; Durham, N. C.; St. Albans, Vt.; Seattle, Wash.; Elizabeth, N. J.; and Wichita, Kans., praying for the enactment of legislation to prohibit experiments upon living dogs in the District of Columbia or any of the Territorial or insular possessions of the United States, and providing a penalty for violations thereof, which were referred to the Committee on the Judiciary.

Mr. CHAMBERLAIN. I present a petition of citizens residing in Colombia and having interests therein, asking for the ratification of the Colombian treaty. I move that it be referred to the Committee on Foreign Relations.

The motion was agreed to.

Mr. GRONNA. I present sundry resolutions adopted by the commercial clubs and other organizations in my State, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

THE COMMERCIAL CLUB,
LARIMORE, N. DAK.

The following resolutions were indorsed and adopted by the Larimore Commercial Club, December 19, A. D. 1919:

"Whereas there has been introduced into the Congress a bill known as the Siegel bill, which provides that all merchants and everyone who deals in foodstuffs, commodities, and merchandise of every kind shall mark the gross cost price on them in plain figures; and

"Whereas the aforementioned law would work a hardship and ruination to legitimate business throughout the Nation for the reason that consumers have no means of knowing the cost of doing business in any particular line and the necessity for charging wide margins on fancy or perishable goods or those seldom called for, but must be carried for a long time to accommodate the trade, and, further, that the public can not appreciate the risks run by dealers in credits, fires, and other ways; and

"Whereas we believe the interference with legitimate business and the natural economic laws by the enactment of this law would be extremely vicious. It is our belief that the present unrest throughout the Nation—the extreme manifestation of which is Bolshevism—is encouraged and promoted by similar laws and the present policy of interference with legitimate business, which is giving the public an exaggerated impression of the misdeeds and unearned profits of all capital employed in business, the wrong deeds of a few being by implication attributed to all: Therefore be it

"*Resolved by the Larimore Commercial Club*, That we place ourselves on record as being unalterably opposed to the enactment of the Siegel bill and all like bills; and be it further

"*Resolved*, That copies of these resolutions be forwarded to our United States Senators and Representatives in Congress, and that they be requested and urged to oppose the aforesaid Siegel bill and all bills of like import."

J. DEXTER PEIRCE, *Secretary*.

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THE COMMERCIAL CLUB,
LARIMORE, N. DAK.

The following resolutions were indorsed and adopted by the Larimore Commercial Club, December 19, A. D. 1919:

"Whereas civilization and organized society is threatened by sedition and anarchy, openly preached and organized, to a very alarming extent; and

"Whereas there is no law on our statute books to protect us from this very real and most frightful danger; and

"Whereas Congressman MARTIN L. DAVEY has introduced a bill, known as H. R. 10650, designed to meet the emergency: Therefore be it

"*Resolved by the Larimore Commercial Club*, That we do most heartily and emphatically indorse said bill, H. R. 10650, and would most earnestly urge the Congress to adopt the same without delay, with sufficient appropriation for its effective enforcement, as we deem it one of the most important, most necessary, and most urgent measures now before Congress; and be it further

"*Resolved*, That copies of these resolutions be sent to each of our Senators and Representatives in Congress and to Congressman DAVEY."

J. DEXTER PEIRCE, *Secretary*.

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THE COMMERCIAL CLUB,
LARIMORE, N. DAK.

The following resolutions were adopted by the Larimore Commercial Club, December 19, 1919:

"Whereas, first, there has long existed in this country the thought that labor should have the right to combine to strike in order to better its condition of employment and its compensation therefor; and

"Second, in recognition of this so-called right the Federal antitrust acts have been so amended as to legalize it; and,

"Third, certain rights are also guaranteed to all the people of the United States under the Constitution, to wit, the right to labor without outside dictation or interference, and in like manner to enjoy the fruits of such labor and in general the pursuit of happiness; and,

"Fourth, said rights have been invaded by the unrestrained exercise of the right to strike by the labor organizations until the unrestrained exercise of said power now threatens to become competitive and in conflict with the power of the Nation; and,

"Fifth, said power and said so-called rights have been conferred without restriction, and said power and said rights have been abused by national strikes by a minority of the workers, threatening the very life of the people through famine and exposure to the elements: Therefore be it

"*Resolved by the Larimore Commercial Club*, That the attention of our Senators and Representatives in the Congress of the United States be called to this situation, and that they be requested to bring about a revision of these antitrust acts and the enactment of other acts, to wit:

"(a) To repeal all acts conferring privileges upon special classes, so that all classes of citizens be made equal in fact before the law;

"(b) That the Federal antitrust act declare all combinations in restraint of trade which are injurious to the public good to be unlawful;

"(c) That said act recognize that while certain combinations might not be injurious to the entire public, they might be injurious to individuals whose rights should be respected, and that it therefore provide that every combination, voluntary or otherwise, shall adequately make itself financially responsible for the acts of its officers, its agents, and its members, and place itself in position where it can be made legally and actually answerable for all injury caused thereby; and

"(d) That there be enacted into law the principles of arbitration."

J. DEXTER PEIRCE, *Secretary*.

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We, the undersigned, are opposed to and will endeavor to defeat by voice and vote any and all railroad legislation and legislators endeavoring to validate watered stock, pass antistrike legislation, or return the roads immediately under any plan without giving full and just consideration to all plans.

R. A. Murphy, New Rockford, N. Dak., clerk; Shirley S. Packard, New Rockford, N. Dak., clerk; Fred W. Packard, New Rockford, clerk; Fred J. Freel, P. F. I.; William A. Bakey, baggageman; George W. Wenz, clerk; Louise Dunham, clerk; M. E. von Almen; Hugh Kennedy, clerk; Margaret Wren, clerk; Harry E. Crepps, clerk.

—

DEVILS LAKE, N. DAK.

Whereas more than one year has elapsed since the signing of the armistice, and practically nothing has been done by Congress in the line of beneficial legislation for ex-service men and women; and

Whereas the national convention of the American Legion held at Minneapolis, Minn., on November 10, 11, and 12, 1919, went on record as being in favor of additional compensation in the form of a bonus for ex-service men and women, and, although no specific sum was named, the sentiment of the convention seemed to be that about $1 per day for each day of service would be just and right; and

Whereas said convention went on record as being in favor of a plan whereby ex-service men could borrow money from the Government for a long term at a low rate of interest for the purpose of buying or developing farms or city homes: Therefore be it

Resolved, That the Tim Running Post, No. 24, of the North Dakota Department of the American Legion, respectfully requests and petitions the Members of Congress from North Dakota to use all their energy and influence so that Congress may adopt measures embodying the above recommendations of the American Legion without any further delay, and we especially request that these matters be advanced on the legislative calendar, so that this beneficial legislation may be adopted within the next few weeks.

TIM RUNNING POST OF THE AMERICAN LEGION.
By C. M. BRYANT, *Post Commander*.

—

BROTHERHOOD RAILWAY CARMEN OF AMERICA,
Devils Lake, N. Dak., December 12, 1919.

Hon. A. J. GRONNA,
Washington, D. C.

DEAR SIR: There is considerable legislation pending in Congress at the present time relative to turning the roads back to private control. Among the several bills now under consideration are clauses that are a direct affront to organized labor.

Chief among these is the clause prohibiting strikes. Legislation of this kind, instead of bringing about harmony between employer and employee, only adds fuel to the flames of discontent, and you may rest assured that it will be met with the strongest of opposition. Organized labor refuses to go back to the days of involuntary servitude, and we wish to inform our Representatives in Washington that we desire no laws of this kind and that we wish to retain the roads under Federal control for at least two years, so that it can be demonstrated that Federal control can be made a grand success instead of a failure, as the kept press would lead us to believe.

We realize that there is a large deficit, but we know that the private corporations could not run the roads one cent cheaper; in fact, we know that the corporation officials to a large extent have not exerted themselves to make a success of the administration. We are told daily that the Government is incapable of

properly handling the roads. To make assertions of this kind only belittles our Government. We have seen railroads go into the hands of the receiver and seen the Government step in and straighten matters out and put the road on its feet again.

We have faith in our Government, and we are frank in saying that America is no place for those who have not. All we want is to be treated as Americans and our Government given a chance to demonstrate its ability in time of peace as well as in time of war.

Respectfully, yours,

JOHN WILLIAMS, *President.*

—

FARGO, N. DAK., *November 25, 1919.*

Senator A. J. GRONNA,
Washington, D. C.

SIR: At a meeting of former Fargo service men, the following preamble and resolutions were adopted:

"Whereas we consider that all soldiers, sailors, and marines who served in the World War made great sacrifices that the war might be won; and

"Whereas the purchase of Liberty bonds, the payment of the premium on insurance, and the allotments absorbed all of the private's pay; and

"Whereas the $60 bonus was not sufficient to purchase clothing equal to that which was discarded when we entered the service: Therefore,

"*Resolved*, That the undersigned respectfully ask you to work and vote for the passage of the private soldiers' and sailors' legion bill now pending in Congress, providing:

"'1. For Government employment of demobilized service men who are unable to secure work in private employment.

"'2. A share in the unused land of the United States for all veterans of the World War.

"'3. A $500 cash bonus for all veterans.

"'4. Just and liberal compensation for all wounded and disabled veterans.

"'5. Review and rectification of all court-martial sentences, and return of court-martial fines for minor offenses.

"'6. Repeal of the taxes on luxuries such as ice cream, soda water, soft drinks, and moving pictures.'

"August B. Reinholt, Carl A. Hanson, Louie Bratvold, Earl D. Johnson, Edward Lee Coy, Wm. E. Brentzel, Ronald C. Bentley, Kenneth W. Green, Christian S. Benson, Ralph Hill, Murvile F. Aughdal."

—

MINOT LODGE No. 1089, B. P. O. E.,
Minot, N. Dak., December 16, 1919.

Senator A. J. GRONNA,
Washington, D. C.

DEAR SENATOR: On December 6, 1919, the Minot Lodge of Elks, No. 1089, after due consideration, adopted the following resolution and instructed me, as committee chairman, to forward to you a copy of said resolution:

"*Resolved*, That we view with deep concern the spread of disloyalty and seditious sentiments promulgated by syndicalists, I. W. W's., and Bolsheviki.

"That we believe that the time has arrived when Americans should assert themselves and drive from their shores all disloyal agents, and adequately punish those who betray their country by disloyal acts. We hereby call upon the United States Congress to immediately enact a law providing for the summary deportation of every alien in the country who is an enemy of this Government.

"That the law should further provide for the immediate cancellation of the citizenship papers of any naturalized citizen affiliated with and lending aid and comfort to such enemy aliens.

"That we believe no person should be permitted to issue or circulate any writing or pamphlet which has for its apparent object the undermining of American institutions or the inciting of rebellion."

MINOT LODGE No. 1089,
(Consisting of 800 loyal American citizens.)
By ARTHUR M. THOMPSON,
Chairman Committee on Resolutions.

Mr. HITCHCOCK. I present a resolution adopted in Pittsfield, Mass., at a meeting of 700 representative men and women of Berkshire County, asking for the early ratification of the treaty with such interpretative reservations as may be necessary to secure the acquiescence of other nations. I ask that the resolution may be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

PITTSFIELD, MASS., *January 3, 1920.*

GILBERT M. HITCHCOCK,
United States Senator from Nebraska.

MY DEAR SENATOR: At a meeting of 700 representative men and women of Berkshire County, held in the interest of the ratification of the peace treaty with the league of nations covenant and addressed by President Woolley, of Mount Holyoke College, and by Dean Charles H. Haskins, of the Graduate School of Harvard University, the following motion was unanimously adopted:

"We, a body of men and women of Berkshire County, gathered in Pittsfield, Mass., on Sunday, December 28, 1919, are convinced that it is supremely important that the Senate at the earliest possible moment should ratify the treaty of peace and the league of nations covenant with such proper and necessary interpretative reservations as will readily permit the other signatories to acquiesce in the conditions stated by the United States. We, therefore, hereby move that the Senators be urged to promote such action."

JULIA VAN RENSSELAER CROWELL, *Secretary.*

Mr. HARRISON presented a petition of sundry citizens of Eret, Miss., praying for the retention of Government control of railroads for two years, which was ordered to lie on the table.

He also presented a resolution of the Philomathean Society of Cumberland University, favoring the ratification of the league of nations, which was ordered to lie on the table.

Mr. CAPPER presented a petition of the faculty of the University of Kansas, Lawrence, Kans., together with a petition of the American Chemical Society, of Philadelphia, Pa., praying for the enactment of legislation providing for the encouragement and protection of the American dye industry, which were referred to the Committee on Finance.

He also presented a petition of Local Branch Kansas Federation of Women's Clubs, of Lyons, Kans., praying for the incorporation of relative rank for Army nurses in Army reorganization legislation, which was referred to the Committee on Military Affairs.

He also presented a memorial of the University Monthly Meeting of Friends, of Wichita, Kans., remonstrating against the shipment of intoxicating liquors to Cuba and foreign countries, which was referred to the Committee on the Judiciary.

He also presented a memorial of the Ministerial Association of Wichita, Kans., remonstrating against intervention in Mexico, which was referred to the Committee on Foreign Relations.

He also presented a memorial of the Chamber of Commerce of Ellsworth, Kans., remonstrating against the passage of the so-called Siegel bill, providing for the marking of the cost price on articles of merchandise offered for sale, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of sundry citizens of Hepler, Kans., remonstrating against compulsory military training, which was referred to the Committee on Military Affairs.

Mr. STERLING presented petitions of the faculty of the Dakota Wesleyan University, Mitchell, S. Dak., and of sundry citizens of Corsica, S. Dak., praying for the ratification of the treaty of peace with Germany, which were ordered to lie on the table.

Mr. ELKINS presented a petition of Huntington Post, No. 16, American Legion, of Huntington, W. Va., praying for the enactment of legislation for the suppression of anarchism, which was referred to the Committee on the Judiciary.

He also presented memorials of Local Lodge No. 85, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, and of sundry employees of the Chesapeake & Ohio Railroad, of Huntington, W. Va., remonstrating against the immediate return of railroads to private ownership, which were ordered to lie on the table.

Mr. MYERS presented a petition of the Commercial Club of Oswego, Mont., praying for the enactment of legislation providing for a revolving fund to furnish seed grain to farmers in drought-stricken regions, which was referred to the Committee on Appropriations.

Mr. McLEAN presented petitions of the Men's Bible Class of the First Church of Christ of West Hartford, of sundry citizens of Watertown, and of Local Grange No. 64, Patrons of Husbandry, of Storrs, all in the State of Connecticut, praying for the ratification of the treaty of peace with Germany, which were ordered to lie on the table.

He also presented a petition of the New London County Pomona Grange, No. 6, Patrons of Husbandry, of Norwich, Conn., praying for the enactment of legislation providing for the marking by the manufacturers thereof of the percentage of wool in all woolen clothing fabrics, which was referred to the Committee on Finance.

He also presented a memorial of Palos Council, No. 35, Knights of Columbus, of Bristol, Conn., remonstrating against the taking over by the War Department of the war activities of the Knights of Columbus, which was referred to the Committee on Military Affairs.

He also presented a petition of the University Club, of Hartford, Conn., praying for the enactment of legislation providing for the retirement of physically disabled emergency officers of the Army, which was referred to the Committee on Military Affairs.

He also presented petitions of sundry citizens of Hartford, Waterbury, and Bridgeport, all in the State of Connecticut, praying for the enactment of legislation providing for the retirement of civil-service employees, which were ordered to lie on the table.

He also presented a petition of Leon Goodale Post, No. 56, American Legion, of Glastonbury, Conn., praying for the enactment of legislation providing for the suppression of anarchy and the deportation of undesirable aliens, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEE ON INDIAN AFFAIRS.

Mr. CURTIS, from the Committee on Indian Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 620. A bill authorizing the issuance of patent to the Pioneer Educational Society and its successors for certain lands in the diminished Colville Indian Reservation, State of Washington (Rept. No. 344); and

H. R. 400. A bill authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims (Rept. No. 345).

Mr. CURTIS, from the Committee on Indian Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3391. A bill to amend an act entitled "An act providing for the sale of the coal and asphalt deposits in the segregated mineral land in the Choctaw and Chickasaw Nations, Okla.," approved February 8, 1918 (40 Stat. L., p. 433) (Rept. No. 346); and

H. R. 396. A bill to authorize the payment of certain amounts for damages sustained by prairie fire on the Rosebud Indian Reservation, in South Dakota (Rept. No. 345).

BENJAMIN O. KERLEE.

Mr. FERNALD. I report back favorably, with an amendment, from the Committee on Claims the bill (S. 25) for the relief of Benjamin O. Kerlee and I submit a report (No. 348) thereon. I believe the bill ought to have immediate consideration.

The VICE PRESIDENT. Is that a suggestion or is it a request of the Senator from Maine for the present consideration of the bill?

Mr. FERNALD. I make the request.

Mr. SMOOT. Let the bill be first read, Mr. President.

The bill was read.

Mr. MYERS. Mr. President, I hope there may be unanimous consent for the immediate consideration of this bill. It presents a very pitiable case and involves the expenditure by the Government of only $1,200. The claim has been very carefully and thoroughly investigated by the Claims Committee and the bill has been unanimously recommended for passage. The bill has been long delayed, partially through my fault in not having time, owing to my many and pressing duties, to obtain for the committee and present all of the evidence required and press the matter before the committee. I know it is a thoroughly meritorious claim.

The bill now having been unanimously recommended for passage, I urge its immediate consideration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, line 6, to strike out "$5,000" and insert "$1,200," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Benjamin O. Kerlee the sum of $1,200 for injuries received while employed in the service of the Government as a workman in the Kaniksu National Forest, in the State of Idaho, during the year 1915.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MYERS. I ask that the report of the committee be printed in the RECORD in order that the House committee may have the benefit of it.

The VICE PRESIDENT. Without objection, it is so ordered.

The report submitted this day by Mr. FERNALD is as follows:

The Committee on Claims, to whom was referred the bill (S. 25) for the relief of Benjamin O. Kerlee, having considered the same, report favorably thereon, with the recommendation that the bill do pass with an amendment.

Your committee recommend that the bill be amended by striking out of line 6 of the printed bill the figures "5,000" following the dollar mark and inserting in lieu thereof the figures "1,200," so as to provide for the appropriation of $1,200 instead of $5,000, and as so amended the committee reports the bill with the recommendation that it do pass.

Benjamin O. Kerlee is 36 years of age. He has living a wife and five children. All of the children are young and helpless, the eldest being 10 years of age. He has no means or property, and is in very poor circumstances financially.

Mr. Kerlee resides at Missoula, Mont. He has always lived in that section of the country. In the spring of 1915, while residing in Ravalli County, Mont., he entered the United States Forest Service under a temporary appointment as temporary workman. He had passed the examination for forest ranger and had promise of a permanent appointment as forest ranger, to begin June 1, 1915. His compensation while serving under a temporary appointment as temporary workman was the equivalent of $1,200 per year. May 12, 1915, after he had been in the service about two months in the Priest River country, in the State of Idaho, on a forest reserve, Government land, while in the employ of the United States Government as a temporary workman of the Forest Service, and while performing his duties as such, in the course of such employment, without any fault or neglect of his, a dead forest tree on the forest reserve fell on him and dislocated his shoulder blade and broke two ribs and crushed the ankle of his left leg, breaking such ankle and breaking five or six bones therein; and he sustained other bruises and internal injuries. He was taken to a hospital, where he was confined four months, when he was sent to his home at Hamilton, Mont. While in the hospital an operation on his ankle was performed by a surgeon, by direction of the United States Forest Service officials. It appears that the broken ankle bones were improperly set. After returning home, on account of such faulty surgical operation, it appears he had to have performed on his ankle another operation, which latter operation was not entirely successful.

Mr. Kerlee was confined to his bed the greater part of a year. For the period of 14 months he was unable to perform any labor at all. He was kept on the Government pay roll one year from the time he entered the service, being 10 months after his injury. He was paid in all one year's salary, of which he earned that portion representing two months. Thus he was paid a salary of $100 per month for 10 months while confined to his bed, being the sum of $1,000. That is all he has ever received from the Government.

Mr. Kerlee has never been able to do any work of much consequence since he was hurt. He has had performed at his own expense several operations on his injured ankle. It appears it was improperly treated at the beginning and that it has been impossible since then to remedy the harm he sustained and to overcome the injury. He is still lame. For nearly five years he has been able to do but little work. He has performed some light work at odd jobs but has never been able to hold a position long. He is incapacitated for manual labor of any consequence. His doctors inform him that he will have to have another operation performed. This will cost him about $600, and the loss of time involved will be from 8 to 12 months. His foot will have to be in a plaster of Paris cast from four to six months. He has no money or means. His long confinement, enforced idleness, and repeated operations consumed all he had. His father and other relatives have helped him almost to the extent of their ability. He is in debt to stores, banks, and doctors to the extent of about $2,500, besides having expended $800 of his own money. The probability is he will never again be strong or sound but always a cripple.

He is now able to do some light work, and earns a little money but not enough to support himself and family. His scant earnings are supplemented by occasional contributions from his father. His father is not able to do more than help out with enough barely to sustain the son and his family. These facts are sustained by affidavits of Mr. Kerlee and certificates from physicians.

This bill was referred by the committee to the Secretary of Agriculture for his opinion and such information as he might give. His response was as follows:

AUGUST 2, 1919.

Hon. SELDEN P. SPENCER,
Chairman Committee on Claims, United States Senate.

MY DEAR SENATOR: Receipt is acknowledged of your request of July 29 for a report upon the bill (S. 25) for the relief of Benjamin Kerlee, together with the papers, or copies of the same, on file in this department, and for the department's opinion as to the merits of the claim.

In accordance with your request, there is inclosed a complete copy of all papers in this case on file in the Forest Service, as follows:

Forms C. A.–1 B.
Forms C. A.–4 B.
Forms C. A.–5 B.
Forms C. A.–8.
Forms C. A.–15 A.
Forms C. A.–2 B.
Forms C. A.–15 A.

Letter of May 10, 1015, from the district forester to the forest supervisor.

Letter of December 15, 1915, from Benjamin Kerlee to the district forester.

Letter of December 20, 1915, to Benjamin Kerlee, signed by acting district forester.

Letter of December 20, 1915, to the forester, signed by acting district forester.

Letter of December 30, 1915, to the district forester, signed by assistant forester.

Letter of June 2, 1916, to the chief clerk, Forest Service, signed by the chief clerk, Department of Labor, Bureau of Labor Statistics.

The records in the Forest Service show that Benjamin O. Kerlee, a laborer employed in connection with the building of a telephone line on the Kaniksu National Forest, was struck by a falling snag while leading a horse along a trail in the performance of his duties as packer and was rendered incapable of doing work of the kind for which he was employed during a period lasting more than one year. While Mr. Kerlee would not have been employed for the entire year had the injury not occurred, under the language of the compensation act of May 30,

1908, and the regulations of the Secretary of Labor, he was paid full compensation, including the commuted value of the subsistence which would have been received by him as a part of his compensation for the full period of one year. His rate of money compensation was $2.50 per day and the value of the subsistence $1 per day. Mr. Kerlee was paid at this rate for 366 days; the total amount received by him was $1,281. At the end of the compensation period the forest supervisor reported that Mr. Kerlee claimed to be still temporarily incapacitated for resuming the duties upon which he was engaged at the time of injury, although his ankle continued to improve, and that he had changed his occupation to that of barber, for which he would not be incapacitated.

This department has no information regarding Kerlee's present condition or his occupation. The record does show that he was incapacitated at the expiration of the period for which he could be compensated under the act of May 30, 1908.

This appears to be one of those unfortunate cases wherein an employee of the Government while performing official service received injuries for which the administrative officials, under the existing law, could not make adequate compensation. The department is of the opinion that the case, in general, is a meritorious one, but it is a question for the Congress to determine whether and to what extent he should receive further compensation on account of the injuries suffered by him and his consequent incapacity.

In accordance with your request, the affidavit signed by Mr. Kerlee, which was transmitted with your letter, is returned herewith.

Very truly, yours,

D. F. HOUSTON, *Secretary.*

This is a pitiable case, but the general rule being not to pay a claimant who was an employee of the Government when injured more than one year's salary, the committee decided to recommend an appropriation for this claimant of one year's salary—$1,200. It believes that much should be awarded him. The circumstances of the case are so pitiable that a larger sum might justly be awarded, but the committee does not deem it wise to go beyond its usual rule of an allowance of one year's salary. Therefore the committee recommends an appropriation of $1,200, and has recommended that the bill be so amended as to provide therefor. With that amendment the committee is unanimously and emphatically of the opinion that the bill should be enacted.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 3603) providing for the removal of the remains of certain soldiers, sailors, and marines to the United States; to the Committee on Military Affairs.

A bill (S. 3604) to carry into effect the findings of the Court of Claims in matter of the claim of the Overton Hotel Co.; to the Committee on Claims.

A bill (S. 3605) granting an increase of pension to Andred Tanner; to the Committee on Pensions.

By Mr. HENDERSON:

A bill (S. 3606) for the relief of the next of kin of Herman Okerman; to the Committee on Claims.

By Mr. HENDERSON (for Mr. PHELAN):

A bill (S. 3607) authorizing the Secretary of Commerce to lease San Miguel Island, Calif., and for other purposes; to the Committee on Public Lands.

By Mr. GRONNA:

A bill (S. 3608) to amend an act entitled "An act to prevent the importation of impure and unwholesome tea," as amended by the act approved May 16, 1908 (35 Stat. L., 163), entitled "An act to amend an act entitled 'An act to prevent the importation of impure and unwholesome tea,' approved March 2, 1897"; to the Committee on Agriculture and Forestry.

By Mr. WADSWORTH:

A bill (S. 3609) to amend the act of Congress approved April 27, 1914; and

A bill (S. 3610) for the relief of William S. Britton, formerly second lieutenant of Infantry, who has been erroneously dropped from the rolls of the United States Army; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 3611) to obtain revenue and to promote and encourage the production of chrome and chromium ores and manufactures thereof in the United States and its possessions; to the Committee on Finance.

By Mr. ROBINSON:

A bill (S. 3613) for the relief of the Grand Lodge of Free and Accepted Masons, of Arkansas; to the Committee on Claims.

By Mr. THOMAS:

A bill (S. 3614) granting a pension to Henry J. Schlosser (with accompanying papers); to the Committee on Pensions.

By Mr. LODGE:

A bill (S. 3615) to carry out the findings of the Court of Claims in the case of George T. Sampson, survivor of the firm of George T. and Augustus Sampson, against the United States; to the Committee on Claims.

A bill (S. 3616) granting a pension to Flora H. Whitney (with accompanying papers); to the Committee on Pensions.

By Mr. STERLING:

A bill (S. 3617) to amend section 800 of the revenue act of 1918, relating to the tax on season or subscription tickets; to the Committee on Finance.

By Mr. NEW:

A bill (S. 3618) granting an increase of pension to Catherine Parsons (with accompanying papers);

A bill (S. 3619) granting an increase of pension to George W. Yocum (with accompanying papers);

A bill (S. 3620) granting a pension to Silas D. Huckleberry (with accompanying papers);

A bill (S. 3621) granting an increase of pension to Emma Jennings (with accompanying papers);

A bill (S. 3622) granting an increase of pension to John M. Barber;

A bill (S. 3623) granting a pension to Frederica Carll; and

A bill (S. 3624) granting an increase of pension to Allen W. Banks (with accompanying papers); to the Committee on Pensions.

By Mr. SHERMAN:

A bill (S. 3625) granting a pension to James G. Weyant; and

A bill (S. 3626) granting a pension to Leota M. Jones; to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 3627) granting an increase of pension to John Christian Hohman; and

A bill (S. 3628) granting an increase of pension to Lewis C. Clemons; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 3629) for the relief of Berdie Olson (with accompanying papers); to the Committee on Claims.

A bill (S. 3630) granting a pension to Solomon F. Kimball;

A bill (S. 3631) granting a pension to William Derby Johnson; and

A bill (S. 3632) granting a pension to Mary C. Sorensen; to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 3633) granting an increase of pension to Julia I. Gritzmacher (with accompanying papers);

A bill (S. 3634) granting a pension to John B. McWilliams (with accompanying papers);

A bill (S. 3635) granting a pension to James Sherman Henry (with accompanying papers);

A bill (S. 3636) granting a pension to Robert Samuel Harris (with accompanying papers); and

A bill (S. 3637) granting a pension to James Buford (with accompanying papers); to the Committee on Pensions.

By Mr. KENYON:

A bill (S. 3638) granting an increase of pension to Robert B. McCumber (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 3639) making an appropriation for the further reclamation of arid lands, and for other purposes; to the Committee on Irrigation and Reclamation of Arid Lands.

Mr. KING. Mr. President, I introduce the bill which I send to the desk, and I ask for its appropriate reference. A little later, during the morning hour, I shall ask to submit one or two observations in respect to the bill and its importance.

The bill (S. 3612) to authorize the United States Bureau of Efficiency to provide for the promotion, transfer, and discharge of certain employees of the executive departments, bureaus, boards, commissions, and agencies, and for other purposes, was read twice by its title.

The VICE PRESIDENT. To what committee does the Senator desire the bill referred?

Mr. KING. I am not sure to which committee the bill should go—whether it should be referred to the Committee on Civil Service and Retrenchment or to the Committee on the Judiciary. I will, however, ask that it may go to the Committee on Civil Service and Retrenchment.

The VICE PRESIDENT. The bill will be so referred.

Mr. GORE. I introduce a joint resolution in the nature of a proposed amendment to the Constitution, which I ask to have printed in the RECORD and referred to the Committee on the Judiciary.

The joint resolution (S. J. Res. 140) amending the Constitution of the United States so as to make citizenship a qualification to vote for Members of Congress was read the first time by its title, the second time at length, and referred to the Committee on the Judiciary, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment to the Constitution be, and is hereby, proposed to the States, to be valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"No person other than a citizen of the United States shall be entitled to vote for Senators and Representatives in Congress or for electors to choose a President and a Vice President when such electors are chosen by direct vote of the people."

WATER-POWER DEVELOPMENT.

Mr. STERLING submitted an amendment intended to be proposed by him to the bill (H. R. 3184) to create a Federal power commission, and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands in the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved August 8, 1917, and for other purposes, which was ordered to lie on the table and be printed.

Mr. NUGENT submitted an amendment intended to be proposed by him to the bill (H. R. 3184) to create a Federal power commission, and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands in the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved August 8, 1917, and for other purposes, which was ordered to lie on the table and be printed.

Mr. PHIPPS submitted an amendment intended to be proposed by him to the bill H. R. 3184, an act to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved August 8, 1917, and for other purposes, which was ordered to lie on the table and be printed.

SEDITIOUS ACTS AND UTTERANCES.

Mr. POMERENE submitted an amendment intended to be proposed by him to the bill (S. 3317) to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts, which was ordered to lie on the table and be printed.

LIVING CONDITIONS OF TRAINMEN.

Mr. SMITH of Georgia. I offer a resolution, which I ask to have read and referred to the Committee on Interstate Commerce.

The resolution (S. Res. 267) was read and referred to the Committee on Interstate Commerce, as follows:

Resolved, That the Interstate Commerce Commission be, and it is hereby, requested to investigate and report upon living conditions of trainmen who are compelled to lie over between trips at terminals of railroads, and also to investigate the feasibility on the part of railroad companies of furnishing to their men such accommodations.

STOCKYARD LICENSES.

Mr. NORRIS. I submit a Senate resolution calling on the Secretary of Agriculture for certain information, and I ask unanimous consent for its present consideration.

The resolution (S. Res. 266) was read, considered by unanimous consent, and agreed to as follows:

Resolved, That the Secretary of Agriculture be, and he is hereby, directed to report to the Senate the names of all live-stock commission agents who, and companies, corporations, or firms which, in the exercise of the powers conferred on him under the licensing proclamations of the President for the licensing of stockyards, dated June 18, 1918, and September 6, 1918, in pursuance of the act approved October 22, 1917, commonly known as the food-control act, have been found to have charged extortionate prices or fees for food furnished or for other services rendered, and to supply the Senate with a statement of the procedure had in all of such cases, and the present status of each case.

TREATY OF PEACE WITH GERMANY.

Mr. KING. As in open executive session, I offer a resolution and I ask that it may lie on the table. A number of petitions have been presented this morning asking for the speedy ratification of the treaty with Germany. If no action is taken within a reasonable time by the Senate looking toward the ratification of the treaty, I shall move that the Senate, as in open executive session, proceed to the consideration of this resolution. I hope during the day to have an opportunity to submit some remarks dealing with the resolution and in support of the proposition that the Senate should, at an early date, act upon the pending treaty.

The resolution was read and ordered to lie on the table and be printed, as follows:

Resolved (*two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of the treaty of peace with Germany concluded at Versailles on the 28th day of June, 1919, subject to the following reservations and understandings, which shall be incorporated in the act of ratification, which act shall take effect and be binding upon the United States when the said reservations and understandings are accepted or otherwise assented to by three of the principal allied and associated powers:

1. The United States ratifies said treaty with the reservations and understandings hereinafter set forth upon the express condition that the United States may withdraw from the league of nations upon serving two years' notice, notwithstanding the proviso in the last section of article 1, but such withdrawal shall not absolve the United States from its obligations under international law or under treaties to which it otherwise has assented.

2. The United States so construes and understands article 10 that whatever obligation arises from said article or other provisions of the covenant of the league of nations to preserve the territorial integrity or political independence of any other country, or to employ the military or naval forces of the United States, it shall not become effective as to the United States unless Congress by appropriate action shall so provide.

3. The United States will not accept any mandate under article 22 or any other provision of the treaty, except as Congress may in its discretion determine.

4. The United States reserves to itself the right to decide what questions are within its domestic jurisdiction, and declares that all domestic and political questions relating to its internal affairs, including immigration, labor, coastwise traffic, tariff, commerce, the suppression of traffic of women and children, and all purely domestic questions, are solely within the jurisdiction of the United States and are not under this treaty submitted in any way to the jurisdiction of the league or to any organization or authority created thereby and existing thereunder.

5. That the long-established policy of the United States, known as the Monroe doctrine, as announced and interpreted by the United States, is not in any way impaired or affected by the covenant of the league of nations and is declared to be wholly outside of the jurisdiction of the league of nations and unaffected by any provisions contained in said treaty of peace with Germany.

6. The United States understands that the German rights and interests renounced by Germany in favor of Japan under the provisions of articles 156, 157, and 158 of said treaty are to be returned by Japan to China within a reasonable time after the adoption of said treaty, as provided in the exchanged notes between the Japanese and Chinese Governments under date of May 25, 1915. Accordingly the United States withholds its assent to said articles.

7. No person shall be appointed to represent the United States in connection with the execution of said treaty except as Congress shall by law provide.

8. The reparation commission provided for by said treaty shall not have power to interfere with the commerce between the United States and Germany, except in conformity with an act or joint resolution of Congress.

9. The United States, in the event of war or invasion, shall not be bound to observe the limitation of armaments to which it may have agreed, but reserves the right in such case to take such military measures and provide such armaments as Congress may in its discretion determine to be adequate for the defense of the United States.

10. The United States shall not be obligated to contribute to the expenses of the league of nations or of any official thereof, or of any organization or commission thereunder, unless and until Congress shall have by appropriate legislation provided therefor.

11. The provisions of article 16, requiring the prohibition of intercourse between nationals of the United States and of covenant-breaking States, shall be applied to the nationals of such States residing within the United States only to such extent and in such manner as Congress in its discretion may determine.

12. The provisions of articles 296 and 297 and of the annexes thereto shall not, as against citizens of the United States, be construed to confirm, ratify, approve, legalize, or validate any act otherwise illegal or in contravention of the rights of citizens of the United States.

13. The United States withholds its assent to article 23, except as the matters within such article are, or hereafter may become, the subject of international conventions to which the United States is a party.

14. The United States withholds its assent to Part XIII, comprising articles 387 to 427, inclusive, and will not be bound to participate in or contribute to the expenses of the organizations contemplated by said articles, except as Congress may hereafter in its discretion determine.

15. The United States will not be bound by any decision, finding, or other action taken by the council or by the assembly of the league of nations to which the United States has not assented, in any case in which the interests of the United States are involved and where the member whose interests are adverse to the United States, has given more than one vote by itself or through the votes of other members of the league which may have a political connection with such member.

CONTROL OF FOOD PRODUCTS.

Mr. THOMAS. Mr. President, on the 20th of December last I received a letter from Mr. Samuel Gompers, president of the American Federation of Labor, who asked me among other things to introduce it and have it printed as a part of the RECORD. I cheerfully comply with that request and ask at the same time unanimous consent to have inserted also a copy of my reply.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters referred to are as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., December 20, 1919.

SIR: Your letter of December 1, commenting on a statement made by me as to the intention of Congress when it passed the Lever food-control bill, received.

You state you do not for a moment question the sincerity of that statement. You add, however, that the comments of Senators HOLLIS and CHAMBERLAIN, which you quoted several days ago in the Senate, indicated a clear division of opinion regarding the effects of the bill upon existing laws.

A copy of my statement as sent to you also was mailed to Senator CHAMBERLAIN with a request that he submit an opinion as to the justice of the claim that Congress never intended labor strikes should be considered a violation of the then proposed food-control act. His answer, to my mind, indicates there was

no division of opinion such as you suggest. Senator CHAMBERLAIN states in his letter, which is dated November 24, 1919:

In reply to your request for my opinion on the subject, permit me to say that I did not think the amendment was necessary, because I did not think it was the purpose of the food-control bill in any way to amend or repeal the Clayton antitrust act dealing with the right of men to strike for the purpose of adjusting their wages or to better their living conditions. I so stated, as your paper shows, on the floor of the Senate, and substantially the same views were entertained and the same statements made by other Members of the Senate and of the House.

No stronger evidence that no differences of opinion existed could be advanced than the statement made a few days ago by Senator CHAMBERLAIN after reading the history prepared by me of the passage of the food-control act.

You state that in the summer of 1918 you sought by amendment of the second draft bill to suspend the exemption of the striker and send him to the front, but that I opposed it with the vast influences behind me.

Why should not an American citizen oppose such a drastic measure? It was not considered in good faith, but as a part of a campaign by the most bitter enemies of labor to discourage all the efforts of the workers to maintain a standard of living to which they were entitled and were guaranteed in a proclamation by the President of the United States. It would also convince the workers in the allied countries that we were a nation of slackers instead of loyal citizens determined to win the war at all costs. Congress very sensibly refused to commit this country to such a course. The fact that it refused is sufficient answer to the inferences you suggest.

That you have misunderstood the American wage earners can best be shown by the following statement by Newton D. Baker, Secretary of War, made in September, 1918, near the end of the war:

When the story of America's participation in this war comes to be written, the formation of our great Army, its transfer across the seas, and the heroic battles in which it engaged will no doubt be given the most impressive place, but the wise historian will analyze the causes which made these things possible, and high among them he will find the patriotism and zeal of American labor.

Labor has brought from the mines and fields the raw materials upon which our war industries have had to depend; it has manned the workshops and factories in which those materials were fashioned into articles necessary for the equipment and supply of the soldiers; it has operated the trains and manned the ships which carried the soldiers and their supplies to the field of conflict; it has rested under the Army as a firm foundation; and in the mobilization of our national resources it has brought itself together in a spirit of service without which our financial and military efforts could not have gone forward.

This splendid cooperation on the part of labor in America has been free and voluntary; the spirit which produced it is fundamentally the democratic spirit of our institutions, the establishment of which is the reason and justification for America's participation in the war.

But labor's part in this war has not been limited to the industrial side. It has given to the Army, both for technical service and for soldier duty, tens of thousands of its craftsmen and workmen. Those who could not be spared have been kept at home, often against their wish, and those who have remained at home have taken on the additional tasks of those who went to the front, in order that the great industrial basis of the Military Establishment should be sound and strong.

The country hails its Army abroad and its Army at home as partners in the great conflict which America is waging for freedom.

Your figures concerning the number of strikes during the war are somewhat misleading. You state that between the beginning of the war and the signing of the armistice there were 6,408 strikes. In 4,201 of these, you say, the number of strikers aggregated 2,386,285. The inference is that there were not only more strikes while the war was in progress but that there were more men on strike than ever before. If you will compare your statement with the following from the Monthly Bulletin of the Department of Labor for June, 1919, from which you state you quoted, you will find you have misread the figures:

	Number strikers.
1916	1,546,428
1917	1,193,867
1918	1,192,418

You will therefore observe that during both of the years of the war, when 50 per cent more workers were employed in the country, there were about 350,000 fewer strikers than in 1916, a peace year.

The strikes during the war period are summed up in this statement by the same bulletin:

Between April 6, 1917, the date of our entrance into the war, and November 11, 1918, the date of the signing of the armistice, 6,206 strikes and lockouts occurred. The bureau has statements that but 388 strikes and lockouts, occurring during the 19 months of actual warfare, were in the war industries; that is fewer strikes than occurred during the same period in any other of the countries engaged in the war.

Deducting the strikes called by unorganized labor the actual number of strikes during the war period was 5,512. But these were not confined to any district or industry. Most of them were in the nonessential industries.

Without knowledge of the propaganda carried on in the United States in the interest of the Central Powers, is it too much to claim that the American Federation of Labor exerted a great influence to prevent, avert, and avoid strikes of great numbers and potential importance in our struggle?

Another important fact pointed out by the same bulletin is that one-half the strikes lasted 10 days or less.

It can readily be seen how easy it is to misunderstand statistical reports. But the monthly bulletin from which you quoted proves there were fewer strikes during the war years than in the year previous. During the year 1916 the average number of strikes per month was 368. The average per month during the 20 months of war was 279. You will notice also that you have added the total number of strikers for the entire year of 1917 and 1918 instead of taking 20 months. When you have corroborated these figures there is no doubt you will gladly, in the interest of fairness, correct the statement in the letter to me which you presented to the Senate. The differences are so great that the public should know the exact truth.

Labor has no desire to claim credit for what it did during the war. It did its duty to the country. It is better that others who were deeply interested and represented the Government should give their opinion. To that end I suggest that you carefully read the following from a speech made by Secretary of the Navy Daniels, Labor Day, 1918, two months before the war ended, and when it was known to all men what part labor had played and was playing in the war:

In the crucial days through which we are passing American patriotism and confidence in victory mainly rest upon the knowledge that American toilers are loyal to the core. I say knowledge, for wherein we must needs have exercised faith 16 months ago, at this hour we stand upon the sure foundation of works that have justified our faith. The full and complete enlistment of labor in this country has not only heartened America, but it has, as well, cheered and strengthened the heroic men fighting for liberty across the sea. The magnificent reception of Samuel Gompers in Great Britain, hailed there as the labor apostle of the doctrine "Win the war," shows that labor loyalty here has stimulated the spirit of fighting to victory in all allied countries. The full consecration of men of toil in our country has been demonstrated in their doffing overalls and donning the military uniforms in their increase in production in field and factory of everything needed for the maintenance of Army, Navy, and civilian population; in their robust patriotism applied in building ships in the coldest winter ever known at a speed without parallel; in the rapid production of munitions and all war materials; and in their eagerness to prosecute the war by investing their earnings in Liberty bonds and in all causes that contributed to war needs. But we owe more to the spirit of wholehearted devotion to this free land and its free institutions by organized labor, to which we owe the Labor Day holiday, than to any and all contributions of skill and savings. It is well known that of all men, peace is dearest to men who earn their bread in the sweat of their face. Before liberty was imperiled by Prussian junkerism, every labor organization was a peace society, but every one was a peace society based upon the paradox of Buck Fanshaw, "We will have peace if we have to fight for it." And they are fighting now to end the war in their day and for all time.

With 3,000,000 men under arms from field and factory, the farmers of America this year have furnished 878,000,000 bushels of wheat, as against an average crop of 600,000,000 bushels, enough to feed our own population and export 278,000,000 bushels to feed our Allies. The increase in barley and rye has been as large in proportion. The farmers have produced 13,600,000 bales of cotton as against 11,300,000 bales last year. After exporting many thousand horses and mules to the war zone, the number at home has increased 454,000. The number of milch cows has increased 390,000; other cattle, 2,000,000; sheep, 1,300,000; swine, 4,000,000. These figures illustrate what labor has done on the farm, with hundreds of thousands of its most vigorous men in the Army and Navy.

What labor has done in producing munitions, in shipbuilding, and other industrial lines is an illuminating story of American skill and untiring industry, commanding the admiration of all people. The average production of steel ingots and castings, which represents the total steel production, from 1907 to 1916, inclusive, in those peace times, was 27,210,181 tons. The production in the first year of the war mounted up to 45,800,000 tons. The average production of pig iron from 1907 to 1916, inclusive, was 27,184,330 tons. In the first year of war it increased to 39,000,000 tons. In 1917 the total coal mined in the United States was 654,728,000 tons, as against an average of something over 500,000,000 tons for the previous 10 years. These increases in basic materials are even surpassed by the record in the construction of ships, the production of munitons and other war material, evidencing that labor, reduced by hundreds of thousands of enlistments, has surpassed in production the high-water record of all past history. This, too, in the fact of the desertion of the I. W. W. leaders and certain other slackers who took advantage of higher wages to reduce the working days, failing to realize that every able-bodied man should give himself as continuously and effectively in forging the weapons for the men in the Army and Navy as do the men in trenches or on the deck of fighting ships.

When war came there were people across the seas and some people with no real knowledge of the American men in factories, who asked: "Will labor in America meet the test? Will they be ready to make the supreme sacrifice?" Nobody has asked that question since organized labor, under the leadership of William B. Wilson and Samuel Gompers, voiced the Americanism of the unions, and expressed as well the loyalty of labor without as well as within organizations. The answer is written in deeds that none may question.

It is true, as you say, that legislators are not infallible and that courts construe laws made by them contrary to the intent of the lawmakers. This was true of the Sherman Antitrust Act and many others. But the legislative intent, you say, is a proper subject for judicial inquiry when it is in doubt, but not otherwise. You add:

Yet it must be said that the assurances given you regarding this law, while not binding upon the judiciary or even upon the executive, have been respected until the coal strike carried that policy beyond the bounds of endurance.

That is, if I understand you aright, when the miners found their standard of living was being decreased below the "bounds of endurance" it was criminal on their part to seek redress from the employers who were selling coal at profiteering prices.

I note you state of sections 6 and 20 of the Clayton Act:

Each confines immunity to legitimate acts and conduct, while section 20 merely recites the equity law of injunctions as it has existed for centuries.

It may have been the law for centuries, but so far as the American workman is concerned he never received the benefit of it and therefore sought the enactment of the Clayton law. You suggest that the law exempting farmers and organized wage earners from legal responsibility clothes them with privileges to be exercised on any scale whatever. The Clayton Act merely provides that what one man may do lawfully should not be held unlawful when done by two or more men. What special privilege is contained in that principle?

Then you add that "vested interests enjoyed similar immunity for many years and with similar consequences." Is there any comparison in the exemption from prosecution of wage earners and farmers who are seeking to better their economic condition as a result of their own labor and the violations of law by the associated interests and speculators and exploiters of material things the products of labor? The Supreme Court read into the antitrust law the "reasonableness" of combinations of big business. No such interpretation was given in the activities of the work people in their endeavor to secure relief from injustice and improvement in the conditions and standards of life and work.

Even to-day there are many violations of the food-control act that escape the eye of the prosecutors. Hoarders of food and profiteers appear to be immune, as those who are guilty continue their methods without hindrance from those who should do the prosecuting.

As to the coal strike, I can not understand your statement when you say:

It is the lawful carrying out of no legitimate object.

Is it not legitimate for the miners to seek sufficient wages upon which to support themselves and their dependents? Have they not the right to ask for higher wages and to regulate the hours of employment, and particularly when it is known and shown that the mine owners have profited far beyond even the wildest suggestion of their profiteering careers? Should 400,000 men dig and strive to live on a small pittance when the mine owners had complete freedom in making prices for the product turned out by the miners? Until the strike all governmental restriction as to the selling price of coal had been removed.

You admit the right of wage earners to organize to better their condition, but when they seek to do so you advise their incarceration on the false assumption that they are fighting the 110,000,000 people in the United States.

You state further:

The miners' organization is not in itself a conspiracy in restraint of trade. No one will so contend. But if the strike itself and its declared purpose is not such a conspiracy, then words have ceased to mean anything and human conduct must be measured by other standards than human experience. It proposes to force a general wage scale accompanied by a diminution of hours, without regard to the consequences either to the operator, consumer, or Government.

The "declared purpose" of the strike was not as you state. The declared and real purpose was to secure for the miners a sufficient wage to meet the high cost of living. After the contract was made between the operators, miners, and Government for the period of the war, or until March, 1920, the miners scrupulously lived up to their agreement. This contract, upon which so much stress is now laid, provided that certain grievances were to be adjusted or decided by the Fuel Administrator. But after the armistice the Fuel Administrator, or, rather, the Government, withdrew from the tripartite agreement and gave the operators carte blanche to charge what they would for coal. The miners were left high and dry. Their employers could charge what they pleased for coal, and the Government remained unmoved. When the miners had a grievance that under the tripartite agreement should be referred to the Fuel Administrator—otherwise the Government—there was no one to hear it.

It was this situation that satisfied the miners the war had ended so far as their contract was concerned. They had a perfect right so to believe and determine. There were no rules governing the operators. They could profiteer at will. Then why should there be any Government regulation of the miners alone? The miners, satisfied they were right—and they were—decided to ask the mine owners for increases in wages and a shortening of the workday.

The miners are pieceworkers. They are paid by the ton. Statistics show that the average price per ton received by them is 84 cents. Out of this they must pay for the powder they use; for the tools with which they dig the coal and the blacksmith who sharpens them; for the lamp which guides them in the darkness of the mines and the man who weighs the coal they load into the cars. If the mine is filled with gas, they must rent costly safety lamps from the operators. They must report for work whether it is given them or not. At the same time, a handy man in Washington receives $1 for carrying a ton of coal from the street into a shed or basement.

As the miners are paid by the ton, what difference does it make how many hours a day they work? As the day advances the air in a mine becomes fetid and extremely unhealthy from the breathing of the animals and men. The last two hours are the most deadly. Why should the miners not want to reduce the hours of labor near to the safety zone?

In the past they worked one, two, and three eight-hour days a week. Reducing the hours to six for five days would give them steadier employment and the people would have all the coal they needed. That was the purpose of a diminution of hours. And, as it would not affect the production of coal, I can not understand how the fact should be used against the miners. The consumer would lose nothing, but the miners would gain health and leisure time on the surface of the earth.

That the operator has been profiteering was proven by the Government when it decided the operator should pay an increase of 14 per cent in wages without adding it to the price of coal. All these months since price restrictions were removed the operators have been charging excessive prices. It is safe to say a large number of operators would pay willingly the 31 per cent recommended by the Secretary of Labor and sell coal at present prices. But a few operators are in a combination known as the Coal Mining Association.

The "declared" purpose of the miners, therefore, is to secure by higher wages a share of the increased profits of the operator. They know the operators can afford to pay it. Are 400,000 men, totaling with their dependents more than 2,000,000 humans, to surrender the right to protest and stop work in order to make the wrongs they suffered known to the people because others of our people may be inconvenienced?

The miners are loyal citizens. They proved their loyalty during the war by remaining at work and mining fuel for the munition plants, upon which so much depended. But the war is over. President Wilson has said so.

In substantiation of this, I call your attention to an address delivered by President Wilson to a joint session of the Senate and House November 11, 1918, as follows:

We know only that this tragical war, whose consuming flames swept from one nation to another until all the world was on fire, is at an end, and that it was the privilege of our own people to enter it at its most critical juncture in such fashion and in such force as to contribute in a way of which we are deeply proud of the great result.

In vetoing the prohibition bill because of the war-time provisions, President Wilson reiterated this statement. He said:

I object to and can not approve that part of this legislation with reference to war-time prohibition. It has to do with the enforcement of an act which was passed by reason of the emergencies of the war and whose objects have been satisfied in the demobilization of the Army and Navy and whose repeal I have already sought at the hands of Congress.

Even if the war is not technically at an end it is unquestionably practically at an end.

The Government admitted it when it withdraw from the tripartite agreement and removed all selling-price restrictions for coal. Must the miners be made victims of the high cost of living while the operators are permitted to go their way unrestricted by the legislative, executive, or judicial arm of the Government?

Is seeking better wages and conditions of employment unlawful? Should the wives and children of the miners go hungry and illy clad because the operators refused to negotiate a new wage agreement? For the operators are to blame for the present strike. They claimed the war had not ended, and that they would not make a new wage scale for the present time under any conditions except for the period after March, 1920.

Another misunderstanding of the conditions surrounding the miners' strike seems to have been taken for a fact by you when you say:

But the leaders of 400,000 men engaged in a basic industry and contending for immunity from all law must have their way whatever the consequences to the remaining 110,000,000 of free Americans.

The best answer to this is the fact that although the leaders of the miners called off the strike the miners had not returned

to work. That certainly demonstrates that it was a miners' strike, not a strike called by their leaders.

But there is much more to say on this question. The real justice of the miners' strike can not be better justified than by quoting from Secretary of the Interior Franklin K. Lane. His report to the President dated November 20, 1919, would appeal to the most flinty hearted. The fact, as set forth by him, that miners were working only 39 hours a week before the strike and 24 hours a week last spring, and that in Ohio, even in the banner year of 1918, they averaged less than 200 days, ought and should bring to their aid every right-thinking man in America, whether he be a layman or a legislator. Read what the Secretary of the Interior has to say and then judge whether the miner was justified in quitting work:

The record year 1918, with everything to stimulate production, had an average of only 249 working days for the bituminous mines of the country. This average of the country included a minimum among the principal coal-producing States of 204 days for Arkansas and a maximum of 301 for New Mexico. In such a State as Ohio the average working year is under 200 days. In 1917 the miners of New Mexico reached an average of 321 days, and in the largest field, the Raton field, it was actually 336, probably the record for steady operation.

This short year in coal-mine operation is due in part to seasonable fluctuation in demand. The mines averaged only 24 hours a week during the spring months. The weekly report of that date showed that 80 per cent of the lost time was due to "no market" and only 15 per cent to "labor shortage," while "car shortage" was a negligible factor. In contrast with this should be taken the last week before the strike when the average hours operated were 39 and "no market" was a negligible item in lost time, while "car shortage" was by far the largest item. It follows that the short year is a source of loss to both operator and the mine worker and is a tax on the consumer.

With substantially the same number of mines and miners working this year as last the accumulative production for the first 10 months of this year is 100,000,000 tons less than that mined in the same period last year. This 25 per cent loss in output means that both plant and labor have been less productive, and, in terms of capital and labor, coal cost the Nation more this year than last, for in the long run both capital and labor require a living wage.

The public must accept responsibility for the coal industry and pay for carrying it on the year round. Mine operators and mine workers, of whatever mines are necessary to meet the needs of the country, must be paid for a year's work. The shorter the working year the less coal is mined per man and per dollar invested in plant, and eventually the higher priced must be the coal. It is obvious that the 236 tons of coal mined by the average British miner last year could not be as cheap per ton as the 943 tons mined by the average American mine worker, backed up as he was with more efficient plant. (A proud contrast!)

It would clearly appear that the coal business may be stabilized, not wholly but in a very large measure, in some of the western fields, if the public does not regard its supply of coal as it does its supply of domestic water, which requires only that the faucet shall be opened to bring forth a gushing supply. Coal does not have pressure behind it which forces it out of the mine and into the coal yard. It rather must be drawn out by the suction of demand. And herein the public must play its part by keeping that demand as steady and uniform as possible.

You also say:

For one, I do not believe that 10 per cent of the miners of America have their hearts in this enterprise and do not know that it and similar ones can succeed only at the expense of free government and all that makes this country fit for a free man to live in.

What assault is made on free government when underpaid workmen use the only means they have to secure a proper wage? This is a free country, and in our free country can the miners be denied the right of seeking a better standard of life and work, to seek it through negotiations with their employers, the mine owners, and upon flat refusal of the operators, as a last resort, to quit work?

A great conference was held at Washington March 12, 1917, before the war, in which the official representatives of the workers in all industry met and unanimously declared:

The present war discloses the struggle between the institutions of democracy and those of autocracy. As a Nation we should profit from the experiences of other nations. Democracy can not be established by patches upon an autocratic system. The foundations of civilized intercourse between individuals must be organized upon principles of democracy and scientific principles of human welfare. Then, a national structure can be perfected in harmony with humanitarian idealism—a structure that will stand the tests of the necessities of peace or war.

We, the officers of the National and International Trade-Unions of America, in national conference assembled in the Capital of the Nation, hereby pledge ourselves, in peace or in war, in stress or in storm, to stand unreservedly by the standards of liberty and the safety and preservation of the institutions and ideals of our Republic.

In this solemn hour of our Nation's life it is our earnest hope that our Republic may be safeguarded in its unswerving desire for peace; that our people may be spared the horrors and the burdens of war; that they may have the opportunity to cultivate and develop the arts of peace, human brotherhood, and a higher civilization.

But, despite all our endeavors and hopes, should our country be drawn into the maelstrom of the European conflict, we, with these ideals of liberty and justice herein declared as the indispensable basis for national policies, offer our services to our country in every field of activity, to defend, safeguard, and preserve the Republic of the United States of America against its enemies, whomsoever they may be, and we call upon our fellow workers and fellow citizens in the holy name of labor, justice, freedom, and humanity to devotedly and patriotically give like service.

That declaration was unanimously indorsed at the following convention of the American Federation of Labor, November, 1917.

And, better than all, American labor made good its pledge. You also know the result of that declaration. During the war it was necessary for representatives of the American Federation of Labor to go to the allied countries of Europe to put new life into the hearts of the people who had been most sorely tried by the horrors of the conflict. They went there at the request of the governments and of the organized workers of the allied countries. And the first declaration to the workers of Europe that there should be "no peace without victory" was made by representatives of the American Federation of Labor.

At an international conference of the interallied labor movements held in London, September, 1918, in which delegates from the American Federation of Labor participated, it was declared that the war must be waged until victory of the allied and associated countries should have been secured. This was a direct reversal of the previous declaration of the same body, held in February, 1918, at which no representatives from the American labor movement were present.

Great credit was extended to the labor men of America. They were extolled in beautiful language. The workers of America are the same to-day that they were in those trying times. They still are loyal American citizens, who will give up their lives to keep our country free. But many of those who gave every credit to the workers while the war was on now denounce every move made by labor.

What is the reason for this? Is it because those who control the industries and finances desire to establish involuntary servitude in order to pile up greater fortunes? Men must be free to make a country great. Free men can work or refuse to work for any reason or no reason. Slaves must work. To say to the working people that they must work and for whatever wages and conditions the employers benevolently condescend to give establishes involuntary servitude. It makes slaves of the workers. But now they are told that while they have the right to organize to better their economic condition they have no right to strike to gain these desirable ends. They must work whether they want to or not. Where is the justice in this?

Again you state:

And if others shall dare to take their places in the coal mines that coal may be dug and be distributed, war is to be waged upon them and upon their wives and children.

I do not understand upon what you base this statement. Is there any evidence to that effect? Have women and children been attacked or has anyone who sought work in the mines met with such a war as you suggest? While nearly half a million men were on strike there was no more trouble than during times when all the miners are at work.

Do you know, sir, that the miners in declaring and conducting this strike directed approximately 70,000 of their members to remain at work as engineers and assistants to protect the mines from being flooded and to perform the service of guarding the property of the mine owners?

If more evidence is needed that the strike was a peaceable one, permit me to refer you to an editorial in the New York World, a newspaper that can not be accused of overfriendliness to labor. It is headed "Labor with clean hands," and is as follows:

As the bituminous-coal strike passes with the steel strike into industrial history one outstanding fact should be fixed in memory.

In these two fields of labor more than three-quarters of a million of workingmen abandoned their occupations to enforce demands for higher wages, improved conditions, or recognition of their unions. We have heard a great deal of the extreme radicalism of large numbers of both elements. It has been said that steel workers and miners were seething with bolshevism. The first named were represented as intent not so much upon collective bargaining as the wildest schemes of expropriating property and establishing soviet government. As for the miners, it has been charged in the United States Senate that they were in conspiracy with Mexicans on the border line of treason.

Yet in the long list of American industrial disputes not one great strike can be mentioned in which there was so little disorder. With hundreds of thousands of men idle, in many cases in want, the victims of injustice, as they believed, and most of the time seeing no hope of relief, there has been hardly a disturbance of the peace anywhere. Whether wisely led in other respects or not, labor resumes work with clean hands.

There is nothing more reassuring in the present situation than the record thus made. Let all alarmists, therefore, who see in existing unrest only dreadful symptoms of violence and pillage under Russian inspiration recall the bloodshed and terror of railroad, steel, and coal strikes in former days, when Lenin and Trotski were unknown.

The above editorial is typical of many which have appeared in the American newspapers.

You surprise me when you say:

Had your proposed amendment to the Lever bill been incorporated into it, and thus made a part of it, the power and the duty of the administration to meet and overcome this emergency would not have been at all affected by it.

That amendment provided that the proposed food-control act would not repeal sections 6 and 20 of the Clayton Act, which permits the normal activities of labor. You declare that if it had been made a part of the law it would have been the duty of

the President to ignore it and proceed as has been done to prosecute the miners for striking. I hope I have misconstrued your statement, for it is hard to believe that a lawmaker, a Member of the highest branch of Congress, would advocate the breaking of any law, while at the same time he was unjustly denouncing the miners for breaking a law not in existence.

Furthermore, you assert that the sovereignty of the Government had been assailed by the strike when "law and order had been disregarded." Where has the law been disregarded? What law is there to forbid miners to ask their employers for a better living wage? Merely asking for and striking when refused an increase in wages is not an attack on the sovereignty of the Government. Such a conclusion is not only unjust and unwarrated, but you yourself must know it.

You ask:

What is the right of a strike? If it means the right of men to quit private employment individually or collectively, everyone will concede it. No man can be made to work against his will in free America except he becomes a vagrant or convict.

Very true. That is what labor contends. Then why are the miners pilloried as enemies of government, Why are they declared disloyal because they struck. You add:

But the right to quit work essentially involves the corresponding right to continue at work, and one is just as sacred as the other.

Certainly. That right is possessed by the workers. Free men can work or quit work for any reason or no reason. No one can control their labor except themselves, for it is not a commodity. It is a part of their very being. Therefore the "right" to work or not to work is inherent in the workers themselves. But the idea seeems to be arbitrarily to take away this natural right by acting as if the labor of a human being is a commodity or an article of commerce.

In the attitude of labor in peace and in war in March, 1917, previously referred to, this was incorporated:

We maintain that it is the fundamental step in preparedness for the Nation to set its own house in order and to establish at home justice in relations between men. Previous wars, for whatever purpose waged, developed new opportunities for exploiting wage earners. Not only was there failure to recognize the necessity for protecting rights of workers that they might give that whole-hearted service to the country that can come only when every citizen enjoys rights, freedom, and opportunity, but under guise of national necessity labor was stripped of its means of defense against enemies at home and was robbed of the advantages, the protections, the guaranties of justice that had been achieved after ages of struggle. For these reasons workers have felt that no matter what the result of war, as wage earners they generally lost.

Does it not appear now that the autocratic methods used during the war and accepted by the workers as a means to win the conflict are now to be continued in the interest of the employers? It is not fair. It is not right. Can such a policy be defended by honest men?

You state that "civilization is not a creation but an evolution."

More than 2,500 years ago the workers had their trade-unions. They were called collegias, and when permitted by law their activities were confined to sick and burial benefits. Wherever these collegias existed the enlightenment of the people was the greatest, for their ethics were adopted by the people as a whole. Members of these collegias 500 years before the Christian era declared, among other things, for the principle of one wife.

Since trade-unions were first formed they have sought the economic advancement of humanity. They were the pioneers in America in demanding compulsory education. Their efforts brought safety, sanitary, and health legislation. Their every aspiration has been to bring happiness into the home. In order to make plain the position of the American Federation of Labor to the whole people, a few extracts from the proceedings of conventions will not be out of place.

In 1887 it was declared:

The opportunities of the American Federation of Labor are that it may become a grand and powerful organization, fulfilling its great mission to bring the working people into the various organizations of the trades, to assist in the amelioration of their conditions, to raise mankind to a higher level, aspiring to a nobler civilization.

In 1888 this declaration was made:

The benefit the American Federation of Labor has been in the period of its existence to the toiling masses of our country is more, probably, than will be told before generations to come. There is scarcely a division of thought upon the question that the workers, being the producers of all the wealth of the world, should at least enjoy more of the results of their toil. On every hand we see fortunes amassing, elegant mansions and immense business houses rearing; we see the intricate machinery in its rotary motions, the genius of man, all applied to the production of the wealth of the world; and yet in the face of this thousands of our poor, helpless brothers and sisters, strong, able-bodied, willing to work, unable to find it, hungry and emaciated, without sufficient to properly nourish the body or to maintain the mental balance. On the other hand, others bent by their long-continued drudgery and unrequited toil. While these wrongs have been upon the body politic from ages gone by, we can yet trace the improvements in the condition of the people by reason of our various organizations. Wherever the working people have manifested their desire for improvement by organization there, as with a magic wand, improvement has taken place. Wherever the working people are the poorest, most degraded, and miserable, there can we find the greatest lack of organization; and in the same degree as the basis of organization is improved, there can we see the greatest improvement in the material, moral, and social condition of the people.

In 1902 the convention declared:

This session of the American Federation of Labor marks an episode in the progress of enlightenment unparalleled in the world's history. We meet in solid phalanx, regardless of creed, regardless of dogma; with national pride but without international prejudice. The world is our field of action, and man is our brother. We not only proclaim, under the unsullied and untarnished banner of trade-unionism, but live the principles of liberty, equality, fraternity, and justice. Ours is an affiliation of men of like interests and of kindred spirit. It is the natural growth of a sentiment for unity that binds and seals the compact for harmony, fidelity, and fellowship. Our cause demands that there is no worker so deep down in the abyss of misery and despair that we dare refuse to extend a helping hand in his uplifting; that there is no high pinnacles of grandeur to which the toiling masses should not aspire to attain. The trade-unions are of, by, and for the wage-workers primarily, but there is no effort which we in our movement can make but what will have its beneficent, salutary influence upon all our people. The misery of the past, the struggles of the present, and the duty for the future, demand that no effort be left untried, that all energy be exercised and opportunity taken advantage of to organize the toilers of our country upon the broad platform of the trade-union, in full affiliation with the American Federation of Labor. The dim, dismal past, with all its pain and travail, must give way to the better and brighter future for which the workers have borne the burdens and made the sacrifices that the people of our time, and for all time, may be truly free.

In 1906 it was said:

Who can estimate or even dream of the benefits that have accrued to the working people through the efforts of the trade-union movement as embodied in the American Federation of Labor? What has it brought in the way of better homes, better food, a less number of children of our members in the factory, mill, or shop? A wider, better, more enjoyable, and comfortable life. Who will or can measure the work of the trade-union, either in the world of industry, in our social surroundings, or in moral growth? To have seen a part of this work and accomplishments should nerve us to still greater efforts in the future.

In 1910 it was declared:

Organized labor contends for the improvements of the standard of life, to uproot ignorance and foster education, to instill character and manhood and independent spirit among our people, to bring about a recognition of the interdependence of the modern life of man and his fellow man. It aims to establish a normal workday, take the children from the factory and the workshop and place them in the school, the home, and the playground. In a word, the unions of labor, recognizing the duty of toil, strive to educate their members, to make their homes more cheerful in every way, to contribute an earnest effort toward making life the better worth living, to avail their members of their rights as citizens, and to bear the duties and responsibilities and perform the obligations they owe to our country and our fellow men. Labor contends that in every effort to achieve its praiseworthy ends all honorable and lawful means are not only commendable but should receive the sympathetic support of every right-thinking, progressive man.

But the assertion made by you that "violence can destroy but can not promote civilization" can best be answered by referring to a few of the incidents of violence that have benefited and encouraged civilization. Did not the Crusaders encourage Christianity? Did not the French Revolution advance civilization by leaps and bounds? Did not the Civil War free the slaves in the United States? This was violence in the extreme.

In labor strikes there sometimes is violence. But it is not premeditated nor committed with the consent of the trade-unions. There is always more or less violence between individuals, whether strikes are in progress or there is industrial peace.

Did not the Great War decide that men and governments should be free to work out their own destiny in a lawful way? Did not its outcome make for civilization? While we still feel its effects and the people have not been restored to their normal state of civilization, they will be advanced many years at a jump because of it.

Man is combative, and yet you must know that there is no factor in all our country so potent to decrease or prevent violence as the much misunderstood and misrepresented organized-labor movement of America. A greater crowd will follow a prize fighter through the streets than will gather to see a public official or man of great learning. Individual passions will find vent no matter whether there are strikes or industrial peace. Men who have led restrained lives can not realize the effect of red blood in healthy, energetic workingmen. Some men would rather fight than eat. When war comes the pacifists are not found among their numbers. It was to the credit of the United States that in the Great War the young men of our country were fighters. Take the right to fight for what is good away from our people and we will become a Nation of pacifists. Look at China, a nation of pacifists. There are no strikes in China. Wages are very low, as they are fixed to suit the employer. The worker has nothing to say about them.

Labor men find that in most cases those who oppose the activities of the trade-unions do not appreciate that the worker is just as anxious for a better economic life as any other citizen who may or may not have to work.

Only those who have worked in the mines know the hardships endured by the miners. I would venture to say that if each Senator of the United States would become a miner for a year he would not only come out strongly in favor of their strikes, but would place the blame for the walkout where it belonged—on the coal operators.

I have tried to answer all your suggestions. This has caused me to write a much longer letter than I had intended. But I hope that some of the thoughts I have expressed may give you a different view of the situation, and be the means of acquainting the uninformed of the fact that the miners are in the right and could under the circumstances do nothing else than strike. That was their only recourse.

Part of this letter was written within a few days after the receipt of your communication, but, owing to the many problems which had to receive my immediate attention, composition of this letter was unavoidably delayed. May I ask that you will have this reply made a part of the CONGRESSIONAL RECORD, and oblige,

Very respectfully, SAML. GOMPERS,
President American Federation of Labor.

Hon. CHARLES S. THOMAS,
United States Senate, Washington, D. C.

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WASHINGTON, D. C., *January 3, 1920.*

MY DEAR SIR: Your letter of the 20th ultimo was received after the adjournment of Congress, hence I shall be unable to insert it in the RECORD in compliance with your request before the 5th instant. I do not know that any reply is expected. I feel constrained to make one only because it might otherwise be fairly said that I acquiesced by my silence in both your facts and conclusions. Some of them are very pertinent, and for both our sakes I wish that all of them were.

I am, of course, familiar with the statements of Secretaries Baker and Daniels, which, broadly speaking, are correct. But their failure to note many delays and interruptions in the course of production, with which they were personally and painfully familiar, condones without removing them; a conclusion to which the Shipping Board, the Aircraft Construction Board, the ordnance and munitions plants, etc., will readily agree. They know from experience that Mr. O'Connell's advice to "strike for dollars," to "get in their minds the beautiful doctrine of more," to "place officers in position to go out and demand, and then back them up" was literally and continuously observed by many wage earners in many sections and at many critical moments in the conflict. It is these I have criticized, and not the great body of wage earners and producers as you have mistakenly assumed. And it is these whom the Secretary of War did not except from his generous eulogism, although, in my opinion, he should have done so.

The statistics regarding strikes and strikers during the war were furnished me by an experienced and reliable authority upon whose accuracy I readily relied. His figures tally with your statement of the aggregate number for the years 1917 and 1918, through the greater part of which period the war extended. Hence your own figures concede a strike list which for war time, and in view of your official pledge of cooperation, was ominously large. The shortness of one-half the strikes indicates how the public needs compelled acceptance of demands made at crises when time was precious and inexorable.

By quoting you approve Secretary Daniels's Labor Day eulogism. So do I in the main, for I note that he properly includes all forms of labor within its terms—the farmer, the unionist, and the nonunionist. And he deprecates "the desertion of the I. W. W. leaders and certain other slackers," even as I have done. Need I reiterate that it is with these I have been concerned, that your services to your country during the war were beyond value, and that the body of the people, wage earners included, in the mass was sound?

I do not imagine that we occupy much common ground regarding the recent coal strike. Therefore, to reply seriatim to your several quotations from my letter concerning it and your comments thereon would not prove profitable. I shall dismiss most of them with the reminder that my comments assume—and I think correctly—that the movement was properly characterized by the President and by the Department of Justice. You think differently, otherwise you would not have given it the sanction of your official indorsement after Mr. Wilson had declared it "illegal and immoral," and after it had been forbidden by the courts. If I misstated its declared purpose, I am sorry. But if I comprehend the English language, and the statements of its spokesmen are authentic, the end and aim of the strike was the nationalization of the mines. The public judge the end and aim of the steel strike not by the formula of "higher wages and improved conditions," but by the contemporaneous utterances of Mr. Foster and Mr. Fitzpatrick, repeated freely and frequently by the striking workmen. Intelligent and farsighted men like yourself, Warren Stone, and others know that increased wages chase increased cost of living, but never overtake it, and that nothing but increasing production and thrift ever can, while strikes of national magnitude affecting basic industries immeasurably aggravate the end it is ostensibly designed to cure. I do not question that the coal miners make just complaint of many inequalities, operating unjustly upon some of them, but the increase in pay and decrease in hours demanded were general. If obtained, these inequalities would have persisted without alteration and doubtless have become the basis of more extreme demands, equally barren of beneficial results. Operators and employees seem unable to perceive that their interests and well-being are mutual; that class consciousness, which is but another name for class animosity, should not bar the way to the goal of a give-and-take agreement based upon conditions which they understand better than anybody else. All the arguments in the world can not overcome my statement, that the strike, and for that matter all strikes of nation-wide character, involve a contention that the strikers must have their way regardless of consequences to the rest of the people. The reasons for such action may be largely compelling, but until it can be established that the right to strike is supreme, inviolate, beyond the control of the law, dominating all other rights, subject to exercise, whatever the social, moral, physical, economic, and political consequences to the rest of the community, and to their rights in their respective spheres of life, it will not be accepted by public opinion or by the mass of the people. If it is to become the rule of conduct in the United States of America, we must extend it to consumers, to mine and railway owners, to every organization of men and women, and then it will be worthless except as an agency of chaos and civic dissolution.

I make no issue with your recitals on pages 13 and 14 of your letter, but add to them the reminder that practically everybody aided in prosecuting the war to a successful conclusion. Farmers, merchants, manufacturers, lawyers, physicians, engineers, ministers, clerks, toilers, both union and nonunion, whites, blacks, Jews, gentiles, the native born and the naturalized became a unit for America. Here and there disloyalty sounded a discordant note, not for any class but among the members of all classes. They did their duty to their country in time of war; would that they might similarly cooperate and perform an equally imperative duty in times of peace.

You take vigorous exception to my assertion that if others should take the places of strikers in the coal mines, and so forth, war would be waged upon them and their wives and their children, and ask if I have any evidence of this. Evidence? Every man of common sense knows that such is the status of every prolonged strike of serious dimensions. You say this was a peaceable strike, that some 70,000 members were directed to remain as engineers and assistants to protect the mines from flooding and injury. How many of them would have remained at such work had outsiders entered the mines in place of the striking workmen? How many men did take such places before receiving assurance of protection by the strong arm of the Government? There was less disorder in the recent coal strike than in any other of similar dimensions. But there was less effort save in Kansas, West Virginia, and possibly one or two other sections to resume operations. Another month of its continuance and—what would have happened?

You sometimes and very properly refer to the strike as a weapon. Why? Because it is just that. It is a double-edged weapon. It must smite the employer and him who intervenes. If it spares either, it is ineffective. The man who wields it knows this. So does the employer, and the "scab" knows it better than either. I am not now criticizing; I am stating a fact. Your weapon is good for nothing if you do not wield it. Henry George, himself a trade-unionist, said that labor associations rest upon force, which they must exercise in some form whenever they try to raise the wage scale. This is and must be the basic element behind the strike. You give your unqualified approval to my contention that the right to quit work involves the corresponding right to continue at work, one being as sacred as the other. It is too fundamental for academic qualification. But how is it in practice? Let the industrial history of the world during the last 50 years make reply. The principle has been a beautiful abstraction. The right exists; it is active in spots; it will pass with the final establishment of the closed shop. Leaders like Mr. Foster have decided views regarding the status of the nonunion worker, and they reflect quite accurately the prevailing method of dealing with him in times of industrial disturbance. Recently in Chicago a property owner was fined

by the painters' union for painting his own porch, and slugged because he would not pay it. The incident may be sporadic. I hope it is; but it illustrates the necessary attitude of organization toward those outside the pale. It is neither better nor worse than the treatment frequently accorded the little business man by the big combination. Both practices are wrong; neither should be tolerated.

My statement that had your proposed amendment to the Lever bill been accepted it would not have affected the power and duty of the administration to overcome the coal emergency was no advocacy either of "the breaking any law," nor the unjust—or other—denouncing the miners for "breaking a law not in existence." I advocate the breaking of no law. Neither do I announce in advance of proposed legislation that I will disregard it if enacted. I believe with Gen. Grant that the best way to be rid of a bad law is to enforce it, and it would, of course, be most unjust to accuse one of disregarding a law which did not exist.

My contention was and is that since the exemptions of the Clayton Act are confined to certain organizations "lawfully carrying out the legitimate objects thereof" and since the strike has been declared unlawful by the highest authorities in the land, your amendment could not have been broader than the exemptions it recognized. I am sorry that I did not express myself more clearly. Of course, I know that you combat my view of the nature of the strike, and your assumption, if well taken, sustains your conclusion. But it is upon that point that the difference occurs. I do not quarrel with the self-laudatory utterances of the federation which you quote so copiously. It has always commanded my respect and support in its effort to advance the well-being of its members through peaceful and legitimate channels, and it always will. Our differences arise from conditions and policies which you deem legitimate and defensible and which I do not. We can not expect to convince each other to the contrary, but we can, I trust, always recognize the distinction between what we criticize and what we commend.

My assertion that violence can destroy but can not promote civilization will not yield to occasional historical instances to the contrary. There are exceptions, of course, but they either prove the rule, in which event they sustain it, or they prove too much, in which event they make civilization the offspring of violence. The crusaders no more encouraged Christianity than Mohammedanism. Religious wars have been many. Religious massacres have not been unusual. Inquisitions have flourished apace in the past, and religious persecution has not altogether disappeared. None of these, in my judgment, ever promoted civilization. The French Revolution is a notable exception to the general rule. The enlightened opinion of the world would long ago have stricken the shackles from the slave had the Civil War never occurred. The World War just ended was the greatest crime ever committed against civilization. It is the best, as it is the latest, illustration of the ghastly folly of shedding human blood for human advancement. Civilization was saved, but, in my judgment, has been brutalized by the horrible tragedy. You are too well informed, too humane, and too mindful of the need for peace to even indirectly advocate violence as a promoter of civilization. Your assurance that violence in labor strikes is not premeditated nor done with the consent of trade-unions proves this, although it does not absolve the latter from moral responsibility for the inevitable consequence of a policy which inexorably leads to it.

I concede that organized labor is a potent factor for the decrease or prevention of violence. It is because of this that public opinion is reluctant to accept its assurances of irresponsibility when violence occurs, and especially when it is fomented by certain organizations with whom direct action is a creed.

The worker, like every other American, is not only "anxious for" but is entitled "to a better economic life." It is not a new ambition. On the contrary, it is distinctly American. It has always been obtainable by everyone through the uplifting agencies of American law and American opportunity. I have never mined for a year or any other length of time, but that is not necessary to my past experiences. I have followed the plow and wielded the hoe through many a long and wearisome day. I know something of manual labor, of its severity not only, but of its dignity as well. I have had many a hard struggle with adversity in my day, and I can say with truth that advancement has come by dint of hard work, earnest effort, observance of law, and respect for the rights of all others. What the world needs is tolerance, sympathy, cooperation, and mutual understanding between all the sons of men, whatever their pursuits or coordinations. Each and all of us are linked with and dependent upon every other. Hence we must progress together if we progress at all. Force, violence, antagonisms, suspicions, recriminations may satisfy our immediate resentments, but they get us nowhere. And I fear they never will.

The contrast you draw between China and the United States is a strong one, but you might have drawn it with equal success between the same nations 50 years ago. The different conditions are no more attributable to trade-unions here and their absence there than those between the United States and Mexico, in both of which countries they exist. Fundamental racial inequalities will persist through social, economic, and political conditions, a fact graphically illustrated by many episodes of the past few years. They may be mitigated, but not by force or the menace of it.

Very respectfully,

C. S. THOMAS.

Hon. SAMUEL GOMPERS,
President American Federation of Labor.

TREATY OF PEACE WITH GERMANY.

Mr. BRANDEGEE. Mr. President, I present a letter from the acting president of Trinity College, Hartford, Conn., accompanied by a petition praying for the ratification of the treaty of peace with reservations. I ask that it may be printed in the RECORD.

There being no objection, the letter and petition were ordered to be printed in the RECORD, as follows:

TRINITY COLLEGE,
Hartford, Conn., December 18, 1919.

The Hon. FRANK B. BRANDEGEE,
United States Senate, Washington, D. C.

DEAR SIR: I have the honor to transmit to you the inclosed petition for a speedy ratification of the treaty of peace, including the league of nations covenant, with a minimum of reservations.

I beg to call your attention to the fact that it bears the signatures of every member of the teaching staff of Trinity College, with the exception of one, who is also in favor of the peace treaty and a league of nations but desires the league in a different form.

Yours, very respectfully,

HENRY A. PERKINS,
Acting President.

—

HARTFORD, CONN., *December 17, 1919.*

We, the undersigned members of the faculty of Trinity College, are convinced of the supreme importance of the ratification of the treaty of peace as soon as possible, with a minimum of interpretative reservations, and we most strongly urge the Senators from Connecticut to do their best to promote such action, and we will support them in favoring a resolution ratifying the treaty of peace, including the league of nations covenant, in terms that shall not be offensive to other signatories of the treaty.

Arthur Adams, Frank Cole Babbitt, H. M. Dadourian, Harold S. Palmer, Horace C. Swan, Robert E. Bacon, Charles E. Rogers, Charles A. Fischer, Wills M. Upton, Frederic W. Carpenter, Robert B. Riggs, Edward C. Stone, Odell Shepard, Stanley L. Galpin, Henry A. Perkins, J. J. McCookes, Le Roy C. Barret, G. A. Keene, Albert H. Yost.

I certify that the names signed to this petition are those of the entire teaching staff of Trinity College, with the exception of one.

FRANK COLE BABBITT,
Secretary of the Faculty.

Mr. BRANDEGEE. Mr. President, I present an article on Public Opinion by Mr. Frank I. Cobb, printed in yesterday's New York World, and I ask that it may be printed in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

OPINION STILL HAMPERED BY RESTRICTIONS IMPOSED BY WAR AND PLAGUED BY FLOOD OF DUBIOUS PRIVATE PROPAGANDA—SAYS NEWSPAPERS MUST FIGHT RISING TIDE OF PRUSSIANISM TO REGAIN FREEDOM OF THOUGHT—MOBILIZED AS WERE THE MEN AND MATERIAL REQUIRED FOR EFFECTIVE WARFARE—THE CENSOR, IN "PLAYING" SAFE, WAS APT TO SUPPRESS MORE THAN WAS NECESSARY TO KEEP VITAL INFORMATION FROM THE ENEMY—CONTROL OF PUBLIC OPINION ALSO ENABLED THE GOVERNMENT TO SPREAD USEFUL AND PROPER PROPAGANDA.

The following address on the subject of the Press and Public Opinion was delivered by Frank I. Cobb, editor of the World, before the Women's City Club of New York on December 11, 1919. The address aroused so much interest and so many requests that it be published have been received that the World prints it in full:

"For five years there has been no free play of public opinion in the world.

"Confronted by the inexorable necessities of war, Governments conscripted public opinion as they conscripted men and money and materials.

"Having conscripted it, they dealt with it as they dealt with other raw recruits. They mobilized it. They put it in charge of drill sergeants. They goose-stepped it. They taught it to stand at attention and salute.

"This governmental control over public opinion was exerted through two different channels—one the censorship and the other propaganda. The ostensible function of the censorship was to keep the enemy from obtaining useful military information. Its ultimate function was to suppress all information that Government wished to suppress for any reason whatsoever. There is a popular notion, born of cynicism and suspicion, that the legitimate objects of the censorship were deliberately prostituted to the business of concealing military and administrative blunders. I am inclined to doubt it. There are instances in which it was so employed, but on the whole the censor usually followed the ordinary military routine, suppressing everything that might give aid to the enemy and then suppressing everything else for which his superior officers might criticize him for not suppressing. The censor's motto was 'safety first,' which meant safety for the censor. In consequence, the censorship was usually stupid and generally ineffective. Figaro once maliciously remarked that the French censorship had managed to keep the movements of the French troops a secret from everybody except the Germans. That was true, in the main, of all censorships.

"As the war progressed the censorship became less and less a factor, and propaganda increased in importance. Modern warfare is not a conflict between armies, but between nations, and what is going on back of the lines may be far more important than what is going on at the front. Governments relied on propaganda to equip and sustain their armies, to raise money, to furnish food and munitions, and to perform all those services without which armies would be vain and helpless. The organized manipulation of public opinion was as inevitable a development of modern warfare as airplanes, tanks, and barbed-wire entanglements.

TWO KINDS OF PROPAGNDA.

"There were two kinds of propaganda, one that represented the appeal to reason and the other that represented the appeal to any emotions that could be directed toward the winning of the war. The classical examples of the first kind of propaganda are the British White Book, which contained the diplomatic correspondence that preceded the war, and the State papers of President Wilson defining the aims and objects of the war in terms of human liberty.

"The effect of this kind of propaganda can not be overestimated. Without it the war could not have been won.

"The other kind of propaganda resembled in a general way the activities of the cheer leaders at a football game. It was noisy and demonstrative and emotional and spectacular, and as such it often served a highly useful purpose. Sometimes it was frankly mendacious, for mendacity plays no insignificant rôle in the drama of war. When Government lies it does not lie sneakingly and furtively, but proudly and ostentatiously.

"When the armistice was signed and demobilization began, public opinion was demobilized, too. It was turned loose to shift for itself, and naturally it felt a little awkward in civilian clothes. It had been trained to think only in terms of war and had almost forgotten how to think in terms of peace. Moreover, it was like the emancipated slaves of the South after the Civil War. Its shackles were struck off, but it did not quite know what to do with its freedom. It was in the habit of being told what to think and what to feel, and when it was left to its own resources it was bewildered. At this point private propaganda stepped in to take up the work that Government had abandoned, and when we deal with public opinion to-day we are dealing largely with private propaganda.

GOVERNMENT LIED GLIBLY.

"Government suppressed the truth; Government distorted the truth; Government lied glibly and magnificently when occasion seemed to require; but, after all, governmental propaganda was at least directed toward war ends, and those ends were the protection of the country and its institutions against its armed and embattled enemies.

"When we come to the question of private propaganda we are on wholly different ground. Private propaganda is not one of the by-products of war, but it has taken on new phases since the war. It established itself long before the war and was a development of the press agent, who from being merely a theatrical attachment had extended himself to Wall Street, to big business, and to most of the institutions that have to deal with public opinion. Shortly before the war the newspapers of New York took a census of the press agents who were regularly employed and regularly accredited and found that there were about 1,200 of them.

"How many there are now I do not pretend to know, but what I do know is that many of the direct channels to news have been closed, and the information for the public is first filtered through publicity agents.

"The great corporations have them, the banks have them, the railroads have them, all the organizations of business and of social and political activity have them, and they are the media through which news comes. Even statesmen have them.

"These publicity agents, on the whole, are a very able body of men, and in some respects they perform a highly valuable service, but at the same time they are essentially attorneys for their employers. Their function is not to proclaim the truth, the whole truth, and nothing but the truth, but to present the particular state of facts that will be of the greatest benefit to their clients—in short, to manipulate the news.

BASIC TRUTH HIDDEN.

"A great deal of the confusion of public opinion to-day is the direct product of that system.

"Take, for example, a great industrial disturbance, like the coal strike. What are the essential merits of it? Do you know? If you do, you are very fortunate. I don't, although I have spared no effort to get at the facts, many of which lie further underground than the coal itself.

"The reason none of us can get at the basic truth is very simple. The coal operators meet in secret, and through their publicity agent they give out a statement of their side of the case. The leaders of the miners meet in secret, and they give out a statement of their side of the case. Either statement by itself is plausible and believable. The two of them, taken together, are wholly irreconcilable and simply add to the sum total of human ignorance.

"And thus it goes. The more of that kind of publicity we have the less we know, the less certain we can be of anything. But while this is a pernicious propaganda it is by no means the most dangerous form that is now manifesting itself.

"After the Thirty Years' War bands of marauding soldiers wandered around Europe terrorizing the inhabitants of every town and village to which they could gain access, and something of that sort is going on now in the United States. Bands of propagandists are wandering around terrorizing public opinion and trying to frighten it into submission to theories of government that are strange to American institutions.

"Some of these marauders represent radicalism and some reaction, but there is a striking similarity in their methods. Radicalism appeals to violence against reaction, and reaction appeals to violence against radicalism. One menaces with threats of the torch and the bomb and the other with threats of the rope and the rifle. Both profess to be champions of human freedom. Radicalism pretends to be engaged in restoring human liberty to its primitive simplicity, and reaction, wrapped in the Stars and Stripes, is ready to have everybody else die for the Constitution as it thinks the Constitution ought to be interpreted.

POST-WAR MENTAL REACTIONS.

"A war that has shaken the very foundations of human society is bound to produce some extraordinary mental reactions. A war that has wrecked vast empires, overthrown dynasties, and brought about sweeping revolutions is not likely to leave society just as it was before. Yet large numbers of excellent people think that mankind should have picked up its work where it left off when it went into the trenches and go on as if nothing at all had happened. Others are convinced that because war has resulted in revolution in certain countries there ought to be revolution everywhere—the more the better.

"What the United States needs more than anything else to-day is the restoration of the free play of public opinion. That requires, first, the reestablishment of the freedom of discussion, for without freedom of discussion there is no public opinion that deserves the name.

"Will Hays, the chairman of the Republican national committee, made a speech recently in New York, in which he proudly proclaimed that 'there is in this country a religious faith which believes in the divine origin of the Constitution of the United States.' When I first read Mr. Hays's words I was staggered by this new incarnation of Hohenzollernism. Then I saw that he had probably hit upon a serious and lamentable truth. A most energetic propaganda is engaged in converting the Constitution of the United States into a cult, into a religion, and its champions are eager to burn all dissenters and heretics at the stake.

"The Constitution of the United States is one of the great achievements of all history, but criticism of it is not blasphemy, and a man is not necessarily damned who thinks that in the light of 130 years' experience a better framework of government might be constructed.

TWO ORIGINS OF REVOLUTION.

"The men who drafted the Constitution certainly did not consider it a piece of divine inspiration. They knew how it was made. Nor had they any superstitious reverence for government as an institution. They regarded it rather as a necessary evil. Nor were they altogether certain, from the meager data of a limited experience, as to the ability of the people to rule themselves. That is why they established a government of checks and balances which could not function too freely. To this day the Government they created operates with great difficulty under even favorable conditions, and whenever the President and Congress happen to belong to different parties government is deadlocked and must wait for another election. But what the fathers did clearly understand was human liberty, at least in so far as the white man was concerned, and there they took nothing for granted.

"It is not the powers that they conferred upon the Government, but the powers that they prohibited to the Government, which make the Constitution a charter of liberty. The Bill of Rights is a born rebel. It reeks of sedition. In every clause it shakes its fist in the face of constituted authority and thunders 'Thou shalt not,' and because its ultimatum is 'Thou shalt not' it is the one guaranty of human freedom to the American people unless they themselves destroy their safeguard.

"We are in danger of forgetting this under the terrorism of mass thought, but we can forget it only at our imminent peril. There is revolution in reaction as well as in radicalism, and Toryism speaking a jargon of law and order may often be a graver menace to liberty than radicalism bellowing the empty phrases of the soap-box demagogue.

SOUNDS LIKE SEDITION.

"Writing from Paris to Abigail Adams, Thomas Jefferson said that—

"The spirit of resistance to government is so valuable on certain occasions that I wish it always to be kept alive. It will often be exercised when wrong, but better so than not to be exercised at all.

"If the author of the Declaration of Independence were to utter such a sentiment to-day, the Post Office Department could exclude him from the mail, grand juries could indict him for sedition and criminal syndicalism, legislative committees could seize his private papers and search them for evidence of Bolshevism, and United States Senators would be clamoring for his deportation on the ground that he had been tainted with the ribald doctrines of the French Revolution and should be sent back to live with the rest of the terrorists.

"Thus the political philosophy of one generation becomes the political anathema of another.

"Now, I am not much disposed to agree with Jefferson's dictum on the moral duty of resistance to government unless it is abundantly qualified. Nevertheless all the liberties that we hold to-day have come from resistance to government, and most of them were won by blood and iron. Thanks to the men who were willing to challenge authority and die for liberty, we, their political heirs, have been armed with newer and better weapons.

"To Abraham Lincoln the issue of the Civil War was very simple. It was that 'among free men there can be no successful appeal from the ballot to the bullet.' There we are on solid ground. With universal suffrage that is a foundation which can never be shaken, and we can build on it in complete confidence. Under free institutions whatever can be taken to the ballot box has the inalienable right to make its appeal to the ballot box. Whatever denies the final authority of the ballot box is a challenge to the Republic, and that alone is a challenge.

"This standard of judgment can be applied to all the unrest and discontent to which the country is now subjected. In so far as discontent appeals directly to violence there is an abundance of law to meet it if public officials, municipal, State, and Federal, will discharge the commonplace duties of their offices. In so far as it appeals to public opinion and the ordinary processes of representative government we need not be disturbed for the safety of the Republic unless we lack faith in popular institutions and believe that at heart the American people are destitute of sense and sanity and incapable of self-rule.

"The policy of repression that has been generally adopted by governors, mayors, and police officials—in some cases by Federal authority—to meet this propaganda of radicalism is fatal. Two thousand years of history bear witness to its folly. Nobody ever succeeded in bettering the weather by putting the thermometer in jail, and nobody will ever remove the causes of unrest and discontent by trying to suppress their manifestations.

BEST TEST OF TRUTH.

"Justice Holmes of the United States Supreme Court recently said in a dissenting opinion in a sedition case that 'the best test of the truth is the power of the thought to get itself accepted in the competition of the market.' That will always remain the best test of truth, and we can not afford to tamper with it, however strong the immediate provocation may be, nor can we afford to suppress that competition.

"In a speech delivered in Carnegie Hall last week a very eminent New York lawyer, Mr. Henry W. Taft, complained that the Department of Justice was shifting to the States the duty of prosecuting radicals, and asked: 'But is not the protection of American people against revolutionary propaganda peculiarly within the function of the Federal Government?' The protection of the people against crime and violence and the destruction of property is an elementary function of government. But government protecting the American people against revolutionary propaganda is a new manifestation of paternal authority. I wonder what old Sam Adams would say to that? Or Patrick Henry? Or Benjmin Franklin, with his grim joke about hanging together or hanging separately? Or Thomas Jefferson? Or George Washington? Or all the rest of that noble congregation of rebels who to their defiance of George III pledged their lives and their fortunes and their sacred honor?

"This theory that it is the duty of government to protect the people from propaganda is Prussianism. It was the gospel of His Imperial Majesty the German Kaiser. Protecting people from revolutionary propaganda was one of his most sacred functions. Now there is no Imperial Majesty and no German Kaiser, and no majestaets-beleidigung and no divine right. Autocratic Russia saw the doctrine in its fullest flower, and it was eventually followed by the most horrible, by the most ghastly, by the most degrading revolution known to human history. Significantly enough, no sooner was this new tyranny established than Lenin and Trotski proceeded in their turn to 'protect the people from revolutionary propaganda' by suppressing all but the Bolshevist newspapers.

REVOLUTION BY USURPATION.

"Either the people are fit to govern or they are not. If they are fit to govern it is no function of government to protect them from any kind of propaganda. They will protect themselves. That capacity for self-protection is the very essence of self-government. Without it popular institutions are inconceivable, and the moment that a republican form of government sets itself up as the nursemaid of the people, to train their immature minds to suit its own purposes and to guard them from all influences that it considers contaminating, we already have a revolution and a revolution backward, a revolution by usurpation.

"How is there to be any public opinion at all if government is to be the final arbiter of political theories and economic doctrines?

"When government undertakes to regulate opinions, the burden of proof must always rest upon it. If history teaches any lesson whatever, its lesson is that the most dangerous and futile of all methods of combating erroneous political and economic beliefs is for government to set itself up as a judge and executioner.

NO NEW EXPERIENCE.

"But, it will be said, the doctrines that government is called upon to suppress are of foreign origin; they are advocated in large part by an alien population; they are antagonistic to the principles of the Republic, and we can not afford to have the American people adopt them. Quite true. But what of it? This is not the first time that there has been nation-wide unrest and discontent. It is not the first time that wild and lunatic remedies have been prescribed for public ills. It is not the first time that foreign revolutionary theories have invaded the United States. It is not the first time that property rights have been attacked in their very citadel.

"American conservatives were once quite as terrified by the spread in this country of the extreme theories of the French Revolution as they are now terrified by the spread of Bolshevism. They were quite as eager for repression; yet the French Revolution never shattered a single American institution. It raised up no American breed of Marats and Robespierres. It set up no guillotines on American soil and beheaded no aristocrats. The American people thrashed the issue out and went on their way.

"Is it not possible that they still retain a scanty remnant of their ancient common sense? Is it not possible that they might even listen to a sympathetic exposition of the maniacal principles of Bolshevism without being seized with an irrepressible desire to destroy everything they have created and give themselves over to famine and disease and anarchy in order to establish a dictatorship of the proletariat?

BOLSHEVISM IN THE OPEN.

"I am not afraid of Bolshevism in the open, where the American people can examine it and weigh it and consider it. I am not afraid that the American people are going to rise up en masse and join the I. W. W. to destroy the institution of their own private property unless government prevents them by force. It is just as well to remember that the preamble of the Constitution of the United States does not begin 'We the Government of the United States,' but 'We the people of the United States.' The history of this country for more than 140 years proves that the American people can be trusted, and in the long run they can be trusted a great deal further than the professional politicians that they generally select to represent them in their government.

"The failures of popular government have always been failures of public opinion—mostly of public opinion that was ill-informed, of public opinion that was denied the facts, of public opinion that was misguided by self-constituted masters. That will always remain a great menace, and public opinion is never to be safeguarded by trying to prevent it by law from coming into contact with political heresy. There is no surer way to give those doctrines a foothold than to proscribe them. It is not the revolutionary doctrine which is shouted from the market place that is to be feared, but the revolutionary doctrine that is whispered everywhere in the ear of discontent and that can claim in its favor the test of martyrdom.

MILITANT PATRIOTISM.

"There is no other such prolific breeder of revolution as reaction, and reaction is now engaged in capitalizing the militant patriotism that the war aroused. It is denying freedom of speech, denying freedom of assemblage—denying the most sacred guaranties of the Constitution that it professes to guard and defend.

"When the French soldiers began to return home after four years in the trenches, thousands of them declared that they would never again do any work. It sometimes seems that after the armistice was signed, millions of Americans must have taken a vow that they would never again do any thinking for themselves. They were willing to die for their country, but not willing to think for it, and under the influence of propaganda they had lost the habit of independent thought.

"It is here that we squarely confront the question of the responsibility of newspapers in respect to the formation of an enlightened and fully responsible public opinion.

NEWSPAPERS AND THE WAR.

"Of the work of the American newspapers in the war the most chronic faultfinder can not justly complain. They printed all the news that government would permit them to print. They almost bankrupted themselves to obtain it. They were the first victims of the censorship and the daily prey of the propagandists. They never hesitated in rendering any service of which they were capable, and they never counted the cost. On the whole, they displayed a sense of responsibility that in itself is the highest decoration for distinguished service.

"When we come to the newspaper in relation to the events of the last year, it is a very different story and a less satisfactory story. Newspapers are very human institutions, and when the fighting ceased they reacted in much the way the general public reacted. The notion was general that, with hostilities ended, prewar conditions would naturally be restored, and the newspapers followed the common notion.

"That was a great mistake. They were not prepared for the waves of discontent and unrest that spread over the country. They were not prepared for the social ferment that followed the war. They were not prepared for the industrial upheavals that came. For the most part they had settled down to the comfortable assumption that with Germany beaten, with the Kaiser exiled, with the war won, everything was going to be for the best in the best possible of worlds, and that is not the way it turned out at all.

THE BASIC CAUSE.

"When strike followed strike, when industrial disturbances became nation-wide, when labor and capital instantly began a hand-to-hand fight over a new division of the profits and the spoils, when the labor leaders discovered that there was a tight labor market and began to squeeze the employer, just as the banks squeeze the borrower when there is a tight money market, a vast number of perfectly good and respectable people were much disturbed in their souls, and the newspapers reflected this disturbance. Instead of trying to get at the basic cause of it all, they adopted the primitive medicine-man procedure of hunting out the devil upon whom the responsibility could be laid.

"Four hundred thousand steel workers had gone out because the leader of the strike had once been a syndicalist. All the shipping in New York was tied up because I. W. W. agitators had taken possession of 80,000 longshoremen. Four hundred thousand miners quit in defiance of Federal law because two factions in the union were battling for control. And so it went. Nothing in this complicated world is ever quite so simple as that.

"The first duty of a newspaper to public opinion is to furnish the raw materials for it and the tools for its formation. American newspapers are not doing this in respect to this new economic situation, as many newspaper men keenly realize without quite knowing how to remedy it. The war has left a new set of problems and the newspapers have not yet met them. They are not driving to the heart of things. They are still skimming the surface, and it is only now and then that a reporter gets under the skin of these great events.

DUTY OF THE PRESS TO-DAY.

"This, in a way, helps to account for the more or less chaotic state of public opinion in this country, and it is doubly unfortunate, because the American people have no passion for profound study of public questions until these questions reach the stage of a crisis. Day by day they like to get their news from headlines and to rely for their judgments on what somebody tells them.

"The gravest duty that confronts the American press to-day is to bring these vast questions that have come out of the war into the forum of public discussion. The barrier of propaganda must be broken down. The competent, independent investigating reporter must come back to his own. This is vital. The American people can not deal intelligently with any of these problems without knowing the facts, and they can not know the facts until the newspapers brush aside the propagandists of contending factions and get back to first principles of news gathering. All this is fundamental.

"It is impossible of fulfillment, nevertheless, unless the newspapers set themselves squarely against this rising Prussianism which is seeking to make a fetich out of government and endow it with the power of damnation over all dissenting political and economic beliefs. If the guaranties of the Bill of Rights are to be overriden in the name of superpatriotism, the newspapers themselves will be the ultimate victims of the new dispensation that is called to suppress freedom of speech and of the press, and we shall have no public opinion at all except that which cringes under the lash of officeholders. If Government is to be erected into a god, who of us can be sure of salvation?

SECURITY OF THE MINORITY.

"Lord Acton made the security of the minority the basis of freedom and that will always be the basis, however offensive the minority's views may be and however mischievous the principles that it advocates may appear. De Tocqueville framed essentially the same definition in still more striking form when he voiced his warning against the tyranny of the majority. The inherent sovereignty of the citizen over government was pictured by it in words that for a century and a half have been part of the political heritage of the English-speaking peoples.

"The poorest man in his cottage may bid defiance to all the force of the Crown. It may be frail; its roof may shake; the wind may blow through it; the storms may enter, the rain may enter—but the King of England can not enter; all his forces dare not cross the threshold of the ruined tenement.

"Free government must forever be the resultant of all the forces that are brought to bear upon it, radical and reactionary, liberal and conservative, revolutionary and Bourbon, socialistic and individualistic, and whenever any of those forces is compelled to resort to secrecy the equilibrium is destroyed and the way is open to disaster.

"What I have said to-night is not a plea for the new radicalism, for to me most of this new radicalism is the very negation of political and economic sanity. What I am pleading for is the restoration of the traditions of the Republic, for the restoration of the proved safeguards of human liberty, for the restoration of the free play of public opinion, without which democracy is stifled and can not exist; for the restoration of the old faith of the fathers which has never yet failed the Nation in a crisis—the faith that they themselves sealed in their own blood.

"God forbid that our supreme achievement in this war should be the Prussianizing of ourselves!"

Mr. LODGE. Mr. President, I ask to have printed in the RECORD an article from the Paris Temps. Portions of it have been printed, but I have procured the complete article and translated it. It is a very interesting article, being a careful examination of every one of the reservations by that leading paper of France, which speaks with great authority. It analyzes every one of the different reservations and finds no objection to any one of them.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Le Temps, Paris, Dec. 6, 1919.]

THE STORY OF THE AMERICAN RESERVATIONS.

"Why have the Allies been obliged to send to Germany the injunction that the supreme council drafted yesterday? It is, in the first place, because the treaty of Versailles has not yet been ratified by the United States.

"The German military men and diplomats believe that the line of the Allies has been broken. This it is which emboldens them, and we have been forced to bring them back to reason.

"Why do we not know how we can make the league of nations function and how we can put into operation the treaty of guaranty which is to protect France against German aggression? How are we to obtain for Europe the financial help of America? Why do we not know, in a word, how we can repair the injuries of the war nor how we shall maintain the stipulations of the peace? It is, in the first place, because we do not know whether the United States will ratify the treaty of Versailles. American intervention has powerfully contributed to victory. Will not the American abstention compromise the fruits of that victory?

"There is the danger. Now, let us seek the underlying cause. Why has not the treaty of Versailles been ratified by the United States?

"The answer is made that it is on account of the reservations which the American Senate has adopted. But who in Paris has read these reservations?

"We publish to-day a complete translation of them. Do they, as it is said, destroy the bases of the treaty? Rather than accept them, would it be better to go without the American ratification? Everybody with the text in hand can reach an opinion. In the meantime let us express ours.

"The 14 reservations and interpretations of the American Senate are preceded by a preamble which directly interests the allied powers. The American ratification will not become effective, the Senate declares, unless three of the principal allied powers—England, France, Italy, and Japan—accept by an exchange of notes the 'reservations and interpretations' voted at Washington. This declaration of the Senate presents a question of form and also a question of substance. Can the Allies accept in this form the reservations and interpretations formulated by the United States? We do not see what prevents their doing so. Yesterday the supreme council authorized the Jugo-Slav delegation to formulate a reservation in acceding to the arrangements which are annexed to the treaty of St. Germain. There is, therefore, a precedent. And if the precedent did not exist it would be one of the cases in which we may say that it would be necessary to invent one. There is no man of good sense who will not admit that we can not hesitate upon a question of form as to accepting the ratification of the United States.

"But there is also a question of substance. Have the reservations and the interpretations of the American Senate been conceived in such a manner that the Allies can accept them? That is what remains to be examined.

"In the first article of the treaty of Versailles—which is also the first article of the pact or covenant establishing the league of nations—it is stipulated that 'any member of the league may, after two years' notice of its intention so to do, withdraw from the league, provided that all its international obligations and all its obligations under this covenant shall have been fulfilled at the time of its withdrawal.' The American Senate interprets this text in the following terms: 'The United States shall be the sole judge as to whether all its international obligations and all its obligations under the said covenant have been fulfilled.' This interpretation is not contrary to the treaty. Moreover, it may be asked what force exists which could retain the United States in the league of nations if after two years' notice they consider that they have the absolute right to withdraw?

"Article 10 of the treaty obliges the signatories, as members of the society of nations, 'to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the league.' In addition, other articles of the treaty in certain cases may necessitate armed intervention. The American Senate declares that there can be no such intervention 'unless in any particular case the Congress, which, under the Constitution, has the sole power to declare war or authorize the employment of the military or naval forces of the United States, shall by act or joint resolution so provide.' This is the evidence: Article 1 of the American Constitution reserves exclusively to Congress the power of declaring war as well as the power of raising and supporting armies and of providing and maintaining a navy. No treaty, no pact, can constrain the United States to use their armed forces without the preliminary approbation of the Congress.

"It is because of an analogous idea that the Senate, in its eleventh reservation, asserts for the United States the right of determining whether it is proper or not to interrupt commercial relations and others with a country which has entered upon war outside the control of the league of nations. If the United States did not reserve to themselves this power of determination, they might be drawn into the war without Congress having had the opportunity to pass upon it.

"The third, the seventh, and the ninth reservations call for no discussion on our part. They consist in prescribing that the President of the United States must consult Congress before accepting a mandate in foreign territory, before engaging in expenses for the league of nations, and before sending delegates in the commissions, committees, and other organizations where the United States is to be represented.

"The fourth and fifth reservations are more important. The United States maintain that they alone have the right to decide 'what questions are within its domestic jurisdiction,' and so forth, and in this way withdraw themselves from all intervention by the league of nations or any foreign power. They declare themselves resolved to be the sole interpreters of their 'long-established policy, commonly known as the Monroe doctrine.' But who is there among the allied powers who would wish to seek a controversy with the United States upon this point? Certainly it is not France, and France is well resolved, for her own part, to decide alone what the questions are which relate solely to her domestic jurisdiction.

"Is it necessary to make objections to the eighth reservation, which provides that the restrictions upon the commerce of the United States with Germany, upon the demand of the reparation commission, shall not be effective unless they have been sanctioned by the American Congress?

"Must we refuse to the Americans the right proclaimed by the tenth reservation, to augment their armaments without the consent of the council of the league 'whenever the United States is threatened with invasion or engaged in war'?

"The eighth article of the covenant is drawn in such a way that no member of the league of nations is forced to limit its armaments in the degree suggested by the council. If a State, nevertheless, accepts this limitation, which is not obligatory, is it to be forbidden to increase its armament when it feels itself to be imperiled?

"In its fourteenth reservation the American Senate declares that the United States will not consider itself bound by decisions of the league of nations when one of the States belonging to the league shall have cast several votes, due to the votes of the dominions of the other countries which are politically bound to it. France can not protest against this suggestion, because it has not wished to ask that Algeria and the French protectorates should be represented in the league of nations by delegates whose votes would be added to its own.

"There remains finally—outside of the twelfth and thirteenth reservations, which do not appear to raise any difficulty—the famous reservation No. 6, which relates to Shantung. The form is radical, and if China had signed the peace of Versailles it would have been necessary to admit that the Far Eastern part of the treaty had been overthrown. This reservation declares that 'the United States withholds its assent to articles 156, 157, and 158, and reserves full liberty of action with respect to any controversy which may arise under said articles between the Republic of China and the Empire of Japan.' But this article applies to Chinese territory, and China has not signed. Practically, judicially even, this is all still in suspense. The American declaration changes nothing in the existing situation. The rights of each party remain intact. Japan remains in possession of the object of litigation. The American reservation overturns nothing, as nothing is yet constructed, and is it for this that we shall refuse the ratification of the United States, that ratification upon which depends perhaps the entire peace?

"It has been asserted that the reservations of the American Senate were a disavowal of the work accomplished by the conference at Paris. It has been asserted that the United States in this way signify their will and intention of not concerning themselves further either with Europe or the peace. The time has come to oppose the truth to this mischievous misrepresentation.

"Even if the reservations required that in two or three places the league of nations be changed—and it can be amended regularly in virtue of article 26—the reservations of the United States contain nothing which would warrant the Allies in rejecting an American ratification offered under these conditions. The reservations contain, on the other hand, certain very wise interpretations which we have an interest in sanctioning. Let French opinion, when informed, express itself boldly."

Mr. LODGE. Mr. President, I also ask to have printed in the RECORD a dispatch containing an extract from articles in the London Times approving the acceptance of any reservations that America chooses to adopt.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

RATIFY TREATY ON ANY TERMS, EUROPE URGES UNITED STATES—LONDON TIMES SAYS RESERVATIONS, IF DEEMED NECESSARY, WOULD BE WELCOMED TO STABILIZE WORLD.

LONDON, *December 30.*

The Times says editorially that it is of the highest importance to the civilized world that the United States should sign immediately the treaty with Germany, and expresses the opinion that the British people, and also the French, would welcome America's ratification on any reasonable terms. The Times says:

"The Allies want America to ratify the treaty for many reasons of the highest moment. They want her to ratify now; they want her ratification to have the American people behind it. They would greatly prefer that she should ratify the treaty as her President and her other representatives helped to mold it and as President Wilson signed it.

"They think that ratification as it stands would do most for the immediate pacification of a troubled world, for the economic welfare of mankind, for the development and stability of public law, for the adjustment by legal means of international differences, for the prevention of future wars, for the spread of civilization, for the security of society in all lands, and generally for the gradual progress toward fulfillment of the just and generous ideals for which America came and fought by the side of her sister democracies.

"That is their belief. They believe also that such ratification is in the true and abiding interest of America herself.

"But if America does not now share this belief, they recognize without reserve that the right of decision must be hers. If she thinks that reservations are necessary for her safety and freedom, that they are demanded by the provisions of her Constitution or by the traditions of her foreign policy, they will welcome ratification by her on any reasonable terms.

"We are confident that this is the view of the British people and we feel almost as certain that it is the view of the French."

Mr. LODGE. I also ask to have printed in the RECORD an article from the Morning Post, another of the great newspapers of London, taking a different view, which is that the United States is quite right in rejecting the whole league and that England ought to do the same.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

HALF A LEAGUE OF NATIONS.

"We have raised a still, small voice against the covenant in this country and upon several grounds. The first is that it creates a dual allegiance, which we take to be dangerous to the British Empire. Hitherto every State within the Empire has looked to His Majesty's Government as the supreme authority and the only protection; the covenant creates a new authority and a new guardian to which States within the Empire might appeal against the authority of His Majesty's Government. That is objection No. 1. Objection No. 2 is that it reduces and undermines the sovereignty of our now independent State. Hitherto the British nation has been a sovereign nation with all a sovereign nation's powers; the proposal is to transfer some of these powers—vital powers—to a superior government upon which the British nation will be in a permanent minority. Our third objection is that it leads the nation to rely upon an outside power for security, whereas all history shows that a nation survives in a free State only by its own power to defend itself. The covenant we have compared to a rotten parapet on a bridge, which is more dangerous than a bridge with no parapet at all. And our fourth objection was that under any such scheme the preponderance of power in the league would fall into the hands of the Central Powers—that is to say, of Germany—which by its position commands more influence than we upon the circumference of the European circle are likely to possess. That objection, we admit, might be weakened if the United States were a party to the covenant, because the United States might be expected to balance Germany. It is correspondingly strengthened if the United States stands out of the covenant.

"And that is what the United States appears to be going to do. The Senate, in the barbarous but expressive phrase of President Wilson, has 'cut the heart out of the covenant.' It has added a series of reservations, the result of which is to leave America without any obligation either to support or to obey or even to remain within the league of nations. Now, for our part, we can not but admire the Senate for the stand that it has taken. It has, in fact, taken its stand upon the independence of the United States as a sovereign nation, and its power to look after its own affairs and its own defense. It has also recognized the law of growth and decay in history, and has refused to commit itself to the portentous obligation of maintaining the world as it happens to stand in this present year of grace. The United States, if the Senate carries its point, will 'assume no obligation to preserve the territorial integrity or political independence of any other country or to interfere with controvesies between other nations, whether members of the league of nations or not, or employ military or naval forces under any article of the treaty for any purpose,' unless by act or resolution of Congress. That is to say, as far as the United States is concerned, the league of nations might as well not exist. Besides this cardinal reservation there are others—the United States reserves the right to increase armaments, the right to decide what questions are its own affair, the sole right to interpret the Monroe doctrine, etc. In fact, there is hardly a shred or tatter of the original covenant left if these reservations are allowed. Now there is talk of compromise, and there is the presidential 'veto power'; that is to say, the President can refer a bill back within 10 days after its passage, and that bill does not become law unless it is supported by a two-thirds vote of both Houses. But the President can not force his covenant upon the Legislature, and the Legislature does not seem to be in the least inclined to give way. Unless the unexpected happens, the covenant will only pass as an eviscerated and derisory measure. The President, to be quite candid, is not in a position to deliver his own goods.

"Now, there was one argument which was always advanced by certain wiseacres in support of the league of nations. It was this: That by no other means could America be induced to enter into relations of alliance with France and England. We never thought much of that argument, but now that it is apparently to be exploded are we still to be forced into this covenant? Are we to join in a league in which the most powerful member refuses beforehand to accept the responsibilities which we shall have to accept? We notice that the league of nations press is already preparing the country for this incredible proposition. We are to accept all the obligations, and the United States is to accept none of them, yet the United States is to have an equal vote with ourselves. Surely it is obvious that no self-respecting nation can look at such an arrangement. We must all regret the illness of the President, but it is idle to disguise the fact that his enthusiasm for an impractical ideal has got the whole world into a terrible mess. We do not know what solution there may be, but we can only hope that the abortive covenant will be separated from the treaty and allowed to drop into a deserved oblivion."

BOLSHEVIST MOVEMENT IN RUSSIA (S. DOC. NO. 172).

Mr. LODGE. Mr. President, I ask to have printed as a Senate document a memorandum on Certain Aspects of the Bolshevist Movement in Russia. It has been printed by the State Department and given to the press to-day, and the department thinks it is very desirable to have it printed as a Senate document. I think so, too. It is very valuable.

The VICE PRESIDENT. Without objection, it is so ordered.

TREATY OF PEACE AND LEAGUE OF NATIONS.

Mr. KNOX. I ask to have printed in the RECORD a letter addressed to the London Times by Thomas E. Holland, a distinguished international lawyer of Oxford, England, offering certain suggestions for ratifying the treaty of peace with the league of nations.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

THE LEAGUE OF NATIONS.

OXFORD, *December 16.*

To the EDITOR OF THE TIMES.

SIR: The league is unquestionably "a brave design." Sympathy with its objects and some hope that they may be realized have induced myself, as doubtless many others, to abstain from criticizing the way in which the topic has been handled by the representatives of the victorious powers. Recent discussions seem, however, to render such reticence no longer desirable.

It begins to be recognized that, as some of us have all along held to be the case, a serious mistake was made by the Paris delegates when they combined in one and the same document provisions needed for putting an end to an existing state of war with other provisions aiming at the creation in the future of a new supernational society. Two matters so wholly incongruous in character should surely have been dealt with separately. Whether it is now too late to attempt a remedy for the consequences of this unfortunate combination is a question which can be answered only by the diplomatists whose business it is to be intimately in touch with the susceptibilities of the various nations concerned. In the meantime, however, on the assump-

tion that this state of things is productive of regrettable results, I may perhaps venture to indicate, recommending their adoption, the steps which appear to be required for the reformation of the treaty as drafted. My suggestions would run as follows:

(1) Subtract from the treaty of Versailles Parts I and XIII; the former constituting a league of nations, the latter, in pursuance of a recital that universal peace "can be established only if it is based upon social justice," wholly occupied with a sufficiently ambitious scheme for the regulation by the league of all questions relating to "labor" which may arise within its jurisdiction.

(2) Let Part I, with Part XIII annexed, constitute a new and independent treaty; to be, as such, submitted to the powers for further consideration. (The opportunity might be taken of ridding it of all references to a system of "mandates," which might very probably lead to jealousies and misunderstandings.)

(3) Parts II to XII, XIV, and XV would then constitute the real treaty of peace, in which it would, however, be necessary in the numerous articles attributing functions, for the most part of a temporary character, to the "league of nations," to substitute for any mention of the league words descriptive of some other authority, yet to be created, such as, for instance, "a commission to be constituted by the principal allied and associated powers."

I am, sir, your obedient servant.

T. E. HOLLAND.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed the following acts and joint resolutions:

On December 23, 1919:

S. J. Res. 137. Joint resolution authorizing the Secretary of War to construct a pontoon bridge across the Chattahoochee River at West Point, Ga., and for other purposes.

On December 24, 1919:

S. 3458. An act to make gold certificates of the United States payable to bearer on demand legal tender;

S. 822. An act for the relief of James W. Cross;

S. 1375. An act for the relief of Catherine Grace;

S. 2472. An act to amend the act approved December 23, 1913, known as the Federal reserve act; and

S. J. Res. 131. Joint resolution making immediately available the appropriation for the expenses of regulating further the entry of aliens into the United States.

On December 30, 1919:

S. 176. An act for the relief of John M. Francis;

S. 248. An act for the relief of Henry P. Grant, of Phillips County, Ark.;

S. 428. An act for the relief of Thomas Sevy;

S. 552. An act to reimburse W. B. Graham, late postmaster at Ely, Nev., for money expended for clerical assistance;

S. 728. An act for the relief of the Buffalo River Zinc Mining Co.;

S. 2128. An act for the relief of Albert N. Collins;

S. 2378. An act to authorize the issuance of patent to John Albert Thompson, and for other purposes; and

S. 2716. An act to relieve the estate of Thomas H. Hall, deceased, late postmaster at Panacea, Fla., and the bondsmen of said Thomas H. Hall, of the payment of money alleged to have been misappropriated by a clerk in said office.

On December 31, 1919:

S. 577. An act for the relief of the Southern States Lumber Co.;

S. 1670. An act for the relief of the Arundel Sand & Gravel Co.;

S. 1694. An act providing for the refund of taxes collected for stamp tax on certain policies under the emergency tax act of October 22, 1914, under the proviso to which act such policies were exempt; and

S. 3284. An act to provide for the national welfare by continuing the United States Sugar Equalization Board until December 31, 1920, and for other purposes.

HOUSE BILL REFERRED.

H. R. 11224. An act to amend the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, was read twice by its title and referred to the Committee on Immigration.

THE CALENDAR.

The VICE PRESIDENT. Morning business is closed. The calendar under Rule VIII is in order. The first business on the calendar will be stated.

The resolution (S. Res. 76) defining a peace treaty which shall assure to the people of the United States the attainment of the ends for which they entered the war, and declaring the policy of our Government to meet fully obligations to ourselves and to the world, was announced as first in order.

Mr. ROBINSON. I ask that the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 529) for the relief of the heirs of Adam and Noah Brown was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 600) for the relief of the heirs of Mrs. Susan A. Nicholas was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1223) for the relief of the owner of the steamer *Mayflower*, and for the relief of passengers on board said steamer, was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 174) for the relief of Emma H. Ridley was announced as next in order.

Mr. KING. Let that bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1722) for the relief of Watson B. Dickerman, administrator of the estate of Charles Mackman, deceased, was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes, was announced as next in order.

Mr. KING. Let that bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 168) to create a commission to investigate and report to Congress a plan on the questions involved in the financing of house construction and home ownership and Federal aid therefor was announced as next in order.

Mr. KING. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2224) to incorporate the Recreation Association of America was announced as next in order.

Mr. KING. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1660) to provide a division of tuberculosis in, and an advisory council for, the United States Public Health Service, and for other purposes, was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

CANAL ZONE REGULATIONS.

The bill (S. 1273) to prohibit intoxicating liquors and prostitution within the Canal Zone, and for other purposes, was announced as next in order.

Mr. SMOOT. Mr. President, the Senator from Washington [Mr. JONES] on several occasions has asked that this bill go over, stating that the same object sought to be attained by the passage of this bill has been attained by legislation already enacted by Congress. If the Senator from Washington were here I should ask that the bill be indefinitely postponed, but, in his absence, I will simply ask that it be placed on the calendar under Rule IX instead of under Rule VIII.

The VICE PRESIDENT. Without objection, that order will be made.

BUSINESS PASSED OVER.

The joint resolution (S. J. Res. 41) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2457) to provide for a library information service in the Bureau of Education was announced as next in order.

Mr. SMOOT. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 131) to provide that petty officers, noncommissioned officers, and enlisted men of the United States Navy and Marine Corps on the retired list who had creditable Civil War service shall receive the rank or rating and the pay of the next higher enlisted grade, was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1448) for the relief of Jacob Nice, was announced as next in order.

Mr. THOMAS. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 102) to equalize the pay and allowances of commissioned officers, warrant officers, and en-

listed men of the Coast Guard with those of the Navy, was announced as next in order.

Mr. KING. I ask that that joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The resolution (S. Res. 172) for the selection of a special committee to investigate the administration of the office of the Alien Property Custodian, was announced as next in order.

Mr. WALSH of Montana. I ask that the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 2978) to establish additional fish-cultural subsidiary stations in the State of Michigan, was announced as next in order.

Mr. THOMAS. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

HEIGHT OF BUILDINGS IN THE DISTRICT OF COLUMBIA.

The bill (H. R. 6863) to regulate the height, area, and use of buildings in the District of Columbia and to create a zoning commission, and for other purposes, was announced as next in order.

Mr. THOMAS. I ask that the bill go over.

Mr. SMOOT. Mr. President, I understand the Senator from Colorado to ask that the bill go over.

Mr. THOMAS. I will withdraw the request temporarily.

Mr. SMOOT. On a number of occasions during the last few months I have asked that this bill go over, but I understand now that the Senator from New York [Mr. CALDER], who reported the bill, is willing to accept an amendment which I have prepared, and if the Senator from Colorado does not object I should like to offer the amendment to the bill at this time.

Mr. THOMAS. Reserving the right to object, I will give the Senator an opportunity to offer the amendment.

The Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. SMOOT. On page 3, following line 6, I propose to offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 3, line 6, after the words "hereinafter provided," it is proposed to insert a colon and the following words:

And provided further, That in residence districts the usual accessories of a residence located on the same lot, including the office of a physician, dentist, or other person, and including a private garage containing space for not more than four automobiles, shall not be prohibited.

Mr. CALDER. Mr. President, I hope there will be no objection to the consideration of this bill this morning. We have had it up on another occasion. It was considered for one morning, and its passage is very much desired by the commissioners. I think it will tend to preserve the city of Washington from the erection of objectionable buildings. The committee is perfectly willing to accept the amendment of the Senator from Utah, and I hope we may consider the bill this morning.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. SHERMAN. Mr. President, before passing to the next order of the calendar I wish to add to what the Senator from New York has said that there is an immediate emergency for legislation on this subject. There is now in course of construction in Washington a $1,600,000 apartment house that ought not to have been permitted to go to the height it is, but we would have been compelled in good conscience to provide an appropriation for damages if we had stopped it. I am satisfied that this apartment house will in some degree encroach upon the rights of the park on which it abuts. This bill contains some proper regulations for subjects of that kind. There is still further frontage on this same park that at any time, under existing laws, may be covered by another structure. There is nothing now, except moral pressure on the public buildings department of the District, to restrain similar cases, and I hope some immediate and prompt action will be taken on the bill.

Mr. SMOOT. Mr. President, I want to say that my objections to the bill in the past have been on the ground that it confers undue power upon a commission here to say just what class of buildings shall be built in any district created under the terms of the bill. I think myself that it ought to be modified more than I have modified it by the amendment which has just been adopted; but I know there is a necessity for some sort of legislation regulating the buildings that may be erected in the District in the future, and for that reason I am not going to object further to its passage in its present form. I do believe, however, that it is going altogether too far and that we could attain the same object that the advocates of the bill expect to attain by cutting from the bill a number of provisions granting what I, at least, consider undue authority.

I am not going to say anything more, however. If the Senate desires the bill passed, it can pass it.

Mr. THOMAS. Mr. President, I regard this bill as one which is aimed at or which was provoked by the construction of certain apartment buildings which are at present in an uncompleted condition. These buildings are very much needed because of the crowded and congested condition of the population in the District. They are being constructed under agreements which were based upon the purposes of the owners and which were preceded by bond issues, part security for which, of course, are the buildings when they are completed according to the plans.

I have always assumed that building conditions in the District were the subject of regulations which were adopted or enacted some time ago. There are no so-called skyscrapers in the District; and the fact, unless I have been greatly misinformed, is due to the existence of regulations, possibly of congressional statutes, upon the strength of which the buildings now under course of construction were begun, and, of course, upon plans prepared in accordance with existing conditions. If that is so, there may be no urgent reason for this legislation at this time; and if it is so, any legislation now enacted will be prospective in its operation.

But, Mr. President, my principal objection to the bill is that it creates another commission; it adds another to the multitudinous bureaus that are already infesting the District. While it is upon the face of it a somewhat harmless one, a little thing, it is nevertheless one which, like all others, will expand, and as its activities increase the office force supposed to be necessary to enforce its provisions will also increase and the expenditures will increase from the modest sum embraced in this bill to whatever subsequent Congresses may in their wisdom, or the lack of it, see fit to grant.

I know that a good many of these commissions are needed; but the whole drift of our governmental activity for the past 15 or 20 years has been to the creation of bureaus, commissions, and commissions. Scarcely a law is enacted but that it carries with it the creation of a bureau for the enforcement of its provisions. We are becoming, if indeed we are not, a bureaucracy. The time is rapidly approaching when it will be difficult for a man to kiss his wife except by act of Congress, and then perhaps only through the agency of a bureau or a board or something of that sort. Now, this is the new year. Let us at least try to stem the tide of this tendency to increase and multiply bureaus and commissions. I object to the consideration of the bill.

Mr. CALDER. Mr. President, will the Senator withhold his objection until I can make a statement on this matter?

Mr. THOMAS. I will.

Mr. CALDER. Mr. President, I introduced in the last Congress a bill which was the forerunner of this measure. I introduced it because some four years ago we adopted in the city of New York a regulation dealing with this very subject. We had discovered after years of experience that all sorts of buildings were being constructed in the finest residential sections of our city, objectionable buildings—garages, stables, factories. People often were getting permits for the purpose of holding up owners of valuable land, and we concluded there that we ought to have some such method of controlling the character of buildings to be constructed in that city. This law has been in operation now for a period of nearly five years. It has worked splendidly.

I have in mind a transaction in which I was interested myself. I had built a number of valuable houses on a residential street where there was no restriction in the deeds as to the character of the buildings. A man came along and applied for a permit to build a laundry, five stories high, at a cost of several hundred thousand dollars. He built this laundry, and it injured the value of the surrounding property to the extent of at least a quarter of a million dollars. I have in mind another instance in New York City, where an application was made for a permit to build a public garage in a residential section after the zoning law went into effect. It was denied, with the result that the value of the existing property was preserved.

The pending measure was developed as the result of my bill of last session. It was not presented to cover the one building now in course of construction on Sixteenth Street. It was introduced for the purpose of maintaining the beauty of the city of Washington, and I will say to the Senator from Colorado that no measure has been introduced in any session of the American Congress that will do more than this measure to help the future of Washington.

The Senator speaks of the fact that the bill creates an additional commission. It is true that there must be some governmental authority to pass upon this subject, and we have provided a commission which is composed entirely of present officials of the Government. The bill states that they shall be paid no additional salary. The clerks necessary will be provided from existing bureaus of the city government, and it will not cost the taxpayers anything. I am sure that if the Senator from Colorado will examine carefully into the merits of this measure he will be convinced that it is an excellent thing to do.

I might add that very recently a law has been passed in Missouri covering the construction of buildings in St. Louis, and within the last 30 days the same thing has been done for Baltimore; and it is under consideration in the city of Philadelphia. The thing has worked splendidly in New York, and efforts are being made throughout the country to make similar laws effective in the various communities, and I hope the Senator will permit the bill to be considered.

Mr. THOMAS. I object, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

ETHEL PROCTOR.

The bill (S. 2773) for the relief of Ethel Proctor was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

ADMISSION TO ARMY AND NAVY HOSPITALS.

The bill (S. 2207) admitting civilian employees of the United States Government stricken with tuberculosis to Army and Navy hospitals was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Health and National Quarantine with amendments, on line 5, after the word "admitted," to insert "so far as capacity may allow," and on line 6, after the word "Navy," to insert "or for the Public Health Service," so as to make the bill read:

Be it enacted, etc., That civilian employees of the United States Government stricken with tuberculosis while in the employment of said Government shall be admitted, so far as capacity may allow, to hospitals already established for the Army and Navy or for the Public Health Service on the same terms accorded those already entitled to admission.

The amendments were agreed to.

Mr. KING. Mr. President, I should like to ask the chairman of the Committee on Military Affairs whether this bill would interfere in any way with the hospitals that are now controlled by the military branch of the Government?

Mr. WADSWORTH. Mr. President, I can reply to the Senator from Utah only in a very sketchy way. The bill did not come from the Committee on Military Affairs. I have never given it examination. I assume that if there are not now, there soon will be some empty beds in the Army hospitals. Of course, it has been the purpose of the department and the hope of Congress that as the hospitals were emptied out, nearly all of them being of temporary construction, they would be disposed of and not maintained indefinitely for any other purpose.

I confess to not having examined this bill, as it did not come before the Military Affairs Committee.

Mr. WALSH of Montana. Mr. President, I trust the Senator from Utah will not object to the consideration of this bill. A most distressing case came to my notice a short time ago. A lady, who was the sole support of her mother and two children, obtained employment in the War Department when the call went out to the women of the country to come and take the places of men who had left to serve in the Army. While she was there she contracted tuberculosis and applied for admission to the Navy hospital. Under the rules and under the law they were obliged to deny admission to her. She picked up and went to Denver, Colo., where she is now. I have recently heard from her. The case just casually came to my notice. I am not interested in the lady in any way, but it occurred to me that she was almost if not quite as much entitled to admission to an Army or Navy hospital as though she were actually in the field when she contracted the disease. I trust that we shall not deny to the civilian employees of the Army and Navy admission to the Army and Navy hospitals.

Mr. WADSWORTH. May I ask the Senator from Montana a question relating to the bill? I have just examined it for the first time. It is true it is very short and simple. I notice that it permits the admission of civilian employees of the United States Government who have been stricken with tuberculosis into Army and Navy hospitals, so far as the capacity may allow, and also by an amendment into Public Health Service hospitals. As I recollect, the Public Health Service hospitals are essentially for civilians. It is true that at present they are largely filled with ex-soldiers; but they are civilians, nevertheless.

Mr. WALSH of Montana. My understanding is that most of the Public Health Service hospitals were originally erected for the care of seamen.

Mr. WADSWORTH. Yes; but under an amendment to the statutes a couple of years ago, or under war-time legislation, the Public Health Service is now charged, as I understand it, with the care of tuberculous patients who are discharged soldiers and discharged sailors. There must be additional capacity in those hospitals, and I am wondering if it would not meet the emergency which the Senator from Montana mentions if we confine this privilege to the Public Health Service hospitals and leave out the Army and Navy hospitals, which are for the treatment of military persons.

Mr. WALSH of Montana. I am not advised, of course, as to the capacity of the hospitals. My attention has not heretofore been called to this bill. I simply spoke of a case that came under my observation. But I desire to call attention to the fact that just as soon as one of these civilian employees is demonstrably tuberculous it becomes obviously the duty of the superintendent of the particular branch of the Government in which that person is employed to dismiss him or her from the service. The contamination would be disastrous as a matter of course. It is a most unfortunate situation, and if the disease were contracted in the service it does seem to me as though there were at least a moral obligation on the Government to take care of the patient.

Mr. WADSWORTH. Mr. President, I am in hearty sympathy with the contention of the Senator from Montana. I only had the thought in mind that from the administrative standpoint it is unwise to mingle civilian patients and military patients in an Army hospital, because an Army hospital has to be operated under military regulations, and certain disciplinary measures must always be enforced; and if there were room in the Public Health Service hospitals for the persons to whom the Senator from Montana refers, I think it would be wise to confine their admission to that kind of a hospital, which is essentially a civilian hospital.

Mr. WALSH of Montana. I am not able to give the Senator from New York any information on that point. I observe that the bill was reported by the Senator from Maryland [Mr. FRANCE], who doubtless will be able to give definite information on the subject.

Mr. FRANCE. I would say, if the Senator from New York will yield, that there is hardly a possibility of any civilian employees being placed in an Army or Navy hospital. In all probability such civilian employees would be placed in one of the Public Health Service hospitals.

Mr. WADSWORTH. That is where they ought to be placed.

Mr. FRANCE. But if there should be a vacant bed in an Army hospital or in an Army tuberculosis sanatorium, and there should be a civilian employee with tuberculosis, it seems to me that it would be very unwise to deprive that civilian employee of treatment simply because there happened to be no vacant bed in a Public Health Service hospital or sanatorium. In case of an emergency he could be placed in an Army or a Navy hospital, but in all probability that emergency would never arise.

Mr. WADSWORTH. I shall not object to the bill on that ground. I merely wanted to make the suggestion. I assume that the Senator from Maryland is correct.

Mr. FRANCE. I think it would be better to have the bill read in such a way that they would be admitted only to Public Health Service hospitals; and yet, in case of an emergency, it would seem to be justifiable to place even a civilian in an Army sanatorium for treatment for tuberculosis. I hope that there will be no objection to the passage of the bill.

Mr. WADSWORTH. I shall not object. I merely wanted to make that observation. I assume that the War Department and the Treasury Department will be sensible enough to keep civilians, so far as possible, in civilian hospitals.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill admitting civilian employees of the United States Government stricken with tuberculosis to Army and Navy and Public Health Service hospitals."

BILLS AND JOINT RESOLUTIONS PASSED OVER.

The bill (S. 2785) to provide aid from the United States for the several States in prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 76) for the investigation of influenza and allied diseases, in order to determine their cause and methods of prevention, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The joint resolution (S. J. Res. 51) directing the Court of Claims to investigate claims for damages growing out of the riot of United States negro soldiers at Houston, Tex., was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2672) to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel N. White, deceased, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

JOHN H. RHEINLANDER.

The bill (S. 1302) for the relief of John H. Rheinlander was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment in line 4 to strike out "$3,000" and insert "$1,200," so as to make the bill read:

Be it enacted, etc., That there be paid, out of any money in the Treasury not otherwise appropriated, the sum of $1,200 to John H. Rheinlander, of St. Louis, Mo., to compensate him in full for all claims he may have against the United States arising out of injuries received by him while in the Government employ in the Quartermaster Department, United States Army, at St. Louis, Mo., in February, 1883.

Mr. KING. Mr. President, I ask for the reading of the report.

The VICE PRESIDENT. The report will be read.

The Assistant Secretary read the report (No. 237) submitted by Mr. ROBINSON October 1, 1919, as follows:

The Committee on Claims, to whom was referred the bill (S. 1302) for the relief of John H. Rheinlander, having considered the same, report favorably thereon with an amendment, and as amended recommend that the bill do pass.

Your committee recommend the following amendment: In line 4, strike out the figures "$3,000" and insert in lieu thereof the figures "$1,200."

The facts in the case are fully set forth in House Report No. 1327, Sixty-second Congress, third session, which is appended hereto and made a part of this report.

[House Report No. 1327, Sixty-second Congress, third session.]

The Committee on Claims, to whom was referred the bill (H. R. 28049) for the relief of John H. Rheinlander, having considered the same, report thereon with a recommendation that it do pass with the following amendment:

In line 4 strike out the figures "$5,000" and insert in lieu thereof the figures "$1,200."

This is a claim for personal injuries. The claimant, John H. Rheinlander, was a former employee of the Government in the Quartermaster Department, United States Army, at the old St. Louis Arsenal, St. Louis, Mo., and on February 20, 1883, from the submitted affidavits, while taking a shipping order in the course of his employment from the office, he fell on the stone steps of the building, which were covered with snow and ice and in a dangerous condition, thereby sustaining injury which resulted in permanent lameness and other injuries to his knee and limb joints, necessitating several painful and expensive operations.

Mr. SMOOT. Mr. President, as I understand it, this claim is based upon an injury done to the claimant in 1883, and the claim is therefore 36 years old.

Mr. SPENCER. The injury was sustained in 1883. The claim has already been passed by the House at least once, if not twice. It is one of those claims which come to me by information. If the man had been injured by any private owner under the same circumstances, there would undoubtedly have been a liability in a much larger amount. The Government building was in a dangerous condition from snow and ice, and was left in that condition, and this man having been sent out upon his duties, slipped and fell. He was operated on many times, and is permanently crippled. It seemed to the committee that the claim was a perfectly fair one and that the Government ought, at least in some amount, limited by the amendment of the committee practically to a year's salary, to recognize the injury which he suffered without any fault of his own.

Mr. KING. I should like to ask the Senator a question. When was this claim for the first time presented to Congress?

Mr. SPENCER. My information is only general, but it is that it was presented soon after the injury occurred, and the injury occurred, as the Senator from Utah [Mr. SMOOT] well states, in 1883. The claim has been again and again before Congress. I do not know whether it has ever passed the Senate. I know that it has passed the House. It passed the House in the Sixty-second Congress the first time, which, of course, would be some 10 years ago.

Mr. SMOOT. I will say to the Senator that the report shows that it passed the House of Representatives in the Sixty-second Congress, third session, and that is the only time the claim has passed either the Senate or the House. There is nothing in the report to show when the claim was first presented to Congress. As stated by the Senator from Missouri the claim is quite a novelty, and, upon his statement, seems to be differentiated from other claims. These claims generally come to the Senate in this way: We have a host of claim agents here in the District of Columbia, and when they can not find through the press or Government publications some person who has a claim, directly or indirectly, against the United States, they take a summer vacation and go South, or go West, or to some other part of the country, and try to hunt up claims against the Government during their sojourn. Such claims are then brought here and presented to Congress. I doubt very much whether in one out of a hundred instances such as this, where the claim arises out of an occurrence 30 or 40 years before, the claimant himself ever thought he had a claim against the Government of the United States until some claim agent told him of it and offered to take the case and present it to Congress, and if he gets it through Congress, takes about 60 or 70 per cent of the amount received, the claimant receiving the balance. I do not say that this is such a claim.

Mr. SPENCER. Does the Senator from Utah indicate at all that any of that gruesome history is true of this case?

Mr. SMOOT. The Senator from Missouri did not hear what I said. I said that this may be differentiated from the general run of cases.

Mr. SPENCER. Then, so far as the Senator from Utah knows, what he states does not apply to this case?

Mr. SMOOT. As far as I know, Mr. President; but I would not say it did not until I had made an investigation.

Mr. WALSH of Montana. I wish to suggest to the Senator from Missouri [Mr. SPENCER] that he had better ask that the bill go over until he can secure some information that will enlighten the Senate as to why this claim has not received the consideration of the Senate before this time. If it comes up for consideration now I shall be obliged to vote against it. I do not see how I can vote to approve a claim for a personal injury suffered in the year 1883, barred, as a matter of course, by any statute of limitations that anybody ever thought of, unless some reason is advanced why it has thus long been deferred. The State of Missouri has been represented in all these years by able, industrious, and conscientious representatives in this body, and it does seem to me as though, if this claim is one that is entirely meritorious, they would have urged consideration of it long before this time. I would feel that no one could justify himself in voting in favor of a claim that is as old as this without some kind of information that is excusatory in character, explaining the long delay in the presentation of it.

Mr. SPENCER. Does it answer the Senator from Montana at all to say that, at least, in the Sixty-second Congress the bill was passed by the House, and is it not fair to say that with the usual expedition given to bills of this character it had been in the House long before then? I am not able to say to the Senator, but I shall be very glad to get the information if he wants to know when the bill was first presented to Congress, but I do know that it was presented many years ago, and that in the Sixty-second Congress it was passed by the House of Representatives.

Mr. WALSH of Montana. The Sixty-second Congress convened March 4, 1911, which would still make the claim almost barred.

Mr. SPENCER. Undoubtedly if it originated then there would still have been a long period of intermission between the accident and the introduction of the bill. I have no desire to press the bill. I will seek the information that the Senator desires. I ask that the bill may go over.

The VICE PRESIDENT. The bill will go over.

OWNERS OF STEAMER "TEXAS."

The bill (S. 1255) authorizing the Texas Co. to bring suit against the United States, was announced as next in order.

Mr. WALSH of Montana. I desire to inquire of the Senator from Texas [Mr. SHEPPARD] why we should legislate especially upon this particular subject. The United States has been operating a vast number of vessels of every character and description during the last two or three years, and I apprehend that collisions have been exceedingly numerous. It does seem to me that the matter ought to be taken care of by some general legislation.

Mr. SHEPPARD. The Navy Department is forbidden by law from considering claims amounting to over $500. This being a claim for more than that amount the only possible relief is through an act allowing the claimant to bring suit in a proper United States court in order to have the merits determined

there. I have before me several similar cases that have had similar treatment from the Senate, one of them being a bill that passed Congress in the Sixty-third Congress, second session.

I will say to the Senator from Montana that, in view of the facts I have mentioned, this has been made the subject of a special bill. All that Congress does is to permit a suit to be brought in a court of proper jurisdiction in order to determine whether there is a meritorious claim and whether the Government is responsible.

Mr. WALSH of Montana. I appreciate that, but that does not answer my question. The question is, Why should there not be some general legislation upon the subject so that we would not treat one claimant any differently from all claimants; that is, either refuse to give all claimants any redress, which would be entirely unjustifiable, or give them all the same redress?

Mr. SHEPPARD. I agree with the Senator.

Mr. WALSH of Montana. It is wrong to specially pick out one shipowner who suffered by reason of a collision and give him a right of action which we do not give to others.

Mr. SHEPPARD. We have given relief in this way to a number of those who have asked for it. This company appealed to the department at first for redress, and was told it could receive no consideration there under the law, and was referred to Congress, as other claimants have been referred to Congress.

I agree with the Senator from Montana that there ought to be general legislation. There is no general legislation, and the only method for relief is the method I have pursued. I have no particular interest in the matter.

Mr. WALSH of Montana. Would it not be quite appropriate to introduce a bill covering the whole subject rather than to reach it by special legislation?

Mr. SHEPPARD. I think the Senator's suggestion is an excellent one, but inasmuch as other bills have been passed allowing claimants to have their cases determined in court, I think it is fair to pass this bill, and then consider the advisability of some general legislation on the subject.

Mr. SMOOT. Mr. President, I was just wondering why W. A. Thompson, jr., vice president of the Texas Co., is making a claim against the United States, charging the Government at the rate of $2,116 a day for demurrage for loss of time for the steamer while under repairs. Three hundred and sixty-five days, at $2,116 a day, make $771,340. I take it for granted the Senator from Texas would not claim that this one steamer would have earned clear $771,340 per year.

Mr. SHEPPARD. I think the Senator is correct, and I do not think the court would sustain a claim of that kind. This is merely a statement of the claim as filed by the claimant. The whole matter is to be passed on under judicial procedure. The passage of the bill does not mean a recognition of the merit of the claim in any sense whatever.

Mr. SMOOT. The Senator is right in that, but what I had in mind was that, on the face of it, it is unreasonable and unjust when a claimant comes to Congress and asks to be allowed a claim in the form that it is to be referred to the United States courts to be decided whether the Government should pay it or not. He ought to come with clean hands. I do not believe that Mr. Thompson thinks for a moment that the one steamer that was damaged by the Government of the United States would earn a net profit of $771,340 in a year, which is the basis for the claim that they ask Congress to pass on to the courts of the United States.

Mr. SHEPPARD. I will say to the Senator that I am told that some of the vessels belonging to the United States Shipping Board have earned that much on one or two trips.

Mr. SMOOT. I think, then, that instead of trying to find out the profiteer who sells a pound of bacon a day or 2 pounds of sugar to a customer once a week, the Attorney General had better look after the profiteers along the line of the shipping interests.

Mr. SHEPPARD. The Senator will understand that I do not attempt to justify the claim in any respect whatever.

Mr. SMOOT. I recognize that, and perhaps I should not take the time of the Senate, but I do know that the claim upon its face is an unjust one. I can not say what the court would finally decide, but if I were in the company's place I would have made a fair claim and, as I said, come before the Congress of the United States with clean hands. Then, when I went before the court, if the Congress was willing to allow me that privilege, I would have undertaken to prove to the court that the statement I made to Congress upon which action was asked was a just and fair and reasonable claim.

Mr. SHEPPARD. I believe we can rely on the courts to do full justice in the matter.

The PRESIDING OFFICER (Mr. LENROOT in the chair). The bill is in Committee of the Whole and open to amendment.

Mr. WALSH of Montana. Mr. President, I move that the bill be referred to the Committee on the Judiciary, with instructions to inquire into the advisability of reporting a general bill upon the subject.

Mr. SHEPPARD. I have no objection whatever to that course and trust the motion will be agreed to.

The motion was agreed to.

CANADIAN CAR & FOUNDRY CO. (LTD.).

The bill (S. 413) for the relief of the Canadian Car & Foundry Co. (Ltd.) was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the agency of Canadian Car & Foundry Co. (Ltd.), the sum of $192,278.83, as a refund of import duties paid on certain materials to be manufactured in the United States for shipment abroad, but which were destroyed by fire.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COAL LANDS IN ALASKA.

The bill (S. 2189) to provide for agricultural entries on coal lands in Alaska was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That from and after the passage of this act homestead claims may be initiated by actual settlers for public lands of the United States in Alaska known to contain workable coal, oil, or gas deposits, or that may be valuable for the coal, oil, or gas contained therein, and which are not otherwise reserved or withdrawn, whenever such claim shall be initiated with a view of obtaining or passing title with a reservation to the United States of the coal, oil, or gas in such lands, and of the right to prospect for, mine, and remove the same; and any settler who has initiated a homestead claim in good faith on lands containing workable deposits of coal, oil, or gas, or that may be valuable for the coal, oil, or gas contained therein, may perfect the same under the provisions of the laws under which the claim was initiated, but shall receive the limited patent provided for in this act: *Provided, however*, That should it be discovered at any time prior to the issuance of a final certificate on any claim initiated for unreserved lands in Alaska that the lands are coal, oil, or gas in character, the patent issued on such entry shall contain the reservation required by this act.

SEC. 2. That upon satisfactory proof of full compliance with the provisions of the laws under which the entry is made and of this act the entryman shall be entitled to a patent to the lands entered by him, which patent shall contain a reservation to the United States of all the coal, oil, or gas in the land so patented, together with the right to prospect for, mine, and remove the same. The coal, oil, or gas deposits so reserved shall be subject to disposal by the United States in accordance with the provisions of the laws applicable to coal, oil, or gas deposits or coal, oil, or gas lands in Alaska in force at the time of such disposal. Any person qualified to acquire coal, oil, or gas deposits, or the right to mine and remove the coal or to drill for and remove the oil or gas under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by the provisions of this act, for the purpose of prospecting for coal, oil, or gas therein, upon the approval by the Secretary of the Interior of a bond or undertaking to be filed with him as security for the payment of all damages to the crops and improvements on such lands by reason of such prospecting. Any person who has acquired from the United States the coal, oil, or gas deposits in any such land, or the right to mine, drill for, or remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining and removal of the coal, oil, or gas therefrom, and mine and remove the coal or drill for and remove the oil or gas upon payment of the damages caused thereby to the owner thereof, or upon giving a good and sufficient bond or undertaking in an action instituted in any competent court to ascertain and fix said damages: *Provided*, That the owner under such limited patent shall have the right to mine the coal for use on the land for domestic purposes at any time prior to the disposal by the United States of the coal deposits: *Provided further*, That nothing in this act shall be construed as authorizing the exploration upon or entry of any coal deposits withdrawn from such exploration and purchase: *And provided further*, That nothing herein contained shall be held or construed to authorize the entry or disposition of withdrawn or classified coal lands or lands valuable for coal, oil, or gas under section 2306, United States Revised Statutes, or acts amendatory thereof or supplemental thereto, commonly known as soldiers' homestead law.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 2444) to create the commission on rural and urban home settlement was announced as next in order.

Mr. WALSH of Montana. On behalf of the Senator from Utah [Mr. KING] I object.

The PRESIDING OFFICER. It will be passed over.

The bill (S. 3201) fixing the salary of the district attorney for the eastern district of New York was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

RETIREMENT OF PUBLIC-SCHOOL TEACHERS IN THE DISTRICT.

The bill (H. R. 5818) for the retirement of public-school teachers in the District of Columbia was announced as next in order, and the Senate, as in Committee of the Whole, proceeded to its consideration.

The Assistant Secretary proceeded to read the bill.

Mr. JONES of New Mexico. Mr. President, I do not believe that a bill of this importance should be considered during the morning hour, and I object to its further consideration.

The PRESIDING OFFICER. The bill will be passed over.

Mr. SHERMAN. Mr. President, may I inquire what the objection of the Senator from New Mexico is to the consideration of the bill, and why he desires it now passed over?

Mr. JONES of New Mexico. The thought which I had was that a bill of this importance should not be considered during the morning hour. I do not believe that Senators will have an opportunity to give it that consideration which it deserves. The bill proposes to establish a new system which involves very fundamental principles, and it seems to me the bill ought to be considered in connection with the bill for the retirement of Federal employees.

Mr. SHERMAN. A bill practically identical to this passed the Sixty-fifth Congress in February, 1918, but failed to pass the other House. I greatly hope the Senator from New Mexico will not make any objection to its consideration now.

Mr. JONES of New Mexico. If the Senator from Illinois insists upon the present consideration of the bill and believes that it should be passed during the morning hour, personally I shall not stand in the way of such action.

Mr. SHERMAN. The similar bill to which I refer was discussed at some length in the Sixty-fifth Congress, and was then passed by the Senate. I do not believe there can be any objection to the bill if Senators will examine it.

Mr. JONES of New Mexico. In view of what the Senator says, if he wishes to have the bill taken up during the morning hour, I withdraw my objection.

Mr. SHERMAN. If there is any objection, I should like to develop what the objection is in the morning hour, so that if more time is needed than can now be given to its consideration the bill may be taken up on some future occasion.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. SMOOT. I should like to have the reading of the bill concluded. I have not had an opportunity as yet to read it.

The PRESIDING OFFICER. The Assistant Secretary will conclude the reading of the bill.

The Assistant Secretary resumed and concluded the reading of the bill, as follows:

Be it enacted, etc., That within 60 days after the passage of this act, there shall be deducted and withheld from the basic salary of every teacher in the public schools of the District of Columbia an amount computed to the nearest tenth of a dollar that will be sufficient, with interest thereon at 4 per cent per annum, compounded annually, to purchase, under the provisions of this act, an annuity equal to 1 per cent of his average annual basic salary received since the passage of public act No. 254, approved June 20, 1906, for each year of his whole term of service, payable monthly throughout life, for every such teacher who shall be retired as herein provided.

The deductions herein provided for shall be based on such annuity table as the Secretary of the Treasury shall direct, and shall be varied yearly to correspond to any change in the basic salary of the teacher: *Provided, however*, That said deductions shall in no case exceed 8 per cent of his annual basic salary: *And provided further*, That when the basic salary exceeds $1,500 the deductions shall be made as on a basic salary of $1,500.

The Secretary of the Treasury shall cause to be filed with the Board of Education on September 10 of each year a certificate showing the amount of deduction to be made from the salary of each teacher during the year, said deduction to be made in 10 equal amounts, one to be deducted each school month. A similar certificate shall be filed not later than the 15th day of each calendar month to cover cases of new entrants. No deduction shall be made from less than an entire month's salary.

SEC. 2. That the amount so deducted and withheld from the basic salary of every teacher shall be deposited in the Treasury of the United States, and shall be credited, together with interest at 4 per cent per annum, compounded annually, to an individual account of the teacher from whose salary the deduction is made. The fund thus created shall be held and invested by the Secretary of the Treasury until paid out as hereinafter provided, and the income derived from such investments shall constitute a part of said fund for the purpose of carrying out the provisions of this act.

SEC. 3. That any teacher who shall have reached the age of 62 may be retired by the Board of Education on its own motion, or shall be retired if application is made by the teacher. Any teacher who shall have reached the age of 70 shall be retired unless in the judgment of two-thirds of the Board of Education such teacher should be longer retained for the good of the service.

SEC. 4. That any teacher who shall have reached the age of 45, or who shall have taught continuously for 15 years in the public schools of the District of Columbia, and who by reason of accident or illness not due to vicious habits has become physically or mentally disabled and incapable of satisfactorily performing the duties of teacher, may be retired by the Board of Education under the provisions hereinafter stated.

SEC. 5. That following the passage of this act every teacher who shall be retired under the provisions of section 3 or section 4 hereof shall receive during the remainder of his life an annuity composed of (1) a sum equal to 1 per cent of his average basic salary received since the passage of public act No. 254, approved June 20, 1906, for each year of his whole term of service, and (2) an additional sum of $10 for each year of said service, such annuity to be payable monthly and to cease and determine at his death.

SEC. 6. That the annuity of a teacher retired under the provisions of section 3 hereof shall not be less than $480, and the annuity of a teacher retired under section 4 hereof shall not be less than $420.

SEC. 7. That the second part of the annuity provided for by section 5 hereof shall be paid by appropriations from the same fund as the current expenses of the District of Columbia are now paid or may hereafter be paid; and if the deductions from a teacher's salary made under section 1 and section 2 hereof with accumulated interest, shall be insufficient to pay the first part of the annuity provided for in section 5 hereof, the deficiency shall be paid by appropriations from the same fund as the current expenses of the District of Columbia are now paid or may hereafter be paid.

SEC. 8. That in computing length of service of retiring teachers credit shall be given, year for year, but not to exceed 10 years, for public-school service or its equivalent outside the District of Columbia.

No sum shall be paid to any teacher upon his retirement under the provisions of section 3 hereof unless he shall have been employed as a public-school teacher continuously in the District of Columbia from the time of his attainment of the age of 52 years.

No sum shall be paid to any teacher upon his retirement under the provisions of section 4 hereof unless he shall have been employed continuously as a teacher in the public schools of the District of Columbia for 10 years immediately prior to his retirement.

When the average basic salary exceeds $1,500, the first part of the annuity provided for in section 5 hereof shall be based on an average basic salary of $1,500.

SEC. 9. That upon separation of any teacher from the service of the public schools of the District of Columbia prior to the age of 62 years, except for disability, as provided in section 4 hereof, he shall receive the amount of his deductions, together with the interest then credited thereon, as provided in section 2 hereof.

No teacher who shall withdraw the amount of his deductions under this section shall, after reinstatement, be entitled to the benefits under section 6 unless he shall have served at least 10 years after such reinstatement. In case of his reinstatement in the service of the public schools of the District of Columbia, the monthly deductions thereafter from his salary shall be computed as herein provided and from his age at the date of such reinstatement.

SEC. 10. That in case of the death of a teacher while in the service, the amount of his deductions, together with the interest then credited thereon, as provided in section 2 hereof, shall be paid to his legal representatives.

In case of the death of an annuitant before he shall have received annuity payments equal to the amount of his deductions, together with the interest credited thereon as hereinbefore provided, the balance thereof remaining to his credit at the date of his death shall be paid to his legal representative.

SEC. 11. That the provisions of this act shall apply to all teachers who were on the rolls of the public schools of the District of Columbia for the month of June, 1919, if otherwise eligible.

SEC. 12. That every teacher who shall continue in the service of the public schools of the District of Columbia after the passage of this act, as well as every person who hereafter may be appointed to a position as teacher in the public schools of the District of Columbia, shall be deemed to consent and agree to the deductions made and provided for herein, and the salary, pay, or compensation, which may be paid monthly or at any other time, shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all services rendered by such teacher during the period covered by such payment, except his claim for the benefits to which he may be entitled under the provisions of this act, notwithstanding the provisions of said public act No. 254, approved June 20, 1906, and of any other law, rule, or regulation affecting the salary, pay, or compensation of the teachers employed in the service of the public schools of the District of Columbia.

SEC. 13. That nothing in this act shall be construed to prevent the discharge of any teacher at any time in the discretion of the Board of Education of the District of Columbia under the provisions of law.

SEC. 14. That the term "teacher" under this act shall include all teachers permanently employed by the board of education in the public day schools of the District of Columbia, including the superintendent of public schools, the assistant superintendents, all supervisors and directors of instruction, group principals, principals, special teachers, and librarians therein; the term "basic salary" shall be construed to mean the lowest salary of the class in which the teacher is placed; and whenever the pronoun "his" occurs in this act it shall be construed to mean both male and female teachers.

SEC. 15. That the Secretary of the Treasury shall prepare and keep all needful tables, records, and accounts required for carrying out the provisions of this act. The records to be kept shall include data showing the mortality experience of the teachers in the service of the public schools of the District of Columbia and the rate of withdrawal from such service, and any other information pertaining to such service that may be of value and may serve as a guide for future valuations and adjustments of the plan for the retirement of teachers. The Secretary of the Treasury shall make a detailed comparative report annually to Congress showing all receipts and disbursements under the provisions of this act, together with the total number of persons receiving annuities and the amounts paid them. And the Secretary of the Treasury shall have made every third year after the passage of this act an actuarial valuation of this retirement fund and the operation thereof, which shall show the financial condition of the fund, and shall report the findings of such investigation to Congress at the opening of the following session.

SEC. 16. That in order to carry out the provisions of this act during the fiscal years ending June 30, 1920, the sum of $50,000, including not more than $5,000 for clerical and other services and all other expenses, is hereby appropriated from the revenues of the District of Columbia and the Treasury of the United States in the proportion authorized by law. Thereafter the Secretary of the Treasury shall include in his annual estimate of appropriations a sum sufficient to carry out the provisions of this act. No officer or employee receiving a regular salary or compensation from the Government shall receive any additional salary or compensation for any service rendered in connection with the system of retiring teachers provided for by this act.

SEC. 17. That the Secretary of the Treasury is hereby authorized to perform, or cause to be performed, any or all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

SEC. 18. That none of the money mentioned in this act shall be assignable, either in law or equity, or be subject to execution or levy by attachment, garnishment, or other legal process.

SEC. 19. That the provisions of this act shall not apply to any teacher who receives an annuity from any State or municipality other than the District of Columbia.

Mr. MYERS. Mr. President, I will ask the Senator from Illinois if State legislatures generally throughout the country have enacted laws for the pensioning of teachers? Has that practice become general?

Mr. SHERMAN. Yes, sir; it has become almost general. Of the 48 States there are 35 which now have provisions for the retirement of teachers, and in most instances such legislation has contributory provisions, as is the case in the pending bill. The 35 States having such legislation include the larger States of the Union.

Mr. MYERS. How large a proportion of the expense does this bill provide that the teachers shall bear by their contributions?

Mr. SHERMAN. The initial expense to the Government as provided in the bill is $50,000. The expense to the Government increases year by year, until finally at the peak it amounts, I think, to $175,000 a year. I am, of course, quoting now entirely from memory. There is, however, a certain amount to be deducted from the annual basic salary of the teachers equal to a sum that will purchase a 4 per cent annuity compounded, computed similarly to annuities on life policies. The part contributed by the Government, or by the District of Columbia—which is the same thing, except as to the taxes paid by residents of the District—is an amount equal to $10 per annum of each year of service of the teacher. That will be contributed by the Government, or proportionately by the taxpayers of the District of Columbia, under the half-and-half plan, as taxes are collected at present. That will be the only contribution of the Government. It is purely a contributory plan. I myself do not believe in a plan that is wholly a pension to be derived from Government sources. I believe in its being divided between the beneficiary and the Government, either the District or the State, as the case may be.

This same bill, I wish to repeat, was passed by the Sixty-fifth Congress in February, 1918. It involved some discussion at that time, which was had on the floor, and resulted in its passage, as I have stated. The House did not reach the Senate bill in time to effect its passage. The House has now passed a bill and sent it to the Senate. What we are considering is a House bill, but it is practically the same bill that passed the Senate in the Sixty-fifth Congress. I regard it as a fair pension measure. It is contributory on the part of the teachers, and the entire force of teachers in the District, about 1,000 in number, will be the beneficiaries of the bill.

Mr. MYERS. Mr. President, on account of certain conditions which I understand exist in school circles here in the District, I am not in favor of the bill; but out of respect to the Senator from Illinois, who is in charge of it, I will not interpose an objection to its consideration at this time. If the Senators want to consider it at this time and pass it I shall not interpose, on my part, any arbitrary objection; but I am not in favor of the bill.

Mr. SMOOT. Mr. President, when the bill was introduced in the House an appropriation of $50,000 was made for all expenses up to and including June 30, 1920. Half of that time has elapsed, but no change whatever is made in the appropriation; and it seems to me that the appropriation ought to be cut down at least to $30,000, including not more than $3,000 for clerical and other services. I want to ask the Senator from Illinois if that would not be about right if $50,000 was sufficient when the bill was introduced?

Mr. SHERMAN. If the $50,000 is to be deemed an appropriation for the entire 12 months there ought to be a proportional abatement, but whatever surplus may remain will be carried over. It will not be spent.

Mr. SMOOT. Oh, there never will be any surplus. If there were an appropriation of $250,000 every dollar of it would be spent.

Mr. SHERMAN. I am quite well aware of the general truth of that statement, but this is not administered by the ordinary department; it is administered out of a fund, and the appropriations for clerical purposes are limited. I have no objection to reducing the amount for clerical purposes. The $50,000, if there is any part of it remaining unexpended, because of its being a fractional part of the year, will only be carried over to the teachers' fund. I have no objection.

Mr. SMOOT. I will say to the Senator that I think if he will read the provision he will see that it applies to the whole amount. The language is:

That in order to carry out the provisions of this act during the fiscal year ending June 30, 1920, the sum of $50,000 * * * is * * * appropriated.

I thought I would give more than half, strike out "$50,000" and insert "$30,000," and strike out "$5,000" and insert "$3,000."

Mr. SHERMAN. Rather than take any chance of delaying the bill upon that ground I will accept the amendment.

The PRESIDING OFFICER. The amendment of the Senator from Utah will be stated.

The ASSISTANT SECRETARY. On page 8, line 19, it is proposed to strike out "$50,000" and to insert in lieu thereof "$30,000." In the same line it is proposed to strike out "$5,000" and to insert in lieu thereof "$3,000."

The amendments were agreed to.

Mr. SMOOT. Now, I want to call the Senator's attention to page 2 of the bill, beginning with line 9, down to and including the word "month," in line 14. That part of the bill reads as follows:

The Secretary of the Treasury shall cause to be filed with the Board of Education on September 10 of each year a certificate showing the amount of deduction to be made from the salary of each teacher during the year, said deduction to be made in 10 equal amounts, 1 to be deducted each school month.

There may not be 10 school months; and in such a case how would the deductions be made?

Mr. SHERMAN. If the number of school months should change, the deductions must change correspondingly. If the school year should be extended to 11 months, the number of deductions would be 11, or if it should be reduced to 9, there would be a similar change.

Mr. SMOOT. No; it says:

Said deduction to be made in 10 equal amounts, 1 to be deducted each school month.

That means that there must be 10 payments made each year, and it means that 1 must be made in each of the school months. It necessarily follows that there must be 10 school months, and there must be 10 payments made. Now, if there are 10 payments to be made, and there are only 8 school months, it will not work at all. It seems to me the wording ought to be such that there will be no conflict or misunderstanding whatever.

Mr. SHERMAN. There will be no practical difficulty in the administration of the law under the existing language, because 10 school months has been the school year for many years; and if it should be changed, it can be taken care of by the Appropriations Committee when it is considering the bill providing the appropriations for the District of Columbia.

Mr. SMOOT. It could not be done unless the law were changed.

Mr. SHERMAN. The law could be changed each year. There is an annual appropriation bill for the District, providing the money out of which these payments are made; and if a change should be made in the 10 school months, the matter can be taken care of in an appropriation bill. If the school year should be changed by any change of existing law or any regulations of the board of education, that can be covered in the annual appropriation bill for the District.

Mr. WADSWORTH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I do.

Mr. WADSWORTH. Could not the difficulty be met by merely having the language changed so as to provide that the payments shall be made in equal installments, one in each school month?

Mr. SHERMAN. That would cover it. I have no objection to that.

Mr. SMOOT. Then there would be no conflict.

Mr. WADSWORTH. Just strike out the word "ten" and let it read "in equal payments."

Mr. SHERMAN. I have no objection to making that change.

Mr. SMOOT. Then the language would be:

Said deductions to be made in equal amounts, one to be deducted for each school month.

Mr. SHERMAN. Then it can be curtailed to 9 months or extended to 11. I have no objection.

The PRESIDING OFFICER. The Senator from New York offers an amendment, which will be stated.

The ASSISTANT SECRETARY. On line 13, page 2, it is proposed to strike out "ten" and, before the word "each," to insert the word "for," so that it will read:

Said deduction to be made in equal amounts, one to be deducted for each school month.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STERLING. Mr. President, I should simply like to ask the Senator from Illinois a question. There is a partial contribution to this retirement fund by the District of Columbia. I should like to know if the Senator has made an estimate of the amount which will be contributed by the District in any given

case showing what that contribution is in proportion to the contribution made to the fund by the teacher?

Mr. SHERMAN. The larger part, from 60 to 75 per cent, is the contribution by the teacher, withdrawn from the basic salary. Forty per cent or less is the contribution by the District, one-half of which comes from the Government and one-half from the assessed value of property in the District.

Mr. SMOOT. Mr. President, section 18 read as follows:

That none of the money mentioned in this act shall be assignable, either in law or equity, or be subject to execution or levy by attachment, garnishment, or other legal process.

Do I understand from the language of that provision that it means only the moneys that are paid by the school-teachers into this fund, or, after they are retired and the annuities are granted to them, that the amount that is paid to them annually thereafter under the provisions of the bill will be exempt from execution or levy by attachment, garnishment, or other legal process?

Mr. SHERMAN. It is all exempt, Mr. President, whether the contributory portion or the portion coming from the Government.

Mr. SMOOT. Does the Senator really think that is a good law?

Mr. SHERMAN. Yes, sir; I do. I am prepared to answer that question affirmatively. In the 35 States the invariable provision is that these funds are not subject to legal process, either of garnishment, attachment, or otherwise. The fund is made for the relief of the teachers, and it is very much in the nature of exempt property. That is in addition to the general provision that governmental funds are not subject to attachment. That would apply only to the part contributed by the Government, it is true; but in this instance it is an involuntary taking by the Government of a percentage equal in amount each year to the sum required to buy a 4 per cent annuity for the teacher, and I believe it ought to be regarded as in the nature of exempt property—not subject to attachment.

The majority of the teachers here are women. Most of the teachers in the District do not own homesteads. They have no $1,000 or $1,500 exemption of homesteads, as we have in the States, and $400 or $500 or more of personal property exempt, making from $1,400 to $2,500 in the States that is exempt from attachment or garnishment or the taking under process for the payment of debts. This is intended to be a substitute for the exemptions that apply under State laws, and I do not think it is unfair.

Mr. SMOOT. That would apply to just such cases as the Senator has spoken of, but a great number of the teachers here own their own homes. They have the same exemption from execution or levy by attachment or garnishment that any other citizen of the United States has. Under this provision not only are they allowed those exemptions, but they are also allowed an exemption from execution for all that they will have by way of annuity under the provisions of this bill.

I do not believe that legislation of that kind goes to make an honest man or an honest woman. If you exempt the wage of men and women entirely, so that no action can be taken against them, no garnishment or attachment made against what they may own, it has a tendency to make them careless; it has a tendency to make them in many cases dishonest; and I really think that when passing laws we should not extend the exemption more than it is extended to the general citizenship of the United States.

Of course, I am not going to make any captious objection to the bill, Mr. President, but I wanted at least to record my dissent to legislation of this character.

Mr. NELSON. Mr. President, the objection which the Senator from Utah [Mr. SMOOT] has raised to this provision does not cover the real point. We do not allow Government employees here in the departments to be garnisheed and brought into court, for the reason that we do not want the Federal Government hampered and bothered with a lot of judicial proceedings, where they have to put in an appearance in every case and defend; and we ought not to make the District government here subject to the same difficulty. If the wages of teachers are subject to garnishment and attachment, notices will be served on the District, and the District authorities will have to appear in court and answer in all those cases in some form or another. I think it has come to be the practice in most of the States of the Union, where a person is engaged in the public service, that either a large proportion of his salary is immune from any attachment or garnishment or else it is altogether exempt from such process. I think that the school-teachers, who, compared with other employees of the Government, are getting rather small salaries, ought not to be discriminated against any more than any other class of Government employees.

Mr. STERLING. If the Senator from Minnesota will allow me, is it not quite in accordance with the general practice that the Government, or a Government agency, may not be garnisheed, or the property of its employees in the hands of the Government attached?

Mr. NELSON. That is the general practice.

Mr. SMOOT. The Senator stated the position exactly correct when he said that the salaries paid by the Government of the United States are exempt from garnishment. We all recognize that fact. But this provision does not apply to the salaries which will be paid to persons while they are in the service. This is in reference to annuities, which go to them after they are out of the service.

Mr. NELSON. I want to say to the Senator that I would apply to those who receive annuities the same rule that we apply in the cases of soldiers. This is really a pension, and we do not want this small pension subject to garnishment or attachment any more than we do in the case of soldiers.

Mr. SHERMAN. The Secretary of the Treasury must administer both funds, and necessarily the Secretary would have to come into court and answer, as the Senator from Minnesota suggested.

Mr. SMOOT. I think there is quite a difference between a soldier and a teacher. But I am not going to discuss the question any further. I do not like this kind of legislation.

Mr. STERLING. Mr. President, I want to ask the Senator from Illinois [Mr. SHERMAN] whether there is any maximum sum provided in the bill.

Mr. SHERMAN. That is limited by the pay of the teacher; it shall be not less than $480, as provided on page 5, in section 6, and in the case of the annuity of a teacher retired under section 4, not less than $420. There is an automatic limitation according to the salary of the teacher. A teacher who had a salary of $2,500 would receive a larger retirement fund than one with a salary of $1,800. But it could not go beyond the automatic limitation fixed on the basis of the salary.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GRADE OF LIEUTENANT GENERAL.

The bill (S. 3224) relating to the creation in the Army of the United States of the grade of lieutenant general was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That in the Army of the United States the grade of lieutenant general is hereby revived, and the President is hereby authorized, in his discretion and by and with the advice and consent of the Senate, to appoint to said grade one general officer, who, within the United States, prior to the close of the recent war, rendered especially distinguished service, and two general officers, who, prior to the close of hostilities, especially distinguished themselves in command of field armies in the American Expeditionary Forces; and the officers appointed under the foregoing authorizations shall have the pay prescribed by section 24 of the act of Congress approved July 15, 1870, and such allowances as the President shall deem appropriate: *Provided*, That no more than three appointments to office shall be made under the terms of this act.

Mr. SMOOT. Will the Senator from New York explain the object of the bill and state who will be the beneficiaries under the proposed legislation?

Mr. WADSWORTH. The Senator will remember that Congress restored the grade of General of the Army and authorized the President to nominate one officer to that grade; that a nomination was sent to the Senate and confirmed, and as a result Gen. Pershing became General of the Army of the United States.

The Senator will also remember that shortly after the close of hostilities the President recommended not only that Gen. Pershing be given this rank, but also that the Chief of Staff be given the same rank, that is, General of the Army; but the Congress apparently decided that it would be wiser to have but one General of the Army, and it confined its action in that regard to extending the honor to Gen. Pershing. Although the act which restored the grade of general did not mention Gen. Pershing by name, of course it was understood that his name would be sent to the Senate for confirmation.

The question then arose as to what other rewards should be extended to the officers who had distinguished themselves in the war in our armed forces; and the Congress apparently having made up its mind that there should be but one General of the Army, the Committee on Military Affairs of the Senate, after a long discussion and a good deal of inquiry, came to the conclusion that there were some officers of the Army whose service had been so conspicuous and valuable to the country that they should be given the rank of lieutenant general of the Army. The committee made up its mind, further, that there were three such officers, one the Chief of Staff, Gen. March; the second, Gen. Liggett, who commanded the first army, and who made an

excellent reputation and name for himself as a commanding officer of a field army in the Argonne; and the third one, Gen. Bullard, who commanded the second field army in France. Gens. Liggett and Bullard were the only American officers who commanded field armies in the presence of the enemy prior to the close of hostilities. One other American officer, Gen. Dickman, commanded the third field army, but the third field army was not formed until after the armistice. It was the third field army that did service in the occupied German territory along the Rhine. That was commanded by Gen. Dickman. It is also remembered that Gen. Dickman has been proposed by the President as a permanent major general in the Army, and hence it may be said that his war-time record, which is an excellent one, is about to receive, if the Senate confirms his nomination, adequate recognition.

It might be remembered also that Gen. Harbord, who had a most distinguished record in the American Expeditionary Force, both as a fighting man in the famous Second Division and later as commander of the Services of Supply, has been nominated by the President as a major general in the Regular Army, and so it may be said that his services are about to receive adequate recognition.

But Gens. March, Liggett, and Bullard are the three officers whom the Committee on Military Affairs believe very sincerely should have this recognition and be made—if the President so wishes, of course—lieutenant generals. The Senator from Utah, and probably all Senators, are familiar in a general way with their services.

Mr. SMOOT. Yes; I will say to the Senator that I am; but I wanted some explanation, as the report furnishes no detailed information along the line of my inquiry.

I want to call attention, in line 2, page 2 of the bill, after the figures "1870," to the words "and such allowances as the President shall deem appropriate." Is not that rather a broad power granted to the President?

Mr. WADSWORTH. That would seem so, Mr. President; but that is the language which was used in old-time statutes which re-created the grade of lieutenant general and authorized the President to fill it by nomination, subject to confirmation by the Senate. As I recollect it, the laws governing the pay and allowances of the officers of the Army do not cover in detail certain classes of allowances in the grade of lieutenant general, I suppose, because that grade has been so seldom used. I think our lieutenant generals have been Gen. Grant, Gen. Sherman, and Gen. Sheridan. They later each became a general, as I remember it, or for a short time at least. The language which the Senator has quoted has been the language, as I recollect it, used in those separate bills passed years ago to re-create that grade in order to extend recognition to special officers. I may say to the Senator that it is really a very small matter. The allowances that might be made under that, I think we can feel sure, would not be extravagant and the power would not be abused by the President.

Mr. TRAMMELL. Mr. President, some six months ago I introduced in the Senate a bill providing for additional recognition and reward to the rank and file of the American Army. As yet I have heard of no favorable report upon that measure or any other measure of a similar character. Until Congress sees proper to give, as I see it, the proper recognition and reward to the rank and file of the Army, I propose to object to further promotions in rank and increase in compensation to higher officers. Therefore I object to the consideration of the bill at the present time.

The PRESIDING OFFICER. The bill will be passed over.

THE IRISH QUESTION.

The resolution (S. Res. 215) providing that whenever the United States becomes a member of the league of nations this Government should present to the council or the assembly of the league the state of affairs in Ireland and the right of its people to self-government was announced as next in order.

Mr. NELSON and Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The resolution will be passed over.

AMENDMENT OF THE JUDICIARY CODE.

The bill (S. 2692) to amend section 24 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, was announced as next in order.

The PRESIDING OFFICER. This bill was read and amended on November 3.

Mr. SMOOT. The Senator from Washington [Mr. POINDEXTER] desires to be heard upon the bill. He was called out of the Chamber just a little while ago, and stated he would return as quickly as possible, but if during his absence the bill was reached on the calendar, he wanted me to object to its consideration. Therefore, Mr. President, I object.

The PRESIDING OFFICER. The bill will be passed over.

STEPHEN A. WINCHELL.

The bill (S. 1374) for the relief of Stephen A. Winchell was announced as next in order.

Mr. THOMAS. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

PROMOTION OF AMERICANIZATION.

The bill (S. 3315) to promote Americanization by providing for cooperation with the several States in the education of non-English-speaking persons and the assimilation of foreign-born residents, and for other purposes, was announced as next in order.

Mr. KENYON. Mr. President, this bill could not be considered now, of course. I give notice that when we dispose of the Sterling bill I am going to move to take up this measure.

AMENDMENT OF FEDERAL FARM-LOAN ACT.

The bill (H. R. 9065) to amend sections 3, 8, 10, 12, and 21 of the act approved July 17, 1916, known as the Federal farm-loan act, was announced as next in order.

Mr. HENDERSON. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

SEDITIOUS ACTS AND UTTERANCES.

The bill (S. 3317) to prohibit and punish certain seditious acts against the Government of the United States, and to prohibit the use of the mails for the purpose of promoting such acts, was announced as next in order.

Mr. FRANCE. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

WATER-POWER DEVELOPMENT.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 3184.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved August 8, 1917, and for other purposes, which had been reported from the Committee on Commerce with amendments.

Mr. NELSON. I ask unanimous consent to dispense with the formal reading of the bill, and that the bill may be read for amendment, the committee amendments to be first disposed of.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Fletcher	Keyes	Pomerene
Borah	France	King	Sheppard
Brandegee	Gore	Kirby	Sherman
Calder	Gronna	Lenroot	Smith, Md.
Capper	Harding	McKellar	Smoot
Chamberlain	Harris	McNary	Spencer
Colt	Harrison	Nelson	Sterling
Culberson	Henderson	New	Sutherland
Curtis	Johnson, S. Dak.	Norris	Thomas
Dial	Jones, N. Mex.	Nugent	Trammell
Elkins	Kendrick	Phipps	Walsh, Mont.
Fernald	Kenyon	Pittman	

The PRESIDING OFFICER (Mr. FERNALD in the chair). Forty-seven Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absentees.

The reading clerk called the names of the absent Senators, and Mr. BANKHEAD and Mr. MCCUMBER answered to their names when called.

Mr. PAGE and Mr. RANSDELL entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. A quorum is present.

Mr. NELSON. Mr. President, before the Secretary proceeds to read the bill I desire to make a brief statement.

As is well known by Senators who are conversant with the subject, water-power construction has been at a standstill in the country for upward of 10 years. This has been mainly owing to the fact that we have had no appropriate legislation.

Under the river and harbor act of 1899 and also under the so-called dam or water-power act of 1906 it was provided that no right to construct dams across the navigable waters of the United States should be granted without the authority of Congress. Under those provisions the practice grew up of introducing separate bills in each case and passing them through the two Houses of Congress subject to the conditions of the act of 1906.

That was the status of the matter until 1908, when President Roosevelt sent a communication to the Committee on Commerce stating that he would approve of no water-power bills thereafter unless there was a provision for the payment of compensation or royalty to the United States for the use of the water. Afterwards the Committee on Commerce made a report adverse to that and two bills were subsequently passed, one known as the Rainy River bill and the other as the James River bill. The Rainy River dam was on the international boundary line between the United States and Canada. The James River dam was in the State of Missouri. President Roosevelt vetoed the two bills. Ever since that time there has been an embargo, I might say, on water-power legislation.

The main difference grew out of the fact that a majority of the House of Representatives concurred in the views of President Roosevelt; that is, that a royalty should be paid to the United States for the privilege of constructing dams on navigable streams.

In the Senate, however, a different view of the matter was taken. The majority of the Senate held the view that, aside from purposes of navigation, aside from the interests of commerce, as might be said, all other property rights in the waters of a stream belong to the respective States, and that the Federal Government ought not to charge compensation for what is State property and not Federal property; in other words, the majority of the Senate has consistently contended for the idea that the streams and rivers of the country were the property of the States in which they were situated, and that the Federal Government had control of those streams only to the extent that the interests of commerce and navigation demanded; that, aside from that, all other use and all other property in the waters belonged to the State or to riparian owners, as the case might be. Subsequently several bill—I do not recall exactly how many—were passed in the Senate, but failed of passage in the other House. Finally, in the Sixty-fourth Congress, the House of Representatives passed two bills; one bill, reported from the Committee on Public Lands, relating to water power on the lands of the Government, and the other bill, reported by the Committee on Interstate and Foreign Commerce, relating to water power on streams other than those running through public lands. Those two bill, however, were not concurred in by the Senate.

Matters remained in that condition until, in the Sixty-fifth Congress, the House of Representatives created a new committee—a water-power committee—composed of six members of the Committee on Public Lands, six members of the Committee on Agriculture, and six members of the Committee on Interstate and Foreign Commerce. That committee, after very extensive hearings, formulated a bill, which was passed by the House and came to the Senate.

In the meantime the Committee on Commerce of the Senate reported what was commonly known as the Shields bill, and, in the Senate, that bill was adopted as a substitute for the composite House bill to which I refer. In saying that the House bill was a "composite" bill, I might say it included what was really in the two other bills to which I have referred which were passed in the Sixty-fourth Congress. It included water power both on public lands and outside of public lands. As I have stated, in the Senate the Shields bill was adopted as a substitute for the House bill.

The bill then was sent to conference. There were six conferees on each side. On behalf of the Senate three of the conferees were from the Committee on Public Lands and three were from the Committee on Commerce. There were six members of the conference on the part of the other House, and I think they represented the three committees from which the original water power committee was created.

After an extended conference, the conferees finally agreed upon a water-power bill, mainly on the basis of the House bill; that is, the House bill was taken as a basis and a few amendments were made thereto. That was during the last session of the last Congress. The conference report on the bill was adopted by the House of Representatives, and undoubtedly it would have been adopted by the Senate if time had been given for its consideration, but it being near the close of the session there was a congested condition of legislation, an embargo on business, and it was found impossible to bring up the conference report for consideration in the Senate.

The bill now under consideration, except in two or three particulars, is substantially the same bill that was agreed to by the conference committee to which I have referred. There are two or three amendments which have been attached to the bill in the Senate; but aside from those, it is substantially the bill the conference report upon which was adopted by the House of Representatives.

Mr. KING. Mr. President, will the Senator from Minnesota permit an interruption?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. NELSON. Certainly.

Mr. KING. I have been very much interested in the statement which has just been made by the Senator from Minnesota. I have had no opportunity to examine the bill, and appreciating its great importance I desire full information as to its provisions. However, as I understand the Senator, this bill is a departure from the position which has been steadfastly maintained for years by the Senate and is an acceptance of the position which has been announced by the House of Representatives; and this bill, therefore, if I understand the Senator correctly, proceeds upon the theory that the States have no interest whatever in their waterways; that the Federal Government, under the power to control interstate commerce, may go into the States, may establish a most oppressive and bureaucratic system of licensing with respect to the use of the streams for power purposes; that every plant or mill that may be constructed along the banks of streams within the States are under the control of functionaries of the Federal Government; in other words, that the Government of the United States becomes a great landlord; that its hand will be oppressively laid upon the States; and the streams that flow down from the mountains within the State may not be used by the people within the States—by the riparian owners, or any other persons—until they come to some bureau here in Washington and get the O. K. of some Government clerk or some official and pay tribute to the Federal Government? Is that this bill?

Mr. NELSON. No; it is not altogether.

Mr. KING. In part?

Mr. NELSON. I want to call the attention of the Senator from Utah to section 27 of the bill, which provides:

> SEC. 27. That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

I will say further——

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Colorado?

Mr. NELSON. If the Senator from Colorado will allow me to complete my reply to the Senator from Utah, then I will yield, or if the Senator desires I will yield to him now.

Mr. THOMAS. I merely wish to say to the Senator that not the House only, but the Supreme Court of the United States in some recent decisions has emphasized the authority and jurisdiction of the Federal Government over these streams. I do not think that is good law, or at least I did not think so until the Supreme Court said it was; but, necessarily, I must accept what the Supreme Court of the United States declared to be the law on this and other subjects.

Mr. NELSON. I wish to say in answer to the Senator from Utah that the Committee on Commerce has reported an amendment, which he will find on pages 18 and 19 of the bill, providing that, in lieu of the compensation proposed by the House bill, the Federal Government shall only receive what I may call compensation for its administrative expenses; that is, for examining the plats, supervising the work, and for similar expenses to which it may be put in connection with water-power development; otherwise the Federal Government is not to receive any compensation.

The nearest the Supreme Court has come to rendering a decision along the line referred to by the Senator from Colorado is in a case relating to the use of water power—I do not remember the title of the case——

Mr. LENROOT. The Dunbar case.

Mr. NELSON. The Dunbar case.

Mr. THOMAS. That is the case I had in mind.

Mr. NELSON. If the Senator from Colorado will carefully examine that case, he will find, I think, that it is based on the act of Congress which assumed entire jurisdiction and

control over the stream involved, so that the case is not exactly an authority for what the Senator supposes it is. It simply carries out the provisions of a law enacted by Congress authorizing to be done what was done in that case, and expressly on that ground, as the Senator, I think, will see if he will examine the case.

Mr. President, I have only a few words more to say. The pending bill provides for the establishment of a water-power commission, consisting of the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of War. It provides also for a secretary to the commission, with a salary, according to the House bill, of $5,000. The Senate committee has increased that compensation to $6,000. The water-power commission thus created is given authority to act within the scope of the bill.

The bill provides, first, for what may be called temporary permits. For instance, if a person desires to investigate and consider the power capacities and possibilities of a given stream and desires time for preparation he may secure a permit for a period not exceeding three years. Before any dam or works for the development of water power can be constructed, however, either by the holder of a temporary permit or by anyone else, application must be made to the commission. In the event application is made, water-power rights can not be granted for a longer period than 50 years. The bill provides also for what is called recapture at the end of 50 years. The Government, upon giving notice or without notice, at the expiration of the period of the permit can take back the property, in which event the bill provides the manner in which the compensation shall be liquidated.

There are many other provisions of the bill, but they are all practically the same as in the original bill to which I have referred, and I do not care about discussing them at this time.

The chief amendment reported by the committee is in reference to the compensation for the use of water. The Supreme Court of the United States held some years ago in a New Jersey case, and ever since has held consistently, to the doctrine that the property rights in navigable waters and streams within the boundaries of the States are in the respective States, or, as the case may be, in the riparian owners, and that the only interest the Federal Government has in any such streams is for the purpose of conserving, protecting, and controlling navigation.

It has said that inasmuch as an applicant is obliged to go to the Government to secure a license or permit to build a dam the Government should have a right to exact full compensation for the use of the water. In one sense we are at the mercy of the Government; but it is wholly inequitable and unjust to compel parties who are building dams with their own money and without expense to the Government to pay compensation to the Federal Government for property that belongs to a State. I think that view of the case has been amply sustained by the decisions of the Supreme Court, and the only answer I have heard to it is that as it is necessary to go to the Government to get a license or permit the Government, therefore, has a right to say on what terms it will grant the permit.

The chief amendment which the Committee on Commerce made in the bill is to carry out the views that the majority of the Senate have held in these matters heretofore; namely, that aside from the expenses to which the Government is put in the matter of examining and investigating the plans and supervising the work and getting compensation for that, the Government is not entitled to any other and further consideration.

This is all I care to say at the present time in reference to the bill. As we go on, I shall try to answer questions as far as I can.

Mr. KING. Mr. President, will the Senator permit a question?

Mr. NELSON. Yes, sir.

Mr. KING. I am not able to see by what authority the Federal Government, under the interstate-commerce clause of the Constitution, claims the right to go into the States and supervise the construction of dams, and to exact licenses and permits from those who may enter upon streams and utilize the power that may be developed and construct dams therein. It seems to me, if the Senator will pardon me, that the correct and the proper view to take is that if a stream should be entered upon by an individual, under the authority of the State, in such manner that navigation was interfered with, the Federal Government by proper proceedings could have the dam and obstruction abated as a nuisance. It seems to me, however, that for the Federal Government to pass laws embracing the features which I understand from the statement of the Senator this bill provides, authorizing the Federal Government to go into the States and exact licenses of individuals before they may construct a mill upon a stream which may be a long distance from a navigable stream or, indeed, upon a navigable stream, and giving the Federal Government the power of a proprietor or constituting it a sort of a landlord, is inconsistent with our theory of government and destructive of the rights of the States.

I can not understand the justification of legislation of this character.

Mr. NELSON. That has been the contention in both Houses of Congress. The majority of the House has heretofore invariably taken the view that Congress had a right to exact full compensation. A majority of the Senate has taken the other view. There has been a small minority here in the Senate heretofore that has concurred in the views of President Roosevelt and in the view of the minority of the House.

I want to say, in addition, what I omitted to say before. The Senator is aware that there are two general rules in this country in reference to the rights of riparian owners. In the Eastern States and most of the Middle Western States—in fact, in most of the States east of the Rocky Mountains—the principles of the common law prevail as to the use of the water in streams. The fundamental principle of the common law is that each riparian owner is entitled to the use of the water in the stream as it would be in its natural condition, and that no man either above or below him has a right to divert the water in such a way as to deprive the riparian owner of the use of that water. It is also held that if there are two owners, one on each side of the stream, the rights of each one extend to the middle or the thread of the stream.

In the mountain States, the mining States, and in the arid States a different view prevails in reference to the use of water power. There the doctrine of what is commonly called prior appropriation prevails. In some cases it is very radical. In some cases—I think in California and perhaps in one or two other States—there is a modification of it; but, after all, in nearly all of those cases the right to the use of the water is conferred on the first appropriator, subject to certain rights in reference to domestic use, and so forth.

I remember one remarkable case from Arizona as illustrative of the extreme view of that doctrine, where a man had taken water from a stream and run it over the land of the riparian owner, run it back for a good many miles beyond him, and used the water to such an extent that it left nothing for the riparian owner. The courts in the Arizona case held that the man who first appropriated the use of the water, being the first man to use it, was entitled to the use of the water, even though he was remote from the riparian owner, and even though the ditch ran across the land of the riparian owner.

But these questions to which I refer perhaps are not strictly germane to this bill. So far as irrigation is concerned, and so far as the use of water for domestic purposes is concerned, the bill saves to the States all the rights that they have under their State legislation.

There are two classes of dams. Where a dam is constructed by the Federal Government for purposes of navigation, and there is a surplus power to be disposed of that ought to be utilized, in that case the Federal Government having constructed the dam, and by the construction of it having created a water power, manifestly the Government is entitled to full compensation for the use of that power. But where the Government has simply issued a license to a man, giving him permission to build a dam with his own money, his own capital, his own resources; in that case I have always believed, and that has been the view of the majority of the Senate, that the Government is not fairly and equitably entitled to any pay for the use of the water. If any compensation is to be made for the use of the water, it belongs to the States or to the riparian owners.

Here is another element which, to my mind, enters into this question: Whatever cost you add to it, whatever cost you make the licensee pay, will be added to the cost of the power developed, and will be ultimately borne by the consumer. The bigger the compensation you exact the higher will be the charge to the consumer for the use of the power. That is inevitable. Now, if the Federal Government only charges for the expenses of what I call the administration of the matter, the expenses to which it is put in connection with the approval of the plans for the construction of the dam and seeing that all the conditions are complied with, and the State sees fit not to charge anything, it will enable the company to furnish the power to the consumers at a much lower rate.

Mr. President, if you will read the decisions of our Supreme Court on this question, there is no doubt at all but that you will come to the conclusion that outside of the purposes of navi-

gation or commerce, to use the broad term, every other use of the water, every other property in the water in a stream, belongs to the respective States, or in some cases to the riparian owners. The question now before the Senate, and the main question, I take it, in connection with this bill, is upon this amendment reported by the committee.

Mr. President, I shall take up the time of the Senate no further. I shall be glad to answer questions as they occur in the course of the reading of the bill.

Let the reading be proceeded with.

Mr. LENROOT. Mr. President, before the reading of the bill begins I desire to make some general observations.

First, I wish to say to the distinguished Senator from Minnesota that important as is the amendment that he speaks of, relating to compensation, it is by no means the most important amendment that the committee has reported to this bill. It is by no means the most vicious amendment that the committee has reported to this bill. The amendment that is most important from the public standpoint is the one changing the license under the bill from a 50-year license to a perpetual license, a license that runs on forever, unless the Government itself takes over the property, which I shall be able to show is made practically impossible by the terms of the bill.

The importance of water-power development we all realize. There has been an issue between the House and the Senate for many, many years upon what should constitute a proper water-power policy; and for many years as a Member of the House I was quite active in connection with this legislation in defending as best I could the policy that the House undertook to establish and to which the Senate during all those years never would agree. At the last session of Congress, however, the conferees finally did get together and in the main adopted the policy with reference to water-power legislation that the House had asserted, and it was embodied in the conference report. But this bill, as reported by the Senate committee, in its essential features, so far as the protection of the public interest is concerned, differs as widely from the conference bill that was agreed to by the Senate conferees as night differs from day.

Mr. President, it is estimated that the potential water-power possibilities of this country that could readily find a market if properly developed range anywhere from twenty-five to fifty million horsepower. There are a little over 6,000,000 horsepower developed now; and, of course, whatever may be our views as to the proper policy to be adopted, all of us ought to agree that we should find some means for the development of this water power to save the coal resources and oil resources of our country, so that this power may be developed and used in the public interest; but we also agree that no legislation should be enacted that offers to water-power capitalists greater inducements than are necessary to procure water-power development. The conference bill agreed upon at the last session was one that the water-power financial interests of this country were anxious to have adopted, and they signified their belief that under the provisions of that bill sufficient money could be raised in the United States to develop the water power of this country and save all else for the interest of the public. In the face of that, however, the Senate committee has reported this bill, which, in place of a flat 50-year franchise, as was agreed upon in the conference report, contains an amendment that will give to these water-power interests a perpetual franchise, a little bit concealed in the bill, it is true, but it is there nevertheless.

Mr. FLETCHER. If the Senator will refer to section 6 he will find that it reads:

That licenses under this act shall be issued for a period not exceeding 50 years.

Mr. LENROOT. Yes.

Mr. FLETCHER. Does not that meet the objection the Senator is urging?

Mr. LENROOT. It certainly does not. That is the way the Senator from Wisconsin wants it, but if the Senator will turn to page 26, the proviso beginning with line 17, he will find that that is nullified and negatived. The language is, as the Senate committee proposes to amend it—

That in the event the United States does not exercise the right to take over or does not tender a new license on reasonable terms to the original or a new licensee—

Now mark—

which is accepted, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license until the property is taken over or a new license is issued.

Mr. FLETCHER. I will ask the Senator just one other question. The bill as it came from the House is in accordance with the conference report of the last Congress?

Mr. LENROOT. It is.

Mr. FLETCHER. And it is the Senate amendment to that bill which the Senator from Wisconsin contends deviates from that report?

Mr. LENROOT. Yes.

Mr. NORRIS. If I understand the Senator's construction of the bill, one of two things must happen in order to terminate a lease: First, the Government of the United States must take it over, or the new lease must be satisfactory to the lessee.

Mr. LENROOT. Exactly; and if it is not satisfactory, all they need to say is, "We do not like the lease that you have tendered us and we will not accept it"; and then they are entitled to an annual renewal of their old franchise so long as time shall run.

Mr. NORRIS. So the result would be that the lessee would never accept the new lease unless it was something that gave him better terms than he had under the old lease.

Mr. LENROOT. Of course, he would never accept a new license unless its terms were more liberal to him than the license which is issued under this law. I want to know whether any Senator is going to stand upon this floor and justify that amendment. Let me read it again:

That in the event the United States does not exercise the right to take over or does not tender a new license on reasonable terms to the original or a new licensee which is accepted, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license until the property is taken over or a new license is issued.

If the Senate adopts that amendment, the insertion of those three words, "which is accepted," will change the bill from the grant of a 50-year franchise to a grant of a perpetual franchise, something that the water-power interests themselves did not ask at the last session of Congress, and to my knowledge now some of the water-power interests that I know to be legitimate are not asking it to-day. Who, then, is asking it, and what is the purpose of the committee in granting a perpetual franchise when there is no legitimate investor that I know of that is asking it?

Mr. CHAMBERLAIN. Mr. President——

The PRESIDING OFFICER (Mr. PHIPPS in the chair). Does the Senator from Wisconsin yield to the Senator from Oregon?

Mr. LENROOT. I yield to the Senator.

Mr. CHAMBERLAIN. I desire to ask the Senator if he does not construe the last words in the amendment which he read a while ago as a modification of the so-called perpetual clause into an annual leasing?

Mr. LENROOT. Yes; but in its effect it is an annual leasing. It goes on from year to year.

Mr. CHAMBERLAIN. But with the right to the Government at any time within any year to proceed to take it over.

Mr. LENROOT. Certainly. But it is rather a curious fact that while it is asserted that that is a substantial right to the Government, it is usually asserted by the very gentlemen who say that anything of that kind savors of socialism, and they would be opposed to it under any circumstances. I will be able to show a little later that while the right does exist for the Government to take over under what is known as the "recapture clause" under a provision in the bill, which is also found in the House bill, it will be impossible for the Government to take it over in the vast majority of cases without paying a great deal more than the net investment of the licensee in the property or the value of the property that is taken over.

I am not going to discuss that at length now. I am only making some general observations concerning the amendments that have been proposed by the Senate committee, which have changed the bill from a bill in the public interest to a bill that is clearly against the public interest and in the interest of private capital, irrespective of the public interest.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LENROOT. I yield to the Senator.

Mr. NELSON. I think the Senator is entirely in error when he says we have made this a perpetual and continuing lease. That was exactly what was done in the conference report. Let me read it to the Senator. I have here the conference report, which states:

SEC. 15. Provided that in the event the United States does not exercise the right to take over and does not issue a new license to the original or a new licensee, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original lease until the property is taken over or a new license is issued as aforesaid.

Now, let me compare that with the language here:

That in the event the United States does not exercise the right to take over or does not tender a new license on reasonable terms to the original or a new licensee which is accepted—

And, of course, any license which is not accepted would be of no account—

then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license.

In other words, if the time has expired and the Government fails to recapture the property, and there is not a new lease made, the lease is continued from year to year. That was the provision in the conference report and that is the provision in this bill.

Mr. LENROOT. May I just ask the Senator, if he is so sure of that, why the committee—and I am a member of it—offered this amendment, to insert the words "which is accepted"?

Mr. NELSON. That has nothing to do with it. That is with reference to a renewal of the lease under the original license. It does not refer to the lease from year to year. If the Government does not take over the property, it has a right to lease it again. But, of course, no lessee will take it unless he accepts it. That is inevitable. Those words are simply surplusage.

Mr. LENROOT. Then the Senator will not object to the amendment not being agreed to, I take it?

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. LENROOT. No; I want to ask the Senator from Minnesota a question in reference to what he said.

Mr. NELSON. The Senator has made the statement that because the original lease can be renewed from year to year that is robbing the Government and continuing a perpetual lease, when it is exactly what was in the conference report.

Mr. LENROOT. In the first place, it is not, because the clause "which is accepted" is a Senate committee amendment.

Mr. NELSON. No; let me read it.

Mr. LENROOT. I am familiar with it. The words "which is accepted" are not in the conference report.

Mr. NELSON. It reads:

Provided, That in the event the United States does not exercise the right to take over and does not issue a new license to the original or a new licensee, then the commission shall issue from year to year a new license to the then licensee under the terms and conditions of the original lease.

If there could be a perpetual lease under this bill, there could be under the conference report that I have just quoted.

Mr. LENROOT. Will the Senator inform the Senate what the purpose of the committee was in offering as an amendment the words "which is accepted"?

Mr. NELSON. No lease can be valid unless accepted. You can not force a lessee to take a new lease unless he accepts it. That is implied in every license.

Mr. LENROOT. Then is it the Senator's position that until the original licensee accepts a new lease he is entitled to a lease from year to year?

Mr. NELSON. Now, here is the alternative——

Mr. LENROOT. Will not the Senator answer the question?

Mr. NELSON. The Senator is again misconstruing the bill. It reads:

That in the event the United States does not exercise the right to take over—

That is one provision. Then it proceeds:

Or does not tender a new license on reasonable terms to the original or a new licensee which is accepted.

There are two cases. In case the United States does not exercise the right to take over the United States will continue the license from year to year. There are two cases provided for in that provision, and it is not open to the objection the Senator from Wisconsin makes to it.

Mr. LENROOT. Let us see whether it is or not. If the Government does not take it over, then under that language is not the licensee entitled to a renewal from year to year?

Mr. NELSON. Exactly. That is what I said. That is the provision in the original conference report, and the Senator will not state that that was not provided for in the original conference report.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LENROOT. I yield.

Mr. WALSH of Montana. I should like to ask the Senator from Wisconsin if he will permit the Senator from Minnesota [Mr. NELSON] to respond to a question that I desire to address to him, namely, Will the Senator from Minnesota tell the Senate just exactly what is the purpose of the amendment proposed by the committee? In other words, will not the Senator tell us what the difference in meaning is between the original and the text as it is amended? What was the change which the committee intended to accomplish?

Mr. NELSON. I am unable to state of my own knowledge. I was present with the committee, but it was not an amendment offered by myself. The Senator from Wisconsin [Mr. LENROOT] was present, I think, at the time.

Mr. LENROOT. No; I was not present.

Mr. FLETCHER. Mr. President——

Mr. NELSON. And the Senator from Florida, I think, was present.

Mr. FLETCHER. The idea seems to have been, and I think it is a very reasonable and proper idea, that where the Government fails or refuses to take the property over it is not advisable that it shall go to waste, that it shall absolutely disappear, that the public shall be deprived of the power which has been generated there and actually put in use. The Government ought either to take it over or issue another license. The bill provides for that. All the Government has to do is to take it over at the end of the 50-year period.

Mr. WALSH of Montana. Or issue a new license.

Mr. FLETCHER. If it does not want to do that for any reason, then it ought to issue a new license, so that the improvement may be of some advantage and use, so that it shall not go to waste and be dissipated and the power be unutilized. The other provision is that a new license shall issue to the original licensee. But suppose the original licensee does not want it, that he is not, we will say, in a position to carry on the enterprise, and a new licensee says, "I will take it." This bill provided originally that the Government should say to some new licensee, "We will give you this same contract that we had. We will extend this same license, this same permit."

Suppose the new licensee does nothing. Suppose he simply sits idle and does not obligate himself to carry on the work, or to continue the industry or the development, or utilize the power, but simply sits by and does nothing. We thought it well enough to put in here a provision that would oblige him to do something by compelling him to accept that.

Mr. LENROOT. Will the Senator yield?

Mr. FLETCHER. Certainly.

Mr. LENROOT. The words "which is accepted" apply to the original licensee.

Mr. FLETCHER. I do not think they do.

Mr. LENROOT. As well as to the new licensee.

Mr. FLETCHER. I do not think so.

Mr. LENROOT. Why, language could not be plainer.

Mr. FLETCHER. It says "a new license on reasonable terms to the original or a new licensee which is accepted." The word "license" as written in the bill probably ought to be "licensee." It appears here as "license."

Mr. LENROOT. It should be "licensee."

Mr. FLETCHER. I presume it should be "licensee." The idea was to put the proposition into definite shape where the parties undertaking to continue the enterprise would agree to do it, and not merely issue them a permit which they might or might not exercise and take advantage of.

Mr. LENROOT. Will the Senator permit me to ask him a question?

Mr. FLETCHER. So we put it in the bill that the Government must take over the property first, or else if it does not see fit to take over the property it must see to it that the property is utilized in some way by entering into a contract which is accepted by the party, and that means that the party accepting the contract, whether the original licensee or the new licensee, is bound to do something. He is obligated to do something if he accepts it. If he does not accept it he would not be bound to do anything.

Mr. LENROOT. Will the Senator let me ask him a question? If the Government does not take it over, if it does not issue a new license to a new licensee and if the original licensee does not accept the new license, what is the situation?

Mr. FLETCHER. In that situation, then, it goes on under the original issue. He is entitled then to have——

Mr. LENROOT. A year-to-year license.

Mr. FLETCHER. Yes; under the original terms.

Mr. LENROOT. That is what I have been contending all along. Now, the Senator and I have the same construction and he adopts the perpetual license I spoke of.

Mr. FLETCHER. No; I think not. I think the words "which is accepted" apply not only to the original licensee but to the new licensee.

Mr. LENROOT. Oh, yes; they do.

Mr. FLETCHER. Therefore the words are worth while. It may not vitally matter, but the words are worth while, because the new licensee might step in and the Government might say, "You do not want to continue, so we will find a man who will and we will issue a permit to him." We say, "You can not do that unless you bind the new licensee himself to do something." He

does that when he accepts the new license, not merely sitting there and having one issued to him without actually agreeing to the terms of it.

Mr. LENROOT. The Senator has apparently quite agreed with me that if the Government does not take over the property and does not issue a new license to the new licensee and if the original licensee refuses to accept the new license, then he is entitled to go on under his original license from year to year for all time. I want to ask the Senator if he is in favor of that kind of legislation?

Mr. FLETCHER. I am, because I think——

Mr. LENROOT. Very well; I have the Senator's answer.

Mr. FLETCHER. I will say to the Senator, by way of a full answer to his question, that I am, because I think it is the business of the Government and that the obligation rests upon the Government to a certain extent in the public interest to either cancel the license or issue another one.

Mr. LENROOT. But it can not cancel the license. That is the trouble. How can it cancel it or take it away without paying for it in full not only for the time but all time thereafter?

Mr. FLETCHER. It can take it over. I think the Government ought to take over the property——

Mr. LENROOT. Is the Senator in favor of having the Government acquire all the water power and transportation lines in the country and operating them under Government ownership?

Mr. FLETCHER. No; I will not say that.

Mr. LENROOT. But that is where the position of the Senator brings him to.

Mr. FLETCHER. Not at all, because the obligation of the Congress, it seems to me, is to put this great industry in such position that the public will get benefit from it and that it can not be paralyzed and dissipated merely because the Government, through its officials, fails to do that which it should do. We want to say in the bill that the commission must act, not that they may sit idle and let time go by and pay no attention to these great enterprises all over the country. They must do something.

Mr. LENROOT. Oh, of course, nobody is objecting to that, but the Senator wants the licensee to be in a position where he does not have to do anything, and if he sits still and does nothing that goes on forever under his original license. That is the position of the Senator——

Mr. FLETCHER. For a definite time.

Mr. LENROOT. No; an indefinite time—from year to year. I want to say to the Senator very frankly, because I appreciate the position he has taken, that if the Senate adopts these amendments and the House should concur in them the bill will never become a law. I know the bill would be vetoed with any such provision in it.

Mr. CHAMBERLAIN. Mr. President, may I ask the Senator from Wisconsin a question?

Mr. LENROOT. I yield to the Senator from Oregon.

Mr. CHAMBERLAIN. May I say to the Senator from Wisconsin that I feel as he does about this matter? I would oppose anything like a perpetual license; but assuming that at the end of the 50-year term under the law as the Senator would have it nothing was done either by the Government or by the licensee, what would happen? Would the lease ex vi termini cease?

Mr. LENROOT. Under the language as I would like to see it it is provided that unless the Government takes it over or gives it to a new licensee under the terms of the bill with full compensation they then must tender a new license to the licensee, and if they do not, then they are entitled from year to year to a license until they do.

Mr. CHAMBERLAIN. Under the Senator's contention?

Mr. LENROOT. Yes.

Mr. CHAMBERLAIN. It did seem to me, in reading the provision to which the Senator objects, that it had the effect of enabling the Government, in case of laches on the part of its officials, to proceed within the first year by renewing the license for a year, and if it did not do that within the year of the second lease, then they could proceed. In other words, it seems to me this is a case of the Government simply attempting deliberately to recapture the property at any time.

Mr. LENROOT. I do not object to that feature; in fact, I am in favor of it, but I do not want a vested right in the licensee to refuse to accept a new license, and thus get a perpetual license under the nominal right of an annual licensee from year to year.

Mr. WALSH of Montana. Mr. President——

Mr. FLETCHER. Do I understand the Senator prefers the committee amendment in that it uses the word "tender" in line 19 instead of the word "issue"?

Mr. LENROOT. Yes.

Mr. FLETCHER. The Senator prefers that?

Mr. LENROOT. Yes. At this point I might as well say that I stated that the conference report was a flat 50-year franchise or right. Senators will remember the circumstances under which the report was made to the Senate and why it was not brought up, but when the conference report was made I did object to the use of the word "issue." I talked with nearly all the conferees and they insisted that the word "issue" in this respect and the word "tender" were synonymous terms. The water-power interests that were looking after their side of it also took the same position. I took such opportunity as I then had to ascertain the legal definition of the word "issue," and I confess that it was somewhat in doubt; but, merely to remove any doubt, I myself proposed the amendment in committee that the word "issue" should be changed to "tender." If that is done and the words "which is accepted" are not adopted as a Senate amendment, the provision will fully protect the public interests in so far as the terms of the licensee are concerned.

I now yield to the Senator from Montana.

Mr. WALSH of Montana. I regret exceedingly that the committee thought it wise by the introduction of the proposed amendment to precipitate again the controversy which has waged between the two Houses for a long period of time and arrest this much-needed legislation. I want to say, however, that I can not think that the amendment proposed reaches the condition suggested by the Senator from Florida [Mr. FLETCHER]. I likewise feel that the Senator from Wisconsin [Mr. LENROOT] is not quite right in saying that this would establish a perpetual license, because the license only runs from year to year, with the right in the commission to issue a new license at any time.

Mr. LENROOT. But it must be accepted by the licensee?

Mr. WALSH of Montana. Yes; but that is only in case it is not accepted. The license goes from year to year, but with power in the commission to issue a new license to some one else at any time; so it can not be considered as a perpetual license.

Mr. LENROOT. It is a perpetual license unless the property is taken over and paid for.

Mr. WALSH of Montana. Or unless another license is given to some one else.

Mr. LENROOT. Then it must be taken over and paid for.

Mr. WALSH of Montana. Of course; by the new licensee. Of course, some provision should be made for the case of the expiration of a license when the Government does not desire to take it over and no one else wants a new license. That condition should be taken care of, and some provision should be made for it.

Mr. LENROOT. If the proviso of the Senate committee amendment is adopted it will then require the tender of a new license to be made to the original licensee, and if the tender is not made he will be entitled to a license from year to year under the original license grant. There is more than a mere matter of form in connection with this. Why should not the Government be free in this regard? The Government ought to be free at the end of the 50-year term to deal in a given case according as the circumstances of that case may exist at the end of 50 years. Fifty years is a long time.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield further to the Senator from Montana?

Mr. LENROOT. Certainly.

Mr. WALSH of Montana. Why should not the commission be required at the expiration of the period to tender? That would solve the situation. Why should it be left to their option to tender a new lease?

Mr. LENROOT. That is the effect, because they are entitled to an annual license, unless they do tender a new one. There is no objection to that. That would bring the tender of a new license, of course, but the difficulty is that the licensee may refuse to accept it, and of course he will refuse to accept it in every instance where the terms of the new license are less liberal than the terms of the original license.

Mr. WALSH of Montana. That, of course, is quite obvious.

Mr. LENROOT. The only case under the language of the proposed amendment where the licensee would accept the new license is where the new license was against the public interest and in his favor more than the original license.

Mr. WALSH of Montana. Let me inquire of the Senator whether that is exactly right? A license is tendered to him by the commission very much more onerous than the original license, and he declines to accept it. Under the proposed amendment he would be entitled to a lease only from year to year, but it would be subject to be let to a new licensee at any time. So if he desired to continue the business, in order to insure the continuance of the business in his hands, he might be quite willing to accept one very much more onerous in its terms than the original license, recognizing that new bidders would come in at

the end of the year, or sooner, and possibly take the property on the terms offered to him. So it does not seem to me that he would necessarily decline to accept, even though the terms were more onerous than the original lease.

Mr. LENROOT. Mr. President, he would decline to accept for the reason that the new licensee could not get the property on paying the net investment to the original licensee for anything like its worth to him, because there are provisions in the bill which require him, in addition to paying the value of the property, to pay the original licensee what are known as severance damages.

Mr. WALSH of Montana. Of course, that is an entirely different feature of the bill.

Mr. LENROOT. It is a different feature of the bill, but it goes to the fact that the provision for a new licensee is no protection to the public in so far as compelling the original licensee to accept a new license tendered by the Government is concerned.

Mr. WALSH of Montana. Of course, that is another feature of the bill that we shall have to take up as an independent proposition when we get to it.

Mr. LENROOT. But it has a direct bearing upon this, because it destroys the Senator's argument that it is a protection to the public because a new licensee must take over the property at any time at exactly the net investment.

Mr. WALSH of Montana. The Senator from Montana has been making no argument. I have not had the benefit of the consideration of this matter by the committee as has the Senator from Wisconsin; I am very desirous of having a proper bill enacted; and I was endeavoring to elicit information and to ascertain how the Senator's statement that this amounts to a perpetual license is exactly correct. It did not occur to me that it was.

Mr. LENROOT. That it is a perpetual license I think the Senator will agree with me.

Mr. WALSH of Montana. The Senator from Montana will rely upon the Senator from Wisconsin with entire confidence in any effort he may make to fix a period for the licenses at not more than 50 years.

Mr. LENROOT. It can be done by refusing to adopt the Senate committee amendment inserting the words "which is accepted" and adopting the amendment inserting the word "tender" instead of "issue," which will make it very clear that it will be a 50-year license and that at the end of the 50 years a new license must be tendered or the property must be turned over either to the Government or to a new licensee or else the original licensee will be entitled to an annual lease until one of those three things is done. That I am in favor of.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LENROOT. I yield.

Mr. NUGENT. I will say that I am in entire accord with the views expressed by the Senator from Wisconsin [Mr. LENROOT] in respect to the effect of the proviso contained in section 15 of the bill; but I desire to call the Senator's attention to what I believe to be the fact, that there is a direct contradiction as between the provision of the body of the section and that contained in the proviso. In the body of the section it is provided that—

> The commission is authorized to issue a new license to the original licensee upon such terms and conditions as may be authorized or required under the then existing laws and regulations.

Under the proviso it is simply required that in the event the original licensee is not tendered a new license upon such reasonable terms as may be agreeable to him, then the commission shall issue to him under the original terms a license from year to year, utterly regardless of what the law may be at that time.

Mr. LENROOT. Exactly; and that was the next matter I was coming to in the discussion—the inclusion of the word "reasonable" in the amendment. Congress by the enactment of this proposed law would confer jurisdiction upon the courts not alone to determine the constitutionality of the law but to determine the reasonableness of the law itself—something that is entirely unprecedented in legislation; something that I do not think any Senator has ever before heard of in legislation.

The body of the section, as the Senator from Idaho [Mr. NUGENT] states, provides that "the commission is authorized to issue a new license to the original licensee upon such terms and conditions as may be authorized or required under the then existing laws and regulations." Then, in the proviso, it is provided, in effect, that those laws and regulations must be reasonable; and it would give the courts the power to set aside a law of the Congress of the United States, not because it was unconstitutional but because, in the opinion of the court, it was unreasonable. So much for that.

Mr. CHAMBERLAIN. Before the Senator from Wisconsin passes from that, will he not indicate to the Senate just what changes he would make in the proviso in order to make it conform to his view?

Mr. LENROOT. Yes. I would adopt the committee amendment striking out the word "issue," in line 18, and inserting the word "tender," and refuse to agree to the Senate committee amendment in line 19, inserting the words "on reasonable terms," and the amendment in line 20, inserting the words "which is accepted," so that the proviso would read as follows:

> *Provided*, That in the event the United States does not exercise the right to take over or does not tender a new license to the original or a new licensee, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license until the property is taken over or a new license is issued as aforesaid.

Mr. WALSH of Montana. Should not the word "issue" remain as applied to the new licensee and not simply the word "tender"?

Mr. LENROOT. I think "tender" would cover it. If they do not tender a license to the new licensee, then they can permit the old licensee to operate the property from year to year.

Mr. WALSH of Montana. Suppose they do tender it and it is not accepted.

Mr. LENROOT. If it is not accepted, should the original licensee desire so to do, he may continue from year to year.

Mr. WALSH of Montana. But if it is tendered to the new licensee and he does not take it the original licensee would not have a right then to operate the plant from year to year. It must be issued to the new licensee in order to make the case.

Mr. LENROOT. I think "tender" makes the case. A tender protects the original licensee.

Mr. WALSH of Montana. I understand that; but let me cite a case to the Senator. A new licensee asks for a license and the license is tendered to him, but he does not take it. The conditions now exclude the original licensee from getting his year-to-year license.

Mr. LENROOT. I see the Senator's point. That, however, could, of course, be very easily remedied by making the proviso read "issue to the new licensee or tender to the original licensee."

Mr. FLETCHER. May I ask the Senator, if there is a tender of a new license to the new licensee, is it not fair to say that that tender of a new license ought to be on reasonable terms? Is there any objection to that?

Mr. LENROOT. It ought to be tendered on such terms as the law may then authorize. The Senator would not say that the courts should have the power to inquire into the reasonableness of the terms authorized by existing law.

Mr. FLETCHER. Suppose the law did not cover that point; suppose the law did not specify what are reasonable terms. The license has expired, the original licensee is not tendered a license, but some new person is tendered a license. If the enterprise is not continued large industries may suffer—those who have been using the power, for instance, may suffer. Ought not that tender of a new license to be upon reasonable terms, irrespective of what the other terms may have been?

Mr. LENROOT. Does the Senator think that the law should be such that the courts should inquire into the reasonableness of the terms of an act of Congress?

Mr. FLETCHER. I should think that might be done in the case of public utilities.

Mr. NUGENT. Mr. President, in my opinion the matters that are being discussed by the Senator from Wisconsin are among the most important in this bill, and it is advisable, in my judgment, that as many Senators as possible should hear the argument. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ball	Gronna	Lodge	Smith, Md.
Bankhead	Harris	McNary	Smoot
Brandegee	Harrison	Nelson	Spencer
Capper	Henderson	New	Sterling
Chamberlain	Hitchcock	Norris	Sutherland
Curtis	Johnson, S. Dak.	Nugent	Thomas
Dial	Jones, N. Mex.	Page	Trammell
Elkins	Keyes	Phipps	Wadsworth
Fletcher	King	Ransdell	Walsh, Mont.
France	Kirby	Sheppard	
Gerry	Lenroot	Smith, Ga.	

Mr. RANSDELL. I wish to announce that my colleague, the junior Senator from Louisiana [Mr. GAY], is absent on the

business of the Senate. I ask that this announcement hold for the remainder of the week.

The PRESIDING OFFICER. Forty-two Senators having answered to their names, there is not a quorum present. The names of the absentees will be called.

The Chief Clerk called the names of the absent Senators.

Mr. KNOX and Mr. STANLEY entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-four Senators have answered to their names. There is not a quorum present.

Mr. NELSON. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. MYERS and Mr. MCKELLAR entered the Chamber and answered to their names.

Mr. POMERENE and Mr. ROBINSON entered the Chamber and answered to their names.

Mr. ROBINSON. Mr. President, in conjunction with the Senator from Minnesota [Mr. KELLOGG], the Senator from Iowa [Mr. CUMMINS], and the Senator from Ohio [Mr. POMERENE], I have been detained from the Senate Chamber on business of the Senate, being engaged in the conference on the railroad bill.

Mr. CUMMINS and Mr. KELLOGG entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty Senators having answered to their names, there is a quorum present.

Mr. LENROOT. Mr. President, further as bearing upon the question which I have been discussing, as to this perpetual franchise, and the suggestions which have been made that there was a protection to the Government against any such perpetual franchise, because the Government, under the bill, has a right to take over the property upon paying for it, or if the Government did not see fit to do so, that a new license might be issued to a new licensee, and that, therefore, there would be sufficient pressure or inducement upon the original licensee to accept any reasonable license that might be tendered by the commission, I stated that I would show the difficulty either of the Government taking it over or a new licensee taking it over upon any reasonable terms.

The bill provides, and very properly, that in taking over the property the licensee shall be entitled to secure the net amount of money that he has invested in the property at the end of the term, and that net investment is arrived at by determining the amount of money properly expended in original construction, the amount of money spent in excess of a fair return that is set aside into amortization reserves and deducted from this original investment; and also there is a deduction of the amount of money that may have been set aside in depreciation reserve but not utilized in keeping up the property. Then it is provided that in no case shall the amount paid exceed the value of the property.

Thus far that is entirely fair to the Government and it is entirely fair to the licensee. But section 14 of the original bill as passed by the House goes far beyond that, and, after providing for the payment of these sums, provides for the payment of "the net investment of the licensee in the project or projects taken, not to exceed the fair value of the property taken plus such reasonable damages, if any, to property of the licensee valuable, serviceable, and dependent as above set forth but not taken as may be caused by the severance therefrom of property taken, and shall assume all contracts entered into by the licensee with the approval of the commission."

So, under the terms of the bill, if the Government takes it over, or a new licensee takes it over, it must pay, first, in addition to every dollar that the original licensee has invested in the property licensed, such severance damages as may be caused by the separation of the property.

That becomes very important in connection with the Senate committee amendment to the section that I have been discussing, section 15, because if they have the right to a license from year to year until the property is taken over, or until they see fit to accept a new license, what will be the measure of the severance damages that they will be entitled to receive under this bill and what would a new licensee be compelled to pay, or the Government be compelled to pay, in addition to the amount of money actually invested by the licensee?

Let us assume, Mr. President, that here is a water-power license under the bill producing, we will say, 5,000 horsepower, and that current is transmitted to a general trunk line on which there are 50,000 horsepower transmitted. But the water power in this particular case, with this Government project, has cost the licensee only $10 per horsepower. The other 50,000 may cost them $20 per horsepower and, therefore, if they must supply the current that is leased by the 5,000-horsepower project that is to be taken from them it will cost them twice as much to furnish it as what they are getting it for under the Government project. So their severance damages under the terms of the bill could well be claimed by them to be the difference between the $10 per horsepower that it cost them under the Government project and the $20 per horsepower that it would cost them under a new steam project, perhaps, and therefore they would very likely claim that their damages by reason of the taking of this property were $50,000 per year, for how many years nobody knows. The severance damages might easily be greater than the entire net investment of the licensee; and would any licensee conceivably take over this property when he had to pay every dollar that was invested in it by the original licensee and, in addition, pay these severance damages, which might run into figures higher than the entire cost of the property? Why should he? How could he? If he has to pay as much for this property as it would cost him to install a steam plant, why should he do it? What possible profit could there be for him in taking it over?

Mr. NELSON. Will the Senator yield?

Mr. LENROOT. I yield to the Senator.

Mr. NELSON. Suppose the paragraph is amended as the Senator suggests—

that in the event the United States does not exercise the right to take over or does not tender a new license * * * to the original or a new licensee.

Suppose the United States does not take it over, and suppose the United States does tender a new license to the original licensee or somebody else, and that is not accepted by anybody. What becomes of the water power then? Suppose the United States does not take over the property, and suppose the United States makes a tender to the Senator from Nebraska and the Senator from South Dakota, one of whom is the original licensee, and the other is not, and suppose neither of them accepts the tender. What, then, becomes of it? Is the power to remain there idle and in abeyance?

Mr. LENROOT. No; it will not remain idle.

Mr. NELSON. Where will it be, then?

Mr. LENROOT. We will see. I will answer the Senator's question. It will be exactly where it is to-day. Seventy-five per cent of the public-utilities franchises of this country are for a term of years, and usually very much shorter terms than the 50 years that is provided in the bill; and at the end of the term their franchise is gone, of course. They can be ordered to take up their tracks, or remove their works, as the case may be. In this case, if they refuse to accept such a license or lease as the Government tendered them at the end of the 50 years, the Government could say to them, "Take the license upon such terms as we believe to be fair and just, or remove your works," and the Senator knows that the works will not be removed, but they will accept such license as the Government of the United States at that time will deem fair and just and equitable.

Mr. NELSON. But the Senator does not answer the question. Suppose they do not accept. Suppose neither the old licensee nor the new one accepts the tender of the Government for a lease. What becomes, then, of the water power?

Mr. LENROOT. The Senator from Wisconsin will not suppose an impossibility, because the Senator from Minnesota probably can not recall, as I can not recall at present, such a case where a franchise has been terminated. He has had many of them in his own State. He has had them in St. Paul and Minneapolis, where franchises have been terminated. But I have yet to know of a case where they removed their works or ceased operation of public utilities. The result was that at the termination of the franchise the public got a little better terms than they did under the original franchise. That was the result of it, and that would be the result of it in this case without a shadow of a question. But if the licensee should refuse to accept such license as may be tendered him by the Government at the end of the 50 years, the Government should then say to him, "You have had this for 50 years under favorable terms. Accept such a license as we deem fair and just, or you can remove your property." But they will never remove the property. That is the answer which always exists in all these cases.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS in the chair). Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LENROOT. I yield.

Mr. WALSH of Montana. I am sure the Senator from Wisconsin desires nothing but what is fair and just between the public and the licensees. I would like to inquire of the Senator whether the licensee would not, under such circumstances, be under a very powerful constraint to accept any license that might be tendered?

Mr. LENROOT. He would, and he ought to be.

Mr. WALSH of Montana. That is, he would not be dealing with perfect freedom, because if he did not take the license tendered he would not be entitled, of course, to a license from year to year. He would simply be out of business.

Mr. LENROOT. Certainly.

Mr. WALSH of Montana. And he would not have an opportunity, of course, to recover any portion of the money put into the plant.

Mr. LENROOT. No.

Mr. WALSH of Montana. Then, Mr. President, I desire to inquire of the Senator whether it would not be necessary to take that condition into consideration in fixing the charges for the use of the power during the life of the lease; whether the effect of that would not be naturally to fix a higher rate than otherwise would be fixed, looking practically to the amortization of the plant.

Mr. LENROOT. It might be. That brings me to a consideration of that very subject. I admit that it would be an incentive to exact such rates as would secure amortization of the plant, but the Senator knows that in a vast majority of the bond issues now by water-power companies the bond issue itself provides for a sinking fund creating an amortization fund for the wiping out of the indebtedness at the end of the term.

Mr. WALSH of Montana. I am certain that that is correct, but that is not the theory upon which the bill is drafted.

Mr. LENROOT. Certainly not.

Mr. WALSH of Montana. The theory of the bill is that the property will be taken over by the Government at the end of the 50-year period or by a new licensee, and the original licensee will be reimbursed his net investment, and therefore it will not be necessary to fix charges upon the basis of the amortization of the plant. Notwithstanding the conditions of which the Senator speaks, the bill, as I said, is not framed upon that theory. Otherwise, there would be no provision at all for reimbursement at the end of the 50-year period.

Mr. LENROOT. It does not require amortization, of course.

Mr. WALSH of Montana. No. So if we proceed upon that theory, then we should have no provision in the bill which would necessarily impel the imposition of rates during the period of the license which would contemplate an amortization in that way.

Mr. LENROOT. Not at all, because here is the situation, and we might as well be frank about it. Suppose they have actually amortized the value of the plant at the end of the 50 years, and suppose they actually have paid a handsome return to the stockholders during that entire period, does the Senator say that Congress, when that time comes, ought not to have the right to take that into consideration in its laws providing for the tender of a new license to the licensee?

Mr. WALSH of Montana. The Senator gets into a very controversial frame of mind, when I am simply endeavoring to bring out the different views about the matter. Congress undoubtedly has the right to take that into consideration. If the conditions about which the Senator speaks exist, namely, that such rates have been exacted as not only to pay the investors a good return upon the money, but also to amortize the plant, then the Government should take it over at the end of the 50-year period without paying a dollar. We are assuming that the bill is framed upon the other principle. The bill is framed upon the principle that the plant will not be amortized. Otherwise the provision for recapture must be remodeled. The Senator will certainly agree to that.

Mr. LENROOT. No; the provisions for recapture would not be modified in the least if it is amortized, because it might not be fully amortized, as the Senator can well realize. It might be amortized in part, and it might be that the Congress then would take all those matters into consideration in the laws which it then would enact providing for a renewal of the license.

Mr. WALSH of Montana. The bill does not contemplate at all, as I understand it, the imposition of such rates as will permit of the amortization of the plant. It contemplates that the investor will get his net investment at the end of the period.

Mr. LENROOT. Oh, but that is reduced by such amount——

Mr. WALSH of Montana. I recognize that.

Mr. LENROOT. The bill does contemplate an amortization fund, because it expressly provides for it.

Mr. WALSH of Montana. Of course, if it provides for an amortization fund, then the provision under consideration is equally open to criticism.

Mr. LENROOT. There is this difference in providing for an amortization fund between being extremely liberal at the beginning of the 50-year term, because of the uncertainties and hazards of the term, and at the end of the term being able to say what the actual operation was. Of course, the Senator sees very readily that is a very broad distinction. The license itself might provide for amortization, believing that a very large return would be justifiable under certain circumstances. But at the end of the period it might well be that that was very much more liberal than the facts warranted as they developed during the year. If not, Congress would be prohibited, under the language of the bill as the Senate committee reports it, from taking that into consideration at all in the issuing of a new license.

The point which I am discussing is a matter of some importance. I say that the new licensee will not take the property over under the language of the bill; it can not be conceived that he would in any instance take it over, because he will have to pay in addition to the net investment, upon the theory that the original licensee at the end of the 50-year term has a continuing rate and that he then suffers by the severance of his property of which he had a right to have the emoluments.

Mr. WALSH of Montana. I wish to inquire of the Senator whether it ought not to be possible and whether would it not be desirable to frame this portion of the bill so that the original licensee would be without constraint at the end of the 50-year period just the same as the new licensee would be without any constraint?

Mr. LENROOT. How would the Senator do it?

Mr. WALSH of Montana. I have not given it any thought yet, but I inquire of the Senator whether it would not be desirable to make it so, and is it desirable from any point of view to have it so framed that the licensee must take whatever is tendered to him or suffer what he believes is a serious loss?

Mr. LENROOT. I do not think there is anything unjust at the end of a 50-year term in saying to a licensee that he shall accept such license as the Government under the laws then existing deems fair or remove his property, because we either have to give the advantage to the licensee or to the Government, and as between the two I say if there must be an advantage the advantage ought to lie with the Government.

Mr. WALSH of Montana. The Senator takes that position, and I agree with him that it should lie with the Government; but considering the matter from the standpoint of the public interest, why should we take that attitude? We say to the man either take the terms that we tender or the property will lie idle and it will go to waste. It will not be utilized at all and the community will not have the benefit of the operation of the property unless he takes exactly the terms that we propose, which he thinks are entirely unfair. I can not believe that the Senator's sense of justice will quite approve of that.

Mr. LENROOT. I know the Senator has given a great deal of attention to this subject, as I have, and if he can suggest any phraseology that will put the Government and the licensee upon an equality, I shall be glad to welcome such a suggestion.

Mr. WALSH of Montana. I shall endeavor to do so.

Mr. LENROOT. I have been struggling with the question for a great many years, and I have never yet seen a suggestion where the advantage was not given to the licensee instead of to the Government.

Mr. WALSH of Montana. I can not agree with the Senator about that because he knows that there have been two camps contending in the matter. I quite agree with him that suggestions from certain sources have always been, as I have observed and as he has, favorable to the licensee, but there has been another camp which has been, as I think, sometimes quite unreasonable also in the provisions that they seek to insert in legislation of this character.

Mr. LENROOT. When the Senator offers, if he will be so good as to offer, an amendment which will put them upon an equality I assure him that I shall be very glad to consider it, but I think he will find great difficulty in framing any amendment to the bill that does not give either the Government or the licensee the advantage.

Mr. WALSH of Montana. I take this occasion to say that my own judgment about the matter is that the expression "on such reasonable terms" is entirely impracticable.

Mr. LENROOT. I agree, of course.

Mr. NELSON. Will the Senator yield?

Mr. LENROOT. Certainly.

Mr. NELSON. I desire to call attention to the fact that the proviso is worded as the Senator wants it—that in the event the United States does not exercise the right to take over or does not tender a new license to the original or a new licensee. Now, the Government need not tender it to the original licensee under that provision. The Government is absolutely left free to freeze out the original corporation. It need not make a tender even to that company. It can make it to a new licensee under the terms of the bill and utterly ignore the old company. If the Government tenders it to anybody else outside of the original corporation, tenders it to A, B, C, or D, just makes a tender, whether the tender is accepted or not, then the thing lapses.

Mr. LENROOT. I stated to the Senator from Montana some time ago that I would have no objection to an amendment providing that in the case of a new licensee it should be accepted by the licensee or a tender made to the original licensee in order to entitle him to a license from year to year, but the difficulty, as the Senator well knows, with the language of the amendment is that unless a tender is made to the original licensee which is accepted, he gets his license from year to year, and it may go on forever and will go on forever, because, as I have just been trying to show, a new licensee will never take over the property under the terms of the bill.

Mr. FLETCHER. Will the Senator allow me to insert in the RECORD, in my own time, with his permission, the paragraph in the report bearing on the amendment to section 15? It is not a long paragraph, and deals with the subject of the amendment to section 15. If the Senator has no objection, I should like to have it inserted in the RECORD.

Mr. SMOOT. It would be better to have it read now.

Mr. FLETCHER. It is not very long, and I will read it:

> The amendment to section 15, providing that the license tendered in case the United States does not exercise the right to take over the works shall be "on reasonable terms" and "which is accepted" by the original or the new licensee is deemed necessary in the interest of development. This legislation will be useless if capital will not invest under it. It will not do so unless it is reasonably certain of the return of its investment if the works are taken over. It is the opinion of practically all those acquainted with investments of this kind that this language is necessary to insure the investment of capital in these great and much-needed enterprises. The interests of the Government and the public are not impaired. The works must be continued in operation at the end of 50 years in order that the industries created by them and dependent upon them may not suffer. Private capital should not be required to do this upon unreasonable terms, nor should its property be confiscated. Under this provision, if the new license is not accepted, the works will be carried on under the original license from year to year, with the Government free to take it over at any time that it may be prepared to do so or to turn it over to a new licensee upon terms that can be agreed upon. In other words, the Government is free to do what it may desire to do, capital is reasonably sure of the return of its investment, and the public is assured permanent service under its own regulative agencies.

Mr. LENROOT. I am very glad the Senator put that paragraph in the RECORD. It has been some time since I read the report, and that particular paragraph had escaped my notice. I am glad he put it in the RECORD, because it fully sustains my position. Let me again read a part of what the Senator read from the report:

> Under this provision, if the new license is not accepted, the works will be carried on under the original license from year to year, with the Government free to take it over at any time that it may be prepared to do so or to turn it over to a new licensee upon terms that can be agreed upon.

Exactly what I have contended for throughout this discussion, that here is a perpetual license, if the Senate committee amendments be adopted, unless the Government itself either takes the plant over or a new licensee can be found who will take it over, paying the same money that the Government will be compelled to pay for it.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of South Dakota in the chair). Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LENROOT. I yield to the Senator from Montana.

Mr. WALSH of Montana. Another thought has suggested itself to me, if the Senator will pardon a further interruption. On reflection, I believe that no amendment is necessary; I believe that the matter is well taken care of by the bill as it came from the other House without the provision that has given rise to this discussion. On reflection, I think the constraint about which I spoke probably would not exist. This contemplates that the Government does not want to take the property over; it contemplates that no new lessee comes forward who is willing to take it on the terms proposed by the Government. Undoubtedly industry will be dependent upon the power that has been developed; in many instances great communities will be dependent upon the industries. The Government will, of course, be under some kind and measure of constraint to keep the plant going and will be under an obligation to those who are dependent upon the power to tender a lease so reasonable in its terms as will reasonably insure its acceptance. Then, on the other hand, the original lessee will know that unless he does accept what is tendered, the best he can get will be a lease from year to year and that the property may go to a new lessee at any time, and thus he would be cut off. He will, therefore, be under some measure of constraint to accept the lease which is proposed. So I believe that these conflicting considerations will so operate as to compel the Government to tender a reasonable lease and will equally operate to compel the original lessee to accept whatever reasonable lease is tendered to him. Accordingly I do not think that there is any particular occasion for changing the language of the House bill.

Mr. LENROOT. I am very glad to hear the Senator say that, although I think the Senator will agree with me that there ought not to be any doubt concerning the meaning of the word "issue." It has been assumed that "issue" and "tender" were synonymous terms, and the amendment should be adopted so as to make it clear. Certainly we do not want to go into the courts upon that proposition.

Mr. WALSH of Montana. I again suggest to the Senator that the word "tender" should not be applied to a new licensee.

Mr. LENROOT. No; I understand that. I was not referring to that.

Mr. WALSH of Montana. Accordingly I suggest that the language read "does not issue a license to a new licensee or tender a new license to the original licensee."

Mr. LENROOT. That would be correct. I certainly would agree with the Senator's view upon that.

Mr. SMOOT. Mr. President——

Mr. LENROOT. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I have listened to what has been said by the Senator from Montana [Mr. WALSH] with a great deal of interest, but I certainly can not understand the provisions of the bill as construed by the Senator. The object of this legislation is the development of power sites and power plants to furnish power to all parts of the country in which power plants can be successfully established.

In the first place, we have got to pass a law that the people furnishing the money for the establishment of such plant, not 50 years hence but to-day, will feel safe in the investment which they make; and I think if the pending amendment is not agreed to the provisions of the bill will be such that it will be very difficult, indeed, to get any financial assistance in the United States to install power plants under it.

I think this is one of the vital phases of the bill. I do not care how good the legislation may be and how necessary it is for the development of water power—and so far as the provisions of the bill are concerned there are other things in it that I do not like at all, as to which I am perfectly willing to yield my judgment in order to get some kind of a workable bill so that every power site in the United States upon the public lands may be developed—but there is no need of framing the bill in such a manner that it will be impossible to secure the necessary money in order to develop the power plants. I think without the amendment now under discussion, which has been reported by the committee, it will be impossible to finance the projects that are contemplated to be established in this country.

I thank the Senator from Wisconsin.

Mr. LENROOT. Mr. President, in reply to the Senator from Utah, I merely wish to say in reference to the conference report which failed at the last session, that we were then informed by those favoring the legislation that they were satisfied that the money could be obtained to develop the contemplated water-power plants. There was then no thought that the grant of any perpetual franchises was necessary.

Certainly, Mr. President, if we have got to the point where it is necessary to give away forever the one great resource which we have in this country which can be of benefit to the people in order to get development, we had better be a little slow in passing legislation for that purpose. If that is the price we have got to pay for private development of water power in this country we had better develop it by the Government itself.

Mr. President, I understand the Senator from Minnesota [Mr. NELSON] desires that there be a short executive session, and, as I can not conclude to-day, I shall now yield the floor.

Mr. SMOOT. Mr. President, I do not desire to be understood as stating or even intimating that the amendment which has been offered to the House provision which is now under consideration has in any way a tendency to give away the resources of this country. I do not care whether the Government develops the property or whether it is developed by private initiative and private capital; development will not be undertaken, in my opinion, when upon the face of the act the person or company proposing to furnish the money sees there is no chance of getting the money back. That is just as certain as we live. I think that the provision with the amendment guards every interest of the Government. I can not see that the Government has one chance in ten million of losing anything under the provisions of the amendment to the House bill; but it does hold out a hope, at any rate, to the man who puts up the money that at the end of 50 long years there shall be at least a new license issued upon reasonable terms; and who would want a license otherwise? Who is to decide the terms? It is all in the hands of the Government, and, if this scheme lasts, will be in its hands for 50 years. I think that we ought,

at least, if we are going to enact legislation of this character, so word it that we will feel fairly certain that some kind of action will be taken under the law.

Mr. MYERS. Mr. President, if the Senator will permit me to occupy a moment or two, I have been listening with some interest to the views of the Senator from Wisconsin [Mr. LENROOT]. I understand he objects to the amendment, on line 19, page 26, which would insert the words "on reasonable terms," being an amendment offered by the committee. It occurs to me that if those words were not in the provision it would be in the power of the Government to refuse to take over a project at the end of 50 years and to tender a new license so prohibitive and on such unreasonable terms that no one would have it. Then the licensee under the original license would have no power on earth of getting a permit from year to year to conduct the plant which he had erected, but would simply be at the mercy of the Government or anybody who came along and made an offer for the property, and would stand a chance of sacrificing everything that had been put into the plant. I do not believe under those conditions that we could find anybody willing to invest a dollar in a project of this kind. Unless there is some chance of getting the money back at the end of 50 years or getting a continuation of the lease on reasonable terms or getting a license from year to year, I do not believe anybody would ever think of engaging in an enterprise under the bill.

Mr. NELSON. I move that the Senate proceed to the consideration of executive business.

REPORT OF RECLASSIFICATION COMMISSION.

Mr. JONES of New Mexico. Mr. President, will the Senator withhold his motion for a little while in order that I may bring to the attention of the Senate a resolution which I should like to have passed relating to the report of the Reclassification Commission?

Mr. NELSON. Very well. I ask unanimous consent that the unfinished business be temporarily laid aside.

Mr. SMOOT. I will assure the Senator from Minnesota that the resolution referred to by the Senator from New Mexico can not be adopted to-night, but if it is desired to have it taken up, very well.

Mr. NELSON. Then I insist on my motion. The Senator from Utah says that it will be impossible to finish the consideration of the resolution to-night.

Mr. JONES of New Mexico. Mr. President, if the Senator from Utah desires to discuss the resolution at length, of course I am perfectly willing that he shall have an opportunity to do so, but it is important that the resolution should be considered by the Senate. If the Senator from Utah desires that the Senate shall close its labors to-day at the present time, I am perfectly willing that the consent just asked by the Senator from Minnesota may be granted, and that we may take up the matter to-morrow.

Mr. SMOOT. Mr. President, I do not know just how long I wish to discuss the resolution. I have about come to the conclusion that I will make my statement and then allow the Senate to vote upon the matter, but I do wish the Senate to understand what it means and what is going to follow from the passage of the resolution and from previous legislation which has been enacted upon this subject. I will say to the Senator from New Mexico that so far as I am personally concerned I could not get through to-night with what I have to say on the resolution.

Mr. JONES of New Mexico. Then will the Senator consent that to-morrow the bill now before the Senate may be temporarily laid aside and the resolution to which I have referred be taken up for consideration?

Mr. SMOOT. I think the Senate ought to adjourn to-night and allow morning business to be taken up to-morrow, and during the morning hour I have no objection whatever to the resolution of the Senator from New Mexico being brought up.

Mr. JONES of New Mexico. I presume that will be the most acceptable course, and I shall not press the matter further at this time, but will ask at the conclusion of the morning business to-morrow morning that the resolution be taken up.

EXECUTIVE SESSION.

Mr. NELSON. I renew my motion.

The VICE PRESIDENT. The question is on the motion of the Senator from Minnesota that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, January 6, 1920, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 5, 1920.

ASSISTANT ATTORNEY GENERAL.

Francis P. Garvan, of New York, to be Assistant Attorney General.

UNITED STATES ATTORNEYS.

Rinehart F. Roth, of Alaska, to be United States attorney, district of Alaska, division No. 4.

Miles M. Martin, of San Juan, to be United States attorney, district of Porto Rico.

UNITED STATES MARSHAL.

Thomas J. Flynn, of Omaha, to be United States marshal, district of Nebraska.

NAVAL OFFICER OF CUSTOMS.

Frank J. Walsh, of Chicago, Ill., to be naval officer of customs, district No. 39.

COLLECTOR OF INTERNAL REVENUE.

John J. Mitchell, of Boston, to be collector of internal revenue, third district of Massachusetts.

SURVEYORS GENERAL.

Frank P. Trott, of Arizona, to be surveyor general of Arizona.

Gilman Bullard, of Helena, Mont., to be surveyor general of Montana.

REGISTERS OF LAND OFFICES.

George M. Dameron, of Colorado, to be register of land office at Pueblo, Colo.

Myron W. Hutchinson, of Montana, to be register of land office at Havre, Mont.

PROMOTIONS IN THE NAVY.

The following-named lieutenants to be lieutenant commanders in the Navy, for temporary service, from the 1st day of July, 1919:

Stuart E. Bray and
Leonard R. Agrell.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, for temporary service, from the 1st day of July, 1919:

Clarence A. Hawkins,
Otto H. H. Strack,
Horatio S. Ford, and
John E. Warris.

The following-named ensigns to be lieutenants (junior grade) in the Navy, for temporary service, from the 1st day of July, 1919:

Richard Monks,
John H. Wolters,
Clarence E. Young,
Raymond C. Hunt,
Arthur H. Daniels,
William H. Ryan, jr.,
Richard B. Fuller, and
Martin J. Jukick.

The following-named officers of the United States Naval Reserve Force to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), for temporary service, from the 1st day of August, 1919:

William E. Smith and
Alfred L. Gaither.

The following-named lieutenants to be lieutenant commanders in the Navy from the 1st day of July, 1919:

Harold M. Bemis,
Harold V. McKittrick,
Grattan C. Dichman, and
George N. Barker.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 7th day of June, 1919:

Paul A. Stevens,
Kenneth R. R. Wallace,
Edward J. O'Keefe, and
William W. Meek.

Lieut. (Junior Grade) Frank B. Conger, jr., to be a lieutenant in the Navy from the 1st day of July, 1919.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 3d day of June, 1919:

Conrad A. Krez,
Donald M. Carpenter,
Arthur W. Redford,
Louis R. Vail,
Samuel P. Ginder, and
James P. Compton.

The following-named lieutenants on the retired list of the Navy to be lieutenant commanders on the retired list of the Navy from the 7th day of December, 1919:

Ernest A. Swanson,
Francis G. Blasdel, and
Virgil Baker.

Acting Chaplain Edward A. Duff to be a chaplain in the Navy, with the rank of lieutenant (junior grade), from the 1st day of March, 1919.

Pay Clerk Walter T. Cronin to be a chief pay clerk in the Navy from the 3d day of June, 1919.

Commander Frank E. Ridgely to be a captain in the Navy, for temporary service, from the 6th day of August, 1919.

Commander Wilbur G. Briggs to be a captain in the Navy, for temporary service, from the 17th day of August, 1919.

Commander Frederick J. Horne to be a captain in the Navy, for temporary service, from the 23d day of September, 1919.

Commander Daniel P. Mannix to be a captain in the Navy, for temporary service, from the 25th day of September, 1919.

Commander Benuaurd B. Wygant to be a captain in the Navy, for temporary service, from the 20th day of October, 1919.

The following-named lieutenant commanders to be commanders in the Navy, for temporary service, from the 21st day of July, 1919:

Gilbert P. Chase and
Walter E. Whitehead.

Lieut. Commander Leo Sahm to be a commander in the Navy, for temporary service, from the 1st day of August, 1919.

Lieut. Commander Charles H. Shaw to be a commander in the Navy, for temporary service, from the 6th day of August, 1919.

Lieut. Commander Leigh M. Stewart to be a commander in the Navy, for temporary service, from the 11th day of August, 1919.

Lieut. Commander Alexander S. Wadsworth, jr., to be a commander in the Navy, for temporary service, from the 17th day of August, 1919.

Lieut. Commander Stuart W. Cake to be a commander in the Navy, for temporary service, from the 27th day of August, 1919.

The following-named lieutenant commanders to be commanders in the Navy, for temporary service, from the 23d day of September, 1919:

Albert C. Read and
William F. Newton.

Lieut. Commander William C. Barker, jr., to be a commander in the Navy, for temporary service, from the 25th day of September, 1919.

Lieut. Commander Richard R. Mann to be a commander in the Navy, for temporary service, from the 20th day of October, 1919.

Lieut. Robert D. Kirkpatrick to be a lieutenant commander in the Navy, for temporary service, from the 20th day of July, 1919.

The following-named lieutenants to be lieutenant commanders in the Navy, for temporary service, from the 21st day of July, 1919:

David R. Lee and
Harold P. Parmelee.

Lieut. Rawson J. Valentine to be a lieutenant commander in the Navy, for temporary service, from the 1st day of August, 1919.

Lieut. Frank Hindrelet to be a lieutenant commander in the Navy, for temporary service, from the 6th day of August, 1919.

Lieut. August Schulze to be a lieutenant commander in the Navy, for temporary service, from the 11th day of August, 1919.

Lieut. Ralph Martin to be a lieutenant commander in the Navy, for temporary service, from the 17th day of August, 1919.

Lieut. Frank G. Kutz to be a lieutenant commander in the Navy, for temporary service, from the 27th day of August, 1919.

Lieut. Maxwell Case to be a lieutenant commander in the Navy, for temporary service, from the 23d day of September, 1919.

Ensign Samuel E. McCarty (SC), United States Naval Reserve Force, to be an assistant paymaster in the Navy, with the rank of ensign, for temporary service, from the 1st day of September, 1919.

The following-named officers of the United States Naval Reserve Force to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), for temporary service, from the 15th day of December, 1919:

Carroll H. Francis,
Emil J. Stelter,
Daniel E. Fay,
James Humbert,
Thomas H. Taber,
John B. O'Neill,
Joseph B. Logue,
Harvey W. Miller,
Joseph F. Lankford,
Clement Fischer,
John F. Daly,
Berman Dunham,
Francis E. Tierney,
Harry H. Jackson, jr.,
Frederick R. Haselton,
Terry A. Walter,
James D. Clement,
Hubert R. Stiles,
Roy R. Losey,
Jesse D. Jewel,
Rudolph B. Watson,
Frank W. Quin,
William H. O'Connor,
Soloman J. Chapman,
Leo B. Cohenour, and
Edward J. Carlin.

The following-named officers of the United States Naval Reserve Force to be assistant dental surgeons in the Navy, with the rank of lieutenant (junior grade), for temporary service, from the 15th day of December, 1919:

Paul E. Schwartz,
Berton F. Sweeney,
Francis R. Hittinger,
Richard J. O'Donnell,
Max Cohen,
Allen H. Hetler,
George L. Reilly,
William H. Wood,
Francis J. Long,
Fred W. Mitchell,
Leslie T. Conditt,
Carl E. Hall,
Richard J. O'Donnell,
Max Cohen,
Fred W. Mitchell,
Peter F. Groden,
Edwards S. Talbott, jr.,
Alexander L. Keltie,
Francis J. Long,
Arthur V. Jolliffe,
Justin W. Bourquin, and
Charles A. Tiley.

The following-named officers of the United States Naval Reserve Force to be assistant surgeons in the Navy, with rank of lieutenant (junior grade), for temporary service, from the 15th day of December, 1919:

James F. Terrell,
Donald M. Harlor, and
Harry C. Blair.

Boatswain Roy J. Jennings to be a chief boatswain in the Navy, for temporary service, from the 1st day of September, 1919.

Lieut. Col. William B. Lemly, assistant quartermaster, to be an assistant quartermaster in the Marine Corps, with the rank of colonel, from the 11th day of December, 1919.

Maj. Henry L. Roosevelt, assistant quartermaster, to be an assistant quartermaster in the Marine Corps, with the rank of lieutenant colonel, from the 11th day of December, 1919.

Capt. Clayton B. Vogel to be a major in the Marine Corps from the 12th day of July, 1919.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 5, 1920.

PROMOTIONS AND APPOINTMENTS IN THE ARMY.

To be major generals.

Joseph T. Dickman.
James G. Harbord.
Francis J. Kernan.

To be brigadier generals.

Henry P. McCain.
James H. McRae.
William S. Graves.
Frank T. Hines.

CORPS OF ENGINEERS.

Charles Keller to be colonel.
Thomas H. Jackson to be lieutenant colonel.
Cleveland C. Gee to be major.

CAVALRY ARM.

To be lieutenant colonels.

Mortimer O. Bigelow.
August C. Nissen.
Clyde E. Hawkins.
James S. Parker.

To be captains.

Arthur S. Harrington.
Frank L. Whittaker.
Philip H. Sherwood.
Donald S. Perry.
Thomas S. Poole.
Frederick R. Lafferty.
Carl H. Strong.
Arthur T. Lacey.
David W. Craig.
Edmund M. Barnum.
Thomas A. Dobyns, jr.
John T. Minton.
Edward S. Bassett.
Edward F. Shaifer.
George M. Peabody, jr.

To be first lieutenants.

Frank R. McKay.
Ashley H. Conard.
Ralph C. Thomas.
George S. Warren.
John M. Lile.
Harold S. Thurber.
Arthur T. Huston.
Raymond S. Jett.
Lewis B. Angel.
Jack R. Burke.
William H. Little.
Roger E. Williams.
George J. Waggner.
Frank R. Baker.
Deane C. Howard, jr.
Gibbes Lykes.
William J. Egan.
Redding F. Perry.
Marcellus C. Stockton, jr.
Lawrence Patterson.
Samuel G. Stewart.
Charles H. Espy.
Warren H. McNaught.
Herbert N. Odell.
Roy E. Craig.
Early E. W. Duncan.
Edward M. Daniels.
Philip R. Upton.
Winfield C. Scott.
Theodore K. Rothermund.
George E. Heidenreich.
Ray D. Willson.
Donald T. Nelson.
Chevy Chase.
Chester L. Conlon.
Lee T. McMahon.
William McC. Peeples.

FIELD ARTILLERY.

To be colonels.

Henry W. Butner.
Henry L. Newbold.

To be lieutenant colonels.

William I. Westervelt.
Upton Birnie, jr.
Clarence Deems, jr.

To be majors.

Carroll W. Neal.
Donald C. Cubbison.
Jacob A. Mack.
Louis H. McKinlay.

To be captains.

Solomon F. Clark.
Augustus M. Gurney.
Oliver B. Cardwell.
William O. Butler.
Rex W. Beasley.

To be first lieutenants.

Henry W. Holt.
Clarence P. Townsley.
James H. Roemer.
John Mesick.
George B. McReynolds.
Frederick A. Stevens.
Harrison Shaler.
Edmund W. Searby.
Roger M. Wicks.
Hugh A. Palmer.
George V. Keyser.
Homer W. Blair.
Lawrence B. Bixby.
Harry Crawford.
William W. Webster.
John H. Hinds.
William P. Blair.
William J. Espes.
Roland MacGray.
Robert J. Horr.
Paul L. Deylitz.
Leo M. Kreber.
Edwin L. Sibert.
O'Ferrall Knight.
Charles C. Blanchard.
Paul E. Hurt.

COAST ARTILLERY CORPS.

To be colonel.

James M. Williams.

To be captains.

Vincent B. Dixon.
Wilmer S. Phillips.
Edgar H. Underwood.
Howard S. Thomas.
Paul H. French.
Horace L. Whittaker.
Edgar Nash, jr.

To be first lieutenants.

James M. Gillespie.
Milo B. Barragan.
Oscar A. Axelson.
Joseph S. Robinson.
James F. Pichel.
Roy D. Paterson.
John L. Hanley.
Albert E. Marks.
John A. Weeks.
Fred W. Gerhard.
Jacob G. Sucher.
Howard H. Newman, jr.
Ernest L. Stephens, jr.
Nevins D. Young.
Benjamin F. Manning.
Paul W. George.
John M. Moore.
Joseph C. Kilbourne.
Richard A. Ericson.
Arthur E. Mickelsen.
Paul B. Kelly.
Ward E. Becker.
Amory Oliver.
James B. C. Siske.
Clarence W. Dresser.
William W. Murphey.
Earl Hendry.
Frank H. Hastings.
Joseph H. Gilbreth.
Harold A. Packard.
Raymond M. Richardson.
Harold G. Archibald.
Edward G. Cowen.
Kenyon P. Flagg.
Charles M. Black.
Joseph B. Hafer.
Walter H. Rice.
Thomas H. Healy.
Henry A. Harkins.
Daniel H. Hoge.
Reamer W. Argo.
Edward L. Supple.
Fred B. Hanchette, jr.
Samuel McCullough.
Mahlon M. Read.
Allen F. Grum.
Donald W. Campbell.
Bernard C. Dailey.
Eugene T. Conway.

John W. Leavitt.
Clarence S. Babbitt.
Robert S. Lewis.
Robert E. De Merritt.
James F. Powell.
William D. Hohenthal.
James R. Lowder.
Robert J. Miskovsky.
John T. Schneider.
Willard W. Scott.
Harold Deas.
Edwin P. Hart.
Harold S. Macomber.
Leonard L. Davis.
Harold L. Stiebel.
Webster F. Putnam, jr.
Merle H. Davis.
Frank S. Hubbard.
George B. Dobyns.
Henry D. Cassard.
Louis A. Williford.
Percy S. Lowe.
Maury L. Webster.
Claud T. Gunn.
Leon A. White.
Phillips W. Loomis.
Ephraim P. Jolls.
John W. Callahan.
Alan Fuller Cameron.
Walter L. McCormick.
Robert M. Chase.
Lyman C. Rafferty.
Arnold D. Amoroso.

To be second lieutenant.

John H. Madison (Infantry).

INFANTRY.

To be colonels.

La Roy S. Upton.
Harry A. Smith.

To be lieutenant colonels.

Louis M. Nuttman.
Glenn H. Davis.
Benjamin T. Simmons.
Girard Sturtevant.
Louis H. Bash.
Frank B. Watson.

To be majors.

Robert E. Grinstead.
Albert S. Williams.
William B. Graham.
Charles J. Nelson.
E. Alexis Jeunet.

To be captains.

John A. Stewart.
Francis G. Bonham.
Norman D. Cota.
Robert B. Ransom.
Carleton Coulter, jr.
James H. Frier, jr.
Leo J. Erler.
Robert D. Newton.
Willis R. Slaughter.
George H. Weems.
Roy L. Bowlin.
William C. McMahon.
Francis M. Brennan.
Milton B. Halsey.
Charles L. Mullins, jr.
Thomas S. Sinkler, jr.
Sterling A. Wood, jr.
William F. Redfield.

To be first lieutenants.

Paul S. Beard.
Norman B. Chandler.
Richard O. Welch.
Roswell H. Bill.
Wright H. Johnson.
George W. Clover.
Donald B. Doan.
Edwin A. Smith.
Harvey G. Thomas.
Richard Grant.
Floyd C. Harding.
Rolfe S. Sample.
Wesley C. Thompson.
Percy L. Sadler.
George L. Morrow.
William C. Rymer.
Henry F. Martin.
Alan G. Paine.
Hugh C. Courtright.
Evan M. Sherrill.
James W. Arnold.
Bernard F. Hurless.
Raymond M. Heckman.
Francis R. D. Holran.
Harold T. Gallager.
John H. Hilldring.
William J. Davis.
Emory A. Peek.
William D. McMillin.
Arthur B. Wade.
James G. Kyle.
John H. Rodman.
William D. Powell.
Samuel J. Cole.
Louis P. Tiers.
James F. Smith.
William C. Louisell.
Edward R. White.
Jesse E. Whitt.
William E. Goe.
William L. Ritter.
Robert W. Patterson.
Ellis DeV. Willis.
Charles H. Sears.
Druid E. Wheeler.
Charles R. Lugton.
Michael J. Perret.
Stewart E. Reimel.
Douglas P. Newell.
Kendall J. Fielder.
Frederick P. Geyer.
William C. De Ware.
Hugh D. Adair.
Reginald R. Bacon.
James D. Tucker.
Russell C. Snyder.
David B. Van Pelt.
Harvey A. Tonnesen.
William H. Emerson.
George E. Cook.
Eugene H. Mitchell.
Leslie H. Blank.
Donald S. Grimm.
Benton L. Boykin.
Walter M. E. Sullivan.
Kamell Maertens.
Allan J. Kennedy.
Clifton R. Gordon.
Martin L. Howard.
Leo J. Farrell.
Walter S. Wood.
Frank O. Stephens.
William H. Quarterman, jr.
Benjamin B. Bain.
Ira C. Eaker.
Stanton L. Bertschey.
Romeyn B. Hough, jr.
Joseph R. Bibb.
Cheney L. Bertholf.
William C. Glass.
Harry L. Franklin.
Robert E. L. Cook, jr.
Grahame M. Bates.
Donald L. Bressler.
Walter E. Lauer.
Albert H Dumas.
Paul S. Jones.
Paul T. Baker.
Robert P. Bell.
Harold W. Keller.
Edwin W. Piburn.
William H. Clark, jr.
Kenneth S. Whittemore.
Mack M. Lynch.
Frank H. Partridge.
Franklin K. Kennedy, jr.
Robb S. MacKie.

Derrill deS. Trenholm.
John S. M. Cromelin.
Michael E. Halloran.
Idwal H. Edwards.
Paul J. Vevia.
James B. Smith.
Paul Steele.
Fred T. Marsh.
Luther N. Johnson.
Stanley A. Anderson.
Robert E. Cummings.
Philip G. Carroll.
Harry F. Schoonover.
Louis S. Stickney.
Tarlton F. Parsons.
James L. Dikes.
Ben C. McComas.
Kenneth B. Gunn.
Maurice G. Stubbs.
Boniface Campbell.
Cyril K. Richards.
Archibald A. Fall.
Vernon W. Aikins.
Frank R. Schucker.
John W. Cunningham.
John L. Davey.
William G. Wilson.
James R. Lowry.
Henry O. Swindler.
Haskell Allison.
Bruce G. Kirk.
Davis Jones.
Russell Skinner.
John H. Randolph.
Norris A. Wimberly.
Lloyd L. Boughton.
Walter A. Elliott.
John A. Klein
Arthur H. Luse.
Clayton S. Whitehead.
William A. Swift.
John E. Grose.
Robert C. Wright.
Everett L. Rice.
Lawrence A. Kurtz.
Martin S. Chester.
William C. Samford.
Harry Reichelderfer.
Samuel F. Cohn.
Alexander R. Bolling.
Duncan T. Boisseau.
James L. Garza.
Walter B. Davis.
John D. Chambliss.
Lewis C. Beebe.
John A. Rodegrs.
George J. Kilgore.
Edward H. Connor.
Thomas N. Stark.
Paul W. Beck, jr.
Hiram W. Tarkington.
Talley D. Joiner.
Lester H. Barnhill.
Sterner St. P. Meek.
Julian V. Link.
Kenneth B. Johnson.
Elbert A. Nostrand.
Herbey A. Tribolet.
Robert B. Ennis.

To be second lieutenant.

Adna C. Hamilton (Coast Artillery Corps).

MEDICAL CORPS.

To be first lieutenants.

Leonard Philip Bell.
Elmer Seth Tenney.
Omar Richard Sevin.
Rae Ellsworth Houke.
John Glenwood Knauer.
Joseph Rogers Darnall.
Samuel Carlton Gwynne.
Forrest Ralph Ostrander.
William Otis Callaway.
Joseph Francis Gallagher.
Joel Adams Tilton.
William Young Hollingsworth.
Paul Moyer Patterson.
William Kenneth Turner.
Edwin Leland Brackney.
Harold Wade Kinderman.
Chauncey Elmo Dovell.
Irving Samuel Startz.
August John Pacini.
Roy Farrington Brown.
Henry Jackson Hayes.
Victor Luman Rocho.
Carl Benjamin De Forest.
Hugh Max Bullard.
Brooks Collins Grant.
Frank Walker Young.
William Samuel Prout.
Clark Ansen Wilcox.
Millard Ferdinand Smith.
Milner Hubbard Eskew.
Alexander Mileau, jr.
James Neal Williams.
Leland Elder Dashiell.
Gilbert Seymour Osincup.
Edwin Raymond Strong.
Charles Alexander Bender.
Rufus Leroy Holt.
Carl Herman Graf.
William Hervey ReMine.
Samuel Demetrius Avery.
Edward Athelstane Casserly.
Ralph Ellis Murrell.
James Marye Odell.
David Oscar Nathaniel Lindberg.

DENTAL CORPS.

To be first lieutenants.

Page Purnell Albert Chesser.
Ralph Eugene Morgan.
Joseph Aloysius Murray.
Clarke Wayne Russell.
Joseph Hayden Jones.
Forest Vernon Bockey.
James Lawrence Olsen.
Glenn Dale Lacey.
Harold Snell Whitney.
Alexander MacKenzie Telfer.
Egbert Wesley van Delden Cowan.
Clyde Wakefield Scogin.
Beverley Morrison Epes.
Warren Charles Caldwell.

PROMOTIONS AND APPOINTMENTS IN THE REGULAR ARMY.

Wallace H. Watts to be captain.

SIGNAL CORPS.

Daniel J. Carr to be colonel.
Alfred T. Clifton to be lieutenant colonel.

CAVALRY.

To be first lieutenants.

John P. P. Eckert.
Phillip B. Shotwell.
Ralph E. Ireland.
Bryan L. Davis.
Emerald C. Robbins.
Howard D. Lee.

COAST ARTILLERY CORPS.

Alston Hamilton to be colonel.

INFANTRY ARM.

To be colonels.

Palmer E. Pierce.
Charles G. French.

To be lieutenant colonels.

Oscar J. Charles.
Thomas A. Pearce.
Robert H. Allen.

To be major.

Charles H. Danforth.

To be first lieutenants.

Levie W. Foy.
Wilbur H. Vinson.
John C. Blizzard, jr.
Howard Clark, jr.
Thomas E. Clark.
Thomas L. Urquhart.
Robert I. Stack.

Paul W. Warren.
John Huling, jr.
Orryl S. Robles.
Horace K. Heath.
Harry R. Evans.
Bartholomew R. De Graff.
George LaF. O'Connor.
Harold N. Gilbert.
Charles E. Rust.
Joseph B. Thompson, jr.
William A. Collier.
John H. Atkinson.
Archibald M. Mixson.
Albert G. Wing.
William F. Rehm.
Edward N. Fay.
John F. Lancaster, jr.
Thomas G. Cherry.
George C. Nielsen.
Raymond G. Sherman.
Errol E. Crouter.
Earl C. Horan.
William J. H. Ryan.
Coleman F. Driver.
Wallace W. Millard.
Robert M. Burrowes.
Walter W. von Gremp.
Kie Doty.
Albert E. Holleman.
George H. Ferguson.
Arthur G. Hutchinson.
Owen G. Smith.
Norman M. Nelsen.
Harvey L. Littlefield.
Roy N. Hagerty.
Ronald L. Ring.
Alfred T. Wright.
John A. Andrews.
George A. Lockhart.
Robert W. Miller.
Mark M. Potter.
James J. Pirtle.
Alfred E. Dedicke.
George F. Macdonald.
Richard O. Bassett, jr.
Jerome H. Joyce, jr.
Harry Boissonnault.
Arnold R. C. Sander.
Ceryl B. Godfrey.
Stanley M. Prouty.
William H. Thomas.
Wilbur E. Bashore.
Harold Head.
William H. Crampton.
Walter W. Boon.
Hugh McC. Evans.
Michael J. Mulcahy.
Harold S. Wright.
Lois C. Dill.
Edward J. Maloney.
Richard A. Jones.
Lloyd D. Yates.
Clarence O'Leary.
Hugh Barclay.
Lawrence W. Jenkinson.
Nelson M. Walker.
James H. Drake.
Francis W. Chatham.
Henry J. Morgan, jr.
Donald H. Williams.
Milton B. Goodyear.
William E. G. Graham.
Jesse R. Lippincott.
Thurwood Van Ornum.

COAST ARTILLERY CORPS.

Harry C. Barnes, jr., to be first lieutenant.
John C. Gilmore, jr., to be colonel.

FIELD ARTILLERY.

Frank Langham to be captain.

WITHDRAWAL.

Executive nomination withdrawn January 5, 1920.

Second Lieut. Isaac Schechter, Infantry, to be first lieutenant of Infantry, Regular Army.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 5, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou Great Spirit, Father of all good, through whose eternal energy the wheels of time sweep ever onward, to what whitherward we know not, but we aspire, and hope, and pray!

The old is dead. The new is born, token of Thy living presence, promise of Thy loving care. The past is ours by inheritance and by personal experience. Help us, with well-poised minds, brave hearts, earnest endeavors, to meet the future as it unfolds itself day by day.

We have not wings—we can not soar—
But we have feet to scale and climb
By slow degrees—by more and more—
The cloudy summits of our time.

Nor deem the irrevocable past
As wholly wasted—wholly vain—
If, rising on its wrecks, at last,
To something nobler we attain.

The past is replete with mortality. The hand of death has touched this body and deprived it of a great and good man—a servant of his State and Nation—leaving a worthy and enviable record behind him. We mourn his loss and would copy his virtues. Bless those who knew and loved him, and let Thy loving arms be around the stricken wife, to guide her on her way toward that reunion where love shall claim its own, through Him who died that we might know the way, and the truth, and the life. Amen.

The Journal of the proceedings of Saturday, December 20, 1919, was read and approved.

SWEARING IN OF A MEMBER.

Mr. POU. Mr. Speaker, I present the Hon. CLYDE B. HOEY, a Member elect from the ninth North Carolina district, and ask that he may take the oath.

Mr. HOEY appeared at the bar of the House and took the oath of office prescribed by law.

RATIFICATION OF THE SUFFRAGE AMENDMENT.

The SPEAKER laid before the House a communication from the governor of the State of Colorado, announcing the ratification by the legislature of that State of the proposed amendment to the Constitution of the United States extending the right of suffrage to women.

HOUSE BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that December 20, 1919, they presented to the President of the United States for his approval the following bills and joint resolutions:

H. R. 10402. An act authorizing the Secretary of War to grant permission to the municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.;

H. R. 11223. An act making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920;

H. R. 8992. An act for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa.;

H. R. 8778. An act to amend and modify the war-risk insurance act;

H. J. Res. 266. Joint resolution authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States; and

H. J. Res. 267. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President of the United States had approved and signed bills and joint resolutions of the following titles:

On December 18, 1919:

H. R. 1199. An act to prohibit the purchase, sale, or possession for the purpose of sale of certain wild birds in the District of Columbia; and

H. R. 3754. An act to amend sections 8 and 21 of the copyright act, approved March 4, 1909.

On December 20, 1919:

H. J. Res. 267. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1919.

On December 23, 1919:

H. J. Res. 266. Joint resolution authorizing the printing of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States.

On December 24, 1919:

H. J. Res. 213. Joint resolution continuing temporarily certain allowances to officers of the Navy and Marine Corps;

H. R. 8778. An act to amend and modify the war-risk insurance act; and

H. R. 11223. An act making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920.

On December 30, 1919:

H. R. 10402. An act authorizing the Secretary of War to grant permission to the municipal authorities of Little Chute, Wis., to construct, maintain, and operate sewers on certain Government property and under the United States canal at Little Chute, Wis.

On December 31, 1919:

H. R. 8992. An act for the construction of a bridge across the Susquehanna River at Laceyville, Wyoming County, Pa.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3327. An act granting certain rights of way and exchanges of the same across the Fort Douglas Military Reservation in the State of Utah.

RESIGNATIONS.

The SPEAKER laid before the House the following communication:

HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C., December 20, 1919.

Hon. FREDERICK H. GILLETT,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: This is to inform you that I have this day transmitted to the governor of Pennsylvania my resignation as a Representative in the Congress of the United States from the third district of Pennsylvania, effective as of January 4, 1920.

Very truly, yours,

J. HAMPTON MOORE.

The SPEAKER also laid before the House the following communication:

HOUSE OF REPRESENTATIVES,
Washington, D. C., December 23, 1919.

Hon. FREDERICK H. GILLETT,
Speaker of the House of Representatives, Washington, D. C.

DEAR SIR: I beg leave to inform you that I have this day transmitted to the governor of the State of New York my resignation as a Representative in the Congress of the United States from the fourteenth district of New York, to take effect at the close of the day of the 31st of December, 1919.

F. H. LAGUARDIA.

The SPEAKER. Under the special order of the House the gentleman from Maine [Mr. WHITE] is entitled to the floor for 15 minutes.

Mr. WHITE of Maine. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

ONE HUNDREDTH ANNIVERSARY OF THE DECLARATION BY THE CONSTITUTIONAL CONVENTION OF MAINE OF THE ADOPTION OF THE STATE'S CONSTITUTION.

Mr. WHITE of Maine. Mr. Speaker, we read that "no man liveth unto himself." It may with equal truth be asserted that no historical fact can be isolated, can be separated from its causes, or seen apart from its effects. Voltaire expressed this thought when he wrote "Such was the complication of political interests that a cannon shot fired in America could give the signal that set Europe in a blaze." The Seven Years' War, a contributing cause of which was the rivalries of nations in the forests of America, humbled France, gave to England her commanding position in the world's affairs, and to the Colonies the lesson of the value of concerted effort, of unity, which developed into the aspiration for nationality.

These general truths justify us in interrupting our legislative work and in noting here the anniversary of an event of direct interest to the people of two of our States, an event which precipitated the first of those compromises by which the statesmen of the middle years of the last century sought to avoid the inevitable, the irrepressible conflict between the States. One hundred years ago to-day the constitutional convention of Maine, then sitting at Portland, a draft of a proposed constitution having previously been submitted to the voters of the district, canvassed the returns and declared the adoption of the instrument as the State's constitution. This action marked the formal separation of Maine from Massachusetts, and the prompt request for the admission of the new State into the Union furnished the opportunity for the temporary adjustment of the troublesome questions involved in the demands of Missouri for statehood through the adoption of the so-called Missouri compromise.

The student now appreciates that this compromise settled no disputed political or governmental question. It postponed briefly to other times and other occasions the further discussion of the slavery question. The bill for the admission of Missouri as a State came before the House in the winter of 1819. Missouri had been a part of the Louisiana Purchase; she then had 56,000 freemen and 10,000 slaves, and but for the slave question she would have secured immediate admission. Tallmadge, of New York, offered an amendment to the bill for admission providing that all children born in the State after its admission should be free on reaching the age of 25 years and that the further introduction of slavery should be prohibited. The debate upon this amendment in this session and on the resumption of consideration of the question in January, 1820, by the Senate excited the greatest public attention and brought forth a series of speeches never surpassed in eloquence. The oration of William Pinkney was said by Benton to be a "magnificent exhibition, the most gorgeous speech ever delivered in the Senate and the most applauded," and Clay describes it as "a display of astonishing eloquence." Upon the application of Maine for admission, the Tallmadge amendment was forgotten. The Thomas proviso prohibiting slavery in that part of the Louisiana Purchase north of latitude 36° 30', except in Missouri, was introduced. It was understood that Missouri and Maine should be admitted under this compromise. Maine came in at once, but provisions incorporated in the Missouri constitution resulted in further delay on the part of the House in carrying out the agreed compromise, and it was not until August, 1821, more than a year after Maine's admission, that Missouri became a State. Maine's application for admission contributed to the spirit of compromise with respect to Missouri. It furnished the opportunity for mutual concessions, and even at that day we faced the alternative of concession and compromise or the breach of harmonious relations between the sections. Jefferson wrote, "This momentous question, like a fire bell in the night, awakened and filled me with terror; I considered it the knell of the Union." And Benton said, "Compromise views prevailed and enabled the Union to be saved."

That the compromise was a failure in that it endured neither in terms nor in purpose detracts little from its present-day interest. On the contrary, these results may be said to add to its significance through the emphasis they give to the truth that nothing is settled until it is settled right. This tremendous political controversy thus sought to be adjusted gave to the birth of Maine importance to the sister State of Missouri and to the people of the whole Nation.

It is difficult, if not impossible, to assign the preponderant influence creating the spirit and the desire for separation in the people of the district of Maine. The agitation for the change had well-defined form for nearly 40 years before the consummation of the event. Maine suffered during the early years of the movement from no definite grievances attributable to either the positive act of Massachusetts or the failures of duty of the Commonwealth. There is general agreement that, on the whole, Massachusetts was kindly in her attitude toward the district and governed Maine wisely and well.

There were political and religious differences between the people of the two sections of the State, but they existed within other States in which division was never urged. They were utilized to fan the desire for separation, but they were not the causes for the movement. It had its origin in the physical separation of Maine from Massachusetts by the interposition of New Hampshire; in the restlessness of a frontier people; and in those inconveniences and hardships necessarily incident to the life of those times in localities far removed from the news, the attractions and the comforts of the larger centers of population. But in the latter years of the movement more specific reasons for the desire for separate statehood can be assigned.

Maine was a frontier, a borderland. Her territory was long in dispute. Her coast attracted the earliest voyagers. In 1524 Verrazano visited our waters. Gosnold sailed along our coast in 1602, and on this same voyage landed at and named Cape Cod. Sieur de Mont received a charter from Henry IV in 1603 of all the region between 40° and 46° north, under the name of Acadia. In the following year he built a fort at the mouth of the St. Croix River. George Weymouth came in 1605. In 1606 the Plymouth Co. received a grant of the southwest coast, and in 1607 a colony of 120 established itself at the mouth of the

Kennebec River. In 1609 French Jesuits established a mission on the island of Mount Desert. The Council for New England received in 1620 a grant of the country from the fortieth degree to the forty-eighth degree north, between the two seas. In 1622 Ferdinand Gorges and John Mason took by grant from this council, which was the successor to the Plymouth Co., title to the territory between the Merrimac and Kennebec Rivers for 60 miles inland under the name of the Province of Maine. Later, in 1629, they divided their possessions, Gorges taking the portion between the Piscataqua River and the Kennebec. On the surrender of the charter of the Council for New England, Gorges retained the portion previously granted to him, and the region between the Kennebec and the St. Croix and north to the St. Lawrence, although claimed by the French as part of Acadia, was conveyed in 1664 to the Duke of York, afterwards James II of England.

Massachusetts Puritans were as liberal in construing the terms of their Massachusetts charter as they were narrow in other respects. The northern boundary of the Massachusetts grant fixed by the Massachusetts charter at a point 3 miles north of the Merrimac was interpreted by Massachusetts to mean a line run east and west from a point 3 miles north of the source of the Merrimac. This was tantamount to a claim to most of Maine. In time Massachusetts, by a process which must be justified as benevolent assimilation, if it is to be justified at all, extended her authority to the Penobscot River. A descendant of the original Gorges of the grant of 1622 contested the claim of Massachusetts, and the King and Parliament decided in his favor and against the Commonwealth. Massachusetts met this situation by purchasing the Gorges claim, and she then held as proprietor until 1691, when by a new charter Maine was included in Massachusetts, and the boundary was extended to the St. Croix River. Thus was the rule of primogenature disregarded.

The relations between the Province and the State nevertheless were generally friendly. Bitterness never entered into the arguments and the efforts for and against division. Through all the years of discussion temper was rarely displayed on either side. The soil of Maine was a battle ground throughout the French and Indian wars; Maine men led at the capture of Port Royal and of Louisburg; her towns were burned and her territory occupied by the British during the Revolution and during the War of 1812; and there was an undoubted feeling by her people that she suffered from neglect on the part of Massachusetts, but the alleged failure to defend her seems to have occasioned regret rather than resentment.

In 1785–1787 conventions were held at Portland to consider the matter of separation, but the efforts made little headway. At the convention of 1785 there were but 33 in attendance. It appointed a committee to send a letter requesting delegates to meet in convention in January, 1786. This 1786 convention drew up a statement of grievances. They were nine in number, of the most general character, and they might with equal appropriateness have been framed by the people of the "extreme western" part of Massachusetts as by those of Maine.

The convention provided for the calling of another convention, which, when it met, approved the previous statement of grievances and reported that there were others which demanded consideration, but that they could not undertake to enumerate "the multiplicity of them." It declared the remedy to be separation, and requested that a vote be taken by the people on the question. It then adjourned until January, 1787. The vote was taken as provided, but only 970 voters were sufficiently disturbed by the "multiplicity of grievances" to express themselves at all, and separation was beaten 2 to 1. In 1792 another vote was had and separation was again beaten. A like result followed in 1797. In 1807 a large majority was cast against the division sought.

The War of 1812 gave to the friends of separation an opportunity. Maine suffered sadly during the three years of conflict. Her shipping was destroyed. Eastport, Castine, Hampden, Bangor, and Machias were in British hands. The Hartford convention and the attitude of Massachusetts, as understood by the people of Maine, was not approved, and conventions of towns and of citizens in various parts of the Province adopted resolutions declaring it expedient for Maine to be a part of Massachusetts only so long as Massachusetts gave support to the Union. In the years 1814 and 1815 failure to provide for an expression of views on separation strengthened the cause. In 1816 the Massachusetts Legislature passed an act providing for a vote, and in May of that year, for the first time after more than 30 years of controversy, a majority was found to favor the change.

This vote was somewhat of a shock to Massachusetts, and a committee of the Senate reported that it did not give a clear expression of the desires of the people of the district. Another bill was passed providing for a new vote, with a proviso—

That if a majority of 5 to 4 at least of the votes returned are in favor of the district's becoming an independent State, then, and not otherwise, said convention shall proceed to form a constitution as provided in this act.

This act stirred Maine, and for the first time the debate took an acrimonious turn. The vote when taken showed 11,969 yeas and 10,347 nays, or a trifle more than 4 to 5.

In 1819 another vote bill was passed providing that should there be a majority of 1,500 in favor of separation the people should be deemed to have assented to it. The voters assembled on the fourth Monday of July, 1819, and cast 17,091 votes for and 7,132 against separation.

The old grievances of 1786, although somewhat indefinite, still existed, but other considerations had assumed a new importance and greatly affected the result. The people chafed under the alleged failure of Massachusetts to adequately defend her in the War of 1812; there was a growing feeling that Massachusetts was guilty of partiality in matters of education; political considerations influenced the voters; and perhaps as potent as any influence in changing sentiment was a modification in the coastwise laws, as a result of which Maine vessels would not be required to enter and clear from Massachusetts ports in the event Maine became a separate State.

Following the ascertainment by the governor and Council of Massachusetts of the result of this vote, Gov. Brooks, of Massachusetts, issued his proclamation providing for the calling of a convention for the purpose of framing a State constitution.

The convention met at Portland in October, 1819. It was presided over by William King, our first governor. A draft of a constitution was framed, was agreed to by the convention, was subscribed by the president and secretary and by all the delegates but 31, and was then submitted to the people of the State. The convention thereupon adjourned to meet on the first Wednesday in January, 1820. On January 5, 1820, the vote of the inhabitants was examined and declared.

The act of separation had provided that all proceedings under it would be void unless Maine was admitted into the Union prior to March 15, 1820. Because of delay by Congress in acting upon the application of Maine, Massachusetts passed another act providing for an extension of time and for a provisional government for Maine. Congress, however, acted seasonably, and the act for admission was formally approved March 3, 1820. Maine thus became the tenth legislative State and the twenty-third State in the Union.

Through 100 years the two States have gone their way, separate in political organization but united by many bonds of interest and sympathy. With like climate, like soil, like physical characteristics, and like natural advantages and disadvantages, their industrial and commercial development has been along similar lines. The early political differences long ago disappeared and for nearly three-quarters of a century the people of the two States have viewed governmental and public questions in much the same way. The Maine constitution, our statutes, and the decisions of our courts bear striking resemblance to those of the more populous State. Our people are like those of Massachusetts in blood, in thought, and in purpose. It has been said that 300 years ago on the shores of Massachusetts Bay there was a wedding; that the contracting parties were the church and the common school; the welcomed guests, the Puritan fathers and mothers; the unbidden witnesses, the savages lurking in the forest about; that the canopy overhead was the sky studded with God's stars; the music, the surge of old ocean and the song of the night birds; and that from this wedding there came a child, New England civilization, a civilization reared upon the virtues of industry, of thrift, of sobriety, of desire for education, of love of country, and of respect for the divine law. [Applause.] Influenced by these teachings, what a mighty force have the sons and the daughters of Massachusetts and of Maine exerted throughout the Nation! What a story could be told of material accomplishment, of magnificent achievement in science, in literature, in law, and in the problems of government! What an ennobling and uplifting power the children of these sister States have been wheresoever they have gone! [Applause.]

The SPEAKER. Under the order of the House the gentleman from Massachusetts [Mr. LUCE] is entitled to the floor for 15 minutes.

Mr. LUCE. Mr. Speaker, as a native of Maine, representing a Massachusetts district, it may not be amiss for me to respond with felicitations from the mother State. Such Massachusetts is called, but Maine might almost assert that she is an older sister rather than a daughter. This year and the next, with a

great variety of celebrations, we shall commemorate that glorious band of pilgrims who braved the perils of the trackless sea in order that in a new land they might be free to worship God according to the dictates of conscience. They will doubtless be honored as the founders of New England; yet when they set foot on Plymouth Rock, already there were not a few Englishmen dwelling on the coast between Casco and Penobscot Bay. Samoset, the Indian sachem, was able to welcome the newcomers at Plymouth in their own tongue, because he had learned something of their language from the humble, nameless fishermen to the eastward. At the end of that terrible second winter, when the Plymouth colonists came so near starvation, in May of 1622, it was to the fishing vessels about Monhegan that the Plymouth colonists sent Winslow for help. He says the crews gave freely of the food they could spare, "provoking one another to the utmost of their abilities." Thus at the very outset the men of Maine began that record of hospitality for which they have ever since been famous.

The colonists of Maine preceded those of Plymouth by at least a dozen years and perhaps had built their first rude huts before Jamestown was founded in Virginia. If it be asked why they have received no glory as pioneers, the answer must be that they were a simple folk, coming here to get a livelihood, bringing with them no such strength of character and no such moral purpose as enabled the Puritans to make their indelible impress on the institutions of America and no such high spirit and aristocratic tradition as made the founders of Virginia leaders in the southern part of what became the United States. It was to be the lot of Maine that not only her first settlers but also those who for 200 years attacked her pine forests and wrestled with her stony hillsides should be plain people of the sort that make up the great mass of mankind.

After the Revolutionary War settlers emigrated to Maine in great numbers. Naturally they had little of worldly estate. For the most part they carried with them nothing but a few homely utensils and were accompanied or soon surrounded by large flocks of hungry children. The clearing of their farms left them no leisure. All the conditions of their existence were different from those of the older part of the State, where in the course of a century and a half comfort had become well-nigh universal and there was opportunity to cultivate the finer aspects of life. Socially, then, the people of the district of Maine were out of sympathy with those of Boston and thereabouts. This was at once reflected in the politics of the time. The anti-Federalist movement, soon to be known as Republican, found its supporters generally among the poorer people. Their temper appears from the defeat of Gen. Knox in 1804 by Joshua Adams, a blacksmith, the objection to Knox being that he owned too much land. It was said that "a great landholder is a kind of natural aristocrat."

On the other hand, the Federalists of old Massachusetts, with judgment warped by a bitterness of partisanship that has rarely, if ever, since been equaled, saw nothing good in the Republican pioneers of the eastern district. A Boston paper in 1806 asked, "Shall the squatters of Maine impose a governor on Massachusetts?" A Fourth of July toast in Boston in the same year was, "Old Massachusetts—may it soon be purified from the dross of Maine and so become the brightest link in the golden chain of our Union." Maine in retort bemoaned "dependence on a distant territory, whose capital seems devoted to corruption, degradation, and ruin."

With the revolt against political, social, and intellectual leadership of every sort that followed the War for Independence and was heartened by the triumphs of popular power in the French Revolution came a revolt against the accustomed spiritual leadership. This was the cause of the rapid growth of the minor dissenting sects. In Maine the Methodists and the Baptists made rapid headway. The tolerant legislation enacted by the General Court in the brief intervals when the Republicans were in power added to the belief of the masses that the Republicans were the friends of churches struggling against the Congregational control.

With what has been known as the era of good feeling under President Monroe, the sharp lines between the Federal and Republican parties were blunted, and the last few years of the agitation were not so strongly marked by partisanship. At the end the separation came with little ill will.

The long conflict saw one notable step in political development. In its course the people of the district of Maine voted six times on whether they would or would not be set off. Massachusetts precedent had paved the way for this, notably by the submission of the Massachusetts constitution to the people. In the Maine instance, however, appears perhaps the first case of definitely basing the effect of legislative action on the result of a referendum. Through many years the right of a legislature thus to divest itself of any of its responsibility was to be stoutly contested in the courts, and not until our own time was it to be firmly established.

Other landmarks of progress are to be found in the records of the convention that drew up the constitution for the new State. The first earnest discussion came on the religious question. A committee of "the Catholics of Maine" petitioned for equal rights, saying that under the constitution of Massachusetts they were excluded from an equal participation in the benefits of government. That constitution still required all the inhabitants to be taxed "for the support and maintenance of public Protestant teachers of piety, religion, and morality." The people of Maine would have none of this, and the convention even went so far as to refuse by a great majority to copy the declaration of the Massachusetts Bill of Rights, to the effect that it is the duty of all men in society publicly and at stated seasons to worship the Supreme Being. They said that to prescribe the duty would be to authorize the legislature to enforce it. Also they refused to ordain the Sabbath as a day of worship. Massachusetts had required an oath of office renouncing allegiance to any foreign prelate dispensing any power, ecclesiastical or spiritual. Maine, on the contrary, specified that no religious tests whatever should be required for office.

The temper of Maine in these things may be further judged from what happened when Judge Cony suggested to the convention that it would be proper to observe the usual practices and religious observances at the day of election, and therefore moved that an hour be assigned to elect a clergyman to preach the election sermon in the following May. Gen. Wingate asked if they were to have all the parade and pageantry of the government of Massachusetts. He hoped they would be more republican. Judge Thacher retorted that he did not know preaching a sermon was antirepublican. Other States had always practiced it, and it was a good and wholesome custom. Nevertheless the suggestion fell flat, not even a vote being taken.

The convention also went far in advance of the parent State by omitting entirely any property qualifications for suffrage. Such a qualification was not even urged. Also, it refused to disqualify negroes. John Holmes, the guiding spirit of the convention, a Member of Congress, and to become a United States Senator, declared: "I know of no difference between the rights of the negro and the white man—God Almighty has made none."

Only a few months later we find this same John Holmes taking quite other ground on the floor of the House of Representatives at Washington, where the struggle of Maine for independence had been transferred, to become a part of one of the most memorable contests in our national history and to end in the famous Missouri compromise.

It was just 100 years ago last Tuesday when the bill for the admission of Maine came up here for debate. During the next eight weeks or more little else was heard in the two Chambers except discussion of the great question whether Missouri should be admitted with or without slavery. It became so tedious that they called it "the misery debate." There was no objection to the admission of Maine, but the partisans of slavery grasped at their chance to make its admission conditional upon the admission of Missouri without restriction. Henry Clay, Speaker of the House, hinted at this when, on the opening day of the debate, he spoke long and earnestly on the slavery side. He said that the admission of Kentucky had been delayed until Vermont was ready, a novel bit of history that was stoutly denied by the friends of Maine. However, it is undoubtedly true that the South had by this time come to rely upon a program by which the admission of every free State should be offset by the admission of a slave State. There were 11 free and 11 slave States, and the South thought it of paramount importance that the balance should not be disturbed. So when the Maine bill reached the Senate it was promptly referred to the Committee on the Judiciary, with instructions to amend by adding what was virtually the Missouri bill, with no restriction in the matter of slavery.

One hundred years ago to-morrow the report came into the Senate with the amendment as directed. There it was fought bitterly, stubbornly. The greatest speeches on the southern side were by William Pinkney, of Maryland, a polished orator of high renown. He made one speech of five hours, covering parts of two days, and another of three hours. The champions of the other side against him were Harrison Gray Otis, of Massachusetts, and Rufus King, who, though now a Senator from New York, was born in the district of Maine. Of the many noteworthy achievements of King's life few were more valuable

than his defense of freedom against the onslaughts of William Pinkney.

The supporters of slavery controlled the Senate and sent the bill back to the House with Maine and Missouri tied together. There the unholy marriage met with short shrift, for the House quickly refused to agree and resumed its discussion of its own Missouri bill, which it passed on the 1st day of March, with prohibition of slavery in the new State.

Meanwhile the Senate had worked out the compromise idea. Missouri was to be admitted without restriction, but slavery was to be prohibited in other territory of the United States north of the parallel of 36 degrees and 30 minutes. At first the House would not listen to this, but it was driven into the mood of concession partly by the fact that the Massachusetts statute for setting off Maine had named March 4 as the date before which the thing should be accomplished. The approach of that day doubtless led some of the friends of Maine to be more conciliatory. John Holmes, whom we saw in the Maine convention declaring that God Almighty had made no difference between the rights of the negro and the white man, and that he knew of none, was now willing to let a difference be made in a State beyond the Mississippi River, where perhaps he thought there was no God. We find him one of the 18 northerners who were ridiculed by John Randolph as "dough faces," a name by which northern men with southern principles were thereafter stigmatized as long as slavery lasted. The votes of these 18 men put the compromise through the House. The margin was only 3, so that if Holmes and his colleague from the district of Maine, Hill, had stood by what were always Maine convictions, the Missouri compromise of 1820 might have been thwarted.

It was a dangerous hour. To John Quincy Adams the episode appeared a "mere preamble, a title-page to a great tragic volume." Adams was right. Thank God the volume has been closed.

Overshadowed by the tremendous significance of the issue was one feature of the contest that has particular interest for us of Congress to-day. On this occasion, for the first time, the "rider" was firmly seated in the saddle. Riders had not been unknown in colonial days, and their propriety had been thrashed out in Parliament long before. The affixing of the Missouri bill to the Maine bill by way of amendment was, however, an abuse of the amending power by another branch, made so conspicuous by the circumstances of the struggle that it is fair to say the rider here became of age even if its birth must be set at an earlier date. It is an interesting coincidence that one of the modifications of the Massachusetts constitution made by the Maine convention forbade the Senate to add to a bill for raising a revenue any new matter under color of an amendment. All told there are now but half a dozen States without constitutional provisions that directly or indirectly to some degree hamper riders. It will be fortunate, indeed, if we show ourselves willing to profit by their example and if we mark the centennial of the rider in Congress by its utter destruction.

Throughout the hundred years that Maine has enjoyed statehood Massachusetts has cherished for her the warmest affection. Although at the time of the separation there was much regret in the Old Bay State, the division was looked upon as natural and inevitable. So the people for whom I am now venturing to speak have entertained only the kindliest feelings for their brothers down east. They have rejoiced at all that Maine has done for the Union. I may not take the time to enumerate her contributions, but must at any rate recognize what the country owes to her in the way of virility, for Maine's chief gift has been the lavish gift of men. Far the greater number of my listeners will be able to recall natives of Maine who have helped them build up their communities. For a single instance of what Maine has done let me remind you that at one time in Congress were three brothers, all born in the town of Livermore, in Maine, Washburn by name, one of them representing the district where he was born, another coming from Wisconsin, and another from Illinois. Of the same family still another afterwards came here from Minnesota. Of men who remained in the State of their nativity and who rendered great service to the Nation let me recall Hannibal Hamlin, William P. Frye, and Nelson Dingley [applause], and of men who passed the best part of their lives in Maine, William Pitt Fessenden and James G. Blaine. [Applause.] I may no more than mention other gifts of Maine to the world—of writers, Longfellow and Hawthorne; of heroes, Howard and Chamberlain; of singers, Carey and Nordica; of men who have made life happier by their wit, Artemus Ward and Bill Nye.

Those of us who feel we have the right to be proud of our native State for what she has done, after all rejoice the most in what she is. During half the year no corner of the land gives more delight, and if during much of the other half she sleeps under a blanket of snow and ice it is but to gain fresh pleasures with which to welcome us at the coming of each spring. [Applause.]

Keep who will the city's alleys,
Take the smooth-shorn plain,
Give to us the cedar valleys,
Rocks, and hills of Maine.
In our northland, wild and woody,
Let us still have part—
Rugged nurse and mother sturdy,
Hold us to thy heart.

[Applause.]

The SPEAKER. Under the order of the House the gentleman from Ohio is entitled to 20 minutes.

IRELAND AND HER STRUGGLE FOR INDEPENDENCE.

Mr. SHERWOOD. Mr. Speaker, there is an appealing spirit in the air, voiced by all the potentials of democracy, that the commanding genius of our Republic should never be cramped to shore lines; that our mission as a Nation should be to carry the benign doctrine of universal brotherhood and equality to all struggling peoples across the Atlantic. We were the controlling factor in winning the greatest war of all the centuries, inspired solely by the exalting battle cry, to "make the world safe for democracy." It may be too late to achieve results on the Irish question, but it is never too late to express our condolence and sympathy. Our distinguished colleague, WILLIAM E. MASON, of Illinois, formerly United States Senator, has introduced a resolution recognizing the Irish republic as a de facto government. This resolution, if adopted by the House, need not necessarily disturb our friendly relations with the Empire of Great Britain, but would doubtless inspire Premier Lloyd-George to give the largest measure of home rule to Ireland. As an American citizen, with no single drop of Irish blood in my veins, I can make a plea for Ireland without being accused of being pro-Irish. If being born of English and Scotch ancestry is a test of Americanism, then I can pass the acid test, for my ancestors came over in 1632, not in the *Mayflower*, because the boat was full, but on the next boat.

Ireland has been struggling for autonomy and independence for over 700 years. Ireland is a continental island surrounded on all sides by seas and oceans, and is separated from England by the wide Irish Sea. Hence there can be no dispute over boundaries. In a wide war to make the world safe for democracy, Ireland should have serious consideration. The Irish are a homogeneous people, and no other people in either Europe or Asia or the western continent has ever made such a constant and enduring struggle for autonomy and independence as the Irish race. They hold the undisputed world record for long-continued constancy and courage. Let us not forget that Irish patriots bore an important part in all the struggles of the thirteen American Colonies for independence. Irish blood was shed on every battle field of the Seven Years' War. The first bold utterance, "Give me liberty or give me death," was the Irish voice of Patrick Henry, the most inspiring, all-pervading, and potent of all patriot voices of the epoch.

The first general officer killed in the War of the Revolution was Maj. Gen. Richard Montgomery, born in Donegal, Ireland. The first commander of the American Navy was John Barry, born in County Wexford, Ireland. Let us not forget that it was Maurice O'Brien, born in Cork, Ireland, whose five sons, hearing of the Battle of Lexington, struck the first blow on water for independence—May 11, 1775—by capturing a British armed schooner. John Hancock, first signer of the Declaration of Independence and twice President of the Continental Congress, was the descendant of an Irish emigrant from Ulster. He not only pledged his life and his fortune to the independence of the Colonies, but he gave his fortune to the cause, some $400,000. Charles Thompson, Secretary of the Continental Congress, who made the first copy of the Declaration of Independence, was born in County Derry, Ireland. John Nixon, whose father was born in County Wexford, Ireland, first read the Declaration in public from the steps of the Statehouse in Philadelphia, July 8, 1776.

Among the signers of the Declaration of Independence, 10 were full-bred Irishmen—John Hart, New Jersey, whose father and mother came from Ireland; James Smith, of Pennsylvania, born in Ireland; George Taylor, of Pennsylvania, born in Ireland; George Reed, of Delaware, son of John Reed, was born in Dublin; Thomas McKean, of Delaware, whose father and mother were born in Ireland; Charles Carroll, grandson of Charles Carroll, of Ireland, who came to America in 1689; Edward Rutledge, of South Carolina, grandson of Thomas Lynch, native of Galway, Ireland; Robert Treat Paine, son of Robert O'Neill, born in Ireland, who changed his name to Paine when he emigrated to the American Colonies.

And, lest we forget, it is quite interesting to know that there were 48 full-bred Irishmen in Col. George Washington's regiment of Virginia militia in 1754. Nearly all afterwards served

in the Continental Army of the American Revolution. It was Gen. Sullivan's brigade of Irishmen who manned the guns on Dorchester Heights, Boston, that day, ever memorable in heroic history—March 17, 1776—when the British Army, under Lord Howe, evacuated Boston. And when Lord Howe's army sailed past Governors Island an Irish shout went up from Irish throats on Dorchester Heights that made that day one of the most memorable in our history. Gen. Sullivan was the son of Owen Sullivan, born in Limerick, Ireland. Gen. Washington made "St. Patrick" the countersign of the whole Continental Army that night.

Among the first troops sent from France to aid the colonists was a brigade of five full regiments, all Irishmen. In Prof. Fisher's history of the Revolution, he says: "Over 20,000 Irishmen from first to last served the patriotic cause in the Continental Army."

Among the famous minute men of Lexington, Mass., I have the names of 138 Irishmen. When Col. Tilghman, of Maryland, made that far, perilous ride on horseback from Yorktown to Philadelphia, carrying the glorious tidings that Lord Cornwallis and his whole army had surrendered, he rode first to the house of Thomas McKean, the Irish president of the Continental Congress. The private secretary, aid-de-camp, of Gen. Washington during the seven years war was Gen. Reed, a full-bred Irishman. Gen. Reed was not only a gallant soldier but a wise counselor. He was also a member of the Continental Congress. The most signal victory in the South, except Yorktown, was the Battle of Cowpens, S. C., won by Gen. Dan Morgan, with one-third of his command Irish soldiers. The historian, Dr. J. C. O'Connell, in his interesting recital of this signal victory, classes Gen. Morgan as Irish. There is some doubt about this. Morgan is a Welsh name. Gen. Morgan's pedigree has never been established. His father was probably Welsh-Irish and his mother of Irish lineage. In the dreary times of the Revolution no official pedigree of war heroes was ever tabulated. Patriots were estimated by achievement and not by blood lines. All agree, however, that Gen. Dan Morgan, the hero of Cowpens, fought and won the Battle of Cowpens like an Irishman. Gen. Henry Knox, a valued officer of Gen. Washington's Continental Army, was the son of Borton Knox, born in Ireland. Gen. Andrew Lewis, of Donegal, Ireland, was another constant and enduring soldier. Capt. James McHenry, who served on the staff of Gen. Washington and was Secretary of War under President Washington in 1796, was a native of Ireland. Another promising Irish soldier was Gen. William Irving, born in Cork. There are three Cork towns in the United States—in Georgia, Kentucky, and West Virginia—but Gen. Irving was born in Cork, Ireland. Gen. James Clinton, who fought gallantly with Gen. Montgomery before the walls of Quebec, was born in County Longford, Ireland. Brig. Gen. Stephen Moylan, chief of cavalry of the Continental Army, a brave and constant soldier, was born in Cork, Ireland.

When the Continental Army of Gen. Washington was in dire distress, and Congress was unable to afford relief, some 23 patriotic men of Philadelphia put into operation the Bank of Pennsylvania and supplied the suffering army with provisions and clothing. Robert Morris headed the list with a subscription of $50,000. Blair McClenehan, a native of Ireland, subscribed an equal amount, and 21 Irishmen, members of the Sons of St. Patrick, subscribed $350,000 more. All born in Ireland except John Nixon, whose father came from County Rexford, Ireland.

As a patriotic reminder, let me call your attention to an address made in 1828 by George Washington Parke Custis, grandson of Martha Washington. I quote a vital paragraph:

> Ireland, whose generous sons alike in the day of our gloom and our glory shared in our misfortunes and joined in our success, who, with undaunted courage, breasted the storm with aspirations deep and fervent for our cause. Up to the coming of the French Army, Ireland had furnished 100 soldiers to 1 of any other foreign nation.

George Bancroft and other historians tell us that Philadelphia was first settled by Quakers. The immigration record of Philadelphia for the year ending December, 1729, is as follows: English and Welsh, 267; Scotch, 43; German, 243; Irish, 5,655. [Applause.] How often historians are mistaken. Thomas Holme, surveyor general for William Penn, who made the first plat of Philadelphia, was an Irishman born in Waterford, Ireland. Washington Irving, in his history of the War of the Revolution, states that a large majority of the landowners along the Hudson River were Tories during the war. There is not an Irish name in the entire list. The Patricks and Michaels were all in the patriot army.

IRISH BLOOD IN FOUR PRESIDENTS.

I have not forgotten that the father of Gen. Andrew Jackson was Irish born and bred. Gen. Jackson was the most remarkable man of his time; the seventh President of the United States, and the only President, with the exception of Gen. Grant, who served 8 years during the past 85 years. He won the most remarkable victory in the Battle of New Orleans, all circumstances considered, ever won on this continent. While history has said its last word on Andrew Jackson, every 8th of January evokes more eloquent and fervent voices in his honor.

James K. Polk, eleventh President of the United States, born in Mecklenburg County, N. C., was the nephew of Col. Thomas Polk, who was born in Ireland. This is the Col. Thomas Polk who called that remarkable convention of patriots May 19, 1775, which passed the famous Mecklenburg resolution declaring for independence and severing all relations with Great Britain. This bold defy to tyrants was over a year before the Declaration of Independence.

James Buchanan, fifteenth President of the United States, Secretary of State, minister to England, and United States Senator, was the son of a poor Irish emigrant.

Chester Allan Arthur, twenty-first President of the United States, was the son of Rev. William Arthur, who was born in Ireland.

I have not forgotten Dolly Madison, the most gifted and popular woman who ever presided in the White House—a social queen and capable of advising a President in matters of state. She was the granddaughter of William Coles, born in County Wexford, Ireland, one of the early settlers of colonial Virginia.

The mother of Commodore Perry was born in Ireland. The Battle of Lake Erie, fought and won by Commodore Oliver Hazard Perry (28 years old), was the most signal victory ever won on fresh water; won with a force of green volunteers and pickups against a larger force of trained and seasoned veterans of the British Navy, commanded by the experienced naval officer, Capt. Barclay, who won distinction with Lord Nelson at Trafalgar. Commodore Perry's fleet carried 54 guns, while the British fleet carried 63 guns of longer range.

IRISH SOLDIERS AND PATRIOTS IN THE CIVIL WAR.

Maj. Gen. John A. Logan was the most distinguished volunteer soldier and general of the Union Army. His daring and dashing intrepidity saved our Army from defeat in the fierce Battle of Atlanta. He was a soldier in the Mexican War, and was a hero of many battles from 1861 to 1865, always at the front. He was the son of a full-blooded Irishman, Dr. John A. Logan, born in the Emerald Isle and a graduate of the University of Dublin.

The colonel who led the most desperate Cavalry charge of the great Civil War was an Irishman, Col. Keenan, of the Eighth Pennsylvania Cavalry. At Chancellorsville, Va., he led a charge of 400 cavalrymen against the advance of Stonewall Jackson's army. This charge stunned the Confederate advance and in the confusion Stonewall Jackson, the greatest general of the Confederacy, next to Gen. Robert E. Lee, was killed.

Gen. Phil Kearny, another great Irish soldier, was the hero of four wars. He was desperately wounded at Cherubusco, Mexico, where he lost his left arm. Gen. Kearny died a hero's death in the desperate Battle of Chantilla, Va., where he rode the battle line with his sword between his teeth. Gen. Kearny fought with the French in the Crimean War, and on account of distinguished service in the signal Battle of Solferino was decorated with the Legion of Honor by Napoleon the Third, the first American soldier who ever received that decoration.

Maj. Gen. James Shields, born in County Tyrone, Ireland, had the most remarkable career of any civilian or soldier since the adoption of the Federal Constitution in 1787. He was made a major general for distinguished services in the Mexican War and complimented in general orders for gallant conduct in the Battle of Cerro Gordo, Mexico. He is the only man in the United States who ever represented three different States in the United States Senate—Illinois, Minnesota, and Missouri. He was also a distinguished soldier in the Civil War, and lost his left arm—shattered by a shell—in the first Battle of Winchester.

The last blow struck in the great Civil War which resulted in the surrender of Lee was by Gen. Phil Sheridan, a full-blooded Irishman, conceded to be the most dashing and successful Cavalry general of the Civil War. He was born in Ireland, of Irish parents, and came to the United States when a baby.

George McCook, who fled from Ireland in 1780, was the ancestor of the fighting McCooks, of Ohio, two of whom gave up their lives on the battle fields of the Republic—Gen. Daniel McCook, on Kenesaw Mountain, and Gen. Robert J. McCook, at Decherd, Tenn.

I remember that in the greatest battle of the Civil War—Gettysburg—the first Union officer to reach "Little Round Top" was Col. Patrick O'Rourk, who was killed at the head of his command.

It was Gen. Joseph B. Carr, the son of Irish parents, who successfully assumed command in the Battle of Chancellorsville

after Gen. Berry was killed. He also played the hero's rôle at Gettysburg, where he had a horse shot under him riding the front line of battle. And the most courageous and dashing general of the Confederacy was Gen. Pat Cleburn, born in Cork, Ireland.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. GARD. Mr. Speaker, I ask unanimous consent that the time of the gentleman may be extended 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHERWOOD. I thank the gentleman.

Col. Charles G. Halpine, of the Irish Brigade, Army of the Potomac, was another full-bred Irish soldier. This brigade lost more men killed in battle than any brigade of the Army. It was Col. Halpine who wrote that inspiring soldier's song, We Have Drunk from the Same Canteen, a song that was sung around every camp fire of our armies and is still ringing in mellow memories at every gathering of old comrades in reunion. Let me give you a couplet:

It was sometimes water and sometimes milk,
And sometimes applejack finer than silk,
But whatever the tipple had been,
We shared it together in bane or bliss,
And I warm to you now as I think of this—
We have drunk from the same canteen.

[Applause.]

Another commander of the Irish Brigade was Gen. Kelly, a full-bred Irishman, brave in battle, kindly and companionable when guns were stacked, singing with the boys in blue the alluring war songs around the bivouac fires.

All down the centuries we have records of Irish patriots who have enriched our heroic literature. The Bivouac of the Dead, couplets of which are carved in marble over the gates of all our national soldier cemeteries, was written by Theodore O'Hara, a political exile from Ireland. On Fame's Eternal Camping Ground Their Silent Tents Are Spread, by O'Hara, will be sung by all 100 per cent Americans as long as our flag shall wave over a free people. [Applause.]

Prof. Gilmore, of Peace Jubilee fame, was the world's greatest bandmaster. He was the author of that inspiring war song, When Johnny Comes Marching Home, one of the most rhythmic and cheerful patriotic melodies of the four years' war. Prof. Gilmore was born near Dublin, Ireland, on Christmas night, 1829. His full name was Patrick Sarsfield Gilmore; blood all Irish, performance and patriotism all American.

The most plaintive and inspiring Confederate war song of the Civil War was written by Father Ryan, of Mobile, Ala., The Conquered Banner. Father Ryan was a full-bred Irishman.

I have vivid and sacred memories of the six Irish officers in the regiment I was privileged to command in the Civil War. Two were killed in battle and three others severely wounded. Hence, this appeal of all Irishmen for autonomy and independence appeals to me as a soldier.

Of the 200 and more chaplains who went out from Ohio from 1861 to 1865, only one remains alive and alert, and that is Rev. Patrick O'Brien, of Toledo, Ohio, born in County Wexford, Ireland, still full of patriotic enthusiasm and a leader in all patriotic movements.

Ingratitude is one of the basest of human frailties. The appeal for free Ireland is not a far cry. If we as a Nation believe in our own professions, if the heroic traditions of 1776 have not been effaced, we must hearken to this appeal. We have already established a new and free Poland for the Poles. We have grateful memories of two great Polish soldiers, Kosciusko and Pulaski, who came to us in the stress and travail of the seven years' struggle for independence. Hence, every patriotic American citizen glories in this free and enlarged Poland. Let us glorify ourselves anew by a continental appeal for a free Ireland.

I am for free Ireland for the Irish, for free Poland for the Poles, for Armenia for the Armenians, for Syria for the Syrians, and for all peoples around the world who have shown by fidelity and courage and constancy that they are entitled under God's benign providence to live their own lives. I quote, with wholehearted approval, a paragraph from an eloquent and powerful oration by the Hon. Bourke Cochran:

We stand now in the sunlight, the stream of victory on our banner. Shall we cast under the feet of despotism, of century-old wrong, all that we supposed we had won in the victory that we have achieved? If that purpose is betrayed, woe to civilization, woe to the generations that are to follow us. Who can trust a promise if this one, to redeem which the noblest libation that the earth ever drank was poured out in unmeasured and unstinted volume, shall be abandoned? Let all the world know that when America speaks she speaks the voice of truth, she speaks the judgment of God, exercised to the freest and the noblest people to whom He could ever intrust the design that He means to carry out for the welfare of the world. [Applause.]

MINORITY VIEWS ON BILL TO ABOLISH HALF-AND-HALF PRINCIPLE.

Mr. MAPES. Mr. Speaker, I ask unanimous consent that those members of the Committee on the District of Columbia who desire to do so may have three days in which to file minority views on the bill H. R. 7158, the bill to repeal the half-and-half principle.

The SPEAKER. The gentleman from Michigan asks unanimous consent that those members of the Committee on the District of Columbia who desire to do so may have three days within which to file minority views on the bill H. R. 7158. Is there objection?

There was no objection.

GENERAL PENSION LEGISLATION.

Mr. FULLER of Illinois. Mr. Speaker, I move to suspend the rules, discharge the Committee of the Whole House on the state of the Union from consideration of the bill H. R. 9369, to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War, to certain widows, former widows, dependent parents and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increase of pensions in certain cases, and pass the same.

The SPEAKER. The gentleman from Illinois moves to suspend the rules, discharge the Committee of the Whole House on the state of the Union from further consideration of the bill H. R. 9369, which the Clerk will report, and pass the same.

The Clerk read as follows:

A bill (H. R. 9369) to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War, to certain widows, former widows, dependent parents and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increase of pensions in certain cases.

Be it enacted, etc., That every person who served 90 days or more in the Army, Navy, or Marine Corps of the United States during the Civil War, and who has been honorably discharged therefrom, or who, having so served less than 90 days, was discharged for a disability incurred in the service and in the line of duty, and who is now in receipt of or entitled to receive under existing law a pension of less than $50 per month, shall, from and after the passage of this act, be entitled to and shall be paid a pension at the rate of $50 per month.

SEC. 2. That every person who served 90 days or more in the Army, Navy, or Marine Corps of the United States during the Civil War, and who has been honorably discharged therefrom, or who, having so served less than 90 days, was discharged for a disability incurred in the service and in the line of duty, and who is now or hereafter may become, by reason of age and physical disabilities, helpless or blind, or so nearly helpless or blind as to require the constant or regular aid and attendance of another person, shall be entitled to and shall be paid a pension at the rate of $72 per month.

SEC. 3. That from and after the approval of this act all persons whose names are on the pension roll, and who, while in the service of the United States in the Army, Navy, or Marine Corps during the Civil War, and in the line of duty, shall have lost one hand or one foot or been totally disabled in the same, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $60 per month; that all persons who, in such service and in like manner, shall have lost an arm at or above the elbow, or a leg at or above the knee, or been totally disabled in the same, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $65 per month; that all persons who, in such service and in like manner, shall have lost an arm at the shoulder joint or a leg at the hip joint, or so near the shoulder or hip joint, or where the same is in such condition as to prevent the use of an artificial limb, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $72 per month; and that all persons who, in such service and in like manner, shall have lost one hand and one foot, or been totally disabled in the same, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $90 per month.

SEC. 4. That the widow of any person who served in the Army, Navy, or Marine Corps of the United States during the Civil War for 90 days or more, and was honorably discharged from such service, or regardless of the length of service was discharged for a disability incurred in the service and in the line of duty, such widow having been married to such soldier, sailor, or marine prior to the 27th day of June, A. D. 1915, shall be entitled to and shall be paid a pension at the rate of $30 per month. And this section shall apply to all former widows of persons who served for 90 days or more in the Army, Navy, or Marine Corps of the United States during the Civil War and were honorably discharged from such service, or who, having so served for less than 90 days, were discharged for a disability incurred in the service and in the line of duty, such widow having remarried, either once or more than once after the death of the soldier, sailor, or marine, if it be shown that such subsequent or successive marriage has or have been dissolved, either by the death of the husband or husbands or by divorce without fault on the part of the wife; and any such former widow shall be entitled to and be paid a pension at the rate of $30 per month; and any widow as mentioned in this section shall also be paid $6 per month for each child of such officer or enlisted man under the age of 16 years, and in case of the death or remarriage of the widow having a child or children of such officer or enlisted man under the age of 16 years, such pension shall be paid such child or children until the age of 16 years: *Provided*, That in case a minor child is insane, idiotic, or otherwise permanently helpless, the pension shall continue during the life of such child, or during the period of such disability, and this proviso shall apply to all pensions heretofore granted or hereafter to be granted under this or any former statute: *And provided further*, That in case of any widow whose name has been dropped from the pension roll because of her remarriage, if the pension has been granted to an insane, idiotic, or otherwise helpless child, or to a child or children under the age of 16 years, she shall not be entitled to renewal of pension under this act until that pension to such child or children terminates, unless such child or children be a member or members of her family and cared for by her, and upon the renewal of pension to such widow payment of pension to such child or children shall cease.

SEC. 5. That all Army nurses of the Civil War, and all dependent parents of any officer or enlisted man who served in the Civil War whose names are now on the pension roll, or who are now entitled to pension under any existing law, shall be entitled to and shall be paid a pension at the rate of $30 per month.

SEC. 6. That the pension or increase of pension herein provided for, as to all persons whose names are now on the pension roll, or who are now in receipt of a pension under existing law, shall commence at the rates herein provided, from the date of the approval of this act, or under section 2 hereof, when the requisite condition is shown to exist after the approval of this act; and as to persons whose names are not now on the pension roll, or who are not now in receipt of a pension under existing law, but who may be entitled to pension under the provisions of this act, such pensions shall commence from the date of filing application therefor in the Bureau of Pensions in such form as may be prescribed by the Secretary of the Interior: *Provided*, That as to any former widow as mentioned in section 4 hereof, who since the death of her soldier, sailor, or marine husband has remarried either once or more than once, and such subsequent or successive marriage has been dissolved, either by the death of the husband or husbands, or by divorce without fault on the part of the wife, and who filed her application for pension under the act of September 8, 1916, her pension shall commence from the date when her original application was filed under that act in the Bureau of Pensions, and shall be at the rate in that act provided, with increase at the rate or rates subsequently provided for the widows of Civil War soldiers, sailors, and marines, and by this act from the date or dates when any such subsequent act or acts took effect or may hereafter take effect, it being the intent and purpose to give to any such widow the same status as other widows of Civil War soldiers, sailors, and marines who have not remarried, and from the date of said act of September 8, 1916.

SEC. 7. That nothing in this act contained shall be held to affect or diminish the additional pension to those on the roll designated as "The Army and Navy Medal of Honor Roll," as provided in the act of April 27, 1906, but any increase herein provided for shall be in addition thereto; and no pension heretofore granted under any act, public or private, shall be reduced by anything contained in this act.

SEC. 8. That no claim agent or attorney or other person shall be recognized in the adjustment of claims under this act, except in claims for original pension, and in such cases no more than the sum of $10 shall be allowed for services in preparing, presenting, or prosecuting any such claim, which sum shall be payable only on the order of the Commissioner of Pensions; and any person who shall violate any of the provisions of this section, or shall wrongfully withhold from the pensioner or claimant the whole or any part of a pension allowed or due to such pensioner or claimant under this act, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall, for each and every offense, be fined not exceeding $500 or be imprisoned not exceeding one year, or both, in the discretion of the court.

Mr. WALSH. Mr. Speaker, I demand a second.

Mr. FULLER of Illinois. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Illinois is entitled to 20 minutes and the gentleman from Massachusetts 20 minutes.

Mr. FULLER of Illinois. Mr. Speaker, I ask unanimous consent to correct a misprint in the bill, in respect to a date. On page 6 of the bill, line 22, the figures "1906" should be "1916," and I ask unanimous consent that they be corrected.

The SPEAKER. The gentleman from Illinois asks unanimous consent to amend the bill by correcting a date. Is there objection?

There was no objection.

Mr. FULLER of Illinois. Mr. Speaker, I ask unanimous consent that all Members who speak on the bill may have leave to revise and extend their remarks, and that all other Members may have five legislative days in which to extend their remarks on the bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent that all Members who speak on the bill may revise and extend their remarks, and that all others may have five legislative days within which to extend their remarks on the bill. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, if the gentleman will include in his request that the extensions shall consist of the Members' own remarks, and not telegrams and editorials, I shall not object.

Mr. FULLER of Illinois. Mr. Speaker, I accept the suggestion of the gentleman from Massachusetts and include it in my request.

The SPEAKER. And that the remarks shall be the remarks of the Members themselves. Is there objection?

There was no objection.

Mr. FULLER of Illinois. Mr. Speaker, I ask further to correct the bill on page 4, line 23, by inserting the word "been" for the word "be."

The SPEAKER. The gentleman from Illinois asks unanimous consent to agree to an amendment, which the Clerk will report.

The Clerk read as follows:

Page 4, line 23, strike out the word "be," at the beginning of the line, and insert in lieu thereof the word "been."

The SPEAKER. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, will the gentleman from Illinois yield?

Mr. FULLER of Illinois. Yes.

Mr. BLANTON. There are on the pension rolls now, and there have been for years, thousands of nonresidents of the United States, many of them living in Germany and Austria. Has the gentleman's committee taken steps to cut those parasites off the pension rolls?

Mr. FULLER of Illinois. Mr. Speaker, I do not care to answer that question now. My time is too limited——

Mr. BLANTON. I think it ought to be answered.

Mr. FULLER of Illinois. That may be a subject for another bill. I think I would be in favor of it myself.

Mr. ROSE. Mr. Speaker, will the gentleman yield?

Mr. FULLER of Illinois. Yes.

Mr. ROSE. All of the pension laws of the United States require every soldier to be in active duty not less than 90 days, or to have incurred disability in the line of service. Has the gentleman's committee ever considered the question of giving to every soldier a pension, whether he served 90 days or less?

Mr. FULLER of Illinois. That matter is under consideration by the committee, but no report has been made in respect to it.

Mr. ROSE. I consider it decidedly unfair under our present laws, because any man who goes to war never knows whether he will return in 90 days, 9 months, or 9 years. I have always been opposed to the law as it stands. I wondered if the committee had ever considered that feature of the pension law with the view of placing all soldiers upon equal standing as to pension eligibility.

Mr. FULLER of Illinois. That has been considered by the committee, but it has not been thought wise to pension those for service only who incurred no disability in the service and whose service was for less than 90 days.

Mr. BEE. Mr. Speaker, will the gentleman yield?

Mr. FULLER of Illinois. Mr. Speaker, I can not yield further. I have not the time.

The SPEAKER. The gentleman from Illinois declines to yield.

Mr. FULLER of Illinois. Mr. Speaker, in the very brief time allotted under the rule for the discussion of this measure I shall not attempt to make any extended remarks, but shall yield as much time as possible to other Members. Suffice it to say that the bill proposes a too long delayed measure of relief to the surviving veterans of the Civil War of more than half a century ago to whom we owe, as a Nation, a debt that can never be paid in full, and to the widows, still living, of those who have fought their last battle and have gone to their final reward. This Nation has always recognized, and always will recognize, the obligation it owes to those who have borne the battle and to their widows and their orphans; and while new obligations which will be generously met are imposed upon us by the recent World War, we can not and must not forget the debt we still owe to those who risked their lives and their all for the preservation of the Union. What a glorious heritage they have left to us and to all who are to come after us! They are now all old and are fast passing away, and in these times of stress and trial, of the abnormally high cost of all the comforts and necessaries of life, no class of our citizenship has suffered more than the old surviving veterans and their dependents. If every Member of this House could read the appeals that have come to me, and to the other members of the Committee on Invalid Pensions, there would not be a vote against this bill. I hope there may not be. You may say the cost is great and we must economize. I admit both propositions; but does anyone deny the debt we owe to those of whom it was said at the time of the grand review, "The only national debt we can never pay is the debt we owe to our victorious Union soldiers, sailors, and marines"? I submit that this great, rich, and prosperous country is not so poor but what it can do justice to those who made it what it is. But what we do must be done quickly. They are all now beyond the allotted age of man, and are passing away by companies and regiments. From the report of the Commissioner of Pensions we learn the startling fact that in the past two years preceding the 30th day of June last, of the veterans and widows of veterans on the pension roll more than 130, on an average, passed away each 24 hours. For God's sake and humanity's sake, let us do now what we can to make the last days of the survivors as comfortable as possible, and so that none need suffer for the necessaries of life. A grateful people will not quibble at the cost, and in half a million homes there will be joy and thankfulness, more comfort, tears of gratitude, and thanks to Almighty God.

Mr. Speaker, I do not care to take up more time, but wish to yield as much as possible to others, as the time is limited. I yield two minutes to the gentleman from Indiana [Mr. BLAND].

Mr. WALSH. Mr. Speaker, I also yield the gentleman three minutes of my time.

The SPEAKER. The gentleman from Indiana is recognized for five minutes.

Mr. BLAND of Indiana. Mr. Speaker and gentlemen of the House, ever since I have been in Congress I have been on the Committee on Invalid Pensions. It has been my privilege to vote in that committee upon bills we were about to present to the House and to help present them to the House, among which were a number of important bills for its consideration, which were to help the soldier of the Civil War or his dependents. While supporting each of those bills heartily, I have never felt that any of them did full justice to those gallant men who served this Nation for us in its greatest hour of peril, but it is with some special pride and pleasure this afternoon that I call your attention to the merits of the bill my committee presents to you for the relief of Civil War veterans and their helpless ones. I would here like to insert in the RECORD, in connection with my remarks, a copy of the bill:

A bill (H. R. 9369) to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War, to certain widows, former widows, dependent parents and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increase of pensions in certain cases.

Be it enacted, etc., That every person who served 90 days or more in the Army, Navy, or Marine Corps of the United States during the Civil War, and who has been honorably discharged therefrom, or who, having so served less than 90 days, was discharged for a disability incurred in the service and in the line of duty, and who is now in receipt of, or entitled to receive under existing law, a pension of less than $50 per month, shall, from and after the passage of this act, be entitled to and shall be paid a pension at the rate of $50 per month.

SEC. 2. That every person who served 90 days or more in the Army, Navy, or Marine Corps of the United States during the Civil War, and who has been honorably discharged therefrom, or who, having so served less than 90 days, was discharged for a disability incurred in the service and in the line of duty, and who is now, or hereafter may become, by reason of age and physical disabilities, helpless or blind, or so nearly helpless or blind as to require the constant or regular aid and attendance of another person, shall be entitled to and shall be paid a pension at the rate of $72 per month.

SEC. 3. That from and after the approval of this act all persons whose names are on the pension roll, and who, while in the service of the United States in the Army, Navy, or Marine Corps during the Civil War, and in the line of duty, shall have lost one hand or one foot or been totally disabled in the same, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $60 per month; that all persons who, in such service and in like manner, shall have lost an arm at or above the elbow, or a leg at or above the knee, or been totally disabled in the same, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $65 per month; that all persons who, in such service and in like manner, shall have lost an arm at the shoulder joint or a leg at the hip joint, or so near the shoulder or hip joint, or where the same is in such condition as to prevent the use of an artificial limb, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $72 per month; and that all persons who, in such service and in like manner, shall have lost one hand and one foot, or been totally disabled in the same, or shall have sustained a disability equivalent thereto, shall receive a pension at the rate of $90 per month.

SEC. 4. That the widow of any person who served in the Army, Navy, or Marine Corps of the United States during the Civil War for 90 days or more, and was honorably discharged from such service, or regardless of the length of service was discharged for a disability incurred in the service and in the line of duty, such widow having been married to such soldier, sailor, or marine prior to the 27th day of June, A. D. 1915, shall be entitled to and shall be paid a pension at the rate of $30 per month. And this section shall apply to all former widows of persons who served for 90 days or more in the Army, Navy, or Marine Corps of the United States during the Civil War and were honorably discharged from such service, or who, having so served for less than 90 days were discharged for a disability incurred in the service and in the line of duty, such widow having remarried, either once or more than once after the death of the soldier, sailor, or marine, if it be shown that such subsequent or successive marriage has, or have been dissolved, either by the death of the husband or husbands, or by divorce without fault on the part of the wife; and any such former widow shall be entitled to and be paid a pension at the rate of $30 per month; and any widow as mentioned in this section, shall also be paid $6 per month for each child of such officer or enlisted man under the age of 16 years, and in case of the death or remarriage of the widow having a child or children of such officer or enlisted man under the age of 16 years, such pension shall be paid such child or children until the age of 16 years: *Provided*, That in case a minor child is insane, idiotic, or otherwise permanently helpless, the pension shall continue during the life of such child, or during the period of such disability, and this proviso shall apply to all pensions heretofore granted or hereafter to be granted under this or any former statute: *And provided further*, That in case of any widow whose name has been dropped from the pension roll because of her remarriage, if the pension has been granted to an insane, idiotic, or otherwise helpless child, or to a child or children under the age of 16 years, she shall not be entitled to renewal of pension under this act until that pension to such child or children terminates, unless such child or children be a member or members of her family and cared for by her, and upon the renewal of pension to such widow, payment of pension to such child or children shall cease.

SEC. 5. That all Army nurses of the Civil War, and all dependent parents of any officer or enlisted man who served in the Civil War whose names are now on the pension roll, or who are now entitled to pension under any existing law, shall be entitled to and shall be paid a pension at the rate of $30 per month.

SEC. 6. That the pension or increase of pension herein provided for, as to all persons whose names are now on the pension roll, or who are now in receipt of a pension under existing law, shall commence at the rates herein provided, from the date of the approval of this act, or under section 2 hereof, when the requisite condition is shown to exist after the approval of this act; and as to persons whose names are not now on the pension roll, or who are not now in receipt of a pension under existing law, but who may be entitled to pension under the provisions of this act, such pensions shall commence from the date of filing application therefor in the Bureau of Pensions in such form as may be prescribed by the Secretary of the Interior: *Provided*, That as to any former widow as mentioned in section 4 hereof, who since the death of her soldier, sailor, or marine husband has remarried either once or more than once, and such subsequent or successive marriage has been dissolved, either by the death of the husband or husbands, or by divorce without fault on the part of the wife, and who filed her application for pension under the act of September 8, 1916, her pension shall commence from the date when her original application was filed under that act in the Bureau of Pensions, and shall be at the rate in that act provided, with increase at the rate or rates subsequently provided for the widows of Civil War soldiers, sailors, and marines, and by this act from the date or dates when any such subsequent act or acts took effect or may hereafter take effect, it being the intent and purpose to give to any such widow the same status as other widows of Civil War soldiers, sailors, and marines who have not remarried, and from the date of said act of September 8, 1916.

SEC. 7. That nothing in this act contained shall be held to affect or diminish the additional pension to those on the roll designated as "The Army and Navy Medal of Honor Roll," as provided in the act of April 27, 1906, but any increase herein provided for shall be in addition thereto; and no pension heretofore granted under any act, public or private, shall be reduced by anything contained in this act.

SEC. 8. That no claim agent or attorney or other person shall be recognized in the adjustment of claims under this act, except in claims for original pension, and in such cases no more than the sum of $10 shall be allowed for services in preparing, presenting, or prosecuting any such claim, which sum shall be payable only on the order of the Commissioner of Pensions; and any person who shall violate any of the provisions of this section or shall wrongfully withhold from the pensioner or claimant the whole or any part of a pension allowed or due to such pensioner or claimant under this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall, for each and every offense, be fined not exceeding $500 or be imprisoned not exceeding one year, or both, in the discretion of the court.

If you will examine the bill you will see, in the first place, that we give the sum of $50 to every person who served 90 days or more in the Army or Navy or Marine Corps of the United States during the Civil War, and who has been honorably discharged or who was discharged in a shorter time on account of disabilities received in the service. In the second place, you will see that we have provided that where a person with these qualifications, by reason of age or physical disabilities, becomes helpless or blind, or so nearly so as to require the constant or regular aid or attendance of another person, that he shall receive the sum of $72. In the third place, we have taken care of the maimed soldiers. We have recognized the principle that the soldier who lost his leg or arm in the war, which thereby rendered him helpless, should be given special consideration aside from his age and length of service. In the fourth place, we have recognized that the widow of the Civil War soldier, old and helpless as most of them are, can not live on $25 per month, and we have therefore provided in the bill that she may have $30 per month. In the sixth place, we have broadened the scope of the law so as to be more liberal toward the dependent children of deceased soldiers, and also have included in its provision the pensioning of Army nurses of the Civil War.

I know it will cost this Government a very large increase per capita, but we realize that since we reported this bill out on September 19, 10,000 of these brave men have died, and that before it is passed by the other branch of this Congress and signed by the President there will be many more who will hear the summons of the muffled oar. We do not regard this expenditure as an excessive burden upon this rich Nation; but if it were a burden upon it, I for one would earnestly advocate that this proud Nation should shoulder it gladly.

There are those in this House to-day who will not support this measure. Most of those who vote "nay" are naturally opposed to pensions; yet I venture to assert that every mother's son of them have voted for "compensations" for the young soldier of the late war, which is merely calling a rose by another name. I never have made any apologies for my advocacy of a high rate of pension for war veterans. The end of wars is not yet in sight. It will be a long time before the greed and ambitions and passions of men will be so subdued as to prevent them from settling international differences by physical force. The citizen who really loves his country, who believes in its institutions and form of government, and who appreciates his privilege of citizenship therein, will abandon his "peace at any price" policy, his "turn the other cheek" theory, when he sees his home and country unjustly attacked. Some one must do the fighting. Some one must stay at home. The Nation that fails to take care of and handsomely reward those who offer their lives in defense of it is not worthy of their sacrifices. Occasionally an unworthy one is unduly rewarded. Occasionally help is given to those who do not need help, and sometimes it happens that the Nation's generosity to its needy ones is abused; but, for my part, I would rather this would happen many times than that a single one of my country's defenders should justly feel that the Nation he served had been ungrateful and was leaving him in his old age in destitution.

I know of Civil War veterans who left business opportunities and gave the best years of their lives in the struggle for the Union, who are old and feeble and destitute, who have relied upon the promise of the Nation to keep them from want in their old days, but who now are trying to exist on $30 or $40 per month when the cost of living has advanced to the point where, if they were healthy, needed no doctor, and had no family to support, that sum would hardly keep them in the necessities of life for two weeks. It becomes a question as to whether this Nation means what it says when it has so often declared, "We will see that no defender of our country is ever in want," and while voting on this bill, my colleagues, you must not lose sight of the fact that the soldier of the Civil War, while fighting for the Nation's life, was not given the care and the comforts and the remuneration that the pride of this Nation caused us to bestow upon the heroes of later wars. He was paid $13 per month in a depreciated currency. No bonus was given to him. No insurance at cut-rate figures. No cheapened railroad transportation, vocational training, or extraordinary medical care. No Red Cross, Salvation Army, Y. M. C. A., or Knights of Columbus cheered his homesick heart and administered to his needs. I regret that he was not given these things, and I am proud of the fact that as a Member of Congress I have had the privilege of helping bestow upon his son and his grandson a better recognition of this Nation's gratitude to its defenders, and I want to serve notice on you now that while I am a Member of this House I shall always stand for liberal payment of pensions or compensation, whichever you choose to call it, to the men who offered their lives for our country and endured the hardships of military service.

I do not think this Nation has ever adequately shown its appreciation for the service of the Spanish-American veterans. I believe they have been neglected, and I think this Congress ought to take steps at once to increase the rate of pension to this worthy class of men.

My colleagues, as I said before, we do not know what future strife and conflict this Nation will be required to engage in, but we should be prepared for it, and one form of preparedness, to my way of thinking, consists of the cultivation of a sentiment that the American people will always see to it, come what may, that its defenders will be rewarded for heroic service.

As a member of this committee, gentlemen, I am proud of this bill we present you to-day. While it does not attempt to correct all the errors of the pension system and the inequalities that may exist, it does goes further in that direction, in my judgment, than any bill ever presented in any legislative body in the history of civilization. The jurisdiction of our committee only applies to pension matters growing out of the Civil War, but I sincerely hope that the other committees of Congress which have appropriate jurisdiction may speedily act upon similar questions affecting the soldiers of other wars.

About a year ago I introduced a bill to establish a new committee of this House to consider compensation matters and similar questions affecting the soldiers of the late World War. I believe that there is sufficient business of this character to justify a separate committee for its consideration. I hope that this necessary step in preparing the machinery for future needful legislation will soon be taken.

Now, just one more thought, my colleagues, and I will yield the floor. A month or so ago the Invalid Pensions Committee authorized me, as a member of that committee, to report to this House my bill directing the Bureau of Pensions to pay all pensions monthly and providing the necessary appropriation for additional equipment and expenses in so doing. I reported the bill to the House in accordance with my instructions. So far, the House has not found time to consider it. I know of no reason why the soldiers of the Civil and Spanish-American Wars should be paid once every three months while the soldiers of the late war are paid every month. It seems to me that the older and more helpless the soldier is and the more dependent he is upon his pension, the more he would require a monthly payment. I hope the House will have the opportunity of voting upon my bill at an early date. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. FULLER of Illinois. Mr. Speaker, I yield three minutes to the gentleman from Ohio [Mr. GARD].

Mr. GARD. Mr. Speaker and gentlemen of the House, the House now having under consideration the bill H. R. 9369, which is the latest legislative effort to equalize rates of pensions to soldiers, sailors, and marines of the Civil War, it seems to me that we are proceeding at this time to pay a debt of recognition and a debt of gratitude to those who actually bore the brunt of battle in preserving the Union and their dependent wives and children. It has been my privilege to see and know numbers of those who composed the soldiery of the Union Army, and it is with much regret that one notes, who does see these men and their widows, their frail physical condition. Age has taken a fearful toll, and is taking a fearful toll, and while the Government of the United States has always recognized, and must continue to recognize, these people, it is now doing no more than is proper. The necessary maintenance of those who have passed the meridian of life and are no longer self-supporting should be continued. This Government has long ago established the principle of comforting and protecting the old age of those who defended and preserved its institutions, and the only added principle is that the compensation to be paid as a reward of merit shall be consistent with and commensurate with their necessities.

Therefore it seems to me that this $5 increase of pension for widows over the former pension law is so slight in its general application to the entire country and so beneficial in its particular application to the individual widow there should not be the slightest hesitation in enacting this bill into law. Also the provisions for the care of the children, the provisions for the care of those who by reason of disability in the loss of eyes or arms or legs have been unable to do any work, are manifestly most proper provisions at this time. The bill in its entirety should be passed as a renewed evidence of appreciation of the gallant soldiery of half a century ago.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. WALSH. Mr. Speaker, I yield to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, if there is one class of legislation that can be brought up in this House without notice and the rules suspended and the legislation passed without any consideration or debate, it is such a bill as this. Numerous bills of this kind have been passed in this manner, both in the Sixty-fifth and, so far, in this Congress. The distinguished gentleman from Massachusetts [Mr. WALSH] has marked a new mile post in the history of this House this morning by even demanding a second, because, so far as I can remember, even that little step in delay has never before taken place.

There must be two acts of justice done by this Congress before I shall vote for any pension bill. One is the matter that I called the chairman's attention to a moment ago, of those alien enemies of this Government resident in Germany and Austria who have given of their money and their effects and their time in a war against America. I say before I shall vote for another pension bill in this Congress we must cut these foreign parasites from the pension rolls of this Government.

What steps have been taken? The chairman of the committee will not even answer a question asked him in that respect. I have a bill pending before this committee to accomplish that very purpose—to require a man and woman, when they continue to draw money from this Government, to be citizens of the United States and not the alien enemies, living in Germany and in Austria.

There is one other act of justice. Four members out of eight of the Supreme Court of the United States have held that there is to-day in the Treasury of the United States about $70,000,000 of money that ought not to be there; that was collected from the South improperly and unlawfully through the cotton tax. What steps has Congress taken to do justice with respect to that $70,000,000? Bill after bill has been before the committees here, and year after year no action has been taken. Is there a colleague of mine on this side of the Chamber who yet has in his heart any prejudice that would keep him from doing justice to the South?

Mr. FOCHT. Will the gentleman yield?

Mr. BLANTON. I am glad to yield to the gentleman.

Mr. FOCHT. I think I can answer the gentleman by saying as to the money he speaks of, now in the Treasury, that if he will produce anybody who can prove that it belongs to them and that they were loyal during the war, they will get the money.

Mr. BLANTON. The gentleman from Pennsylvania knows that that money is in the Treasury; that that money belongs to the South; that that money was collected by this Government unlawfully; that four judges of the Supreme Court have so held, and he knows that there is a proper way to return that money to the Southland of this country.

Mr. FOCHT. I may say to the gentleman that during the Democratic control of this House there was an omnibus bill passed from the War Claims Committee carrying 1,400 bills. Why did not they carry that in it when your party had control?

Mr. BLANTON. I am complaining particularly of the Republicans, because I am here to say that my Republican colleagues are usually fair-minded men——

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. YATES. Mr. Speaker, in my native town, in my schoolboy days, I was impressed, forever, by a passage in an address of a soldier orator of Illinois, reading as follows:

The past rises before us like a dream. Again we are in the great struggle for national life. We hear the music of the boisterous drum and the silver voice of the heroic bugle. We see thousands of assemblages and hear the appeals of orators. And in those assemblages we see all the dead whose dust we have covered with flowers. We are with them when they enlist in the great army of freedom. We see them part with those they love. Some are walking in quiet, shady places with the maidens they adore. We hear the whisperings, the sweet vows of eternal love as they lingeringly part forever. Some are parting with wives and are bending over cradles kissing babes that are asleep, and some are parting with mothers, who clasp them again and again to their hearts and say—nothing.

"We see them part with those they love"—you may search all the dictionaries, all the concordances, all the encyclopædias, and you can not find words that mean more; you can not beat them—"we see them part with those they love." I have in mind this afternoon, as we sit here in our national prosperity, our country-wide affluence, our boundless resources, and our unparalleled prospects—I have in mind the promises made to those 2,600,000 men who enlisted in 1861 to 1865 and to their dear ones. Oh, the 2,600,000 Union soldiers are reduced to a handful, but at least 2,600,000 sons survive and as many daughters. They know of the promise made in that mighty time. They know it, and will see that it is kept—kept by legislators not faithless, if we who are here fail now to keep the faith. And the more than 2,000,000 who have gone—do they not know? It is recorded in Holy Writ that when the young man had doubts and said "Alas, my Master, what shall we do?" God, at the prayer of a prophet, opened the eyes of the young man, "And behold, the mountain was full of horses and chariots of fire, round about Elisha." So, at this hour, I can not fail to believe the millions who have marched to glory are leaning over the battlements of heaven watching us, observing our conduct, as we are now called upon to keep the faith.

They were all assured that their widows and orphans would be protected from want and privation. They did not go into battle—even unto death—thinking about their paltry pay of $13 per month; but they did do battle and dare and die for Union and for Liberty, consoled and comforted by the assurance, pressed warm against their hearts, that no wife or child should ever be neglected by the divinely-guided, the superb, and sublime American people. They had that assurance from Lincoln, and Grant, and Logan, and Sherman, and Sheridan, and Congress after Congress; solemn oaths, made and accepted, in your name and mine. I would put my hand in the fire before I would be recreant to that oath of our fathers.

The obligation can never be paid. The valor of Belleau Wood was valor, indeed; but so was the valor of Shiloh. The valor of Verdun and of the Argonne in 1918 was valor, indeed; but so was the valor of Gettysburg. The valor of the Marne was valor, indeed; but so was the valor of the Potomac. We all realize the meaning of Bunker Hill, and Long Island, and Valley Forge, and Saratoga, and Yorktown; of Winfield Scott at Lundys Lane and Commodore McDonough on Lake Champlain and of old Andrew Jackson behind the cotton bales of New Orleans; of Palo Alto and Resaca; of Buena Vista and Monterey; of Chapultepec and Old Mexico; of George Dewey at Manila, and Sampson and Schley at Santiago, and of the marines at Guantanamo, and of the boys at San Juan Hill; from Bunker Hill to San Juan Hill, I love to call the whole glorious roll; thank God, nobody can call that glorious roll but an American! And we have added our boys' valor in France. But, forget it not, the bravery of Americans at Donelson, and Shiloh, and Vicksburg, and Gettysburg, and along the Potomac, and on the march from Atlanta to the sea wrote the name of American valor so high on the dome of the temple of fame that the kings, and the emperors, and the sultans, and the czars, and the mikadoes have kept off of us for 55 years. And there was valor on both sides, the side of the North and the side of the South. When the determined North fought the fiery South, it was Greek meeting Greek, so to speak—it was fighting, indeed. That fighting I do not refer to from any sectional animosity. If I were to do so at this late day, I should be ashamed of myself. It is too late in the day. But it is not too late to show that we are still grateful. The sacrifices of that day were sublime sacrifices. They were made for you and me. One day years ago an elderly man driving into Chicago from his modest little country cottage took me into his old, rickety cart and drove me into the city. I saw that he drove his mule with his left hand, the right arm was entirely gone, and that he wore in his buttonhole the little brown button of the Grand Army of the Republic. Little by little I got the story; shot down in battle; held a prisoner for a year; kept in hospital another year; discharged with a useless, agonizingly painful, acutely sore arm; carried that arm for 20 years before it was cut off; then for 20 more years lived a one-armed man; that was the story. And when I said, "And you did all this for me, for my children, and my children's children," he replied, "I would do it all again for that up yonder," and he raised his left hand, holding the reins, and pointed to a little red schoolhouse over which streamed the beautiful folds of Old Glory.

How would Washington vote on this question here to-day? How would Lincoln vote? How would Grant and Sherman and Sheridan? I know; and so do you. As for me, I prefer to stand with these men and record their will rather than be deterred by any objection whatever.

If it be true—and it must be, because the distinguished chairman, the careful chairman, of this able committee has said so—that 130 survivors of that struggle will pass away between sunrise and sunset of this day, I for one hope that no one of them has perished from want. I for one on this floor, so long as I remain here, will put aside all other considerations and vote to promote and assure the comfort of these men and women, that none may ever die in want under the American flag that they sacrificed for in the mighty days of old.

Let the American Congress speak with emphasis at such a time as this and with trumpet tones on such a question as this. I am in favor of having the world understand—yes, even if we have to make it understand—that the long arm of American resentment and punishment will surely reach every king and emperor and sultan and czar and mikado, and every red-handed, murdering anarchist, too, who dares to put any American in peril or the rights of any American in peril anywhere in the world. And I am in favor of giving the world to understand, further, that the arm of America's reward is as long as its punishment; that the arm of America's gratitude is not shortened, but can and will and does reach every man who fights for it even unto the third and fourth generation. The surest guaranty that future generations will fight at the drop of the hat, instantly and instinctively, is a demonstration now to 4,000,000 young soldiers and sailors that after 55 years we are still ready to extend and hold up the strong arm of America's gratitude to the survivors and descendants of the men who 55 years ago kept the Stars and Stripes in the sky against the bravest foe that ever assailed any republic—the intrepid South. I repeat, I will allow no argument of false economy or of sectional animosity to keep me from voting for this bill. I should think that any man opposing it would see all around him here the imploring arms of living women and dead men awaiting his help; and I feel, as I vote for the bill, that, as Chairman FULLER has said, we are doing that which will be approved by men and by God himself.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FULLER of Illinois. Mr. Speaker, I yield two minutes to the gentleman from Missouri [Mr. HAYS].

The SPEAKER pro tempore. The gentleman from Missouri is recognized for two minutes.

Mr. HAYS. Mr. Speaker, this bill proposes a general increase in the various classes of Civil War pensions. Some one has suggested that the bill should not pass because of the large amount of money it will require to meet the pension increase.

I stand for rigid economy in administering the affairs of this Government, but I also stand for the passage of this bill. Economy is not measured alone by the amount of money paid out. The justice of the payment and the wisdom of the outlay form a truer test of economy than the number of dollars involved. If the people on the Civil War pension rolls are entitled to more money than they are now getting, we should pass the bill. It is not extravagance to pay our debts.

There scarce can be a doubt as to our debt of gratitude to the gallant soldiers who saved our Union undivided and preserved our flag for posterity. More than 50 years have passed since the close of that momentous conflict. The magnificent Army of that war has dwindled away year by year until but a fraction of its number remains, and those surviving veterans, many of them battle scarred and worn by disease, are nearing the end of their pilgrimage. Their days for earning a livelihood have passed. Exposure endured in the Army, disease contracted in the service, wounds received in battle, and the steady flight of time have all conspired to limit their incomes. The widows and orphans of soldiers left helpless and dependent have even a harder road to travel than the veterans themselves. All of them deserve a greater financial recognition from this Nation than they have yet received.

I do not urge this pension increase from sentimental motives nor as a matter of charity; but, on the other hand, I recognize this increase as the belated payment of a debt long due. Justice to the Nation demands that we go as far as may be to eliminate want and suffering from among our people; justice to the surviving Civil War veterans and to the dependent widows and unfortunate children of their departed comrades demands that

we pay such recompense as will let them finish their years in comfort.

The United States has always been a grateful Nation; it has been liberal with its bounty in the past. But the time has now come when the original pensions are insufficient to meet the needs of the people who receive them. In recent years there has been no general increase in pensions, but since 1913 the cost of living has more than doubled. It requires two dollars to-day to buy what one dollar would buy in 1913. For that reason our pension payments should be increased somewhat in accordance with the increased cost of living.

In justice to the men and women on our Civil War pension rolls, I will gladly vote to pass this bill.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FULLER of Illinois. Mr. Speaker, I yield three minutes to the gentleman from Wisconsin [Mr. NELSON].

The SPEAKER. The gentleman from Wisconsin is recognized for three minutes.

Mr. NELSON of Wisconsin. Mr. Speaker, I am in favor of the pending bill and am happy indeed to know that Congress has finally come to the consideration of a pension bill for our grand old veterans of the Civil War that seems somewhat commensurate with the needs of our noble heroes and will to some extent meet the pressing wants of many thousands of these white-haired saviors of our country and her institutions.

The high cost of living has made it difficult for many thousands of our Civil War veterans to live with any degree of comfort on their present pensions. The increase contemplated under this bill will mean comfort and happiness in the sunset years to thousands of these men and women who sacrificed so much in order that our Nation might remain an indissoluble Union of States and our institutions of liberty forever endure.

Our Government has ever been mindful and has ever in a generous way provided for the needs of our Civil War veterans, and this bill is only carrying out our continued spirit of gratitude to them and their dependents.

We rejoice to-day over the undying victories wrought by our grand heroes of the late World War over autocracy and tyranny and for the guarantee of liberty and the pursuit of happiness to all mankind. Our hearts swell with pardonable pride as we review the splendid deeds of the boys of 1918, and I believe that we shall soon be ready to remember in a substantial way these brave men for their sacrifices so freely offered and so bravely given on the altar of liberty and civilization. We also recall with pride and tender emotions the sacrifices and victories of the sturdy veterans of the Spanish-American War. But while we remember with sincere devotions these gallant heroes of our two late wars, let us not forget the debt of gratitude we owe to the gallant and brave veterans of the Grand Army of the Republic, who saved this Nation of ours from dismemberment and vouchsafed to us and our posterity a Nation one and inseparable now and forever.

We must extend our help and gratitude soon or the opportunity will not be ours, for by the thousands these heroes pass from our midst each month. Soon—all too soon—the last form clothed in blue will be robed in his victorious garments of white. Soon the last man of the Grand Army of the Republic will respond to his last roll call and final summons.

Let Congress pass this bill now and speedily enact it into law and help make the sunset hours of these remaining grand old veterans of the Civil War happy and comfortable by extending to them this needy increase in their support.

Patriotism has ever been the lifeblood of our Nation. Our Civil War veterans have ever stood and they stand to-day for a patriotism that is vital and that makes our country great through the noble thoughts and great deeds of its people. They have stood for a spirit that is ever vigorous in the defense of truth and virtue, and untarnished in all its acts toward our fellow men and God. They have stood and stand for a patriotism that is not narrow and bigoted, but as broad, deep, and comprehensive as humanity itself. Our hearts are melted in patriotic devotion and consecration as we read the glowing chapters of our boys of the Civil War as they marched from farm, factory, and countingroom into field of battle and did valiant service for our flag and Union. Their spirit to-day teaches us not to merely live and die, but to live nobly and act grandly; to so live and to so labor as to be able to bequeath to posterity rich legacies, legacies that posterity in its turn can bequeath. They helped to create an atmosphere in which the seeds of noble character could blossom into the flower of noble deeds. They taught us that the highest fruitage of our civilization is hope, courage, and liberty builded upon the eternal rock of justice and righteousness. [Applause.]

The spirit of these heroic veterans inspires us to-day to have a higher regard and a deeper veneration for our flag and our American institutions and to endeavor more zealously to eradicate forever from our Nation the disloyalist, the Bolshevist, the I. W. W., the radicals, the "reds," and the anarchists. These have no place in our American life and development. In America we have room for but one flag, and that is the Stars and Stripes; room for but one Government, and that is the American Government, for which our Grand Army of the Republic and Spanish-American War veterans and the veterans of the World War gave freely their blood and sacrifice in order that our glorious flag might float forever unsullied as the emblem of law and order, authority and liberty. [Applause.]

In the present chaotic condition of our social, political, and economic life we must not cater to class legislation, but must listen to the stern voice of justice and mete out a square deal to every individual and to every group. With our faith inspired, our arm nerved, and our convictions determined, we must enlist our powers in the great army of truth, equality, and justice, unwilling to be overridden by the blustering, bragging giants of selfishness and oppression, no matter from what source, without protest and resistance. Congress, as well as the administration of our Government, must not yield to the siren song for legislation for classes or groups, but must insist on the square deal to all. Employers and employees, capital and labor, must learn not to take advantage of each other, but to unite and cooperate for the common good and weal of our Government and its people. We must now learn that the interests of a patient public must be considered, as well as the interests of capital and labor. The Rooseveltian slogan of a square deal to all people must be written in letters of living fire across the sky of our national life if we are to continue long as a free and happy people and enjoy the priceless heritage of justice, liberty, and equality. For this priceless heritage our valiant veterans of the Civil War fought, bled, and died in order that this "Government of the people, by the people, and for the people shall not perish from the earth."

This bill should pass unanimously. I shall vote for it as a correct and just expression of gratitude to our army of freedom, whose undying heroism and sacrifices has made it possible that the flag they so nobly defended shall forever wave untarnished in an atmosphere of American loyalty and liberty. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. WALSH. Mr. Speaker, nobody, of course, can gainsay the fact that these worthy veterans are entitled to every consideration that the Congress or the American people may bestow; but I regret that at this particular time I can not give my support to the pending bill.

In the first place, I doubt whether it is wise to attempt to enact general pension legislation upon a schedule of the commodities and the necessities of life, because if you establish that principle we ought to be consistent, and when those commodities and necessaries of life lower in cost we ought to lower the gratuities that we pay to the veterans of the war, or any other gratuities, in the same proportion.

The time is here for real economy. Of course, different political orators have been talking of that for many months, but it is for the American Congress to indicate whether it really believes in economy. I assume that I shall be charged with attempting to practice economy at the expense of the veterans of the Civil War. But, Mr. Speaker, the veterans of that great war are now cared for by both general legislation and hundreds of special acts which we enact during each session of Congress, and I believe that on the whole, throughout the entire country, you will find that in the various communities of the various States there are very few of those veterans or their dependents who are permitted to fall into destitution and want. And while we have attempted to enact legislation that would be fair and equitable, there is some little duty resting upon the municipalities and upon the States. While, of course, I would not advocate letting the veteran, because of the small sum given as gratuity, to come into want and become a public charge, still I believe the evidence, if any, will disclose that those instances do not exist.

I note that this measure seeks to add $65,000,000 to the pension rolls; about that, probably; perhaps a little less and it may be a little more. Now, gentlemen have stated this as being "belated justice." If we are to attempt this at this particular time I doubt if it is entirely fair to the memory of those veterans who have departed this life. You can not by legislation place any money value on the patriotism of those worthy men or upon the patriotism of the young men, the flower of this land, who went across the ocean to fight a foreign foe, and you might just as well make up your minds when you come to legislate that you can not put patriotic service upon any sordid basis of dollars and cents, whether in pay while in the service or in a gratuity after the service has been rendered. Therefore,

Mr. Speaker, it is with regret that I find myself unable to support the pending legislation.

Furthermore, Mr. Speaker, it is my view that at this time it would be wiser to enact legislation increasing pensions for such individual cases as may require relief than to enact legislation general in its scope and which would reach many thousands who undoubtedly do not require this increase. We pass and I have voted for many omnibus pension bills carrying numerous increases in existing pensions. I have gladly introduced and worked for the passage of these bills, and shall in all cases where the facts warrant it advocate the passage of these measures, because I know the careful consideration given them by the committees, and especially the committee so ably presided over by the distinguished gentleman from Illinois [Mr. FULLER].

I appreciate the fact that my attitude will be misunderstood, and probably it will be distorted into unqualified opposition to pensions or increases to surviving veterans of the Civil and Spanish Wars, but my record on pension legislation will show my position on this subject. I repeat that I doubt the wisdom of enacting this legislation at this particular time, and with regret must withhold my approval of the pending measure, and realizing the fact that the rules will undoubtedly be suspended by practically a unanimous vote, I shall vote in the negative, but feel by so doing that I am not belittling the great service rendered by the veterans, nor am I encouraging any mean or ungrateful spirit toward them.

I desire, Mr. Speaker, to ask how much time I have remaining?

The SPEAKER pro tempore. The gentleman from Massachusetts has seven minutes remaining, and the gentleman from Illinois [Mr. FULLER] has two minutes.

Mr. WALSH. How much time did I use?

The SPEAKER pro tempore. The gentleman from Massachusetts used five minutes.

Mr. FULLER of Illinois. Mr. Speaker, I thought I had more than two minutes——

The SPEAKER pro tempore. The tally kept at the desk so shows——

Mr. FULLER of Illinois. Unless I was charged with more time than I consumed.

The SPEAKER pro tempore. The present occupant of the chair only knows that the tally shows that there still remains to the credit of the gentleman from Illinois two minutes. The gentleman from Massachusetts [Mr. WALSH] has used five minutes.

Mr. WALSH. I yield three minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Speaker, it is not pleasant, and it may be dangerous, to make a speech against a bill of this character.

I have been in this House a few years and have seen a good many acts of pension legislation, increasing pensions from time to time, until now a very large number of people in the United States believe that it is the duty of the General Government to support everyone who goes into a war, and then his family besides. I can not subscribe to that doctrine. I do not believe that the General Government has ever undertaken or ought ever to undertake to say that it will support a man or his family or his widow because he has volunteered for service in time of war. I believe the Government ought to make great financial recompense to those who are injured in war; but the mere fact that a man has served in the Army and in the war and comes out with a whole skin and good health ought not to lead him to believe in the end that if he does not provide anything for his old age it is the duty of the General Government to support him. The worst thing that can happen in this or any other country is to raise up a class of men who believe that the State ought to take care of them. If it is to be done at all it ought to be done for all the ages. You can not pay money out of the Treasury to one man without taking it from another.

The pensions of the United States have been very liberal in the past. Gentlemen talk about "belated justice." The Government has been more than just. It has been liberal in its generosity in the payment of pensions. It will always continue to be so; but when we say now that we will put these men upon the basis of pure charity to support them, I can not subscribe to that doctrine.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. WALSH. I yield to the gentleman from Illinois two minutes more.

Mr. MANN of Illinois. Most of these pensions are paid in the North. Some are paid abroad. Some are paid in the South. Some of the Southern States provide for the payment of pensions, small in amount. The total does not amount to a great deal. We in the North have taught our old soldiers to believe that they need not rely upon self-effort, while the old soldiers of the South were taught to believe that they must rely upon self-effort. So far as my observation goes they have done quite as well or better in private life than our old soldiers in the North have done. If we teach people to be self-reliant, that is the most valuable lesson that can come to mankind. We are proposing not only to pauperize the soldiers of the Civil War, but to advertise to those who served in the recent war that the Government of the United States will support them, and that they do not need to work for themselves. They do not ask for it, but in the course of time, with that education, it has its effect, and it is a bad effect. [Applause.]

Mr. FULLER of Illinois. I yield one minute to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Speaker, surely the gentleman from Illinois [Mr. MANN] does not mean to apply his arguments of economy and self-help to the old Civil War veterans who are to-day tottering to their graves.

Fifty-five years ago the Civil War came to an end. Fifty-five years ago the Grand Army of the Republic marched down Pennsylvania Avenue, with their gallant and heroic leaders at their head. To-day that army has been conquered by a mightier general than Lee; its legions have bowed before the vanquisher of all men—Death. It could scarcely be otherwise when the boy who was but 15 in that victorious day in 1865 has now reached the threescore and ten years allotted to man.

Mr. Speaker, the few aged and feeble soldiers of the sixties who remain are entitled to everything a grateful nation may do in their behalf. At this late date, a half century and more after their valiant deeds were performed, there can be no extravagance in providing for the wants of these men who made disunion impossible and the Union perpetual. While it is true that no money payment could pay for their patriotic service, it is also true that neglect of their necessities is ingratitude of the basest kind.

The men of the Grand Army hold the promise solemnly made by the Nation's spokesman, Abraham Lincoln, that America "will care for him who shall have borne the battle and for his widow and orphan." They have our obligation of honor which can not be denied. They have just claim on the grounds of justice and common humanity. They must not longer be paid in dollars which have lost half their purchasing power in the past six years. They ask no luxuries in this age of luxury, but they justly claim that the richest Nation on earth shall not permit penury and want to become the portion of the survivors of the army which made this Nation possible.

The men of the Grand Army fought in their day to perpetuate a hundred per cent Americanism. They destroyed dividing lines and established a real Nation, with a national spirit and a patriotism as broad as the Republic. They fulfilled the prophecies of the founders and put realities into the dreams of the builders of America. They decreed on a thousand fields and amid the iron storms of war that the United States are indivisible and inseparable, bound in the links of a common cause and a common destiny. They made it possible for a united America to become a light and beacon for the whole world. They served and sacrificed and suffered, and the Nation they saved became the hope of civilization on the fields of Flanders. Their heroism at Gettysburg and Appomattox made Chateau-Thierry and Argonne Wood possible. They gave their youth and their blood, and this pension measure is not so generous but that their deserving is greater.

The men of the Grand Army upheld and defended the Constitution of the United States at peril of their lives. They kept faith with the ideals of democracy. They offered their all as pledge for the belief that the central fact in popular government is agreement with law. They knew that successful armed rebellion against the law must end in autocracy. They cemented with their blood the stones in the temple of liberty. They rose superior to any test which war could devise in their devotion to America. They set an example for every American in all ages to come, and it will be a sorry day when neglect and indifference is the reward of such patriotism and Americanism as theirs.

The men of the Grand Army gave us a Republic without a serf or slave. They struck the shackles from 4,000,000 bondmen and made true the Declaration of Independence. They destroyed the baleful prejudice that human rights depend on race or color. They secured for every American the right to life and liberty; the right to pursue and preserve happiness. They put new meaning into that flag; its red stripes are encrimsoned with their blood; its blue is brighter because of their steadfast faith; its white gleams purer because of their devotion; its stars sparkle with not a single one missing because

these men dared to do or die. When the land was full of tears and liberty full of fears, they rallied to the rescue. Now, when they are approaching their near-by graves, America must rescue them from peril of poverty and want.

Mr. Speaker, every Civil War veteran and every widow provided for in this measure helped to preserve this Nation. Longer delay means that the opportunity goes by forever, for more than a thousand veterans are passing each week to that bourne from which no traveler returns. The enactment of this bill now will brighten the last days of the survivors of the Grand Army of the Republic, whose splendid courage and sublime sacrifices will live as long as the history of this Nation is read by men.

I desired to offer an amendment which would provide that these pensions should be paid by monthly checks, believing that such procedure would add to the benefits of the legislation. I am assured by the chairman of the Pension Committee [Mr. FULLER of Illinois] that there is a bill now on the calendar to cover exactly that requirement and it should be speedily passed also. Let us pass this measure at once and prove that while we can not call back the illustrious dead we can confer these justly won benefits upon the living veterans of the fratricidal war in which America was reborn, to become the exemplar of unity, liberty, and justice for the world. [Applause.]

Mr. FULLER of Illinois. I yield the remainder of my time to the gentleman from Pennsylvania [Mr. FOCHT].

Mr. FOCHT. Mr. Speaker, I very much regretted to hear the remarks of the gentleman from Massachusetts [Mr. WALSH] and the gentleman from Illinois [Mr. MANN]. I think they are both entirely beside the question. In the one instance the gentleman inveighs against the measure on the presumption that this bill is predicated upon the high cost of living, and in the other instance the gentleman talks about making a pensioned class. That is not the case at all. This is a case where men have passed into the evening of life with but a few days of earth remaining. They are the men who for a burning, living principle saved the Union from disintegration, the men who made it possible for us to contribute forty billions of money to bring happiness to foreigners, and to assemble 4,000,000 men to fight for the freedom of the world. And now we are going to continue to provide for these old veterans and their children or widows the necessaries of life. What we want to do is to take care of these old men now, since it was not done long ago. It is not a matter of market prices. It is not a matter of establishing a pension-drawing class or of destroying incentive to individual effort. What we want to do is to discharge a high and sacred and holy obligation, and take care of these noble old men, in whose lives the shadows no longer fall toward the west. Let us do it before the daylight of their honored and enshrined existence passes into eternal eclipse. [Applause.]

The SPEAKER. The gentleman from Massachusetts [Mr. WALSH] has two minutes remaining.

Mr. WALSH. I yield one minute to the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Speaker, I do not believe there is a Member of this body who knows anything whatever of my record since I came to Congress 13 years ago but knows full well that I have been an insistent and a consistent advocate of liberal pensions for the old soldiers and their dependents. It is not necessary, therefore, for me to tell you that I am strongly in favor of the immediate passage of this bill, and I hope and pray that the Senate will act upon it promptly, so that the beneficiaries of this bill will quickly receive its benefits, which are so badly needed.

As a member of the committee which considered and reported this bill, I am pleased to say that it was unanimously agreed upon by the committee, and while it may have some imperfections, yet in our judgment it was the best bill we could hope to pass. No general law ever worked exact justice to all, and no doubt some criticism can be justly made of the bill now before the House.

In my humble judgment no more meritorious measure was ever proposed. The beneficiaries of this bill are all old and practically all are poor and needy. I am sure that less than 10 per cent of the veterans of the Civil War are to-day able to earn a single dollar by their own manual efforts to support themselves and their families. I am also sure that at least 80 per cent of these old veterans have absolutely no income whatever except the meager pension now paid them by our Government. We have increased the pay of everybody, so far as I know, now on the Government pay roll to meet the high cost of living, and yet no one needs increased compensation so badly as these old pensioners, for they grow less able daily to help themselves, while the cost of living mounts higher and higher.

I am aware that some will say that tax burdens are already resting too heavily upon the people, and there is no denying this charge. But can we afford to economize at the expense of justice and permit these old veterans to die in want and penury? A thousand times no. We must economize, and, for one, I propose to vote against every extravagance and expenditure of the people's money which is not absolutely imperative for the proper conduct of our governmental activities, but no old soldier who risked his life that this Union might endure will appeal to me in vain. These veterans were paid a paltry pittance while in the service, and the purchasing power of the money paid them was worth then just about what it is worth to-day—50 cents on the dollar. They gave up their trades, professions, and business opportunities to preserve this Union of States, and to-day North and South alike thank God the boys in blue were victorious. Shall we permit the remnant of that mighty Army to die for the want of plain food and apparel and the humble home to shelter their poor, tired, and worn-out old bodies, simply because we have had a world's war and created a mighty debt? I am sure the splendid young men of our land who participated in that magnificent and victorious war for all humanity would prefer that Congress first provide for these old soldiers and their feeble and needy widows. All of the khaki boys who are to-day strong and able-bodied would rather their sires and their grandsires be first cared for, and will be content, if need be, to wait until their needs are greater than they are to-day before making demands for their support. We must care for these old heroes and care for them quickly and well, regardless of cost or other demands upon the Treasury. In a very few years not one will remain, but the record of their glorious deeds and achievements will survive to the end of time.

This bill not only cares for the old soldiers but it gives a small and much-needed boost to the soldiers' widows and dependent children. Section 4 and section 6 do the thing I have been working for with all my might and vigor ever since the ruling was made on the Ashbrook widows' pension law which barred widows who contracted more than one marriage from receiving a pension. My bill to amend the Ashbrook law was passed by the House in the Sixty-fifth Congress, but the Senate failed to concur. I have the same bill now on the calendar, but this general bill cares for the old veterans, including the maimed and crippled soldiers, their widows and their dependent children, as well as the Army nurses. It is a big, broad, generous bill, and I am glad to surrender any rights and honor that might be due me for securing the passage of the amendment to the law which bears my name in the interest of this general bill, with the belief that it hastens legislation for not only the widows but the soldiers and their dependents.

Mr. Speaker, the greatest personal pleasure that has come to me during my service here has been the opportunity and privilege it has afforded me to render some slight service to these brave old veterans and their loyal and faithful wives and widows. The tender and beautiful expressions of thanks and sincere gratitude which have come to me not only from my own district but from every State in the Union will cheer and comfort me through all my days. I would rather have their love and gratitude and the consciousness that I have helped just a little to sweeten and to soften their declining days and make more mellow and refulgent the sun fast disappearing over the western horizon than to receive any honor within the gift of man. Let us pass this bill quickly and thank God that it is our privilege to do it. [Applause.]

Mr. WALSH. I yield one minute to the gentleman from Oklahoma [Mr. MORGAN].

Mr. MORGAN. Mr. Speaker, I shall vote for this bill with very great pleasure. It proposes a substantial increase in the pensions of the surviving soldiers of the great Civil War. It meets with my hearty approval. My only fear is that the proposed increase will not be sufficient to insure a comfortable living to many of these brave men who more than half a century ago performed such signal service to their country. I do not regard the pensions these men receive as a gift or gratuity. Neither do I regard these pensions as pay in money for services rendered. We can not in mere money compensate them. We can not repay them for their services. We can not, by any grant of money, discharge the debt we owe them. But we can, by liberal pensions, contribute to their well-being, their comfort, and their happiness. We can show our appreciation of their services. We can indicate our admiration for their deeds. We can manifest an interest in their welfare. We can honor them for devotion to their country, for loyalty to the Union, and for the great sacrifices they made in behalf of human liberty. These men did their duty in a great national crisis. They met their responsibilities in an hour of danger and national peril. But the National Congress of the United States will fail to do its duty and meet its responsibilities if it does not make ample and liberal provisions for the care, maintenance,

and support of every man who fought in the Union Army during the great Civil War.

I have served in this House for more than 10 years. I have voted for many bills, covering a wide range of subjects. At times I have had doubts in voting for certain bills. I have hesitated in giving my approval to some measures. But I have had no difficulty in giving my support to bills giving additional recognition to the heroes of the great civil conflict which raged from 1861 to 1865. I have voted for these bills without hesitation or doubt. Aye, more than this, I have voted for them with great satisfaction and pleasure.

It has been asserted here that the Federal Government has been liberal in its pensions to the soldiers of the Civil War. That may be true when compared with what other countries have done for their soldiers. But is it true in the light of our ability? Have we really been liberal, in view of the service these men rendered and the wealth we have possessed? Can we say we have been liberal to these men when we consider the debt we owe them? In the hour of the greatest peril it was the courage, the bravery, the loyalty, and patriotism of these soldiers that preserved this Republic. In the preservation of this Union all the world had a deep interest. So these men fought not only for their country, but they fought for the world. They fought for the generations which have followed them to this day and for those who will follow them in the years to come. They richly deserve all we can bestow upon them. This Government can make no better investment than to make liberal provision for these veterans who followed Grant and Sherman and Sheridan and other Union generals to victory. We can not give these men too great recognition; we can not honor them too highly; we can not do too much for them.

It is true this Nation has a stupendous national debt. It is certain that for many years there will be heavy taxation. And we all recognize the necessity of economy in our national expenditures. But we can not justly or wisely begin that economy by withholding what should be freely granted to men who made it possible for this Nation to live. Our country is rich, our people are prosperous, and our citizens are patriotic. Public sentiment will approve this measure. It is right and it is just. Let it become a law at the earliest date possible. It will bring joy, gladness, and happiness to the hearts of many worthy veterans of the great Civil War and strengthen the fabric of the Union their valor preserved.

The SPEAKER. The question is on suspending the rules and passing the bill.

Mr. BLANTON. Mr. Speaker, a point of order. Is it necessary that the bill be read under the five-minute rule for amendment?

The SPEAKER. It is not. Under a motion to suspend the rules there is no opportunity for amendment.

Mr. LAYTON. Do I understand that there is no opportunity for amendments to this bill?

The SPEAKER. No opportunity. The question is on suspending the rules and passing the bill.

The question being taken, Mr. BLANTON demanded a division.

The House proceeded to divide.

Mr. FULLER of Illinois. Mr. Speaker, I demand the yeas and nays.

Mr. BLANTON. Mr. Speaker, the House having divided, I make a point of no quorum present.

The SPEAKER. The gentleman makes the point that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, and Sergeant at Arms will notify absent Members. As many as are in favor of the passage of the bill will, as their names are called, vote yea, those opposed nay, and the Clerk will call the roll.

The question was taken; and there were—yeas 233, nays 55, answered "present" 2, not votoing 138, as follows:

YEAS—233.

Ackerman	Burroughs	Cramton	Evans, Nebr.
Anderson	Butler	Crowther	Evans, Nev.
Andrews, Nebr.	Caldwell	Cullen	Fairfield
Anthony	Campbell, Kans.	Curry, Calif.	Fess
Ashbrook	Campbell, Pa.	Dale	Fields
Babka	Cannon	Dallinger	Focht
Bacharach	Caraway	Davey	Fordney
Baer	Carss	Davis, Minn.	Foster
Barbour	Casey	Dewalt	Frear
Begg	Chindblom	Dickinson, Mo.	French
Benham	Christopherson	Dickinson, Iowa.	Fuller, Ill.
Benson	Clark, Fla.	Donovan	Fuller, Mass.
Bland, Ind.	Clark, Mo.	Doremus	Gallivan
Bland, Mo.	Classon	Dowell	Gard
Boies	Cleary	Dunbar	Goldfogle
Bowers	Coady	Echols	Goodykoontz
Brooks, Ill.	Cole	Elliott	Graham, Pa.
Browne	Cooper	Ellsworth	Graham, Ill.
Brumbaugh	Copley	Elston	Green, Iowa
Burke	Crago	Evans, Mont.	Greene, Mass.
Greene, Vt.	Kleczka	Morgan	Stiness
Griest	Knutson	Murphy	Strong, Pa.
Hadley	Kraus	Nelson, Mo.	Sullivan
Harreld	Lampert	Nelson, Wis.	Summers, Wash.
Hastings	Layton	O'Connell	Sweet
Haugen	Lazaro	Ogden	Swope
Hawley	Lea, Calif.	Oldfield	Taylor, Colo.
Hayden	Linthicum	Olney	Taylor, Tenn.
Hays	Little	Osborne	Thomas
Hernandez	Lonergan	Paige	Tillman
Hersey	Longworth	Parker	Tilson
Hersman	Lufkin	Platt	Timberlake
Hickey	Luhring	Porter	Tincher
Hicks	McAndrews	Purnell	Tinkham
Hoch	McArthur	Radcliffe	Towner
Howard	McClintic	Rainey, H. T.	Treadway
Huddleston	McFadden	Raker	Upshaw
Hulings	McGlennon	Ramseyer	Valle
Hull, Iowa	McKenzie	Randall, Wis.	Vestal
Husted	McLane	Reavis	Voigt
Hutchinson	McLaughlin, Mich.	Reed, W. Va.	Volstead
Igoe	McLaughlin, Nebr.	Ricketts	Walters
Ireland	McPherson	Riddick	Ward
James	MacCrate	Riordan	Wason
Jefferis	MacGregor	Robsion, Ky.	Webster
Johnson, Wash.	Madden	Rogers	Welty
Johnston, N. Y.	Magee	Rose	White, Kans.
Jones, Pa.	Maher	Rubey	White, Me.
Kahn	Mapes	Sanders, N. Y.	Williams
Kearns	Martin	Sanford	Wilson, Pa.
Keller	Maya	Scott	Wingo
Kelley, Mich.	Mead	Sells	Wood, Ind.
Kelly, Pa.	Miller	Sherwood	Woodyard
Kendall	Minahan, N. J.	Sinclair	Yates
Kennedy, Iowa	Monahan, Wis.	Smith, Mich.	Young, N. Dak.
Kettner	Mondell	Snell	Zihlman
Kiess	Mooney	Snyder	
King	Moore, Ohio	Steele	
Kinkaid	Moores, Ind.	Stephens, Ohio	

NAYS—55.

Almon	Drane	Lee, Ga.	Stephens, Miss.
Bee	Eagle	Luce	Stevenson
Bland, Va.	Garner	Mann, Ill.	Stoll
Blanton	Garrett	Mann, S. C.	Sumners, Tex.
Box	Hardy, Tex.	Mansfield	Vinson
Briggs	Heflin	Moore, Va.	Walsh
Buchanan	Hoey	Overstreet	Watkins
Byrnes, S. C.	Holland	Park	Weaver
Byrns, Tenn.	Hudspeth	Parrish	Welling
Cantrill	Hull, Tenn.	Pell	Whaley
Crisp	Jacoway	Quin	Wise
Davis, Tenn.	Lanham	Rouse	Woods, Va.
Dominick	Lankford	Small	Young, Tex.
Doughton	Larsen	Stedman	

ANSWERED PRESENT—2.

Dupré Flood

NOT VOTING—138.

Andrews, Md.	Freeman	McKinley	Rucker
Aswell	Gallagher	Major	Sabath
Ayres	Gandy	Mason	Sanders, Ind.
Bankhead	Ganly	Merritt	Sanders, La.
Barkley	Garland	Michener	Saunders, Va.
Bell	Glynn	Montague	Schall
Black	Godwin, N. C.	Moon	Scully
Blackmon	Good	Morin	Sears
Booher	Goodall	Mott	Shreve
Brand	Goodwin, Ark.	Mudd	Siegel
Brinson	Gould	Neely	Sims
Britten	Griffin	Newton, Minn.	Sinnott
Brooks, Pa.	Hamill	Newton, Mo.	Sisson
Browning	Hamilton	Nicholls, S. C.	Slemp
Burdick	Hardy, Colo.	Nichols, Mich.	Smith, Idaho
Candler	Harrison	Nolan	Smith, Ill.
Carew	Hill	O'Connor	Smith, N. Y.
Carter	Houghton	Oliver	Smithwick
Collier	Humphreys	Padgett	Steagall
Connally	Johnson, Ky.	Peters	Steenerson
Costello	Johnson, Miss.	Phelan	Strong, Kans.
Currie, Mich.	Johnson, S. Dak.	Pou	Tague
Darrow	Jones, Tex.	Rainey, Ala.	Taylor, Ark.
Dempsey	Juul	Rainey, J. W.	Temple
Denison	Kennedy, R. I.	Ramsey	Thompson
Dent	Kincheloe	Randall, Calif.	Vare
Dooling	Kitchin	Rayburn	Venable
Dunn	Kreider	Reber	Watson
Dyer	Langley	Reed, N. Y.	Wheeler
Eagan	Lehlbach	Rhodes	Wilson, Ill.
Edmonds	Lesher	Robinson, N. C.	Wilson, La.
Emerson	McCulloch	Rodenberg	Winslow
Esch	McDuffie	Romjue	Wright
Ferris	McKeown	Rowan	
Fisher	McKinlry	Rowe	

So, two-thirds having voted in favor thereof, the bill was passed.

The following pairs were announced:

Until further notice:

Mr. NEWTON of Missouri with Mr. OLIVER.

Mr. JOHNSON of South Dakota with Mr. FLOOD.

Mr. ROWE with Mr. SMITH of New York.

Mr. BURDICK with Mr. DOOLING.

Mr. THOMPSON with Mr. CAREW.

Mr. NEWTON of Minnesota with Mr. BELL.

Mr. WHEELER with Mr. BRAND.

Mr. ANDREWS of Maryland with Mr. WRIGHT.

Mr. BRITTEN with Mr. WILSON of Louisiana.

Mr. MOTT with Mr. KITCHIN.

Mr. MORIN with Mr. LESHER.
Mr. RAMSEY with Mr. HARRISON.
Mr. REBER with Mr. HAMILL.
Mr. MICHENER with Mr. MCDUFFIE.
Mr. HOUGHTON with Mr. PHELAN.
Mr. JUUL with Mr. PADGETT.
Mr. SHREVE with Mr. FISHER.
Mr. SIEGEL with Mr. FERRIS.
Mr. GOODALL with Mr. RAYBURN.
Mr. HAMILTON with Mr. JOHN W. RAINEY.
Mr. RODENBERG with Mr. GODWIN of North Carolina.
Mr. SANDERS of Indiana with Mr. GANLY.
Mr. MASON with Mr. MCKINIRY.
Mr. MERRITT with Mr. MCKEOWN.
Mr. GLYNN with Mr. ROMJUE.
Mr. GOOD with Mr. ROBINSON of North Carolina.
Mr. SANFORD with Mr. GANDY.
Mr. SCHALL with Mr. GALLAGHER.
Mr. KENNEDY of Rhode Island with Mr. O'CONNOR.
Mr. MCKINLEY with Mr. MAJOR.
Mr. FREEMAN with Mr. RUCKER.
Mr. GARLAND with Mr. ROWAN.
Mr. SINNOTT with Mr. EAGAN.
Mr. SMITH of Illinois with Mr. COLLIER.
Mr. HARDY of Colorado with Mr. RAINEY of Alabama.
Mr. HILL with Mr. POU.
Mr. EMERSON with Mr. SANDERS of Louisiana.
Mr. ESCH with Mr. SABATH.
Mr. SLEMP with Mr. DENT.
Mr. SMITH of Idaho with Mr. CONNALLY.
Mr. DUNN with Mr. SEARS.
Mr. DYER with Mr. SCULLY.
Mr. KREIDER with Mr. NICHOLLS of South Carolina.
Mr. MCCULLOCH with Mr. MONTAGUE.
Mr. DEMPSEY with Mr. SISSON.
Mr. DENISON with Mr. SIMS.
Mr. EDMONDS with Mr. SAUNDERS of Virginia.
Mr. REED of New York with Mr. GRIFFIN.
Mr. RHODES with Mr. GOODWIN of Arkansas.
Mr. CURRIE of Michigan with Mr. STEAGALL.
Mr. DARROW with Mr. SMITHWICK.
Mr. LANGLEY with Mr. NEELY.
Mr. LEHLBACH with Mr. MOON.
Mr. BROOKS of Pennsylvania with Mr. VENABLE.
Mr. COSTELLO with Mr. SUMNERS of Texas.
Mr. MUDD with Mr. JONES of Texas.
Mr. NICHOLS of Michigan with Mr. JOHNSON of Mississippi.
Mr. PETERS with Mr. HUMPHREYS.
Mr. STEENERSON with Mr. CARTER.
Mr. NOLAN with Mr. ASWELL.
Mr. STRONG of Kansas with Mr. CANDLER.
Mr. WATSON with Mr. BLACKMON.
Mr. TEMPLE with Mr. BRINSON.
Mr. VARE with Mr. BOOHER.
Mr. WILSON of Illinois with Mr. BLACK.
Mr. WINSLOW with Mr. BARKLEY.
Mr. BROWNING with Mr. BANKHEAD.
Mr. GOULD with Mr. AYRES.

On the vote:

Mr. TAGUE (for) with Mr. DUPRÉ (against).

Mr. DUPRÉ. Mr. Speaker, I am paired with the gentleman from Massachusetts, Mr. TAGUE, and I wish to withdraw my vote of "no" and answer "present."

The result of the vote was announced as above recorded.

Mr. ROBSION of Kentucky. Mr. Speaker, my colleague, Mr. LANGLEY, is unable to be present. If here, he would vote "aye" on the Fuller bill. I ask unanimous consent that his telegram may be placed in the RECORD.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to put in the RECORD a telegram from his colleague, Mr. LANGLEY, explaining his absence. Is there objection?

There was no objection.

The telegram is as follows:

LOUISVILLE, KY., *January 3.*

Hon. J. M. ROBSION,
House of Representatives, Washington, D. C.:

I deeply regret my inability to be present in the House Monday to cast my vote for the pension bill, but I am detained in Kentucky by some important matters and it will not be possible for me to reach Washington before Tuesday or Wednesday. I do not anticipate any substantial opposition to the bill, but if any opposition develops I shall greatly appreciate it if you will see that I am paired with somebody who is against the bill. In view of the fact that I have taken an active part during all of my service in Congress in support of liberal pension legislation and of the further fact that as a member of the Committee on Invalid Pensions, which honor I have had for many years, I aided in the preparation of the bill referred to, I feel that my record on the pension question is sufficiently established to render unnecessary any statement from me at this time regarding the pending bill. At the same time I would like to go on record in this way, being unavoidably absent, as a hearty supporter of the measure and of any similar measure designed to give more liberal consideration to our soldiers and sailors and their dependents, to whom I feel the Republic owes a debt of gratitude which can not ever be fully paid. I desire to add that while I realize the necessity of compromise in many matters of legislation, and which occurred in the framing of this measure, I would, if I could, liberalize some of its provisions; and I still hope that, as one of the conferees on the bill, I may be able to aid in bringing that about. The old heroes of the Civil War will not honor us much longer with their presence, and many of them in these days of the high cost of living are suffering for the actual necessities of life, and we can not be too liberal with them and their widows. I have in mind also the maimed soldiers who incurred their disabilities on the firing line and who have spent all of these years with this handicap in life and without adequate remuneration from the Government, for which they made such sacrifices. I hope that before the bill becomes a law it will be so amended as to carry out the views I am expressing and which are based upon a deep sense of public duty.

JOHN W. LANGLEY.

CALENDAR FOR UNANIMOUS CONSENT.

The SPEAKER. The Calendar for Unanimous Consent is now in order, and the Clerk will report the first bill.

LANDS OF THE CROW TRIBE.

The first business on the Calendar for Unanimous Consent was the bill (S. 2890) to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes.

The SPEAKER. Is there objection?

Mr. GARD. Mr. Speaker, I object.

Mr. KELLY of Pennsylvania. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

AUTHORIZING WRANGELL, ALASKA, TO ISSUE BONDS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10746) to authorize the incorporated town of Wrangell, Alaska, to issue bonds for the construction, enlargement, and equipment of schools, the acquisition and construction of a water-supply system, the construction of a city dock and floating dock, and to levy and collect a special tax therefor.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the incorporated town of Wrangell, Alaska, is hereby authorized and empowered to issue its bonds in any sum, not exceeding $80,000, for the purpose of enlarging its schoolhouse and constructing and equipping schools, for the acquisition and construction of a water-supply system, for the construction of a sewer system, and for the construction of a city dock and also a floating dock.

SEC. 2. That before said bonds shall be issued a special election shall be ordered by the common council of the town of Wrangell, at which election the question of whether such bonds shall be issued shall be submitted to the qualified electors of said town of Wrangell. Thirty days' notice of any such election shall be given by publication thereof in a newspaper printed and published and of general circulation in said town before the day fixed for such election.

SEC. 3. That the registration for such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as nearly as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said bonds shall be issued only upon the condition that a majority of the votes cast at such election in said town shall be in favor of issuing said bonds.

SEC. 4. That the bonds above specified, when authorized to be issued as hereinbefore provided, shall bear interest at a rate not to exceed 7 per cent per annum, payable annually, and shall be sold for not less than their par value, with accrued interest, and shall be in denominations not exceeding $1,000 each, the principal to be due in 20 years from the date thereof: *Provided, however*, That the common council of the town of Wrangell may reserve the right to pay off said bonds in their numerical order at the rate of $10,000 or less thereof per annum at any interest period: *Provided further*, That on all bonds paid off the first year after date there shall be paid a premium of 2½ per cent, on all bonds paid off the second year a premium of 2 per cent, on all bonds paid off the third year a premium of 1½ per cent, and on all bonds paid off the fourth year a premium of 1 per cent besides interest. Principal and interest shall be paid in lawful money of the United States of America at the office of the town treasurer of the town of Wrangell, Alaska, or at such other place as may be designated by the common council of said town of Wrangell, the place of payment to be mentioned in said bonds: *And provided further*, That each and every bond shall have the written signature of the mayor and clerk of said town of Wrangell and also bear the seal of said town.

SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any other purpose than that specified in this act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed for the purposes herein mentioned and under the order and direction of said common council from time to time as the same may be required for said purposes: *Provided*, That not to exceed $15,000 of the proceeds of the sale of said bonds shall be expended for the construction, enlargement, and equipment of schools; not to exceed $25,000 thereof shall be expended for the acquisition and construction of a water-supply system; not to exceed $15,000 thereof shall be expended for the construction of a sewer system; and not to exceed $20,000 thereof shall be expended for the construction of a city dock; and not to exceed $5,000 thereof shall be expended for the construction of a floating dock.

SEC. 6. That said town of Wrangell is hereby authorized to annually assess, levy, and collect a special tax, not to exceed 2 per cent of the assessed valuation, upon all the real and personal property situated in said town, and to enforce the collection of the same as other taxes, to provide for the payment of said bonds; such tax, if levied and collected, shall be used exclusively for such purpose and may be administered as a sinking fund therefor.

With the following committee amendments:

Page 1, line 5, after the word "its," insert the word "public"; line 6, after the word "equipping," insert the word "public."

Page 2, line 7, strike out the words "30 days' notice" and insert in lieu thereof the word "notice"; line 8, after the word "thereof," insert the words "once a week for four consecutive weeks prior to such election"; line 11, after the word "town," strike out the words "before the day fixed for such election."

Page 3, line 6, after the word "centum," insert the words "besides interest"; line 7, after the word "centum," insert the words "besides interest"; line 8, after the word "centum," insert the words "besides interest."

Page 4, line 4, after the word "of," insert the word "public"; line 13, strike out the word "to," before the word "and," and insert the word "to" after the word "and."

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. JOHNSON of Washington, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDING FEDERAL FARM-LOAN ACT.

The next business on the Calendar for Unanimous Consent was the bill (S. 2377) to amend section 1 of the act approved July 17, 1916, known as the Federal farm-loan act, so as to provide for the payment of the expenses of the Federal Farm Loan Board and employees by the Federal land banks and joint-stock land banks.

The SPEAKER. Is there objection?

Mr. HAWLEY. Mr. Speaker, I object.

BRIDGE ACROSS ROCK RIVER, WIS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10135) for the construction of a bridge across Rock River at or near East Grand Avenue, in the city of Beloit, Wis.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the city of Beloit, in the State of Wisconsin, be, and the same is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rock River, at a point suitable to the interests of navigation, at or near the point where East Grand Avenue, in said city of Beloit, crosses the said Rock River, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SWEET, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS NIAGARA RIVER.

The next bill on the Calendar for Unanimous Consent was the bill (S. 3427) to establish a commission to report to Congress on the practicability, feasibility, and place, and to devise plans for the construction of a public bridge over the Niagara River from some point in the city of Buffalo, N. Y., to some point in the Dominion of Canada, and for other purposes.

The SPEAKER. Is there objection?

Mr. CRAMTON. Mr. Speaker, I object.

BRIDGE ACROSS LUMBER RIVER, N. C.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8661) to authorize the Kingsdale Lumber Corporation to construct a bridge across Lumber River, near the town of Lumberton, N. C.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Kingsdale Lumber Corporation, its lessees, successors, and assigns, be, and they are hereby, authorized and empowered to construct, maintain, and operate a bridge and approaches thereto across Lumber River at a point suitable to the interests of navigation, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 7, after the word "navigation," insert "near the town of Lumberton, Robeson County, N. C."

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MONTAGUE, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONFERRING CITIZENSHIP UPON CERTAIN INDIANS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 288) for the purpose of conferring citizenship upon certain Indians, segregation of Indian tribal property, and for other purposes.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, why?

Mr. WALSH. The gentleman from Oklahoma [Mr. CARTER] is not here. He was here this morning. On a previous occasion when the bill was called up he asked that this be done.

Mr. GARD. I do not understand why it should go over.

Mr. WALSH. Because the gentleman from Oklahoma is not here. On a former occasion he asked that this be done.

The SPEAKER. Is there objection?

There was no objection.

AUTHORIZING SIOUX TRIBE TO SUBMIT CLAIMS TO THE COURT OF CLAIMS.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 1018) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WALSH. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

BRIDGE ACROSS SAVANNAH RIVER, GA.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 10922) to grant the consent of Congress to the Alfords Bridge Co. to construct a bridge across the Savannah River.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, let us have the bill reported.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Alfords Bridge Co., to be composed of the following members, namely, A. N. Alford, H. I. Alford, and H. B. Alford, of Hart County, Ga., and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Savannah River at a point suitable to the interests of navigation, at or near Haileys Ferry, which is about 1½ miles from Harpers old ferry above and about 1½ miles from Sadlers Ferry below, both of which ferries have been abandoned, in the county of Hart, State of Georgia, on the west, and the county of Anderson, State of South Carolina, on the east, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to erect any other bridge or ferry between Harpers old ferry above and Sadlers Ferry below Haileys Ferry is hereby prohibited.

The committee amendments were read, as follows:

In line 9, page 1, strike out the word "which" at the end of the line; also strike out all of lines 10 and 11 and all of line 12 up to the word "in."

Strike out all of section 2, page 2, and insert in lieu thereof the following:

"SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved."

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object——

Mr. HULINGS. Mr. Speaker, I would like to ask whoever has this bill in charge whether the purpose is to incorporate a bridge company so that they can build a toll bridge?

Mr. CRISP. Mr. Speaker, the bill was introduced by my colleague [Mr. BRAND]. He is detained at home on account of illness. He telegraphed me this morning asking that he be given leave of absence on account of the illness of his child. I do not know about the facts of the case. If the gentleman or any other gentleman feels disposed to object, I will ask unanimous consent that the bill be passed without prejudice.

Mr. MANN of Illinois. Mr. Speaker, this bill proposes to grant to the Alfords Bridge Co. the right to construct a bridge. Then, before it goes that far, it provides that the Alfords Bridge Co. be composed of the following members, naming four gentlemen.

Now, whether it is attempting to incorporate a company by this act of Congress I do not know. Whether there is a bridge company now incorporated I do not know. Nothing of that is disclosed here. Whether there is a bridge company which must forever remain composed of four men, any one of whom might die the day after the act was passed, I do not know; but the bill is in such an unusual form that I am not sure, and nobody knows——

Mr. CRISP. I know nothing whatever in regard to the facts of the bill.

Mr. MANN of Illinois. I know; but I am saying this so that the gentleman who introduced the bill will be able to make an explanation to the House or at least change the form of his bill and grant a right either to the company or to certain individuals with authority to transfer.

Mr. GARD. If the gentleman will yield, does the gentleman think this language, "to be composed of the following members, namely," is sufficient to create an incorporation known as the Alfords Bridge Co.?

Mr. MANN of Illinois. Well, I do not know whether it is or not; it might be.

Mr. GARD. I do not think it is sufficient to create a company.

Mr. MANN of Illinois. I do not know whether it is or not, but either there is a company or there is not. If there is not a company, and this authority is to be granted to individuals, it ought not to be granted so that they can use the company name. It is no company at all.

Mr. CLARK of Missouri. Well, if it is all mixed up, why not grant the consent that it be passed over?

Mr. MANN of Illinois. Nobody has any objection, I think, to that; but I thought it desirable to have the RECORD show this, so that the gentleman in charge of the bill will be prepared to dispose of the matter when it comes up again.

Mr. SWEET. Mr. Speaker, I will say this very question came up before the committee when it was being considered, and it was represented to the members of the committee at that time that the Alfords Bridge Co. was a partnership, that it was not a corporation, that the men named here were the members of the partnership.

Mr. MANN of Illinois. Very well, I am perfectly willing, as far as I am concerned, to grant to the partnership here named the right to construct a bridge, but not to grant it under the name of a company, which leads people to believe it is an incorporated company. Representatives of the United States ought not to hold out to people that a certain company is an incorporated company if it is only a partnership.

Mr. CRISP. If the gentleman will yield to me and consent is given for the consideration of the bill—that it be taken up—I would move to strike out the words in line 4, "to be composed of the following members, namely, A. N. Alford, H. I. Alford, and H. B. Alford, of Hart County, Ga., and their successors and assigns," so that the bill would read:

That the consent of Congress is hereby granted to the Alfords Bridge Co. to construct, maintain, and operate a bridge—

And so forth.

Mr. MANN of Illinois. The gentleman from Iowa [Mr. SWEET] says this is not an incorporated company. You had better strike out "Alfords Bridge Co., to be composed of," and grant the right to those individuals.

Mr. CRISP. Then I offer this further amendment: "That the consent of Congress is hereby granted to the Alfords Bridge Co., a partnership composed of" so-and-so.

Mr. MANN of Illinois. Well, I do not think we ought to grant a partnership under a name which everybody would suppose was an incorporated company. It is misleading and deceptive.

Mr. SWEET. But I will say to the gentleman from Illinois they want it made to the company——

Mr. MANN of Illinois. Oh, yes, of course they do. And then they advertise or incur liabilities under the name of the Alfords Bridge Co., and there is no Alfords Bridge Co. unless it is stated by this act. There is no liability; nobody can sue the Alfords Bridge Co., because there is no such thing unless it is incorporated by this act. While I do not suppose these gentlemen desire to get into that attitude, that is the attitude we put them in.

Mr. SWEET. And the committee does not wish to get into that attitude, either.

Mr. MANN of Illinois. Well, the committee reported that bill.

Mr. CRISP. Mr. Speaker, I ask unanimous consent, then, in the absence of my colleague [Mr. BRAND], who introduced the bill, that it be passed without prejudice.

The SPEAKER. The gentleman from Georgia asks unanimous consent that the bill be passed without prejudice. Is there objection? [After a pause.] The Chair hears none.

The Clerk will report the next bill.

ADDITIONAL TERM OF COURT, RENSSELAER COUNTY, N. Y.

The next business on the Calendar for Unanimous Consent was the bill (S. 2999) to amend section 97 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Reserving the right to object, is the only change in the law contemplated in this bill the changing of the date of holding court, or what is it?

Mr. HUSTED. The only change proposed by the bill is to vest in the discretion of the court the right to hold a term in the county of Rensselaer in addition to the other places in the district where courts are now authorized to be held by law.

Mr. MANN of Illinois. Is that in accordance with the bill that the gentleman recently introduced?

Mr. HUSTED. Yes, sir.

Mr. MANN of Illinois. And not intended to revise that section? That bill, I think, only fixes the time.

Mr. HUSTED. It does not change the existing law at all, except that it authorizes, in the discretion of the court, the holding of a term in the county of Rensselaer in addition to the other places where the court may now be held. The reason of the amendment is because the Senate bill has some inaccuracies in it.

Mr. MANN of Illinois. Has the Committee on the Judiciary ever, in the practice it follows in reference to these bills, changed the time of holding court or modified the judicial districts or provided an additional place to hold court? Is it the practice of that committee to revise the section of the judicial title relating to a particular district?

Mr. HUSTED. It certainly was not the intention to do that.

Mr. MANN of Illinois. That is the case here, of course. That is what we are doing here. That is what this bill is.

Mr. HUSTED. This bill simply adds one word to the existing statute. It does not change the statute at all. It simply adds the word "Rensselaer."

Mr. MANN of Illinois. I understand. But this bill is an amendment in form to section 97 of the judicial title relating to the holding of court in this judicial district. Now, is it the practice of the Judiciary Committee to amend the existing statute in that way or to put in an independent statute? Have they in practice——

Mr. WALSH. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. WALSH. I think the gentleman will find on examining the record that the practice of the Judiciary Committee is never to do it twice alike.

Mr. MANN of Illinois. I think the gentleman is correct. I have examined and read recent reports, and the Judiciary Committee has the craziest methods of transacting business in this regard that I have ever seen.

Mr. WALSH. And I indorse the gentleman's statement.

Mr. MANN of Illinois. There ought to be some systematic method. For years back when the judicial title was passed as a law it was the usual practice to amend the section relating to a district so that if anybody got the statute he could find what it provided for in that district. But now here is a case which is reported from the Judiciary Committee to put one county in Georgia, or in some other of the remote Southern States, into another district, and nobody knows what it means.

Mr. GARD. Will the gentleman yield?

Mr. MANN of Illinois. Yes; I yield the floor.

Mr. GARD. I think the policy of the Committee on the Judiciary heretofore has rather been that, instead of providing a method such as is incorporated in this bill, it provided for it in a special bill, calling attention to the one place sought to be included in the general law. I am convinced that that possibly is a better way.

Mr. MANN of Illinois. This has been the prevailing practice since the judicial title was enacted into law.

Mr. GARD. I am inclined to believe——

Mr. MANN of Illinois. It has not been the only practice, however.

Mr. GARD. I am inclined to believe that the amendment to the section includes all of the cities in New York where courts can be held, and therefore it presents it in such a comprehensive way that it is thought inadvisable to make a change.

Mr. LITTLE. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New York what the Com-

mittee on the Judiciary has to do with a bill to codify and revise the Statutes of the United States, anyway?

Mr. HUSTED. This bill came from the Senate and was referred by the Speaker to the Committee on the Judiciary.

Mr. LITTLE. Why? Have they authority over it?

Mr. HUSTED. I think it has been the uniform practice of the Committee on the Judiciary to exercise jurisdiction over terms of court, the places of holding of court, and the time of holding it.

Mr. LITTLE. The bill says this is "'An act to codify, revise, and amend the laws relating to the judiciary,' approved March 3, 1911." This bill to codify and revise that you are undertaking to amend was reported from the Committee on the Revision of the Laws, and when you began to amend it the bill should have been referred to the Committee on the Revision of the Laws. The other day I introduced a bill to revise a law which had been put through by the Committee on Interstate and Foreign Commerce and asked that it be referred to the Committee on the Revision of the Laws, and was told that because the original bill came from the Committee on Interstate and Foreign Commerce anything to amend or revise it should go to that committee. If that is correct, and it evidently was, for it went through, then any bill to amend an act to codify and revise should go to the committee which reported that bill when it became a law.

As a matter of fact, any bill to codify or revise should go to the Committee on Revision of the Laws under the rules, and the Committee on the Judiciary has no authority over it.

Mr. MANN of Illinois. Mr. Speaker, the gentleman——

Mr. LITTLE. Let me finish that statement before the gentleman begins.

Mr. MANN of Illinois. The gentleman from Kansas is getting into such deep water that the further on he goes the worse off he finds himself.

Mr. LITTLE. I like the deep water, and shall be able to take care of myself in it. The gentleman from Illinois has already done so much for our committee I like to take his advice, but just here is a detail of which I have made a special study. And let me add that the Committee on the Judiciary and the Committee on Interstate and Foreign Commerce are, both of them, continually taking up and reporting bills over which they have no proper jurisdiction whatever. Half the trouble that arises in this House, due to the congestion of legislation, comes from the fact that most of these bills are referred to half a dozen committees and are cluttered up there and never get out. If any other committee gets up a little bill, something which they have studied, on a subject over which they have jurisdiction, you see it referred straightway to the Committee on the Judiciary or the Committee on Interstate and Foreign Commerce, and it never appears again. That is where about half the stuff goes. Here is one instance where the gentlemen steered it through. The Committee on the Judiciary has no authority over this matter. That is a matter that belongs to the Committee on the Revision of the Laws.

Mr. CLARK of Missouri. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. In a moment. It belongs to the Committee on the Revision of the Laws. But I do not think I shall object. The gentleman says it is the usual practice. But I say it is up to the minor committees of this House to see to it that they are allowed to exercise their proper jurisdiction.

Mr. MANN of Illinois. The gentleman from Kansas is so far wrong that I think it would take but a moment to convince him of his error. His committee has jurisdiction over revision of the laws, and it has now under consideration a proposition to revise all the statutes of the United States. If his contention be correct, if we pass that bill into a law and then want to amend a section of it we shall have to send all the bills for amendment to the Committee on Revision of the Laws. How absurd that is.

Mr. LITTLE. Does the gentleman think he has convinced me?

Mr. MANN of Illinois. It would be the only committee in the House, practically. While the gentleman is a distinguished chairman and has an able committee, still the fact that he brings in a bill to revise the laws gives him no jurisdiction, after that bill becomes a law, over a bill to amend a section of the revised law.

Mr. LITTLE. Right now I will take issue with the distinguished parliamentarian about that, not because I think I know more parliamentary law than he, but because I happen to have made a careful study of the rules about this particular parliamentary law and have had a ruling on the point involved. The gentleman from Illinois was the distinguished chairman of the Committee on Interstate and Foreign Commerce for some years. After he had gotten down to his work with that committee he succeeded in assimilating about half the important legislation of this House. One reason for it was that he was able to take care of it, and he and his committee wanted to work, and he was smart enough to take over all that business to his committee.

That same committee is now cluttered up with business which it has secured by reason of his mastery of parliamentary legislation. No one has done more to assemble the work of the House in one committee, his own, than this gentleman. The gentleman from Illinois [Mr. MANN] is the greatest master of legislation who ever sat in the House. He drew to his committee a vast amount of work; but because one man could accomplish so much as he did it does not follow that the House work should be done by a few committees. Now, he says he can demonstrate in a minute that I am wrong. I accept his challenge as to what he says is correct. The rules provide that there can be sent to the Committee on the Revision of the Laws any bill, as the gentleman says, to revise the statutes, and that means to amend the statutes, as the dictionary says, and the Committee on the Revision of the Laws is the only committee of the House that has jurisdiction to amend everything.

Mr. CLARK of Missouri. Mr. Speaker, will the gentleman yield now?

Mr. LITTLE. In a second. My attention was called to the matter by the most distinguished parliamentarian in the House, perhaps, except the gentleman from Illinois [Mr. MANN] and the gentleman from Missouri [Mr. CLARK], who is now about to lecture me, I suppose. I shall present to the House before long a long line of decisions, which I think will show that I am right, to the effect that almost any bill could logically and technically be referred to this committee. I do not say that it ought to be done, any more than that it should be referred to the Committee on the Judiciary or to the Committee on Interstate and Foreign Commerce; but it is the only one of all that could technically assimilate them.

Now I will yield for the lecture that is to come from the distinguished gentleman from Missouri. [Laughter.]

Mr. CLARK of Missouri. I will say at the outset that I am not going to lecture the gentleman, but I want to ask him this one question: If this bill were not referred to the Committee on the Judiciary, what committee could it go to?

Mr. LITTLE. To the Committee on the Revision of the Laws.

Mr. CLARK of Missouri. Then, after a while you would have jurisdiction of all the bills in the House.

Mr. LITTLE. No. I say this is the only committee that could technically and legally, though I do not think it should.

Mr. CLARK of Missouri. If the gentleman should be back here 20 years from now, he will find that the Committee on Interstate and Foreign Commerce has grown to abnormal proportions and will have three-fourths of all the important business of this House before it. It has no business with this bill; neither has the committee of the gentleman from Kansas.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. Yes. The gentleman from Ohio is next on my list. [Laughter.]

Mr. LONGWORTH. I am only going to ask the gentleman if his committee would have jurisdiction over the revision of the existing tariff, to amend the existing law?

Mr. LITTLE. No; perhaps not. But since the gentleman has put it that way, I will say that the Committee on the Revision of the Laws has authority to act technically upon any bill to amend anything, even a tariff bill perhaps, and that possibly, technically, it might have that right. My attention was called to this rule by one of the most distinguished chairmen the Ways and Means ever had. Unquestionably our committee has much more authority to report this bill, under the rules, than the Committee on the Judiciary has to act upon many bills that are referred to it, or the Interstate Commerce on many that come from it.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. I will.

Mr. WALSH. Does the gentleman construe the terms "revision" and "amendment" as synonymous?

Mr. LITTLE. The dictionary says to "revise" means to "amend."

Mr. WALSH. I am not asking the gentleman about what the dictionary says. I am asking the gentleman whether he contends that the terms "revision" and "amendment" are synonymous?

Mr. LITTLE. I will leave that to the dictionary.

Mr. WALSH. If that is the gentleman's rule, and he insists upon it, we must peruse pretty closely the reports of the gentleman's committee when he reports out the revision of the laws.

Mr. LITTLE. I hope the Members will as fast as the bill appears.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. GARD. I was wondering whether the last interpretation that the gentleman gave to his committee would indicate that he intends to change its title to that of the "omnibus committee"? [Laughter.]

Mr. LITTLE. That is what it was really called at first; something like that. [Laughter.] This committee 54 years ago was named as it is now; but before that time it had some name which was a sort of omnibus name. It was called the Committee on Unfinished Business and Revisal. Is that sufficiently "omnibus"? Everything went in there that they did not know what else to do with.

Mr. KING. Is was an omnipotent committee?

Mr. SWEET. Was it "anonymous" or "omnibus"? [Laughter.]

Mr. LITTLE. I will give you the reason why I make this suggestion. The other day a bill was referred to the Committee on Interstate and Foreign Commerce, and that was done because it was a bill to revise and amend an act that had been put through by the Interstate and Foreign Commerce Committee, and they said that because the Committee on Interstate and Foreign Commerce had put through the original bill, therefore anything to amend it or revise it had to go to the Committee on Interstate and Foreign Commerce. As a matter of fact, it was a bill with regard to health and had no more to do with interstate commerce than a bill on education.

I did not think it was good logic, and I do not think so now; but if it is going to obtain as the rule of the House, then any bill to revise and amend this judiciary act, which was a bill to codify and revise, should go to the Revision Committee, from which that law came. In other words, if a bill of ours which was turned over to the Committee on Interstate Commerce, which did not have any earthly control of it, must go to that committee, because it amends and revises some interstate-commerce law, then this bill, which seeks to revise and amend a bill that our committee reported and put through, should have gone to this committee. The gentleman says that is absurd, but it is no more absurd than the rule that was perpetrated upon us, and we would like to see the same rules applied to all committees.

The gentleman from Missouri [Mr. CLARK] suggests that perhaps in a short time three-fourths of all the business of the House will go to the Committee on Interstate and Foreign Commerce. Pretty nearly that much goes there now, to that committee and the Judiciary Committee. If you will take the rules of the House and examine them, you will find that half the business that goes to the Committee on the Judiciary and half the business that goes to the Committee on Interstate and Foreign Commerce does not belong there at all. Some of our committees take charge of so much legislation that their bills are never ready till the end of the session or never come out of committee, and then we are abused for delay. Other committees are attacked by the charge that they do little. This leaves the principal work of the House to a few, and many have scant opportunity to legislate. The rules of the House should be so adjusted that every committee would be a working committee and every Congressman have a part in the work here. The real truth is, the rules correctly interpreted would greatly lessen the evil and equalize the opportunity. Every committee should insist on having whatever is coming to it. Our committee has in the general revision all it can do, and I am presenting a principle, not arguing for more work. If the principle is adopted, and the House endeavors to distribute its bills in a practical way, each will have some vital duty to perform. Then the big committees will not rush in just as we adjourn and ask us to hustle through legislation that should be studied long and carefully.

Mr. HULINGS. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, Is there objection to the present consideration of this bill?

Mr. LITTLE. I think it is time that the business of this House should go to the committees which were intended to consider it.

The SPEAKER. Is there objection?

Mr. LITTLE. I will not object, although I am a little bit tempted to do so.

The SPEAKER. The Chair hears no objection. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 97 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, be, and it is, amended so as to read as follows:

Mr. MANN of Illinois. Mr. Speaker, this bill, which proposes to amend section 97 of the Judicial Code, and which occupies four pages of print, is stricken out and an entire new section is reported as an amendment, for the purpose of correcting some typographical or other error. I ask unanimous consent that in lieu of reading the original section 97 as passed by the Senate the Clerk may read the committee amendment.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the committee amendment be read in lieu of the original bill. Is there objection?

There was no objection.

The Clerk read as follows:

Strike out all of page 1, after line 6, and all of pages 2, 3, and 4 and insert the following:

"SEC. 97. The State of New York is divided into four judicial districts, to be known as the northern, eastern, southern, and western districts of New York. The northern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Albany, Broome, Cayuga, Chenango, Clinton, Courtland, Delaware, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Schoharie, Tioga, Tompkins, Warren, and Washington, with the waters thereof. Terms of the district court for said district shall be held at Albany on the second Tuesday in February; at Utica on the first Tuesday in December; at Binghamton on the second Tuesday in June; at Auburn on the first Tuesday in October; at Syracuse on the first Tuesday in April; and, in the discretion of the judge of the court, one term annually at such time and place within the counties of Rensselaer, Saratoga, Onondago, St. Lawrence, Clinton, Jefferson, Oswego, and Franklin, as he may from time to time appoint. Such appointment shall be made by notice of at least 20 days published in a newspaper published at the place where said court is to be held. The eastern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Richmond, Kings, Queens, Nassau, and Suffolk, with the waters thereof. Terms of the district court for said district shall be held at Brooklyn on the first Wednesday in every month. The southern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Columbia, Dutchess, Greene, New York, Orange, Putnam, Rockland, Sullivan, Ulster, and Westchester, with the waters thereof. Terms of the district court for said district shall be held at New York City on the first Tuesday in each month. The district courts of the southern and eastern districts shall have concurrent jurisdiction over the waters within the counties of New York, Kings, Queens, Nassau, Richmond, and Suffolk, and over all seizures made and all matters done in such waters; all processes or orders issued within either of said courts or by any judge thereof shall run and be executed in any part of said waters. The western district shall include the territory embraced on the 1st day of July, 1910, in the counties of Allegany, Cattaraugus, Chautauqua, Shemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Wayne, Wyoming, and Yates, with the waters thereof. Terms of the district court for said district shall be held at Elmira on the second Tuesday in January; at Buffalo on the second Tuesdays in March and November; at Rochester on the second Tuesday in May; at Jamestown on the second Tuesday in July; at Lockport on the second Tuesday in October; and at Canandaigua on the second Tuesday in September. The regular sessions of the district court for the western district for the hearing of motions, and for proceedings in bankruptcy and the trial of causes in admiralty, shall be held at Buffalo at least two weeks in each month of the year, except August, unless the business is sooner disposed of. The times for holding the same and such other special sessions as the court shall deem necessary shall be fixed by rules of the court. All process in admiralty causes and proceedings shall be made returnable at Buffalo. The judge of any district in the State of New York may perform the duties of the judge of any other district in such State upon the request of any resident judge entered in the minutes of his court; and in such cases such judge shall have the same powers as are vested in the resident judge."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill as amended was ordered to a third reading, and was accordingly read the third time, and passed.

On motion of Mr. HUSTED, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS NIAGARA RIVER.

Mr. MACGREGOR. Mr. Speaker, I ask unanimous consent that Calendar No. 118, the bill (S. 3427) to establish a commission to report to Congress on the practicability, feasibility, and place, and to devise plans for the construction of a public bridge over the Niagara River from some point in the city of Buffalo, N. Y., to some point in the Dominion of Canada, and for other purposes, which was objected to, may remain on the calendar without prejudice.

The SPEAKER. The gentleman from New York asks unanimous consent that Calendar No. 118, which was objected to and went off the calendar, may retain its place on the calendar. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, if the gentleman will propose that it go to the foot of the calendar, I shall not object. Otherwise I shall object.

The SPEAKER. Does the gentleman from New York ask unanimous consent that the bill go to the foot of the calendar?

Mr. MacGREGOR. In view of the statement of the gentleman from Massachusetts [Mr. WALSH], I suppose I will have to ask that.

The SPEAKER. The gentleman asks unanimous consent that the bill go to the foot of the calendar. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

SILVER STARS TO OFFICERS AND MEN CITED IN ORDERS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10331) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1919," approved July 9, 1918.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. GARD. Reserving the right to object, I will ask the gentleman in charge of the bill to explain the reasonable necessity of passing a bill of this kind on the Unanimous Consent Calendar?

Mr. SANFORD. The reason why it comes up on the Unanimous Consent Calendar is that that is the quickest way that I know of to get it up. We have tried to get these small bills up on Calendar Wednesday, but have not had any success. Would the gentleman like to know the purpose of the bill?

Mr. GARD. Yes; I should like to know the purpose of the bill.

Mr. SANFORD. In the last Army appropriation bill provision was made for awarding distinguished-service medals, and there was a provision that when an officer or a man was cited for gallantry on the field of action; that is, when cited from the headquarters of a brigade—I think that is what the law meant—he should receive a silver star. Now, it happens that the language used in the appropriation bill was peculiar. It said—

When cited from headquarters of a force commanded by a general officer.

It happened in the World War that some brigades were not commanded by generals but by colonels, or possibly by lieutenant colonels. So when an officer received a citation for gallantry on the field of action, if it afterwards happened to be discovered that at that time his brigade was commanded by a colonel, then he could not get his silver star. The purpose of the bill is to correct that obvious injustice and to permit the awarding of these silver stars in all the cases where Congress clearly intended they should be awarded, namely, where soldiers were cited for gallantry in brigade orders.

Mr. GARD. Is there any change in the existing law except providing that the orders shall have been issued from the headquarters of a force which is the appropriate command of a general officer?

Mr. SANFORD. The only change of the existing law is the addition of the words—

or which is the appropriate command of.

Mr. GARD. Do I understand that the bill has the approval of the War Department in that respect?

Mr. SANFORD. Certainly. It has the approval of everybody who has read it, I think.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That so much of the act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1919," approved July 9, 1918, as constitutes the fifth section under the subheading "Medals of honor, distinguished-service crosses, and distinguished-service medals" (40 Stats. L., p. 871), be, and is hereby, amended so as to read as follows:

"That no more than one medal of honor or one distinguished-service cross or one distinguished-service medal shall be issued to any one person; but for each succeeding deed or act sufficient to justify the award of a medal of honor or a distinguished-service cross or a distinguished-service medal, respectively, the President may award a suitable bar or other suitable device, to be worn as he shall direct. And for each citation of an officer or enlisted man for gallantry in action, published in orders issued from the headquarters of a force commended by, or which is the appropriate command of, a general officer, not warranting the award of a medal of honor or distinguished-service cross, he shall be permitted to wear, as the President shall direct, a silver star three-sixteenths of an inch in diameter."

Mr. MANN of Illinois. Mr. Speaker, I move that in line 8, page 2, the word "commended" be stricken out and the word "commanded" be inserted.

Mr. SANFORD. I concur in that amendment.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. That all laws and parts of laws in conflict herewith are rescinded.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. SUMMERS of Washington, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. SUMMERS of Washington. I ask unanimous consent to extend my remarks in the RECORD on the bill just passed.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD on the bill just passed. Is there objection?

There was no objection.

BRIDGE ACROSS THE CONNECTICUT RIVER, MASS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10558) granting the consent of Congress to the Connecticut River Railroad Co., its lessees, successors, and assigns, to construct a bridge across the Connecticut River in the Commonwealth of Massachusetts.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Connecticut River Railroad Co., its lessees, successors, and assigns, be, and they hereby are, authorized to construct, maintain, and operate a bridge and approaches thereto across the Connecticut River at a point suitable to the interests of navigation, one end of said bridge being in the city of Holyoke and the other in the city of Chicopee, Mass., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. Is there objection?

Mr. WALSH. Reserving the right to object, I would like to ask my colleague if this bridge has already been constructed.

Mr. TREADWAY. It is to repair an existing bridge that can only be used now for one track of the railroad. It is desired to be able to use two tracks. The bill has the approval of the War Department.

Mr. WALSH. I notice that the bill says in line 7 "one end of said bridge being in the city of Holyoke and the other in the city of Chicopee." I suppose that the new bridge that is to be constructed will have its respective ends in the same cities. [Laughter.]

Mr. TREADWAY. Oh, yes; one end in each city.

Mr. MANN of Illinois. Reserving the right to object, what is the reason for inserting the provision in reference to the lessees? It is rather unusual.

Mr. TREADWAY. The Connecticut River Railroad Co. has leased this road to the Boston & Maine. I suppose that is the reason why the phrase is used in that form. The Connecticut River Railroad Co. does not actually carry on the transportation, although it has the original charter. The road has been leased to the Boston & Maine, and, of course, now is in the hands of the Railroad Administration.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. TREADWAY, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. GARD. Mr. Speaker, I ask unanimous consent to return to the bill H. R. 10331, passed a moment ago, and on that bill I ask unanimous consent to strike out section 2. I do that because the bill carries the words "are rescinded," where it should be "are repealed." I am told that the provision is unnecessary, and I ask unanimous consent to strike out section 2.

The SPEAKER. The Chair will state to the gentleman that a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. CAMPBELL of Kansas. Mr. Speaker, if the gentleman from Ohio desires to amend the bill as indicated, he can ask unanimous consent that all proceedings with respect to the bill be vacated and ask for a third reading of the bill.

Mr. GARD. I do not desire to embarrass anyone who has charge of the bill. I merely suggest that that should be done.

The SPEAKER. What is the gentleman's request?

Mr. GARD. The request is that all proceedings as to H. R. 10331 be vacated and that section 2 as it appears in the bill be stricken out.

The SPEAKER. Is there objection.

Mr. SANFORD. I object.

The SPEAKER. The Clerk will report the next bill.

FISHERIES AT PEARL HARBOR, HAWAIIAN ISLANDS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10873) to provide for the acquisition by the United States of private rights of fishery in and about Pearl Harbor, Hawaiian Islands.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to examine and appraise the value of the privately owned rights of fishery in Pearl Harbor, island of Oahu, Territory of Hawaii, from an imaginary line from Kaak Point to Beckoning Point, both within said harbor, to the seaward, and the privately owned rights of fishery in and about the entrance channel to said harbor, and to enter into negotiations for the purchase of the said rights and, if in his judgment the price for such rights is reasonable and satisfactory, to make contracts for the purchase of same subject to future ratification and appropriation by Congress; or, in the event of the inability of the Secretary of the Navy to make a satisfactory contract for the voluntary purchase of the said rights of fishery, he is hereby authorized and directed through the Attorney General to institute and carry to completion proceedings for the condemnation of said rights of fishery, the acceptance of the award in said proceedings to be subject to the future ratification and appropriation by Congress. Such condemnation proceedings shall be instituted and conducted in, and jurisdiction of said proceedings is hereby given to, the district court of the United States for the district of Hawaii, substantially as provided in "An act to authorize condemnation of land for sites for public buildings, and for other purposes," approved August 1, 1888; and the sum of $5,000 is hereby appropriated to pay the necessary costs thereof and expenses in connection therewith. The Secretary of the Navy is further authorized and directed to report the proceedings hereunder to Congress.

The following committee amendments were read:

On page 1, strike out the words "Hawaiian Islands" in the title and insert in lieu thereof the words "Territory of Hawaii."

On page 2, in line 13, after the word "hereby," strike out the word "appropriated" and insert in lieu thereof the words "authorized to be appropriated, to be immediately and continuously available until expended."

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read the third time, and was read the third time.

The SPEAKER. The question now is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. WALSH) there were 52 ayes and 8 noes.

So the bill was passed.

The title was amended so as to read: "A bill to provide for the acquisition by the United States of private rights of fishery in and about Pearl Harbor, Territory of Hawaii."

On motion of Mr. CURRY of California, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENGRAVED SIGNATURES ON NATIONAL-BANK NOTES.

The next business on the Calendar for Unanimous Consent was the bill (S. 2902) to amend section 5182, Revised Statutes of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, as I understand it national-bank notes are now permitted to have printed signatures rather than written ones, except as to bills of small denomination.

Mr. PLATT. No national-bank notes have engraved signatures; that is, the signatures of the president or vice president. We passed a bill through the House of Representatives in the last Congress, or bills have been passed through the House of Representatives within a few years—I think certainly once, if not twice—to allow engraving of the signatures of the president or the vice president of national banks on bank notes; but those bills, I think, each time have been left over in the Senate at the close of the Congress. I was rather surprised to have this bill come up for passage, because I thought it was already a law.

Mr. WALSH. If this becomes a law it means the end of written signatures on national-bank notes?

Mr. PLATT. Not necessarily. It would depend on the size of the banks. The small banks, I presume, would probably still prefer to sign the notes.

Mr. WALSH. Then this is not compulsory?

Mr. PLATT. No. The bill reads "either written or engraved."

Mr. WALSH. The gentleman states that the bill which we passed here in a previous Congress—I think in the Sixty-fourth—affecting notes of larger denominations was not enacted into law?

Mr. PLATT. Does the gentleman refer to the bill which was passed just before the recent recess?

Mr. WALSH. It was at the end of the Congress.

Mr. PLATT. We passed a bill with regard to making gold certificates legal tender just before the recess of this Congress a few weeks ago. That bill has already been signed by the President.

Mr. WALSH. And this puts these national-bank notes on the same basis as the Federal reserve notes?

Mr. PLATT. Yes.

Mr. WALSH. And United States notes?

Mr. PLATT. Yes; it is in some measure a part of the same effort to increase the number of small bills. It is quite a job for the president of a national bank to sign a lot of small bills. The banks are allowed to issue $1 and $2 notes up to $25,000 for each bank, but they do not issue them as a rule. They issue only bills of larger denominations. At the present time most of the small bills are United States notes, Federal reserve bank notes, or silver certificates, and the silver certificates are gradually disappearing.

Mr. WALSH. Will this stimulate the issue of small notes, simply because the presidents of the banks do not have to sign them?

Mr. PLATT. It will have that tendency.

Mr. MANN of Illinois. Will this help us to get any money in large bunches?

Mr. PLATT. It will, though perhaps not in large amounts. Of course, a bank president can sign a $100 bill very easily, but if he has to sign 100 $1 bills it will take some time.

Mr. DONOVAN. Mr. Speaker, on this side of the House we are absolutely unable to hear the discussion that is going on, although we know that it is not only interesting but instructive.

Mr. WALSH. We are talking about national-bank notes, and I would not suppose gentlemen over on the Democratic side would have very much interest in such a thing as that.

Mr. DONOVAN. Oh, the remark of the gentleman from Massachusetts is not becoming, because it seems to me not to be germane. [Laughter.]

Mr. PLATT. I will say to my colleague from New York, if the gentleman from Massachusetts will permit, I suppose the city of New York still has some interest in small bills—ones and twos.

Mr. DONOVAN. Certainly it has.

Mr. PLATT. We do not want to require the bank presidents, who may have more important duties, to sign them all with a pen.

Mr. WALSH. Mr. Speaker, I would like the assurance of the gentleman that this bill which is now sought to be considered by unanimous consent is identical with the measure which was up in the last Congress, or the one before that, which passed the House, but which failed at the end of the Congress.

Mr. PLATT. I am not certain as to the exact language, but I know it is similar in language.

Mr. WINGO. Mr. Speaker, if the gentleman will permit, my recollection is that we passed an identical bill in the identical language twice in the last five years.

Mr. PLATT. That is my recollection.

Mr. WINGO. This bill does not affect the legal situation at all. It has been held that national banks are liable on their unsigned notes, if they put them out unsigned, and this would simply permit the same method of signatures on national-bank notes that we now use on Treasury notes and on other notes. We now print them at the Bureau of Engraving and Printing instead of having the Treasurer and the register sign them. We propose to simplify the process of putting out national-bank notes, and permit the Government when it prints the notes for the bank to print the signatures at the same time, not letting these gentlemen have the pleasure they used to enjoy of signing their names on a lot of money.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. PLATT. Yes; if I have the floor.

Mr. TILSON. Do I understand the gentleman to say if this becomes a law that these bank officials instead of writing their names will have the names engraved on the small bills, the ones and the twos?

Mr. PLATT. Certainly; on all bills which they issue.

Mr. TILSON. Do banks issue any such denominations as $1 and $2 bills?

Mr. PLATT. The banks are allowed to issue them, but few have been issued. It is a little easier to get the one and two dollar bills if the bank presidents are not required to sign them all with a pen.

Mr. TILSON. That is the size of the bill I usually handle, but it has never been my good fortune to see a national-bank note of the denomination of $1 and $2.

Mr. PLATT. There have been a few issued. My recollection is about $340,000 of $1 notes and about $160,000 of $2 notes.

Mr. TILSON. I was wondering if it was because of the law or because of the inconvenience, and if this will remove the inconvenience hereafter in getting the $1 and $2 bills from the banks?

Mr. PLATT. That is the idea. I will say now to the gentleman from Massachusetts, if he wants further enlightenment on this bill, that it merely adds, in lines 7 and 8, the words "or engraved," and at the beginning of line 12 there are a few words different from the present law to allow the signatures to be made either before or after the receipt of the bills. Of course where they are printed they have to be made before.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That section 5182, Revised Statutes of the United States, be amended to read as follows:

"SEC. 5182. Any association receiving circulating notes under this title may, if its promise to pay such notes on demand is expressed thereon, attested by the written or engraved signatures of the president or vice president and the cashier thereof in such manner as to make them obligatory promissory notes payable on demand at its place of business, issue, and circulate the same as money. Such written or engraved signatures of the president or vice president and the cashier of such association may be attached to such notes either before or after the receipt of such notes by such association. And such notes shall be received at par in all parts of the United States in payment of taxes, excises, public lands, and all other dues to the United States, except duties on imports; and also for all salaries and other debts and demands owing by the United States to individuals, corporations, and associations within the United States, except interest on the public debt, and in redemption of the national currency."

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. PLATT, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS THE TOMBIGBEE RIVER NEAR IRON WOOD BLUFF, MISS.

The next business in order on the Unanimous Consent Calendar was the bill (H. R. 11025) to authorize the construction, maintenance, and operation of a bridge across the Tombigbee River near Iron Wood Bluff, in Itawamba County, Miss.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, I doubt whether it is wise to attempt to pass this important measure in the absence of the distinguished gentleman from Mississippi who introduced it. Many of us have not heard of the glories of the Tombigbee River——

Mr. MANN of Illinois. Where is the Tombigbee River?

Mr. WALSH. I was about to state many of us have not heard of the glories of the Tombigbee River, nor are we quite certain as to its definite location and——

Mr. CRAMTON. It is near Iron Wood Bluff.

Mr. WALSH. The gentleman from Michigan says it is near Iron Wood Bluff. I am sure that——

Mr. STEPHENS of Mississippi. Will the gentleman yield?

Mr. SIMS. Will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Tennessee.

Mr. SIMS. I just received a letter from Mr. CANDLER, who is compelled to remain at home on account of the sickness of his wife, asking that this matter be taken up in order that the work may proceed. Nobody on earth can tell as much about the glories of the Tombigbee River as the gentleman who is absent, but I hope the gentleman from Massachusetts, in his great anxiety to hear something in reference to the Tombigbee River, will not inconvenience him in reference to the passage of this measure on that account, and I assure him he shall have it hereafter, because the gentleman from Mississippi——

Mr. WALSH. If the gentleman assures me we shall hear of the glories of the Tombigbee River hereafter in this life——

Mr. SIMS. I can warrant it——

Mr. WALSH. Then I will not object in view of the absence of the distinguished gentleman from Mississippi. [Applause.]

The SPEAKER pro tempore. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the board of supervisors of Itawamba County, Miss., is hereby authorized to construct, maintain, and operate a bridge and approaches thereto across the Tombigbee River at a point suitable to the interests of navigation near Iron Wood Bluff, in Itawamba County, Miss., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

ADMIRAL JELLICOE.

At 3 o'clock and 50 minutes p. m. Admiral Jellicoe, attended by his staff, entered the Executive gallery amid loud applause, the Members rising.

Mr. MONDELL. Mr. Speaker, I know that the Members of the House are greatly interested in the fact that we have the honor of a visit from one of the greatest captains and commanders of the World War. [Applause.] The gentlemen of the House of Representatives have already expressed their appreciation of his presence in the gallery by rising. I suggest that we again rise and thereby further express our appreciation of the very great services to the world, our appreciation of the visit here of the hero of the Battle of Jutland, Viscount John Jellicoe, admiral of the British Fleet. [Loud applause.]

The SPEAKER. The Chair will state that when the admiral retires from the gallery he is going to the Speaker's room, where he will be glad to meet any Members of the House who would like to shake hands with him. [Applause.]

BRIDGE ACROSS THE TOMBIGBEE RIVER NEAR IRON WOOD BLUFF, MISS.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 1, line 8, strike out the word "an" and insert the word "the."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. WINGO, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. WALSH. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. CANDLER] have consent to extend his own remarks upon the bill (H. R. 11025) relative to bridging the Tombigbee River near some bluff.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the gentleman from Mississippi [Mr. CANDLER] have permission to extend his own remarks on the bill referred to. Is there objection?

Mr. MANN of Illinois. I object.

DEATH OF HON. WALTER ALLEN WATSON, OF VIRGINIA.

Mr. FLOOD. Mr. Speaker, it is with profound regret I arise to announce the death of my colleague, Hon. WALTER A. WATSON, the Representative of the fourth Virginia district in this House for the past eight years, who died in the city of Washington on the 24th day of December and was laid to rest at his home in Virginia on December 26, where an enormous concourse of his friends and admirers from all parts of the State had gathered. At another time, Mr. Speaker, I shall ask that a day be set apart on which the Members can pay their tribute of respect to this much-beloved man who so recently was our colleague. I now offer the following resolutions.

The SPEAKER. The Clerk will report the resolutions:

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. WALTER ALLEN WATSON, a Representative from the State of Virginia.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

The resolutions were unanimously agreed to; and accordingly (at 3 o'clock and 55 minutes p. m.) the House adjourned to meet Tuesday, January 6, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting statement showing number of employees in the Bureau of Engraving and Printing whose compensation from items carried in sundry civil bill but who are detailed for clerical work in the bureau (H. Doc. No. 543); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting drafts of proposed legislation to authorize the sale of certain sites and buildings now owned by the Government (H. Doc. No. 544); to the Committee on Public Buildings and Grounds and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting deficiency estimate of appropriation required by the War Department for rent of buildings, fiscal year 1919 (H. Doc. No. 545); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the War Department for restoring the Chickamauga and Chattanooga National Park to its original condition (H. Doc. No. 546); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Bureau of Entomology for preventing the spread of the Japanese beetle for the fiscal year 1921 (H. Doc. No. 547); to the Committee on Agriculture and ordered to be printed.

6. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Commerce for printing and binding, fiscal year 1920 (H. Doc. No. 548); to the Committee on Appropriations and ordered to be printed.

7. A letter from the Secretary of the Treasury, transmitting amendment to estimate of appropriation required by the Public Health Service for the study of pellagra (H. Doc. No. 549); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Secretary of the Treasury, transmitting urgent deficiency estimate of appropriation for the maintenance of the Hygienic Laboratory (H. Doc. No. 550); to the Committee on Appropriations and ordered to be printed.

9. A letter from the Secretary of the Treasury, transmitting draft of proposed legislation to enable the Secretary of the Treasury to accept a correctionary deed in connection with the new post-office site in New York City (H. Doc. No. 551); to the Committee on Public Buildings and Grounds and ordered to be printed.

10. A letter from the Secretary of the Treasury, transmitting recommendation of the repeal of legislation authorizing acquisition of a site and building for a subtreasury and other governmental offices at New Orleans, La. (H. Doc. No. 552); to the Committee on Public Buildings and Grounds and ordered to be printed.

11. A letter from the Secretary of the Treasury, transmitting the third annual report of the Federal Farm Loan Board (H. Doc. No. 553); to the Committee on Banking and Currency and ordered to be printed.

12. A letter from the Superintendent of the United States Botanic Garden, transmitting required information relative to travel from Washington, D. C., in connection with official business during fiscal year 1919 (H. Doc. No. 554); to the Committee on Appropriations and ordered to be printed.

13. A letter from the Secretary of Commerce, transmitting a statement of the expenditures in the Coast and Geodetic Survey for the fiscal year ended June 30, 1919 (H. Doc. No. 555); to the Committee on Expenditures in the Department of Commerce and ordered to be printed.

14. A letter from the Secretary of War, transmitting report relative to delivery of motor vehicles to the Department of Agriculture (H. Doc. No. 556); to the Committee on Expenditures in the War Department and ordered to be printed.

15. A letter from the Secretary of War, transmitting report relative to certain tracts of land formerly part of the Nisqually Reservation, Wash., and now part of Camp Lewis (H. Doc. No. 557); to the Committee on Indian Affairs and ordered to be printed.

16. A letter from the Secretary of the Navy, transmitting statements showing exchanges made during the fiscal year 1919 of typewriters, adding machines, and other similar labor-saving devices by the Navy Department and Naval Establishment (H. Doc. No. 558); to the Committee on Appropriations and ordered to be printed.

17. A letter from the Secretary of the Navy, transmitting report of conditions showing immediate necessity for legislation increasing pay of enlisted men and officers of the Navy (H. Doc. No. 559); to the Committee on Naval Affairs and ordered to be printed.

18. A letter from the Secretary of the Treasury, transmitting estimate of appropriation required by the Treasury Department for contingent and operating expenses of the department and for repairs to buildings under the control of the Treasury fiscal years 1920 and 1921 (H. Doc. No. 560); to the Committee on Appropriations and ordered to be printed.

19. A letter from the Secretary of War, transmitting letter and report from United States Army Engineers on Ohio River terminals (H. Doc. No. 561); to the Committee on Rivers and Harbors and ordered to be printed.

20. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Director of the Bureau of War Risk Insurance, submitting an estimate of appropriation for the payment of military and naval compensation, funeral expenses, services, and supplies, as authorized by law, for the remainder of the current fiscal year (H. Doc. No. 562); to the Committee on Appropriations and ordered to be printed.

21. A letter from the Secretary of the Treasury, transmitting copy of a communication from the president of the Board of Commissioners of the District of Columbia, submitting a supplemental estimate of appropriation required for public schools, District of Columbia, fiscal year 1920 (H. Doc. No. 563); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. WEBSTER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10287) granting the consent of Congress to the Interstate Construction Corporation to construct a bridge across the Columbia River, between the States of Oregon and Washington, at or within 2 miles westerly from Cascade Locks, in the State of Oregon, and granting a license to construct and maintain the approach to said bridge over property belonging to the Government of the United States, reported the same without amendment accompanied by a report (No. 530), which said bill and report were referred to the House Calendar.

Mr. MAPES, from the Committee on the District of Columbia, to which was referred the bill (H. R. 7158) to provide for the expenses of the government of the District of Columbia, reported the same without amendment, accompanied by a report (No. 531), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 11135) granting an increase of pension to August H. Knippenberg; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 5478) granting a pension to James Noe; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 6090) granting a pension to Sophia Doering; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CHRISTOPHERSON: A bill (H. R. 11425) to provide for the purchase of a site and for the erection of a public building thereon at Canton, S. Dak.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11426) to provide for the purchase of a site and for the erection of a public building thereon at Flandreau, S. Dak.; to the Committee on Public Buildings and Grounds.

By Mr. CLASSON: A bill (H. R. 11427) conferring jurisdiction upon the Court of Claims to hear, examine, consider, and adjudicate the claim of any mixed-blood Menominee Indian who participated in the payment of the sum of $40,000 provided for in article 4 of the treaty with the Menominee Indians of October 18, 1848, or any descendant of such Indian, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 11428) conferring jurisdiction upon the Court of Claims to hear, examine, and adjudicate claims which the Stockbridge and Munsee Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. BARBOUR: A bill (H. R. 11429) to increase the limit of cost of the post-office building to be erected at Bakersfield, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 11430) to punish offenses against the existence of the Government of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. CHRISTOPHERSON: A bill (H. R. 11431) to give the Federal Trade Commission power and authority to allocate and distribute the available supply of print paper; to the Committee on Interstate and Foreign Commerce.

By Mr. FERRIS: A bill (H. R. 11432) to prohibit the export of print paper from the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. WINGO: A bill (H. R. 11433) to provide for the erection of a public building at Nashville, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11434) to provide for the erection of a public building at De Queen, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11435) to provide for the erection of a public building at Van Buren, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. MOORE of Virginia: A bill (H. R. 11436) to provide for the erection of an addition to the post-office building at Alexandria, Va., and for acquiring the land necessary therefor, and for use in connection with the building; to the Committee on Public Buildings and Grounds.

By Mr. JACOWAY: A bill (H. R. 11437) for the erection of a public building at North Little Rock, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11438) for the erection of a public building at Conway, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. BACHARACH: A bill (H. R. 11439) providing for a further survey and examination of Absecon Inlet, Atlantic County, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 11440) to increase the limit of cost of post-office site and building at Vineland, N. J.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11441) to increase the limit of cost of post-office site and building at Millville, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. GREEN of Iowa: A bill (H. R. 11442) to amend the act for the promotion of vocational education; to the Committee on Education.

By Mr. LUHRING: A bill (H. R. 11443) providing for the disposition of the statue of Abraham Lincoln, which formerly stood on the site in front of the courthouse in the city of Washington, in the District of Columbia; to the Committee on the Library.

By Mr. STEVENSON: A bill (H. R. 11444) for benefit of disabled former members of the military and naval forces who are in training under the direction of the Federal Board for Vocational Education; to the Committee on Reform in the Civil Service.

Also, a bill (H. R. 11445) to empower district judges of the United States to accept pleas of the guilty and pass sentence in all cases not capital, at chambers and before bill is found; to the Committee on the Judiciary.

By Mr. HUDSPETH: A bill (H. R. 11446) to assist in increasing the productive agricultural area of Val Verde, Kinney, and Maverick Counties, Tex., and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 11447) to prevent gambling in cotton futures and make it unlawful for any person, corporation, or association of persons to sell any contract for future delivery of any cotton within the United States, unless such seller is actually the legitimate owner of the cotton so contracted for future delivery at the time said sale or contract of sale is made; to the Committee on the Judiciary.

By Mr. ROGERS: A bill (H. R. 11448) to transfer the vocational rehabilitation of disabled persons discharged from the military or naval forces of the United States from the Federal Board for Vocational Education to the Bureau of War Risk Insurance of the Treasury Department; to the Committee on Education.

By Mr. FULLER of Illinois: A bill (H. R. 11449) providing that any person who served in the Army, Navy, or Marine Corps of the United States during any war who was killed in action or died of wounds incurred or disease contracted in such service shall be deemed to have been honorably discharged from such service and to give pensionable status to the widow or former widow of any such person; to the Committee on Invalid Pensions.

By Mr. LUFKIN: Resolution (H. Res. 427) calling on the Secretary of the Navy for certain facts relative to the awarding of medals to certain officers and men of the United States Navy who served in the recent World War; to the Committee on Naval Affairs.

By Mr. GALLIVAN: Resolution (H. Res. 428) requesting the Secretary of War to furnish to the House of Representatives certain information regarding distinguished-service medals; to the Committee on Military Affairs.

By Mr. CLASSON: Joint resolution (H. J. Res. 269) providing for the disposition of the statue of Abraham Lincoln, removed from its site in front of the courthouse in the city of Washington, D. C.; to the Committee on the Library.

By Mr. KAHN: Joint resolution (H. J. Res. 270) authorizing the erection of a monument marking the starting point of the motor convoy from Washington to San Francisco; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 11450) for the relief of Dr. R. B. Leister and Mercy Hospital, Tiffin, Ohio; to the Committee on Claims.

By Mr. BURROUGHS: A bill (H. R. 11451) granting an increase of pension to William D. Moores; to the Committee on Invalid Pensions.

By Mr. CANTRILL: A bill (H. R. 11452) granting an increase of pension to William O. Callis; to the Committee on Invalid Pensions.

By Mr. CLASSON: A bill (H. R. 11453) granting an increase of pension to Joseph Neuville; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 11454) granting a pension to Katherine M. Flanagan; to the Committee on Pensions.

Also, a bill (H. R. 11455) granting a pension to John Searles; to the Committee on Pensions.

By Mr. FOSTER: A bill (H. R. 11456) to correct the military record of Darius Atkinson; to the Committee on Military Affairs.

Also, a bill (H. R. 11457) granting an increase of pension to Franklin Bolen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11458) granting an increase of pension to Jesse Corn; to the Committee on Invalid Pensions.

By Mr. GANDY: A bill (H. R. 11459) granting a pension to John Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11460) granting a pension to Paul J. Flynn; to the Committee on Pensions.

By Mr. HAMILL: A bill (H. R. 11461) granting a pension to Fanny Van Winkle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11462) granting a pension to Ellen Coleman; to the Committee on Invalid Pensions.

By Mr. HERNANDEZ: A bill (H. R. 11463) granting a pension to Knight F. Flanders; to the Committee on Pensions.

By Mr. HERSEY: A bill (H. R. 11464) granting a pension to Ralph L. Hackett; to the Committee on Pensions.

By Mr. HICKS: A bill (H. R. 11465) for the relief of Alphonse Vulin; to the Committee on Claims.

By Mr. JAMES: A bill (H. R. 11466) granting a pension to Alphonzine Bastian; to the Committee on Pensions.

By Mr. JOHNSON of Kentucky: A bill (H. R. 11467) granting an increase of pension to James Donohoo; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 11468) granting an increase of pension to Marion Cahall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11469) granting an increase of pension to Reuben Boring; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11470) granting an increase of pension to John C. Gaskins; to the Committee on Pensions.

By Mr. KENNEDY of Iowa: A bill (H. R. 11471) granting a pension to Frank Alspach; to the Committee on Pensions.

By Mr. KENNEDY of Rhode Island: A bill (H. R. 11472) granting a pension to Julia A. Barnes; to the Committee on Invalid Pensions.

By Mr. KETTNER: A bill (H. R. 11473) granting a pension to Richard McGregor; to the Committee on Pensions.

By Mr. KING: A bill (H. R. 11474) granting an increase of pension to James Duran; to the Committee on Invalid Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 11475) for the relief of Fannie H. Higgins; to the Committee on Claims.

By Mr. OSBORNE: A bill (H. R. 11476) for the relief of Charles D. Crago; to the Committee on Military Affairs.

Also, a bill (H. R. 11477) granting an increase of pension to George F. Griffith; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 11478) granting a pension to Pearl Smith; to the Committee on Invalid Pensions.

By Mr. ROGERS: A bill (H. R. 11479) granting an increase of pension to Philip A. Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11480) granting a pension to Sarah J. Pond; to the Committee on Invalid Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 11481) granting a pension to Priscilla Eggleston; to the Committee on Pensions.

Also, a bill (H. R. 11482) granting a pension to Zora Hockman; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 11483) granting a pension to Mary E. Nevins; to the Committee on Pensions.

Also, a bill (H. R. 11484) granting a pension to Martha Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11485) granting a pension to Mary E. Bowen; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 11486) granting an increase of pension to Ray W. Burkdoll; to the Committee on Pensions.

By Mr. VARE: A bill (H. R. 11487) granting a pension to Alice J. Goebel; to the Committee on Invalid Pensions.

By Mr. VOIGT: A bill (H. R. 11488) granting a pension to Elizabeth M. Sager; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

584. By the SPEAKER: Petition of H. A. Stenburgh, secretary of Brotherhood of Railroad Trainmen 413, favoring the

extension of from two to five years of Government control of railroads; to the Committee on Interstate and Foreign Commerce.

585. Also, petition of first national convention of the Labor Party, assembled in the city of Chicago, Ill., protesting against the treatment of the 400,000 mine workers by the officers of the Government during the recent strike; to the Committee on Labor.

586. By Mr. BEGG: Petition of Thomas S. Falkner Garrison, No. 156, Army and Navy Union, Tiffin, Ohio, urging action against seditious acts and utterances; to the Committee on the Judiciary.

587. Also, petition of citizens of Willard, Huron County, Ohio, urging favorable action on the Lehlbach-Sterling bill; to the Committee on Reform in the Civil Service.

588. Also, petition of the wool growers of Seneca County, Ohio, urging enactment of pure fabric law and tariff on wool; to the Committee on Ways and Means.

589. By Mr. BURROUGHS: Petition of Laconia Lodge, No. 876, Benevolent and Protective Order of Elks, Laconia, N. H., by Laurence B. Holt, E. R., advocating legislation providing for the summary deportation of every alien in the United States who is a member of the Industrial Workers of the World or any other organization of like teachings and tendencies; to the Committee on Immigration and Naturalization.

590. By Mr. CULLEN: Petition of Old Glory Naval Post, No. 48, American Legion, Department of New York, favoring passage of Morgan bill, House bill 5545; to the Committee on Military Affairs.

591. Also, petition of National Farmers' Union, favoring appropriation for development of nitrate plant at Muscle Shoals, Ala.; to the Committee on Agriculture.

592. Also, petition of sundry citizens of New York, favoring passage of legislation giving six months' pay to soldiers and sailors of the World War; to the Committee on Military Affairs.

593. By Mr. FULLER of Illinois: Petition of Technical Engineers, Architects, and Draftsmen's Union, Local No. 14, of Chicago, Ill., opposing the antistrike provisions of the Cummins railroad bill; to the Committee on Interstate and Foreign Commerce.

594. Also, petition of the Railroad Men's International Benevolent Industrial Association, favoring sections 300 and 301 of the original Esch railroad bill; to the Committee on Interstate and Foreign Commerce.

595. Also, petition of sundry citizens of Chicago, Ill., asking that pensions of widows of Civil War soldiers be at the same rate as the soldiers; to the Committee on Invalid Pensions.

596. Also, petition of the Board of Supervisors of Kendall County, Ill., concerning use of Army trucks on the public highways; to the Committee on Roads.

597. Also, petition of sundry Grand Army posts and individuals, favoring the Fuller bill, House bill 9369, to increase Civil War pensions; to the Committee on Invalid Pensions.

598. By Mr. GALLIVAN: Petition from the Roger Casement Branch of the Friends of Irish Freedom, favoring legislation that will prevent deferred payment of interest on loans to foreign countries; to the Committee on Foreign Affairs.

599. Also, petition of Common Council and Board of Aldermen of the city of Malden, Mass., favoring the extension to Gen. Clarence R. Edwards a proper and fitting recognition of the valuable services rendered by him in the World War; to the Committee on Military Affairs.

600. Also, petition of Paul Revere Branch, Friends of Irish Freedom, deploring the action of the War Department in slighting Gen. Clarence R. Edwards; to the Committee on Military Affairs.

601. Also, petition of Francis G. Kane Post, Malden Post, No. 69, Chelsea Post, No. 34, American Legion, Department of Massachusetts, regarding Gen. Clarence R. Edwards; to the Committee on Military Affairs.

602. Also, petition protesting against the creation of a United States Army subdivided into the Regular Army, National Guard, or National Army, and reserves, trained and untrained; to the Committee on Military Affairs.

603. By Mr. HERSEY: Petition of the Maine State Grange at its forty-sixth annual session, relative to compensation being paid where animals are killed which do not prove to be afflicted with tuberculosis; to the Committee on Agriculture.

604. By Mr. KELLEY of Michigan: Petition of W. F. Lange and 14 other residents of Lansing, Mich., in favor of House bill 3149, the civil-service retirement bill; to the Committee on Reform in the Civil Service.

605. By Mr. McGLENNON: Petition of Pierce McCain Branch, Friends of Irish Freedom, favoring the safeguard of the liberty in our Liberty bonds; to the Committee on Foreign Affairs.

606. Also, petition of Hope Council, No. 483, Knights of Columbus, Jersey City, N. J., favoring the Mason bill recognizing the freedom of Ireland; to the Committee on Foreign Affairs.

607. By Mr. MAHER: Petition of Old Glory Naval Post, No. 48, American Legion, Department of New York, favoring the Morgan bill, House bill 5545; to the Committee on the Public Lands.

608. By Mr. NELSON of Wisconsin: Petition of citizens of Tomahawk, Wis., protesting against Esch and Cummins bills; to the committee on conference on the Esch and Cummins bills.

609. Also, petition of Aerie No. 80, Fraternal Order of Eagles, protesting against Cummins bill; to the committee on conference on the Esch and Cummins bills.

610. Also, petition of Sheet Metal Workers and Coppersmiths and 11 other workers' organizations, of Superior, Wis., protesting against the Esch and Cummins bills; to the committee on conference on the Esch and Cummins bills.

611. Also, petition of citizens of Itasca, Wis., protesting against the passage of the Cummins and Esch bills; to the committee on conference on the Esch and Cummins bills.

612. Also, petition of Mazzini Club, of Hurley, Wis., protesting against the enactment of proposed immigration laws; to the Committee on Immigration and Naturalization.

613. Also, petition of Italian-American Society, of Hurley, Wis., protesting against enactment of proposed immigration laws; to the Committee on Immigration and Naturalization.

614. Also, petition of Society pour Abruzzi, of Hurley, Wis., protesting against the enactment of proposed immigration laws; to the Committee on Immigration and Naturalization.

615. By Mr. O'CONNELL: Petition of National Farmers' Union, requesting legislation and appropriation to develop the nitrate plant at Muscle Shoals, Ala.; to the Committee on Agriculture.

616. Also, petition of Flint (Mich.) Board of Commerce, requesting legislation rescinding the income tax on mortgages owned by any individual up to $40,000; to the Committee on Ways and Means.

617. Also, petition of William Streeter, of Stephensburg, N. J., favoring passage of House bill 9369; to the Committee on Invalid Pensions.

618. Also, petition of France and Canada Steamship Corporation, favoring return of radio stations to private ownership; to the Committee on Naval Affairs.

619. Also, petition of J. E. Latimer, of the United States Geological Survey, submitting plan of retirement on a service basis; to the Committee on Reform in the Civil Service.

620. Also, petition of Old Glory Naval Post No. 48, American Legion, Department of New York, favoring passage of the Morgan bill, House bill 5545; to the Committtee on Military Affairs.

621. Also, petition of William H. Myers, of Rosedale, Kans., favoring passage of the Civil War volunteer officers' retirement bill; to the Committee on Military Affairs.

622. Also, petition of Dairymen's League, of New York City, indorsing the principles of the Capper-Hersman bill; to the Committee on the Judiciary.

623. Also, petition of S. G. Rosenbaum, of New York City, favoring legislation to protect individual owners of railroad securities; to the Committee on Interstate and Foreign Commerce.

624. Also, memorial of Woman's Foreign Missionary Society of the Methodist Episcopal Church, Puente, Calif., in support of House bill 8063; to the Committee on the Judiciary.

625. By Mr. RAMSEYER: Petition of the executive committee of the Iowa State Manufacturers' Association, in special session, protesting against the development of anarchist propaganda, and urging the enactment of laws to combat this menace to our Government; to the Committee on the Judiciary.

626. Also, petition of citizens of Ottumwa, Iowa, urging enactment of the Lehlbach-Sterling bill; to the Committee on Reform in the Civil Service.

627. By Mr. RAKER: Petition of San Francisco and Northern California Fur Dealers' Association, protesting against Title IX, section 900, of the revenue act of 1918, and urging its repeal; to the Committee on Ways and Means.

628. Also, petition of Charles E. Hess, secretary California Legislative Board Railway Trainmen, protesting against any antistrike legislation; to the Committee on the Judiciary.

629. Also, petition of Dr. F. J. Bailey, of Red Bluff, Calif., protesting against the enactment of section 400 of the Esch bill; to the Committee on Interstate and Foreign Commerce.

630. Also, petition of Dr. G. W. Davis, of Lincoln, Calif., and Dr. C. E. Rex, of Redding, Calif., protesting against the enactment of section 400 of the Esch bill; to the Committee on Interstate and Foreign Commerce.

631. Also, petition of Pacific Northwest Tourist Association, urging additional appropriation for the national parks; to the Committee on the Public Lands.

632. Also, petition of Dr. F. E. McCann, of Corning; Dr. C. H. Haake, of Kennett, and Dr. J. W. Jesse, of Santa Rosa, all in the State of California, protesting against the enactment of section 400 of the Esch bill; to the Committee on Interstate and Foreign Commerce.

633. Also, petition of Dr. F. E. McCann, of Corning, Calif., protesting against the enactment of section 400 of the Esch bill; to the Committee on Interstate and Foreign Commerce.

634. Also, petition of Pacific American Steamship Co., of San Francisco, Calif., protesting against the enactment of section 45 of the Cummins bill and indorsing the amendments proposed by Senator JONES in the Senate; to the Committee on Interstate and Foreign Commerce.

635. Also, petition of Maydwell Co., of San Francisco, Calif., indorsing the Madden bill for 1-cent postage in cities, towns, and rural routes; to the Committee on the Post Office and Post Roads.

636. Also, petition of Farmers' Educational and Cooperative Union of America, California Division, indorsing House bill 7783 and Senate bill 2202, and protesting against the Chamberlain-Kahn bill for compulsory military training; to the Committee on the Judiciary.

637. Also, petition of Stockton section of the Women's National Democratic League, relative to the citizenship status of married women; to the Committee on Immigration and Naturalization.

638. Also, petition of Merchants' Association of Watsonville, Calif., urging steps to be taken in regard to the Japanese question; to the Committee on Immigration and Naturalization.

639. Also, petition of First National Bank of Hanford, Calif., urging the passage of section 6 of the Cummins bill; to the Committee on Interstate and Foreign Commerce.

640. Also, petition of Foreman & Clark, of Los Angeles, indorsing the bill introduced by Representative MADDEN, for 1 cent postage in cities, towns, and rural routes; to the Committee on the Post Office and Post Roads.

641. By Mr. SINCLAIR: Petition of Order of Railroad Telegraphers, Chicago, Milwaukee & St. Paul Division No. 23, Bowman, N. Dak., protesting against return of the railroads to private control, and demanding two years' extension of Government operation; also protesting against antistrike clauses in the railroad bills; to the Committee on Interstate and Foreign Commerce.

642. Also, petition of Chad. D. Ross and 23 other Indians of the Fort Berthold (N. Dak.) Reservation, including the tribes known as the Arickarees, the Gros-Ventres, and the Mandans, asking the adoption of House bill 4382, relating to affairs of petitioners; to the Committee on Indian Affairs.

643. Also, petition of Tim Running Post, No. 24, American Legion, Devils Lake, N. Dak., asking that a bonus of approximately $1 per day be granted by Congress to all ex-service men and women; also that Congress provide means whereby ex-service men may borrow money from the Government at a low rate of interest for the purpose of buying or developing farm or city homes; also that these measures be advanced to passage within the next few weeks; to the Committee on Military Affairs.

644. By Mr. THOMPSON: Petition of Farmers' Educational and Cooperative Union of America, of Gravette, Ark., asking that the nitrate plant at Muscle Shoals, Ala., be put in operation for the production of fertilizer and that appropriation be made to adjust this plant for operation and financing such fertilizer production; to the Committee on Agriculture.

645. By Mr. VARE: Petition of Philadelphia Board of Trade, in support of amendment to "act to regulate commerce, etc."; to the Committee on Interstate and Foreign Commerce.

646. Also, petition of Philadelphia Chamber of Commerce, asking early passage of treaty and league of nations; to the Committee on Foreign Affairs.

647. Also, petition of American Legion, Naval Post No. 197, Philadelphia, asking passage of bill increasing pay for soldiers, sailors, and marines; to the Committee on Military Affairs.